care property invest

Annual Financial Report **2020**

REGULATED INFORMATION
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ANNUAL FINANCIAL REPORT
for the period from 1 January 2020 to 31 December 2020
AUDITED

Care Property Invest declares that:
the 2020 Annual Financial Report has been filed as a Universal Registration Document with the FSMA on the date of 23 April 2021, as the competent authority under Regulation (EU) 2017/1129 without prior approval under Article 9 of Regulation (EU) 2017/1129;
the Universal Registration Document may be used for an offer of securities to the public or the admission of securities to trading on a regulated market, provided that it has been approved by the FSMA, together with any amendments and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.

The information made available via the website does not form part of this Universal Registration Document unless that information is incorporated by reference.
The Dutch version as well as the French and English version of this annual financial report are legally binding. Within the framework of their contractual relationship with the Company, investors can therefore always appeal to the translated versions. Care Property invest, represented by its responsible people, is responsible for the translation and conformity of the Dutch, French and English language versions. However, in case of discrepancies between language versions, the Dutch version always prevails.
In 2019 the hard work of the Company's employees was rewarded with 10 new investments.

In 2020 the hard work of the Company's employees was rewarded with 14 new investments.

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I. Risk factors

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The strategy of Care Property Invest is aimed at creating stability for the investors, in terms of both dividends and income in the long term.

The Executive Committee and the Board of Directors are aware of the specific risks associated with the management of the Care Property Invest property portfolio and aim for optimal management of these and to limit them as far as possible. The list of risks which are described in this section is not exhaustive. Most of these factors relate to uncertain events that could occur.

In the context of the ESMA guidelines on risk factors under the Prospectus Regulation, the Company[1] has, on the one hand, limited itself to those risk factors that apply specifically to it and therefore not to the entire real estate sector, RREC sector or all listed companies and, on the other hand, to those that are also material.

General, non-material or other unknown or improbable risks or risks which, on the basis of the information currently available, are not assumed to have an adverse effect on the Company or on its activities or financial situation, may exist.

Care Property Invest is of the opinion that the factors described below reflect the main risks currently associated with the Company and its activities. The order in which the risk factors are listed is an indication of the importance, per category (in relation to the probability that they will occur and the expected scale of the adverse effect) of the risk factors. It should also be noted that risk management is not an exercise only conducted at certain intervals, but an integral part of the way in which Care Property Invest is run on a daily basis.

The main risk factors that Care Property Invest faces are the subject of regular and daily monitoring by the Risk Manager, the Effective Leaders and the Board of Directors, who have defined a prudent policy in this respect, which they will update regularly if necessary. This ranges from daily financial and operational management, analysis of new investment projects and formulating the strategy and objectives to laying down strict procedures for decision-making. Understanding and protecting against/eliminating risks arising from both internal and external factors is essential in order to achieve a stable total return in the long term.

In 2019, the Company decided to set up an Audit Committee. This Audit Committee's task in relation to risk management is to monitor the efficiency of the Company's risk management systems.

(1) The term 'Company' refers in this annual financial report to: Care Property Invest nv.

Impact of the coronavirus outbreak

The COVID-19 outbreak in early 2020 and the associated measures to control the spread of the virus did not have a significant impact on the financial performance in 2020.

For 2021, the Company has a solid basis in terms of liquidity and debt ratio. The contribution in kind of the 'Résidence des Ardennes' project in Attert and the increase of the MTN programme to €300 million at the beginning of 2021 further strengthen the Company's position. Nevertheless, developments in the sector and among tenants are closely monitored, as well as the broader impact of the COVID-19 crisis and the measures and vaccination strategy. In the longer term, the demand for healthcare real estate driven by demographic evolutions remains unaffected by the COVID-19 crisis. This crisis has only underlined the importance of providing proper care for the elderly.

1. Operational risks

1.1 Risks associated with the solvency of lessees

1.1.1. DESCRIPTION OF THE RISK

This risk can be described as the risk of (partial) default or mandatory liquidation of tenants, lessees and long-term leaseholders.

1.1.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns a sudden, unexpected diminution in rental income due to a deterioration in the debt collection rate or a fall in the occupancy rate, as well as rising commercial costs for re-letting if the insolvency of tenants leads to voids. There is a risk that if the relevant tenants, lessees or long-term leaseholders remain in default, the surety will not suffice and the Company will consequently bear the risk of being unable to recuperate sufficient amounts, if any. This all has an impact on the profitability of the Company and the capacity to distribute dividends or at least to maintain the level of these.

The Company assesses the probability of this intrinsic risk as average and its potential impact as average.

1.1.3. LIMITING FACTORS AND MANAGEMENT OF THE RISK

The Company arms itself against these risks on different levels. For the projects in the initial portfolio*(1)*, the costs in the event of a possible insolvency of an operator (in this case a public centre for social welfare (OCMW/ CPAS)) are hedged by the municipal guarantee fund. A carefully selected portfolio of operators with a balanced spread further provides for an excellent spread of risks. The solvency of the tenants is thoroughly screened before inclusion in the portfolio, with the aid of an external financial adviser.

The Company aims to expand its portfolio via long-term contracts with stable and solvent first-class tenants. Before investing in a particular healthcare property, a thorough analysis is conducted of the business plan of the operator and certain ratios that reflect the quality of life of the project. On a half-yearly or quarterly basis, the Company also monitors the financial position of the operators and reviews a number of operational parameters that the operators are required to provide on the basis of the provisions of the rental agreements or lease contracts.

As of the publication date of this universal registration document, none of the Company's tenants had defaulted on payments related to the 2020 financial year and no tenants, lessees or leaseholders had become insolvent.

Nevertheless, it estimates the residual risk, i.e., taking account of the limiting factors of the risk and management of the risk as described above, as average in terms of both probability and in terms of impact.

(1) The initial portfolio concerns the financial leases (with a balance sheet value (finance lease receivables) of €156,518,610 and a generated rental stream of €14,514,696 as at 31/12/2020) that the Company concluded until 2014.

1.2 Risks associated with the concentration risk

1.2.1. DESCRIPTION OF THE RISK

This risk can be described as the risk of concentration of lessees or investments in one or more buildings in relation to the overall real estate portfolio.

In accordance with the RREC legislation the Company is required to limit these risks and to spread its risks by respecting a diversification of its real estate on the geographical level, per type of property and per lessee. Article 30 of the RREC legislation provides that 'no action performed by the Public RREC may result in (1°) more than 20% of its consolidated assets being invested in real estate forming a single real estate unit; or (2°) this percentage increasing further if it already amounts to more than 20%, regardless of the cause, in the latter case, of the original overrun of this percentage. This restriction applies at the time of the action concerned'. If the Company exceeds the 20% diversification rule, it may not make any investments, divestments or take other actions that could result in a further overrun of this percentage. In other words, this limits the possibilities of the Company in relation to additional investments or divestments. The reason for this is that excessive exposure to an operating lessee also entails excessive exposure to the risk of that lessee's insolvency (see "1.1 Risks associated with the solvency of lessees' on page 10).

In view of the dynamism of the large groups of operators active in the accommodation for senior citizens sector and the consolidation that has been underway in the sector for several years, one or more concentrations between two or more groups that are affiliated to legal entities with which the Company has contracted rental or long-term lease contracts cannot be ruled out. This could potentially impact the diversification level of the lessee.

As at 31 December 2020, the ratio of the fair value of the three largest investment properties to the consolidated assets of the Company (including the fair value of the financial leases) was as follows:

- Les Terrasses du Bois (Watermaal-Bosvoorde): 4.30%
- Westduin (Westende): 4.12%
- De Wand (Laeken): 3.49%.

The concentration risk for Armonea (Groupe Colisée), Vulpia Care Group and Groupe Korian is less than 20% for each of these operators individually, i.e., 19.78%, 10.03% and 9,.98% respectively.

Regarding the rental agreements for these properties in relation to the consolidated rental income, the ratio on 31 December 2020 is as follows:

- Les Terrasses du Bois (Watermaal-Bosvoorde): 5.23%
- Westduin (Westende): 2.46%
- De Wand (Laeken): 2.07%

1.2.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns a sharp diminution in income or cash flows in the event of the departure of a lessor, which in turn has an impact on the profitability of the Company and the possibility of paying dividends or at least maintaining the level of these. The impact could be strengthened by a fall in the fair value of the real estate and consequently, a fall in the net active value (NAV) in the event of a concentration of investments in one or more buildings (see also below under risk factor "1.3 Risks associated with negative changes in the fair value of the buildings' on page 12).

The Company assesses the probability of the intrinsic risk as average and the impact of the intrinsic risk also as average.

1.2.3. LIMITING FACTORS AND MANAGEMENT OF THE RISK

Care Property Invest strictly follows the statutory diversification rules in this regard, as provided in the RREC legislation. The Company did obtain permission from the FSMA to take account of the fair value of the financial leases in the denominator in the calculation of the ratio of the concentration risk instead of the book value. The Company has no opportunities to expand its activities to sectors other than healthcare real estate, which means that diversification at the sectoral level is not possible, although this is possible on the geographical level.

Care Property Invest aims for a strongly diversified lessee base. At the close of the financial year, the largest lessee accounted for 18% of the total revenue, spread over several sites (see the '2.3 Distribution of income received from rental and long lease agreements per operator' on page 143 diagram in Chapter 'VI. Real estate report'). Furthermore, the Company's real estate portfolio already has a good spread over more than 124 sites, with the largest site representing less than 5% of the fair value of the portfolio (see diagram '2.2 Distribution of the number of projects per operator' on page 143 in Chapter 'VI. Real estate report').

The Company estimates the residual risk, taking account of the limiting factors of the risk and management of the risk as described above, associated with the concentration risk, as average in terms of both probability and impact.

1.3 Risks associated with negative changes in the fair value of the buildings

1.3.1. DESCRIPTION OF THE RISK

This risk can be described as the exposure of the Company to a potential fall in the fair value of its real estate portfolio, as a result of a revaluation of the real estate portfolio or otherwise.

The Company is also exposed to the risk of a diminution in the value of the real estate in its portfolio as a result of:

- wear and tear/damage or voids
- errors during the transaction (e.g., erroneous plans and/or measurements or errors in the due diligence process)
- failure to comply with the increasing (statutory or commercial) requirements, including on the level of sustainable development
- economic cycle or market conditions: the acquisition of real estate for an excessively high price in relation to the underlying value or the sale of real estate for too low a price in relation to the underlying value, e.g., by investing or disinvesting at an unfavourable moment in the investment cycle. In the longer term, the impact of the Covid19 crisis could manifest itself in a reduction (negative variation) in the fair value of the buildings.

1.3.2. POTENTIAL IMPACT FOR THE COMPANY

The impact of a fall in the fair value is a fall in the Company's equity, which has a negative impact on the debt ratio. If the fair value of the buildings as at 31 December 2020 were to fall by €215.5 million, or 40.4% of the fair value of the investment properties as at 31 December 2020, this would result in the Company's debt ratio rising to 65% (see also '2.2 Risks associated with the evolution of the debt ratio' on page 15).

If the cumulative changes in the fair value exceed the distributable reserves, there is a risk of partial or total inability to pay dividends.

The Company monitors its debt ratio and the evolution of the fair value of its investment properties on a regular basis (see also risk factor '2.2 Risks associated with the evolution of the debt ratio' on page 15). The Company also runs the risk that, as a result of the application of Article 7:212 BCCA, it would no longer be able to pay the priority dividend or a dividend in accordance with Article 7:212 BCCA.

If the Company conducts a transaction, through investment or disinvestment in real estate, it also runs the risk that it will not identify certain risks on the basis of its due diligence inquiries or that, even after performing due diligence inquiries and an independent real estate assessment, it will acquire or sell real estate for too high or too low a price in relation to the underlying value, for example by conducting transactions at an unfavourable moment in an economic cycle.

The Company assesses the probability of the intrinsic risk as low.

1.3.3. LIMITING FACTORS AND MANAGEMENT OF THE RISK

Care Property Invest therefore has an investment strategy aimed at high quality assets that offer a stable income and provides for adequate monitoring of its assets, combined with a prudent debt policy.

The real estate portfolio (more specifically, the part shown as real estate investment) is valued by a real estate expert every quarter. The lease receivables portfolio is hedged in accordance with IFRS 16 and the book value is not subject to negative variations due to the value of the property itself, but rather due to an increase in market interest rates. A value fluctuation of 1% of the real estate portfolio would have an impact of about €5.34 million on the net results, of about €0.231 on the net result per share and of about 0.34% on the debt ratio. This value fluctuation concerns a non-cash element that therefore, as such, has no impact on the adjusted EPRA Earnings, except in the case of a realisation that entails a net loss that is not exempt from distribution and therefore the Company's result for the payment of its dividend. In the event of accumulated negative variations, it is possible that the Company's ability to pay its dividend will come under pressure.

The Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk as described above, as low in terms of probability.

Also, in the 2020 financial year, there is no negative variation in the fair value of the buildings due to COVID-19 but rather an upward trend due to the declining market yield for healthcare properties.

2. Financial risks

2.1 Risks associated with covenants and statutory financial parameters

2.1.1. DESCRIPTION OF THE RISK

This risk can be described as the risk of non-compliance with statutory or contractual requirements to comply with certain financial parameters in relation to the credit contract.

The following parameters were included in the covenants:

- A maximum debt ratio of 60%.
  On 31 December 2020, the maximum consolidated debt ratio of the Company was 46.31%, resulting in an available scope of €256.5 million. The limitation of the debt ratio to 60% is included in the loans for a total sum of €348,340,230 on 31 December 2020 (shown for a sum of €123,340,230, or 37.3% of the total financial debts). For more information on the debt ratio, reference is made to '2.2 Risks associated with the evolution of the debt ratio' on page 15.
- An interest coverage ratio (being the operating result before the result on the portfolio, divided by the interest charges paid) of at least 2. On 31 December 2020 the interest coverage ratio was 4.27 and on 31 December 2019 this amounted to 4.22. The Company's interest charges must increase by €8,073,864, from €7,099,028 to €15,172,892 in order to reach the required minimum of 2. However, severe and abrupt pressure on the operating result could jeopardise compliance with the interest coverage ratio parameter. The operating result for the portfolio must fall by more than half (53%) from €30,345,783 to € 14,198,056 before the limit of 2 is reached in terms of the interest coverage ratio.

2.1.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns any cancellation of loans and damaged trust between investors and bankers on non-compliance with contractual covenants. It is possible that the Company would no longer be able to raise the external financing necessary for its growth strategy on favourable terms or that the market conditions are of a nature that necessary external financing can no longer be found for the activities of the Company.

The Company runs the risk of the termination, renegotiation or cancellation of financing agreements or that these contain an obligation to make early repayment if certain undertakings, such as compliance with financial ratios, are not met. This could lead to liquidity problems, in view of the similar character in the covenants of the financial institutions of the maximum debt ratio or interest cover ratio of a cumulative nature and could force the Company to liquidate fixed assets (e.g., sale of real estate) or to implement a capital increase or other measures in order to bring the debt level below the required threshold. There is also a possibility that the regulator will impose sanctions or tighter supervision in the event of failure to comply with certain statutory financial parameters (e.g., compliance with the statutory debt ratio, as laid down in Article 13 of the RREC Royal Decree).

The consequences for the shareholders could include a reduction in the equity and, therefore, the net asset value, because a sale must take place at a price below that book value, a dilution can take place because a capital increase will have to be organised and this will have an impact on the value of the shares and the future dividend prospects.

The Company assesses the probability of this risk factor as average. The impact of the intrinsic risk is assessed as high.

2.1.3. RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

In order to limit these risks, the Company pursues a prudent financial policy with continual monitoring in order to comply with the financial parameters of the covenants.

The Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk as described above, as average in terms of probability and as high in terms of its impact.

2.2 Risks associated with the evolution of the debt ratio

2.2.1. DESCRIPTION OF THE RISK

The Company's borrowing capacity is limited by the statutory maximum debt ratio of 65% which is permitted by the RREC legislation. At the same time, thresholds have been set in the financing contracts concluded with financial institutions. The maximum debt ratio imposed by the financial institutions is 60% (see also '2.1 Risks associated with covenants and statutory financial parameters' on page 14).

The Company runs the risk of the termination, renegotiation or cancellation of financing agreements or that these contain an obligation to make early repayment if certain undertakings, such as compliance with financial ratios included in covenants, are not met. On exceeding the statutory maximum threshold of 65%, the Company runs the risk of losing its RREC certificate through withdrawal by the FSMA.

In general, it is possible that the Company would no longer be able to raise the external financing necessary for its growth strategy on favourable terms or that the market conditions are of a nature that necessary external financing can no longer be found for activities of the Company. The Company runs the risk of the termination, renegotiation or cancellation of financing agreements or that these contain an obligation to make early repayment if certain undertakings, such as compliance with financial ratios, are not met.

As at 31 December 2020, the consolidated debt ratio was 46.31%. In January 2021, the Company also increased its capital by €42,087,805 through a contribution in kind as a result of which the margin up to 60% was again increased (i.e., €63.1 million). As at 31 December 2019, the consolidated debt ratio was 49.32%.

As at 31 December 2020, the Company had an extra debt capacity of €256.5 million before reaching a debt ratio of 65% and of €151.8 million before reaching a debt ratio of 60%.

The value of the real estate portfolio also has an impact on the debt ratio.

Taking account of the capital base as at 31 December 2020, the maximum debt ratio of 65% would be exceeded only with a potential fall in the value of the real estate portfolio of about €215.5 million, or 40.4% of the real estate portfolio of €533.9 million as at 31 December 2020. With a fall in the value of about €171 million, or 32.0% of the property portfolio, the debt ratio of 60% would be exceeded.

The Company does wish to note that it has contracted payment obligations for the unrealised part of the developments that it has already included in its balance sheet, representing €47.4 million. In addition, the Company has acquired a number of projects under suspensory conditions, for which the estimated cash-out amounts to €53.5 million. As a result, the available capacity for the debt ratio is €155.6 million before reaching a debt ratio of 60% and €299.1 million before reaching a debt ratio of 65%.

2.2.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns the risk that statutory sanctions may be imposed if certain thresholds are exceeded (including a prohibition of payment of a dividend) or that a breach of certain conditions of the financing contracts is committed.

Like all public RRECS, Care Property Invest is subject to tighter supervision by the supervisory authority of compliance with these maximum debt levels.

The Company assesses the probability of this intrinsic risk factor as low and the impact of the intrinsic risk as high.

2.2.3. RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

In this case too, it pursues a prudent financial policy with continual monitoring of all planned investments and earnings forecasts, and the coordination of the possibility of a capital increase under the forms permitted by the RREC legislation in order to avoid any statutory sanctions for exceeding this maximum limit at all times.

The Company estimates the residual risk, i.e., taking account of the limiting factors as described above, associated with the risk as low in terms of probability and high in terms of impact.

2.3 Risks associated with the cost of the capital

2.3.1. DESCRIPTION OF THE RISK

This risk can be described as the risk of unfavourable fluctuations in interest rates, an increased risk premium in the stock markets and/or an increase in the cost of the debts.

2.3.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns a material increase in the weighted average cost of the Company's capital (equity and debts) and an impact on the profitability of the business as a whole and of new investments.

As at 31 December 2020, the fixed-interest and floating rate loans accounted for 51.59% and 48.41% of the total financial liabilities respectively. The percentage of floating rate debt contracted that was converted into a fixed-interest instrument (in relation to the total financial debt) via a derivative instrument amounted to 47.47% as at 31 December 2020. An increase in the interest rate of 1%, without taking into account the hedging instruments, would mean an extra financing cost for the Company of €121,470. The conclusion relating to this cost can be extended on a linear basis to sharper changes in the interest rate. Such an increase will have an impact on the adjusted EPRA Earnings and, therefore, on the scope for the Company to pay a dividend of €0.001 per share.

A change in the interest curve of 1% (upward) would have an impact on the fair value of the credit portfolio of approximately €11.8 million.

The conclusion relating to the impact of the change in the interest curve can be continued on a linear basis. An increase in interest rates would have a positive effect on the status of the global result via the variations in the fair value of financial assets/liabilities, amounting to €0.821 per share, but a negative influence on the distributable result and also on the global result through the increase of part of the net interest costs that is exposed to fluctuations in interest rates, amounting to €0.001, so that the overall effect on the global result of an increase in the interest rate of 1% would amount to €0.820 per share. A fall in interest rates would have a negative impact on the status of the global result amounting to €0.940 per share, but a positive influence on the distributable result and also on the global result, amounting to €0.001, so that the overall effect on the global result of a fall in the interest rate of 1% would amount to €-0.939 per share.

The increase in the required risk premium on the stock markets could result in a fall in the price of the share and make financing of new acquisitions more costly for the Company.

The Company assesses the probability of this intrinsic risk factor as average and its intrinsic impact also as average.

2.3.3. RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

With regard to the initial portfolio(1), Care Property Invest protects itself against interest rate rises through the use of fixed-interest contracts or swaps. For the initial portfolio, only the renewable loans at Belfius, amounting to €6,890,000, are subject to a limited interest risk, as these loans are subject to review every three years. For the new portfolio,(2) the outstanding commercial paper of €92 million and a roll-over credit of €30 million are subject to changes in interest rates on the financial markets. Care Property Invest aims to hedge itself against fixed interest rates for at least 80% via swaps. In this way the Company wishes to anticipate the risk that the increase in interest rates will be primarily attributable to an increase in real interest rates.

There are also 10 renewable loans for the new portfolio. Care Property Invest monitors movements in interest rates with close attention and will hedge itself against timely any excessively high increase in interest rates.

Further notes on the credit lines are provided in Chapter VII. Financial statements, with 'Note 5: Notes to the consolidated financial statements' on page 186, 'T 5.11 Net interest expense' on page 190, 'T 5.28 Financial liabilities' on page 202 and 'T 5.18 Financial fixed assets and other non-current financial liabilities' on page 195. If the increase in interest rates results from an increase in the level of inflation, the indexation of the rental income also serves as a tempering factor, albeit only after the indexation of the lease agreements can be implemented, so that there is a delaying effect here.

In general, Care Property Invest aims to build up a relationship of trust with its bank partners and investors and maintains a continual dialogue with them in order to develop a solid long-term relationship.

Nevertheless, the Company continues to regard this risk as material.

2.4 Risks associated with the use of derivative financial products

2.4.1. DESCRIPTION OF THE RISK

This risk can be described as the risks of the use of derivatives to hedge the interest rate risk. The fair value of the derivative products is influenced by fluctuations in interest rates in the financial markets. The fair value of the derivative financial products amounted to €-27,975,990 as at 31 December 2020, compared with €-22,617,736 as at 31 December 2019. The change in the fair value of the derivative financial products amounted to €-5,358,254 as at 31 December 2020.

(1) The initial portfolio concerns the finance leases (with a balance sheet value of €156,518,610 (finance lease receivables) and a generated rental income stream of €14,514,696 as at 31/12/2020) that the Company concluded until 2014.

(2) The new portfolio as referred to here concerns the finance leases (with a balance sheet value of €30,837,143 and a generated rental income stream of €1,270,535 as at 31/12/2020) and the investment properties (with a balance sheet value of €533,854,521 and a generated rental income flow of €20,417,865 as at 31/12/2020) that the Company acquired after 2014.

2.4.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns the complexity and volatility of the fair value of the hedging instruments and consequently, also the net asset value (NAV), as published under the IFRS standards and also the counter-party risk in relation to partners with which we contract derivative financial products. The fall in the fair value of the derivative products amounting to €5,358,254 represents a fall in the net result and the net asset value (NAV) per share of €0.23 per share, without having an impact in the adjusted EPRA Earnings and, therefore, the capacity of the Company to pay its priority dividend. An increase in market interest rates by 1% results in an increase in the fair value of the derivative financial products amounting to €18,980,121 or €0.82 per share and an increase in the net asset value (NAV) per share amounting to €0.79 per share. A fall in market interest rates by 1% results in a diminution in the fair value amounting to €21,725,057 or €0.94 per share and a fall in the net asset value (NAV) per share amounting to €0.90.

The Company assesses the probability of this intrinsic risk factor as average and its impact also as average.

2.4.3. RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

All derivative financial products are held solely for hedging purposes. No speculative instruments are held. All derivative financial products are interest rate swaps and loans taken up with a fixed forward interest rate. Care Property Invest also works only with reputable financial institutions (Belfius Bank, KBC Bank, BNP Paribas Fortis and ING).

The Company conducts frequent talks with these financial institutions on the evolution of the interest rates and the impact on the existing derivative financial products. The Company also monitors the relevant interest rates itself.

However, the COVID-19 crisis causes greater volatility and pressure on the interest rates, so that this monitoring becomes all the more important in order to counter the volatility.

Nevertheless, the Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk as low in terms of probability and average in terms of impact.

3. Regulatory and other risks

3.1 Risks associated with changes in the withholding tax rate

3.1.1. DESCRIPTION OF THE RISK

In principle, the withholding tax amounts to 30%, with the possibility of a reduction or exemption from this rate.

On the basis of Articles 89, 90 and 91 of the Act of 18 December 2016, which entered into force on 1 January 2017, reduced withholding tax of 15% applies (instead of 30%) for RRECs in which direct or indirect investments in properties located in a member state of the EEA and are intended primarily for residential care or residential units adapted for health care account for at least 60% of their real estate. The shareholders of Care Property Invest have therefore enjoyed that reduced rate since 1 January 2017, since more than 60% of the Company's real estate portfolio is invested in the sector of housing for senior citizens.

There is a risk that, for budgetary or other reasons, (e.g., the expansion of the application scope of this exemption because other RRECs comply with this requirement) the government will scrap this exception and the general rate of 30% will become applicable or will be raised still further in its entirety.

On the basis of the proposal of the Board of Directors, the Company will pay a gross dividend of €0.80 per share or a total of €18,498,162. An increase in the withholding tax from 15% to 30% would therefore mean an increase of €2,774,724 in the withholding tax to be withheld or a fall in the net dividend of €0.12, from €0.68 to €0.56.

3.1.2. POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns a negative influence on the net dividend for the shareholders that cannot recoup the withholding tax, which would make the Company less attractive as an investment and disrupt the contacts with the local authorities and charitable NPOs and would therefore have an impact on the current operating model in relation to these lessees (in connection with possible charging on to lessees - see below, for both existing and potential future investments). The Company assesses the probability of this risk factor as low.

3.1.3. LIMITING FACTORS AND MANAGEMENT OF THE RISK

For the lease receivables in the initial portfolio(1), Care Property Invest can absorb fluctuations in withholding tax and charge these on to its lessees, so that this risk does not exist for the shareholders. This part of the portfolio represents 40.1% of the total rental income.

For the new portfolio(2), no such clause is included. This means that the net dividend would amount to €0.61 per share in the event of the increase in the rental charges as a result of this contractual provision.

The Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk associated with this risk factor as low in terms of probability and average in terms of impact.

(1) The initial portfolio concerns the finance leases (with a balance sheet value (finance lease receivables) of €156,518,610 and a generated rental income stream of €14,514,696 as at 31/12/2020) that the Company concluded until 2014.

(2) The new portfolio as referred to here concerns the finance leases (with a balance sheet value of €30,837,143 and a generated rental income stream of €1,270,535 as at 31/12/2020) and the investment properties (with a balance sheet value of €533,854,521 and a generated rental income flow of €20,417,865 as at 31/12/2020) that the Company acquired after 2014.

3.2 Risks associated with inheritance tax

3.2.1. DESCRIPTION OF THE RISK

This risk can be described as the risk concerning the changes in the conditions for exemption from inheritance tax.

Subject to compliance with certain conditions, heirs of the shareholders enjoy an exemption from inheritance tax (Article 2.7.6.0.1. of the Flemish Codex (VCF)). The shares must have been in the possession of the holder for at least five years on the date of decease. In addition, the shareholder must have acquired the shares no later than the year 2005, excluding acquisition among spouses and heirs in the first degree, for which no exemption from inheritance tax has yet been granted.

The market value of the shares may be exempted up to a maximum of the issue price of €5.95. Likewise, the sum of the net dividends paid during the period in which the deceased or his or her spouse was the holder of the shares may also be exempt, in as far as the shares form part of the estate. This means an exempted amount of €17.24 per share at year-end 2020, assuming that a share was acquired on the flotation of the Company. The last notice that the Company received from the banks pursuant to the promotor and formation agreement (BNP Paribas Fortis, VDK Bank, Belfius Bank, KBC, CBC and Bank Degroof Petercam) and its own register of shareholders show that 4,662,375 shares or 19.34% of the total number of outstanding shares were entitled to an exemption. The Company wishes to draw attention to the fact that the number of shares entitled to the exemption is higher as some of its shares are held by other financial institutions. As the exemption from the property tax for the future will be lost on violation of the conditions, this loss would at present represent a loss for the shareholders of the exemption for the net dividend paid for the 2020 financial year of €3,170,415. The ultimate amount would rise further, depending on the period for which the shares in question are held.

3.2.2. POTENTIAL IMPACT ON THE COMPANY

The potential impact on the Company lies in the fact that its shareholders may claim against it if the permit is withdrawn due to an action of the Company in contravention of the recognition conditions. The Company assesses the probability of this risk factor as low.

3.2.3. LIMITING FACTORS AND MANAGEMENT OF THE RISK

In this case too, Care Property Invest permanently monitors the statutory requirements and compliance with these within the team, with the support of specialised external advisers. It also maintains an intensive dialogue with the Flemish tax authority (Vlabel).

The Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk as described above, as low in terms of probability and average in terms of the size.

3.3 Risks associated with the statute

3.3.1. DESCRIPTION OF THE RISK

As a public RREC, the Company is subject to the RREC legislation, which contains restrictions regarding the activities, the debt ratio, the processing of results, conflicts of interest and corporate governance. The ability to (continually) meet these specific requirements depends inter alia on the Company's ability to successfully manage its asset and liability position and on compliance with strict internal audit procedures.

3.3.2. POTENTIAL IMPACT ON THE COMPANY

The Company may not be able to meet these requirements in the event of a significant change in its financial position or other changes. The Company is therefore also exposed to the risk of future amendments of the legislation on regulated real estate companies. There is also the risk that the FSMA, as the supervisory authority, will impose sanctions in the event of a violation of applicable rules, including the loss of the RREC status. If the Company were to lose its certificate as an RREC, it would no longer enjoy the different fiscal system for RRECs and the full taxable base for corporation tax would therefore become applicable. This would mean a corporation tax liability for Care Property Invest of about €5 million or approximately €0.20 per share. Furthermore, as a rule the loss of the permit for RREC status is noted in the Company's credit agreements as a circumstance as a result of which the loans that the Company has contracted could become payable on demand. (See risk factor '2.1 Risks associated with covenants and statutory financial parameters' on page 14).

3.3.3. LIMITING FACTORS AND MANAGEMENT OF THE RISK

Care Property Invest therefore permanently monitors the statutory requirements and compliance with these within the team, with the support of specialised external advisers. It also has regular contacts with government authorities and regularly takes part in study days of associations and federations that represent the sector, such as the NPO BE-REIT Association, which it co-founded.

The Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk, as low to average in terms of probability and high in terms of impact on the Company.

II. Letter to the shareholders

II. Letter to the shareholders

Dear shareholder,

We are pleased to present the annual report for the 2020 financial year, in which we aim to explain the operation of the Company and its performance as fully as possible.

In 2020, great strides were made once again towards realising the challenging expectations on the level of the growth of both the portfolio and the financial results.

In summary, we announced additional investments in health care real estate of about €250 million in this financial year. Investments were made in both existing care buildings and in the Company's own real estate developments, in collaboration with care providers and local authorities in both Belgium and the Netherlands. A new element is that, in 2020, we have further expanded our horizons to a third European country, namely Spain.

The fair value of the investment properties combined with finance lease receivables rose by more than 27%.

We first gained a footing in the Dutch market in 2018. 2019 became the breakthrough year and in 2020 significant progress was made again. By the end of the year, we held a portfolio of 18 care centres, the majority of which are still under development and will be operational in the course of 2021 and 2022[(1)]. Judging by the well-filled pipeline, 2021 is also set to become a busy year.

Our ambition is to make The Netherlands our second home market in due course, which should make an important contribution to the spread of the real estate portfolio by substantially increasing the number of partnerships with new operators outside Belgium.

As a Company in full growth, we are now also looking beyond the national borders of Belgium and The Netherlands in that regard. In the meantime, we have added Spain as an additional area of operation. In order to be able to take this next step to a new market in a responsible manner, the necessary study work has been performed and in the meantime the first 4 investments, 2 of which were acquired under suspensory conditions, have become a reality. Here, too, new developments are being focused on in cooperation with strong, established healthcare operators.

It is our responsibility to not only detect the opportunities that a new target market offers us, but also to thoroughly analyse the accompanying risks. Other new opportunities in the Eurozone are examined with the same diligence. It remains our intention to continue working on a healthy diversification of the portfolio and the associated risks.

Growth is important in itself. However, more important is the result that this growth creates for the Company and its stakeholders. The rental income rose by 23% to some €36.2 million. Despite that fact that we made substantial investments in human capital in order to support these remarkable growth results, we succeeded in keeping the costs under control and can announce that the adjusted EPRA earnings of Care Property Invest rose by some 23% in 2020 to €23.0 million, compared with €18.7 million in 2019.

(1) For further details, we refer to Chapter 'VI. Real estate report' on page 136

The conclusion here is that we were able to fully realise the expectations for 2020 that we announced in the annual report for 2019 and that we will pay out a gross dividend to you, as a shareholder, of €0.80 per share in June 2021, following the approval of this by the general meeting of shareholders on 26 May 2021. This is an increase of almost 3.9% in comparison with the €0.77 per share (gross dividend) paid out in 2020, despite the issue of more than 3.7 million additional shares.

In addition, may we remind you that Care Property Invest, as a pure healthcare property player, is one of the few exceptions where the dividend is only taxed with 15% withholding tax and will therefore yield a net dividend of €0.68 per share for the 2020 financial year.

The details of the activities that led to a successful year in 2020 are described extensively in this annual report.

In addition, Care Property Invest is working on the sustainability of its portfolio and its activities and has issued a sustainability report in 2020 and also developed a sustainable finance framework with a second party opinion. The latter was already used in the financing of the Company. The Company also became a signatory to the UN Global impact initiative. In order to achieve CO2 neutrality of its activities, a certified climate project in Guatemala (NP Sierra del Lacadon) regarding reforestation and conservation was supported in cooperation with CO2 Logic. Care Property Invest will take further steps in this direction in the coming years and has committed to the timeline outlined in the sustainability report.

In the meantime, 2021 has begun and we can report that, despite the current circumstances, this year, too, started under favourable stars. Thanks partly to a number of investments made in 2020, the full income effects of which will start to be realised only in 2021 and 2022, we can already count once again on further strong growth in rental income. In the meantime, we have several investments in the pipeline and we also expect to be able to meet our long-term growth ambitions in this new financial year.

Since we discuss the results for the 2020 financial year and the outlook for 2021 in detail in this sizeable report, we refer to the remainder of this annual report for more figures and comments.

Care Property Invest's ambitions for 2021 and subsequent years remain high.

2020 was an anniversary year for Care Property Invest. In November 1995, Serviceflats Invest, the forerunner, was established 25 years ago. It should have been a year of festivities. However, an evil virus put a stop to that. Not only - and this is the least of our worries - did we not get to celebrate a real anniversary, but we had to witness the terrible circumstances in the residential care centres. The many deaths and the unrelenting pressure under which the heroes of the caresystem have had to work have left a deep impression on everyone. We were standing in the front row and watched them with dismay. In 2021, we hope that, thanks to vaccinations, the virus can be brought under control. We can already see that, in the meantime, the pressure on residential care centres has eased and we are gradually returning to normal. Let us hope that in the course of 2021 we can finally put an end to this pandemic and gradually resume our normal lives and start working on restoring our battered economy.

We thank the shareholders for their trust, our customers for their faith in the added value that Care Property Invest means for their projects, and of course, our employees for their dynamic commitment to realising the Company's goals.

Peter Van Heukelom
Chairman of the Executive Committee
Care Property Invest

Mark Suykens
Chairman of the Board of Directors
Care Property Invest

III. Report of the Board of Directors

History

1995
ESTABLISHMENT OF SERVICEFLATS INVEST NV

Recognition as a Belgian real estate investment fund, on the initiative of the Flemish government with the objective to build and finance 2,000 service flats for PCSW's and social non-profit organisations in the Flemish and Brussels-Capital Region.

1996
PRESENTATION OF THE FIRST 2 PROJECTS IPO ON EURONEXT BRUSSELS.

2000
INNOVATION AWARD FOR 'TECHNOLOGY AND HOUSING OF ELDERLY PEOPLE'.

2001
INCORPORATION OF RESERVES IN THE CAPITAL.

2012
INITIAL INVESTMENT PROGRAM 2,000 SERVICEFLATS COMPLETED.

2012
DECISION TO AMEND THE ARTICLES OF ASSOCIATION FOR THE RE-START OF SERVICEFLATS INVEST.

2013-2014
AMENDMENTS TO THE ARTICLES OF ASSOCIATION TO EXPAND THE OBJECTIVE.

2014
SERVICEFLATS INVEST BECOMES CARE PROPERTY INVEST. SHARE SPLIT 1: 1000

Capital increase within the framework of an interim dividend.

Recognition as a Regulated Real Estate Company (RREC).

2015
CAPITAL INCREASE IN CASH.

22 June 2015

Capital increase in cash with irreducible allocation right.
Care Property Invest raises over €38 million.

6 new investments for a total conv. value of approximately €74 million.

2015
NEW ADDRESS: HORSTEBAAN 3, 2900 SCHOTEN.

2016
ESTABLISHMENT MANAGEMENT BOARD. INCLUSION IN BEL MID INDEX. MEMBER OF EPRA.

2 new investments for a total conventional value of approx. €32.4 million.

2017
CAPITAL INCREASE IN KIND

15 March 2017

Capital increase through a contribution in kind for approx. €34 million.

As from 15 March 2017

15,028,880 fully paid-up shares.

2017
ACQUISITION OF THE FIRST PROJECTS IN THE WALLOON AND BRUSSELS CAPITAL REGION.

2017
CAPITAL INCREASE IN CASH.

27 October 2017

Care Property Invest raises a gross amount of over €72 million.

As from 27 October 2017

19,322,845 fully paid-up shares.

2018
ENTRY ONTO THE DUTCH MARKET.

ACQUISITION OF 100TH RESIDENTIAL CARE PROJECT.

2019
CAPITAL INCREASE IN KIND

3 April 2019

Total amount of capital increase: €16,372,079.85.

764,031 new shares issued.

As from 3 April 2019

20,086,876 fully paid up shares.

2019
OPTIONAL DIVIDEND

May-June 2020

57% of the shareholders subscribed. 307,870 new shares were issued for a total issue price of €6,688,783.62.

As of 26 June 2019, there are 20,394,746 fully paid-up shares.

2019
INCLUSION EURONEXT NEXT 150 INDEX

2020
CAPITAL INCREASE IN KIND

15 January 2020

Total amount of capital increase: €33.594.044.

1,250,376 new shares issued.

As of 15 January 2020

21,645,122 fully paid up shares.

2020
OPTIONAL DIVIDEND

May-June 2020

52% of the shareholders subscribed. 273,091 new shares were issued for a total issue price of €6,970,784.32.

As of 19 June 2020, 21,918,213 fully paid-up shares.

2020
CAPITAL INCREASE IN CASH. (ABB).

June 2020

Care Property Invest raises approximately €60 million gross.

As of 25 June 2020

24,110,034 fully paid up shares.

2020
ENTRY ONTO THE SPANISH MARKET.

2021
CAPITAL INCREASE IN KIND

20 January 2021

Total amount of capital increase: approx. €42 million gross..

As of 20 January 2021

25,806,148 fully paid up shares.

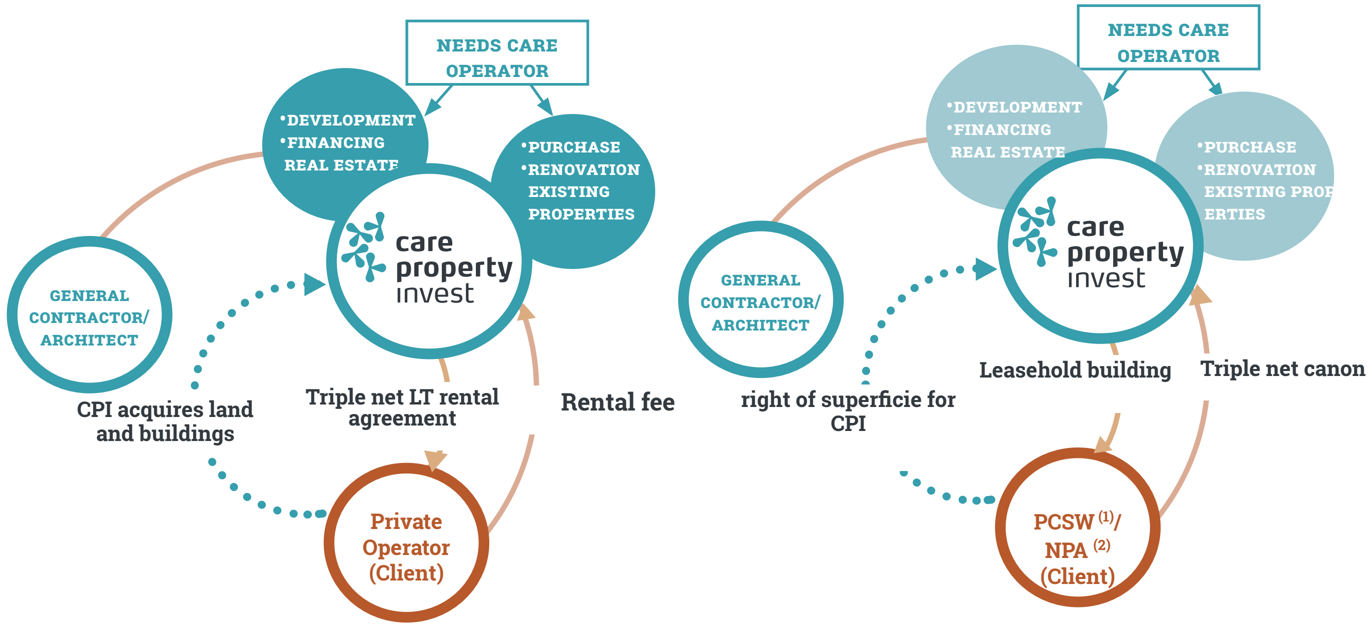
III. Report of the Board of Directors

1. Strategy: Care building in complete confidence

Founded on 30 October 1995, Care Property Invest was the first listed property investor in the form of a property investment fund (currently RREC) specialised in senior citizens housing. It is using the expertise and know-how that it has since accumulated with the construction of 1,988 service flats (initial investment programme) to create affordable, high-quality and attractive care infrastructure and various types of housing for senior citizens and people with disabilities. A selection from the range of housing types are residential care centres, short-stay centres, groups of assisted-living apartments and residential complexes for people with physical and / or intellectual disabilities.

In 2014, the last of 2 purpose changes took place that expanded the original geographical constraint, restricted to Flanders and the Brussels-Capital Region only, to the entire European Economic Area (EEA). This expansion opportunity was followed that same year by a name change to 'Care Property Invest' and a related rebranding that clearly reflected its new approach. The Company will be pursuing the following operations in the field of healthcare real estate, both in the public and private domain:

PRIVATE SECTOR (INVESTMENT PROPERTIES) **PUBLIC SECTOR (FIN. LEASINGS)**



Design-Build-Finance-(Maintain):
a formula in which Care Property Invest is responsible for the entire development of the project, including funding. A Design Build & Finance ('DBF') contract is drawn up, that can be expanded with a 'maintain' component ('DBFM'). Upon provisional acceptance,.the building will be made available to the operator through a lease or leasehold agreement.

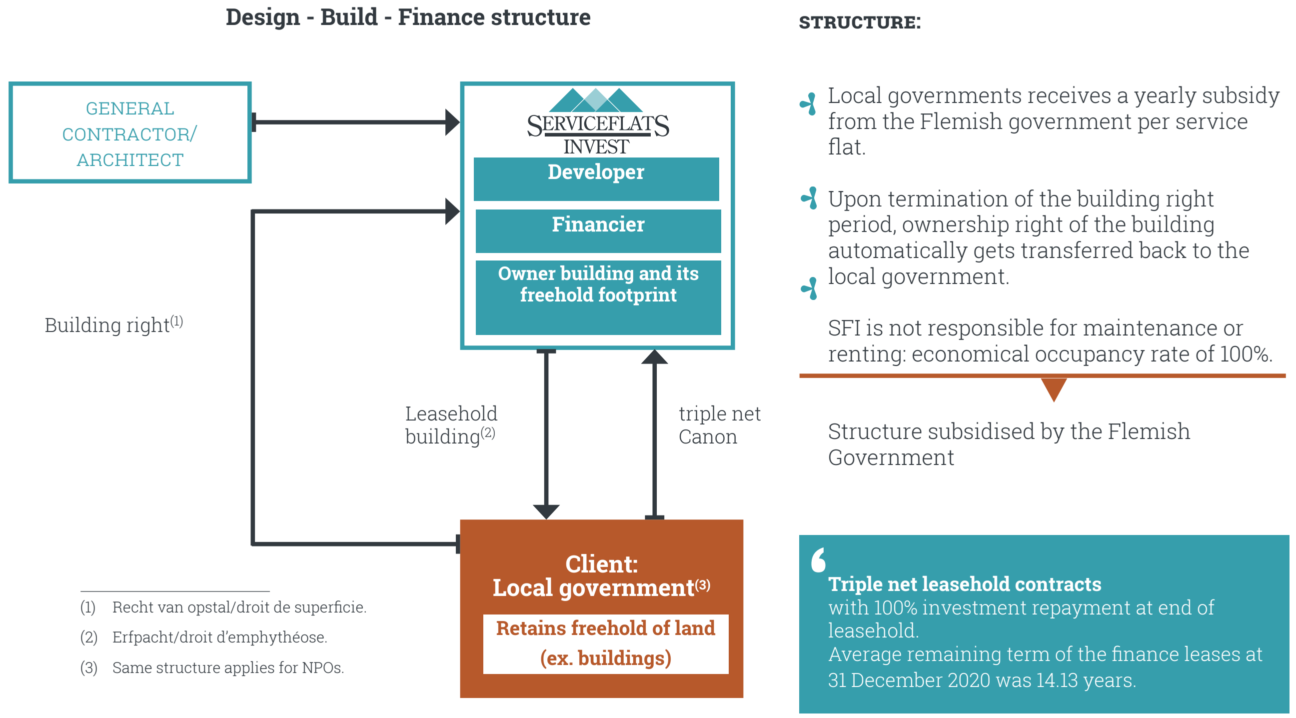
Refinancing of existing buildings:
existing buildings in need of a thorough renovation, can be passed through to Care Property Invest by means of a right of lease, right of superficie or simply by purchase. After the renovation, the building will also be made available to an experienced operator.

Investing in health care real estate:
acquiring land and/or buildings, projects under development and new build projects. Care Property will make the projects available to the operator on the basis of a long-term agreement.

Our activities as a healthcare investor

The legal structure of the initial portfolio[1] is as follows:

INVESTMENT STRUCTURE PROJECTS



A legal analysis of the Company's financial lease shows that the Company is and has always been the legal sole and full owner of the constructions and will remain so for the total duration of the building right. The ownership of income-producing real estate is critical to the Company's activities. Thus, the granting of a building right creates a horizontal division of ownership between, on the one hand, the holder of the building right until expiry of the building right and the landowner (freeholder) on the other.

The ownership of the buildings is linked to obligations towards the landowner/freeholder/holder of the leasehold:

The Company has the obligation to obtain all necessary permits and administrative authorisations in relation to the construction of the service flats during the construction period.

The Company has the obligation to conclude (i) an insurance covering all building site risks, and (ii) an insurance covering the 10-year liability of the contractor and the architect of the constructions.

The Company has the right to regularly check whether the tenant complies with its obligations under the leasehold contract, e.g., by visiting the service flats.

The leasehold right on the constructions is granted against payment of periodical rental income (canon), indexed on a yearly basis, by the tenants. Receiving recurring income from properties owned is at the core of any REIT activity and not to be confused with financing activities.

The Company has the legal possibility to dispose of the ownership of buildings over the course of the contract at market value (being different from the book value which equals the initial investment outlay) and thus take the opportunity the monetise the capital gain. A pre-emption right for the tenant, which is not uncommon in lease contracts for healthcare facilities whatever the legal structure or type of tenant, is included in the contracts and proves this ability. This pre-emption right can only be exercised at market value thus affirming the possibility for the Company to take the opportunity to monetise the capital gain.

(1) The initial portfolio concerns the financial leases (with a balance sheet value of €156,518,610 and a generated rental stream of €14,514,696 as at 31/12/2020) that the Company concluded until 2014.

However, it is not the strategy of the Company to dispose of the ownership and rental income generated by this initial portfolio as it is an important component of the top line.

At the end of building right the constructions will automatically become the full ownership of the tenant, in accordance with the Belgian law on building rights, and in return, the tenant will owe a contractually agreed compensation amount equal to 98% of the total investment amount to Care Property Invest.

As the Company is the legal owner of the constructions, the obligations of the operators under the agreements are not, and cannot, be secured or guaranteed by securities or collateral (e.g., a mortgage or other right in rem) on the constructions owned by the Company. Therefore, the obligations of the operators under the contracts with the Company are secured by undertakings or guarantees given by the local authorities (i.e., a mechanism similar to a parent guarantee in lease agreements) and an overall claim for the financing of local authorities against the Flemish government.

The legal framework in Belgium describes the activities as an active, and operational company that is specialised in making immovable goods available to users. Active management implies ownership of immovable goods as a prerequisite to obtain and maintain a REIT license in Belgium. According to current REIT laws activities as a mortgage REIT are not allowed.

Therefore, in the 25 years after the founding of the Company the income generated by the initial portfolio or indeed all financial leases the Company entered into is consistently accounted for as rental income and not interest income or any financial income as would be the case for a mortgage REIT. Care Property Invest plays an active role as the property developer; its objective is to make high-quality projects available to those operating in the healthcare sector. Investment projects for new acquisitions as well as new property developments are analysed in great detail. The Board of Directors thoroughly assesses both the property project and the future operator based on a detailed investment dossier and the feasibility of the business plan for the project.

Care Property Invest aims for a balanced, diversified portfolio that can generate stable income. The affordability of its 'recognised' projects and the operation of these by professional, solvent and specialised care providers is designed to ensure this.

The management of the Company also ensures that all the requirements of the Regulated Real Estate Companies Act ('RREC Law') and the Regulated Real Estate Companies Royal Decree ('RREC Royal Decree') are always observed.

In order to further define its changing role, Care Property Invest has clarified its mission statement and recorded its values.

MISSION STATEMENT

Care Property Invest is a public regulated real estate company (public RREC) under Belgian law. Care Property Invest helps healthcare entrepreneurs to realise their projects by offering good quality and socially responsible real estate tailored to the needs of the end users, and this from a solid organisation. For its shareholders, it always aims for stable long-term returns.

VALUES

Professionalism

Care Property Invest always executes both current and future projects after completing a detailed research process, conducted both internally and by external research agencies. As a result, it can make an accurate assessment of the potential risks associated with every project. The internal processes are also monitored from close by and are adjusted on time where necessary to guarantee the smooth operation of the organisation. Care Property Invest aims for the highest possible form of professionalism in all its activities.

Innovation

Care Property Invest believes in excelling through continuous innovation. Care Property Invest believes in growth through the continuous innovation in the approach and implementation of its projects and at the same time, through additional training and education of its staff. It aims to offer custom solutions for its healthcare real estate, in consultation and with the input of its key stakeholders.

Trust

Care Property Invest aims for a lasting relationship of trust with its shareholders, employees, the operators of its healthcare real estate, contractors, the political world, the RREC sector and all stakeholders in general.

VISION STATEMENT

Care Property Invest has the ambition to become the reference Company in the market for the development of and investment in healthcare real estate and to realise accelerated growth within this market. It is a dynamic player, focused at independently realising innovation in real estate for care and welfare.

REAL ESTATE STRATEGY

A growing market

Its current strategy for residential healthcare real estate for senior citizens is based on the progressive ageing of the population which, according to the Federal Planning Bureau, will peak by 2070. Now and in the coming decades, this will lead to an increasing demand for healthcare real estate with social added value. A similar trend also applies to The Netherlands and Spain in terms of population ageing figures. For more details, we refer to the graphs below, which show the demographic evolution in Belgium, The Netherlands and Spain.

The guaranteed demographic evolution in combination with its growth strategy, the implementation of its corporate purpose and the fact that as a RREC it invests for 100% in healthcare real estate, ensures that its share always provides a stable return for its shareholders, and this at a reduced withholding tax rate of 15% (instead of the general rate of 30%).

Care Property Invest spreads its risks by ensuring a good geographic market distribution of its real estate, diversifying between the operators of its real estate and by creating a good balance between public-private and private partnerships. This was, among other things, also a major motivator for the Company to make its move onto the Dutch healthcare property market in 2018 and also onto the Spanish healthcare property market in 2020.

CUSTOMISED QUALITY REAL ESTATE

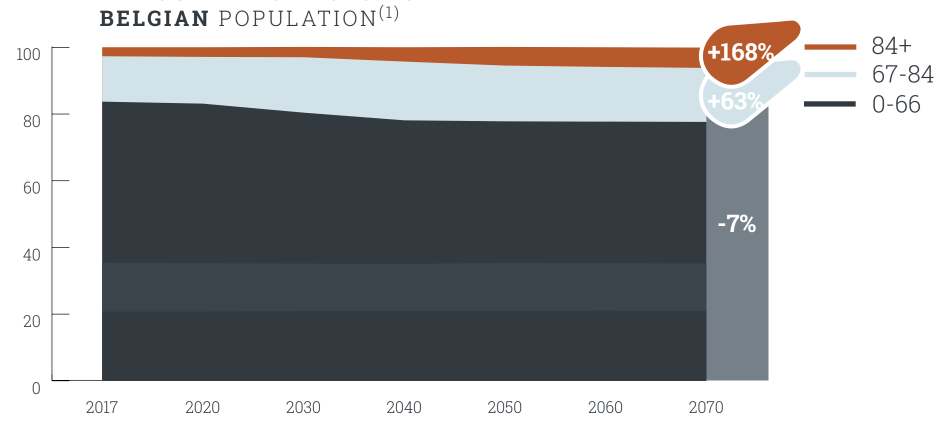
The careful selection of new projects for the Company always takes place after a detailed risk analysis with a well-founded assessment by the Company's Board of Directors, after the Company's Executive Committee has had an initial discussion about the investment projects.

This may involve the Company developing the property itself, or building and funding the construction, but may also involve refinancing or acquiring existing buildings, with an option of renovation or expansion, both in the private and the public market.

DEMOGRAPHIC EVOLUTION
BELGIAN POPULATION(1)

EXPECTED GROWTH
total Belgian population of
+15%

+125% in age category. 85+
+19% in age category 67-84+

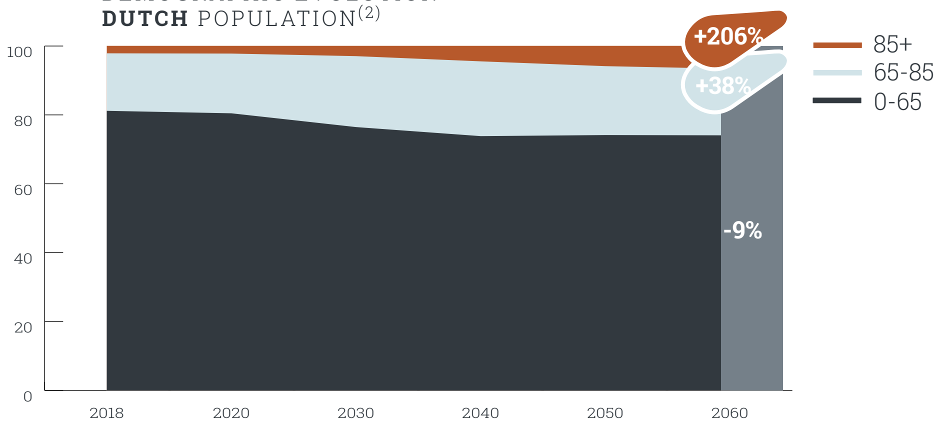


DEMOGRAPHIC EVOLUTION
DUTCH POPULATION(2)

EXPECTED GROWTH
total Dutch population of
+7%

+206% in age category 85+

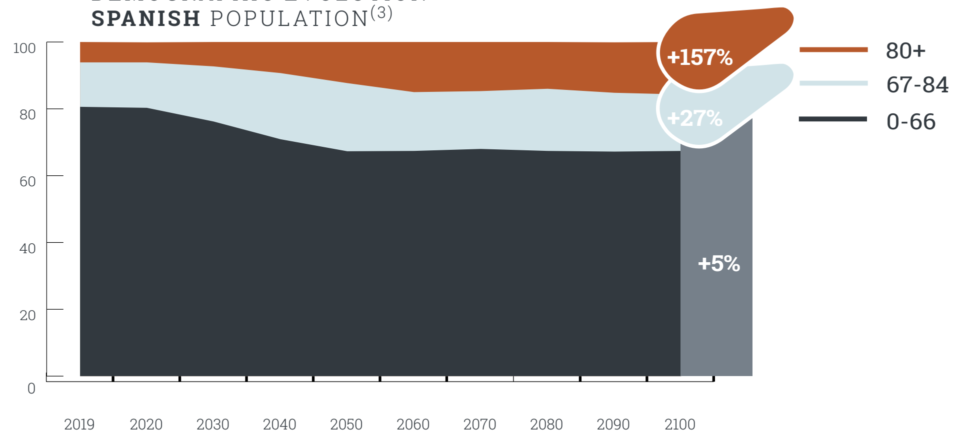
+38% in age category. 67-84+



DEMOGRAPHIC EVOLUTION
SPANISH POPULATION(3)

EXPECTED GROWTH
total Spanish population of
+5%

+157% in age category. 80+
+27% in age category 67-80+



(1) Based on data from the Federal Planning Bureau - Report on demographic projections 2017-2070.
(2) Based on the following data source: 'Projections of population intervals; age group, 2018-2060', CBS - 19 December 2017
(3) Based on data from the Organisation for Economic Cooperation and Development (OECD), http://stats.oecd.org..

The main selection criteria are presented below:

- Correct price-quality ratio of the project;
- Potential returns of the project;
- Solvency, reputation and spread of operators;
- Good location of the project: easy access, both by car and by public transport and absence of other healthcare real estate. For this purpose, an extensive market research is always carried out.
- Environment: in the immediate vicinity of a village/city centre with shops, pharmacies and catering facilities;
- The property complies with high quality standards in combination with advanced technological equipment and perfectly meets the needs of the Care Property Invest target public.

In essence, Care Property Invest's strategy is of the 'buy and hold' type, and as such, is by definition aimed at keeping the property in the long term.

FINANCIAL STRATEGY

Management of investor and stakeholder relations

Care Property Invest aims to develop a continual dialogue with the healthcare sector, the government, potential and current investors, credit providers and more in general all stakeholders.

The Company attempts to align its financial strategy with the overall strategy and growth achieved by the Company. By continuously expanding its scale, the Company strives for a competitive distribution of debt and capital costs and an improvement of its operating margin.

Origin of financial sources

Care Property Invest aims to finance itself in the best possible way, making use of shareholders' equity and borrowed funds.

Equity

Equity is raised by using the capital market. By means of capital increases in cash and in kind, counterbalanced by immediately profitable assets and/or a concrete pipeline, growth in earnings per share can be ensured and maintained.

Care Property Invest strives for a permanent dialogue with investors, directly and indirectly. By organising or participating in roadshows and trade fairs at home and abroad, it builds a permanent dialogue with both institutional and private investors.

As a RREC, Care Property Invest is fully aware of the importance of its dividend policy for its shareholders. The Company therefore endeavours to increase its dividend whenever this is sustainably possible. This prevents the Company from having to reduce this again in a later financial year.

Given the Company's strong growth, it attempts to allocate as much of its profits as possible so it can be reinvested within the legal framework. In doing so, the Company strives for a pay-out ratio (distribution rate of the dividend per share compared to the earnings per share) that comes as close as possible to the legal minimum of 80%, while at the same time striving for a sustainable increase in the dividend. It also examines the possibility of an optional dividend.

Despite the already improved liquidity of its share, Care Property Invest is still in the process of increasing this further in order to boost the attractiveness of its share. To this end, it appointed KBC Securities as second liquidity provider in November 2018, following the appointment of Bank Degroof Petercam as liquidity provider in February 2018.

The appointment of these liquidity providers results in smaller price fluctuations and thus a steadier share price and a smaller bid-ask spread.

Foreign funds

The foreign funds were raised as diversified as possible. This allows the risk on the banking counterparty to be limited. Care Property Invest aims for a further spread of its lenders both domestically and internationally.

In order to further diversify the origins of its sources of borrowed funds, the Company also has an MTN programme in place with Belfius that offers the possibility of issuing bonds and commercial papers. In the financial year 2018, the Company raised the ceiling of this programme from €50 million to €100 million and opted for the appointment of KBC as additional dealer in order to limit the placement risk. In 2020, the ceiling of the programme was further raised to €200 million. The Company disposes of the necessary lines for the portion of the commercial paper offering the necessary coverage, in order not to increase the liquidity risk.

Care Property Invest tries to further limit its liquidity risk by keeping sufficient credit lines available for its short-term needs and the financing of additional investments over the current financial year.

In addition, there is also a liquidity risk if the Company would no longer respect the covenants linked to these credit agreements. These covenants contain market-based provisions on, among other things, the debt ratio and compliance with the provisions of the RREC Legislation. Care Property Invest monitors the parameters of these covenants on a regular basis and whenever a new investment is being considered.

At the end of the financial year, Care Property Invest did not mortgage or pledge any building in its real estate portfolio.

Correct financing is necessary for a profitable and solid business model, in view of the capital-intensive character of the sector in which the Company operates and the Company's buy-and-hold strategy. As a result, the Company has a structural debt position with mainly bullet loans. The investment loans that the Company pays off are mainly loans that had already been contracted by subsidiaries prior to acquisition and that the Company acquired with the acquisition of the shares of the subsidiary. The cash position held permanently by the Company is limited.

The Company's long-term objective is to have a debt ratio between 50% and 55%. This debt ratio allows for an optimal balance between own and foreign resources and also offers the possibility of taking advantage of investment opportunities.

The Company also tries to limit the interest rate risk on its debts by striving for a hedging percentage of its debts between 75% and 80%. The Company closely monitors developments on the financial markets in order to optimise its financial structure and to obtain a good composition of short and long-term financing and the conclusion of derivative contracts in order to achieve the desired hedging percentage. The Company also aims to take into account the long-term income from its investments in the average duration of its loans.

Low risk and resilient sources of income through long-term leasehold and rental contracts

By contracting long-term leasehold and rental agreements, the Company creates long-term cash flows. Through the triple net character[1] of these contracts with solid operators and the transfer of the risk of voids to the operator (apart from the investment in Gullegem), the Company succeeds in maintaining a low risk profile. The fact that on 31 December 2020 almost 45% of the rental income comes from agreements with local authorities, reinforces the low risk profile and makes the Company unique compared to other RRECs.

This applies all the more since the healthcare real estate is linked to the demographic factors which, in view of the underlying demographic trend of the ageing of the population, are favourable, rather than to economic trends.

FINANCIAL RESULT

Vision for the future

Broadening the Company objectives

Care Property Invest positions itself as an investor in elderly care and adapted infrastructure for the disabled. The objectives stated in the Articles of Association are set as broadly as possible. Priorities are set within the care and welfare property segment.

Expansion of service portfolio

Care Property Invest focuses on investments in care and welfare and has also devoted opportunity-driven attention to concept development.

Strategic objectives

1. Market expansion and (internal) service portfolio in care and welfare.
2. Managing investor and stakeholder relations.
3. Internationalisation.
4. Follow-up and influencing of the regulatory framework.
5. Coordination of resources with growth (growth management).

Care Property Invest's ambitions are to be the (leading) reference company in its market and to realise accelerated growth.

Care Property Invest is a highly dynamic player in its market, which generates innovation in property for care and well-being for seniors and people with disabilities. Care Property Invest would like to achieve this independently.

(1) With the exception of the project 'Les Terrasses du Bois' in Watermaal Bosvoorde, for which a long-term agreement of the 'double net' type has been concluded.

2. Important events[1]

2.1 Important events during the 2020 financial year

2.1.1 PROJECTS 2020 FINANCIAL YEAR IN BELGIUM

Below is a brief overview of the acquisitions of several projects in Belgium during the 2020 financial year.

For further information regarding the real estate of the acquired projects, reference is made to chapter "VI. Real estate report' on page 136.

2.1.1.1 NEW PROJECTS GENERATING IMMEDIATE RETURNS FOR THE COMPANY

All purchases were made at prices corresponding to the fair value as determined by the real estate expert. The transactions took place for a total conventional value of approx. €120.5 million.

Investment properties

Bergen - La Reposée

ACQUISITION DATE	**15 January 2020**
ADDRESS:	**Rue du Chemin de Fer 1, 7033 Mons, Belgium**
OPERATOR:	**La Reposée Sprl (subsidiary of My Assist)**
CAPACITY:	**Residential care centre with 111 residential places (87 rooms) and 11 assisted living apartments**
LOCATION	At 300 m from the centre of Cuesmes (a municipality of Mons), at 250 m from banks, shops and supermarkets and at 4,5 km from the centre of Mons. Easy access by car (E4, R5 and the ring road of Mons). There is a bus stop 1 km away from the project.
YEAR OF CONSTRUCTION/ RENOVATION:	1980, with extensions in 2005 and 2011. The assisted living apartments have been delivered in Q1 2020.
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 27 years (renewable and annually indexable).
CONVENTIONAL VALUE	Approximately €17.2 million
TRANSACTION:	**Asset deal**
FINANCING:	Through a successful contribution in kind of the property into the capital of Care Property Invest, within the framework of the authorised capital. As a result of this contribution, which led to a capital increase (including share premium) of €17,229,464, 641,284 new shares in Care Property Invest were issued at an issue price of €26.87 per share.

Bernissart - New Beaugency

ACQUISITION DATE	**15 January 2020**
ADDRESS:	**Rue d'Ellezelles 57, 7321 Bernissart, Belgium**
OPERATOR:	**New Beaugency Sprl (subsidiary of My Assist)**
CAPACITY:	**Residential care centre with 93 residential places (74 rooms) and 11 assisted living apartments**
LOCATION	At 600 m from the centre of Blaton, a district of the municipality of Bernissart. The centre of Bernissart is 3.5 km from the site. There are several restaurants, shops, banks, a supermarket and a pharmacy. The centre of Bergen is 26 km away. The project is easily accessible by car via the E42 (Bergen-Doornik). The train station of Blaton is 1.2 km away.
YEAR OF CONSTRUCTION/ RENOVATION:	Residential care centre: 1989, with an extension in 2012 Assisted living apartments: 2015.
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 27 years (renewable and annually indexable).
CONVENTIONAL VALUE	Approximately €16.4 million
TRANSACTION:	**Asset deal**
FINANCING:	Through a successful contribution in kind of the property into the capital of Care Property Invest, within the framework of the authorised capital. As a result of this contribution which led to a capital increase (including share premium) of €16,364,580, 609,092 new Care Property Invest shares were issued at an issue price of €26.87 per share.

(1) Information on the Company's activities and investments during the previous 2 financial years is included in the annual financial report 2019, chapter 'III Report of the Board of Directors', item '2. Important events' starting on page 39 and in the annual financial report 2018, chapter 'IV Report of the Board of Directors', item '2. Important events' starting on page 55. Both reports are available on the website www.carepropertyinvest.be.

Laken - De Wand

ACQUISITION DATE	**4 June 2020**
ADDRESS:	**Wandstraat 21109/213, 1020 Brussel, Belgium**
OPERATOR:	**Armonea nv (part of Groupe Colisée)**
CAPACITY:	**Residential care centre with 122 residential places (115 rooms) and a licensed group of assisted living apartments with 22 residential units.**
LOCATION	In the centre of Laeken within walking distance of restaurants, supermarkets, pharmacies, shops and banks. The complex is easily accessible by car via the A12 (Londerzeel - Laeken) and the E19 (Machelen - Jette). The nearest bus stop is 110 m away and the nearest tram stop is 650m away. The Schaerbeek train station is 4.1 km away.
YEAR OF CONSTRUCTION/ RENOVATION:	2015
TYPE OF CONTRACT:	Existing long-term leasehold agreement of the 'triple net' type with a remaining duration of at least 29 years (renewable and annually indexable)
CONVENTIONAL VALUE	Approximately €30.5 million
TRANSACTION:	**Share deal:** Acquisition of 100% of the shares in Zorginfra nv
FINANCING:	Loan capital

Lennik - Keymolen

ACQUISITION DATE	**4 June 2020**
ADDRESS:	**Karel Keymolenstraat 55, 1750 Lennik, Belgium**
OPERATOR:	**Armonea nv (part of Groupe Colisée)**
CAPACITY:	**Residential care centre with 93 residential places (88 rooms)**
LOCATION	At 450 m from the centre of Lennik, where there are banks, shops, restaurants and supermarkets. The residential care centre is easily accessible by car via the N8 (Dilbeek - Ninove) and the N28 (Ninove - Halle) and also by public transport thanks to a bus stop only 450 m away from the project.
YEAR OF CONSTRUCTION/ RENOVATION:	2014
TYPE OF CONTRACT:	Existing long-term leasehold agreement of the 'triple net' type with a remaining duration of at least 29 years (renewable and annually indexable)
CONVENTIONAL VALUE	Approximately €20.1 million
TRANSACTION:	**Share deal:** Acquisition of 100% of the shares in Zorginfra nv
FINANCING:	Loan capital

Westende - Westduin

ACQUISITION DATE	**4 June 2020**
ADDRESS:	**Badenlaan 62, 8434 Westende, Belgium**
OPERATOR:	**Armonea nv (part of Groupe Colisée)**
CAPACITY:	**Residential care centre with 151 residential places (135 rooms)**
LOCATION	At 350 m from the centre of Westende, a municipality of Middelkerke, where there are restaurants, a supermarket, a pharmacy, shops and banks. The residential care centre is easily accessible by car via the N34 and N318 (Ostend - Nieuwpoort) and the E40 (Jabbeke – Nieuwpoort).
YEAR OF CONSTRUCTION/ RENOVATION:	2014
TYPE OF CONTRACT:	Existing long-term leasehold agreement of the 'triple net' type with a remaining duration of at least 29 years (renewable and annually indexable)
CONVENTIONAL VALUE	Approximately €36.3 million
TRANSACTION:	**Share deal:** Acquisition of 100% of the shares in Zorginfra nv
FINANCING:	Loan capital

2.1.1.2 NEW PROJECTS SIGNED UNDER SUSPENSORY CONDITIONS

Investment properties

Stembert - La Lucine

DATE SIGNING	**19 March 2020**
ADDRESS:	**Rue de la Papeterie, 4801 Stembert, Belgium**
OPERATOR:	**La Lucine Asbl (part of Krysalia srl)**
CAPACITY:	**Residential care complex for people with disabilities. (M.A.S. - Maison d'Accueil Spécialisée) - New development 10 care apartments (total of 40 rooms)**
LOCATION	In the town centre of Stembert, near banks, shops and supermarkets. The town centre of Verviers is 5 km away. The complex is easily accessible by car via the E42 and the N61, and by public transport thanks to a bus stop located 150 m away from the property.
YEAR OF CONSTRUCTION/ RENOVATION:	Completion is expected in Q4 of 2021.
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 27 years (renewable and annually indexable).
CONVENTIONAL VALUE:	Approximately €4.2 million
TRANSACTION:	**Share deal:** Acquisition of 100% of the shares in the Company C.H.V. Stembert SA, expected in Q4 of 2021
FINANCING:	To be decided – mix of equity and loan capital

Lier - Dungelhoeff

DATE SIGNING	**17 June 2020**
ADDRESS:	**Kazernedreef, 2500 Lier, Belgium**
OPERATOR:	**Upon closing, the operation will be carried out by Vulpia Care groep, which will enter into a partnership with vzw Herenhof for this purpose.**
CAPACITY:	**Residential care centre with 128 residential places - New building (128 rooms) and 30 assisted living apartments**
LOCATION	In a quiet green neighborhood, but only a 10 minute walk from the bustling center of Lier, where several banks, shops and supermarkets are located. Good accessibility by car (R16, N14 and N10) and public transport through bus stops only 200 and 400 meters away and the train station only 750 m away.
YEAR OF CONSTRUCTION/ RENOVATION:	Completion expected end of 2021.
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 27 years (renewable and annually indexable)
CONVENTIONAL VALUE:	Approximately €26.5 million
TRANSACTION:	**Share deal:** Acquisition of 100% of the shares in Apollo Lier NV, expected end of 2021
FINANCING:	To be decided – mix of equity and loan capital

Attert - Résidence des Ardennes

DATE SIGNING	**15 December 2020**
ADDRESS:	**Rue du Bois de Loo 379, 6717 Attert, Belgium**
OPERATOR:	**Services Ardennes Srl (a subsidiary of My-Assist)**
CAPACITY:	**Today:** existing residential care centre with 150 residential places and a licensed group of assisted living apartments with 26 residential units. **After completion of the construction works:** existing residential care centre with 150 residential places and a licensed group of assisted living apartments with 50 residential units.
LOCATION	Located in the centre of Attert, near the border with the Grand Duchy of Luxembourg. The project is 700 m away from the post office, town hall and several shops, restaurants and supermarkets. The project is easily accessible by car via the E25 (Liège-Bastogne-Aarlen/Arlon), the N87 (direction Parette) and the N4 (direction Aarlen/Arlon) as well as by public transport thanks to a bus stop right in front of the project.
YEAR OF CONSTRUCTION/ RENOVATION:	The existing residential care centre (RRC) was built in 2004. A first extension took place in 2012 and a second in 2017. The provisional delivery of the construction works in progress is expected in Q4 of 2021.
TYPE OF CONTRACT:	New long-term lease agreement of the 'triple net' type with a minimum duration of 29 years (renewable and annually indexable).
CONVENTIONAL VALUE:	Approx. €42.1 million (contribution in kind)
ADDITIONAL INVESTMENT COST:	Approx. €2.2 million (investment cost of ongoing construction works)
TRANSACTION:	**Asset deal**
FINANCING:	After fulfilment of the suspensory conditions, Care Property Invest will proceed to the effective acquisition of the project by means of (i) a contribution in kind of the existing residential care centre and the existing group of assisted living apartments(ii) entering into a separate agreement with regard to the completion of the works in progress.

2.1.1.3 PROJECTS TAKEN INTO OPERATION

Investment properties

Vorst - Nuance

ACQUISITION DATE	**28 February 2017**
ADDRESS:	**Schaatsstraat (Rue du Patinage), 1190 Vorst, Belgium**
OPERATOR:	**La Résidence de L'Eden (an entity 100% controlled by Anima Care nv)**
CAPACITY:	**121 Licensed residential places**
LOCATION:	Located in the city centre, close to banks, stores and a hospital. The site is easily accessible by public transportation as well as by car due to the quick connection with the ring of Brussels and a carsharing parking spot in the street.
YEAR OF CONSTRUCTION/ RENOVATION:	Taken into operation on 13 January 2020
TYPE OF CONTRACT:	New long-term rental agreement of the 'triple net' type with a duration of at least 20 years (renewable and annually indexable).
TOTAL INVESTMENT VALUE:	Approximately €14.8 million
TRANSACTION:	**Asset deal:** Acquisition of the land and takeover of all contracts relating to the construction of the residential care centre
FINANCING:	Mix of loan capital and equity

2.1.1.4 PROJECTS COMPLETED

Finance leases

Middelkerke - Assistentiewoningen De Stille Meers

AWARD DATE	**10 January 2018**
ADDRESS:	**Sluisvaartstraat 17, 8430 Middelkerke, Belgium**
OPERATOR:	**PCSW Middelkerke**
CAPACITY:	**60 assisted living apartments**
LOCATION:	In the city centre of Middelkerke. Therefore the project is located near several shops, banks, supermarkets and catering establishments. The new development is located just a stone's throw away from the beach. The group of assisted living apartments is easily accessible, by car as well as by public transportation.
YEAR OF CONSTRUCTION/ RENOVATION:	Completed on 7 January 2020
TYPE OF CONTRACT:	New long-term lease agreement of the 'triple net' type with a duration of 27 years (annually indexable).
INVESTMENT COST:	Approximately €8.6 million
FINANCING:	Mix of loan capital and equity

2.1.2 PROJECTS 2020 FINANCIAL YEAR IN THE NETHERLANDS

2.1.2.1 PROJECTS GENERATING IMMEDIATE RETURNS FOR THE COMPANY

All purchases were made at prices corresponding to the fair value as determined by the real estate expert. The transactions took place for a total conventional value of approx. €22.8 million.

Investment properties

Heemstede - De Meerlhorst

• ACQUISITION DATE	**14 May 2020**
• ADDRESS:	**Van Merlenlaan 2, 2103 GD Heemstede, The Netherlands**
• OPERATOR	**Valuas Zorggroep B.V.**
• CAPACITY:	**Care residence with 17 residential units (care apartments)**
• LOCATION:	Within walking distance of the village centre of Heemstede, where several shops, supermarkets and restaurants are located. Nearby are several public nature reserves, including the hiking forests 'Groenendaal' and 'Amsterdamse Waterleidingduinen'. Heemstede is located in the Dutch province of North Holland and has about 27,000 inhabitants. 'De Meerlhorst' is easily accessible by car via the A4 and A5 motorways and by public transport thanks to a bus stop (200m away) and a train station (2.4 km away) which are located near the project.
• YEAR OF CONSTRUCTION/ RENOVATION:	2016
• TYPE OF CONTRACT:	New long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable and annually indexable).
• CONVENTIONAL VALUE:	Approximately €6.3 million
• TRANSACTION:	**Asset deal:** Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL7 B.V.
• FINANCING:	Loan capital

Oegstgeest - Het Witte Huis

• ACQUISITION DATE	**14 May 2020**
• ADDRESS:	**Endegeesterlaan 2-4, 2342 CZ Oegstgeest, The Netherlands**
• OPERATOR	**Valuas Zorggroep B.V.**
• CAPACITY:	**Care residence with 25 residential units (care apartments)**
• LOCATION:	On the edge of the characteristic Wilhelmina Park in the historic Oegstgeest, 1 km away from the village centre where you will find shops, supermarkets and restaurants. Oegstgeest is located in the Dutch province of South Holland, is a neighboring municipality of Leiden and has about 24,500 inhabitants. 'Het Witte huis' is easily accessible by car via the A44 motorway and by public transport thanks to a train station (2 km away) and a bus stop (4 km away) which are located in the wide vicinity of the project.
• YEAR OF CONSTRUCTION/ RENOVATION:	2011
• TYPE OF CONTRACT:	New long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable and annually indexable).
• CONVENTIONAL VALUE:	Approximately €10 million
• TRANSACTION:	**Asset deal:** Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL7 B.V.
• FINANCING:	Loan capital

Oegstgeest - Villa Oranjepark

• ACQUISITION DATE	**14 May 2020**
• ADDRESS:	**Prins Hendriklaan 2, 2341 JB Oegstgeest, The Netherlands**
• OPERATOR	**Valuas Zorggroep B.V.**
• CAPACITY:	**Care residence with 14 residential units (care apartments)**
• LOCATION:	Located in a quiet residential area with houses from the early 20th century in the historic town of Oegstgeest, within walking distance of the village center where you will find shops, supermarkets and restaurants. Oegstgeest is located in the Dutch province of South Holland, is a neighboring municipality of Leiden and has about 24,500 inhabitants. 'Villa Oranjepark' is easily accessible by car via the A44 motorway and by public transport thanks to a train station (2 km away) and a bus stop (4 km away) which are located in the wide vicinity of the project.
• YEAR OF CONSTRUCTION/ RENOVATION:	2007. Planned 2020/2021: renovation including installation of 13 individual bathrooms for which Care Property Invest will provide a CAPEX budget of approximately €300,000.
• TYPE OF CONTRACT:	New long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable and annually indexable).
• CONVENTIONAL VALUE:	Approximately €3,3 million
• TRANSACTION:	**Asset deal:** Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL B.V.
• FINANCING:	Loan capital

Aldeboarn - Boarnsterhim State

• ACQUISITION DATE	**14 May 2020**
• ADDRESS:	**Wjitteringswei 67, 8495 JM Aldeboarn, The Netherlands**
• OPERATOR	**Valuas Zorggroep B.V.**
• CAPACITY:	**Care residence with 19 residential units (15 care apartments and a care hotel with 4 rooms)**
• LOCATION:	Rural location overlooking the meadows in Boarnsterhim, just outside the small village of Aldeboarn and 5km from Akkrum-Nes, a waterfront village with several shops, restaurants, cafes and attractions.'Boarnsterhim State' is centrally located in the heart of Friesland with the larger cities of Leeuwarden, Sneek, Heerenveen and Drachten less than 20 km away. The project is easily accessible by car via the A32 (Leeuwarden-Meppel) and by public transport thanks to a train station 2.8 km away.
• YEAR OF CONSTRUCTION/ RENOVATION:	Year built: 1830/ year most recent renovation: 2011.
• TYPE OF CONTRACT:	New long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable and annually indexable).
• CONVENTIONAL VALUE:	Approximately €3.2 million
• TRANSACTION:	**Asset deal:** Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL B.V.
• FINANCING:	Loan capital.

2.1.2.2 NEW PROJECTS UNDER DEVELOPMENT

Investment properties

Roermond - Aldenborgh

• ACQUISITION DATE	**5 November 2020**
• ADDRESS:	**Oudeborgstraat 12-14, 6049 CT Herten, Roermond, The Netherlands**
• OPERATOR	**Aldenborgh Exploitatie B.V. in cooperation with the care foundation Proteion**
• CAPACITY:	**Care residence with 32 residential units (care apartments)**
• LOCATION:	Located 4 km from the city center of Roermond, where you will find stores, supermarkets, restaurants and banks. In the vicinity there are some cafes, restaurants, a pharmacy and a doctor's practice. The project is easily accessible by car via the A73 (Roermond-Venlo) and the A2 (Eindhoven-Roermond), as well as by public transport thanks to a bus stop 300 m away.
• YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected beginning of 2022.
• CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 25 years (renewable and annually indexable).
• INVESTMENT VALUE:	Approximately €8.2 million.
• TRANSACTION:	**Asset deal:** acquisition of land and buildings through its Dutch subsidiary Care Property Invest.NL8 B.V.
• FINANCING:	Loan capital.

Warmond - Mariënhaven

ACQUISITION DATE	**28 December 2020**
ADDRESS:	**Mgr. Aengenentlaan 1, 2361 GB Warmond (Teylingen), The Netherlands**
OPERATOR	**Valuas Zorggroep B.V.**
CAPACITY:	**Care residence with 41 residential units (22 care studios and 19 rehabilitation rooms)**
LOCATION:	In Teylingen, only 400 m away from the village centre of Warmond, where shops, supermarkets and restaurants are located. The project is easily accessible by car via the A44 (Maaldrift - Abbenes) and the N444 (Noordwijk - Poelgeest), as well as by public transport thanks to a bus stop 400 m away.
YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected in the 1st half of 2022.
CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 20 years (renewable and annually indexable).
INVESTMENT VALUE:	Approximately €11.6 million.
TRANSACTION:	**Asset deal:** acquisition of land and buildings through its Dutch subsidiary Care Property Invest.NL3 B.V.
FINANCING:	Loan capital.

Vught - Villa Vught

ACQUISITION DATE	**29 December 2020**
ADDRESS:	**Gogelstraat 3, 5262 AB Vught, The Netherlands**
OPERATOR	**Valuas Zorggroep B.V.**
CAPACITY:	**Care residence with 21 residential units (19 care studios and 2 care apartments)**
LOCATION:	Right in the center of Vught, within walking distance of various facilities such as stores, supermarkets, restaurants, banks, hairdressers, etc.. In addition, the project is also located nearby (a green area of) 's-Hertogenbosch. The project is easily accessible by car via the N65 (Tilburg-'s-Hertogenbosch) and the A2 ('s-Hertogenbosch-Woensel Noord) as well as by public transport thanks to a train station 200m away and a bus stop 100 m away from Villa Vught.
YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected in the first half of 2022.
CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 25 years (renewable and annually indexable).
INVESTMENT VALUE:	Approximately €6.2 million.
TRANSACTION:	**Asset deal:** acquisition of land and buildings through its Dutch subsidiary Care Property Invest.NL6 B.V.
FINANCING:	Loan capital.

Amstelveen - Huize Elsrijk

ACQUISITION DATE	**29 December 2020**
ADDRESS:	**Keizer Karelweg 489-491, 1181 RH Amstelveen, The Netherlands**
OPERATOR	**Com4care B.V.**
CAPACITY:	**Care residence with 15 residential units (15 care apartments)**
LOCATION:	In the northern part of Amstelveen, in the immediate vicinity of the 'Amsterdamse Bos' (Amsterdam Forest) and the monumental 'Heemparken' (Heemparks). The building is situated in a classic pre-war neighbourhood and also on a spacious avenue that connects the Amsterdam Olympic Stadium and the Amstelveen City Centre. A few neighbourhood shops and a few small restaurants and bars are close by. The project is easily accessible by car via the A9 and A10 motorways, as well as by public transport thanks to a bus stop (connections to Amstelveen centre, Amsterdam and Schiphol Airport) located just across the residence.
YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected mid 2022.
CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 20.5 years (renewable and annually indexable).
INVESTMENT VALUE:	Approximately €6.2 million.
TRANSACTIE:	**Share deal**: Care Property Invest acquired 100% of the shares in De Amsterdam Keizer B.V. (now Care Property Invest.NL9 B.V.).
FINANCING:	Loan capital.

2.1.2.3 EXISTING PROJECTS UNDER DEVELOPMENT

Investment properties

Tilburg - Margaritha Maria Kerk

ACQUISITION DATE	**26 March 2019**
ADDRESS:	**Ringbaan West 300, 5025 VB Tilburg, The Netherlands**
OPERATOR	**Korian Holding Nederland B.V.**
CAPACITY:	**32 care apartments**
LOCATION:	The project is located in a pleasant residential area, centrally located in the municipality of Tilburg, on the triangle of the Zorgvlied, Rooi Harten and Korvel districts. 'Kromhoutpark', a pharmacy and several supermarkets, are located close to the project.
YEAR OF CONSTRUCTION/ RENOVATION:	Completion of the church is expected in Q2 of 2021 and of the vicarage building in Q3 of 2021.
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 20 years (renewable and annually indexable).
TOTAL INVESTMENT VALUE:	Approximately €7.7 million
TRANSACTION:	**Asset deal:** Acquisition through its Dutch subsidiary, Care Property Invest.NL3 B.V.
FINANCING:	Loan capital

Middelburg - Sterrenwacht

ACQUISITION DATE	**12 June 2019**
ADDRESS:	**Herengracht 50-52, 4331 PX Middelburg, The Netherlands**
OPERATOR	**Korian Holding Nederland B.V.**
CAPACITY:	**25 care studios**
LOCATION:	On the edge of the city centre of Middelburg and is idyllically located, right on the Middelburg Herengracht.
YEAR OF CONSTRUCTION/ RENOVATION:	Year of construction approximately 1930, completion expected Q4 2021
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 20 years (renewable and annually indexable).
TOTAL INVESTMENT VALUE:	Approximately €5.7 million
TRANSACTION:	**Asset deal:** Acquisition through its Dutch subsidiary, Care Property Invest.NL3 B.V.
FINANCING:	Loan capital

Zeist - Villa Wulperhorst

ACQUISITION DATE	**6 August 2019**
ADDRESS:	**Tiendweg 6-8, 3709 JP Zeist, The Netherlands**
OPERATOR	**Valuas Zorggroep B.V.**
CAPACITY:	**Care residence with a total of maximum 44 rooms**
LOCATION:	In Zeist, a municipality centrally located in the province of Utrecht, within the wooded area of the Utrechtse Heuvelrug. With the centre of Zeist 2.5 kilometres away, the project explicitly focuses on tranquillity and nature experience. Utrecht itself is about 11 km away.
YEAR OF CONSTRUCTION/ RENOVATION:	The renovation and construction works for the manor have started and will probably be completed in Q2 of 2021. The redevelopment of the coach house has also started and is also expected to be completed in Q2 of 2021.
TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 25 years (renewable and annually indexable).
TOTAL INVESTMENT VALUE:	Approximately €13,0 million
TRANSACTION:	**Asset deal:** Through its Dutch subsidiary Care Property Invest.NL2 B.V, the Company acquired 100% of the properties on the estate, together with the associated permits and certifications required for the renovation of the manor and the construction of the adjoining coach house, from Stichting Utrechts Landschap and simultaneously entered into two turnkey agreements with the developer in charge of the redevelopment of 'Villa Wulperhorst'.
FINANCING:	Loan capital

Hillegom - St. Josephkerk

• ACQUISITION DATE	**27 September 2019**
• ADDRESS:	**Monseigneur van Leeuwelaan 1 & 3, 2182 EM Hillegom en Hoofstraat 141, 2181 EM Hillegom, The Netherlands**
• OPERATOR	**Korian Holding Nederland B.V.**
• CAPACITY:	**38 care apartments**
• LOCATION:	The project is centrally located along the main road that crosses Hillegom lengthways. The 'Van Nispenpark' and various facilities are located close to the project.
• YEAR OF CONSTRUCTION/ RENOVATION:	Provisional delivery is planned for Q4 of 2021.
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 20 years (renewable and annually indexable).
• TOTAL INVESTMENT VALUE:	Approximately €9.1 million
• TRANSACTION:	**Asset deal:** Acquisition through its Dutch subsidiary, Care Property Invest.NL5 B.V.
• FINANCING:	Loan capital

Zutphen - De Gouden Leeuw

• ACQUISITION DATE	**19 December 2019**
• ADDRESS:	**De Clercqstraat 58, 7201 EC Zutphen, The Netherlands**
• OPERATOR	**Woonzorgvoorziening de Gouden Leeuw Zutphen B.V. (part of the 'De Gouden Leeuw Groep')**
• CAPACITY:	**29 care apartments and care hotel with 7 studios**
• LOCATION:	The project will be one of three buildings within the high-end residential project 'De Veste' and is located near the Coehoornsingel, next to a historic fortress canal and the stately buildings that characterize the neighbourhood. The centre of Zutphen, with numerous restaurants, supermarkets, shops and banks, lies within walking distance.
• YEAR OF CONSTRUCTION/ RENOVATION:	Construction works have started in April 2019 and the provisional delivery is planned in Q3 of 2021.
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 25 years (renewable and annually indexable).
• TOTAL INVESTMENT VALUE:	Approximately €11.8 million
• TRANSACTION:	**Asset deal:** Acquisition through its Dutch subsidiary, Care Property Invest.NL4 B.V.
• FINANCING:	Loan capital

Nijmegen - De Orangerie

• ACQUISITION DATE	**23 October 2018**
• ADDRESS:	**Malvert 5002 en 5004, 6538 DM Nijmegen, The Netherlands**
• OPERATOR	**Korian Holding Nederland B.V.**
• CAPACITY:	**68 care apartments**
• LOCATION:	In the greenest neighbourhood of the city named Dukenburg. The neighborhood is known for its quiet character and is loved by both young and old alike.
• YEAR OF CONSTRUCTION/ RENOVATION:	Completion foreseen in Q3 of 2021.
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type with a duration of at least 20 years (renewable and annually indexable)
• TOTAL INVESTMENT VALUE:	Approximately €10.9 million.
• TRANSACTION:	**Asset deal:** Acquisition through its Dutch subsidiary, Care Property Invest.NL B.V.
• FINANCING:	Loan capital

2.1.3 PROJECTS 2020 FINANCIAL YEAR IN SPAIN

2.1.3.1 NEW PROJECTS UNDER DEVELOPMENT

Investment properties

Madrid (Carabanchel) - Emera Carabanchel

• DATE ACQUISITION	**24 July 2020**
• ADDRESS:	**Calle Juan Mieg 25, Carabanchel, 28054 Madrid, Spain**
• OPERATOR:	**A 100% subsidiary of Groupe Emera**
• CAPACITY:	**Residential care centre with 179 residential units 149 rooms (119 single rooms and 30 double rooms) and 11 assisted living apartments**
• LOCATION:	2.5 km from the centre of Carabanchel (a district of Madrid). Banks, shops and various restaurants are 210 m away and the centre of Madrid is 6.0 km away. The project is easily accessible by car via the A42, M40 and M45 motorways and by public transport thanks to a bus stop located 280 m away from the project.
• YEAR OF CONSTRUCTION / RENOVATION:	Start of construction works: Q3 2020. Provisional delivery is expected Q2 2022.
• CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
• INVESTMENT COST:	Approximately €14.6 million.
• TRANSACTION:	**Asset deal:** Acquisition through its Spanish subsidiary Care Property Invest Tulip SL of the land on 24 July 2020.
• FINANCING:	Loan capital

2.1.3.2 NEW PROJECTS SIGNED UNDER SUSPENSORY CONDITIONS

Investment properties

Mostoles (Madrid) - Emera Mostoles

• DATE SIGNING	**22 June 2020**
• ADDRESS:	**Calle Agustin de Betancourt 37, 28935, Mostoles, Madrid, Spain**
• OPERATOR:	**A 100% subsidiary of Groupe Emera**
• CAPACITY:	**Residential care centre with 166 residential units 148 rooms (130 single rooms and 18 double rooms)**
• LOCATION:	Next to a supermarket and only 1 km away from restaurants, shops, banks etc. The city centre of Mostoles (a district of Madrid) is 3 km away and the centre of Madrid is 20 km away. The project is easily accessible by car via the A5, M50 and M506 motorways and by public transport thanks to a bus stop located 350 m away from the project.
• YEAR OF CONSTRUCTION / RENOVATION:	Expected start of construction works: Q2 2021. Provisional delivery is expected Q2 2023.
• CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
• INVESTMENT COST:	Approximately €12.0 million.
• TRANSACTION:	**Asset deal:** Acquisition through Spanish subsidiary Care Property Invest Tulip. S.L. of the land after realising a few suspensory conditions, followed by financing of the construction in instalments.
• FINANCING:	To be decided – mix of equity and loan capital

Murcia - Emera Murcia

• DATE SIGNING	**16 November 2020**
• ADDRESS:	**Calle Avenida De La Justicia, Murcia, Spain**
• OPERATOR:	**A 100% subsidiary of Groupe Emera**
• CAPACITY:	**Residential care centre with 171 residential units** **128 rooms (85 single rooms and 43 double rooms) and a day care center with a capacity of 25 people**
• LOCATION:	Located in a commercial environment between the three main roads of Murcia and right next to a residential suburb of the city. There are several stores and restaurants 500 m away from the project. The city center of Murcia is 3 km away. The project is easily accessible by car via the N340 and N301, as well as by public transport thanks to a bus stop 280 m away.
• YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected Q2 2021.
• CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
• INVESTMENT COST:	Approximately €10.8 million.
• TRANSACTION:	**Share deal:** after the provisional delivery, our Spanish subsidiary Care Property Invest Spain S.L. will acquire 100% of the shares in the real estate company in which this project is incorporated.
• FINANCING:	To be decided – mix of equity and loan capital

2.1.4 OTHER EVENTS DURING THE 2020 FINANCIAL YEAR

2.1.4.1 MERGERS

Merging company	Absorbing company	Date effective absorption	Date of deed	Date publication Belgian Official Gazette	Code publication Belgian Official Gazette
Decorul nv/sa	Care Property Invest nv/sa	1 January 2020	27 March 2020	28 April 2020	BS 2020-04-28/0053385

For more information on the merger proposals, see www.carepropertyinvest.be/en/investments/mergers/.

2.1.4.2 ESTABLISHMENT/ ACQUISITION OF SUBSIDIARIES

Name established subsidiary	Date of establishment	Purpose
Care Property Invest NL7 B.V.	16 April 2020	Acquiring healthcare real estate sites in The Netherlands
Care Property Invest NL8 B.V.	19 October 2020	Acquiring healthcare real estate sites in The Netherlands
Name acquired subsidiary	**Date of acquisition of control**	**Purpose**
Care Property Invest Spain S.L.	21 July 2020	Holding
Care Property Invest Tulip S.L.	21 July 2020	Acquiring healthcare real estate sites in Spain
Care Property Invest Aster S.L.	10 November 2020	Acquiring healthcare real estate sites in Spain
Care Property Invest.NL9 B.V. (ex De Amsterdam Keizer BV)	29 December 2020	Acquiring healthcare real estate sites in The Netherlands

2.1.4.3 CAPITAL INCREASE IN KIND

On 15 January 2020, Care Property Invest acquired the projects 'La Reposée' and 'New Beaugency' in Mons and Bernissart by means of a contribution in kind of the land and real estate into the capital of Care Property Invest within the framework of the authorised capital. The transaction led to a strengthening of the equity of €33,594,044 of which an amount of €7,439,112 was allocated to the item capital and an amount of €26,154,932 to the item share premiums. The contribution was remunerated by 1,250,376 new shares. The shares were issued at a stipulated issue price of €26.87 per share.

2.1.4.4 OPTIONAL DIVIDEND

The Board of Directors of Care Property Invest decided on 27 May 2020 to offer the shareholders the possibility of an optional dividend. Shareholders had the choice to (i) either contribute the net dividend receivable in the capital of the Company, against the issue of new ordinary shares, (ii) receive the dividend in cash, (iii) or opt for a combination of the two previous options.

At the end of the option period the Company confirmed that a total of 52% of the net dividend rights attached to the shares with coupon No. 11 (for the dividend for the 2019 financial year) have been exchanged for new shares of Care Property Invest.

For this purpose, 273,091 new ordinary shares were issued at a fixed issue price of €25.53 per share, within the framework of the authorised capital, for a total issue amount of €6,970,784 (1,624,755 in capital and €5,346,029 in issue premium). Consequently, on 19 June 2020 the share capital of Care Property Invest was represented by 21,918,213 shares. Dividend rights that have not been contributed, representing a total net amount of €6,377,578, were paid out in cash.

Summary of the result of the optional dividend

Options for the shareholders	(I)the contribution of the net dividend rights into the Company's capital, in exchange for new ordinary shares; (II) payment of dividend in cash; or (III) a combination of both foregoing options.
Reinforcement of equity through optional dividend	€6,970,784
% of dividend rights contributed attached to shares with coupon No. 11	52%
Number of newly issued ordinary shares due to the optional dividend and the total issue price associated with it	273,091 shares for a total issue price of €6,970,784
Share capital Care Property Invest as from 19 June 2020	€130,402,408
Total number of Care Property Invest shares as from 19 June 2020 (coupon No. 13, sharing in the result as from 29 May 2020)	21,918,213 shares
Net total amount to be paid in cash for uncontributed dividend rights	€6,377,577

2.1.4.5 CAPITAL INCREASE IN CASH (ABB)

On 23 June 2020, Care Property Invest completed a capital increase by means of an accelerated private placement with composition of an order book (accelerated bookbuild offering) with international institutional investors, removing the legal preferential subscription right of, and without granting an irreducible allocation right to, the existing shareholders. The Company did this in order to be able to finance further investments within the framework of its growth plan.

2,191,821 new shares were placed (representing approximately 10% of the Company's outstanding shares upon completion of the offering) at an issue price of €27.25 per share.

As a result of the issuance of the new shares, the number of outstanding shares of the Company increased from 21,918,213 to 24,110,034 ordinary shares. The new shares were issued with coupon No. 13 et seq. attached and will participate in the result as of 29 May 2020.

Care Property Invest raised approximately €60 million gross with this. The capital of the Company increased from approximately € 130.40 million to approximately €143.44 million.

2.1.4.6 NEW MANDATES

On 27 May 2020, the General Meeting of Shareholders appointed Ms Valérie Jonkers and Mr Filip Van Zeebroeck as Executive Directors with immediate effect for a term of four years until the end of the Ordinary General Meeting of 2024 and Mr Ingrid Ceusters and Mr Michel Van Geyte as Non-Executive, Independent Directors within the meaning of Article 7:87 BCCA for a term of four years until the end of the Ordinary General Meeting of 2024.

2.1.4.7 MODIFICATION OF INTERNAL BODIES

2.1.4.7.1 *AUDIT COMMITTEE*

On 4 November 2020, the Board of Directors of the Company changed the composition of the Audit Committee. The mission of the Committee remains unchanged, namely to monitor the accuracy and reliability of all financial information, both internal and external. As well as ensuring that the periodic financial reports of Care Property Invest give a true, fair and clear view of the situation and outlook of Care Property Invest and, in particular, monitoring the annual and periodic financial statements before they are made public.

The Board of Directors appointed the following persons as members of the Audit Committee: Mr Paul Van Gorp, as Chairman, Mr Mark Suykens, Mr Michel Van Geyte, Ms Ingrid Ceusters and Mr Dirk Van den Broeck (advisory).

2.1.4.7.2 *NOMINATION AND REMUNERATION COMMITTE*

On 4 November 2020, the Board of Directors of the Company changed the composition of the Nomination and Remuneration Committee. The mission of the Committee remains unchanged, i.e., assisting and advising the Board of Directors in accordance with Article 7:100 BCCA.

The Board of Directors appointed the following persons as members of the Nomination and Remuneration Committee: Mr Mark Suykens, as Chairman, Ms Ingrid Ceusters, Ms Caroline Riské, Ms Brigitte Grouwels and Mr Willy Pintens (advisory).

2.1.4.7.3 *INVESTMENT COMMITTEE*

On 4 November 2020, the Board of Directors of the Company changed the composition of the Investment Committee. The mission of the Committee was slightly modified so that it has now been entrusted with the task of giving advice on investment and possible divestment dossiers in order to speed up the decision-making process. The Board of Directors respectively the Executive Committee remains responsible for the supervision and for taking the final decision.

The Board of Directors appointed the following persons as members of the Investment Committee: Mr Mark Suykens, as Chairman, Mr Michel Van Geyte, Ms Caroline Riské and Mr Paul Van Gorp.

2.1.4.8 EXPANSION MTN PROGRAMME

Care Property Invest has raised the ceiling of its MTN programme to €200 million, including an increase in additional backup lines.

2.1.4.9 ESTABLISHMENT EXECUTIVE COMMITTEE

On 15 June 2020, the Company's Extraordinary Meeting of Shareholders abolished the possibility of delegating operational management to a Management Committee (formerly Article 28 of the Articles of Association) and approved the amendment to Article 27 of the Articles of Association whereby the Board of Directors may delegate the daily management as well as the representation with regard to the daily management of the Company to an Executive Committee consisting of at least three members. Each member of the Executive Committee will also be referred to as the 'Managing Director'.

In accordance with the amended Articles of Association, the Board of Directors decided, with effect from 15 June 2020, to transfer the daily management as well as the representation with regard to the daily management of the Company to an Executive Committee composed of at least three members, in accordance with the amended Articles of Association. The Board of Directors appointed the following persons as members of the Executive Committee: Mr Peter Van Heukelom (CEO), Mr Dirk Van den Broeck, Mr Willy Pintens, Mr Filip Van Zeebroeck (CFO) and Ms Valérie Jonkers (COO). Since these persons have also been appointed as Directors, they all also bear the title of Managing Director.

2.1.4.10 CORONAVIRUS (COVID-19)

The outbreak of COVID-19 in early 2020 and the measures taken to contain the virus do not have a significant impact on the financial performance of 2020.

2.1.4.10.1 *IMPACT ON THE GLOBAL RESULT STATEMENT*

2.1.4.10.1.1. *RENTAL INCOME*

Care Property Invest currently has no backlog of contractual rent payments due as a result of the COVID-19 crisis, nor any rent-free periods or rent reductions granted to its tenants. Despite the fact that overall, there was a lower effective occupancy in the residential care centres in 2020, they have always remained operational with strict precautions and the COVID-19 crisis has therefore not had any impact on the payment of rental fees by the operators to the Company. On the one hand, the explanation can be found in the overall limited decrease in actual occupancy, which, since the summer and the end of the intake stop, has increased again over the entire portfolio. On the other hand, the explanation lies in the qualitative tenant base of the Company and the governmental support for the sector in the regions and countries where the Company is active. Nevertheless, Care Property Invest continues to closely monitor the actual occupancy rate and the progress of the vaccinations of residents of residential care centres, which is considered a priority.

2.1.4.10.1.2. *RESULT AND DIVIDEND PER SHARE*

Despite the outbreak of the virus, the adjusted EPRA earnings per share of €0.99 exceeded the guidance of €0.93 given by Care Property Invest in the press release published on 18 March 2020 for the 2020 financial year and the increased guidance of €0.96 given in the half-yearly report on 1 September 2020. The dividend remains unchanged at €0.80. Care Property Invest would like to point out that the dividend for the 2020 financial year is split into 2 coupons: coupon No. 12 (representing an amount of €0.32) and coupon No. 13 (representing an amount of €0.48) and that these two coupons will be paid after the Ordinary General Meeting of Shareholders for the 2020 financial year, which will take place on 26 May 2021. The payment date will then be 28 May 2021 (unless the Company decides to offer an optional dividend, in which case payment of the dividend will take place after the option period).

2.1.4.10.2 *IMPACT ON THE BALANCE SHEET*

2.1.4.10.2.1. *VALUATION OF THE PROPERTY PORTFOLIO*

The valuation reports of the external independent valuation experts for the financial year 2020 for the entire portfolio of investment properties show a constant trend. There is no question of a downward revaluation of the portfolio of investment properties as a result of the COVID-19 crisis as at 31 December 2020. Globally, there was even an upward revaluation of the entire portfolio amounting to €2,598,197.

2.1.4.10.2.2. *DEBT RATIO*

As at 31 December 2020, Care Property Invest's debt ratio was 46.31%. Despite the COVID-19 crisis and record investments, the Company thus succeeded, by means of a contribution in kind, the offering of an optional dividend and a capital increase by means of accelerated private placement with composition of an order book, in reducing its debt ratio compared to the beginning of the financial year (as at 31 December 2019 the debt ratio was 49.32%). The available margin up to a debt ratio of 60%, which Care Property Invest has agreed with its credit providers in covenants as a maximum debt ratio, amounts to €256.5 million. The principal amount of loans to be repaid in the 2021 financial year is only €33.2 million of which €3.2 million actually has to be repaid and the remainder can be rolled over at the Company's request.

Care Property Invest has an MTN programme of €200 million. As at 31 December 2020, Care Property Invest had €92 million outstanding as commercial paper, which was more than 100% covered by specific, associated back-up lines. Care Property Invest would like to point out that it can still roll over commercial paper at a total cost to the Company of 10 bp.

As at 31 December 2020, Care Property Invest has approximately €225 million of confirmed undrawn credit lines of which € 110 million are specific back-up lines for the MTN programme. The fact that Care Property Invest continues to have access to additional credit facilities demonstrates the confidence that credit providers have in Care Property Invest, its business and its management.

2.1.4.10.2.3. *DEVELOPMENTS INCLUDED IN THE BALANCE SHEET*

The Company's development pipeline includes several projects in The Netherlands and 1 project in Spain.

Construction activities have continued in The Netherlands since the outbreak while respecting the measures imposed by the Dutch government to contain the COVID-19 virus. The delays specifically caused by the COVID-19 crisis remain difficult to quantify but seem rather limited. The delivery of a large number of projects is foreseen in the coming months and therefore these will contribute to an increase in rental income. The project in Spain was started in the second half of 2020 and is currently on schedule. The Company monitors the projects closely and communicates in a timely manner if certain deadlines are not met.

2.1.4.10.3 *FUTURE IMPACT*

For 2021, the Company thus had a solid basis in terms of liquidity and debt ratio. The contribution in kind of the project 'Résidence des Ardennes' in Attert and the increase of the MTN programme to €300 million at the beginning of 2021 further strengthen the Company's position. Nevertheless, developments in the sector and among tenants are closely monitored, as well as the broader impact of the COVID-19 crisis and the measures and vaccination strategy. In the longer term, the demand for healthcare real estate driven by demographic developments remains unaffected by the COVID-19 crisis. This crisis has only underlined the importance of good care for the elderly.

For an ongoing update on the impact of COVID-19 on the Company, please refer to the COVID-19 section on our website (https://carepropertyinvest.be/en/investments/covid-19/).

2.1.4.11 LONG-TERM INCENTIVE PLAN

On 18 November 2020, Care Property Invest announced that the Board of Directors has decided to continue the share buy-back programme announced on 8 April 2019 for a total amount of up to €180,000 to acquire up to 6,000 shares, within the limits of the (renewed) authorisation to buy back own shares granted by the Extraordinary General Meeting of Shareholders of 15 June 2020. The purpose of the buy-back programme is to enable Care Property Invest to meet its obligations arising from share purchase plans for the benefit of the executive management of Care Property Invest.

Care Property Invest acknowledges the need to have an active and committed management that is also responsible for the further expansion and integration of the investments made. Based on previous experience and current market practices and trends, the Remuneration and Nomination Committee and the Board of Directors are also convinced that the engagement and involvement of the management increases if it can participate in the capital of Care Property Invest, thus aligning the interests of the management with those of the Company and its shareholders. This method of remuneration is therefore in line with the principles of good corporate governance pursued by the Company. After all, linking an appropriate part of the remuneration package to performance is also explicitly included in the Corporate Governance Code. Care Property Invest applies the provisions and guidelines of this Code in full to its long-term incentive plan. The buy-back programme is carried out by an independent broker in accordance with the applicable regulations regarding the purchase of own shares.

On 30 November 2020, Care Property Invest announced that, in accordance with Article 8:4 of the Royal Decree of 29 April 2019 implementing the BCCA, it had purchased 6,000 own shares on Euronext Brussels. The shares were purchased at an average price (rounded) of €27.74 per share.

Detailed overview of the transactions per day:

Date	Number of shares	Average price (in €)	Minimum price (in €)	Maximum price (in €)	Total price (in €)
18 November 2020	750	28.14	28.05	28.20	21,105
19 November 2020	750	27.95	27.95	27.95	20,963
20 November 2020	1,500	27.66	27.40	27.80	41.488
23 November 2020	750	27.75	27.75	27.75	20,813
24 November 2020	1,000	27.61	27.20	27.75	27,613
25 November 2020	250	27.20	27.20	27.20	6,800
26 November 2020	-	-	-	-	0
27 November 2020	1,000	27.65	27.60	27.70	27,650
TOTAL	**6,000**	**27.74**			**166,432**

2.2 Events after the closing of the 2020 financial year

2.2.1 ADDITIONAL INVESTMENTS

As already announced in a separate press release, Care Property Invest is proud to announce that it has made the following investments after the closing of the financial year:

2.2.1.1 ADDITIONAL PROJECTS IN BELGIUM

2.2.1.1.1 *PROJECTS GENERATING IMMEDIATE RETURNS FOR THE COMPANY*

Investment properties

Attert - 'Résidence des Ardennes'

ACQUISITION DATE	**20 January 2021**
ADDRESS:	**Rue du Bois de Loo 379, 6717 Attert, Belgium**
OPERATOR:	**Services Ardennes Srl (a subsidiary of My-Assist)**
CAPACITY:	**Today:** existing residential care centre with 150 residential places and a licensed group of assisted living apartments with 26 residential units. **After completion of the construction works:** existing residential care centre with 150 residential places and a licensed group of assisted living apartments with 50 residential units.
LOCATION	Located in the centre of Attert, near the border with the Grand Duchy of Luxembourg. The project is 700 m away from the post office, town hall and several shops, restaurants and supermarkets. The project is easily accessible by car via the E25 (Liège-Bastogne-Aarlen/Arlon), the N87 (direction Parette) and the N4 (direction Aarlen/Arlon) as well as by public transport thanks to a bus stop right in front of the project.
YEAR OF CONSTRUCTION/ RENOVATION:	The existing residential care centre (RRC) was built in 2004. A first extension took place in 2012 and a second in 2017. The provisional delivery of the construction works in progress is expected in Q4 of 2021.
TYPE OF CONTRACT:	New long-term lease agreement of the 'triple net' type, which can be indexed annually with a minimum duration of 29 years (renewable).
CONTRIBUTION VALUE:	Approx. €42.1 million (contribution in kind)
ADDITIONAL INVESTMENT COST:	Approx. €2.2 million (investment cost of ongoing construction works)
TRANSACTION:	**Asset deal**
FINANCING:	Through a successful contribution in kind of the property into the capital of Care Property Invest, within the framework of the authorised capital. As a result of this contribution, which led to a capital increase (including share premium) of €42,087,805.27, 1,696,114 new Care Property Invest shares were issued at an issue price of €24.81 per share.

2.2.1.2 ADDITIONAL PROJECTS IN THE NETHERLANDS

2.2.1.2.1 *NEW PROJECTS UNDER DEVELOPMENT*

Investment properties

Ouderkerk aan de Amstel - 'Amstel'

ACQUISITION DATE	**31 March 2021**
ADDRESS:	**Polderweg 3, 1191 JR Ouderkerk aan de Amstel, The Netherlands**
CAPACITY:	**Care residence with 32 residential units (32 care apartments)**
OPERATOR:	**Stepping Stones (part of Korian Holding Nederland B.V.)**
LOCATION:	On the edge of the village of Ouderkerk aan de Amstel (province of North Holland). The village centre is about 1 km away from the care residence and, as the name suggests, the Amstel River runs right through the village, making it a pleasant place to spend time in the various eating and drinking establishments along the water's edge. The project is easily accessible by car via the A9 (Alkmaar-Amsterdam South-East) and the N522 (Amstelveen-Ouderkerk).
DESCRIPTION PROPERTY AND FACILITIES:	The building will have a total capacity of 32 residential units, all of which will be care apartments. Residents will be able to keep fit in the adjacent sports facility and enjoy the sun on the adjoining terrace or in the garden.
YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected by the end of 2022.
CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
INVESTMENT VALUE:	€9.6 million.
TRANSACTION:	**Asset deal:** acquisition of land and buildings through its Dutch subsidiary Care Property Invest.NL6 B.V.
FINANCING:	Loan capital.

2.2.1.3 ADDITIONAL PROJECTS IN SPAIN

2.2.1.3.1 *PROJECTS GENERATING IMMEDIATE RETURNS FOR THE COMPANY*

Investment properties

Almeria - 'Emera Almeria'

ACQUISITION DATE	**24 February 2021#**
ADDRESS:	**Calle Fuente Victoria, 04007 Almeria, Spain**
OPERATOR	**Wsenior Asistencia Integral 4 S.L., a 100% subsidiary of Groupe Emera**
CAPACITY:	**Residential care centre with 154 residential places 105 rooms (56 single rooms and 49 double rooms) and a day care center with a capacity of 20 people**
LOCATION:	Located in a residential area, 1.6km from the city centre of Almeria. You will find several shops, supermarkets and restaurants within 300m of the residential care centre. The project is easily accessible by car via the AL-12 motorway. (the main road to Almeria, which passes by the airport, among other things), as well as by public transport thanks to a bus stop located near the entrance of the building.
YEAR OF CONSTRUCTION / RENOVATION:	2021
CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
CONVENTIONAL VALUE:	€10.0 million.
TRANSACTION:	**Share deal:** Care Property Invest Spain S.L.U., a 100% subsidiary of Care Property Invest, acquired 100% of the shares in Care Property Invest Jasmine, S.L., the real estate company in which the entire project is incorporated.
FINANCING:	Debt financing.

2.2.2 CAPITAL INCREASE IN KIND

On 20 January 2021, Care Property Invest acquired the project 'Résidence des Ardennes' in Attert by means of a contribution in kind of the land and the real estate into the capital of Care Property Invest within the framework of the authorised capital. A separate agreement was also concluded regarding the completion of the construction works in progress.

As a result of this contribution, which led to a capital increase (including issue premium) of €42,087,805, 1,696,114 Care Property Invest shares were issued. The issue price was €24.81 per share.

2.2.3 MTN PROGRAMME EXTENSION

In early 2021, Care Property Invest further increased the ceiling of its MTN programme to €300 million, including an increase in additional back-up lines.

2.2.4 CORONAVIRUS

The outbreak of COVID-19 in early 2020 and the measures taken to contain the virus have no significant impact on the financial performance of 2020.

For 2021, the Company has a solid base in terms of liquidity and debt ratio. The contribution in kind of the 'Résidence des Ardennes' project in Attert and the increase of the MTN programme to €300 million at the beginning of 2021 further strengthen the Company's position. Nevertheless, developments in the sector and among tenants are closely monitored, as well as the broader impact of the COVID-19 crisis and the measures and vaccination strategy. In the longer term, the demand for healthcare real estate driven by demographic developments remains unaffected by the COVID-19 crisis. This crisis has only underlined the importance of good care for the elderly.

2.2.5 ACQUISITION OF SUBSIDIARIES

Name of acquired subsidiary	Date of acquisition	Purpose
Care Property Invest Jasmine S.L.	18 March 2021	Acquire healthcare sites in Spain

2.3 Outlook

Care Property Invest actively pursues the development of a balanced and profitable real estate portfolio and investigates investment opportunities that are fully in line with the Company’s strategy, both in Belgium, The Netherlands and Spain as in other key geographic markets within the EEA.

More information on these projects can be found in section ‘2.1 Important events during the 2020 financial year’ on page 40.

The Board of Directors is also constantly examining various investment and financing possibilities in order to realise its activities.

3. Synthesis of the consolidated balance sheet and the global result statement

3.1 Consolidated global result statement (1)

Amounts in EUR		31/12/2020	31/12/2019
I	Rental income (+)	36,203,096	29,481,755
NET RENTAL RESULT		**36,203,096**	**29,481,755**
V	Recovery of rental charges and taxes normally borne by tenants on let properties (+)	551,247	366,076
VII	Rental charges and taxes normally borne by tenants on let properties (-)	-551,247	-366,076
REAL ESTATE RESULT		**36,203,096**	**29,481,755**
IX	Technical costs (-)	-2,284	0
REAL ESTATE COSTS		**-2,284**	**0**
REAL ESTATE OPERATING RESULT		**36,200,812**	**29,481,755**
XIV	General expenses of the Company (-)	-7,217,459	-4,929,433
XV	Other operating income and expenses (+/-)	1,362,430	1,618,430
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		**30,345,783**	**26,170,752**
XVIII	Changes in fair value of investment properties (+/-)	2,598,197	10,129,700
XIX	Other result on portfolio (+/-)	0	-274,559
OPERATING RESULT		**32,943,980**	**36,025,893**
XX	Financial income (+)	90	20,693
XXI	Net interest expense (-)	-7,099,028	-6,205,675
XXII	Other financial costs (-)	-535,760	-244,039
XXIII	Changes in fair value of financial assets and liabilities (+/-)	-5,358,254	-3,061,553
FINANCIAL RESULT		**-12,992,952**	**-9,490,574**
RESULT BEFORE TAXES		**19,951,028**	**26,535,319**
XXIV	Corporation tax (-)	90,241	-165,748
XXV	Exit tax (-)	-176,357	589,882
TAXES		**-86,116**	**424,134**
NET RESULT (group share)		**19,864,912**	**26,959,453**
Other elements of the global result		0	0
GLOBAL RESULT		**19,864,912**	**26,959,453**

(1) Due to a reclassification between item XV on the one hand and items V and VII on the other hand, the figures as at 31 December 2019 were also adjusted to allow for proper comparability.

3.2 Net result per share on a consolidated basis

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT / GLOBAL RESULT	19,864,912	26,959,453
Net result per share based on weighted average shares outstanding	**0.8598**	**1.3222**
Gross yield compared to the initial issuing price in 1996	*14.45%*	*22.22%*
Gross yield compared to stock market price on closing date	*3.20%*	*4.48%*

3.3 Components of the net result

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT / GLOBAL RESULT	19,864,912	26,959,453
NON-CASH ELEMENTS INCLUDED IN THE NET RESULT	**3,094,548**	**-8,256,201**
Depreciations, impairments and reversal of impairments	211,654	180,950
Changes in fair value of investment properties	-2,598,197	-10,129,700
Changes in fair value of authorised hedging instruments	5,358,254	3,061,553
Projects' profit or loss margin attributed to the period	122,836	-1,644,083
Provisions	0	521
Other result on portfolio	0	274,559
ADJUSTED EPRA EARNINGS	22,959,461	18,703,252
Adjusted EPRA earnings per share based on weighted average number of outstanding shares	**0.9937**	**0.9173**
Gross yield compared to the initial issuing price in 1996	*16.70%*	*15.42%*
Gross yield compared to stock market price on closing date	*3.69%*	*3.11%*

The weighted average number of outstanding shares was 20,389,088 as at 31 December 2019 and increased to 23,105,198 shares as at 31 December 2020. The number of shares amounted to 20,394,746 as at 31 December 2019 (including 5,658 treasury shares) and increased to 24,110,034 shares as at 31 December 2020 (including 6,878 treasury shares).

The number of shares changed as a result of (i) a capital increase in kind for the purchase of the residential care centres with assisted living apartments 'La Reposée' and 'New Beaugency', located in Mons and Bernissart respectively, for which 1,250,376 shares were issued on 15 January 2020, (ii) an optional dividend for the financial year 2019 which was successfully completed on 19 June 2020 and led to the issue of 273,091 new shares and (iii) a capital increase in cash through an accelerated private placement for which 2,191,821 new shares were issued on 25 June 2020. The shares issued under (i) are entitled to dividends for the entire 2020 financial year (coupon 12 et seq.), those issued under (ii) and (iii) share in the result as of 29 May 2020 (coupon 13 et seq.).

Following the contribution in kind of 'Résidence des Ardennes', located in Attert, on 20 January 2021, 1,696,114 new shares were issued so that the total number of shares is currently 25,806,148. This led to an increase of €10,091,030 in the capital item and € 31,996,775 in the share premium item.

The gross return is calculated in table '3.2 Net result per share on a consolidated basis' on page 60 by dividing the net result per share by the initial issue price in 1996 (i.e., €5.9495) on the one hand and the market value on the closing date on the other hand. In table "3.3 Components of the net result's of the net result', the gross yield is calculated by dividing the adjusted EPRA earnings per share by the initial issue price in 1996 (i.e., €5.9495), on the one hand, and the market capitalisation on the closing date, on the other. The share price was € 26.90 on 31 December 2020 and € 29.50 on 31 December 2019. There are no instruments that have a potentially dilutive effect on the net result per share.

NOTES TO THE GLOBAL RESULT STATEMENT

Operating result

The Company's operating result decreased by 8.55% compared to 31 December 2019.

Rental income as at 31 December 2020 increased by 22.80% compared to the same period last year. The increase in rental income from investment properties can be explained, besides indexation, by the additional rental income following the acquisition of new investment properties during 2020. The acquired investment properties in the course of 2019 also contribute to the increased rental income in 2020.

The increase in income from financial leases can be explained, in addition to indexation, by the completion of the 'De Nieuwe Ceder' project in Deinze in 2019 and the 'Assistentiewoningen De Stille Meers' project in Middelkerke at the beginning of 2020.

As at 31 December 2020, the Company had no significant outstanding rent receivables, which meant that no receivables had to be transferred to the doubtful debtors. Therefore, in 2020 the Company remained free from any impact on rental income collection as a result of the COVID-19 crisis.

The Company's **general expenses** increased by €2,288,025 compared to 31 December 2019. The increase is explained by the adjustment in the provision for management bonuses already implemented in the first quarter, as well as an increase in external advice in connection to the entry onto the Spanish market. In addition, the workforce increased from 12,26 FTEs on 31 December 2019 to 15.3 FTEs on 31 December 2020.

Other operating income and expenses decreased from €1,618,430 on 31 December 2019 to €1,362,430 on 31 December 2020. The decrease is due to the completion of the 'Assistentiewoningen De Stille Meers" project in Middelkerke.

The largest operating cost related to the projects concerns the construction cost of €499,029, which is capitalised through the item 'other operating income'. In addition, this item consists of the project management fee of €1,529,761 for the 'Assistentiewoningen De Stille Meers' project in Middelkerke and the 'De Nieuwe Ceder' project in Deinze and the profit and loss margin for these projects of €-122,836. The latter concerns a non-cash element which is corrected for the calculation of the adjusted EPRA earnings.

The **variations in the fair value of investment properties** amount to €2,598,197 as at 31 December 2020. This is a more limited increase in fair value related to those as per 31 December 2019, which can largely be attributed to the delayed progress of the development projects Also here it concerns unrealised variations that are corrected in the adjusted EPRA earnings.

Financial result

Interest charges have increased as a result of raising additional borrowings, in addition to the capital increases mentioned above, to finance the acquisitions that took place in the course of 2020. The weighted average interest rate as at 31 December 2020 is 2.22% This is a significant decrease compared to the weighted average interest rate of 2.35% as at 31 December 2019.

The financial result was negatively influenced by the inclusion of the fair value of the financial instruments concluded. Due to a decrease in interest rates and the conclusion of 4 additional IRSs, despite the further expiry of the term of existing financial instruments, a negative value of €5,358,254 was obtained as at 31 December 2020. As a result, the total impact to date amounts to €-27,975,990 compared to €-22,617,736 as at 31 December 2019.

The variation in fair value of financial assets and liabilities is a non-cash element and is therefore not taken into account for the calculation of the distributable result, i.e., the adjusted EPRA earnings.

Taxes

The amount of taxes as at 31 December 2020 includes the estimated and prepaid corporate income taxes as well as the modification of the calculated exit tax of the subsidiaries. The positive balance of the exit tax as at 31 December 2019 was due to the impact of the reduced exit tax rate of 12.75%, which has increased again to 15% as from fiscal year 2021.

Adjusted EPRA earnings

The adjusted EPRA earnings on a consolidated basis amounted to €22,959,461 on 31 December 2020 compared to €18,703,252 on 31 December 2019. This represents an increase of 22.76%. The adjusted EPRA earnings per share rose from € 0.9173 on 31 December 2019 to € 0.9937 on 31 December 2020 which represents an increase of 8.33% and is lower due to the increase in the number of issued shares. The Company thus exceeded the forecasts it had communicated at the beginning of the financial year.

3.4 Consolidated balance sheet (1)

Amounts in EUR		31/12/2020	31/12/2019
ASSETS			
I. NON-CURRENT ASSETS		**739,484,884**	**566,900,062**
B.	Intangible assets	158,457	174,260
C.	Investment properties	533,854,521	357,245,670
D.	Other tangible fixed assets	2,271,023	9,909,596
E.	Financial fixed assets	177,036	633,303
F.	Finance lease receivables	187,355,753	183,842,688
G.	Trade receivables and other non-current assets	15,666,584	15,094,545
H.	Deferred tax - assets	1,510	0
II. CURRENT ASSETS		**9,732,072**	**5,975,797**
D.	Trade receivables	2,459,728	838,493
E.	Tax receivables and other current assets	2,294,990	1,445,296
F.	Cash and cash equivalents	3,751,851	3,347,195
G.	Deferrals and accruals	1,225,503	344,813
TOTAL ASSETS		**749,216,956**	**572,875,859**
EQUITY AND LIABILITIES			
EQUITY		**369,779,481**	**266,291,362**
A.	Capital	143,442,647	121,338,541
B.	Share premium	181,447,992	104,174,862
C.	Reserves	25,023,930	14,258,126
D.	Net result for the financial year	19,864,912	26,519,833
LIABILITIES		**379,437,475**	**306,584,497**
I. Non-current liabilities		**237,598,310**	**189,839,023**
B.	Non-current financial debts	205,399,114	164,999,835
C.	Other non-current financial liabilities	27,975,990	23,075,069
E.	Other non-current liabilities	1,782,301	1,764,119
F.	Deferred tax - liabilities	2,440,905	0
II. Current liabilities		**141,839,165**	**116,745,474**
B.	Current financial liabilities	125,266,029	108,885,078
D.	Trade payables and other current liabilities	12,096,802	4,201,363
E.	Other current liabilities	2,440,285	2,477,769
F.	Deferrals and accruals	2,036,049	1,181,264
TOTAL EQUITY AND LIABILITIES		**749,216,956**	**572,875,859**

(1) Due to a reclassification between the item A. Provisions (on the liabilities side) on the one hand and the item D. Trade receivables (on the assets side) on the other hand, the figures as at 31 December 2019 were also adjusted to allow for correct comparability.

NOTES TO THE CONSOLIDATED BALANCE SHEET

Investment Properties

The Company's property portfolio increased by €176,608,851 in 2020, thanks to the acquisition of the investment properties, being the projects 'La Reposée' in Mons (Belgium), 'New Beaugency' in Bernissart (Belgium) 'De Wand' in Laeken (Belgium), 'Keymolen' in Lennik (Belgium), 'Westduin' in Westende (Belgium), 'De Meerlhorst' in Heemstede (The Netherlands), 'Het Witte Huis' in Oegstgeest (The Netherlands), 'Villa Oranjepark' in Oegstgeest (The Netherlands) and 'Boarnsterhim State' in Aldeboarn (The Netherlands) and the development projects, being 'Aldenborgh' in Roermond (The Netherlands), 'Villa Vught' in Vught (The Netherlands), 'Mariënhaven' in Warmond (The Netherlands), 'Huize Elsrijk' in Amstelveen (The Netherlands) and 'Emera Carabanchel' in Madrid (Spain). The increase is also the result of the completion of the project 'Nuance' in Vorst (Belgium) and the further development of the projects 'De Orangerie' in Nijmegen (The Netherlands), 'Margaritha Maria Kerk' in Tilburg (The Netherlands), 'Sterrenwacht' in Middelburg (The Netherlands), 'Villa Wulperhorst' in Zeist (The Netherlands), 'St. Josephkerk' in Hillegom (The Netherlands) and 'De Gouden Leeuw' in Zutphen (The Netherlands).

The real estate experts confirm the fair value of the property portfolio at a total amount of €532.4 million (excluding €1.4 million in rights in rem). The fair value is equal to the investment value (or the registered value including all acquisition costs) from which the transaction duties were deducted for an amount of 2.5% for the real estate in Belgium and 6.5% for the real estate in The Netherlands. For real estate in Spain, these are determined regionally.

Other tangible fixed assets

As at 31 December 2020, this item contains €2,246,034 of 'tangible fixed assets for own use'. The finance lease receivables' relating to projects in progress have been transferred to finance lease receivables after the completion of the 'Assistentiewoningen De Stille Meers' project in Middelkerke.

Finance lease receivables

The item 'finance lease receivables' includes all final building rights fees that were due for repayment at the end of the contract for the 76 projects in the initial portfolio and during the term of the contract for the projects 'Hof ter Moere' in Moerbeke, 'Hof Driane' in Herenthout, 'Residentie De Anjers' in Balen, 'De Nieuwe Ceder' in Deinze and 'Assistentiewoningen De Stille Meers' in Middelkerke.

The increase in the 'finance lease receivables' is mainly explained by the completion of the 'Assistentiewoningen De Stille Meers' project in Middelkerke, for an amount of €8,554,110, of which €4,230,112 has already been repaid at the time of completion.

Unlike the projects in the initial portfolio, for the aforementioned reason, the ground rent for the projects in Moerbeke, Herenthout, Balen, Deinze and Middelkerke consists, not only of a revenue component, but also of a repayment of the investment value, as a result of which the amount of the receivable will gradually decrease over the term of the leasehold agreement. The fair value of the finance leases amounted to €287,828,166 as at 31 December 2020.

Trade receivables regarding the projects included in the item 'Finance lease receivables'

The difference between the nominal value of the building lease payments (included under the heading 'finance lease receivables') and the fair value, which at the time of making available is calculated by discounting future cash flows, is included under 'trade receivables' and is depreciated on an annual basis.

The increase in trade receivables related to the projects included in the 'finance lease receivables' is mainly explained by the completion of the 'Assistentiewoningen De Stille Meers' project in Middelkerke.

Debts and liabilities

As at 31 December 2020, the Company has an MTN programme at Belfius (arranger) amounting to €200 million with dealers Belfius and KBC. The Company has set up the necessary backup lines for this purpose. As at 31 December 2020, the amount already drawn amounts to €92.0 million in commercial paper and €21.0 million in bonds.

Amounts in EUR	31/12/2020	31/12/2019
Average remaining term of financial debt	6.33	6.77
Nominal amount of current and non-current financial debts	330,582,772	273,884,913
Weighted average interest rate (1)	2.22%	2.35%
Nominal amount of derivative instruments	156,914,042	92,265,802
Fair value of hedging instruments	-27,975,990	-22,617,736

(1) The weighted average interest rate refers to interest rates after conversion of variable interest rates to fixed interest rates through swaps.

The Company expects that the weighted average interest rate will further decrease during the 2021 financial year as the Company incurs new debts to finance additional investments. The Company has provided the necessary flexibility in view of its debt ratio. The Company also uses interest rate swaps to hedge its debts with a variable interest rate. As at 31 December 2020, the Company has hedged 99.06% of its debts, either by means of an interest rate swap or by means of a fixed interest rate, which represents an increase compared to 31 December 2019 where the hedge ratio was 78.38%.

The consolidated debt ratio, calculated in accordance with Article 13, §1, 2° of the RREC Decree, was 46.31% on 31 December 2020. The available margin for further investments and completion of the developments already acquired before reaching a debt ratio of 60% amounts to €256.5 million as at 31 December 2020.

The **other non-current liabilities** show a slight increase compared to 31 December 2019 to an amount of €1,782,301 and relate to the debts relating to the rights in rem of the projects 'La Résidence du Lac' in Genval, 'Residentie De Anjers' in Balen and 'Villa Wulperhorst' in Zeist, which are included in the balance sheet in accordance with IFRS 16.

The **commercial debts and other current liabilities** amount to €12,096,802 as at 31 December 2020, which is considerably higher than usual. Of this amount, €7,382,704 relates to invoices still to be received for the projects 'Mariënhaven' in Warmond (The Netherlands) and 'Villa Vught' in Vught (The Netherlands), which were acquired shortly before year-end. These amounts were settled in the course of January 2021.

The **other current liabilities** show a slight decrease compared to 31 December 2020 to an amount of €2,440,285 and relate to short-term liabilities with respect to development projects.

3.5 Consolidated balance sheet finance leases at fair value [1] [3]

Amounts in EUR	31/12/2020	31/12/2019
Intangible assets	158,457	174,260
Investment properties	533,854,521	357,245,670
Finance lease receivables and trade receivables	287,828,166	286,714,450
Authorised hedging instruments	0	457,333
Deferred tax - assets	1,510	0
Other assets included in the debt ratio	8,428,280	12,714,169
Cash and cash equivalents	3,751,851	3,347,195
TOTAL ASSETS	**834,022,785**	**660,653,077**
Equity	369,779,481	266,291,362
Revaluation gain on finance lease receivables	84,805,829	87,777,217
Debt and liabilities included in the debt ratio [2]	346,984,529	282,328,164
Other liabilities	32,452,946	24,256,333
TOTAL EQUITY AND LIABILITIES	**834,022,785**	**660,653,077**
DEBT RATIO	**41.60%**	**42.76%**

(1) This balance sheet has not been prepared in accordance with IFRS standards.

(2) The following debts and liabilities are not included in the calculation of the debt ratio: provisions, authorised hedging instruments, deferred taxes and accrued charges and deferred income.

(3) Due to a reclassification between 'Other Liabilities' on the one hand and 'Other assets included in the debt ratio' on the other hand, the figures as at 31 December 2019 were also adjusted to allow for correct comparability.

3.6 Net assets and net value per share on a consolidated basis [1] [2]

Amounts in EUR	31/12/2020	31/12/2019
Total assets	749,216,956	572,875,859
Liabilities	-379,437,475	-306,584,497
NET ASSETS	**369,779,481**	**266,291,362**
Net value per share	15.34	€ 13.06
Total assets	749,216,956	572,875,859
Current and non-current liabilities (excluding 'authorised hedging instruments')	-351,461,485	-283,966,761
NET ASSETS EXCLUDING 'AUTHORISED HEDGING INSTRUMENTS'	**397,755,471**	**288,909,098**
Net value per share excluding 'authorised hedging instruments'	€ 16.50	€ 14.17
Total assets including the calculated fair value of finance lease receivables	834,022,785	660,653,077
Current and non-current liabilities (excluding 'authorised hedging instruments' and 'deferred taxes')	-349,020,580	-283,966,761
NET ASSETS EXCLUDING 'AUTHORISED HEDGING INSTRUMENTS' AND 'DEFERRED TAXES' AND INCLUDING 'FAIR VALUE OF LEASE RECEIVABLES' (EPRA NAV)	**485,002,205**	**376,686,316**
Net value per share excluding 'authorised hedging instruments' and 'deferred taxes' and including 'fair value of finance lease receivables (EPRA NAV)	€ 20.12	€ 18.47

(1) In accordance with the RREC Law, the net value per share is calculated on the basis of the total number of shares less own shares. On 31 December 2020, the Company held 6,878 own shares.

(2) Due to a reclassification between 'Provisions' (on the liabilities side) on the one hand and 'Trade receivables' (on the assets side) on the other hand, the figures as at 31 December 2019 were also adjusted to allow for correct comparability.

4. Appropriation of the result

A total gross dividend for the 2020 financial year of €18,498,162 or €0.80 per share (€0.32 for coupon 12 and €0.48 for coupon 13) will be proposed at the Company's Annual General Meeting on 26 May 2021. After deduction of the 15% withholding tax, this represents a net dividend of €0.68 per share (€0.27 for coupon 12 and €0.41 for coupon 13). This proposal is in line with the forecasts communicated by the Company in its reports since the beginning of the financial year.

This represents an increase of 3.90% compared to the dividend paid for the 2019 financial year. The payout ratio is then 84.14% at the statutory level and 80.57% at the consolidated level, based on the adjusted EPRA earnings.

The shares with coupon No. 12 will be entitled to a pro rata dividend as from 1 January 2020 until 28 May 2020. The shares with coupon No. 13 will be entitled to a pro rata dividend as from 29 May 2020 until 31 December 2020.

In accordance with Article 13 of the RREC Decree, the minimum dividend payment is €17,587,645 for the 2020 financial year. In the event of a positive net result for the financial year, this is the minimum amount to be distributed as a remuneration for the capital, i.e., 80% of the corrected result less the decrease in debt levels during the financial year (see chapter 'VIII. Financial Statements' item '4.5 Dividend payment obligation pursuant to the Royal Decree of 13 July 2014 concerning RRECs' on page 223).

Summary table:

Number of shares with rights to dividends - coupon No. 12	21,644,244
Number of shares with rights to dividends - coupon No. 13	24,103,156
Remuneration of the capital - coupon No. 12	€ 6,926,158
Remuneration of the capital - coupon No. 13	€ 11,572,004
Total remuneration of the capital	€ 18,498,162
Gross dividend per share for shares with coupon No.12	€ 0.32
Gross dividend per share for shares with coupon No.13	€ 0.48
Total gross dividend per share for shares with coupon Nos. 12 and 13	€ 0.80
Gross yield in relation to the share price as at 31 December 2020	2.97%
Net dividend per share for shares with coupon No.12 [1]	€ 0.27
Net dividend per share for shares with coupon No.13 [1]	€ 0.41
Total net dividend per share for shares with coupons Nos. 12 and 13 [1]	€ 0.68
Net yield in relation to the share price as at 31 December 2020	2.53%
Dividend payment	28 May 2021

(1) Gross dividend after deduction of the 15% withholding tax.

5. Outlook

The debt ratio is calculated in accordance with Article 13, §1, 2° of the RREC Royal Decree and amounts to 46.31% as at 31 December 2020. In view of the fact that Care Property Invest's debt ratio does not exceed 50%, it is not subject to mandatory submission of a financial plan as referred to in Article 24 of the RREC Royal Decree.

5.1 Assumptions

On the basis of the balance sheet and the global result statement for the financial year 2020, a forecast has been made for the following financial years, in accordance with the Company's accounting policy and in a manner comparable to the historical financial information.

The following hypotheses are used as points of view:

Assumptions regarding factors that can be influenced by the members of the Company's administrative, management and supervisory bodies directly:

- Increase in the Company's operating expenses;
- For the time being, new projects are financed using own resources from operating activities and additional new credit lines, or the revenue from issuing commercial paper;
- The financial costs are in line with the increase in financing during the 2020 financial year. Additional financing costs for acquisitions in the first quarter of 2021 were also taken into account.

Assumptions regarding factors that cannot be influenced by the members of the Company's administrative, management and supervisory bodies directly:

- Rental income was increased by the annual indexation and the impact of new investments;
- Further fluctuations in the fair value of both the investment properties and the financial instruments have not been included as they are difficult to predict and, moreover, have no impact on the result to be distributed. In the context of the COVID-19 outbreak in 2020, the Company does not see any impact on the fair value of investments properties to date. However, the increased volatility of interest rates may have an impact on the fair value of financial instruments;
- Care Property Invest expects no impact from any doubtful debt;
- Due to the 'triple net' nature(1) of the agreement, no maintenance costs were taken into account for the investment properties. In spite of the fact that the finance lease agreements also concern 'triple net' agreements, a limited provision was created for these agreements.

5.2 Conclusion on debt ratio outlook

Based on the aforementioned assumptions, the Company still has sufficient margin to make additional investments before the maximum debt ratio of 65% is exceeded on a consolidated basis. The consolidated debt ratio as calculated in accordance with Article 13 of the RREC Royal Decree amounts to 46.31% as at 31 December 2020. The Company forecasts an increase in the debt ratio during the financial year 2021 based on additional investments and further completion of the projects currently in development.

The Board of Directors evaluates its liquidity needs in due time and may, in order to prevent the maximum debt ratio from being reached, consider a capital increase, which might include a contribution in kind.

(1) With the exception of the project 'Les Terrasses du Bois' in Watermaal-Bosvoorde, for which a long-term 'double net' agreement was concluded. For this project, the risk of the maintenance costs is incurred by Care Property Invest.

5.3 Conclusion on outlook for dividends and distributable results

Taking into account the uncertainty of the current economic situation and its impact on Care Property Invest's results, the Company would have no obligation to distribute a compensation for the capital in the event of a negative result. Based on the current contracts, which will still generate income for an average of 16.50 years, barring unforeseen circumstances, the Company assumes an increase in the distributable result and the dividend payment for the 2021 financial year. The Company's solvency is supported by the stable value of its real estate assets.

For the 2020 financial year, the Company received a total rental income of approximately €36 million. This represents an increase in rental income of approximately 23% compared to the 2019 financial year (total rental income for the 2019 financial year amounted to approximately €29 million).

The Company expects to receive a rental income of at least €43 million over the 2021 financial year. This results in an adjusted EPRA result per share of minimum €1.00. Care Property Invest intends to pay a gross dividend of at least €0.82 per share for the 2021 financial year. After deduction of the 15% withholding tax rate, this results in a net dividend of €0.70 per share.

5.4 Statutory auditor's report on the consolidated financial forecasts of Care Property Invest nv/sa

As a statutory auditor of Care Property Invest nv/sa (the "Company"), we have prepared the present report on the forecasts of the adjusted EPRA earnings per share and the rental income for the 12 months period ending 31 December 2021 (the "Forecast") of Care Property Invest nv/sa, included in the paragraph III.5 "Outlook" of their yearly financial report as of 31 December 2020 as approved by the Board of Directors on 12 April 2021 of the Company.

The assumptions included in the paragraph III.5 "Outlook" result in the following consolidated financial forecasts for the accounting year 2021:

Adjusted EPRA earnings per share: € 1,00;

Rental income: € 43 million.

Board of directors' responsibility
It is the Company's Board of Directors' responsibility to prepare the consolidated financial forecasts, together with the material assumptions upon which it is based, in accordance with the requirements of EU Regulation n° 809/2004.

Auditor's responsibility
It is our responsibility to provide an opinion on the consolidated financial forecasts as required by Annex I, item 13.2 of the EU Regulation n° 809/2004. We are not required nor do we express an opinion on the possibility to achieve that result or on the assumptions underlying these forecasts.

We performed our work in accordance with the auditing standards applicable in Belgium, as issued by the Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises including related guidance from its research institute and on the International Standard on Assurance Engagements 3400 relating to the examination of prospective financial 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 forecasts with the accounting policies normally adopted by Care Property Invest 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.

Since the forecasts 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.

Opinion
In our opinion:

(i) the forecasts have been properly compiled on the basis stated, and
(ii) the basis of accounting used for these forecasts is consistent with the accounting policies of Care Property Invest nv/sa.

Brussels, 19 April 2021

EY Réviseurs d'Entreprises bv/srl
Statutory auditor
Represented by

Christel Weymeersch[1]
Partner

Christophe Boschmans
Director

(1) Acting on behalf of a bv/srl

6. Main risks and insecurities

The Company's activities are situated in an economic climate that involves risks. The main risk factors (included here in implementation of Article 3:32 BCCA but explained in detail in a separate section of the Annual Financial Report) facing Care Property Invest are regularly monitored by both Management and the Board of Directors, which have defined a prudent policy in this regard and which, if necessary, regularly adjust this policy.

The following risks are discussed in detail in Chapter 'I. Risk factors' on page 8 et seq. of this report: operational risks, financial risks, regulatory risks and other risks.

7. Research and development

Care Property Invest has not undertaken any activities within the meaning of Articles 3:6, 3:7, 3:8 and 3:32 BCCA

8. Capital increases within the context of authorised capital

On 16 May 2018, the Company renewed its authorisation concerning the authorised capital for the entire amount of the authorised capital, i.e., € 114,961,266.

This authorisation was used twice during the 2019 financial year, on the one hand for the capital increase through a contribution in kind of 'La Résidence du Lac' in Genval on 3 April 2019 whereby € 4,545,602 was charged to the authorised capital and on the other hand for the capital increase in cash by means of an optional dividend on 26 June 2019 whereby €1,831,673 was charged to the authorised capital. Both capital increases raised the balance of the authorised capital available as at 31 December 2019 to €108,583,991.

On 18 December 2019, the Extraordinary General Meeting decided to extend the authorisation granted to the Board of Directors to include all possibilities permitted in the applicable legislation. Accordingly, Articles 7 'Authorised Capital' and 8 'Amendment of Capital' of the Articles of Association were amended.

During the 2020 financial year, the authorisation regarding the authorised capital was used for the first time for the capital increase through contribution in kind of the projects 'La Reposée' and 'New Beaugency' located respectively in Mons and Bernissart on 15 January 2020 whereby €7,439,112 was charged to the authorised capital. The authorisation was also used for a second time for the capital increase in cash of an optional dividend on 19 June 2020, charging €1,624,755 to the authorised capital. Finally, it was also used a third time for the capital increase in cash (ABB) on 25 June 2020, whereby €13,040,239 was charged to the authorised capital.

On 31 December 2020, the available balance of the authorised capital amounted to €86,479,885.

Following the capital increase through a contribution in kind of 'Résidence des Ardennes' in Attert on 20 January 2021, the authorised capital was reduced by €10,091,030, so that the balance today is €76,388,855.

9. Treasury shares

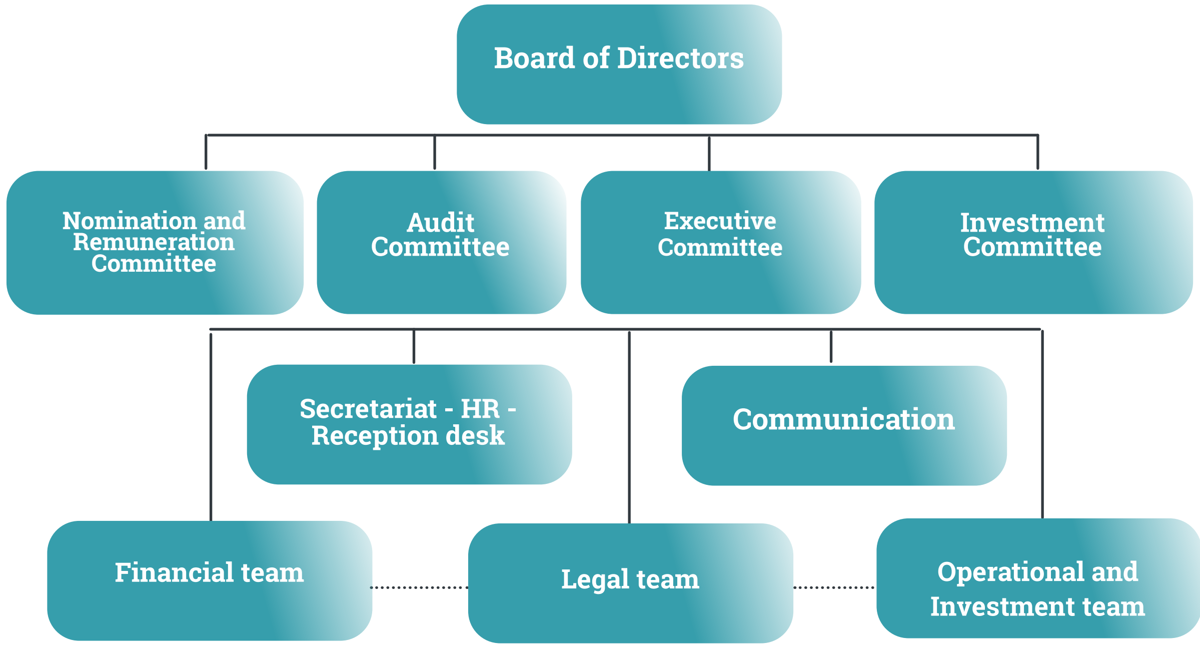
Following the share buy-back programme announced on 8 April 2019, the Board of Directors of Care Property Invest decided to continue the buy-back programme in 2020 as well, within the limits of the (renewed) authorisation to buy back own shares, as granted by the Extraordinary General Meeting of Shareholders of 15 June 2020.

Within the framework of the share buy-back programme, the Company purchased 6,000 shares at a price of €23.19 per share on 10 April 2019, 1,500 shares at a price of €29.48 per share on 3 December 2019 and finally 6,000 shares at a price of €27.74 per share on 30 November 2020. The purpose of the buy-back programme

10. Internal organisation and functioning of Care Property Invest

10.1 General

Corporate governance related considerations are set out in point '11. Corporate Governance Statement' on page 77 et seq. The operational functioning of the Company is structured as follows.



Company's workforce	2020	2019	2018
number of persons connected by an employment contract on 31/12	20	13	10
average number of employees in full-time equivalents during the financial year	15.3	12.4	8.2

10.2 Management Committee / Executive Committee

Care Property Invest has had a Management Committee since 1 July 2016. On 15 June 2020, the Company's Extraordinary Meeting of Shareholders abolished the possibility of delegating operational management to a Management Committee (formerly Article 28 of the Articles of Association) and approved the amendment to Article 27 of the Articles of Association whereby the Board of Directors may delegate the daily management as well as the representation with regard to the daily management of the Company to an Executive Committee.

Until 15 June 2020, the **Management Committee** consisted of the following persons, all of whom are Effective Leaders within the meaning of Article 14 of the Act of 12 May 2014:

Name	Function
Peter Van Heukelom	Chief Executive Officer (CEO), Managing Director and Chairman of the Executive Committee
Dirk Van den Broeck	Managing Director and Risk Management - Risk Manager
Willy Pintens	Managing Director and Internal Audit Function
Filip Van Zeebroeck	Chief Financial Officer (CFO) and Managing Director
Valérie Jonkers	Chief Operation Officer (COO) and Managing Director

From 15 June 2020, the **Executive Committee** consists of the following persons, who are all Effective Leaders within the meaning of Article 14 of the Act of 12 May 2014:

Name	Function
Peter Van Heukelom	Chief Executive Officer (CEO), Managing Director and Chairman of the Executive Committee
Dirk Van den Broeck	Managing Director and Risk Management - Risk Manager
Willy Pintens	Managing Director and Internal Audit Function
Filip Van Zeebroeck	Chief Financial Officer (CFO) and Managing Director
Valérie Jonkers	Chief Operation Officer (COO) and Managing Director

The role of the CEO

The CEO is the head of the company and leads, monitors and evaluates the performance of the staff. The CEO, CFO and COO are being monitored by the two other Managing Directors. Some examples of the operational tasks of the CEO include:

- The CEO also serves as the Personnel Director. He prepares all decisions regarding hiring and dismissal of employees and submits these for decision-making to the Executive Committee, within the framework outlined by the Board of Directors.
- The CEO is easily accessible to the clients and shareholders of Care Property Invest. Questions or complaints are presented almost directly to the CEO and are dealt with quickly. The CEO is therefore in close touch with and aware of all developments or complications in and relating to the business.

10.3 Secretariat - HR - Reception desk

The secretariat consists of 2 people and is headed by the management secretary, who also manages the HR administration. The HR function is shared between the CEO and the management secretary, in cooperation with a social secretariat. The secretariat is also at the service of everyone within Care Property Invest and provides for support in the day-to-day operations of the Company. For example, the office manager mainly supports the operational and investment teams in their preparatory tasks for the various investment projects and tenders for public contracts.

10.4 Communication

The communications officer supports the practical development of all forms of communication by the Company: financial reporting, press releases, communications to investors and the market, stock markets, ... The communications officer also provides for the website, brochures, monitoring of the house style and in general, provides for higher visibility of the Company.

10.5 Operational and investment team

The daily management of the property portfolio in Belgium, The Netherlands and Spain and its further expansion is led by the COO. She is being supported by a team of internal and external employees who, in turn, can rely on the legal and financial team and the secretariat.

Given the intense construction and investment activities of Care Property Invest, the investment team has a special central and important task, so that the CEO himself is also involved within this team.

Care Property Invest specialises in the market for the elderly and people with disabilities. With regard to the management of the property portfolio, it can therefore be stated that the Company concludes mainly 'triple net' agreements with the operators, as a result the Company does not assume the day-to-day management of the buildings, but only exercises a periodic control on the quality of the management of the building by the relevant operator.

By applying this method, the Company can develop a qualitative property portfolio with long-term net yields for its shareholders.

In addition to the management of the international property portfolio, the operational and investment team is also responsible for the prospection and development of investment projects, as well as for the construction and development activities of the Company. The COO and her Investment Managers are the first point of contact in the context of potential new investment opportunities, they perform the research, analyse the files and prepare the investment project for the Executive Committee and Board of Directors of the Company.

After approval of the relevant investment project, the COO and her investment managers coordinate the due diligence procedure and the negotiation and contracting with regard to the effective realisation of the investment. For this, depending on the investment, they rely on external service providers.

10.6 Financial team

The financial team is responsible for accounting, budgeting, preparing forecasts, attracting the necessary financing consisting of equity and debt, credit control, supporting the investment team with regard to the financial aspects of the investment projects, reporting quarterly results to the Board of Directors and the preparation of the financial statements and the half-yearly and annual financial reports.

Furthermore, it is also responsible for maintaining relationships with the relevant trade and industry associations and the communication with the new and existing investors.

Care Property Invest has chosen to perform all accounting and/or financial operations and reporting internally with its own staff. The CFO manages the financial department and reports to the CEO, the Executive Committee and the Board of Directors. He is the first point of contact for both bodies. In addition to the CFO, the financial team consists of a financial controller, a consolidation & reporting manager and an accounting team, consisting of a head of accounting and three accounting managers.

10.7 Legal team

The legal team, consisting of a number of corporate lawyers and a paralegal assistant, works under the supervision of the head of legal. Together with an investment manager, the legal team ensures the legal settlement of the various investment files in Belgium and abroad. This means, among other things, that the legal team monitors the possible risks associated with an investment opportunity and is responsible for handling the notarial and contractual aspects. Furthermore, the legal team also takes care of the corporate housekeeping of the Company and manages possible restructurings and capital increases within the Company.

11. Corporate Governance Statement

11.1 Corporate Governance Statement

Care Property Invest ('The Company') recognises the importance of correct and transparent corporate governance and intends to ensure clear communication about this issue with all persons and parties involved. The Board of Directors therefore dedicates this specific chapter to corporate governance in its Annual Financial Report. This sets out the Company's practices relating to correct corporate governance during the relevant financial year, including the specific information required pursuant to the applicable legislation and the Corporate Governance Code.

This Corporate Government Statement is a chapter in the 2020 Annual Report and is part of the management report. It describes the situation as at 31 December 2020.

As from 2020, Care Property Invest applies the new Belgian Corporate Governance Code (the '2020 Code'), in addition to compliance with general and sector-specific legislation and with its own Articles of Association, in accordance with the Royal Decree of 12 May 2019 specifying the corporate governance code to be complied with by listed companies. The Code 2020 is also available on the website of the Belgian Official Gazette and on www.corporategovernancecommittee.be.

The full Corporate Governance Charter (the 'Charter') sets out the principles, rules and agreements that determine the Company's management, checks and balances, and the company structure that form the framework of the Company's corporate governance. The Board of Directors of Care Property Invest subscribes to these principles based on transparency and accountability. This enhances the shareholders' and investors' trust in the Company. From the Company's establishment onwards, Care Property Invest has considered fair and correct business conduct as a main priority. In addition, Care Property Invest attaches a great deal of importance to a good balance between the interests of the shareholders and those of the other parties that are directly or indirectly involved with the undertaking. The Board of Directors guarantees frequent updating of the Charter. On 18 March 2020, the Charter was adapted to the Code 2020, followed by a final update of the Charter on 14 December 2020. The latest version can be consulted on the Company's website, www.carepropertyinvest.be.

The Charter also includes the rules and code of conduct to prevent market abuse and insider dealing (the 'Dealing Code').

The Board of Directors makes every effort to comply at all times with the principles of corporate governance, always taking into account the specific character of the Company and applied the 2020 Code in accordance with the 'comply or explain' in 2020. The scope and specific deviations from the 2020 Code are further explained in this Corporate Governance Statement (the 'Statement').

Deviations from the Code 2020

Care Property Invest deviated from the 2020 Code only on a limited number of points in 2020. The deviations from these recommendations could mainly be explained in light of the Company's activities and the associated operation and structure of the Board of Directors:

In revising its Charter and drawing up its remuneration policy (also referred to in the Charter), Care Property Invest decided to deviate from the following recommendations of the 2020 Code:

Recommendation 5.5: in line with the 2020 Code, Non-Executive Directors should not hold more than five Directorships in listed companies. Indeed, the Company believes that when comparing the amount of duties of the relevant Director within the Company and the time commitment required as a result thereof with the amount and time commitment required of this relevant Director in connection with other commitments or mandates in listed companies, in certain cases a deviation from this recommendation might be justified. For this reason, the Charter provides that the Board of Directors can grant permission to deviate from this recommendation. To date, however, no such deviation has been approved by the Board of Directors.

Recommendation 7.6: contrary to the 2020 Code, the Company does not pay its Non-Executive Director remuneration in the form of shares. This deviation is motivated by the fact that remuneration in shares of Non-Executive Directors is new in the 2020 Code and is not common practice among Belgian listed companies in general or more specifically in the RREC sector. The Company believes that the judgement of these Directors - in particular as Non-Executive Directors - is not affected by the absence of remuneration in shares. Also, to the Company's knowledge, there is no international consensus yet that share-based remuneration guarantees that the interests of the Non-Executive Directors are aligned with the shareholders' interests. The Company has decided to await the development of the practice of Belgian listed companies in general or more specifically in the RREC sector and to reconsider on a regular basis whether it could be in the interest of the Company and its shareholders to proceed to (partial) payment of Non-Executive Directors in shares.

Recommendation 7.8: Contrary to the Code 2020, two of the Executive Directors do not receive variable remuneration. The absence of a variable remuneration and a remuneration in shares for these two Executive Directors and this distinction in remuneration with the other Executive Directors (CEO, COO and CFO) is justified in the light of the difference in scope of duties of these Directors. The duties of the Executive Directors other than the CEO, COO and CFO mainly consist of the global supervision and monitoring of the day-to-day operations of the Company. In addition, they are always available to the CEO, COO and CFO for consultation and discussion concerning the daily management and operation of the Company. For this reason, the Company does not consider it appropriate to remunerate these Executive Directors in shares or to grant them a performance-related remuneration. The Company is of the opinion that the absence of such remuneration does not prevent the interest of these Executive Directors from being in line with the shareholders' interest and does not affect the judgement of these Executive Directors.

Recommendation 7.12: Contrary to the Code 2020, the Company does not stipulate a right of reclaim with regard to the variable remuneration. The absence of this right is motivated by the fact that the Company only grants the variable remuneration after the audit of the consolidated annual figures has been completed.

11.2 Internal audit and risk management

This section describes the key characteristics of the systems that the Company has specified relating to internal auditing and risk management.

11.2.1 INTERNAL AUDITING (METHODOLOGY)

The Audit Committee is responsible for establishing and evaluating the Company's risks and reports to the Board of Directors, which approves the framework of the internal control systems and risk management set up by the Executive Committee.

The Executive Committee is responsible for setting up a system of appropriate internal controls in accordance with Article 17 of the RREC Law. In addition, the Executive Committee is responsible for the overall supervision of this internal control system.

The Executive Committee is required to report to the Board of Directors on the internal control system.

These appropriate internal controls consist of three components, i.e.,
1. internal audit (internal audit procedures + internal audit function);
2. risk management (risk management + risk manager);
3. compliance (integrity policy and compliance function) whereas internal audit should not be seen solely as a stand-alone third pillar here, but also as playing a 'transversal' role with respect to the two other pillars.

The internal control system shall aim in particular to achieve the following elements:

1. business operations are conducted in an orderly manner, with due care and clearly delineated
2. the resources deployed are used economically and efficiently; the risks are known and adequately controlled for the protection of assets
3. the financial and management information is sound and reliable; laws and regulations as well as general policies, plans and internal rules are all complied with.

An internal control system is set up within the Company, which is appropriate to the nature, scale and complexity of the business of the Company and its environment.

Care Property Invest has a relatively limited size in terms of employees, which has an impact on the structure and operation of the system of internal controls within the Company. The design of the internal controls took account of the Committee of Sponsoring Organisations of the Threadway Commission (COSO) model, which is built around five components that are discussed below. Account was also taken of the guidelines in the context of the Law of 6 April 2010 to strengthen corporate governance in listed companies and autonomous public enterprises and to amend the regulation on professional prohibitions in the banking and financial sector and the 2020 Code.

The five control components considered were:

1. the control environment;
2. the risk management process;
3. the control activities;
4. information and communication;
5. management.

Risk management function (Risk Manager)

At least once a year, the Board of Directors examines the internal control and risk management systems set up by the Executive Committee in order to ensure that the main risks (including the risks related to compliance with existing laws and regulations) are properly identified, managed and be notified to the Board of Directors. Mr Dirk van den Broeck, Managing Director/member of the Executive Committee, was appointed as risk manager, in compliance with Article 17, §5 of the RREC Law. The mandate of Mr Dirk Van den Broeck as risk manager is of indefinite duration. He has the required professional reliability and the appropriate expertise. More information on risk management can be found in section 1.2.3 'Risk management'.

Compliance function
The Compliance Officer shall ensure that Care Property Invest complies with the applicable laws, regulations and rules of conduct, in particular the rules relating to the integrity of the Company's activities, by monitoring of the various risks which the Company runs on the basis of its Articles of Association and activities.

The Company has appointed Ms Nathalie Byl as Reporter/Secretary and Compliance Officer. The Compliance Officer is appointed for an indefinite duration and has the necessary professional reputation and appropriate expertise for the performance of her duties.

Internal audit function
The internal audit function, within the meaning of Article 17 §3 of the RREC Law, is fulfilled by an external consultant, namely Mazars Advisory Services (also referred to as the 'external Internal Auditor'). The Company has also appointed Willy Pintens, Managing Director/member of the Executive Committee, as Internal Audit Manager within the meaning of Article 17 §3 of the RREC Law. Mr Willy Pintens' mandate as Internal Audit Manager is for an indefinite period of time. He has the required professional reliability and appropriate expertise.

For more information on the internal audit, please refer to title '11.2.4 The control activities' on page 82 hereafter.

11.2.2 THE CONTROL ENVIRONMENT

Care Property Invest's governing body has defined its own corporate culture and ethical rules, subscribing to the principles set out in its integrity policy.

Throughout the Company's organisation, the Company continuously highlights integrity, the ethical values and expertise of the personnel, the management style and its philosophy, the organisational culture in general, the policy relating to delegation of authorisations and responsibilities and the human resources policy. The integrity policy of Care Property Invest forms an inseparable part of its corporate culture and places particular emphasis on honesty and integrity, adherence to ethical standards and the specific applicable regulations. In that regard, the Company or its Directors and its employees must conduct themselves with integrity, i.e., in an honest, reliable and trustworthy manner.

The integrity policy specifically includes, but is not limited to the following fields of work:

(i) rules on conflicts of interest,
(ii) rules on incompatibility of mandates,
(iii) the Company's code of ethics
(iv) insider trading and abuse of power (insider trading and market manipulation),
(v) rules on abuse of company property and bribery (Article 492 bis of the Criminal Code).

Care Property Invest has a compliance officer, within the meaning of Article 17 §4 of the RREC Law, who is responsible for ensuring compliance with the rules relating to the integrity of the business operations of the public RREC by the RREC itself, its Directors, its Effective Leadership, employees and authorised representative(s) and more specifically for drafting and testing recommendations. The Compliance Officer has always the possibility to directly contact the (chairman of) the Board of Directors. Since 2016, the company has had a compliance function charter, in which the working method and organisation of the compliance functions are explained in more detail.

Furthermore, the Board of Directors supervises the integrity of financial information provided by Care Property Invest, in particular by assessing the relevance and consistency of the accounting standards applied by the Company, as provided for in Article 5 of the RREC Royal Decree. This supervision involves assessment of the accuracy, completeness and consistency of the financial information. This supervision covers the regular information before it is disclosed.

In doing so, the Audit Committee shall inform the Board of Directors of the methods used for recording significant and unusual transactions, the processing of which may be open to different approaches.

The Board of Directors discusses these significant financial reporting issues with both the Audit Committee, the Executive Committee and the Statutory Auditor. Since 1 July 2016, Care Property Invest also has a CFO, namely Mr Filip Van Zeebroeck. In this way, the financial reporting process to the Board of Directors is strengthened and the Board of Directors has an additional point of contact. The annual accounts and the (semi-)annual financial report are subject to a review by the Statutory Auditor, who explains the work carried out as part of his assignment to the Audit Committee.

11.2.3 RISK MANAGEMENT

At least once a year the Audit Committee examines the internal control and risk management systems set up by the Executive Committee in order to ensure that the main risks (including the risks related to compliance with existing laws and regulations) are properly identified, managed and be notified to the Board of Directors. As a result of the adoption of the status of RREC, a risk manager was appointed, in compliance with Article 17, §5 of the RREC Law, namely Mr Dirk Van den Broeck. The risk manager's responsibilities include, among other things, drafting, developing, monitoring, updating and implementing the risk policy and risk management procedures (e.g., the whistleblowers' scheme, conflict of interest regulations and the procedures described in the Dealing Code).

On the basis of his position, the risk manager fulfils his role by analysing and evaluating each category of risks facing the Company, both at regular intervals and on an ad hoc basis. On this basis, concrete recommendations can be formulated for the Executive Committee or the Board of Directors (which bears final responsibility for the risk management of the Company).

The Board of Directors annually adopts the risk policy, ensuring correct analysis and estimates of the existing risks as prepared by the risk manager prior to inclusion in the annual report. The Company also provides a specific arrangement according to which staff members may express concerns regarding possible irregularities in financial reporting or other matters in confidence. (the 'whistle-blowers' scheme')

If deemed necessary, arrangements will be made for an independent investigation and appropriate follow-up of these matters, in proportion to their alleged seriousness. Regulations are also made with regard to which staff members can inform the Chairman of the Board of Directors directly. The Company also has detailed policies on staff, including with regard to integrity, qualifications, training and assessment, and applies a business continuity policy, including a business continuity plan.

As part of its supervisory task, the Board of Directors evaluates twice a year the main risks that give rise to a mention in the half-yearly and annual financial reports on the basis of the reports of the Audit Committee. In addition to these periodic reviews, the Board of Directors closely monitors the risks in its regular meetings and also takes note of the risk analysis and the findings of both internal and external audit.

11.2.4 THE CONTROL ACTIVITIES

The organisation is structured in such a way that all the important decisions concerning strategic, tactical, financial and operational matters are taken by several different people or are at least be subject to control by the management.

With regard to the financial reporting process, it can be reported that controls are built in which should ensure the quality and accuracy of the reported information.

The internal audit function, within the meaning of Article 17 §3 of the RREC Law, is fulfilled by an external consultant, namely Mazars Advisory Services (also referred to as an 'external Internal Auditor'). This auditor is appointed based on a contract 'relating to outsourcing the internal audit function' of an indefinite duration and an internal audit charter approved by the Board of Directors, that will be revised every three years.

The Internal Auditor performs a risk analysis for each risk area, determining a risk profile and a score for each of these domains.

On the basis of this analysis, a plan is prepared and comprehensive annual audits are conducted of each area, with recommendations being formulated. These recommendations are followed up regularly by Mazars Advisory Services.

Since the Company has opted for an external Internal Auditor, it has also designated a Managing Director from among its own members (Mr Willy Pintens) to ensure implementation of the recommendations of this Internal External Auditor and who will also check the Auditor's work. In addition, the reports will be submitted to the Board of Directors.

The financial reporting function is also subject of frequent evaluation by the Internal Auditor. Please see the description above with regard to the supervision by the Board of Directors of the integrity of financial information provided by the Company.

The Company always takes into account the findings and possible observations of the internal and external audit. These provide a guide for the Company to optimise its operations in relation to operational, financial and management matters, as well as risk management and compliance. The Board of Directors receives all internal audit reports and/or regular summaries of these. The external Internal Auditor also provides explanation on the work carried out on a regular basis.

The Board of Directors, on the advice of the Audit Committee, assesses the effectiveness of the internal audit and, in particular, makes recommendations on its operation. It also examines to what extent its findings and recommendations are met.

11.2.5 INFORMATION AND COMMUNICATION

Communication is an important element of internal control and within Care Property Invest, is adjusted to the size of the organisation. General staff communication, internal memos, working meetings, e-mail and electronic calendars are used for communications. For the records, there is a system of central archive, stored both in physical form and electronically. The Executive Committee is responsible for appropriate communication and exchange of information from and to all levels within the Company, and monitors the objectives and responsibilities required for internal control, supporting the performance level of internal control, and presenting and expressing this with transparency.

Providing periodical financial and other occasional external information is streamlined and supported by appropriate allocation of responsibilities, coordination between the various employees involved and a detailed financial calendar.

11.2.6 SUPERVISION AND MONITORING

Managing internal control within an organisation is a continuous process that should be evaluated on an ongoing basis and if necessary, adjusted. Periodical assessments are conducted at the level of the Board of Directors concerning the adequacy of internal control and risk management. Among other things, the findings and recommendations of the internal and external audit constitute an important source of information in this context.

The follow-up procedure consists of a combination of supervision by the Board of Directors and the Executive Committee, and independent objective assessments of these activities based on internal audit, external audit or other third parties.

Relevant findings of the internal audit and/or the Statutory Auditor relating to guidelines and procedures, segregation of responsibilities and application of IFRS accounting standards are reported to the Audit Committee and, if necessary, the Board of Directors.

In addition, financial information is explained in detail by the CFO in the Executive Committee and subsequently in the Audit Committee, which reports to the Board of Directors.

11.3 Shareholding structure

The Company has no knowledge of any shareholders holding more than 5% of the voting rights, as no notifications have been received to this effect within the context of the transparency legislation.

During the 2020 financial year the Company has received no notifications for exceeding the threshold of 3%. However, on 8 April 2021, KBC Asset Management informed the Company in a notification that it no longer exceeds the 3% threshold and this since 26 June 2020 as a result of the capital increase (ABB) that the Company successfully carried out in June 2020.

An overview of the shareholder structure is given in chapter 'IV. Care Property Invest on the stock market' on page 116 of the annual financial report.

11.4 Board of Directors

11.4.1 CURRENT COMPOSITION OF THE BOARD OF DIRECTORS

On 31 December 2020, the Board of Directors consisted of eleven members, five of whom were independent Directors who met the conditions of the Article 7:87 BCCA). There are five Executive (Managing) Directors and six Non-Executive Directors. The five Managing Directors are members of the Executive Committee.

The Directors do not have to be shareholders. There are no family ties between the members of the Board of Directors.

In order to improve the continuity of the functioning of the Board of Directors and thus prevent several Directors from resigning at the same time, the Board of Directors drew up a schedule according to which the Directors are to resign periodically. The Directors were appointed at the Ordinary General Meeting of 16 May 2018 for a period of three years and four years respectively until after the Ordinary General Meetings in 2021 and 2022. Their appointment may be revoked at any time by the General Meeting. The Directors are eligible for reappointment.

The list of Directors is shown on the following pages.

MARK SUYKENS

NON-EXECUTIVE DIRECTOR

Chairman of the Board of Directors I Nomination and Remuneration Committee I Investment Committee

Member of the Audit Committee

° 04/01/1952

Riemenstraat 76, 2290 Vorselaar

Start 1st mandate: 28/01/2004, Chairman of the Board of Directors since 01/01/2006

Last renewed mandate 30/05/2018

End of mandate: After the OGM of 2021

Current position: Retired. Former CEO of the Association of Flemish Cities and Municipalities (VVSG vzw/NPO).

Background: As a Law graduate, he heads the Board and oversees the interaction between the Board and the Executive Committee. His experience and knowledge in the field of municipal and public welfare authorities are particularly important to his constructive contribution to the decision-making of the Board and, where appropriate, its communications with the public authorities.

Other current mandates: Director of Natuurwerk vzw, Director of Regionale Televisie Kempen/Mechelen vzw, acting Director of Poolstok cvba.

Mandates expired in the last 5 years: Chairman of the Board of Directors of Pinakes nv

Mandates in listed companies: /

PETER VAN HEUKELOM

MANAGING (EXECUTIVE) DIRECTOR

CEO I Chairman of the Executive Committee

° 26/08/1955

Wijnegemsteenweg 85/0007, 2970 Schilde

Start 1st mandate: 21/05/2003

Last renewed mandate 30/05/2018

End of mandate: After the OGM of 2022.

Current position: CEO of Care Property Invest.

Background: After graduating in Commercial Law and Financial Sciences, specialising in marketing, and post-graduate studies in Health Economics, Peter van Heukelom has continually enhanced his professional experience through courses in the field of finance/investments in social profit and the public sector. Prior to taking up his position as CEO of the Company in October 2009, he served in several positions, most recently as General Manager Social Profit and Public Sector at KBC Bank.

Other current mandates: Various mandates held in subsidiaries of Care Property Invest as Director or as permanent representative of Care Property Invest.

Mandates expired in the last 5 years: Only mandates held in various subsidiaries of Care Property Invest.

Mandates in listed companies: /

DIRK VAN DEN BROECK

MANAGING (EXECUTIVE) DIRECTOR

Member of the Executive Committee I Audit committee (advisory) I Risk manager

° 11/09/1956

Leo de Bethunelaan 79, 9300 Aalst

Start 1st mandate: As Non-Executive Director from the establishment of the Company on 30/10/1995 and from 01/07/2012 as Executive Director.

Last renewed mandate 30/05/2018

End of mandate: After the OGM of 2021

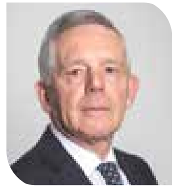
Current position: Director of companies.

Background: A Law and Economics graduate, he was a partner at Petercam until the end of 2010. He is a former member of several Boards of Directors of property companies and was involved in the launch of several REITs.
He is currently active as Director of real estate companies. His financial expertise in this field contributes to balanced and well-founded decision-making of the Board of Directors.

Other current mandates: Director of Meli nv, Patrimmonia Real Estate nv and subsidiaries, Promotus bvba, Radiodiagnose vzw and Radiomatix nv. Also Director in various Spanish subsidiaries of Care Property Invest.

Mandates expired in the last 5 years: Director of Warehouses De Pauw Comm. VA (until April 2015)*, Independent Director of Omega Preservation Fund (until June 2015), Director of Reconstruction Capital II Ltd.* (until 2018), Chairman of Terra Capital Partners* (mandate expires during 2019).

Mandates in listed companies: As indicated above with *.



WILLY PINTENS

MANAGING (EXECUTIVE) DIRECTOR

Member of the Executive Committee I Nomination and Remuneration Committee (advisory) I Internal Audit Manager

° 11/09/1946

Biezenmaat 10, 8301 Ramskapelle

Start 1st mandate: 30/10/1995 and since 08/04/1998 as Managing Director.

Last renewed mandate 30/05/2018

End of mandate: After the OGM of 2021.

Current position: Retired

Background: Commercial Engineer and graduate in Commercial and Consular Sciences. He has extensive professional experience at Belfius Bank in the areas of finance, investment in social profit and the public sector.
As a Director and Managing Director, his expertise gives him the necessary skills to contribute towards balanced and well-founded decision-making by the Board. Willy Pintens has been closely involved in the effective management and daily operations of the Company since its formation.

Other current mandates: Director of Frontida vzw.

Mandates expired in the last 5 years: /

Mandates in listed companies: /

VALÉRIE JONKERS

MANAGING (EXECUTIVE) DIRECTOR

COO I Member of the Executive Committee

° 7/09/1985

Kempenlaan 25, 2160 Wommelgem

Start 1st mandate: 27/05/2020

Last renewed mandate /

End of mandate: After the OGM of 2024.

Current position: Chief Operating Officer.

Background: She obtained her law degree at the University of Antwerp and followed various trainings to deepen her specialisation in healthcare real estate. She started her career as a legal consultant in healthcare real estate, advising the various stakeholders (investors, developers, operators and contractors) in relation to healthcare real estate. Since mid-May 2014, she joined Care Property Invest as Investment Manager and since 1 July 2016 as COO and member of the Executive Committee. She is also a Director in a number of Care Property Invest subsidiaries.

Other current mandates: Various mandates held in subsidiaries of Care Property Invest.

Mandates expired in the last 5 years: Vzw Herenhof (end of mandate June 2017) and various mandates in subsidiaries of Care Property Invest.

Mandates in listed companies: /

FILIP VAN ZEEBROECK

MANAGING (EXECUTIVE) DIRECTOR

CFO I Member of the Executive Committee

° 30/05/1979

Cornelis de Herdtstraat 16, 2640 Mortsel

Start 1st mandate: 27/05/2020

Last renewed mandate /

End of mandate: After the OGM of 2024.

Current position: Chief Financial Officer

Background: Filip Van Zeebroeck obtained his law degree at the University of Antwerp and subsequently followed a Manama in Business Law at the VUB and UA and in Tax Law at the UA. He started his career at the Bar of Antwerp and then worked as a legal advisor at Moore Stephens Verschelden and SBB in corporate and tax law. Since 22 April 2014, he has been employed by Care Property Invest as Company Lawyer and since 1 July 2016 as CFO and member of the Executive Committee. As part of this, he completed an MBA at the Antwerp Management School and an Executive Master Class in Corporate Finance at the Vlerick Business School. He is also a Director in a number of subsidiaries of Care Property Invest. He was also the Compliance Officer until 31/12/2019.

Other current mandates: Various mandates taken up in subsidiaries of Care Property Invest as Director or permanent representative of Care Property Invest.

Mandates expired in the last 5 years: Only mandates held in various subsidiaries of Care Property Invest.

Mandates in listed companies: /

MICHEL VAN GEYTE

NON-EXECUTIVE INDEPENDENT DIRECTOR

Member of the Investment Committee I Audit Committee

° 6/02/1966

Sint-Thomasstraat 42, 2018 Antwerp

Start 1st mandate: 27/05/2020

Last renewed mandate /

End of mandate: After the OGM of 2024.

Current position: CEO Leasinvest Real Estate

Background: Since 22 May 2018, he is CEO of Leasinvest Real Estate. He studied at K.U. Leuven and obtained a Master in Economics and afterwards a Postgraduate Degree in Real Estate. In 2016 he also completed the Executive Master Class in Corporate Finance at the Vlerick Business School. Besides his position as CEO, he is also a member of the BIV, RICS and is a lecturer at the K.U. Leuven. He is also a Director of, among others, Leasinvest Real Estate, Retail Estates, the Programming Committee of KUL Real Estate and he is Chairman of the Alumini KUL Real Estate. He is also a member of the Board of Directors of ULI and the BLSC.
He meets the criteria of an Independent Director within the meaning of article 7:87 BCCA.

Other current mandates: Various mandates held in subsidiaries of Care Property Invest.

Mandates expired in the last 5 years: /

Mandates in listed companies: Director Leasinvest Real Estate and Retail Estates.

INGRID CEUSTERS

NON-EXECUTIVE INDEPENDENT DIRECTOR

Member of the Audit Committee I Nomination and Remuneration Committee

° 18/12/1952

P. Benoitstraat 15, 2018 Antwerp

Start 1st mandate: 27/05/2020

Last renewed mandate /

End of mandate: After the OGM of 2024.

Current position: Director of companies

Background: Master in Dentistry at the VUB and started her career as a dentist at the Maxillofacial Surgery Department of the PCSW Antwerp. After her marriage to Hugo Ceusters, she left the medical sector for what it was and joined the family business, where she has been in charge since her husband's death. In 1996, she completed her training as a real estate agent / syndic. In addition to her commitment to the family business, she is also a Director at the Antwerp Symphony Orchestra, Voka Antwerp, Infrabel, UZ Ghent and Inhu bv. She also received the IWEC award 2016 (International Women Entrepreneurial Award) and is a Commander in the Order of the Crown: 2008 by HRH King Albert II.
She meets the criteria of Independent Director in the sense of article 7:87 BCCA.

Other current mandates: Managing Director at Ceusters nv, Director at Infrabel nv and Inhu bv and member of the Board Committee and Chairman of the Audit Committee at UZ Ghent.

Mandates expired in the last 5 years: /

Mandates in listed companies: /

CAROLINE RISKÉ
NON-EXECUTIVE INDEPENDENT DIRECTOR

Member of the Nomination and Remuneration Committee I Investment Committee

° 11/05/1964

Vrijgeweide 7, 2980 Zoersel

Start 1st mandate:	16/09/2015
Last renewed mandate	30/05/2018
End of mandate:	After the OGM of 2022.
Current position:	Manager / gerontologist at Adinzo bv.
Background:	Qualified Hospital Nurse with a degree in Medical and Social Sciences (Catholic University of Leuven), a Master's degree in Gerontology (Benelux University) and a Post Graduate degree in Healthcare Real Estate. She has attended various courses in subjects such as social legislation and psycho-gerontology and has gained experience in a variety of healthcare-related fields. With her expertise, she is able to make a valuable contribution to decision-making by the Board of Directors. She meets the criteria of independent director in the sense of article 7:87 BCCA.
Other current mandates:	Managing Director Adinzo bv (formerly Carol Riské bv).
Mandates expired in the last 5 years:	Managing Director of Senes bv which acted as the shareholder and Director of C.Consult (Curaedis) (July 2014 through December 2015), Herenhof vzw (end of mandate 2015).
Mandates in listed companies:	/

PAUL VAN GORP
NON-EXECUTIVE INDEPENDENT DIRECTOR

President Audit Committee

Member of the Investment Committee

° 18/10/1954

Dorp Nr. 2 Koningin Fabiola vzw (npo), Bosuil 138, 2100 Deurne.

Start 1st mandate:	18/05/2011
Last renewed mandate	30/05/2018
End of mandate:	After the OGM of 2022
Current position:	Chairman of the Board of Dorp nr. 2 Koningin Fabiola npo, as well as of the customised work company ACG vzw and the care company De Vijver vzw (npo).
Background:	Graduated in Commercial and Financial Sciences. Served as General Secretary of the Antwerp Public Social Welfare Centre (OCMW) in the period from 2000 to 2007, with responsibilities including the management of 17 nursing homes (2,400 beds), more than 2,000 assisted living flats and nine general hospitals. As Managing Direcotr of non-profit associations, he is today active in employment, housing and care for people with disabilities. From 2007 to October 2019, Managing Director of Dorp nr 2 Koningin Fabiola vzw, ACG vzw and De Vijver vzw, which are active in the employment, housing and care of people with disabilities. He meets the criteria of an independent director within the meaning of article 7:87 BCCA.
Other current mandates:	Director vertrouwensartsencentrum (center for confidential doctors) VKA.
Mandates expired in the last 5 years:	Director of 'Het Orgel in Vlaanderen' vzw (end of mandate in 2016) (social organisation). Managing Director of Dorp nr. 2 Koningin Fabiola, of vzw ACG and vzw De Vijver (end of mandate in 2019).
Mandates in listed companies:	/

BRIGITTE GROUWELS
NON-EXECUTIVE INDEPENDENT DIRECTOR

Member of the Nomination and Remuneration Committee

° 30/05/1953

Bordiaustraat 30, 1000 Brussels

Start 1st mandate:	20/05/2015
Last renewed mandate	30/05/2018
End of mandate:	After the OGM of 2022
Current position:	Retired
Background:	Former People's Deputy for the Brussels-Capital Region, Vice-Chairman of the Flemish Community Commission and Senator. Her political career includes the following public functions: Member of the Parliament of the Brussels-Capital Region (1992-97)/Member of the Flemish Parliament (1995-97)/Flemish Minister for Brussels Affairs and Equal Opportunities Policy (1997-99)/Party leader in the Parliament of the Brussels-Capital Region and member of the Flemish Parliament (1999 -2004)/ State Secretary Brussels-Capital Region (2004-2009), responsible for Equal Opportunities Policy, Public Administration and the Port of Brussels/member of Flemish Community Commission (VGC) for Welfare, Health and Family, Ethnic and Cultural Minorities and Civil Service Affairs/Minister of the Brussels Regional Government (2009-2014) responsible for Public Works and Transport, Information Technology Policy, Port of Brussels/ member of Flemish Community Commission for Welfare, Health and Family Affairs (including Flemish local service centers, child care, care of the disabled and other areas)/Ethnic and Cultural Minorities and media policy/member of Joint Community Commission for Assistance to persons (bi-Community N/F rest homes, care of the disabled, etc./guardianship of CPASs/OCMWs and Public Hospitals). She meets the criteria of Independent Director in the sense of article 7:87 BCCA.
Other current mandates:	/
Mandates expired in the last 5 years:	/
Mandates in listed companies:	/

11.4.2 CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS DURING THE FINANCIAL YEAR 2020

On 27 May 2020, the General Meeting appointed with immediate effect Ms Valérie Jonkers and Mr Filip Van Zeebroeck as Executive Directors for a term of 4 years until the end of the Ordinary General Meeting of 2024 and Ms Ingrid Ceusters and Mr Michel Van Geyte as Non-Executive, Independent Directors in the sense of Article7:87 of the Belgian Code for Companies and Associations (BCCA) for a term of 4 years until the end of the Ordinary General Meeting of 2024.

11.4.3 PROPOSED AMENDMENTS TO THE GENERAL MEETING 2021

The Board of Directors will propose to the Annual Meeting on 26 May 2021 that the following persons be reappointed as Directors, as their mandate will expire after the Annual Meeting in 2021:

- Mr Mark Suykens, as Non-Executive Director and Chairman of the Board of Directors, for a term of four years until the end of the Annual General Meeting in 2025.
- Mr Willy Pintens, as Executive Director, for a term of four years until the end of the ordinary general meeting of 2025.
- Mr Dirk Van den Broeck, as Executive Director, for a term of four years until the end of the ordinary general meeting in 2025.

11.4.4 ASSIGNMENTS OF THE BOARD OF DIRECTORS

The Board of Directors has the broadest powers to perform all acts that are necessary or useful for the realization of the objects of the Company. The Board may perform all other actions that are not expressly reserved for the general meeting by law or by the Articles of Association. The Board of Directors decides upon the long-term operating strategy, investments, disinvestments and financing strategy of the Company, closes the annual financial statements, and draws up the half-yearly and quarterly financial statements of the RREC.

It draws up the 'Report of the Board of Directors' that contains, among others, the 'Corporate Governance Statement', it decides how the authorised capital is used and convenes the Ordinary and Extraordinary General Meetings of Shareholders. It ensures the relevance, accuracy and transparency of communication to the shareholders, financial analysts and the general public, such as prospectuses, Annual and Half-yearly Financial Reports, quarterly statements, and press releases. It is also the body that decides on the Company's Executive Committee structure and determines the powers and duties of the Company's Effective Managers.

11.4.5 FUNCTIONING OF THE BOARD OF DIRECTORS

11.4.5.1 FREQUENCY AND CONVOCATION OF MEETINGS

The Board of Directors convenes meetings as often as necessary for the performance of its duties. The Board of Directors normally meets every month, and also whenever this is required in the interests of the Company. The Board of Directors is convened by the Chairman or by two Directors whenever the interests of the Company so require. The notices convening meetings state the location, date, time and the agenda for the meeting and are sent at least two full days before the meeting, 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. Each Director who attends a meeting of the Board of Directors or is represented at such meeting is considered to be regularly called up.

11.4.5.2 DELIBERATIONS AND VOTING

The Board of Directors can only validly deliberate and decide if at least a majority of the Directors are present or represented. If this quorum is not reached, a new Board of Directors may be convened with the same agenda, which will validly deliberate and decide if at least two Directors are present or represented.

With respect to items not on the agenda, it may only deliberate with the consent of the entire Board of Directors and provided that all Directors are present or represented. Any Director may authorize another member of the Board of Directors by letter, e-mail or in another written form to represent him or her at a meeting of the Board of Directors and validly vote in his place. The Board of Directors may meet by conference call, video conference or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Any Director may also provide his or her advice to the chairman by letter, e-mail or other written form.

The Board of Directors may adopt a decision as provided for in the BCCA by unanimous written consent of all Directors. If a Director has a direct or indirect financial interest that is contrary to a decision or transaction that falls within the powers of the Board of Directors, he shall comply with the provisions of Article 7:96 BCCA. The members of the Board of Directors shall also comply with Articles 37-38 of the public RREC Law.

The decision-making within the Board of Directors may not be dominated by an individual or by a group of Directors.

Resolutions are carried by a simple majority of the votes cast. Blank or invalid votes shall not be counted as votes cast. In the event of a tie in the votes of the Board of Directors, the Director chairing the meeting shall have a casting vote.

11.4.5.3 MINUTES

The decisions of the Board of Directors are recorded in minutes after each meeting. They are sent to each Director together with the invitation to the next meeting and approved and signed at this meeting. The minutes of the meeting summarise the discussions, specify the decisions taken and mention any reservations on the part of certain Directors. They are kept in a special register held at the registered office.

The Board of Directors of 11 December 2019 decided to appoint a Secretary as of the financial year 2020.

11.4.5.4 INTEGRITY AND COMMITMENT OF THE DIRECTORS

All Directors, Executive and Non-Executive, and the latter regardless of whether or not they are independent, must make decisions on the basis of an independent view. The Directors should ensure that they receive detailed and accurate information and should study it thoroughly in order to be able to control the main aspects of the Company's business properly, in the present and the future. They should seek clarification whenever they deem it necessary.

Although they are part of the same collegiate body, both Executive and Non-Executive Directors each have a specific and complementary role on the Board. The Executive Directors provide the Board of Directors with all relevant business and financial information to enable it to fulfil its role effectively. The Non-Executive Directors discuss the strategy and key policies proposed by the Executive Committee in a critical and constructive manner and help to develop these in more detail. Non-Executive Directors should scrutinize the performance of the Executive Committee in light of the agreed goals.

Directors must treat confidential information they have received in their capacity as Directors with due care and may use it only in the context of their mandate.

11.4.5.5 REPRESENTATION

In view of the resolution of the extraordinary general meeting of 15 June 2020 to discontinue the Management Committee as a managing body and the resulting amended Articles of Association, the Company shall, in accordance with Article 26 of the Articles of Association, be validly represented in all its acts, including those in which a public official or ministerial officer cooperates, as well as in judicial matters, either by two Directors acting jointly or, within the limits of day-to-day management, by two members of the Executive Committee acting jointly.

11.4.6 ACTIVITY REPORT OF THE BOARD OF DIRECTORS

During the 2020 financial year, the Board of Directors met 16 times. The main agenda items handled by the Board of Directors during the 2020 financial year can be summarised as follows:

- Operating and financial reporting.
- Analysis and approval of the financial and business plan.
- Analysis and approval of budgeting.
- Discussion of the financial and investment strategy.
- Analysis and determination of the Company's strategic initiatives.
- Reporting on the implementation of decisions taken.
- Update of the Corporate Governance Charter.
- Internal audit reporting
- Reporting by the Effective Leaders on internal control.
- Reporting of the Nomination and Remuneration Committee
- Reporting of the Audit Committee
- Preparation of Interim Statements, Annual and Half-yearly Reports.
- Discussion and approval press release on the annual figures.
- Remuneration policy and bonus scheme.
- Decision to proceed with a long-term incentive plan including discussion and decision on Share Purchase Plan.
- Staff framework.
- Evaluation of the size, composition and functioning of the Board of Directors and its interaction with the Effective Leaders.
- Preparation of the General and Extraordinary General Meetings.
- Preparation of the special reports of the Board of Directors within the framework of a capital increase by means of a contribution in kind, an optional dividend and an amendment to the Articles of Association relating to the authorised capital.
- Decision to offer an optional dividend and determination of the terms and conditions.
- Preparation and realisation of various amendments to the Articles of Association.
- Analysis and approval of investment files.
- Approval of merger proposals and realisation of these mergers.
- Establishment of Dutch and Spanish subsidiaries.
- Discussion and nomination to the General Meeting of the appointment of new Directors
- Discussion of result of credit application.
- Decision MTN programme.
- Decision to redistribute the Audit Committee, the Nomination and Remuneration Committee and the Investment Committee.

- Decision on the establishment of an Executive Committee and the appointment of its members.
- Decision to delegate powers to the Executive Committee in respect of investment files.

11.4.7 REMUNERATION OF THE DIRECTORS

See further in the remuneration report, point 'Overview of the remuneration of the mandates of the directors in the financial year 2020' on page 105 hereafter.

11.4.8 COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has set up Committees in its midst to assist and advise the Board of Directors in their specific areas. They have no decision-making power but report to the Board of Directors, respectively the Executive Committee which takes the final decisions. The Nomination and Remuneration Committee was set up in 2018. The Audit Committee and the Investment Committee, on the other hand, were only set up at the beginning of 2019.

11.4.8.1 NOMINATION AND REMUNERATION COMMITTEE

On 14 February 2018, the Board of Directors decided to set up a Nomination and Remuneration Committee that, in terms of composition, meets the conditions imposed by the Article7:100 BCCA and the Code 2020. The chairman of the Board of Directors, Mr Mark Suykens, is chairman of this Committee. Furthermore, the Committee consists of three Non-Executive Directors, namely Ms Caroline Riské, Ms Brigitte Grouwels and Ms Ingrid Ceusters. They are regarded as independent Directors within the meaning of the Article7:87 of the Belgian Code for Companies and Associations (BCCA). The Board of Directors is of the opinion that they have the required expertise in the field of remuneration policy. Mr Willy Pintens, Managing Director and member of the Executive Committee, attends the meetings of the Nomination and Remuneration Committee in an advisory capacity as representative and as member of the Executive Committee.

11.4.8.1.1 *THE ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE*

The Nomination and Remuneration Committee is an advisory body within the Board of Directors and will assist and advise it. It will make proposals to the Board of Directors with regard to the composition and evaluation of the Board of Directors and its interaction with the Executive Committee, the remuneration policy, the individual remuneration of the Directors and the members of the Executive Committee, including variable remuneration and long-term performance premiums, that may or may not be linked to shares, in the form of stock options or other financial instruments, and of severance payments, and where applicable, the resulting proposals to be submitted by the Board of Directors to the shareholders.

In its role as remuneration committee, the committee prepares the remuneration report that is added by the Board of Directors in the corporate governance statement as referred to in Article3:6, §2 BCCA. The remuneration report is further included in this chapter under item "11.11 Remuneration report 2020' on page 104.

11.4.8.1.2 *THE FUNCTIONING AND RESPONSIBILITIES OF THE NOMINATION AND REMUNERATION COMMITTEE*

The Nomination and Remuneration Committee shall meet at least twice a year and whenever it deems it necessary for the proper performance of its duties. The Chairman of the Nomination and Remuneration Committee, in consultation with the Managing Director who participates in the meetings with an advisory vote as representative of the Executive Committee, draws up the agenda for each meeting of the Nomination and Remuneration Committee. The Committee reports regularly to the Board of Directors about the exercise of its tasks. The Nomination and Remuneration Committee evaluates at least every three years its efficiency, its functioning and its synergy with the Board of Directors, revises its internal regulations and recommends subsequently, when applicable, the necessary modifications to the Board of Directors.

A more detailed description of the role, functioning and responsibilities of the Nomination and Remuneration Committee can be found in the Charter, which is available on the website www.carepropertyinvest.be.

11.4.8.1.3 *ACTIVITY REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE*

During the financial year 2020, the Nomination and Remuneration Committee met 4 times to discuss the following matters:

- Evaluation of the interaction of the Non-Executive Directors with the effective Directors.
- Analysis of the remuneration policy
- Discussion of the remuneration report which is part of the Corporate Governance Statement.
- Definition of the profile of two additional Directors for the Board of Directors
- Proposal to appoint two independent Directors
- Proposal to appoint two Executive Directors
- Analysis of the redistribution of internal Committees
- Collective suitability of Directors
- Decision to continue the long-term incentive plan as part of the fixed remuneration of the CEO, CFO and COO, including the proposal to approve the share purchase plan.
- Determination of the amount of the variable remuneration of the CEO, CFO and COO for the performance year 2019, payable in 2020.

11.4.8.2 AUDIT COMMITTEE

The Board of Directors decided on 13 February 2019 to establish an Audit Committee, the composition of which was changed on 4 November 2020. The composition of the Audit Committee and the qualifications of its members meet the requirements of section 7:99 BCCA, as well as the Code 2020.

The committee consists of 4[1] Non-Executive Directors, all of whom are independent, namely Mr Paul Van Gorp, as chairman, Ms Ingrid Ceusters, Mr Mark Suykens and Mr Michel Van Geyte. Mr Dirk Van den Broeck participates as a representative of the Executive Committee and as a member with an advisory vote.

All members of the Audit Committee have the collective expertise required by law with regard to the activities of the audited company. The independent Directors who sit on the Audit Committee and the Board of Directors of Care Property Invest all meet the criteria set out in Article7:87 BCCA and the Code 2020.

(1) On 9 March 2021, the Board of Directors decided to appoint Brigitte Grouwels as an additional member of the Audit Committee. Since then, the Audit Committee consists of five independent Directors.

11.4.8.2.1 *THE ROLE OF THE AUDIT COMMITTEE*

In summary, the Company's Audit Committee has the task of ensuring the accuracy and reliability of all financial information, both internal and external.

It ensures that the Company's periodic financial reports give a true, fair and clear picture of the situation and of future prospects of the Company and audits in particular the annual and periodic financial statements before they are published. The Audit Committee also verifies the correct and consistent application of the various applied accounting standards and valuation rules. It also monitors the independence of the Statutory Auditor and has an advisory role during the (re)appointment of the Statutory Auditor.

11.4.8.2.2 *THE FUNCTIONING AND RESPONSIBILITIES OF THE AUDIT COMMITTEE*

The Audit Committee meets at least 4 times a year, i.e., at the end of each quarter, and then reports its findings to the Board of Directors. Its main tasks are the following:

- Notifying the Board of Directors of the result of the Statutory Audit of the Annual Accounts and, as the case may be, the Consolidated Annual Accounts and explaining how the Statutory Audit of the Annual Accounts and, as the case may be, the Consolidated Annual Accounts contributed to the integrity of the financial reporting and the role played by the Audit Committee in that process;
- monitoring the Company's quarterly periodic financial reports, consisting of monitoring the integrity and accuracy of the figures and the relevance of the accounting standards applied, and making recommendations or proposals to ensure the integrity of the process;
- monitoring the effectiveness of the internal control and risk management systems, including the adaptation of the IT system to cover risks relating to IT security and internal security as much as possible, as well as monitoring the internal audit and its effectiveness;
- following up the recommendations of the external Internal Auditor;
- monitoring the Statutory Audit of the Annual and Consolidated Financial Statements, including following up the questions and recommendations formulated by the Statutory Auditor;
- assessing and monitoring the independence of the Statutory Auditor, in particular assessing whether the provision of additional services to the Company is appropriate. More specifically, the Audit Committee analyses with the Statutory Auditor the threats to his independence and the security measures taken to mitigate these threats, when the total fees in a public-interest entity, exceed the criteria set out in Article 4, § 3 of Regulation (EU) No 537/2014;
- recommend to the Board of Directors of the Company for the appointment of the Statutory Auditor and, where appropriate, the auditor responsible for the Statutory Audit of the Consolidated Financial Statements, in accordance with Article 16(2) of Regulation (EU) No 537/2014.

The Company's Internal Auditor and Statutory Auditor report to the Audit Committee on the important issues that they identify during their assignment for the Statutory Audit of the Annual Accounts. The Audit Committee gives an explanation of this to the Board of Directors.
The Audit Committee makes recommendations to the Board of Directors regarding the selection, appointment and reappointment of the external auditor and regarding the conditions of his appointment. The Board of Directors submits the Audit Committee's proposal to the shareholders for approval. A more detailed description of the role, functioning and responsibilities of the Audit Committee has been included in the Charter, which is available on the website www.carepropertyinvest.be.

11.4.8.3 INVESTMENT COMMITTEE

The Board of Directors decided on 13 February 2019 to establish an Investment Committee, the composition and functioning of which was amended on 4 November 2020. The members, in diverse fields within both the real estate and economic domains, have the desired professional experience and the necessary educational background. This allows the different skills of its members to be deployed according to the nature and needs of the investment dossier presented.

The Committee consists of four Non-Executive Directors, namely Mr Mark Suykens as chairman, Mr Michel Van Geyte, Ms Caroline Riské and Mr Paul Van Gorp. The independent Directors who have a seat on the Investment Committee (Ms Riské and Messrs Van Gorp and Van Geyte) all meet the criteria set out in section 7:87 BCCA and the 2020 Code.

11.4.8.3.1 *THE ROLE OF THE INVESTMENT COMMITTEE*

The Investment Committee is an advisory body charged with the task of advising on investment and possible divestment files in order to speed up the decision-making process. The Board of Directors, respectively the Executive Committee, remains responsible for supervising and taking the final decision on this matter. The Investment Committee carries out its task in accordance with the Company's Integrity Policy.

11.4.8.3.2 *THE FUNCTIONING AND RESPONSIBILITIES OF THE INVESTMENT COMMITTEE*

The Investment Committee meets on an ad hoc basis, i.e., whenever the discussion of a concrete file is deemed necessary. The Investment Committee then formulates its findings and verdict on a file to the Board of Directors. The final decision on a handled file is always taken by the Board of Directors, respectively the Executive Committee of the Company.

The Investment Committee is responsible for the following tasks:

- selection of investment files (or possible divestment files)
- analysis of investment files (or possible divestment files)
- preparation of investment files (or possible divestment files)
- following up on the negotiations

In the Charter, which is available on the Company's website, www.carepropertyinvest.be, a more detailed description of the role, functioning and responsibilities of the Investment Committee is included.

11.4.9 OVERVIEW OF THE DIRECTORS AND THEIR ATTENDANCE AT MEETINGS AS AT 31 DECEMBER 2020:

Name	Board of Directors	Nomination and Remuneration Committee	Audit Committee	Investment Committee	Executive Committee
Peter Van Heukelom	16/16	-	-	-	13/13
Willy Pintens	16/16	4/4	-	8/10 (1)	13/13
Dirk Van den Broeck	16/16	-	5/6	8/10 (1)	13/13
Valérie Jonkers	7/7	-	-	-	13/13
Filip Van Zeebroeck	7/7	-	-	-	13/13
Mark Suykens	16/16	4/4	6/6	10/12	-
Brigitte Grouwels	15/16	2/4	5/6 (2)	10/10 (1)	-
Caroline Riské	14/16	3/4	-	11/12	-
Paul Van Gorp	16/16	4/4 (3)	6/6	11/12	-
Michel Van Geyte	6/7	-	0/0	0/2	-
Ingrid Ceusters	5/7	0/0	0/0	-	-

(1) Mr Willy Pintens, Mr Dirk Van den Broeck and Ms Brigitte Grouwels have been member of the Investment Committee until 3 November 2020. Their attendances have all been unpaid. Following the decision on the new composition of the Investment Committee, it was also decided that as of then (4 November 2020) it was also be remunerated.

(2) Ms Brigitte Grouwels was only a member of the Audit Committee until 3 November 2020. However, on 9 March 2021, the Board of Directors decided to reappoint her as a member of the Audit Committee.

(3) Mr Paul Van Gorp was only a member of the Nomination and Remuneration Committee until 3 November 2020.

11.5 Executive Committee

11.5.1 EXECUTIVE COMMITTEE AND EFFECTIVE MANAGERS

In accordance with Article 7:104 of BCCA and Article 27 of the coordinated Articles of Association, the Executive Committee delegated management powers to the Executive Committee. The Executive Committee is responsible for the daily management of the Company. The role, functioning and composition of the Executive Committee have been determined, in addition to the Statutes, by the Board of Directors and are described below:

11.5.2 AMENDMENT IN 2020

In view of the decision of the Extraordinary General Meeting of 15 June 2020 to discontinue the Management Committee as a managing body and the resulting amended Articles of Association, the Company shall, in accordance with Article26 of the Articles of Association, be validly represented in all its acts, including those to which a public official or ministerial officer cooperates, as well as in court, either by two Managers acting jointly or, within the limits of day-to-day management, by two members of the Executive Committee acting jointly.

11.5.3 EXECUTIVE COMMITTEE IN 2020

11.5.3.1 THE ROLE OF THE EXECUTIVE COMMITTEE

The role of the Executive Committee mainly consists of:

- Implementing the decisions made by the Board of Directors;
- Performance of the daily management of the Company and reporting to the Board of Directors accordingly;
- A suitable governance structure and implementing and maintaining an administrative, accounting, financial and technical organisation that enables the Company to perform its activities and organise suitable controls, such in accordance with the RREC Law, based on a reference framework as approved by the Board of Directors;
- Supervision of the financial reporting process in accordance with the applicable standards for annual financial statements, the accounting standards and the valuation rules of the Company;
- Proposing a balanced and comprehensible assessment of the Company's financial situation, the budget and the business plan to the Board of Directors;
- Implementing general management of the property assets insofar not already inherent in the items above.

11.5.3.2 THE POWERS AND FUNCTIONING OF THE EXECUTIVE COMMITTEE

The powers of the Executive Committee include at least the following elements:

- Analysis, definition and setting out proposals of the Company's general policy and strategy, and presenting this to the Board of Directors for discussion and adoption (including the general policy themes relating to financial management, risk management, preparing the business and the budget);
- Analysis, review and approval of investment and disposal projects in line with the general strategy determined by the Board of Directors and preparing recommendations to the Board of Directors relating to property projects;
- Detailing, preparing and presenting proposals to the Board of Directors or its Committees, if any, relating to all issues that fall within their responsibility;
- All financial and non-financial communication, including publication of the Company's mandatory disclosures (including the Statutory and Consolidated Annual Financial Statements, the Annual and Half yearly Financial Reports and Interim Statements) and other key financial and non-financial information, based on mandatory or voluntary disclosure;
- Operational management of the Company; daily operations that includes the following aspects, not limited to the listed items:
    - Implementing the decisions made and policies issued by the Board of Directors;
    - The commercial, operational and technical management of the property assets;
    - Managing the financial liabilities;
    - Preparing financing schemes relating to investment projects;
    - The introduction and continued implementation of a suitable internal control in accordance with the RREC Law (including an independent internal audit function, a risk management function and a risk policy, and an independent compliance functions including integrity policy, based on the reference framework as adopted by the Board of Directors and any committees, without prejudice to the statutory requirements to persons tasked with the internal controls as set out in the RREC Law;
    - Organisation and management of the supporting functions, including:
        - Human resources, including recruitment, training and remuneration of the Company's personnel;
        - Internal and external (if relevant) communication;
        - Management of the information systems (IT);
        - Legal and tax issues.
- Providing all the information in due course that the Board of Directors requires for the performance of its obligations.

The CEO, who is also a Managing Director, has, next to his responsibility as the Chairman of the Executive Committee, a general and coordinating function and is responsible for the daily management of the Company. As head of staff he is also responsible for the general management and supervision of the team, including determination of the task allocation and monitoring of their presence, missions and performance.

The CFO, who is also an Executive Director, leads the finance team in addition to his mandate within the Executive Committee.

The COO, who is also an Executive Director, is in charge of the operational and investment team, in addition to her mandate within the Executive Committee.

For a more detailed description of the tasks of the CEO, CFO and COO, please refer to '10. Internal organisation and operation Care Property Invest'.

Article 26 of the Articles of Association provides that the Company in all its actions, including legal representation, is validly represented by two members of the Executive Committee acting jointly.

The Executive Committee and its members exercise their powers in accordance with the Charter, the Company's Articles of Association, the decisions of the Executive Committee and of the Board of Directors, the specific or general guidelines of the Board of Directors, the provisions of the BCCA, the provisions of the RREC legislation and any other applicable legal, administrative or regulatory provisions.

The Committees support the Executive Committee in a number of its aforementioned powers. If there is a conflict of interest on the part of one of the members of the Executive Committee, this member shall refrain from the deliberations and decisions taken by the other members of the Executive Committee.

11.5.3.3 COMPOSITION OF THE EXECUTIVE COMMITTEE

As at 31 December 2020, the Executive Committee consisted of the following persons, all Effective Managers in the sense of Article 14 of the Act of 12 May 2014, as altered by the Act of 22 October 2017:

Name	Function	Start of first mandate	End of mandate of the Executive Committee
Peter Van Heukelom	Chief Executive Officer (CEO) and Managing Director Chairman of the Executive Committee	21/05/2003	After the OGM of 2022
Dirk Van den Broeck	Managing (Executive) Director and Risk Manager	30/10/1995	After the OGM of 2021
Willy Pintens	Managing (Executive) Director and Internal Audit Manager	30/10/1995	After the OGM of 2021
Filip Van Zeebroeck	Chief Financial Officer (CFO) and Managing (Executive) Director	7/01/2016	After the OGM of 2024
Valérie Jonkers	Chief Operation Officer (COO) and Managing (Executive) Director	7/01/2016	After the OGM of 2024

The term of office of the members of the Executive Committee coincides with the duration of their term of office in the Board of Directors.

11.5.3.4 REMUNERATION OF THE MEMBERS OF THE EXECUTIVE COMMITTEE

See further in the remuneration report, point 'Global overview (gross) remuneration of the Managing (executive) Directors (effective leaders) in the financial year 2020' on page 110 hereafter.

11.6 Statements concerning the Directors, Effective Leaders and members of the management team (Annex I to the Delegated Regulation (EU) No 2019/980)

The Board of Directors of Care Property Invest declares that on 31 December 2020:

- none of its Directors, Effective Leaders or members of the Executive Management have been convicted of any fraudulent offences during the last 5 years,
- none of its Directors, Effective Leaders or members of the Executive Management have been subject to or involved in any official and publicly expressed accusation and/or sanction by any statutory or regulatory authority (including recognised professional organisations) during the last 5 years;
- none of its Directors, Effective Managers or members of the Executive Management have 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 exercise of the activities of an issuer for the preceding 5 years;
- none of its Directors, Effective Managers or members of the Executive Management have been involved in bankruptcy, suspension of payments (sequestration) or liquidation during the last 5 years;
- no employment contract has been concluded with the Directors, Effective Leaders or members of the Executive Management that provides for benefits on termination of employment, with the exception of the management contracts with the CEO, COO and CFO that are of indefinite duration and provide for contractual provisions on termination and severance pay that never exceed eighteen (18) months;
- the following Directors, Executive Directors or members of the Executive Management of Care Property Invest hold shares: Valérie Jonkers (3,345), Willy Pintens (2,709), Mark Suykens (2,642), Dirk Van den Broeck (12,260, of which 2,000 are held by a person closely related to him), Paul Van Gorp (2,056), Peter Van Heukelom (8,172), Filip Van Zeebroeck (5,043) (Directors).
- no option on the shares of Care Property Invest has so far been granted by Care Property Invest;
- there is no family relationship between the Directors, Effective Leaders or members of the Executive Management among themselves.

11.7 Diversity policy

The Board of Directors takes into account gender diversity, diversity in general and complementarity in terms of skills, experience and knowledge when defining the long-term values, core policies, standards and objectives of the Company. The Nomination and Remuneration Committee also takes this intended diversity within the Board of Directors into account when formulating advice regarding the appointment of Directors, members of the Executive Committee and other leaders.

After all, such a diversity policy makes it possible to approach problems from different points of view within the Board of Directors and within the Executive Committee, thus contributing to balanced decision-making.

On the basis of Article 7:86 BCCA, at least one third of the members of the Board of Directors (rounded up to the nearest whole number) must be of a different gender from the other members. As of 31 December 2020, the Board of Directors consists of 4 women and 7 men, as a result of which this one-third rule has already been complied with.

Care Property Invest will continue to strive to maintain this gender diversity when proposals for appointment are considered.

11.8 Prevention of conflicts of interest

Each Director and Effective Manager is encouraged to arrange his/her personal and business affairs so as to avoid any direct or indirect conflicts of interest with the Company.

With regard to the regulation of conflicts of interest, the Company is subject to the legal rules, being articles 7:86 BCCA and 36 to 38 of the RREC Law and the rules in its Articles of Association and in the Charter.

Without prejudice to the application of legal procedures, the Company's Charter sets out specific procedures to offer a way of resolving potential conflicts.

The Board of Directors ensures that the Company is managed exclusively in the Company's interests and in accordance with the provisions of the RREC legislation. The integrity policy attached to the Charter also sets out rules relating to conflicts of interest.

11.8.1 CONFLICTS OF INTEREST RELATING TO DIRECTORS / MEMBERS OF THE EXECUTIVE COMMITTEE

If a Director has, directly or indirectly, an interest of a proprietary nature that conflicts with a decision or transaction falling within the competence of the Board of Directors, he or she must comply with the provisions of Article7:96 BCCA. This means that all Directors must notify the Board of Directors and the Statutory Auditor of any conflicts of interest when they arise and must abstain from voting on these matters. Any abstention due to a conflict of interest must be disclosed in accordance with the relevant provisions of the BCCA and is therefore reported in the annual report.

The members of the Board of Directors must also comply with Articles 36 to 38 of the RREC Law. In addition to the provisions of the BCCA and the rules on conflict of interest arising from the RREC Law, Care Property Invest requires each (managing) Director or member of the Executive Committee to avoid conflict of interest as far as possible.

If a conflict of interest (not covered by the statutory regulations on conflicts of interest) nevertheless arises in relation to a matter that falls within the competence of the Board of Directors or the Executive Committee, and on which it must take a decision, the Director in question must notify his or her fellow Directors of this. They then decide whether the member concerned may or may not vote on the matter to which the conflict of interest relates and whether he/she may attend the discussions on this matter. It is explicitly made clear here that non-compliance with the above (additional) rules on conflicts of interest cannot affect the validity of decision-making by the Board of Directors.

11.8.1.1 CONFLICTS OF INTEREST RELATING TO TRANSACTIONS WITH AFFILIATED COMPANIES

Care Property Invest also serves the procedure of the then applicable Article7:97 BCCA. In the financial year 2020, the Company had no persons who qualify as affiliated persons within the meaning of Section 7:97 BCCA, being natural persons or legal entities affiliated with the Company and which are not a subsidiary of the Company.

The Executive Committee

11.8.1.2 CONFLICTS OF INTEREST CONCERNING TRANSACTIONS WITH AFFILIATED PERSONS, THE EFFECTIVE MANAGERS AND STAFF OF THE COMPANY

Transactions between the Company or an affiliated company and a member of the Board of Directors, the Executive Committee or member of staff must always be conducted on an arm's length basis, under the supervision of the Board of Directors.

Pursuant to Article 37 of the RREC Law, the Company must notify the FSMA in advance if one of the persons referred to below acts as a counterparty in a property transaction with the Company or with a company over which it has control, or if any benefits are gained through such a transaction by persons including those listed below:

- the persons who control the public RREC or hold participating interests in it;
- the promoters of the public RREC;
- the persons with whom the RREC or a promoter of the RREC are affiliated or with which the RREC or a promoter of the RREC have a participating interest relationship;
- the Directors, Managers, members of the Executive Committee, the persons responsible for the daily management, the senior managers or agents of the RREC or the promoters of the RREC, or the persons who control the Company or hold participating interests in the Company.

In its notification of the FSMA, the RREC must show its interest in the planned transaction and that the transaction in question forms part of the normal activities of the RREC. If the FSMA finds that the information in the aforementioned notice is insufficient, incomplete, inconclusive or irrelevant, it shall notify the RREC accordingly. If no action is taken in response, the FSMA may publish its position. These transactions must be conducted on an arm's length basis. When a transaction that takes place in the circumstances described above relates to property as referred to in Article 47 § 1 of the RREC Law, the valuation of the expert is binding on the RREC (for determining the minimum price in the case of a transfer, or the maximum price in the case of an acquisition). The transactions referred to above, as well as the information contained in the preceding notice to the FSMA, must be disclosed immediately and explained in the annual financial report and the Statutory Auditor's report.

Pursuant to Article 38 of the RREC Law, these provisions do not apply to: `

- transactions relating to a sum of less than the lower of 1% of the Company's consolidated assets and €2,500,000;
- the acquisition of securities by the Company in connection with a public issue by a third-party issuer for which a promoter of the RREC or one of the persons referred to in Article 37 § 1 of the RREC Law act as intermediaries within the meaning of Article 2, 10° of the Act of 2 August 2002;
- the acquisition of or subscription to shares in the Company issued pursuant to a decision of the general meeting by the persons referred to in Article 37 § 1 of the RREC Law; and
- transactions relating to cash and cash equivalents of the Company or one of its subsidiaries, provided that the person acting as the counterparty has the status of intermediary within the meaning of Article 2, 10°, of the Act of 2 August 2002 and that these transactions are conducted on an arm's length basis.

11.8.2 CONFLICTS OF INTEREST PROCEDURE DURING THE 2020 FINANCIAL YEAR

Article 7:96 BCCA on conflicts of interest between the Company and a Director was applied during the deliberations of the Board of Directors described below:

The Board of Directors of 17 November 2020 decided to continue the long-term incentive plan enabling the Company to meet its obligation arising out of the purchase plan for the benefit of the Executive management and concerning the CEO, CFO and COO

Extract from the Minutes:

'1. Notification of possible conflicts of interest

Peter Van Heukelom, Filip Van Zeebroeck and Valérie Jonkers declared that they have a conflict of interest in the sense of Article7:96 BCCA in that they are, on the one hand, Directors of the Company and, on the other hand, beneficiary of the Plan, as explained in agenda item 2. Consequently, they are abstained from voting, but sign the minutes purely for information purposes and in the spirit of the unanimous written decision.

2. Decision to repurchase 6,000 own shares as of 18 November 2020

The purpose of the buy-back programme is to enable the Company to fulfil its obligations under the Plan for the benefit of the Executive management.

The implementation of the buy-back programme will be carried out by an independent broker, i.e., Bank Degroof Petercam NV, and this in accordance with the applicable regulations regarding the buy-back of own shares. The Board of Directors confirms, to the extent necessary, its approval of the agreement with Bank Degroof Petercam NV, as presented at the meeting of 4 November 2020.

CP Invest will start the buy-back programme on 18 November 2020 and will inform the market on the progress of the buy-back programme in accordance with the applicable regulations. It will also send a letter to FSMA within the framework of Article37 for the three beneficiaries of the Plan.

The Board of Directors unanimously decides to approve the buyback of 6,000 treasury shares as of 18 November 2020.'

The Company is not aware of any other possible conflicts of interest during the 2020 financial year.'

11.8.3 SUPERVISION OF CARE PROPERTY INVEST SHARE TRANSACTIONS

The Board of Directors set out its policy relating to market abuse and insider trading in the Charter.

The independent compliance function is carried out by Mrs. Nathalie Byl. The Company prepared a Compliance function Charter setting out the purpose and process of the Compliance function in accordance with the FSMA circular. The Board of Directors, Executive Committee and employees of the Company are aware of the content of this Charter.

The Compliance Officer monitors compliance with the laws and statements relating to transactions in Care Property Invest shares completed at personal accounts of the Directors and other Insiders in order to limit the risk of insider trading.

11.8.4 CHANGES AS FROM 2020

For the 2020 financial year, all references to the Management Committee were converted to the Executive Committee following the decision of the Extraordinary General Meeting of 15 June 2020.

As of the 2020 financial year, the amended Charter came into force and a number of additional matters relating to conflicts of interest were explicitly mentioned, including:

- a Director must put the interests of the Company above his own interests and that he must represent the interests of the shareholders in an equal manner. Each Director must act in accordance with the principles of fairness and reasonableness;
- Directors must declare at the beginning of each Board or committee meeting whether they have a conflict of interest with respect to the items on the agenda;
- Directors who are nominated by (an) important or controlling shareholder(s) (if any) must ensure that the interests and intentions of the shareholder(s) are sufficiently clear and made known to the Board of Directors in a timely manner;
- when the Board of Directors takes a decision, the Directors may not pursue their personal interests. They may not use business opportunities intended for the Company for their own benefit.

11.9 The powers of the administrative body, in particular with regard to the possibility of issuing or repurchasing shares

In response to the decision of the extraordinary general meeting of 15 June 2020, the Board of Directors is allowed to acquire and hold in pledge own shares with a maximum of ten per cent (10%) of the total issued shares, to a unit price not lower than ninety per cent (90%) of the average rate of the last thirty (30) days of the listing of the share on the regulated market of Euronext Brussels, nor higher than hundred and ten per cent (110%) of the average rate of the last thirty (30) days of the listing of the share on the regulated market of Euronext Brussels, or a maximum raise or decrease of ten per cent (10%) in comparison with the above mentioned rate.

This approbation is granted for a renewable period of five (5) years, counting from publication in the attachment of the Belgian Official Gazette of the decision of the Extraordinary General Meeting of 15 June 2020.

The Board of Directors is permitted, in particular, to acquire, hold in pledge and sell the own shares of the Company without prior decision of the General Meeting when this acquirement or sale is necessary to avoid serious or threatening damage to the Company for a duration of five (5) years, counting from publication in the Belgian Official Gazette of the decision of the Extraordinary General Meeting of 15 June 2020.

The Company can sell its own shares, in or out of stock market, with respect to the conditions set by the Board of Directors, without prior permission of the general meeting, provided they respect the applicable market regulations.

Pursuant to this authorisation, the Board of Directors is authorised to alienate its own shares listed within the meaning of Article 1:11 BCCA within the meaning of Article 7:218, §1, paragraph 1, 2° BCCA, on the basis of which the Board of Directors is also authorised to alienate its own shares without the authorisation of the General Meeting.

The permissions that are mentioned above are also applicable to the acquisition and sale of shares of the Company by one or multiple direct subsidiaries, in terms of the legal regulations concerning the acquisition of shares of the parent company by its subsidiaries.

In the 2020 financial year, the Company acquired 6,000 own shares. As of 31 December 2020, the Company holds a total of 6,878 own shares.

As part of the share purchase plan, a total of 5,186 of these shares were transferred to the CEO, CFO and COO on 11 January 2021.

11.10 Evaluation process

Under the direction of its Chairman, the Board of Directors evaluates, every two to three years, its size, composition, operation and interaction with the Executive Committee. Prior to any reappointment of Directors, the individual contribution, commitment and effectiveness of each Director shall be assessed in accordance with the evaluation procedure.

- The evaluation process has four objectives:
- assessing the functioning of the Board of Directors;
- checking that important items of business are thoroughly prepared and discussed;
- evaluating the actual contribution of each Director, his or her attendance of meetings of the Board and his or her constructive involvement in discussions and decision-making;
- examining whether the current composition of the Board of Directors corresponds to the desirable composition.

The Non-Executive Directors should regularly (preferably once a year) assess their interaction with the Executive Committee. They must meet for this purpose at least once a year, in the absence of the Executive Committee members.

The contribution of each Director is reviewed periodically - taking account of changing circumstances - in order to be able to adjust the composition of the Board of Directors.

The Board should act on the basis of the results of the evaluation by recognising its strengths and addressing its weaknesses. Where appropriate, this will mean that nominations are made for new members, proposals are made not to reappoint existing members or that measures are taken that are deemed to be conducive to the effective functioning of the Board of Directors.

The Board of Directors ensures that the necessary measures are taken to provide for orderly succession of the members of the Board of Directors. The Board also ensures that all appointments and reappointments of both Executive and Non-Executive Directors make it possible to maintain an appropriate balance of skills and experience on the Board.

The Board of Directors is assisted in this evaluation process by the Nomination and Remuneration Committee.

11.11 Remuneration report 2020

This remuneration report falls within the framework of the provisions of the Belgian Corporate Governance Code of 12 May 2019 (the '2020 Code') and of Article 3:6, §3 of the BCCA. The remuneration report is included as a specific section in the Corporate Governance Statement, which forms part of the annual report of Care Property Invest (or the 'Company').

The Nomination and Remuneration Committee assists the Board of Directors in its policy and prepared this remuneration report. The report relates to the remuneration paid or definitively due to the persons concerned for the performance year 2020 in the capacity they held during the 2020 financial year. In 2020, there were no changes regarding the management's remuneration and they are not foreseen for 2021, as this remuneration is fixed for the financial years 2019, 2020 and 2021. Only the remuneration for the members of the Investment Committee was changed as it now operates more as an independent committee in line with the other committees after the change in composition and functioning on 4 November 2020.

For the first time, the Company reports in accordance with the implementation in Belgian law of the European Second Shareholders' Rights Directive. It is possible that due to the technical changes in the law, this new method of presentation presents a different picture than in the past, although the remuneration policy does not fundamentally deviate from that applied in recent years.

11.11.1 PRINCIPLES OF THE POLICY IN 2020

In application of recommendation 7.3 of the 2020 Code, the annual meeting of 27 May 2020 approved the remuneration policy applicable to the 2020 performance year with an advisory vote.

Following the entry into force of the Act of 28 April 2020, Care Property Invest is required to submit its remuneration policy to the binding approval of the Annual General Meeting on 26 May 2021. On the advice of the Nomination and Remuneration Committee, the Board of Directors slightly adjusted the remuneration policy, namely with regard to the remuneration for participation in the Investment Committee. The proposal of remuneration policy that will apply as of the 2021 financial year will be published separately together with the convocation for the annual meeting.

In application of the applicable remuneration policy - which can be consulted on www.carepropertyinvest.be/en/investments/general-meeting/ - Remuneration policy-2020-05-27.pdf - the Company granted the remunerations as reported below for the 2020 financial year.

11.11.2 REMUNERATION OF THE NON-EXECUTIVE DIRECTORS

In accordance with the decision of the Ordinary General Meeting of 29 May 2019, the Chairman of the Board of Directors received a fixed remuneration of €20,000 for the 2020 financial year. The other non-executive directors received an annual fixed remuneration of €10,000. An attendance fee of €750 was granted to the directors per attendance at the meetings of the Board of Directors, the Nomination and Remuneration Committee, the Audit Committee and, as from 4 November 2020, also the Investment Committee. All remunerations are fixed, flat-rate payments. The non-executive directors did not receive any variable remuneration or a share-related remuneration. The detail of the individual remuneration is included in the table below.

Overview of the remuneration of the mandates of the directors in the financial year 2020

2020		Attendances						
Name	Mandate	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Investment Committee (remunerated as from 04/11/2020)	Remuneration of the mandate	Attendance fee	Total remuneration
Peter Van Heukelom	Executive Director	16/16				-	-	-
Willy Pintens (1)	Executive Director	16/16		4/4		10,000	14,250	24,250
Dirk Van den Broeck (2)	Executive Director	16/16	5/6			10,000	16,500	26,500
Brigitte Grouwels	Non-Executive Director / Independent Director	15/16	5/6	2/4		10,000	16,500	26,500
Carol Riské	Non-Executive Director / Independent Director	14/16		3/4	1/2	10,000	13,500	23,500
Mark Suykens	Non-Executive Director	16/16	6/6	4/4	2/2	20,000	21,000	41,000
Paul Van Gorp	Non-Executive Director / Independent Director	16/16	6/6	4/4	2/2	10,000	21,000	31,000
Ingrid Ceusters	Non-Executive Director / Independent Director	5/7				5,962	3,750	9,712
Michel Van Geyte	Non-Executive Director / Independent Director	6/7				5,962	4,500	10,462
Valérie Jonkers	Executive Director	7/7				-	-	-
Filip Van Zeebroeck	Executive Director	7/7				-	-	-
Total						**81,923**	**111,000**	**192,923**

(1) In addition, Willy Pintens receives a separate remuneration in his capacity as member of the Executive Committee (see under 11.11.3 'Global overview (gross) remuneration of the Managing (executive) Directors (effective leaders) in the financial year 2020').

(2) In addition, Dirk Van den Broeck receives a separate remuneration in his capacity as member of the Executive Committee (see under 11.11.3 'Global overview (gross) remuneration of the Managing (executive) Directors (effective leaders) in the financial year 2020').

11.11.3 REMUNERATION OF THE EXECUTIVE DIRECTORS

Executive Directors other than the CEO, CFO and COO

In accordance with the remuneration policy, the Executive (Managing) Directors, with the exception of the CEO, CFO and COO, received the same remuneration as the Non-Executive Directors for the exercise of their directorship (cf. 11.11.2).

In addition, they received an additional fixed remuneration of €10,000 for their mandate as a member of the Executive Committee, supplemented by a fixed representation allowance of €1,800 per year. For their participation in the meetings of the Executive Committee, an attendance fee of €750 per meeting was also granted. Finally, they also received a per mileage allowance.

These allowances are fixed, flat-rate allowances. There is no variable remuneration provided, nor is there a share-linked remuneration.

CEO, CFO and COO

In general

The remuneration level of the other Executive Directors (effective leaders), namely the CEO, CFO and COO, is - in their capacity of members of the Executive Committee - determined by the Board of Directors, on the advice of the Nomination and Remuneration Committee, and is based on their respective management contracts.

These provide, in accordance with the remuneration policy, for a fixed remuneration consisting of (i) an indexed annual (gross) base remuneration, payable in monthly instalments, including a representation fee, (ii) a Share Purchase Plan (long term incentive plan) and (iii) an "individual pension commitment" insurance policy with certain contributions and additional coverage (for the CEO for an amount of € 120,000, for a period of 8 months until reaching retirement age on 31/8/2020 and for the CFO for an amount of € 6,063 and for the COO for an amount of € 6,013).

Furthermore, the remuneration includes a variable remuneration in the form of an annual bonus of which the allocation modalities and the amount are determined by the Board of Directors in the bonus regulations and other components of the remuneration (hospitalisation insurance, meal vouchers (only CEO) and benefits in kind related to the use of a company car, mobile phone and laptop).

Deferred part of the annual variable remuneration for financial year 2018, acquired on 31 December 2020:

The variable remuneration for financial year 2018 amounted to a maximum of 50% of the fixed remuneration. Payment of the bonus was spread over three years (2019, 2020 and 2021); in financial year 2020 the last 25% tranche was due, being an amount of €55,777 for the CEO and €26,443 for the CFO and COO each and was paid out at the beginning of 2021.

After all, the conditions for granting the bonus for the 2018 financial year were met as follows:

- Increase in rental income (criterion to be achieved: €1.9 million, result achieved €3.6 million).

- Qualitative criteria: in line with the previous financial years, this concerns criteria relating to the quality of HR management (team spirit, organisation, performance, staff satisfaction, etc.), quality of communication with the Board of Directors, quality of investment files, etc. These objectives were achieved.

Part of the annual variable remuneration for financial year 2019, acquired on 31 December 2020:

The variable remuneration was max. 50% of the fixed remuneration for financial year 2019. The bonus is spread over three years (2019, 2020, 2021); for financial year 2020, the second 25% tranche was acquired, being an amount of €79,935 for the CEO and €41,792 for the CFO and COO each and was paid out at the beginning of 2021.

The conditions for granting the bonus for the 2019 financial year were indeed maintained in the 2020 financial year and again achieved as follows:

- IFRS result/distributable result, min. 90% of the budget (weight: 65%) target: € 17,387,050. Result achieved: € 18,703,252.

- Operating margin based on cash elements, min. 90% of operating margin (weight: 10%). Target (expressed as operating cost): 16.9%. Result achieved: 16.7%.

- Other (qualitative criteria) (weight: 25%) Fully achieved. In line with previous financial years, this concerns criteria regarding the quality of HR management (team spirit, organisation, performance, staff satisfaction, etc.), the quality of communication with the Board of Directors, the quality of investment files, etc.

Part of the annual variable remuneration for financial year 2020, acquired on 31 December 2020:

The variable remuneration for financial year 2020 amounted to a maximum of 50% of the fixed remuneration. The bonus is spread over three years (2020, 2021, 2022); for the 2020 financial year, the first 50% tranche was acquired, i.e., an amount of € 161,533 for the CEO and € 84,020 for the CFO and COO each and was paid out at the beginning of 2021.

The conditions for granting the bonus for financial year 2020 were achieved as follows:

- IFRS result/distributable result, min. 90% of the budget (weight: 65%). Target €0.92 per share. Result achieved: € 0.9936 per share.

- Operating margin based on cash elements, min. 90% of operating margin (weight: 10%). Target (expressed as operating cost): 15%. Result achieved 15.26%.

- Other (qualitative criteria) (weight: 25%) Fully achieved. In line with previous financial years, this concerns criteria regarding the quality of HR management (team spirit, organisation, performance, staff satisfaction, etc.), the quality of communication with the Board of Directors, the quality of investment files, etc.

The other half of this bonus is payable in two instalments of 25% each under the conditions set out in the remuneration policy, based on the performance of the CEO, CFO and COO in the financial years 2021 and 2022.

CEO performance criteria for the 2020 performance year							
Criterion	**Weight**	**Due on 31/12/2020**		**Due on 31/12/2021 (potential)**		**Due on 31/12/2022 (potential)**	
IFRS result/reversible result, min. 90% of the budget	65%	25% bonus 2018 (Y3) =	36,255				
		25% bonus 2019 (Y2) =	51,958	25% bonus 2019 (Y3) =	51,958		
		50% bonus 2020 (Y1) =	104,996	25% bonus 2020 (Y2) =	52,498	25% bonus 2020 (Y3) =	52,498
Operating margin, min. 90% of the budget	10%	25% bonus 2018 (Y3) =	5,578				
		25% bonus 2019 (Y2) =	7,993	25% bonus 2019 (Y3) =	7,993		
		50% bonus 2020 (Y1) =	16,153	25% bonus 2020 (Y2) =	8,077	25% bonus 2020 (Y3) =	8,077
Other (qualitative criteria) (1)	25%	25% bonus 2018 (Y3) =	13,944				
		25% bonus 2019 (Y2) =	19,984	25% bonus 2019 (Y3) =	19,984		
		50% bonus 2020 (Y1) =	40,383	25% bonus 2020 (Y2) =	20,192	25% bonus 2020 (Y3) =	20,192

(1) Quality of HR management (team spirit, organisation, performance, staff satisfaction, etc.); quality of communication with the Board of Directors; quality of investment files.

Performance criteria CFO for the 2020 performance year							
Criterion	**Weight**	**Due on 31/12/2020**		**Due on 31/12/2021 (potential)**		**Due on 31/12/2022 (potential)**	
IFRS result/reversible result, min. 90% of the budget	65%	25% bonus 2018 (Y3) =	17,188				
		25% bonus 2019 (Y2) =	27,165	25% bonus 2019 (Y3) =	27,165		
		50% bonus 2020 (Y1) =	54,613	25% bonus 2020 (Y2) =	27,307	25% bonus 2020 (Y3) =	27,307
Operating margin, min. 90% of the budget	10%	25% bonus 2018 (Y3) =	2,644				
		25% bonus 2019 (Y2) =	4,179	25% bonus 2019 (Y3) =	4,179		
		50% bonus 2020 (Y1) =	8,402	25% bonus 2020 (Y2) =	4,201	25% bonus 2020 (Y3) =	4,201
Other (qualitative criteria) (1)	25%	25% bonus 2018 (Y3) =	6,611				
		25% bonus 2019 (Y2) =	10,448	25% bonus 2019 (Y3) =	10,448		
		50% bonus 2020 (Y1) =	21,005	25% bonus 2020 (Y2) =	10,503	25% bonus 2020 (Y3) =	10,503

(1) Quality of HR management (team spirit, organisation, performance, staff satisfaction, etc.); quality of communication with the Board of Directors; quality of investment files.

Performance criteria COO for the 2020 performance year							
Criterion	**Weight**	**Due on 31/12/2020**		**Due on 31/12/2021 (potential)**		**Due on 31/12/2022 (potential)**	
IFRS result/reversible result, min. 90% of the budget	65%	25% bonus 2018 (Y3) =	17,188				
		25% bonus 2019 (Y2) =	27,165	25% bonus 2019 (Y3) =	27,165		
		50% bonus 2020 (Y1) =	54,613	25% bonus 2020 (Y2) =	27,307	25% bonus 2020 (Y3) =	27,307
Operating margin, min. 90% of the budget	10%	25% bonus 2018 (Y3) =	2,644				
		25% bonus 2019 (Y2) =	4,179	25% bonus 2019 (Y3) =	4,179		
		50% bonus 2020 (Y1) =	8,402	25% bonus 2020 (Y2) =	4,201	25% bonus 2020 (Y3) =	4,201
Other (qualitative criteria) (1)	25%	25% bonus 2018 (Y3) =	6,611				
		25% bonus 2019 (Y2) =	10,448	25% bonus 2019 (Y3) =	10,448		
		50% bonus 2020 (Y1) =	21,005	25% bonus 2020 (Y2) =	10,503	25% bonus 2020 (Y3) =	10,503

(1) Quality of HR management (team spirit, organisation, performance, staff satisfaction, etc.); quality of communication with the Board of Directors; quality of investment files.

The central objective of the application of these criteria is to align the interests of the members of the Executive Committee with the interests of the shareholders and to promote a sustainable long-term value creation of the Company.

Long term incentive plan ("LTIP")

In 2020 and 2021 the Board of Directors applied the long-term incentive plan for the CEO, CFO and COO. In that framework, the CEO received a gross cash amount of €100,000 and the CFO and COO each received a gross cash amount of €75,000 in 2020 and again in 2021, with the specific purpose and under the obligation to purchase a package of shares of the Company with the net amount, after tax and social security contributions. In this context, they purchase the Company's shares at a price per share equal to the weighted average stock market price during the period of twenty (20) stock market days preceding the day before the date of signing the purchase agreement, multiplied by 100/120ths. The Company considers this to be a market-based price, and justifies the discount by, among other things, the lock-up period.

The gross amount was determined for 2020 and 2021 based on the relative weight.

In accordance with the LTIP, the beneficiaries purchased shares in 2020 as follows:

LTIP 2020	**Award date**	**End of retention period**	**Shares purchased in 2020**
CEO	30/01/2020	30/01/2023	1912
CFO	30/01/2020	30/01/2023	1434
COO	30/01/2020	30/01/2023	1434

n accordance with the LTIP, the beneficiaries purchased shares in 2021 as follows:

LTIP 2021	**Award date**	**End of retention period**	**Shares purchased in 2021**
CEO	11/01/2021	11/01/2024	2074
CFO	11/01/2021	11/01/2024	1556
COO	11/01/2021	11/01/2024	1556

The purchased shares must be held by the beneficiaries for a lock-up period of three (3) years.

During this lock-up period, they are entitled to dividends, voting rights, preferential subscription rights or irreducible allocation rights attached to the purchased shares and the right to participate or not in an optional dividend.

Global overview (gross) remuneration of the Managing (executive) Directors (effective leaders) in the financial year 2020

	Peter Van Heukelom, CEO / Managing Director	Filip Van Zeebroeck, CFO / Managing Director	Valérie Jonkers, COO / Managing Director	Willy Pintens, Managing Director	Dirk Van den Broeck, Managing Director
Fixed remuneration (basis) (1)	423,131	252,018	252,068	10,000	10,000
Pension plan	120,000	6,063	6,013	0	0
Fixed remuneration in shares (Long term incentive plan)	100,000	75,000	75,000	0	0
Remuneration for participation in meetings of the Executive Committee by the Managing Directors (other than CEO, CFO, COO) (2)	0	0	0	9,750	9,750
Representation fee and travel costs	3,000	3,000	3,000	2,428	2,280
Benefits in kind	8,038	5,093	5,133	0	0
Variable remuneration acquired in financial year 2020 (variable remuneration for FY 2020 (Y1), FY 2019 (Y2) and FY 2018 (Y3))	297,245	152,255	152,255	0	0
TOTAL	**951,414**	**493,428**	**493,468**	**22,178**	**22,030**

% Fixed remuneration	69%	69%	69%	100%	100%
% Variable remuneration	31%	31%	31%	0%	0%

(1) Individual pension commitment for the period 09/2020 to 12/2020

(2) transferred to fixed remuneration as the premium could no longer be deposited in the IPT insurance due to the CEO reaching retirement age.

11.11.4 ANNUAL CHANGE IN THE AVERAGE REMUNERATION OF THE EMPLOYEES AND EFFECTIVE LEADERS AND THE ANNUAL CHANGE IN THE PERFORMANCE OF THE COMPANY, OVER THE LAST FIVE FINANCIAL YEARS

The fixed remuneration of the CEO, COO and CFO is fixed for the financial years 2019, 2020 and 2021 and therefore does not change. The target of the earnings per share is always increased now that the Company is experiencing significant growth. The fact that the criteria of the variable remuneration are not only to be met in the relevant reference year, but also to be achieved and assessed in the two following years in order for the variable remuneration for the reference year to be fully vested, contributes to the long-term perspective of the remuneration. The remuneration policy also contributes to the Company's long-term strategy. The lock-up period of three years that applies to the shares paid out under the LTIP also contributes to the alignment in the longer term of the interests of the CEO, CFO and COO with those of the shareholder, with the Company's long-term strategy in mind. The same applies to the long notice period (12 months) provided for in the management contracts with the CEO, CFO and COO.

The average remuneration of the employees is calculated by dividing the total gross salary of the employees employed on 31/12 (other than the CEO, CFO and COO) by the total FTE.

The ratio between the remuneration of the CEO for the financial year 2020 and the lowest remuneration (in full-time equivalent) of the employees is 11.92.

Overview of the evolution over the last 5 financial years

	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018	2020 vs 2019
Evolution in the remuneration					
FTE at 31/12	-36%	63%	26%	27%	56%
Average remuneration employees (in FTE)	-13%	4%	4%	13%	2%
Fixed remuneration CEO	18%	25%	1%	44%	1%
Variable remuneration effective leaders (excl. CEO)	304%	116%	2%	56%	-1%
Evolution of the Company's development					
Rental income	14%	28%	27%	17%	23%
Adjusted EPRA Earnings	7%	40%	41%	12%	23%
EPS	-4%	17%	15%	6%	9%
Operating margin (calculated on cash elements)	1%	-3%	0%	-1%	0%

As of 1 January 2016, the CEO has been remunerated on the basis of a management contract providing for a remuneration in line with the market. As of 1 July 2016, the CFO and COO are part of the Executive Committee as effective leaders and are also remunerated on the basis of management contracts. From financial year 2017, the Managing Directors (other than the CEO, CFO and COO) received a higher remuneration for their mandate as (Managing) Director and, after a run-in period in the second half of 2016, the remuneration of the CFO and COO was adjusted in order to continue offering a remuneration level in line with the market. As of 2019, a gross amount under the LTIP is included in the fixed remuneration of the CEO, CFO and COO and the amount of individual pension benefit for the CEO has been adjusted. The remuneration for the mandate of (Managing) Director was also increased. Due to the inclusion of attendance fees, the fixed remuneration of the Managing Directors (other than the CEO, CFO and COO) fluctuates from year to year.

11.11.5 CHANGES IN REMUNERATION AS FROM THE 2021 FINANCIAL YEAR

There were no deviations from the remuneration policy in 2020 and the policy for 2021 does not involve any changes, with the exception of the attendance fee of €750 per meeting attendance, which from 4 November 2020 is also granted to the members of the Investment Committee. The determination of the targets to be achieved for the variable remuneration of the CEO, COO and CFO is decided each year at the beginning of the relevant financial year by the Board of Directors on the basis of a proposal by the Nomination and Remuneration Committee and takes into account the changes in the development of the Company's performance. For the assessment of the qualitative objectives, sustainability efforts will also be included as of the financial year 2021.

11.12 Other relevant parties

11.12.1 THE AUDITOR

The audit of the financial situation, the financial statements and the regularity in terms of the BCCA and the Articles of Association of the operations of the Company, shall be entrusted to one or more statutory auditors appointed by the auditors or firms of auditors approved by the FSMA in compliance with Article 222 of the Act of 25 April 2014 concerning the Articles of Association and supervision of credit institutions.

The General Meeting of 29 May 2019 appointed the limited liability company EY Bedrijfsrevisoren bv, with registered office at De Kleetlaan 2, 1831 Diegem, registered with the Crossroads Bank for Enterprises under number 0446.334.711 (RPR Brussels) as Statutory Auditor for a period of three years. This company has appointed Mrs Christel Weymeersch and Mr Christophe Boschmans, company auditors, as representatives authorised to represent it and charged with the performance of the mandate in the name and on behalf of EY. The mandate expires after the General Meeting that must approve the Annual Accounts as at December 31, 2021.

The fees at consolidated level of the current Statutory Auditor for the financial year 2020 amount to €104,961 excluding VAT and costs, and are broken down as follows:

Amounts in EUR	2020	2019
Mandate	80,127	70,000
Other audit assignments	22,315	4,500
Other non-audit assignments	8,160	8,000

No separate fee or split is provided for the two representatives of the Statutory Auditor. The other tasks outside the auditing tasks have always been approved in advance by the Audit Committee of the Company.

11.12.2 INTERNAL AUDIT

The internal audit function within the meaning of article 17 §3 of the RREC Law is fulfilled by an external consultant (also referred to as an external internal auditor), who is appointed by means of an agreement on outsourcing the ‘internal auditing function’, which on 6 September 2017 was extended for an indefinite duration with Mazars Advisory Services bv, with registered office at 1050 Brussels, Marcel Thirylaan 77, represented by Ms Cindy Van Humbeeck, director-manager. The agreement can be terminated on the basis of compliance with a notice period of 3 months.

The fee for this audit assignment amounts to €20,000 in 2020, exclusive of VAT.

11.12.3 REAL ESTATE EXPERT

The Company appoints 2 real estate experts to value the property portfolio (in Belgium, The Netherlands and Spain) based on a temporary contract. The real estate expert Stadim CVBA, represented by Philippe Janssens, was appointed for a new period of three years with effect from 1 January 2020. The fee is determined according to the nature of the property to be valued (nursing home or assisted living accommodation), the number of units and the valuation method (full report on initial valuation or quarterly valuation). The fee is therefore independent of the fair value of the property. The fee for the valuations of the property portfolio in the 2020 financial year amounts to €150,846 and is determined as follows.:

Assisted living apartments	Residential care centres
€ 50 per unit	€ 80 per unit (for the first 40 units)
first entry at € 1,250	€ 40 per unit (from the 41st unit)
projects in project phase at 75%	first entry at 30% with a minimum of € 1,500
	final entry at 50% with a minimum of € 1,000
	projects in project phase at 75%

On 1 April 2020, Cushman & Wakefield was appointed as additional real estate expert for a period of three years. The fee is based on the number of residential units and the valuation method (full report at initial valuation or quarterly or annual valuation), but with a maximum fee per property. The fee is thus independent of the fair value of the properties. The fee for the valuation of the properties in portfolio in the 2020 financial year amounts to €6,390 and is determined as follows:

	Quarterly valuation	Annual valuation	Comprehensive valuation report
Fee per property	€700	€900	€2,000
Fee per bed	€10	15	€20
Maximum fee per property	€1,500	€2,250	€4,000

IV.Care Property Invest on the Stock Market

IV. Care Property Invest on the stock market

1. Stock price and volume

1.1 Number and types of shares

Number of shares on	31/12/2020	31/12/2019
TOTAL NUMBER OF SHARES	**24,110,034**	**20,394,746**
of which:		
- Number of shares in circulation	24,103,156	20,389,088
- Number of own shares	6,878	5,658

Value of shares on	31/12/2020	31/12/2019
Stock price on cut-off date	€ 26.90	€ 29.50
Highest closing share price of this period	€ 34.90	€ 29.90
Lowest closing share price of this period	€ 22.30	€ 19.90
Average share price	€ 27.93	€ 24.96
Market capitalisation	€ 648,559,915	€ 601,645,007
Net value per share	€ 15.34	€ 13.06
Premium compared to the net fair value	75.34%	125.87%
EPRA NAV per share	€ 20.12	€ 18.47
Premium compared to EPRA NAV	33.68%	59.68%
Free float	99.97%	99.97%
Average daily volume	30,696	18,551
Turnover rate	34.96%	23.67%

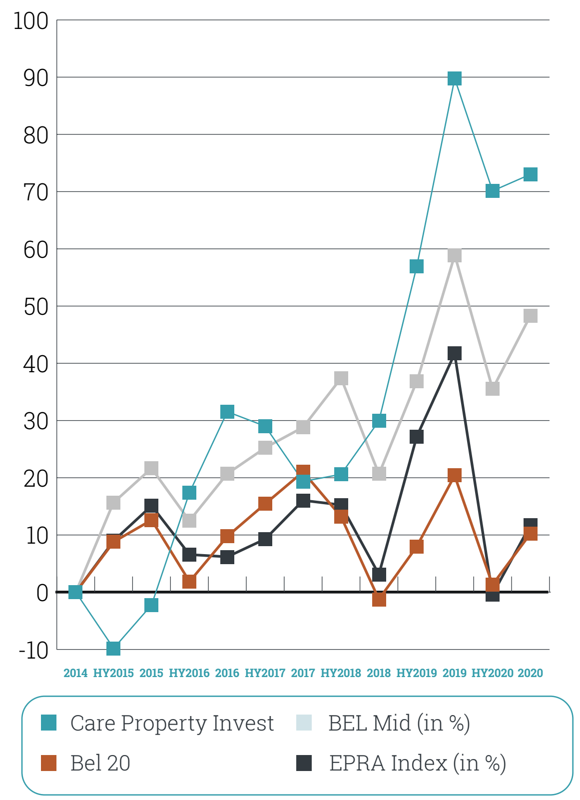
Dividend per share on	31/12/2020	31/12/2019
Gross dividend per share (1)	€ 0.80	€ 0.77
Net dividend per share	€ 0.68	€ 0.65
Applicable withholding tax rate	15%	15%
Gross dividend per share compared to the share price	2.97%	2.61%
Pay-out ratio (on statutory level)	84.14%	95.67%
Pay-out ratio (on consolidated level)	80.57%	83.94%

(1) Subject to approval by the ordinary general meeting of 26 May 2021. Coupon No. 12 entitles the holder to a dividend of €0.32 and coupon No. 13 to a dividend of €0.48.

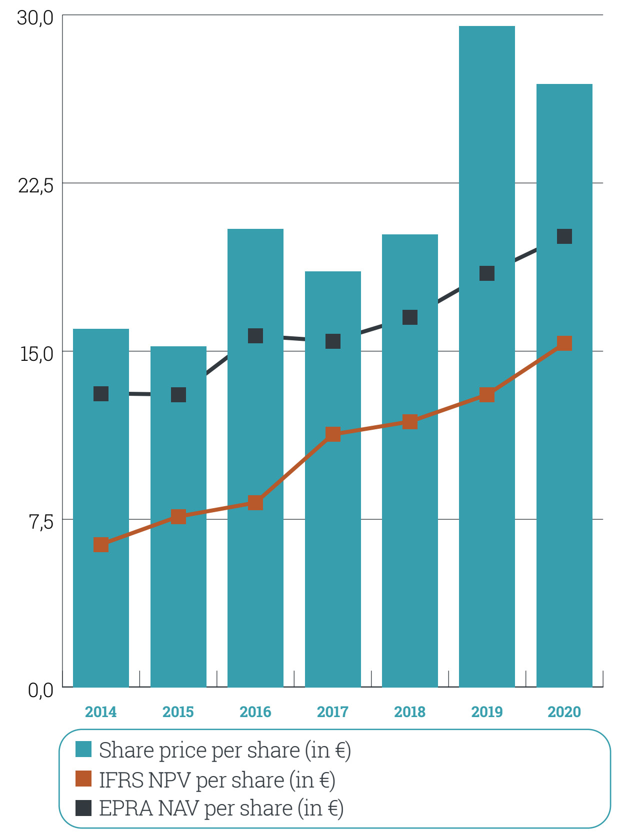
For the 2020 financial year, the Company will propose a gross dividend of at least €0.80 per share. This represents a net dividend of €0,68 per share and an increase of 3.9%

COMPARISON STOCK PRICE SHARES

Evolution share price (in %)

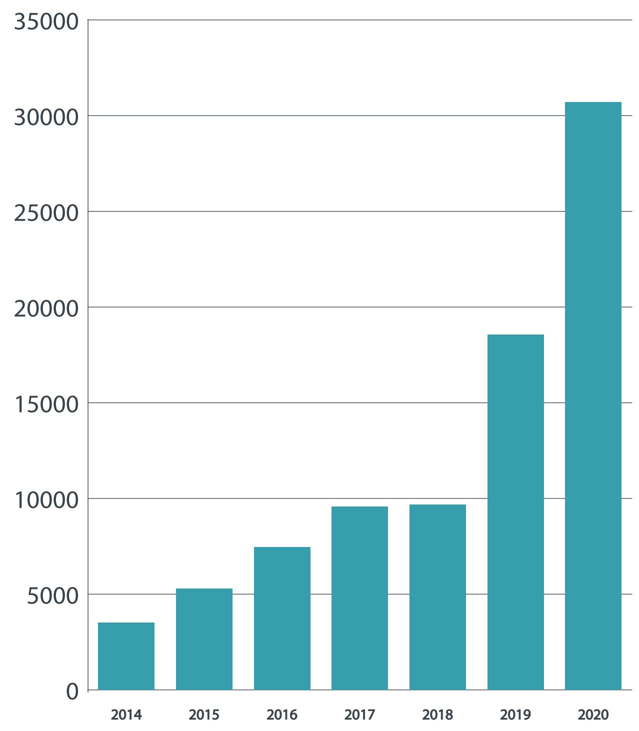


EVOLUTION OF THE SHARE PRICE IN RELATION TO THE NET VALUE (OR NET ASSET VALUE) OF THE SHARE



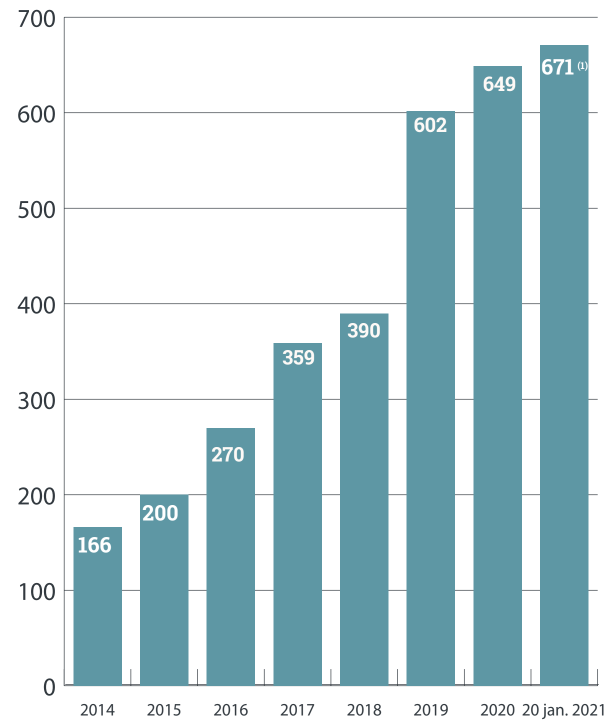
LIQUIDITY OF THE SHARES

Average number of shares traded per day



EVOLUTION MARKET CAPITALISATION

Million €



(1) Increase in market capitalisation as from 20 January 2021 as a result of the capital increase in kind following the purchase of the residential care centre with assisted living apartments 'Résidence des Ardennes' in Attert. For this purpose, 1,696,114 new shares were issued, increasing the number of shares to 25,806,148.

1.2 Index inclusions of the Care Property Invest share

On 31 December 2020, the Care Property Invest share is included in 5 indexes, being the Euronext BEL Mid Index, the Euronext NEXT 150 index, the Euronext BEL Real Estate index and the GPR Index (General Europe and General Europe Quoted). Since December 2016, the Company is also a member of the EPRA organisation and although its share is not included in the EPRA index, it uses this index as a benchmark and also applies the EPRA standards in its yearly and half-yearly financial reporting.

Inclusion index as at 31 December 2020	
Index Name	**Index recording weight**
Euronext Bel Mid index (Euronext Brussels)	2.05%
Euronext NEXT 150 index (Euronext Brussels)	0.19%
Euronext Real Estate (Euronext Brussels)	2.43%
GPR (Global Property Research) General Europe Index	0.1428%
GPR (Global Property Research) General Europe Quoted Index (excl. open-end bankfondsen)	0.1987%

2. Dividends policy

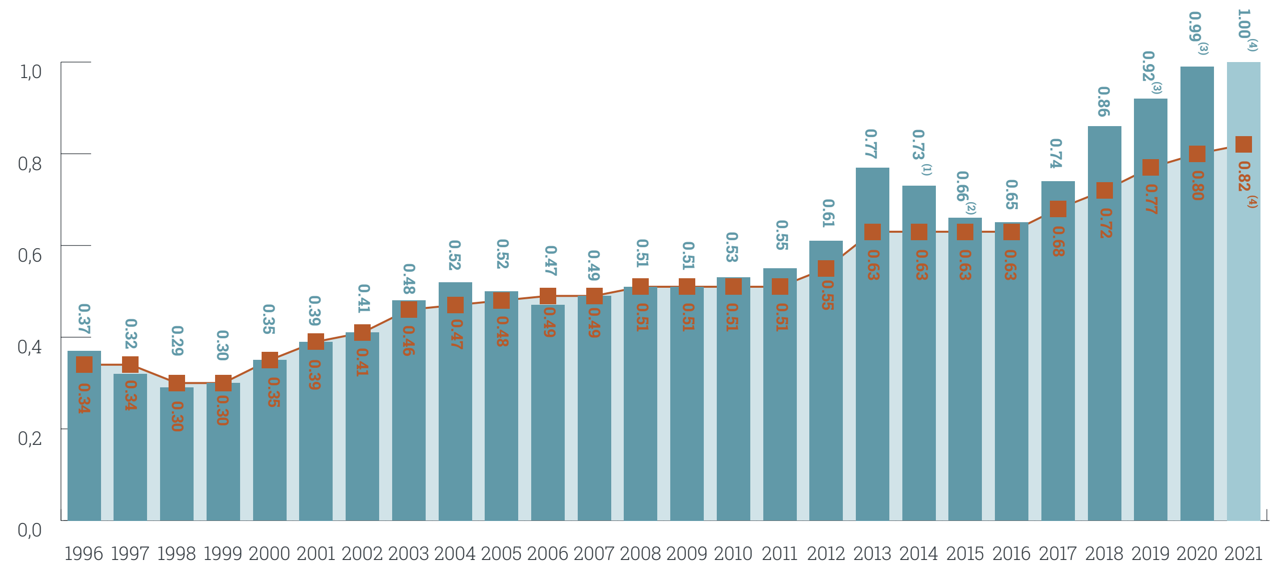
In accordance with Article 11 §3 of the RREC Law, Article 7: 211 of the Belgian Code of companies and associations (BCCA) – which requires a statutory reserve to be kept - is not applicable. The minimum pay-out requirement is established in accordance with Article 13 of the RREC Royal Decree and amounts to 80%. If necessary, and to the extent that there is sufficient profit, part of the profit is reserved and transferred to the following financial years in order to have more own funds for pre-financing and to provide the shareholders, in accordance with the original prospectus(1), a stable dividend for the subsequent financial years. The Company's strategy is to increase the dividend whenever sustainably possible and at least to keep it stable. In addition, it aims for a payout ratio close to the legal minimum of 80% and is considering using an optional dividend to keep profits within the Company to finance its growth strategy.

For the 2020 financial year, the Board of Directors will propose to the ordinary general meeting of 26 May 2021 to distribute a gross dividend of €0.80 per share (or €0.68 net per share), under application of the special withholding tax rate of 15%, which would represent an increase in the dividend of 3.9% compared to that paid for the 2019 financial year.

For the 2021 financial year, the Company proposes a gross dividend of at least €0.82 per share. This represents a net dividend of €0.70 per share and an increase of 2,5%. The Company's solvency is supported by the stable value of its property projects.

(1) Prospectus of public offering for subscription to 10,000 shares as issued by Serviceflats Invest nv./sa.

EVOLUTION OF THE GROSS DIVIDEND (IN €/SHARE) SINCE INITIAL PUBLIC OFFERING



Adjusted EPRA result (in €/share).

Gross dividend (in €/share) - On 24 March 2014 a share split took place (1/1,000).

(1) Decrease in earnings per share, by creation of additional shares by optional dividend.

(2) Decrease in earnings per share, by creation of additional shares through a capital increase in 2015. Although the proceeds of the capital increase were used for new investments in the remaining months of 2015, the result only became apparent in 2016.

(3) Earnings per share on the rise, despite 2 capital increases in 2019 totalling €23 million (capital + share premium) and 3 capital increases in 2020 totalling €99 million (capital + share premium).

(4) Outlook: see item '2. Dividends policy' on page 118.

3. Bonds and short-term debt securities

For the financing of its projects, the Company also relied on the capital market by issuing bonds and commercial paper through an MTN programme with Belfius as arranger and Belfius and KBC as dealers (KBC only for the CP part). In 2020, this programme was increased to €200 million.

As at 31 December 2020, this form of financing is composed as follows:

3.1 Bonds

Issuer	ISIN code	Nominal amount	Issue date	Expiry date	Remaining term in years	Coupon	Indicative price as at 31/12/2020
Care Property Invest nv	BE6296620592	€ 5,000,000	7/12/2017	7/12/2023	6	1.49%	103.83%
Care Property Invest nv	BE6296621608	€ 5,000,000	7/12/2017	7/12/2024	7	1.72%	105.94%
Care Property Invest nv	BE6303016537	€ 7,500,000	3/28/2018	3/28/2029	11	2.08%	113.24%
Care Property Invest nv	BE6311814246	€ 1,500,000	2/14/2019	2/14/2027	8	1.70%	105.96%
Care Property Invest nv	BE6311813230	€ 500,000	2/14/2019	2/14/2030	11	1.99%	109.22%
Care Property Invest nv	BE6318510276	€ 1,500,000	1/21/2020	1/21/2028	8	0.90%	100.46%
TOTAL		**€ 21,000,000**					

In March 2021, the programme was further increased to €300 million.

3.2 Short-term debt securities

The MTN programme of €200 million provides for a maximum withdrawal of €140 million in commercial paper. Of this, an amount of €92 million was drawn as at 31 December 2020.

4. Shareholding structure

The Company has no knowledge of any shareholders holding more than 5% of the voting rights, as no notifications have been received to this effect within the context of the transparency legislation.

During the 2020 financial year the Company has received no notifications for exceeding the threshold of 3%, other than those already known to KBC Asset Management and Pensio B. For the publication of these exceedances, we refer to the transparency declarations on the website www.carepropertyinvest.be.

Share distribution on	January 20, 2021		31 December 2020		31 December 2019	
	% Proportion vis-à-vis total capital	Number of shares (expressed in nominal value)	% Proportion vis-à-vis total capital	Number of shares (expressed in nominal value)	% Proportion vis-à-vis total capital	Number of shares (expressed in nominal value)
ORDINARY SHARES	100%	25,804,456	100%	24,103,156	100%	20,389,088
OWN SHARES	0%	1,692	0%	6,878	0%	5,658
Registered ordinary shares	6.03%	1,554,935	6.62%	1,595,167	6.69%	1,364,988
Dematerialised ordinary shares	93.97%	24,251,213	93.38%	22,514,867	93.31%	19,029,758

As at 31 December 2020, all shares are ordinary shares, the vast majority of which are dematerialised.

(1) The number of shares changed as a result of a capital increase in kind for the purchase of the residential care centre with assisted living apartments 'Résidences des Ardennes', located in Attert. To this end, 1,696,114 new shares were issued on 20 January 2021. The share capital as of this date amounts to €153,533,678 and is represented by a total number of voting securities of 25,806,148 ordinary fully paid shares, including 1,692 own shares.

(2) The number of shares changed as a result of (i) a capital increase in kind for the acquisition of the residential care centres with assisted living apartments 'La Reposée' and 'New Beaugency' located in Mons and Bernissart respectively for which 1,250,376 new shares were issued on 15 January 2020, (ii) an optional dividend for the 2019 financial year which was successfully completed on 19 June 2020 and led to the issue of 273,091 new shares and (iii) a capital increase through an accelerated bookbuild offering with international institutional investors which led to the issue of 2,191,821 new shares. As a result, the number of outstanding shares of the Company increased to 24,110,034 ordinary shares. The Company's authorised share capital amounted to €143,442,647 as of 25 June 2020.

5. Financial calendar

EX COUPON NO. 13(1)	
INTERIM STATEMENT 1ST QUARTER 2021	**19 May 2021, after trading hours**
ORDINARY GENERAL MEETING	**26 May 2021, 11 a.m. (digital only / from the registered office: Horstebaan 3, 2900 Schoten)**
PAYMENT OF DIVIDEND COUPONS 12 AND 13	**28 May 2021**
HALF-YEARLY FINANCIAL REPORT 2021	**1 September 2021, after trading hours**
INTERIM STATEMENT 3RD QUARTER 2021	**9 November 2021, after trading hours**

(1) Coupon No. 13 represents the right to receive the part of the dividends that can be allocated with regard to the financial year ending on 31 December 2020 calculated pro rata temporis for the period starting on 29 May 2020 and ending on 31 December 2020 and has an estimated gross value of €0.48 (subject to and after approval by the general meeting of 26 May 2021). Coupon n° 13 was detached on 18 January 2021 before trading hours, regarding the contribution in kind of the residential care centre with assisted living apartments 'Résidence des Ardennes', situated in Attert, into the capital of Care Property Invest within the framework of the authorised capital (see also the press release for the project 'Résidence des Ardennes' published on 20 January 2021).

V. EPRA

V. EPRA

1. EPRA (European Public Real Estate Association) - Membership

Care Property Invest is a member of the European Public Real Estate Association (EPRA) since December 2016.

With a joint real estate portfolio that exceeds the mark of €670 billion[1], more than 270 EPRA members (companies, investors and their suppliers) represent the core of the European listed real estate. The purpose of this non-profit organisation is to promote the European (listed) real estate and its role in society. Its members are listed companies and join forces to improve accounting guidelines, the supply of information and corporate governance within the European real estate sector. Furthermore, EPRA provides high-quality information to investors and publishes standards for financial reporting which from the annual financial report of the financial year 2016 on were included in the half-yearly and annual financial reports of Care Property Invest[2].

In October 2019 the Board of directors of the European Public Real Estate Association (EPRA) published an update of the report 'EPRA Reporting: Best Practices Recommendations' ('EPRA Best Practices'). The report is available on the EPRA website (www.epra.com). This report contains recommendations for the most important indicators of the financial performance of listed real estate companies. Care Property Invest supports the current tendency to standardise reporting in view of higher quality and comparability of information and provides the investors with the majority of the indicators recommended by EPRA.

Care Property Invest's efforts in the financial year 2020 to apply the EPRA standards as completely as possible in its yearly and half-yearly financial reports have been rewarded for the fourth time in September 2020 with an EPRA BPR Gold Award at the annual EPRA conference. The Company is committed to continually improve the transparency and quality of the financial reporting and also wants to earn this recognition in the coming financial years.

1.1. The EPRA-index

The EPRA index is used worldwide as a benchmark and is the most used investment index to compare performances of listed real estate companies and REITS. Per 31 December 2020, the FTSE EPRA Nareit Developed Europe Index is composed on the basis of a group of 103 companies with a combined market capitalisation of more than €246 billion (full market capitalisation).

(1) Exclusively in European real estate

(2) See chapter 'VI. Epra' in the Annual Financial Report 2019 from page 126, 'VII. Epra' in the Annual Financial Report 2018 from page 152 and in the Annual Financial Report 2017 from page 100.

1.2. EPRA key performance indicators: detailed overview

The EPRA indicators below are considered to be the Company's APMs, which are recommended by the European Association of listed real estate companies (EPRA) and which have been drawn up in accordance with the APM guidelines issued by ESMA. For the objective and definition of these indicators, we refer to chapter 'IX. Glossary', point '1.9 EPRA' on page 264.

The information in this chapter is not compulsory according to the RREC legislation and is not subject to review by the FSMA. The statutory auditor has verified for the EPRA indicators relating to 2020, by means of a limited review, that these data have been calculated in accordance with the definitions of the EPRA Best Practices Recommendations Guidelines and that the financial data used correspond to the figures included in the audited consolidated financial statements.

		31/12/2020	31/12/2019
EPRA Earnings	x € 1,000	**22,625**	**19,891**
Earnings from operational activities.	€/share	0.98	0.98
Adjusted EPRA Earnings	x € 1,000	**22,959**	**18,703**
Earnings from operational activities corrected with company-specific non-cash items (being finance leases - profit or loss margin attributable to the period, depreciation, provisions and other portfolio result).	€/share	0.99	0.92
EPRA Cost ratio (incl. costs of direct vacancy)	%	**15.91%**	**11.08%**
Administrative/operating costs including the direct costs of the vacant buildings, divided by gross rental income.			
EPRA Cost ratio (excl. costs of direct vacancy)	%	**15.91%**	**11.08%**
Administrative/operating costs less the direct costs of the vacant buildings, divided by gross rental income.			

		31/12/2020	31/12/2019
EPRA NAV	x € 1,000	**485,002**	**376,686**
Net Asset Value (NAV), adjusted to include the investment properties at their fair value and to exclude certain items not expected to crystallise in a long-term investment property business model	€/share	20.12	18.47
EPRA NNNAV	x € 1,000	**419,811**	**325,018**
EPRA NAV, adjusted to include the fair value of (i) financial instruments, (ii) debt and (iii) deferred taxes.	€/share	17.42	15.94
EPRA NRV	x € 1,000	**498,785**	**387,156**
EPRA Net Reinstatement Value, assumes that the Company will never sell its assets and gives an estimate of the amount needed to re-establish the company.	€/share	20.69	18.99
EPRA NTA	x € 1,000	**482,403**	**376,512**
EPRA Net Tangible Assets, assumes that the company acquires and sells assets, which would result in the realization of certain unavoidable deferred taxes.	€/share	20.01	18.47

		31/12/2020	31/12/2019
EPRA NDV	x € 1,000	**419,811**	**325,018**
EPRA Net Disposal Value, represents the value payable to the shareholders of the Company in the event of a sale of its assets, which would result in the settlement of deferred taxes, the liquidation of the financial instruments and the taking into account of other liabilities at their maximum amount, less taxes.	€/share	17.42	15.94
EPRA Net Initial Yield (NIY)	%	**5.08%**	**5.15%**
Annualized gross rental income based on current rents ('passing rents') at the closing date of the annual accounts, excluding property charges, divided by the market value of the portfolio and increased by the estimated transfer rights and costs in the event of hypothetical disposal of investment properties.			
EPRA adjusted NIY ('topped-up' NIY)	%	**5.08%**	**5.20%**
This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rental-free periods and other incentives.			
EPRA vacancy rate (1)	%	**0.13%**	**0.00%**
Estimated rental value (ERV) of vacant space divided by the ERV of the total portfolio.			

(1) Care Property Invest only runs a vacancy risk for the Tilia project in Gullegem. For the other projects, the risk is placed with the counterparty and the Company receives the canon/rent, regardless of the occurrence of a certain vacancy. On 31 December 2020, there are 5 vacant flats in the 'Tilia' project.

1.2.1. EPRA EARNINGS

Amounts in EUR 1,000		31/12/2020	31/12/2019
Net income as mentioned in the financial statements		**19,865**	**26,959**
Adjustments to calculate EPRA Earnings:		**2,760**	**-7,068**
(i)	Changes in fair value of investment properties and assets held for sale	-2,598	-10,130
(vi)	Changes in fair value of financial assets and liabilities (IAS 39) and associated close-out costs	5,358	3,062
EPRA EARNINGS		**22,625**	**19,891**
Weighted average number of shares outstanding (1)		23,105,198	20,389,088
EPRA EARNINGS PER SHARE (IN €)		**0.98**	**0.98**

(1) The weighted average of outstanding shares are the number of shares on closing date with rights to dividends.

1.2.2. ADJUSTED EPRA EARNINGS

Amounts in EUR 1,000		31/12/2020	31/12/2019
Net income as mentioned in the financial statements		**19,865**	**26,959**
Adjustments to calculate adjusted EPRA Earnings:		**3,095**	**-8,256**
(i)	Changes in fair value of investment properties and assets held for sale	-2,598	-10,130
(vi)	Changes in fair value of financial assets and liabilities (IAS 39) and associated close-out costs	5,358	3,062
(xi)	Company-specific non-cash elements	334	-1,188
ADJUSTED EPRA EARNINGS		**22,959**	**18,703**
Weighted average number of shares outstanding (1)		23,105,198	20,389,088
ADJUSTED EPRA EARNINGS PER SHARE (IN €)		**0.99**	**0.92**

(1) The weighted average of outstanding shares are the number of shares on closing date with rights to dividends.

1.2.3. RECONCILIATION OF THE EPRA EARNINGS TO ADJUSTED EPRA EARNINGS

Amounts in EUR 1,000	31/12/2020	31/12/2019
EPRA Earnings	**22,625**	**19,891**
Depreciation, amortization and reversals of impairments	212	181
Profit or loss margin projects allocated to the period	123	-1,644
Provisions	0	1
Other portfolio result	0	275
ADJUSTED EPRA Earnings	**22,959**	**18,703**

Amounts in EUR 1,000	31/12/2020	31/12/2019
EPRA Earnings	**0.9792**	**0.9756**
Depreciation, amortization and reversals of impairments	0.0092	0.0089
Profit or loss margin projects allocated to the period	0.0053	-0.0806
Provisions	0.0000	0.0000
Other portfolio result	0.0000	0.0135
ADJUSTED EPRA EARNINGS	**0.9937**	**0.9173**
Weighted average number of shares outstanding (1)	23,105,198	20,389,088

(1) The weighted average of outstanding shares are the number of shares on closing date with rights to dividends.

1.2.4. EPRA NET ASSET VALUE (NAV)

Amounts in EUR 1,000		31/12/2020	31/12/2019
NAV per the financial statements		**369,779**	**266,291**
NAV per share per the financial statements		**15.34**	**13.06**
Diluted EPRA NAV, after exercising options, convertibles and other equity instruments		**369,779**	**266,291**
To be included:			
(ii)	Revaluation at fair value of finance lease receivables (1)	84,806	87,777
To be excluded:			
(iv)	Fair value of financial instruments	-27,976	-22,618
(v.a)	Deferred tax	-2,441	0
EPRA NAV		**485,002**	**376,686**
Number of shares (2)		24,103,156	20,389,088
EPRA NAV per share (in €)		**20.12**	**18.47**

(1) The fair value of the 'finance lease receivables' was calculated by discounting future cash flows at an IRS rate prevailing on closing date, depending on the remaining duration of the underlying contract, increased by a margin.

(2) The number of shares is the number of shares on closing date with rights to dividends.

1.2.5. EPRA TRIPLE NET ASSET VALUE (NNNAV)

Amounts in EUR 1,000		31/12/2020	31/12/2019
EPRA NAV		**485,002**	**376,686**
To be included:			
(i)	Fair value of financial instruments	-27,976	-22,618
(ii)	Fair value of debt	-34,774	-29,051
(iii)	Deferred tax	-2,441	0
EPRA NNNAV		**419,811**	**325,018**
Number of shares (1)		24,103,156	20,389,088
EPRA NNNAV per share (in €)		**17.42**	**15.94**

(1) The number of shares is the number of shares on closing date with rights to dividends.

1.2.6. EPRA NET REINSTATEMENT VALUE (NRV)

Amounts in EUR 1,000		31/12/2020	31/12/2019
IFRS equity attributable to shareholders		**369,779**	**266,291**
Diluted EPRA NAV		**369,779**	**266,291**
To be included:			
(ii)	Revaluation at fair value of finance lease receivables (1)	84,806	87,777
Diluted EPRA NAV at fair value		**454,585**	**354,069**
To be excluded:			
(vi)	Fair value of financial instruments	-27,976	-22,618
To be included:			
(xi)	Transfer tax on immovable property	16,223	10,469
EPRA NRV		**498,785**	**387,156**
Number of shares (2)		24,103,156	20,389,088
EPRA NRV per share (in €)		**20.69**	**18.99**

(1) The fair value of the 'finance lease receivables' was calculated by discounting future cash flows at an IRS rate prevailing on closing date, depending on the remaining duration of the underlying contract, increased by a margin.

(2) The number of shares is the number of shares on closing date with rights to dividends.

1.2.7. EPRA NET TANGIBLE ASSETS (NTA)

Amounts in EUR 1,000		31/12/2020	31/12/2019
IFRS equity attributable to shareholders		**369,779**	**266,291**
Diluted EPRA NAV		**369,779**	**266,291**
To be included:			
(ii)	Revaluation at fair value of finance lease receivables (1)	84,806	87,777
Diluted EPRA NAV at fair value		**454,585**	**354,069**
To be excluded:			
(vi)	Fair value of financial instruments	-27,976	-22,618
(viii.b)	Intangible assets	158	174
EPRA NTA		**482,403**	**376,512**
Number of shares (2)		24,103,156	20,389,088
EPRA NTA per share (in €)		**20.01**	**18.47**

(1) The fair value of the 'finance lease receivables' was calculated by discounting future cash flows at an IRS rate prevailing on closing date, depending on the remaining duration of the underlying contract, increased by a margin.

(2) The number of shares is the number of shares on closing date with rights to dividends.

1.2.8. EPRA NET DISPOSAL VALUE (NDV)

Amounts in EUR 1,000	31/12/2020	31/12/2019
IFRS equity attributable to shareholders	**369,779**	**266,291**
Diluted EPRA NAV	**369,779**	**266,291**
To be included:		
(ii) Revaluation at fair value of finance lease receivables [1]	84,806	87,777
Diluted EPRA NAV at fair value	**454,585**	**354,069**
To be included:		
(ix) Fair value of debt	-34,774	-29,051
EPRA NDV	**419,811**	**325,018**
Number of shares [2]	24,103,156	20,389,088
EPRA NDV per share (in €)	**17.42**	**15.94**

(1) The fair value of the 'finance lease receivables' was calculated by discounting future cash flows at an IRS rate prevailing on closing date, depending on the remaining duration of the underlying contract, increased by a margin.

(2) The number of shares is the number of shares on closing date with rights to dividends.

1.2.9. EPRA NET INITIAL YIELD (NIY) & TOPPED UP NET INITIAL YIELD (EPRA 'TOPPED UP' NIY)

Amounts in EUR 1,000	31/12/2020	31/12/2019
Investment properties at fair value	532,442	355,560
Finance lease receivables at fair value [1]	287,828	286,714
Development projects (-)	-60,926	-43,062
Investment properties in exploitation at fair value	**759,344**	**599,212**
Allowance for estimated purchasers' rights and costs in case of hypothetical disposal of investment properties	13,493	8,606
Investment value of investment properties in exploitation	**772,837**	**607,818**
Annualized gross rental income (+)	39,239	31,287
Annualised net rental income	**39,239**	**31,287**
Rental discounts expiring within 12 months and other incentives (-)	46	303
Topped-up and annualized net rental income	**39,285**	**31,590**
EPRA NIY (in %)	**5.08%**	**5.15%**
EPRA TOPPED-UP NIY (in %)	**5.08%**	**5.20%**

(1) The fair value of the 'finance lease receivables' was calculated by discounting future cash flows at an IRS rate prevailing on closing date, depending on the remaining duration of the underlying contract, increased by a margin.

1.2.10. EPRA RENTAL VACANCY

Financial year closed on	31/12/2020	31/12/2019
Rental area (in m²)	392,660	340,150
ERV of vacant surfaces	45	0
ERV of total portfolio	33,880	33,254
EPRA rental vacancy (in %)	**0.13%**	**0.00%**

Care Property Invest only runs a vacancy risk for the "Tilia" project in Gullegem. For the other projects, the risk is placed with the counterparty and the Company receives the canon/rent, regardless of the occurrence of a certain vacancy. On 31 December 2020, there are 5 vacant flats in the 'Tilia' project.

1.2.11. PROPERTY PORTFOLIO - LIKE-FOR-LIKE NET RENTAL INCOME

The like-for-like net rental income compares the net rental income of the portfolio (including capital repayments and rental discounts) coming from the projects that were kept in operation during 2 consecutive years and were therefore not under development. Information regarding the growth of the net rental income, other than through acquisitions or disposals, allows the stakeholders to estimate the organic growth of the portfolio.

Amounts in EUR 1,000	31/12/2019						31/12/2020
	Net rental income at current perimeter	**Acquisitions**	**Sales**	**In operation**	**Net rental income for the period**	**Net rental income at current perimeter**	**Evolution of net rental income at current perimeter**
Belgium	**27,833**	**4,312**	**0**	**29,660**	**33,972**	**28,067**	**0.84%**
Investment properties in operation	12,702	4,144	0	14,042	18,187	12,792	
Finance leases	15,131	167	0	15,618	15,785	15,275	
The Netherlands	**280**	**722**	**0**	**1,509**	**2,231**	**287**	**2.65%**
Investment properties in operation	280	722	0	1,509	2,231	287	
Finance leases	0	0	0	0	0	0	
Total investment properties and finance leases in operation	**28,113**	**5,034**	**0**	**31,169**	**36,203**	**28,354**	**0.86%**

1.2.12. EPRA COST RATIOS

Amounts in EUR 1,000	31/12/2020	31/12/2019
Administrative/operating expenses according to IFRS financial statements	**-5,857**	**-3,311**
Rental charges and taxes normally borne by the tenant on rented buildings	0	0
Technical costs	-2	0
Overheads	-7,217	-4,930
Other operating income and charges	1,362	1,619
EPRA costs (including direct vacancy costs) (A)	**-5,857**	**-3,311**
Charges and taxes on unlet properties	0	0
EPRA costs (excluding direct vacancy costs) (B)	**-5,857**	**-3,311**
Gross rental income (C)	**36,824**	**29,893**
EPRA Cost Ratio (including direct vacancy costs) (A/C)	**15.91%**	**11.08%**
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**15.91%**	**11.08%**

General and capitalised operating expenses (including share of joint ventures)	2,429	1,150

Care Property Invest capitalises overhead costs and operating expenses that are directly related to the development projects (legal expenses, project management, ...) and acquisitions.

1.2.13. EPRA CAPEX

Amounts in EUR 1,000	31/12/2020	31/12/2019
Capitalized investment costs related to investment properties		
(1) Acquisitions (1)	109,905	28,399
(2) Developments (2)	30,507	28,353
(3) Real estate in operation (3)	65	13
Other material non-allocated types of expenditure	*65*	*13*
TOTAL CAPITALIZED INVESTMENT COSTS OF INVESTMENT PROPERTIES	**140,477**	**56,766**
Conversion from accrual to cash basis	0	0
TOTAL CAPEX INVESTMENT PROPERTIES ON CASH BASIS	**140,477**	**56,766**

Amounts in EUR 1,000	31/12/2020	31/12/2019
Capitalized investment costs related to finance leases		
(2) Developments (2)	427	10,383
(3) Real estate in operation (3)	99	618
Other material non-allocated types of expenditure	*99*	*618*
(4) Capitalised interest (if applicable)	529	74
TOTAL CAPITALIZED INVESTMENT COSTS OF FINANCE LEASES	**1,054**	**11,075**
Conversion from accrual to cash basis	0	0
TOTAL CAPEX FINANCE LEASES ON CASH BASIS	**1,054**	**11,075**

Care Property Invest does not own a share in a joint venture.

(1) **2020:** These are the acquisitions of the projects La Reposée in Mons (BE), New Beaugency in Bernissart (BE), De Wand in Laeken (BE), Keymolen in Lennik (BE), Westduin in Westende (BE), Het Witte Huis in Oegstgeest (NL), Villa Oranjepark in Oegstgeest (NL), De Meerlhorst in Heemstede (NL) and Boarnsterhim State in Aldeboarn (NL).
2019: These are the acquisitions of the projects Huize Elckerlyc in Riemst (BE), La Résidence du Lac in Genval (BE), Villa Sijthof in Wassenaar (NL), De Gouden Leeuw in Laag-Keppel (NL) and De Gouden Leeuw in Zelhem (NL).

(2) ***Investment properties:***
2020: This relates to the further development of the projects Nuance in Vorst (BE), De Orangerie in Nijmegen (NL), Margaritha Mariakerk in Tilburg (NL), Sterrenwacht in Middelburg (NL), Villa Wulperhorst in Zeist (NL), St. Josephkerk in Hillegom (NL), De Gouden Leeuw in Zutphen (NL) as well as the acquisition of the development projects Aldenborgh in Roermond (NL), Mariënhaven in Warmond (NL), Villa Vught in Vught (NL) and Emera Carabanchel in Madrid (ES).
2019: This relates to the further developement of the projects Nuance in Vorst (BE) and De Orangerie in Nijmegen (NL) as well as the acquisitions of the development projects Margaritha Mariakerk in Tilburg (NL), Sterrenwacht in Middelburg (NL), Villa Wulperhorst in Zeist (NL), St. Josephkerk in Hillegom (NL) and De Gouden Leeuw in Zutphen (NL).
Finance leases:
2020: This relates to the further development of the project Assistentiewoningen De Stille Meers in Middelkerke (BE) for completion.
2019: This relates to the further development of the projects De Nieuwe Ceder in Deinze (BE) and Assistentiewoningen De Stille Meers in Middelkerke (BE).
As a result of changes in the calculation method of these indicators, the comparative figures for 2019 have been adjusted to allow for correct comparability.

(3) ***Investment properties:***
These are the limited capitalised costs relating to the real estate in operation.
Finance leases:
2020: This relates to the capitalisation of costs following the provisional delivery of the Assistentiewoningen De Stille Meers project in Middelkerke (BE).
2019: This concerns the capitalisation of costs following the provisional delivery of the De Nieuwe Ceder project in Deinze (BE).
As a result of changes in the calculation method of these indicators, the comparative figures for 2019 have been adjusted to allow for correct comparability.

(4) **2020:** This relates to the capitalised financing costs for the Assistentiewoningen De Stille Meers project in Middelkerke (BE)
2019: This relates to the capitalised financing costs for the De Nieuwe Ceder project in Deinze (BE)
As a result of changes in the calculation method of these indicators, the comparative figures for 2019 have been adjusted to allow for correct comparability.

VI. Real estate report

VI. Real estate report

1. Status of the property market in which the Company operates

Care Property Invest occupies a clear position within the RREC landscape through its specialisation within the market segment of housing for senior citizens. This is the segment in which it is mainly active today, but certainly not exclusively, because in 2014 it extended the definition of its social purpose to the market for people with disabilities in order to realise projects in this segment as well. Geographical expansion also figured on the agenda through the realisation of an objective expansion to the entire European Economic Area. The Company's preparations in this context paid off in 2018 with a substantial number of new investments, of which the icing on the cake was its first acquisitions on the Dutch healthcare property market. In June 2020 the Company entered its third target market, Spain. Strengthened by its 25 years of experience, the Company also wants to anchor itself in this southern European country, for which statistics predict that the number of people aged 65 and over will increase by no less than 67% by 2040.

The table below provides an overview of the projects that the Company was able to acquire in Belgium, The Netherlands and Spain during the 2020 financial year. More information on these projects can be found in chapter 'III. Report of the Board of Directors', point '2. Important events' on page 40.

Project name	Project location	Project type	Classification
Belgium			
Projects effectively acquired			
New Beaugency	Bernissart	Residential care centre with group of assisted living apartments	Investment property
La Reposée	Bergen/Mons	Residential care centre with group of assisted living apartments	Investment property
Westduin	Westende	Residential care centre	Investment property
Keymolen	Lennik	Residential care centre	Investment property
De Wand	Laken	Residential care centre with group of assisted living apartments	Investment property
Opgeleverde projecten			
Assistentiewoningen De Stille Meers	Middelkerke	Group of assisted living apartments	Finance lease
Projects taken into operation			
Nuance	Vorst	Residential care centre	Investment property
Projects signed under suspensory conditions			
La Lucine	Stembert	Residential care complex for people with disabilities. (M.A.S. - Maison d'Accueil Spécialisée)	Investment property
Dungelhoeff	Lier	Group of assisted living apartments	Investment property
Résidence des Ardennes (effectively acquired. On 20/01/2021)	Attert	Residential care centre with group of assisted living apartments	Investment property

Project name	Project location	Project type	Classification
The Netherlands			
Projects effectively acquired			
Boarnsterhim State	Aldeboarn	Care residence with care hotel	Investment property
De Meerlhorst	Heemstede	Care residence	Investment property
Het Witte Huis	Oegstgeest	Care residence	Investment property
Villa Oranjepark	Oegstgeest	Care residence	Investment property
Aldenborgh	Roermond	Care residence	Investment property
Mariënhaven	Warmond	Care residence	Investment property
Villa Vught	Vught	Care residence	Investment property
Huize Elsrijk	Amstelveen	Care residence	Investment property
Spain			
Projects effectively acquired			
Emera Carabanchel	Carabanchel	Residential care centre with group of assisted living apartments	Investment property
Projects signed under suspensory conditions			
Emera Mostoles	Mostoles	Residential care centre	Investment property
Emera Murcia	Murcia	Residential care centre with day care centre	Investment property

The Company's real estate strategy is largely determined by the growing demand for real estate with a social added value, specifically care infrastructure that is fully tailored to the needs of its residents. This strategy is supported by the demographic evolution of both the Belgian, Dutch and Spanish populations. For new investment projects, the Company focuses on quality buildings, located in good locations with reliable operators where a long-term commitment can be made, preferably under a triple net regime. The Company applies this strategy to all the markets in which it is active.

Care Property Invest's approach simultaneously meets the expectations and needs of operators in this market by entering into long-term contracts and partnerships.

From its experience in building service flats for the Flemish Government, Belgian local authorities and charitable organisations still form an important target group. In this segment, the demand for affordable quality residential accommodation for the elderly and people with disabilities has been further exacerbated by the economic crisis. Furthermore, Care Property Invest also focuses on the private market through the realisation of residential care projects with experienced private operators in Belgium, The Netherlands and Spain.

Below, the Company includes the description of the healthcare property markets in the countries in which it operates, as provided by the Company's property expert, in addition to the valuation report:

The market for housing for the elderly in Belgium(1)

2020 was marked by the outbreak of the COVID-19 crisis. Society as a whole, but especially the residential care centres, were severely affected by this. The collective aspect, combined with often more limited resources in terms of personnel and protection, make these institutions very vulnerable to epidemics.

This has its consequences for the operator of the healthcare property: on the one hand, the influx of new residents seems to be mainly a short-term problem. Residents were taken away from residential care centres, which also suffered a substantial number of deaths, while admissions were halted during the first lockdown period. Once all the crisis measures are over, we can expect a new inflow, given the ageing statistics and increasing need for care of the population.

However, problems could arise on the side of operating costs and available resources. Personnel costs will rise, both from the expectations of the personnel themselves and also from the need for sufficiently trained care personnel. Additional resources will also have to be devoted to the protection and prevention of staff and residents.

Healthcare real estate is valued relatively highly because of the underlying long-term triple-net contracts with professional and solvent operators. These contracts are valued with limited risks. Today, this results in prime yields with long-term contracts varying between 4 and 4.5 %, suggesting that healthcare real estate is almost considered a financial product rather than a real estate product. This crisis is likely to show that healthcare real estate is also inherently risky: long-term contracts will only last as long as the EBITDAR of the operation is not affected. Continuity in the operation of residential care centres during the coming months will have to show whether there will be an impact on the current healthcare real estate market and more specifically on current yields.

Healthcare real estate as a long-term investment has attracted increasing interest in recent years. The investor market is rapidly expanding to insurance companies and pension funds, for which (very) long term and, furthermore, index-linked contracts form a decisive element. This is also consistent with the desire of health care operators to pursue a policy that is also focused on the long term. However, other financial ratios apply for this group, such as the ratio of debt to revenue, than for real estate investors. For the latter, a debt equal to eight times the revenue (rental income) is quite feasible, while for operators, the debt ratio is usually 25% of the revenue. The 'affiliated' division between operation and the real estate, which also occurs in the hotel segment, is therefore a logical consequence. However, the two parties remain affiliated in the need for a balanced profitability: they are therefore co-dependent. For the operator, the building, and in the case of expansion, the property is the property machine, as it were, that can never be allowed to stutter. Logically, as in the hotel segment, triple net contracts are also concluded in the care sector. For the operator, it is crucial that the quality of the property is maintained and that the operator can also intervene quickly if there is a threat of restraints. This is a misleading attraction for the investor. The investor is largely relieved of concern for the management of the building and the contract with the operator is for a very long term. The Achilles heel lies in the financial feasibility of the operation and the technical requirements of the building, including conformity with evolving regional regulations. What remains of the value of a building that, in the foreseeable future, will no longer meet the standards? If it is located in a zone for community facilities, the familiar blue zone, what possibilities for re-zoning remain? If the operation proves to be insufficiently profitable due to a reduction in government intervention, altered regulations or an excessive lease agreement, a downward correction of the contract will become necessary, or operation may even become impossible. The estimation and follow-up of all possible technical, regulatory and operation-related changes and trends are crucial for the investor.

It is to be welcomed that various government bodies are making moves to limit the offer of individual rooms as investment objects. Fortunately, this will lead to a dead end for joint ownership of health care real estate, as with apartments. Furthermore, apart from for justifiable social reasons, in due course it will be impossible to oblige the multitude of joint owners to make sometimes substantial investments at the same time. Hopefully, not only will this legislation be adopted by the different regional federated entities, but it will also be expanded to other types of ownership for the purpose of operation. How do you enforce the quality requirements for a hotel, a student home or even housing converted into multi-family accommodation in a case of joint ownership?

Within this general development of further professionalisation of the operating sector and broadening of the candidate investors, with simultaneous downward pressure on the interest rates, gross rental returns will steadily diminish. Transactions with triple net longer-term rental contracts are already being concluded with rental returns of less than 4.5%. The need for quality and polyvalence, or in general terms, the sustainability of the investment only increases as a result of this. With such low returns, a correction for incorrect expectations is no longer possible. Research in order to link other target groups needing care, such as young handicapped persons, to the experience built up and the expansion of care for the elderly, in which a number of services are offered jointly, such as catering, reception etc. could provide for a desirable addition and flexibility. For a number of target groups, the number of patients is too low to keep the operation affordable and complementarity will generate new opportunities, including for local projects.

(1) Prepared by,and included in this yearly financial report in full and unaltered form, in agreement with Stadim cvba.

The market for housing for the elderly in The Netherlands(1)

Dutch Economy

The Dutch economy shows a strong recovery since 2016, culminating in 2017. Economic growth in The Netherlands is levelling off since 2018. According to the first calculation by the CBS, based on data available in July 2020, gross domestic product (GDP) declined by 8.5 % in the second quarter of 2020 compared to a quarter earlier. As a result, Dutch GDP will be approximately back at the level of 2014. This is due to the outbreak of the COVID-19 virus in March 2020. Such a decline has not been measured by the CBS before. More than half of the decline in GDP in the second quarter of 2020 can be attributed to the sharp drop in household consumption. Furthermore, investment and trade balances also fell sharply. However, the contraction in The Netherlands was smaller than average in the eurozone. In the third and fourth quarter of 2020, a recovery of the Dutch GDP is observed.

Income and unemployment

Unemployment in The Netherlands was 3.6% in May. In June this rate rose to 4.3% and in September 413,000 people were unemployed. That amounts to 4.4% of the workforce. In November 2008, at the start of the credit crisis, the unemployment rate in The Netherlands was 3.6%. In the seven months that followed, this increased to 4.3% (419,000). The current massive increase in unemployment is partly due to the outbreak of the COVID-19 virus.

In the third quarter of 2020, wages under the Collective Labour Agreement in The Netherlands rose by 3.1 % compared to twelve months previously. Contractual wages show a similar development. After the first quarter of 2009, the wage increase has not been as substantial. Disposable incomes in The Netherlands are not expected to improve further in the foreseeable future due to the stabilisation of gross wages.

Inflation

Inflation in The Netherlands declined in the third quarter of 2020 to 1.1% in September and rose to 1.2% in October. In 2019, inflation still rose to 2.7%. In previous years, inflation was at a moderate, similar level with 1.6% in 2018 and 1.3% in 2017. The increased inflation in 2019 was mainly caused by increases in energy taxes and the increase in the low VAT rate (from 6% to 9%). September's inflation of 1.2% is in line with earlier expectations of a price increase around 1.4%.

Forecast 2021

The CPB expects the Dutch economy and those of other European countries to grow by 3% in 2021 after a contraction of 4% in 2020. Unemployment, especially among young people, employees with a flexible employment contract and the self-employed without staff (zzp'ers), will rise to 6% in 2020. The economic growth figures for 2020 are slightly higher and for 2021 slightly lower than estimated and presented on Prinsjesdag 2020. This is caused by the unexpectedly stronger recovery in the third quarter and the second corona wave.

Housing market

The Dutch housing market remains tight. House prices in the Netherlands continue to rise despite the outbreak of the COVID-19 virus. In November 2020, existing owner-occupied homes were 8.9% more expensive than in November 2019. This increased the average price to €345,000. This is an increase of 11.6% with a sales duration of 30 days (six days shorter than 2019). 41,583 homes were sold in the 3rd quarter of 2020, the highest number in almost 3 years. Compared to 2019, this is an increase of 14.4% with annualised total sales of almost 154,000 homes. The asking price of an average home for sale is €480,000. The period that a house is for sale has fallen to an average of 101 days. This brings the scarcity indicator to 2.0 in the 3rd quarter of 2020. The decline in the number of transactions in existing owner-occupied homes is levelling off, but this is mainly due to the limited supply. The housing market is still tight, particularly in the big cities, and this is worsening due to the lagging behind of new construction.

Dutch demand for care

Healthcare in the Netherlands is developing rapidly. The former building regime has been abolished. Instead, a normative funding system for the capital costs of healthcare has been introduced in the Netherlands. As a result, Dutch health care institutions have become responsible for the operation of the health care real estate. As a result of this reform, fewer and fewer users will gradually be using existing intramural care.

If the health care institution is unable to maintain the occupancy rate of its health care property, it will lose both the reimbursement for the care and for housing and accommodation. This forces Dutch healthcare institutions to behave in a targeted and efficient manner. Renting care property has become an option in this respect. As a result of the extramuralisation of healthcare, a market has emerged in The Netherlands for investors in healthcare real estate.

Market for Dutch health care real estate

Dutch housing corporations are required to focus on the operation of social housing, as a result of which these parties are much less active in the area of healthcare real estate. More and more housing cooperatives are disposing of their care-related properties and putting them at a distance. Stock exchange funds, pension funds and wealthy individuals are increasingly investing in Dutch healthcare real estate. In long-term care, private parties are emerging as an alternative to housing cooperatives.

As a result of the extramuralisation of care, with the focus on staying at home for as long as possible, a strong demand has arisen in the Netherlands for the free sector of care apartments. As a result, a rapidly growing shortage of care apartments has arisen in a short period of time. The number of intramural clients will increase by 67% in the coming years from 129,000 in 2019 to 215,000 in 2040, a total growth of 86,000 places of which the largest growth is expected after 2025.

The Dutch healthcare real estate market is estimated to be about the same size as the Dutch office market. The market is not only large, but also

(1) Prepared by,and included in this yearly financial report in full and unaltered form, in agreement with Stadim cvba.

diverse, with extra- and intramural care homes and first-line and second-line care real estate. The first line of care is the general practitioner or physiotherapist, who are nowadays more and more often housed together in a health centre. An example of second-line care is the hospital. Extra- and intramural care homes are also referred to as Care, while primary and secondary care are also referred to as Cure. Major plus points of Dutch care real estate are the relatively stable expectations with regard to returns, the economic insensitivity, the limited correlation with other real estate segments and the possibility of often concluding long-term rental agreements.

Investment volume

During the first half of 2020, approximately €327 million worth of healthcare property was purchased by investors in The Netherlands. This is approximately 33% lower than in the first half of 2019 (€489 million). This is mainly due to the corona crisis. Owners postponed transactions and did not (yet) bring their real estate on the market. Despite the current decline in the investment market, often caused by delays, there is still a high demand for healthcare property from investors. However, there is still a shortage of healthcare real estate in The Netherlands, particularly suitable housing for senior citizens. The ageing of the population is also continuing to increase. The ageing population also continues to grow. Therefore, it is expected that - as long as there are no new corona measures - the decline will be temporary and there will be more investment activity.

The healthcare real estate market in The Netherlands is becoming more mature and continues to professionalise. As a result, there is increasing interest from foreign parties, both investors and healthcare operators. In The Netherlands, Holland Immo Group and Apollo Zorgvastgoedfonds are investors in the healthcare real estate market. Korian and Orpea from France have also made acquisitions of residential care concepts in the Netherlands. It is expected that more new foreign parties will enter the Dutch market in the coming years.

According to sector association Actiz, several billions in investments will be needed in the coming years to compensate for the housing shortage for the elderly in The Netherlands. The Dutch Senate has also announced the need for housing for the elderly, based on the conviction that adding houses in this segment will lead to a better flow throughout the housing market. A large proportion of the existing supply of healthcare real estate is outdated, making modernisation necessary. The share of new builds, renovations and transformations in the total transaction volume in healthcare real estate grew to 49% in 2020 compared to 33% in 2019.

Importance of proper healthcare facilities

The corona crisis shows that well-equipped healthcare facilities are of great importance. 'In order to be able to focus on providing good care and to be flexible in times of crisis, good care housing is important. It is important to design buildings in such a way that residents can be well separated from each other and that there are 'neutral' (outdoor) spaces where visitors can be accommodated. Sustainability and 'evidence-based' design are two elements that can play a major role in good design that contributes to the health, safety and mental condition of residents'.

Return

The high investment pressure in general, but also the increasing interest in healthcare real estate in particular, ensure that the pressure on initial yields remains. In recent years the direct return of Dutch healthcare real estate (also called the cash flow return) has shown a relatively stable trend around a level of 5.50%. In 2019 and also during the first half of 2020, this return also seems to have remained at a stable level. Interest rates on Dutch healthcare bonds, which are specifically invested in healthcare real estate, fluctuate between 5.00 and 6.50%. Many investors are primarily involved in funds because of the relative 'certainty' about the direct return. An important indication of this is the gross initial yield (BAR), i.e. the rental income in the first year of operation divided by the investment.

The initial yields for healthcare real estate in various segments have fallen in recent years. This can be partly explained by the drop in the 10-year risk-free yield on government bonds. The initial yields in private residential care and first and second line care are considerably higher than for lifecycle homes. Due to the COVID-19 crisis, the initial yields for healthcare real estate have risen slightly.

The market for housing for the elderly in Spain(1)

Economic context

Over the last 5 years the Spanish real estate market has attracted significant sums of international capital. However, since March 2020, Spain's economy has been impacted by the global Coronavirus pandemic and the lockdown measures and restrictions on movement used to combat the spread of the disease. This situation applies equally to other countries, although some are much less affected. Given the importance of tourism to the Spanish economy, it remains to be seen how the economy will recover after this crisis. In this context, it is clear that real estate investment volumes for some asset classes have fallen, due to several months of standstill whilst investors reassess opportunities in Spain in terms of risk related to income and capital value evolution.

Notwithstanding the current uncertainty, Spain has in place a fiscally attractive REIT regime that has successfully attracted new capital to the real estate market in recent years. This depth and diversity of capital should act as a stabilizing force, as well as the financially more secure lending markets that, compared to 2007/08, are less exposed to adjustments in property values and are likely to grant waivers on short to medium term real estate debt payments.

Unemployment in Spain is high and will reach 18% in 2020 (similar to the situation 3 years ago). However, this percentage did not take into account the unregistered activities, which are mainly found in rural and tourist regions. The tourist regions, especially coastal areas, will be negatively affected this year by a general decrease in consumer spending.

Politically, following elections on 10 November 2019, Spain has a left-wing coalition government with a slim majority dependant on agreements with various minority / regional parties - hence political uncertainty continues. The current crisis will test the strength of the government, which is now facing for the first time in several years, a rapidly rising number of unemployed, reduced consumption and contracting GDP. In turn, low oil prices are having a positive effect on the Spanish economy.

(1) Prepared by, and included in this yearly financial report in full and unaltered form, in agreement with Cushman & Wakefield.

Once the market recovers, assuming the vaccine is administered, our outlook for the property market is positive, followed by a solid rebound. In the short term, we fear that a downturn in business activity could weigh heavily on the economy. Once this health crisis is over, confidence will quickly return and markets will recover.

Demographic evolution

In 2018, 19% of the Spanish population was over 65. This figure is forecasted to rise to 31.1% by 2040. Approximately 6.2% of people in Spain were over 80 in 2018. This demographic is expected to increase to 10.3% by 2040. The average life expectancy in Spain in 2018 was 83 years old, amongst the highest in the world. By 2050 it is expected that Spain will be the oldest country in Europe, 2nd worldwide after Japan.

The equipment rate represents the number of beds divided by the population aged 80 and above. It stands at 14% in Spain. The equipment rate in Spain is close to the European average but varies between regions, with much lower equipment rates in regions such as Murcia, Galicia, Valencia or Andalucía, than in the Castilla León and Castilla La Mancha regions. Spain is expected to need 70,000 more beds by 2030, and more than 150,000 by 2050, driven by the changes in family structures and the ageing of the population.

There is clearly a shortage in the number of beds in Spain. This shortage is progressively increasing due to the growing ageing population, especially the 'baby-boom' generation of the 1960s, who are reaching the age of 65+. In addition, the supply of beds is outdated and in need of renovation to meet current standards. The high demand and lack of supply makes operators want to grow. In the last 3 years, the Spanish market has been characterised by increasing consolidation where large players (Korian acquired Seniors and Grupo 5, and Vivalto acquired Solimar, among others) are taking over the small players. This trend is now more topical than ever.

Spanish healthcare operators

In Spain, organised mainly as a free market, operators are split as follows: public operators manage 27% of the total stock, where private operators manage 73% of the total beds. Semi-public beds represent approximately 43% of the stock and private beds represent 30 % of the total beds. In 2018, only 7 private operators were managing more than 5,000 beds. The Spanish market is a fragmented area with potential for consolidation.

Spanish demand for care

It is clear that some changes will be expected post Covid19 in order to improve the safety and care for the elderly. The views that we have obtained can be summarized as follows (to date):

There are discussions about better sectorization and for new developments it will also consider a minimum ratio between single bed (individual rooms) and double beds (in one room - ie double rooms). We believe the focus is likely to be on space in double rooms and ability to partition / sectorize. The extent of the change is likely to depend on size of care home and may be mitigated to an extent with greater medical attention.

According to certain opinions, there will be a greater need for more (medical) aid/services and/or better coordination between these services in these residential care centres and the public health service. This implies more medical staff, more nursing hours/visits and possibly an on-site pharmacy, which will increase costs. These changes will be in function of the size of the residential care centre. For example, small to medium-sized institutions (up to 100 beds) will need to improve their connections with local medical services. Large institutions may offer these medical services locally, for example, by storing and/or preparing medicines locally, as well as having a doctor and/or pharmacist present.

However, ageing and existing design of residential care centres must be taken into account. The government considers the private care home sector as an essential part of looking after the elderly and so the changes are likely to be sensitive to the existing business and understanding in terms of financial aid, etc.

Investment market

Investment activity in 2019 was higher than in previous years with acquisitions and mergers being the dominant activities in the market. We estimate that around €300M of care homes were traded in 2019 based on RCA and in-house data. The number of partnerships between investors and operators could increase in the future, leading to further increasing investment volumes.

The Spanish market is not as developed as some other European markets. The real estate component is often still owned by the operators. However, in recent years there has been an externalization of the real estate component; several portfolios have recently been acquired by investment funds. In only 3 years, the landscape of investors has considerably broadened and changed. The good health of the Spanish economy is reflected by the large number of deals signed during 2018 and 2019. Most of these deals were carried out by top operators such as DomusVi or Orpea. Colisée.

Pre-covid, there was interest from non-specialist institutional players to enter the healthcare real estate market. These players have now maintained

a 'wait and see' position while specialised investors continue their investment strategy. This also applies to operators who want to grow further, despite the corona pandemic.

Prime yields

Despite the fact that during the last 3 years prime yields have remained relatively stable around 4.75% - 5.00% for city centre location in Madrid and Barcelona, with good covenant, long term, triple net contracts

Despite the fact that during these last 3 years prime yields have maintained relatively stable at approximately 4.75% - 5.00% for city centre locations in Madrid and Barcelona and considering good covenant, triple net leases, long duration (approx. 20-years), investment volume has significantly increased during this period as, unlike previous years, investors (and operators) are looking at Tier II cities (such as Valencia, Seville, Murcia, Málaga, etc.). We have observed a yield compression during the last 12 months and we are of the opinion that current prime yields are closer to 4.75% and the spread between "prime" (Madrid / Barcelona) and Tier II cities is compressing. Taking this into account we would now consider that Tier II cities (capital provinces with good fundamentals) will be at +5.00% and Tier III (secondary capital provinces) at +5.25% – 5.50%.

2. Analysis of the full consolidated property portfolio

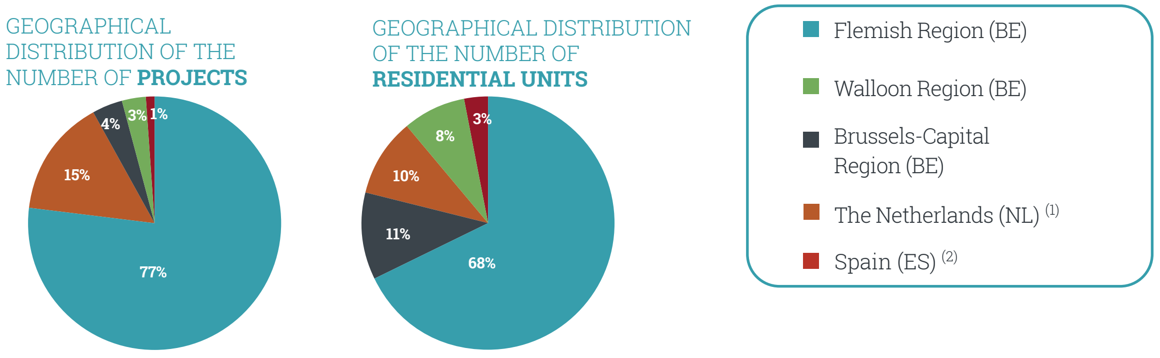
31 December 2020	Acquisition value [1]	Fair value	Insured value	Rental income received	Insurance premium paid [2]
Belgium					
Investment properties in operation	394,687,467	420,108,326	0	18,186,789	0
Investment properties under development	0	0	0	0	0
Finance leases in operation [3]	227,690,694	287,828,165	342,686,260	15,785,231	0
The Netherlands					
Investment properties in operation	49,311,272	51,407,814	0	2,231,076	0
Investment properties under development	40,705,692	56,210,609	0	0	0
Spain					
Investment properties under development	3,344,836	4,715,000	0	0	0
TOTAL	**715,739,960**	**820,269,914**	**342,686,260**	**36,203,096**	**0**

(1) For the definition of the acquisition value, reference is made to chapter 'IX. Glossary' on page 262.

(2) The necessary insurance policies should be concluded by the operator of the property (given the 'triple net' agreements) or are passed on so that the final costs are to be borne by the operator.

(3) In principle, the 10-year liability is covered by the general contractor of the project in question, however the Company, for hedging purposes in case of default by the contractor, has concluded itself an additional 10-year liability insurance for the entire project- the insured values refer only to the construction work covered by the 10-year liability for the projects: Lichtervelde: including administrative center, Hooglede: including municipal center, Hamme: including the substructure, Kapellen: including relaxation room and connecting building, Hamont-Achel: including connecting building and connection with flat no. 12, Oosteeklo: including vicarage, Hemiksem: including the eligible part being 70.25% of the general contracting, Kontich: including renovation castle, Zulte: including connecting corridor, Lennik including community facilities, Hooglede (Gits) including day care centre, Sint-Niklaas (Priesteragie): including the substructure – Meise: including connecting corridor – Mol: including the 39 flats. All other insurances should, as determined in the contract, be concluded by the lessees.

2.1 Geographical distribution

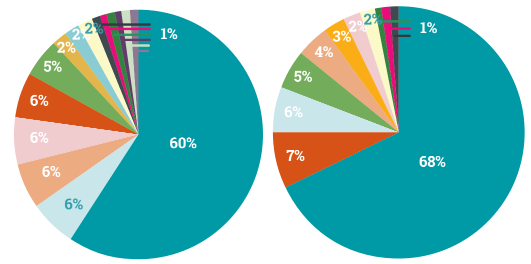


31 December 2020 31 December 2020

(1) As at 31 December 2020 the investment properties 'De Orangerie' in Nijmegen (NL), 'Margaritha Maria Kerk' in Tilburg (NL), 'Sterrenwacht' in Middelburg (NL), 'Villa Wulperhorst' in Zeist (NL), 'St. Josephkerk' in Hillegom,'De Gouden Leeuw' in Zutphen (NL), 'Aldenborgh' in Roermond (NL), 'Villa Vught' in Vught (NL), 'Mariënhaven' in Warmond (NL) and 'Huize Elsrijk' in Amstelveen (NL) are still under development.

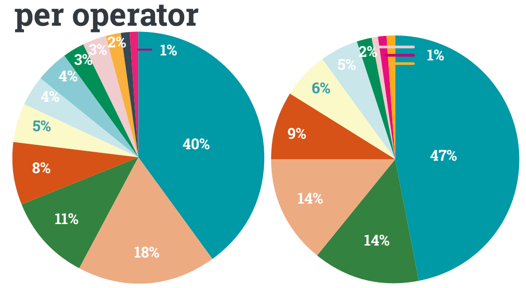
(2) As at 31 December 2020, the investment property 'Emera Carabanchel' in Carabanchel (ES) is still under development.

2.2 Distribution of the number of projects per operator



31 December 2020 31 December 2019

2.3 Distribution of income received from rental and long lease agreements per operator



31 December 2020 31 December 2019

(1) For the following operators, the share of rental income was less than 1% on 31 December 2020: Ontzorg Wonen Group, Com4Care B.V., Aldenborgh Exploitatie and Emera.

Belgium	The Netherlands	Spain
Anima Care	Valuas Zorggroep	Emera [1]
Armonea	Ontzorgd Wonen Groep[1]	
My Assist	Korian	
NPOs (vzw/ASBL)	De Gouden Leeuw Groep	
PCSW (OCMW/CPAS)	Com4Care B.V. [1]	
Orelia Group	Aldenborgh Exploitatie [1]	
Korian		
Vulpia Care Group		
Résidence du Lac SA		

Over 2020, Care Property Invest was able to include 14 additional investments in the consolidated real estate portfolio.

2.4 Breakdown of projects by the remaining term of the leasehold or rental period

Financial year closed on	Number of projects ending between						
31 December 2020	0 and 1 years	1 and 5 years	5 and 10 years	10 and 15 years	15 and 20 years	>20 years	Total
Belgium	**0**	**0**	**30**	**17**	**27**	**31**	**105**
Investment properties in operation	0	0	1	1	1	21	24
Financial leases	0	0	29	16	26	10	81
The Netherlands	**0**	**0**	**0**	**0**	**7**	**1**	**8**
Investment properties in operation	0	0	0	0	7	1	8
TOTAL (1)	**0**	**0**	**30**	**17**	**34**	**32**	**113**

(1) As at 31 December 2020, Care Property Invest has 124 effectively acquired projects in its portfolio, of which 113 were completed and 11 projects under development (the care residence 'De Orangerie' in Nijmegen (NL), the care residence 'Margaritha Maria Kerk' in Tilburg (NL), the care residence 'Sterrenwacht' in Middelburg (NL), the care residence 'Villa Wulperhorst' in Zeist (NL), the care residence St. Josephkerk' in Hillegom (NL), the care residence 'De Gouden Leeuw' in Zutphen (NL), the care residence 'Aldenborgh' in Roermond (NL), the care residence 'Mariënhaven' in Warmond (NL), the care residence 'Villa Vught' in Vught (NL), the care residence 'Huize Elsrijk' in Amstelveen (NL) and the residential care centre with group of assisted living apartments 'Emera Carabanchel' in Carabanchel (Madrid) (ES)). As at 31 December 2020, it also signed agreements under suspensory conditions for another 5 projects (the 'La Lucine' residential care centre complex for persons with disabilities in Stembert (BE), the residential care centre with group of assisted living apartments 'Dungelhoef' in Lier (BE), the residential care centre with assisted living apartments 'Résidence des Ardennes' in Attert (BE), the residential care centre 'Emera Mostoles' in Mostoles (ES) and the residential care centre 'Emera Murcia' in Murcia (ES)).

The first building right (of the initial real estate portfolio) will expire in 2026, i.e., within 5.50 years.

The average remaining term of the contracts is 16.50 years[1]. This period includes the remaining term of the building right which, for the contracts in the initial real estate portfolio, is equal to the remaining leasehold period and the remaining tenancy period. For the new projects, only the rental or leasehold period is taken into account.

2.5 Breakdown of income deriving from leasehold and rental agreements in function of their residual duration

Financial year closed on	Income to be received for the period						
31 December 2020	0 and 1 years	1 and 5 years	5 and 10 years	10 and 15 years	15 and 20 years	>20 years	Total
Belgium	**30,222,111**	**120,888,443**	**144,373,169**	**128,417,489**	**115,343,127**	**104,199,584**	**643,443,922**
Investment properties in operation	19,227,158	76,908,631	96,049,794	95,090,556	92,206,396	87,311,086	466,793,619
Financial leases	10,994,953	43,979,812	48,323,375	33,326,933	23,136,731	16,888,498	176,650,302
The Netherlands	**2,632,831**	**10,531,324**	**13,164,155**	**13,164,155**	**10,270,316**	**2,193,973**	**51,956,754**
Investment properties in operation	2,632,831	10,531,324	13,164,155	13,164,155	10,270,316	2,193,973	51,956,754
TOTAL (2)	**32,854,942**	**131,419,767**	**157,537,324**	**141,581,644**	**125,613,443**	**106,393,556**	**695,400,676**

(1) The average remaining term of finance leases is 14.13 years and that of investment properties 22.50 years.

(2) The balance includes the remaining lease and rental income as at 31 December 2019 on the basis of the non-index-linked ground rent, respectively the rental remuneration for the entire remaining term of the contract (due dates not split) and with regard to the project.

2.6 Breakdown of projects by age of the buildings

Financial year closed on	Number of projects first occupied				
31 December 2020	in 2020	between 1 and 5 years ago	between 5 and 10 years ago	>10 years ago	Total
Belgium	**3**	**6**	**34**	**62**	**105**
Investment properties in operation	2	1	16	5	24
Financial leases	1	5	18	57	81
The Netherlands	**0**	**1**	**1**	**6**	**8**
Investment properties in operation	0	1	1	6	8
TOTAL (1)	**3**	**7**	**35**	**68**	**113**

(1) As at 31 December 2020, Care Property Invest has 124 effectively acquired projects in its portfolio, of which 113 were completed and 11 projects under development (the care residence 'De Orangerie' in Nijmegen (NL), the care residence 'Margaritha Maria Kerk' in Tilburg (NL), the care residence 'Sterrenwacht' in Middelburg (NL), the care residence 'Villa Wulperhorst' in Zeist (NL), the care residence St. Josephkerk' in Hillegom (NL), the care residence 'De Gouden Leeuw' in Zutphen (NL), the care residence 'Aldenborgh' in Roermond (NL), the care residence 'Mariënhaven' in Warmond (NL), the care residence 'Villa Vught' in Vught (NL), the care residence 'Huize Elsrijk' in Amstelveen (NL) and the residential care centre with group of assisted living apartments 'Emera Carabanchel' in Carabanchel (Madrid) (ES)). As at 31 December 2020, it also signed agreements under suspensory conditions for another 5 projects (the 'La Lucine' residential care centre complex for persons with disabilities in Stembert (BE), the residential care centre with group of assisted living apartments 'Dungelhoef' in Lier (BE), the residential care centre with assisted living apartments 'Résidence des Ardennes' in Attert (BE), the residential care centre 'Emera Mostoles' in Mostoles (ES) and the residential care centre 'Emera Murcia' in Murcia (ES)).

2.7 Occupancy rate

Due to the increasing demand for modified forms of housing for the elderly, the buildings have few, if any voids and enjoy a very high occupancy rate. The vast majority of contracts concluded are 'triple net' contracts, as a result of which the ground rent or rental charge is always due in full, regardless of the actual occupancy rate. This implies that the economic occupancy rate of these projects is always 100%[1]. Any voids of the residential units therefore have no impact on the revenues generated by the Company. Therefore, the Company can confirm that the general occupancy rate of its investment properties and finance leases amounts to 100% on 31 December 2020.

2.8 Insured value of the real estate

For the buildings that the Company develops or has developed itself, the Company contracts CAR insurance as well as liability insurance during the construction phase. 10-year liability insurance is contracted from the date that the projects are made available. The premiums paid by Care Property Invest are all paid by the operator.

The lease-, tenancy and provision contracts include an obligation for all leaseholders, tenants and parties to which the property is made available to contract the necessary fire insurance for the new construction value. The leaseholder usually also needs to take out an income loss policy, which covers the company in the event that the property becomes unusable.

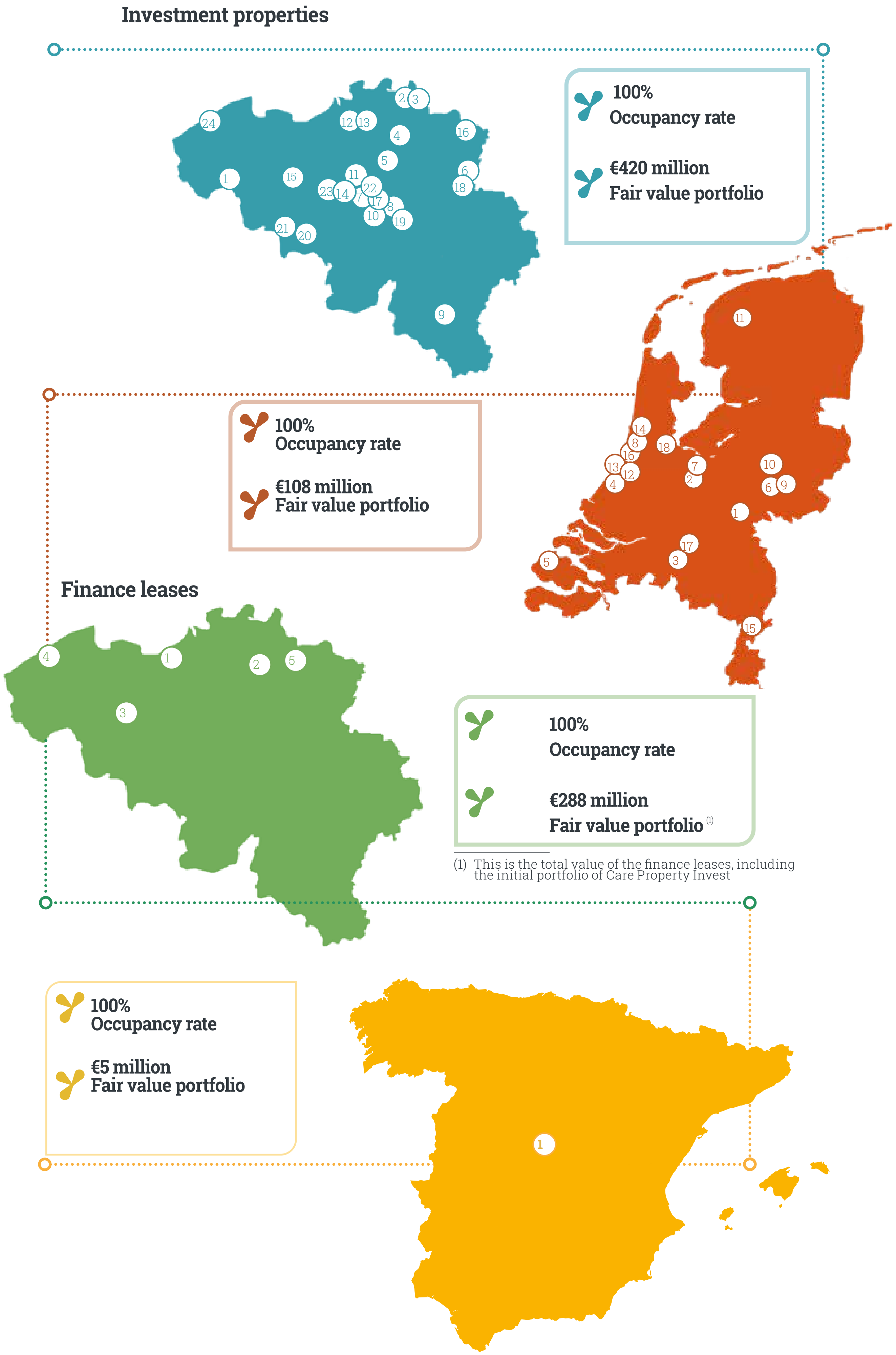
The insurance obligation for real estate that is shown in investment properties is also borne by the leaseholder or tenant (operator), in accordance with the requirements included in the lease contracts or tenancy agreements. Care Property Invest therefore pays no insurance premiums for these buildings. The Company exercises control over the compliance of the operators with their insurance obligations.

2.9 Breakdown by building

In compliance with Article 30 of the RREC Law, no more than 20% of the consolidated assets may be invested in property that constitutes a single property unit. As at 31 December 2020, Care Property Invest did not exceed the legal limit of 20% laid down in Article 30 of the RREC Law.

The Company takes this legal provision into consideration with every acquisition it makes and the order in which these investments are made.

(1) Care Property Invest only encounters a vacancy risk with the project 'Tilia' in Gullegem. The vacancy rate for the 'Tilia' project is therefore negligible in the entire portfolio. The occupancy rate for 2020 was 92%, and for 2019 it was 100%. With respect to the projects in the initial real estate portfolio, the risk lies with the counterparty. The Company receives the ground rent, whether or not a certain vacancy exists. For the new projects as well, the Company tries to shift this risk entirely or for a large part to the counterparty.



(1) This is the total value of the finance leases, including the initial portfolio of Care Property Invest

3. Summary tables consolidated property portfolio

3.1 Summary table investment properties

Operator and projects - 31 December 2020	Indication of location on map page 146	Year of construction/ (latest) renovation	Total lettable floor area (in m²)	Number of residential units	Contractual rental income	Estimated rental value (ERV) (1)	Occupancy rate	Address	Fair value compared to consolidated assets (%) (2)
Belgium									
Anima Care									
Nuance	7	2020	7,239	121	411,993	922,526	100%	Schaatsstraat 20, 1190 Vorst	
Armonea									19.79%
Les Terrasses du Bois	8	2014	16,568	176	1,894,787	1,747,213	100%	Terhulpsesteenweg 130, 1170 Watermaal-Bosvoorde	
Ter Meeuwen	16	2015	8,628	101	757,497	824,184	100%	Torenstraat 15, 3670 Oudsbergen	
Park Kemmelberg	13	2014	2,412	31	359,991	416,302	100%	Lange Pastoorstraat 37, 2600 Berchem	
Residentie "Moretus"	12	2011	8,034	139	1,182,826	1,266,444	100%	Grotesteenweg 185, 2600 Berchem	
De Wand	22	2015	10,562	137	749,076	1,222,110	100%	Wandstraat 21109/2013, 1020 Brussel	
Keymolen	23	2014	7,245	88	500,324	835,724	100%	Karel Keymolenstraat 55, 1750 Lennik	
Westduin	24	2014	11,594	135	891,057	1,486,526	100%	Badenlaan 62, 8434 Westende	
OCMW/CPAS Wevelgem									
Residentie "Tilia"	1	2015	1,454	15	125,917	135,457	92%	Dorpsplein 21, 8560 Gullegem	
Orelia Group									
Wiart 126	17	2014	6,875	104	976,259	1,141,220	100%	Carton de Wiartlaan 126-128, 1090 Jette	
Ter Beuken	10	2016	6,834	92	874,732	956,435	100%	Beukenbosstraat 9, 1652 Alsemberg	
Résidence du Lac									
La Résidence du Lac	19	2011	5,410	99	923,384	896,985	100%	Avenue Albert 1er 319, 1332 Genval	
Senior Living Group									7.21%
3 Eiken	6	2016	7,990	122	948,090	1,046,406	100%	Drie Eikenstraat 14, 3620 Lanaken	
Huyse Elckerlyc	18	2008	3,944	73	327,188	409,490	100%	Trinellestraat 23, 3770 Riemst	
Ter Bleuk	5	2016	5,593	52	742,350	761,969	100%	Bleukstraat 11, 2820 Bonheiden-Rijmenam	
Woonzorgcentrum Oase	11	2016	6,730	76	827,530	887,199	100%	Tramlaan 14, 1861 Wolvertem	
My Assist									
La Reposée	20	2020	5,643	98	804,516	905,724	100%	Rue de Chemin de Fer 1, 7033 Bergen	
New Beaugency	21	2015	4,805	85	787,435	858,213	100%	Rue d'Ellezelles 57, 7321 Bernissart	
Vulpia Care Group									10.03%
Aan de Kaai	3	2012	7,950	74	858,808	948,686	100%	Antoine Coppenslaan 33, 2300 Turnhout	
Boeyendaalhof	4	2011	7,139	117	800,596	928,205	100%	Itegemsesteenweg 3, 2270 Herenthout	
Bois de Bernihè	9	2013	6,886	114	608,971	799,260	100%	Avenue de Houffalize 65, 6800 Libramont-Chevigny	
De Nieuwe Kaai	2	2005	7,806	99	898,199	990,849	100%	Nieuwe Kaai 5-7, 2300 Turnhout	
Home Aldante	14	2003	2,372	55	179,336	247,174	100%	Uytroeverstraat 1, 1081 Koekelberg	
t Neerhof	15	2013	8,236	108	755,924	820,025	100%	Nieuwstraat 69, 9660 Brakel	

Operator and projects - 31 December 2020	Indication of location on map page 146	Year of construction/ (latest) renovation	Total lettable floor area (in m²)	Number of residential units	Contractual rental income	Estimated rental value (ERV) (1)	Occupancy rate	Address	Fair value compared to consolidated assets (%) (2)
The Netherlands									
De Gouden Leeuw Groep									
De Gouden Leeuw (Laag-Keppel)	6	1980	2,265	36	322,559	494,554	100%	Rijksweg 91, 6998 AG Laag-Keppel	
De Gouden Leeuw (Zelhem)	9	2007	5,200	40	560,616	773,237	100%	Burg. Rijpstrastraat 3-5, 7021 CP Zelhem	
Ontzorgd Wonen Groep									
Villa Sijthof	4	2015	1,411	19	338,206	366,036	100%	Oud Clingendaal 7, 2245 CH Wassenaar	
Valuas Zorggroep BV									
Villa Pavia	2	2004	1,638	16	287,416	314,674	100%	Laan van Beek en Royen 45, 3701 AK Zeist	
Boarnsterhim State	11	2011	1,500	19	102,339	177,285	100%	Wjitteringswei 67, 8495 JM Aldeboarn	
De Meerlhorst	14	2016	1,380	17	173,400	312,408	100%	Van Merlenlaan 2, 2103 GD Heemstede	
Het Witte Huis	13	2011	1,600	25	212,923	530,379	100%	Endegeesterlaan 2-4, 2342 CZ Oegstgeest	
Villa Oranjepark	12	2007	942	14	209,443	190,938	100%	Prins Hendriklaan 2, 2341 JB Oegstgeest	
TOTAL			**183,885**	**2,497**	**20,393,690**	**24,613,834**			

(1) For the hypotheses and principles adopted for the estimate of the rental value, reference is made to paragraph '4. Report of the real estate expert' on page 153. For the 'Aan de Kaai' investment property, the real estate expert based the calculation of the rental value on the assumption that the day-care centre will/can be converted into an additional 10 rooms.

(2) Other properties do not represent more than 5% of total assets. The consolidated assets include finance leases at fair value.

3.2 Table summarising the projects under development

Project Name	Indication of location on map page 146	Location	Country	Estimated total cost	Current cost price	Estimated future cost	Planned delivery	ERV after completion	Operator	Type
Investment properties										
The Netherlands										
De Orangerie	1	Nijmegen	NL	10,932,066	8,147,537	2,784,529	Jul-21	623,078	Korian	Redevelopment
Margaritha Maria Kerk	3	Tilburg	NL	7,675,022	6,338,639	1,336,384	May-21	502,377	Korian	Redevelopment
Sterrenwacht	5	Middelburg	NL	5,680,030	2,215,446	3,464,584	Oct-21	328,385	Korian	Redevelopment
Villa Wulperhorst	7	Zeist	NL	12,956,696	9,778,126	3,178,570	Apr-21	817,222	Valuas Zorggroep	Redevelopment
Sint Josephkerk	8	Hillegom	NL	9,065,000	4,512,598	4,552,402	Dec-21	490,266	Korian	Redevelopment
De Gouden Leeuw (Zutphen)	10	Zutphen	NL	11,763,791	8,160,752	3,603,039	Jun-21	693,938	De Gouden Leeuw Groep	Development
Aldenborgh	15	Roermond	NL	8,222,222	3,771,260	4,450,962	Mar-22	444,000	Aldenborgh Exploitatie	Development
Mariënhaven	16	Warmond	NL	11,637,692	5,208,572	6,429,120	Jun-22	600,944	Valuas Zorggroep	Redevelopment
Villa Vught	17	Vught	NL	6,171,429	2,493,970	3,677,459	Apr-22	345,561	Valuas Zorggroep	Redevelopment
Huize Elsrijk	18	Amstelveen	NL	6,200,000	2,293,456	3,906,544	Sep-22	314,710	Com4Care	Redevelopment
Spain										
Emera Carabanchel	1	Carabanchel	ES	14,586,643	4,587,550	9,999,093	Jun-22	875,303	Emera	Development
TOTAL				**104,890,592**	**57,507,906**	**47,382,685**				

3.3 Table summarising the projects in the initial real estate portfolio

Project Name	Year of construction/ (latest) renovation	Total lettable floor area (in m²)	Number of residential units	Contractual rental income	Occupancy rate	Address	Fair value compared to consolidated assets (%) [1]
OCMW/CPAS							**28.11%**
Antwerp							
Residentie "'t Lam"	1997	2,465	26	210,210	100%	Polderstraat 1, 2070 Zwijndrecht	
Residentie "De Loteling"	1998	2,103	24	167,256	100%	Kapellei 109, 2980 Sint-Antonius (Zoersel)	
Residentie "De Linde"	1998	2,348	23	187,241	100%	Jaak Aertslaan 3, 2320 Hoogstraten	
Residentie "De Peulder"	1998	1,722	20	160,188	100%	Bellekens 2, 2370 Arendonk	
Residentie "Papegaaienhof"	1999	2,285	24	208,961	100%	Burgemeester De Boeylaan 2, 2100 Deurne	
Residentie "Altena"	2003	2,480	25	265,035	100%	Antwerpsesteenweg 75, 2550 Kontich	
Residentie "Mastbos"	2000	1,728	20	183,163	100%	Maststraat 2, 2910 Essen	
Residentie "Mastbos" - uitbreiding	2010	866	10	89,498	100%	Maststraat 2, 2910 Essen	
Residentie "Kloosterhof"	2001	1,955	24	213,057	100%	Kloosterhof 1, 2470 Retie	
Residentie "De Brem"	2001	3,512	42	344,474	100%	Zwaantjeslei 87, 2170 Merksem	
Residentie "'t Kloosterhof"	2002	1,476	17	154,622	100%	Pastoor Woestenborghslaan 4, 2350 Vosselaar	
Residentie "A. Stappaerts"	2002	2,090	28	312,220	100%	Albert Grisarstraat 17-25, 2018 Antwerpen	
Residentie "Sint-Bernardus"	2004	3,094	24	209,900	100%	Sint-Bernardusabdij 1, 2620 Hemiksem	
Residentie "De Wilders"	2004	2,069	25	228,696	100%	De Wilders 39, 2382 Poppel (Ravels)	
Residentie "Het Sluisken"	2005	2,158	25	199,641	100%	Gasthuisstraat 9, 2960 Brecht	
Residentie "Geestenspoor"	2006	1,660	19	152,277	100%	Geestenspoor 69-75, 2180 Ekeren	
Residentie "'t Zand"	2011	3,378	36	137,177	100%	Zandstraat 4, 2960 Sint-Job-in-'t-Goor	
"Hof van Picardiën"	2012	2,004	22	124,418	100%	Molenstraat 68, 2970 Schilde	
Residentie "De Schittering"	2012	2,537	22	141,963	100%	Nieuwstraat 11-15, 2290 Vorselaar	
Residentie "Nieuwe Molenakkers"	2012	6,125	37	233,278	100%	Boudewijnstraat 7, 2340 Beerse	
Residentie "Ten Hove"	2013	4,771	50	146,208	100%	Jakob Smitslaan 26, 2400 Mol	
West Flanders							
Residentie "Zevekote"	1998	2,059	22	182,902	100%	Kleine Stadenstraat 2, 8830 Hooglede	
Residentie "D'Hooge"	1998	1,469	19	156,547	100%	Statiestraat 80, 8810 Lichtervelde	
Residentie "Roger Windels"	1998	1,766	21	166,292	100%	Karel de Goedelaan 4, 8820 Torhout	
Residentie "Soetschip"	1999	727	10	84,007	100%	Lostraat 3, 8647 Lo-reninge	
Residentie "Zilverschoon"	2000	2,524	30	241,952	100%	Beversesteenweg 51, 8800 Roeselare	
Residentie "Eugenie Soenens"	2001	1,348	14	121,904	100%	Ieperweg 9a, 8211 Loppen (Zedelgem)	
Residentie "'t Kouterhuys"	2011	2,991	33	242,823	100%	Hospitaalstraat 31, 8610 Kortemark	
Residentie "De Varent"	2002	5,901	63	617,697	100%	Zuiderlaan 45, 8790 Waregem	
Residentie "Ter Drapiers"	2002	1,553	17	147,672	100%	Gasstraat 4, 8940 Wervik	
Residentie "Meulewech"	2002	3,175	36	312,271	100%	Kosterijstraat 40-42, 8200 Brugge	
Residentie "De Vliedberg"	2010	3,306	35	173,859	100%	Rudderhove 2, 8000 Brugge	
Residentie "Ter Leyen"	2012	2,640	33	112,325	100%	Wiermeers 12, 8310 Brugge	
Residentie "Ten Boomgaarde"	2012	4,839	38	185,939	100%	Ter Beke 31, 8200 Brugge	
Residentie "De Vlasblomme"	2003	1,527	19	176,344	100%	Grote Molenstraat 43, 8930 Menen	
Residentie "Leonie"	2005	1,101	17	114,377	100%	Leonie de Croixstraat 19, 8890 Dadizele (Moorslede)	
Residentie "Ter Linde"	2011	1,863	20	156,895	100%	Gitsbergstraat 40, 8830 Hooglede	
Residentie "Duinenzichterf"	2011	4,135	48	314,185	100%	Duinenzichterf 10-14, 8450 Bredene	
East Flanders							
Residentie "De Lavondel"	1997	1,856	20	146,270	100%	Proosdij 15, 9400 Denderwindeke	
Residentie "De Kaalberg"	1998	4,501	47	372,106	100%	Prachting 6, 9310 Moorsel	
Residentie "Denderzicht"	1999	1,561	17	154,310	100%	Burchtstraat 48-54, 9400 Ninove	
Residentie "Aster"	2000	1,358	16	113,065	100%	Koning Albertstraat 7, 9968 Oosteeklo	
Residentie "Herfstdroom"	2000	1,902	20	172,524	100%	Bommelstraat 33, 9840 De Pinte	
Residentie "Den Eendengaerd"	2000	1,756	20	173,299	100%	Marktplein 23, 9920 Hamme	
Residentie "Den Craenevliet"	2004	816	11	122,389	100%	Killestraat 33, 9220 Hamme	
Residentie "Cuesta"	2005	1,872	24	166,182	100%	Molenstraat 41, 9250 Waasmunster	
Residentie "De Lijsterbes"	2006	1,865	20	165,444	100%	Steenvoordestraat 38 bis, 9070 Destelbergen	
Residentie "De Vlierbes"	2014	1,854	20	177,197	100%	Steenvoordestraat 36 bis, 9070 Destelbergen	
Residentie "De Goudbloem"	2009	4,102	36	156,557	100%	Zwijgershoek 10, 9100 Sint-Niklaas	
Residentie "De Priesteragie"	2012	6,072	60	198,518	100%	Azalealaan 6, 9100 Sint-Niklaas	
Flemish Brabant							
Residentie "Den Eikendreef"	1998	1,081	13	103,821	100%	Kloosterstraat 73, 1745 Opwijk	
Residentie "De Vlindertuin"	2014	3,152	32	323,558	100%	Kloosterstraat 77, 1745 Opwijk	
Residentie "Dry Coningen"	2007	2,030	24	184,415	100%	Leuvensesteenweg 190, 3070 Kortenberg	
Residentie "De Sterre"	2008	1,320	15	147,429	100%	Mechelsesteenweg 197, 1933 Sterrebeek (Zaventem)	
Residentie "De Veste"	2010	2,037	18	246,069	100%	Veste 25, 1932 Sint-Stevens-Woluwe (Zaventem)	
Seniorie "Houtemhof"	2008	3,187	31	290,071	100%	Houtemstraat 45, 3300 Tienen	
Seniorie "Houtemhof" - uitbreiding	2010	2,429	31	242,790	100%	Houtemstraat 45, 3300 Tienen	
Residentie "Den Bleek"	2011	1,936	16	136,437	100%	Stationsstraat 35, 1750 Sint-Kwintens-Lennik	
Residentie "Paepenbergh"	2012	4,344	36	131,820	100%	Fabriekstraat 148, 1770 Liedekerke	
Residentie "Ter Wolven"	2012	4,284	43	181,276	100%	Godshuisstraat 33, 1861 Wolvertem (Meise)	
Limburg							
Residentie "De Kempkens II"	2000	1,537	16	137,268	100%	De Kempens 1, 3930 Hamont	
Residentie "'t Heppens Hof"	2003	1,622	19	178,809	100%	Heidestraat 1, 3971 Leopoldsburg	
Residentie "De Parel"	2001	2,713	31	274,194	100%	Rozenkransweg 21, 3520 Zonhoven	
Residentie "Chazal"	2004	2,703	31	283,140	100%	De Wittelaan 1, 3970 Leopoldsburg	
Residentie "Kompas"	2005	1,462	18	176,012	100%	Dorpsstraat 82A, 3665 As	
Residentie "De Lier"	2007	2,807	25	142,413	100%	Michielsplein 5, 3930 Achel	
Residentie "Mazedal"	2008	3,346	28	300,250	100%	Langs de Graaf 15, 3650 Dilsen-Stokkem	
Residentie "De Brug"	2009	4,667	40	171,010	100%	Rozenkransweg 25, 3520 Zonhoven	
Residentie "De Klitsberg"	2009	2,800	24	166,421	100%	Klitsbergwijk 28, 3583 Paal (Beringen)	
Residentie "Carpe Diem"	2012	2,538	28	170,933	100%	Hesdinstraat 5, 3550 Heusden-Zolder	
De Waterjuffer	2013	3,247	37	131,309	100%	Speelstraat 8, 3945 Ham	

Project Name	Year of construction/ (latest) renovation	Total lettable floor area (in m²)	Number of residential units	Contractual rental income	Occupancy rate	Address	Fair value compared to consolidated assets (%) (1)
VZW/ASBL							
Antwerp							
Residentie "d' Hoge Bomen"	2000	1,821	22	176,423	100%	Hoogboomsteenweg 124, 2950 Kapellen	
Residentie "Ten Velden"	2010	1,558	21	104,880	100%	Kerkevelden 44-60, 2560 Nijlen	
East Flanders							
Residentie "Noach"	1998	1,254	15	133,158	100%	Nieuw Boekhoutestraat 5A, 9968 Bassevelde	
Residentie "Serviceflats Ten Bosse II"	2002	1,692	19	153,278	100%	Ten Bosse 150, 9800 Deinze	
Residentie "Ponthove"	2005	2,199	26	132,176	100%	Pontstraat 18, 9870 Zulte	
76 PROJECTS		**189,031**	**1,988**	**14,514,696**			

(1) Other properties do not represent more than 5% of total assets. The consolidated assets include finance leases at fair value.

3.4 Summary table finance leases new investment program

Project Name	Indication of location on map page 146	Year of construction/ (latest) renovation	Total lettable floor area (in m²)	Number of residential units	Contractual rental income	Occupancy rate	Address	Fair value compared to consolidated assets (%) (1)
OCMW/CPAS								
Hof ter Moere	1	2017	1,937	22	139,261	100%	Herfstvrede 1A, 9180 Moerbeke	
Huis Driane	2	2018	1,742	22	125,055	100%	Molenstraat 56, 2270 Herenthout	
De Stille Meers	4	2020	5,326	60	167,389	100%	Sluisvaartstraat 56, 8430 Middelkerke	
Astor vzw/asbl								
Residentie "De Anjers"	5	2018	5,960	62	495,776	100%	Veststraat 60, 2940 Balen	
Zorghuizen vzw/asbl								
De Nieuwe Ceder	3	2019	4,779	86	343,054	100%	Parijsestraat 34, 9800 Deinze	
5 PROJECTS			**19,744**	**252**	**1,270,535**			

Other properties do not represent more than 5% of total assets. The consolidated assets include finance leases at fair value.

4. Report of the real estate expert

The real estate portfolio is valued by Stadim and Cushman & Wakefield. The total fair value of the portfolio amounts to €533,852,200. The fair value of the portfolio valued by Stadim amounts to €524,947,200 (98%). The fair value of the portfolio valued by Cushman & Wakefield amounts to €8,905,000 (2%).

The valuations were carried out at the time of the Covid-19 pandemic and, given the uncertain impact on the financial markets and economy, should be interpreted with caution. The circumstances and references during this valuation exercise are unclear, so the real estate expert Stadim recommends to closely monitor the valuations in the coming period (acc. RICS Red Book Global Material Valuation Uncertainty VPS3 and VPGA 10).

4.1 Report of the real estate by Stadim

Dear Madam or Sir,

According to the statutory provisions, we have the honour of expressing our view on the value of the real estate portfolio of the public regulated real estate company (public RREC) Care Property Invest as at 31 December 2020.

Both Stadim cvba and the natural persons that represent Stadim confirm that they have acted as independent experts and hold the necessary relevant and recognised qualifications.

The valuation was performed on the basis of the market value, as defined in the 'International Valuation Standards' published by the 'Royal Institution of Chartered Surveyors' (the 'Red Book'). As part of a report that complies with the International Financial Reporting Standards (IFRS), our estimates reflect the fair value. The fair value is defined by the IAS 40 standard as the amount for which the assets would be transferred between two well-informed parties, on a voluntary basis, without special interests, mutual or otherwise. IVSC considers that these conditions have been met if the above definition of market value is respected. The market value must also reflect the current rental agreements, the current gross margin for self-financing (or cash flow), the reasonable assumptions concerning the potential rental income and the expected costs.

The costs of deeds must be adjusted in this context to the current situation in the market. Following an analysis of a large number of transactions, the real estate experts acting in a working group at the request of listed real estate companies reached the conclusion that, as real estate can be transferred in different forms, the impact of the transaction costs on large investment properties in the Belgian market with a value in excess of €2.5 million is limited to 2.5%. The value with no additional costs payable by the buyer therefore corresponds to the fair value plus deed costs of 2.5%. The fair value is therefore calculated by dividing the value with no additional costs payable by the buyer by 1.025. The properties below the threshold of €2.5 million and the foreign properties are subject to the customary registration laws and their fair value therefore corresponds to the value with costs payable by the buyer.

Both the current lease contracts and all rights and obligations arising from these contracts were taken into account in the estimates of the property values. Individual estimates were made for each property. The estimates do not take account of any potential added value that could be realised by offering the portfolio as a whole in the market. Our valuation does not take account of selling costs or taxes payable in relation to a transaction or development of real estate. These could include estate agents' fees or publicity costs, for example. In addition to an annual inspection of the relevant real estate, our estimates are also based on the information provided by Care Property Invest in relation to the rental situation, the floor areas, the drawings or plans, the rental charges and taxes in connection with the properties concerned, conformity with laws and regulations and environmental pollution. The information provided was deemed to be accurate and complete. Our estimates assume that elements that were not reported are not of a nature that would influence the value of the property. This valuation reflects the value in the market on the valuation date.

On 31 December 2020, the fair value of the property portfolio amounted to €523,534,400 and the market value with no additional costs payable by the buyer (or the investment value, before deduction of transfer tax) to €539,632,800. The fair value of the outstanding ground rent amounts to €1,412,800.

Antwerp, 31 December 2020

Yasmin Verwilt
Valuation expert-Advisor

STADIM cvba

Philippe Janssens, FRICS
Managing Director

STADIM cvba

4.2 Report of the real estate by Cushman & Wakefield

Dear Madam, Sir,

We are pleased to send you our estimate of the fair value of investment properties held by Care property Invest as of 31 December 2020.

The valuations have been carried out taking into account the comments and definitions included in the reports and this according to the guidelines of the International Valuation Standards issued by the 'IVSC'.

We have acted individually as experts for the valuation where we have the necessary and recognised qualifications as well as the necessary expertise for these locations and types of buildings to be assessed. The determination of the fair value of the assessor has been derived primarily by using recent, comparable transactions that have taken place in the market, at arm's length conditions.

The valuation of the properties is assessed on the basis of the current rental contract and all associated rights and obligations. Each property was evaluated individually. This valuation does not take into account the potential value that can be realised by putting the entire portfolio on the market.

The valuations do not take into account the selling costs of a specific transaction such as brokerage or publishing. The valuations are based on property visits and information provided by Care Property Invest (such as current rent, area, plans, changes in rent, property taxes and regulations and pollution).

The information provided is assumed to be accurate and complete. The valuation is carried out on the assumption that the unavailable information does not affect the valuation of the property.

The 3 internationally defined valuation methods, as defined in the RICS Red Book, are the market approach, the cost approach and the income approach. These valuation methods are easily recognised by their basic principles:

1. The market approach equates to the comparison method of valuation;
2. The income approach refers to the investment method, either traditional (cap rate) or discounted cash flow (DCF) and is generally used for income generating properties;
3. The Cost Approach is often taken to refer to the Depreciated Replacement Cost method (DRC) and is generally used for non-income generating properties.

The different valuation methodologies are explained in the valuation reports and are based on the RICS Red Book.

Based on the valuations, the consolidated fair value of the portfolio amounted to €8,905,000 (after deduction of outstanding construction costs) as at 31 December 2020.

Bastien Van der Auwermeulen
Senior Valuer

Valuation & Advisory

Emeric Inghels MRICS
Partner

Valuation & Advisory

VII. Financial statements

VII. Financial statements

1. Consolidated financial statements as at 31 December 2020

The consolidated financial statements as at 31 December 2019 were inserted in the Annual Financial Report 2019 under item 1 et seq in chapter 'VII. Financial Statements', from page 160. The consolidated financial statements as at 31 December 2018 were inserted in the Annual Financial Report 2018 under item 1 et seq in chapter 'VIII. Financial Statements', from page 202. Both reports are available on the website www.carepropertyinvest.be.

1.1 Consolidated global result statement (1)

Amounts in EUR		Notes	31/12/2020	31/12/2019
I	Rental income (+)	T 5.3	36,203,096	29,481,755
NET RENTAL RESULT			**36,203,096**	**29,481,755**
V	Recovery of rental charges and taxes normally borne by tenants on let properties (+)	T 5.4	551,247	366,076
VII	Rental charges and taxes normally borne by tenants on let properties (-)	T 5.5	-551,247	-366,076
REAL ESTATE RESULT			**36,203,096**	**29,481,755**
IX	Technical costs (-)		-2,284	0
REAL ESTATE COSTS			**-2,284**	**0**
REAL ESTATE OPERATING RESULT			**36,200,812**	**29,481,755**
XIV	General expenses of the Company (-)	T 5.6	-7,217,459	-4,929,433
XV	Other operating income and expenses (+/-)	T 5.7	1,362,430	1,618,430
OPERATING RESULT BEFORE RESULT ON PORTFOLIO			**30,345,783**	**26,170,752**
XVIII	Changes in fair value of investment properties (+/-)	T 5.8	2,598,197	10,129,700
XIX	Other result on portfolio (+/-)	T 5.9	0	-274,559
OPERATING RESULT			**32,943,980**	**36,025,893**
XX	Financial income (+)	T 5.10	90	20,693
XXI	Net interest expense (-)	T 5.11	-7,099,028	-6,205,675
XXII	Other financial costs (-)	T 5.12	-535,760	-244,039
XXIII	Changes in fair value of financial assets and liabilities (+/-)	T 5.13	-5,358,254	-3,061,553
FINANCIAL RESULT			**-12,992,952**	**-9,490,574**
RESULT BEFORE TAXES			**19,951,028**	**26,535,319**
XXIV	Corporation tax (-)	T 5.14	90,241	-165,748
XXV	Exit tax (-)	T 5.14	-176,357	589,882
TAXES			**-86,116**	**424,134**
NET RESULT (group share)			**19,864,912**	**26,959,453**
Other elements of the global result			0	0
GLOBAL RESULT			**19,864,912**	**26,959,453**

(1) Due to a reclassification between item XV on the one hand and items V and VII on the other hand, the figures as at 31 December 2019 were also adjusted to allow for proper comparability.

NET RESULT PER SHARE

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT / GLOBAL RESULT	**19,864,912**	**26,959,453**
Net result per share based on weighted average shares outstanding	**0.8598**	**1.3222**

1.2 Consolidated balance sheet (1)

Amounts in EUR		Notes	31/12/2020	31/12/2019
Assets				
I. NON-CURRENT ASSETS			**739,484,884**	**566,900,062**
B.	Intangible assets	T 5.15	158,457	174,260
C.	Investment properties	T 5.16	533,854,521	357,245,670
D.	Other tangible fixed assets	T 5.17	2,271,023	9,909,596
E.	Financial fixed assets	T 5.18	177,036	633,303
F.	Finance lease receivables	T 5.19	187,355,753	183,842,688
G.	Trade receivables and other non-current assets	T 5.19	15,666,584	15,094,545
H.	Deferred tax - assets		1,510	0
II. CURRENT ASSETS			**9,732,072**	**5,975,797**
D.	Trade receivables	T 5.19	2,459,728	838,493
E.	Tax receivables and other current assets	T 5.20	2,294,990	1,445,296
F.	Cash and cash equivalents	T 5.21	3,751,851	3,347,195
G.	Deferrals and accruals	T 5.22	1,225,503	344,813
TOTAL ASSETS			**749,216,956**	**572,875,859**
EQUITY AND LIABILITIES				
EQUITY			**369,779,481**	**266,291,362**
A.	Capital	T 5.24	143,442,647	121,338,541
B.	Share premium	T 5.25	181,447,992	104,174,862
C.	Reserves	T 5.26	25,023,930	14,258,126
D.	Net result for the financial year	T 5.27	19,864,912	26,519,833
LIABILITIES			**379,437,475**	**306,584,497**
I. Non-current liabilities			**237,598,310**	**189,839,023**
B.	Non-current financial debts	T 5.28	205,399,114	164,999,835
C.	Other non-current financial liabilities	T 5.18	27,975,990	23,075,069
E.	Other non-current liabilities	T 5.29	1,782,301	1,764,119
F.	Deferred tax - liabilities	T 5.30	2,440,905	0
II. Current liabilities			**141,839,165**	**116,745,474**
B.	Current financial liabilities	T 5.28	125,266,029	108,885,078
D.	Trade payables and other current liabilities	T 5.31	12,096,802	4,201,363
E.	Other current liabilities	T 5.32	2,440,285	2,477,769
F.	Deferrals and accruals	T 5.33	2,036,049	1,181,264
TOTAL EQUITY AND LIABILITIES			**749,216,956**	**572,875,859**

(1) Due to a reclassification between the item A. Provisions (on the liabilities) on the one hand and the item D. Trade receivables (on the assets) on the other hand, the figures as at 31 December 2019 were also adjusted in order to allow for correct comparability.

1.3 Cash-flow table

Amounts in EUR	Notes	31/12/2020	31/12/2019
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		**3,347,195**	**2,746,139**
1. CASH FLOW FROM OPERATING ACTIVITIES		**32,507,982**	**17,506,378**
Net result for the financial year		**19,864,912**	**26,959,453**
Taxes	T 5.14	86,116	-424,134
Net interest expense	T 5.11	7,099,028	6,205,675
Financial income	T 5.10	-90	-20,693
Net result for the financial year (excl. interest & taxes)		**27,049,966**	**32,720,301**
Non-cash elements added to/deducted from the result		**3,094,547**	**-8,256,201**
Changes in fair value of swaps	T 5.13	5,358,254	3,061,553
Changes in the fair value of investment properties	T 5.8	-2,598,197	-10,129,700
Depreciations, impairments and reversal of impairments of tangible fixed assets	T 5.6	211,654	180,950
Real estate leasing profit or loss margin of projects allocated to the period	T 5.7	122,836	-1,644,084
Other result on portfolio	T 5.9	0	274,559
Provisions		0	521
Change in working capital requirement		**2,363,469**	**-6,957,722**
Movement of assets		638,705	-807,033
Movement of liabilities		1,724,764	-6,150,689
2. CASH FLOW FROM INVESTING ACTIVITIES		**-131,884,113**	**-63,906,250**
Investments in finance leases (developments)	T 5.19	-1,043	-11,289,865
Investments in investment properties (including developments)	T 5.16	-44,076,115	-48,019,251
Investments in shares of real estate companies	T 5.16	-87,381,341	-4,385,085
Investments in tangible fixed assets	T 5.17	-388,155	-147,171
Investments in intangible fixed assets	T 5.15	-36,393	-64,265
investments in financial fixed assets	T 5.18	-1,066	-613

Amounts in EUR	Notes	31/12/2020	31/12/2019
3. CASH FLOW FROM FINANCING ACTIVITIES		**99,780,787**	**47,000,928**
Cash elements included in the result		**-6,912,307**	**-6,157,770**
Interest expense paid		-6,912,397	-6,144,371
Interest received		90	-13,399
Change in financial liabilities and financial debts		**56,780,229**	**60,550,278**
Increase (+) in financial debts	T 5.28	57,505,240	61,388,629
Decrease (-) in financial debts: repayments	T 5.28	-725,011	-838,351
Change in equity		**49,912,865**	**-7,391,580**
Buy-back / sale of treasury shares	T 5.24	-167,049	-167,916
Dividend payments		-15,703,278	-13,912,448
Increase in capital and share premium		58,831,204	0
Increase in optional dividend		6,951,988	6,688,784
TOTAL CASH FLOWS (1) + (2) + (3)		**404,656**	**601,056**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		**3,751,851**	**3,347,195**

1.4 Statement of changes in consolidated equity

	CAPITAL	SHARE PREMIUM	*Reserves for the balance of changes in the fair value of real estate*		*Reserves for impact of swaps* (1)	*Other reserves*	*Reserve for treasury shares*	*Reserves carried forward from previous financial years*	RESERVES	RESULT FOR THE FINANCIAL YEAR	TOTAL SHAREHOLDERS' EQUITY
Notes	**T 5.24**	**T 5.25**	**T 5.26**	**T 5.26**	**T 5.26**	**T 5.26**	**T 5.26**	**T 5.26**	**T 5.26**	**T 5.27**	
			Reserves for the balance of changes in the investment value of real estate	*Reserve for the impact on the fair value of estimated transfer taxes and costs from hypothetical disposal of investment properties (-)*							
1 January 2019	**114,961,266**	**87,551,065**	**2,884,003**	**-1,578,417**	**-19,413,963**	**11,283,515**	**0**	**11,722,154**	**4,897,292**	**23,001,578**	**230,411,201**
Net appropriation account for the 2018 financial year			5,431,796	-165,090	-142,220			4,404,264	9,528,750	-9,528,750	0
Dividends									0	-13,912,448	-13,912,448
Treasury shares							-167,916		-167,916	0	-167,916
Result of the period (2)									0	26,959,453	26,959,453
Capital increase	6,377,275	16,623,797							0	0	23,001,072
31 december 2019	**121,338,541**	**104,174,862**	**8,315,799**	**-1,743,507**	**-19,556,183**	**11,283,515**	**-167,916**	**16,126,418**	**14,258,126**	**26,519,833**	**266,291,362**
1 January 2020	**121,338,541**	**104,174,862**	**8,315,799**	**-1,743,507**	**-19,556,183**	**11,283,515**	**-167,916**	**16,126,418**	**14,258,126**	**26,519,833**	**266,291,362**
Net appropriation account for the 2019 financial year			13,020,859	-3,359,320	-3,061,553	143,859		4,072,710	10,816,555	-10,816,555	0
Dividends									0	-15,703,278	-15,703,278
Treasury shares							-50,751		-50,751	0	-50,751
Result of the period (2)									0	19,864,912	19,864,912
Capital increase	22,104,106	77,273,130							0	0	99,377,236
31 december 2020	**143,442,647**	**181,447,992**	**21,336,658**	**-5,102,827**	**-22,617,736**	**11,427,374**	**-218,667**	**20,199,128**	**25,023,930**	**19,864,912**	**369,779,481**

(1) Reserve for net changes in the fair value of authorised hedging instruments that are not subject to hedge accounting as defined in the IFRS (+/-).

(2) The Company has no 'other comprehensive income', within the meaning of IAS 1, so that the Company's net income is equal to the overall result.

No distinction is made between capital changes that do and those that do not result from transactions with shareholder-owners, as the Company has no minority interests.

2. Notes to the consolidated financial statements

Note 1: General information on the Company

Care Property Invest (the 'Company') is a public limited liability company that acquired the status of a public regulated real estate company (RREC) under Belgian law on 25 November 2014. The head offices of the Company are located at the following address: Horstebaan 3, 2900 Schoten (Telephone: +32 3 222 94 94). Care Property Invest actively participates as a real estate player and has the objective of making high-quality projects available to care providers as provided for in the Residential Care Decree. These include residential care centres, service centres, groups of assisted-living apartments and all other housing facilities for people with disabilities. Care Property Invest can develop, realise and finance these facilities itself, or can refinance existing buildings, with or without a renovation or expansion.

The Care Property Invest share is listed on Euronext Brussels (regulated market).

The consolidated financial statements of the Company as at 31 December 2020 comprise the Company and its subsidiaries. For an overview of the subsidiaries, we refer to note 'T 5.39 Information on subsidiaries' on page 210.

The financial statements were approved for publication by the Board of Directors on 12 April 2021. The financial statements will be submitted to the Ordinary Annual General Meeting of Shareholders to be held on 26 May 2021.

Note 2: Accounting policies

T 2.1 DECLARATION OF CONFORMITY

The financial statements of the company were drawn up in compliance with the International Financial Reporting Standards (IFRS), as approved and accepted within the European Union (EU) and in accordance with the provisions of the RREC Legislation and the RREC Royal Decree of 13 July 2014. These standards cover all new and revised standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), in as far as applicable to the activities of the group.

The consolidated financial statements are presented in euro, unless stated otherwise, and cover the twelve-month period ending on 31 December 2020.

The consolidated financial statements have been prepared in accordance with the historical cost convention, except for those assets and liabilities that are stated at fair value, i.e., investment properties and financial assets and liabilities.

STANDARDS AND INTERPRETATIONS APPLICABLE FOR THE FINANCIAL YEAR COMMENCING ON 1 JANUARY 2020

The following new standards, new amendments and new interpretations are applicable to the Company for the first time in 2020, but have no impact on the current consolidated financial statements:

- Amendments to the reference to the conceptual framework in IFRS standards
- Amendments to IFRS 3 Business combinations - Definition of a business
- Amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures and IAS 39 Financial Instruments: Recognition and Measurement - Benchmarking Reform
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in accounting estimates and Errors - Definition of Material
- Amendments to IFRS 16 Leases - Lease concessions as a consequence of COVID-19

NEW OR AMENDED STANDARDS AND INTERPRETATIONS THAT HAVE NOT YET ENTERED INTO FORCE

The new and amended standards and interpretations that were issued but not yet effective at the date of publication of the Company's consolidated financial statements are set out below. The Company intends to apply these standards when applicable, if they have an impact on the Company:

- Amendments to IFRS 4 Insurance Contracts - deferral of IFRS 9, effective as of 1 January 2021.
- Amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 4 Insurance Contracts and IFRS 16 Leases - reform of benchmark interest rates - phase 2, effective as of 1 January 2021.
- Amendments to IAS 16 Property, plant and equipment - Revenue from intended use, effective as of 1 January 2022.
- Amendments to IAS 37 Provisions, contingent liabilities and contingent assets - onerous contracts - costs to fulfil a contract, effective as of 1 January 2022
- Amendments to IFRS 3 Business Combinations - references to the conceptual framework, effective as of 1 January 2022
- Annual improvements cycle - 2018-2020, effective as of 1 January 2022
- Amendments to IAS 1 Presentation of Financial Statements - classification of short and long-term debt, effective as of 1 January 2023.
- IFRS 17 Insurance contracts, effective as of 1 January 2023

T 2.2 CONSOLIDATION PRINCIPLES

The companies included in the Company's consolidated financial statements are subsidiaries over which the Company exerts control. A company exerts control over a subsidiary if, and only if, the parent company:

- has power over the participating interest;
- is exposed to and has rights to variable proceeds based on its involvement in the participating interest and;
- has the possibility of using its power over the participating interest to influence the scale of the investor's yields.

The companies in which the group directly or indirectly holds participating interests of more than 50% or in which it has the power to determine the financial and operating policies so as to obtain benefits from its activities, are included in the consolidated accounts of the group in full. This means that the assets, liabilities and results of the entire group are fully reflected. Inter-company transactions and profits are entirely eliminated. All transactions between the group companies, balances and unrealised profits and losses on transactions between group companies are eliminated in the preparation of the consolidated financial statements.

The minority interests are the interests in the subsidiaries that are not held directly or indirectly by the group. See also the Notes 'T 5.39 Information on subsidiaries' on page 210.

T 2.3 INTANGIBLE FIXED ASSETS

The intangible fixed assets are capitalised at their acquisition value and depreciated according to the linear method at an annual percentage of 20%.

T 2.4 INVESTMENT PROPERTIES

General

Real estate (land and buildings) acquired for valuable consideration or through a contribution in kind for the issue of new shares or via a merger through the acquisition of a real estate company or via a partial split, which is held in order to generate rental income in the long term, and which does not serve for personal use, is shown as investment property.

Valuation on initial recognition

On initial recognition, investment properties are shown at acquisition cost, including transaction costs and directly attributable expenditure.

Differences between the acquisition price and the first assessment of the fair value at the time of recognition (acquisition) the value differences that relate to the transfer taxes and transfer costs are included via the global result statement.

Valuation after initial recognition

After initial recognition, investment properties are shown at the fair value, in accordance with IAS 40. The fair value is equal to the amount for which the building could be exchanged between well-informed parties, consenting and acting in circumstances of normal competition. From the seller's point of view, the valuation must be understood as subject to the deduction of registration fees.

The independent real estate experts who carry out the periodic valuation of the assets of regulated real estate companies believe that, for transactions involving buildings in Belgium with an overall value of less than €2.5 million, account must be taken of registration fees of 10% (Flemish Region) to 12.5% (Brussels Capital Region and Walloon Region), depending on the regions where these assets are located. For transactions concerning properties with an overall value of more than €2.5 million, real estate experts have valued the weighted average of the fees at 2.5%. This is because a range of different property transfer methods is used in Belgium. This percentage will, if necessary, be revised annually and adjusted per bracket of 0.5%. The experts will confirm the agreed percentage to be deducted in their regular reports to the shareholders.

Profits or losses arising from the change in the fair value of investment properties are included in the global result statement shown in section 'XVIII. Changes in the fair value of investment properties' in the period in which they arise, and in the profit appropriation in the following year they are allocated to the reserve 'b) Reserve for the balance of changes in the fair value of real estate'. With this allocation, a distinction is made in this reserve for the balance of changes in the fair value of real estate between the changes in the investment value of the real estate and the estimated transfer taxes on the hypothetical disposal, so that this latter section is always consistent with the difference between the investment value of the real estate and the fair value of the real estate.

Disposal of investment property

On the sale of investment property, the profits or losses realised on the sale are shown in section 'XVI. Result of investment properties' in the global result statement for the period under review. Commission paid to brokers on the sale of buildings and liabilities contracted as a result of transactions are deducted from the sale price obtained in order to determine the realised profit or loss.

The realised additional or lower value consists of the difference between the net sale value and the latest book value (fair value on the latest valuation), as well as the counter-entry of the estimated transfer taxes that are taken directly to the equity on the balance sheet on the initial assessment of the fair value. As the real estate is sold, both reserve 'b) Reserve for the balance of changes in the fair value of real estate' and reserve 'c) Reserve for the impact on the fair value of estimated transfer taxes and costs resulting from hypothetical disposal of investment properties' relating to the sold property are transferred to the disposable reserves.

Project development

- Sites held with a view to an increase in value in the long term instead of sale in the short term in relation to normal business operations;
- Sites held for future use that has not yet been determined;
- Unoccupied buildings held for leasing on the basis of one or more operational leases and;
- Real estate under construction or in development for future use as investment property must also be treated as investment property and is shown in the 'Project development' sub-section.

After the initial recognition, projects are shown at their fair value. This fair value takes account of the substantial development risks. The following criteria must be met in this regard:

- There is a clear picture of the project costs to be incurred;
- All necessary permits for the project development have been obtained;
- A substantial part of the project development has been pre-let (final signature of rental contract).

This assessment of the fair value is based on the valuation by the independent real estate expert (in accordance with the customary methods and assumptions) and takes account of the costs still to be incurred for the full finishing of the project.

All costs relating directly to the acquisition or development and all further investment expenditure is shown in the cost price of the development project. In accordance with IAS 23, the financing costs directly attributable to the construction or acquisition of investment property are capitalised for the period for making the investment property ready for letting.

The capitalisation of financing costs as part of the cost price of an asset qualifying for this takes place only if:

- Expenditure is made for the asset;
- Financing costs are incurred and;
- Activities are in progress to prepare the asset for its envisaged use. These include not only the physical construction but also technical and administrative work for the commencement of the actual construction in connection with the acquisition of permits.

The capitalisation of financing costs is suspended during long periods in which the active development is interrupted. The capitalisation is not suspended during a period in which extensive technical and administrative work is performed.

Rights in rem
Lease agreements with a term longer than 12 months and for which the underlying asset has a high value must be classified by means of a right of use on the asset in accordance with IFRS 16. On the starting date, the asset corresponding to a right of use is valued at cost price. After the starting date, the asset is valued on the basis of the fair value model in accordance with IAS 40.

T 2.5 OTHER FIXED ASSETS

T 2.5.1 TANGIBLE FIXED ASSETS FOR OWN USE

General

Assets that are held for the Company's own use in the production or delivery of goods or services, for rental to third parties or for administrative purposes and which are expected to be used for longer than a single period, are shown as tangible fixed assets, in accordance with IAS 16.

Valuation on initial recognition
Property, plant and equipment must be shown at cost if it is probable that the future economic benefits from the asset will accrue to the Company and if the cost of the asset can be determined reliably.
The cost price of an asset is the equivalent of the discounted price on the recognition date (the cost price) and all directly attributable costs for making the asset ready for use. Later costs for day-to-day maintenance of tangible fixed assets are not included in the book value of the asset. This expenditure is shown in the income statement at the time at which it is incurred. Future expenditure for maintenance and repairs is capitalised only if this can be clearly shown to result in an increase in the future economic benefits from the use of the asset.

Valuation after initial recognition
All tangible fixed assets are shown at cost less any accumulated depreciation and any accumulated impairment losses.

Depreciation and amortisation
The different categories of tangible fixed assets are depreciated using the straight-line method of depreciation over the estimated service life of the asset. The residual value and the service life must be reviewed at least at the end of each reporting period. An asset is depreciated from the date on which it is ready for the envisaged use. Depreciation of an asset is discontinued on the date on which the asset is held for sale or is no longer used.

Depreciation takes place even if the fair value of the asset exceeds its book value, until the residual value is reached. From the date on which the residual value is equal to or higher than the book value, the depreciation cost is zero, until such time as the residual value is again less than the book value of the asset. Tangible fixed assets for the Company's own use are depreciated in accordance with the following depreciation rates according to the straight-line method:

Building (for the Company's own use)	3,33%
Equipment of building	10%
Furniture	10%
Computers	33,33%
Office machinery	25%
Rolling stock	20%
Office fittings and furnishings	10%

Disposal of property, plant and equipment

At the time when an asset is disposed of or at the time when no future economic benefits are expected any longer from the use or disposal of an asset, the property, plant or equipment can no longer be shown in the balance sheet of the Company.
The gain or loss arising through the disposal or retirement of an asset is the difference between any net proceeds on disposal and the book value of the asset. This increased or lower value is shown in the global result statement.

T 2.5.2 OTHER TANGIBLE FIXED ASSETS - DEVELOPMENT COSTS FOR PROJECTS IN PREPARATION/UNDER CONSTRUCTION, WHICH ARE SUBSEQUENTLY RECORDED AS A FINANCE LEASE (IFRS 16).

The construction costs for projects in preparation and projects under construction are shown at the cost price (nominal value) in the other operating expenses and are capitalised via the other operating revenues in other tangible fixed assets. On provisional acceptance of the building, the leasing activities commence, and the amount of the net investment is classified in the balance sheet item 'I.F. Balance finance lease receivables'.
IFRS 16 requires that a lease receivable is valued on commencement at the discounted value of the future income flows. The difference between the construction costs and this discounted value is then the result of the development of the leased object. This must be recognised in the result in proportion to the construction period as the result of the construction activities in 'Other operational revenues/costs'.

T 2.6 IMPAIRMENTS

At each reporting date, the Company assesses whether there are indications that a non-financial asset may be subject to impairment. If any such indication exists, an estimate is made of the realisable value of the asset. If an asset's book value exceeds its realisable value, an impairment is recognised in order to reduce the book value of the asset to the realisable amount. The realisable value of an asset is defined as the higher of the fair value less selling costs (assuming a non-forced sale) or the value in use (based on the present value of the estimated future cash flows). The resulting impairments are charged to the global result statement. Previously recognised impairments are reversed via the global result statement if a change has occurred in the estimate used to determine the realisable value of the asset since the recognition of the last impairment loss.

T 2.7 FINANCIAL FIXED ASSETS

The financial assets are classified in one of the categories provided for according to IFRS 9 'Financial instruments: recognition and valuation', depending on the purpose for which the financial asset is acquired, which are determined on their initial recognition of the assets. This classification determines the valuation of the financial asset on future balance sheet dates: at the amortised cost price or based on the equity method (in accordance with IAS 28).

Financial instruments

Derivative products or financial interest rate derivatives (including Interest Rate Swaps) can be used for hedging interest rate risks arising from operational, financial and investment activities. The derivative financial instruments which the Company uses do not meet the criteria of IAS 39 for the application of hedge accounting (are not held for trading purposes and are not acquired for sales in the near future) and are recognised in the balance sheet at their fair value. Changes in their fair value are taken directly to the global result statement.

The fair value of financial instruments is based on the market value calculations of the counterparty and the respective fair values are regarded as 'Level 2', as defined under IFRS 13 (see also the notes 'T 5.13 Changes in the fair value of financial assets and liabilities' on page 190).
The fair value of the hedging instruments is the estimated amount of the fees that the Company must pay or should receive in order to settle its positions on the balance sheet date, taking account of the interest curve, the creditworthiness of the counterparties and any option value applying at that time. The fair value of hedging instruments is estimated monthly by the issuing financial institution. In accordance with IFRS 13, an adjustment is made to the fair value to reflect the counterparty's own credit risk ('Debt Valuation Adjustment' or 'DVA') and the counterparty's credit rating ('Credit Valuation Adjustment' or 'CVA').

Participating interests

The acquisitions of the shares of subsidiaries of Care Property Invest take place in the context of an asset deal to which IFRS 3 'Business Combinations' does not apply. The participating interests are valued based on the equity method (in accordance with IAS 28).

Other financial fixed assets

Loans and receivables (including sureties) are non-derivative financial instruments with fixed or determinable payments that are not listed in an active market and are valued at the amortised cost price.

T 2.8 FINANCE LEASE RECEIVABLES & TRADE RECEIVABLES

Care Property Invest as lessor

A lease contract is classed as a financial lease if it transfers virtually all the risks and benefits associated with ownership to the lessee. All other forms of lease are treated as operational leases. If a lease contract complies with the terms of a financial lease (according to International Accounting Standards IFRS 16), Care Property Invest, as the lessor-owner, recognises the lease agreement on its inception in the balance sheet as a receivable at an amount equal to the net investment in the lease agreement. The difference between the latter amount and the book value of the leased property will be recognised in the global result statement for the period. Any periodic payment made by the lessee will be recognised as income under rental income in the global result statement (see 'T 5.3 Rental income' on page 187) and/or as a repayment of the investments in the balance sheet (see 'T 5.19 Finance lease receivables and trade receivables and other non-current assets' on page 197), based on a constant periodic return for Care Property Invest.

The item 'I.F. Finance lease receivables shows the investment cost of the transferred projects and therefore assigned in leasehold, less the contractual prepayments received, and reimbursements already made.

Care Property Invest as lessee

At the start of the lease period, lease agreements (with the exception of lease agreements with a maximum term of 12 months and lease agreements in which the underlying asset has a low value) are included in the balance sheet as assets (right of use) and lease obligation at the present value of the future lease payments. Subsequently, all rights of use, which classify as investment properties, are measured at fair value in accordance with IAS 40. We refer to 'T 2.4 INVESTMENT PROPERTIES' on page 168 for the accounting policies relating to investment properties. Minimum lease payments are included partly as financing costs and partly as repayments of the outstanding liability in such a way that this results in a constant periodic interest rate for the remaining balance of the liability.
Financial charges are included directly in the global result statement.

Trade receivables

The item 'I.G. Trade receivable and other fixed assets' regarding the projects included in the finance leases contains the profit or loss margin allocated to the construction phase of a project. The profit or loss margin is the difference between the nominal value of the fee due at the end of the right of superficie (included in the item 'I.F. Finance lease receivables') and the fair value at the time of provision, determined by discounting the future cash flows (being the leasehold and rental fees and the fee due at the end of the right of superficie) at a rate equal to the IRS rate plus a margin that would apply on the date on which the lease contract was contracted. The increase by a margin depends on the margin that the Company pays the bank as a cost of funding. For the bank, the margin depends on the underlying surety and is therefore different for a PCSW or a non-profit association. This item also contains a provision for discounted costs of service provision, as the Company remains involved in the maintenance of the property following delivery of the building, in connection with advice or intervention in the event of any construction damage or adjustments imposed, following up lease payments, etc.
During the term of the contract, the receivable is phased out, as the added value and provision for costs of services is written down each year and is charged to the global result statement in 'Other operating income and expenses'.
If the discount rate (i.e., the IRS interest rate plus a margin) on the date of the contracting of the lease agreement is higher or virtually equal to the interest rate implicit in the leasehold payments stipulated on commencement of the leasehold, this calculation leads to the recognition of a mathematical loss during the construction phase (e.g., in the event of falling interest rates). Over the entire duration of the contract, however, the projects are profitable, since the leasehold payment is always higher than the actual cost of financing.
There is an estimation uncertainty as regards the profit margin on the projects; this is partly due to altered operating expenses, the impact of which is reviewed annually and adjusted if necessary, but the profit or loss margin also depends on rising or falling interest rates.

T 2.9 CURRENT ASSETS

Trade receivable and other receivables at a maximum of one year

Receivables at a maximum of one year are shown at their nominal value less impairments due to dubious or irrecoverable receivables, which are recognised as impairment losses in the global result statement.

Tax receivables

Tax receivables are shown at the tax rate applying in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents (bank accounts, cash and short-term investments) are shown at the amortised cost price. The additional costs are processed directly in the global result statement.

Accruals and deferrals

The costs incurred during the financial year that are wholly or partially attributable to the following financial year are shown in accruals and deferrals on the basis of a proportionality rule. The income and fractions of income received in the course of one or more subsequent financial years, but relating to the financial year concerned, are entered for the amount relating to the financial year in question.

T 2.10 EQUITY

Equity instruments issued by the Company are shown at the amount of the sums received (after deduction of directly attributable issuing costs).

The treasury shares in the Company's possession if any are deducted from equity at the initial acquisition cost. The increase and/or decrease in value realised on the sale of treasury shares is recognised directly as equity and has no impact on the adjusted EPRA earnings.

Dividend

s form part of the transferred result and are recognised as a liability only in the period in which they are formally awarded, i.e., approved by the General Meeting of Shareholders.

T 2.11 PROVISIONS

A provision is formed when:

- the Company has an existing liability -legally enforceable or actual - as a result of an incident in the past;
- it is probable that an outflow of resources will be required in order to settle the liability and;
- the amount of the liability can be reliably estimated.

The amount of the provision is based on the best estimate of the expenditure required to settle the existing obligation as at the balance sheet date, taking account of the risks and uncertainties associated with the liability. If the effect of the time value of money is significant, provisions are discounted using a discount rate that takes account of the current market assessments of the time value of money and the inherent risks of the liability.

T 2.12 FINANCIAL LIABILITIES

Financial payables and trade debts

Financial payables at the amortised cost price, including debts, are initially valued at fair value, net of transaction costs. After initial recognition, they are valued at the amortised cost price. The group's financial payables are shown in 'Other current liabilities' at the amortised cost price, comprising non-current financial liabilities, other non-current liabilities, current financial liabilities, trade debts and dividends payable.

Derivative financial instruments

Derivative products or financial interest rate derivatives (including Interest Rate Swaps) can be used for hedging interest rate risks arising from operational, financial and investment activities. The derivative financial instruments which the Company uses do not meet the criteria of IAS 39 for the application of hedge accounting (are not held for trading purposes and are not acquired for sales in the near future) and are recognised in the balance sheet at their fair value; changes in their fair value are taken directly to the global result statement.

The fair value of financial instruments is based on the market value calculations of the counterparty and the respective fair values are regarded as 'Level 2', as defined under IFRS 13 (see also the notes to 'T 5.13 Changes in the fair value of financial assets and liabilities' on page 190).

The fair value of the hedging instruments is the estimated amount of the fees that the Company must pay or shall receive in order to settle its positions on the balance sheet date, taking account of the interest curve, the creditworthiness of the counterparties and any option value applying at that time. The fair value of hedging instruments is estimated on a monthly basis by the issuing financial institutions. In accordance with IFRS 13, an adjustment is made to the fair value to reflect the counterparty's own credit risk ('Debt Valuation Adjustment' or 'DVA') and the counterparty's credit rating ('Credit Valuation Adjustment' or 'CVA').

Lease payments

Lease agreements with a term longer than 12 months and for which the underlying asset has a high value must be recognised by way of a lease payment on the balance sheet in accordance with IFRS 16. The lease payment is equal to the current value of the lease payments outstanding on the reporting date.

Tax liabilities

Tax liabilities are shown at the tax rate applying in the period to which they relate.

Accruals and deferrals

The costs incurred during the following financial year that relate wholly or partially to the financial year concerned are shown in the current financial year as attributable costs for the amount relating to the financial year concerned. Income received during the financial year that is wholly or partially attributable to the following financial year is shown in accruals and deferrals on the basis of a proportionality rule.

T 2.13 STAFF REMUNERATION

The contracts Care Property Invest has concluded in relation to group insurance are of the 'defined contribution' type. This defined contribution pension plan has been entrusted to Belfius Bank. These pension plans are regarded as 'defined contribution' plans with fixed costs for the employer and are shown under 'group insurance contributions'. Employees make no personal contribution. Premiums are recognised in the financial year in which they were paid or scheduled. However, under the 'Vandenbroucke law' these group insurance policies would be regarded as 'defined benefit' plans within the meaning of IAS 19, and the Company would be required to guarantee an average minimum rate of return of 1.75% (currently) on the employer's contributions. In principle, the Company would have additional obligations if the statutory minimum return could not be achieved. Belfius Bank confirmed that the minimum return, including profit sharing, has been achieved up to and including the 2020 financial year. Moreover, the impact on the Company's results would be limited, since it has only a small number of employees.

T 2.14 INCOME AND EXPENSES

Rental income

The net result comprises the rents, operational lease instalments and other related income, less the costs associated with leases, such as the costs of voids, rent benefits and impairments of trade receivables.
The rent benefits consist of temporary rental discounts or rent-free periods for the operator of the property. Revenues are shown at the fair value of the fee received or to which rights were acquired and are shown on a proportional basis in the global result statement in the period to which they relate.

Real estate costs

In view of the triple net nature[1] of the contracts, the Company is not liable for the costs of maintenance and repair, utilities, insurance and taxes for the building. With double net contracts, the Company does bear the risk of the maintenance and repair costs.

General expenses and other operating income and expenses

The Company's general expenses cover the fixed operating costs of Care Property Invest, which is active as a listed company and enjoys RREC status.
Revenues and costs are shown on a proportional basis in the global result statement in the period to which they relate.

T 2.15 TAXES

All information of a fiscal nature is provided on the basis of laws, decrees and administrative guidelines in effect at the time of the preparation of the financial statements.

Corporate tax

The status of an RREC provides for a fiscally transparent status, as RRECs are only still liable to corporate tax for specific elements of the result, such as rejected expenditure, abnormal and benevolent benefits and secret commissions. Generally, rental income, financial income and the gain realised on the disposal of assets are exempt from tax.

The corporate tax is recorded directly to the income statement unless the tax relates to elements that are included directly in equity. In that case, the tax is also shown directly in equity. The current tax burden consists of the expected tax on the taxable income for the year and corrections to previous financial years. Deferred tax receivables and liabilities are shown for all temporary deductible and taxable differences between the taxable base and the book value. Such receivables and liabilities are not shown if the temporary differences arise from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets or liabilities.

Deferred tax liabilities are generally shown for all taxable temporary differences. Deferred tax receivables are shown in as far as it is probable that sufficient fiscal profit will be available, against which the temporary differences can be offset. Deferred tax receivables are reduced if it is no longer probable that the realised tax benefit will be realised.

(1) With the exception of the project 'Les Terrasses du Bois' in Watermaal-Bosvoorde, for which a long-term 'double net' agreement was concluded. For this project, the risk of the maintenance costs is incurred by Care Property Invest.

Pursuant to Article 161(1°) of the Inheritance Tax Code, the Company must pay tax each year as a RREC, based on the total net amounts outstanding in Belgium as at 31 December of the preceding year.

Withholding tax

Pursuant to the Law regulating the recognition and definition of crowd funding and containing various provisions concerning financing, public RRECs in which at least 60% of the property consists of real estate located in the European Economic Area (EEA) and which is used or intended solely or primarily for residential care or residential units adapted for residential care or health care can enjoy a reduced rate of withholding tax, of 15%. This law was adopted by the House of Representatives on 15 December 2016 and was published in the Belgian Official Gazette on 20 December 2016. The new measure entered into force on 1 January 2017. In addition, pursuant to Articles 116 and 118, §1(6th) of the Royal Decree/Income Tax Code 1992, the Company is exempt from withholding tax on income allocated to Belgian public regulated real estate companies.

Inheritance tax

Subject to compliance with certain conditions, the heirs of shareholders enjoy an exemption from inheritance tax (formerly 'succession tax' in the Inheritance Tax Code, Flemish Region, Article 55bis - Order of the Flemish Government of 3 May 1995, replaced by Article 11 of the 'Decree containing various provisions on finances and budgets' of 9 November 2012 (Official Gazette of 26 November 2012) - Circular No. 2 of 27 March 1997 and now Article 2.7.6.0.1. of the Flemish Codex Taxation (VCF)).

- The shares must have been in the possession of the holder for at least five years on the date of decease.
- In addition, the shareholder must have acquired the shares no later than the year 2005, excluding acquisition among spouses and heirs in the first degree, for which no exemption from inheritance tax has yet been granted.
- To obtain the exemption, the shares must be recorded in the estate declaration and the exemption must be explicitly requested.
- A valid certificate must be attached to the declaration, issued by the credit institutions that provide financial services for Care Property Invest.

The maximum exemption for the stock market value of the share amounts to its issue price of €5.95 (= value of the issue price/1,000 due to the share split of 24 March 2014). Likewise, the sum of the net dividends paid during the period in which the deceased or his or her spouse was the holder of the shares may also be exempt, in as far as the shares form part of the estate. The conditions for exemption from inheritance tax can also be viewed on the website at www.carepropertyinvest.be.

Exit tax

The exit tax is a tax on the added value determined on a taxed merger, split or equated transaction of an RREC with a Belgian company that is not an RREC.

If this company is included in the consolidated group statements for the first time, the exit tax is charged to the equity of that company. If the company is not immediately merged with the RREC, adjustments to the exit tax liabilities that would prove to be necessary at the time of the merger in relation to the amount provided for are recognised in the global result statement.
The exit tax rate as at 31 December 2020 was 15%. The Programme Law of 25 December 2017 on corporate tax reform, published in the Belgian Official Gazette on 29 December 2017, ratified the reduction of the exit tax from 16.995% (16.5% including 3% crisis tax) to 12.75% (12.5 % including 2% crisis tax) for the tax years 2019 and 2020 as well as the increase to 15% from tax year 2021.

The exit tax is calculated on the basis of the deferred added value and the exempted reserves of the real estate company that makes the contribution through a merger, split or equated action. The deferred added value is the positive difference between the actual fiscal value of the equity of the relevant real estate company (that has been split off) less the previously assumed fiscal depreciation, amortisation and impairments. Existing tax deferrals (deductible losses, transferred notional interest deductions, etc.) can be deducted from the taxable base. The actual fiscal value is the value with costs paid by the buyer, i.e., after deduction of registration rights or VAT, and may differ from the fair value of the real estate shown in the RREC's balance sheet in accordance with IAS 40.

Note 3: Segment information

With its entry onto the Spanish market in 2020, Care Property Invest has further developed its geographical distribution. Next to its presence on the Belgian and Dutch markets, the Company has the ambition to make Spain its third home market. In accordance with IFRS 8, the Company will henceforth make a distinction between 3 geographical segments: Belgium, The Netherlands and Spain.

The segmented information has been prepared taking into account the operating segments and the information used internally to take decisions. The operating results are regularly assessed by the Chief Operating Decision Maker (senior officers of the Company) or CODM in order to take decisions regarding the distribution of available resources and to determine the performance of the segment. Within Care Property Invest nv the Executive Committee acts as CODM.

For the accounting policies we refer to Notes 2 — Accounting policies. Every group of companies under a joint control are considered to be the same customer. The revenue from transactions with these customers must be stated if it exceeds 10% of the turnover.
For Care Property Invest nv these are:

- Armonea with a 17.5% share of the total turnover distributed over 7 buildings in Belgium and
- Vulpia Care Group with a 11.3% share of the total turnover distributed over 6 buildings in Belgium.

The segmented information includes the results, assets and liabilities that can be applied to a specific segment either directly or on a reasonable basis.

T 3.1 SEGMENTED INFORMATION - RESULT

Amounts in EUR			31/12/2020		
	Belgium	The Netherlands	Spain	Non allocated amounts	Total
NET RENTAL RESULT	**33,969,736**	**2,231,076**	**0**	**0**	**36,200,812**
REAL ESTATE OPERATING RESULT	**33,969,737**	**2,231,076**	**0**	**0**	**36,200,812**
General Expenses of the Company	-6,664,476	-529,520	-23,463	0	-7,217,459
Other operating income and expenses	798,443	563,987	0	0	1,362,430
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**28,103,704**	**2,265,542**	**-23,463**	**0**	**30,345,783**
Changes in the fair value of investment properties	534,909	1,943,703	119,585	0	2,598,197
Other result on portfolio	0	0	0	0	0
OPERATING RESULT	**28,638,613**	**4,209,245**	**96,122**	**0**	**32,943,980**
Financial result				-12,992,952	-12,992,952
RESULT BEFORE TAXES					**19,951,028**
Taxes				-86,116	-86,116
NET RESULT					**19,864,912**
GLOBAL RESULT					**19,864,912**

Amounts in EUR			31/12/2019		
	Belgium	The Netherlands	Spain	Non allocated amounts	Total
NET RENTAL RESULT	**28,817,830**	**663,926**	**0**	**0**	**29,481,755**
REAL ESTATE OPERATING RESULT	**28,817,830**	**663,926**	**0**	**0**	**29,481,755**
General Expenses of the Company	-4,711,121	-218,313	0	0	-4,929,433
Other operating income and expenses	1,607,262	11,167	0	0	1,618,430
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	**25,713,971**	**456,780**	**0**	**0**	**26,170,752**
Changes in the fair value of investment properties	7,523,495	2,606,205	0	0	10,129,700
Other result on portfolio	-274,559	0	0	0	-274,559
OPERATING RESULT	**32,962,907**	**3,062,986**	**0**	**0**	**36,025,893**
Financial result				-9,490,574	-9,490,574
RESULT BEFORE TAXES					**26,535,319**
Taxes				424,134	424,134
NET RESULT					**26,959,453**
GLOBAL RESULT					**26,959,453**

T 3.2 SEGMENTED INFORMATION - BALANCE SHEET (1)

Amounts in EUR			31/12/2020		
	Belgium	The Netherlands	Spain	Non allocated amounts	Total
TOTAL ASSETS	**420,948,164**	**108,191,357**	**4,715,000**	**215,362,435**	**749,216,956**
Investment properties	420,948,164	108,191,357	4,715,000	0	533,854,521
Investment properties	*420,108,326*	*51,407,814*	*0*	*0*	*471,516,140*
Investment properties - project developments	*0*	*56,210,609*	*4,715,000*	*0*	*60,925,609*
Investment properties - rights in rem	*839,838*	*572,934*	*0*	*0*	*1,412,772*
Other assets				215,362,435	215,362,435
TOTAL EQUITY AND LIABILITIES				**749,216,956**	**749,216,956**
Shareholders Equity				369,779,481	369,779,481
Liabilities				379,437,475	379,437,475

			31/12/2019		
	Belgium	The Netherlands	Spain	Non allocated amounts	Total
TOTAL ASSETS	**299,366,869**	**57,878,801**	**0**	**215,630,190**	**572,875,859**
Investment properties	299,366,869	57,878,801	0	0	357,245,670
Investment properties	*284,403,034*	*28,094,230*	*0*	*0*	*312,497,264*
Investment properties - project developments	*13,771,920*	*29,290,521*	*0*	*0*	*43,062,441*
Investment properties - rights in rem	*1,191,915*	*494,050*	*0*	*0*	*1,685,965*
Other assets				215,630,190	215,630,190
TOTAL EQUITY AND LIABILITIES				**572,875,859**	**572,875,859**
Shareholders Equity				266,291,362	266,291,362
Liabilities				306,584,497	306,584,497

(1) Due to a reclassification between 'Provisions' (on the liabilities side) on the one hand and 'Trade receivables' (on the assets side) on the other hand, the figures as at 31 December 2019 were also adjusted to allow for correct comparability.

Note 4: Financial risk management

The list of risks described in this chapter is not exhaustive. Within the framework of the Prospectus Regulation, the Company has limited itself to the financial risks that are specific to the Company and therefore not to the general real estate sector, RREC-sector or all listed companies and those that are also material. The operational and regulatory risks are described in chapter 'I. Risk factors' on page 8 and following of the annual financial report.

T 4.1 RISKS ASSOCIATED WITH COVENANTS AND STATUTORY FINANCIAL PARAMETERS

T 4.1.1 DESCRIPTION OF THE RISK

This risk can be described as the risk of non-compliance with statutory or contractual requirements to comply with certain financial parameters in relation to the credit contract.

The following parameters were included in the covenants:

- A maximum debt ratio of 60%. As at 31 December 2020, the maximum consolidated debt ratio of the Company was 46.31%, resulting in an available scope of €256.5 million.
  The limitation of the debt ratio to 60% is included in the loans for a total sum of €348,340,230 on 31/12/2020 (shown for a sum of €123,340,230, or 37.3% of the total financial debts). For more information on the debt ratio, reference is made to 'T 4.2 Risks associated with the evolution of the debt ratio' on page 182. An interest coverage ratio (being the operating result before the result on the portfolio, divided by the interest charges paid) of at least 2.
- On 31 December 2020 the interest coverage ratio was 4.27 and on 31 December 2019 this amounted to 4.22. The Company's interest charges must increase by €8,073,864, from €7,099,028 to €15,172,892 in order to reach the required minimum of 2. However, severe and abrupt pressure on the operating result could jeopardise compliance with the interest coverage ratio parameter. The operating result for the portfolio must fall by more than half (53%) from €30,345,783 to € 14,198,056 before the limit of 2 is reached in terms of the interest coverage ratio.

T 4.1.2 POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns any cancellation of loans and damaged trust between investors and bankers on non-compliance with contractual covenants. It is possible that the Company would no longer be able to raise the external financing necessary for its growth strategy on favourable terms or that the market conditions are of a nature that necessary external financing can no longer be found for the activities of the Company.

The Company runs the risk of the termination, renegotiation or cancellation of financing agreements or that these contain an obligation to make early repayment if certain undertakings, such as compliance with financial ratios, are not met. This could lead to liquidity problems, in view of the similar character in the covenants of the financial institutions of the maximum debt ratio or interest cover ratio of a cumulative nature and could force the Company to liquidate fixed assets (e.g., sale of real estate) or to implement a capital increase or other measures in order to bring the debt level below the required threshold.

There is also a possibility that the regulator will impose sanctions or tighter supervision in the event of failure to comply with certain statutory financial parameters (e.g., compliance with the statutory debt ratio, as laid down in Article 13 of the RREC Royal Decree).

The consequences for the shareholders could include a reduction in the equity and, therefore, net asset value, because a sale must take place at a price below that book value, a dilution can take place because a capital increase will have to be organised and this will have an impact on the value of the shares and the future dividend prospects.
The Company assesses the probability of this risk factor as average. The impact of the intrinsic risk is assessed as high.

T 4.1.3 RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

In order to limit these risks, the Company pursues a prudent financial policy with continual monitoring in order to comply with the financial parameters of the covenants.
The Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk as described above, as average in terms of probability and as high in terms of its impact.

T 4.2 RISKS ASSOCIATED WITH THE EVOLUTION OF THE DEBT RATIO

T.1.1.1 DESCRIPTION OF THE RISK

The Company's borrowing capacity is limited by the statutory maximum debt ratio of 65% which is permitted by the RREC legislation. At the same time, thresholds have been set in the financing contracts concluded with financial institutions. The maximum debt ratio imposed by the financial institutions is 60% (see also 'T 4.1 Risks associated with covenants and statutory financial parameters' on page 181).

The Company runs the risk of the termination, renegotiation or cancellation of financing agreements or that these contain an obligation to make early repayment if certain undertakings, such as compliance with financial ratios included in covenants, are not met. On exceeding the statutory maximum threshold of 65%, the Company runs the risk of losing its RREC certificate through withdrawal by the FSMA.

In general, it is possible that the Company would no longer be able to raise the external financing necessary for its growth strategy on favourable terms or that the market conditions are of a nature that necessary external financing can no longer be found for activities of the Company. The Company runs the risk of the termination, renegotiation or cancellation of financing agreements or that these contain an obligation to make early repayment if certain undertakings, such as compliance with financial ratios, are not met.

As at 31 December 2020, the consolidated debt ratio was 46.31%. In January 2021, the Company also increased its capital by €42,087,805 through a contribution in kind as a result of which the margin again increased to 60% (i.e., €63.1 million). As at 31 December 2019, the consolidated debt ratio was 49.32%.
As at 31 December 2020, the Company had an extra debt capacity of €256.5 million before reaching a debt ratio of 65% and of €151.8 million before reaching a debt ratio of 60%.

The value of the real estate portfolio also has an impact on the debt ratio.

Taking account of the capital base as at 31 December 2020, the maximum debt ratio of 65% would be exceeded only with a potential fall in the value of the real estate portfolio of about €215.5 million, or 40.4% of the real estate portfolio of €533.9 million as at 31 December 2020. With a fall in the value of about €171 million, or 32.0% of the property portfolio, the debt ratio of 60% would be exceeded.

The Company does wish to note that it has contracted payment obligations for the unrealised part of the developments that it has already included in its balance sheet, representing €47.4 million. In addition, the Company has acquired a number of projects under suspensory conditions, for which the estimated cash-out amounts to €53.5 million. As a result, the available capacity for the debt ratio is €155.6 million before reaching a debt ratio of 60% and €299.1 million before reaching a debt ratio of 65%.

T 4.2.1 POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns the risk that statutory sanctions may be imposed if certain thresholds are exceeded (including a prohibition of payment of a dividend) or that a breach of certain conditions of the financing contracts is committed.

Like all public RRECS, Care Property Invest is subject to tighter supervision by the supervisory authority of compliance with these maximum debt levels.
The Company assesses the probability of this intrinsic risk factor as low and the impact of the intrinsic risk as high.

T 4.2.2 RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

In this case too, it pursues a prudent financial policy with continual monitoring of all planned investments and earnings forecasts, and the coordination of the possibility of a capital increase under the forms permitted by the RREC legislation in order to avoid any statutory sanctions for exceeding this maximum limit at all times.

The Company estimates the residual risk, i.e., taking account of the limiting factors as described above, associated with the risk as low in terms of probability and high in terms of impact.

T 4.3 RISKS ASSOCIATED WITH THE COST OF THE CAPITAL

T 4.3.1 DESCRIPTION OF THE RISK

This risk can be described as the risk of unfavourable fluctuations in interest rates, an increased risk premium in the stock markets and/or an increase in the cost of the debts.

T 4.3.2 POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns a material increase in the weighted average cost of the Company's capital (equity and debts) and an impact on the profitability of the business as a whole and of new investments.

As at 31 December 2020, the fixed-interest and floating rate loans accounted for 51.59% and 48.41% of the total financial liabilities respectively. The percentage of floating rate debt contracted that was converted into a fixed-interest instrument (in relation to the total financial debt) via a derivative instrument amounted to 47.47% as at 31 December 2020. An increase in the interest rate of 1%, without taking into account the hedging instruments, would mean an extra financing cost for the Company of €121,470. The conclusion relating to this cost can be extended on a linear basis to sharper changes in the interest rate. Such an increase will have an impact on the adjusted EPRA Earnings and, therefore, on the scope for the Company to pay a dividend of €0.001 per share.

A change in the interest curve of 1% (upward) would have an impact on the fair value of the credit portfolio of approximately €11.8 million.

The conclusion relating to the impact of the change in the interest curve can be continued on a linear basis. An increase in interest rates would have a positive effect on the status of the global result via the variations in the fair value of financial assets/liabilities, amounting to €0.821 per share, but a negative influence on the distributable result and also on the global result through the increase of part of the net interest costs that is exposed to fluctuations in interest rates, amounting to €0.001, so that the overall effect on the global result of an increase in the interest rate of 1% would amount to €0.820 per share. A fall in interest rates would have a negative impact on the status of the global result amounting to €0.940 per share, but a positive influence on the distributable result and also on the global result, amounting to €0.001, so that the overall effect on the global result of a fall in the interest rate of 1% would amount to €-0.939 per share.

The increase in the required risk premium on the stock markets could result in a fall in the price of the share and make financing of new acquisitions more costly for the Company.

The Company assesses the probability of this intrinsic risk factor as average and its intrinsic impact also as average.

T 4.3.3 RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

With regard to the initial portfolio[1], Care Property Invest protects itself against interest rate rises through the use of fixed-interest contracts or swaps. For the initial portfolio, only the renewable loans at Belfius, amounting to €6,890,000, are subject to a limited interest risk, as these loans are subject to review every three years. For the new portfolio,[2] the outstanding commercial paper of €92 million and a roll-over credit of €30 million are subject to changes in interest rates on the financial markets. Care Property Invest aims to hedge itself against fixed interest rates for at least 80% via swaps. In this way the Company wishes to anticipate the risk that the increase in interest rates will be primarily attributable to an increase in real interest rates.

There are also 10 renewable loans for the new portfolio. Care Property Invest monitors movements in interest rates with close attention and will hedge itself against timely any excessively high increase in interest rates.

Further notes on the credit lines are provided in Chapter VII. Financial statements, with 'Note 5: Notes to the consolidated financial statements' on page 186, 'T 5.11 Net interest expense' on page 190, 'T 5.28 Financial liabilities' on page 202 and 'T 5.18 Financial fixed assets and other non-current financial liabilities' on page 195. If the increase in interest rates results from an increase in the level of inflation, the indexation of the rental income also serves as a tempering factor, albeit only after the indexation of the lease agreements can be implemented, so that there is a delaying effect here.

In general, Care Property Invest aims to build up a relationship of trust with its bank partners and investors and maintains a continual dialogue with them in order to develop a solid long-term relationship.

Nevertheless, the Company continues to regard this risk as material.

(1) The initial portfolio concerns the finance leases (with a balance sheet value of €156,518,610 and a generated rental income stream of €14,514,696 as at 31/12/2020) that the Company concluded until 2014.

(2) The new portfolio as referred to here concerns the finance leases (with a balance sheet value) of €30,837,143 and a generated rental income stream of €1,270,535 as at 31/12/2020) and the investment properties (with a balance sheet value of €533,854,521 and a generated rental income flow of €20,417,865 as at 31/12/2020) that the Company acquired after 2014.

T 4.4 RISKS ASSOCIATED WITH THE USE OF DERIVATIVE FINANCIAL PRODUCTS

T 4.4.1 DESCRIPTION OF THE RISK

This risk can be described as the risks of the use of derivatives to hedge the interest rate risk. The fair value of the derivative products is influenced by fluctuations in interest rates in the financial markets. The fair value of the derivative financial products amounted to €-27,975,990 as at 31 December 2020, compared with €-22,617,736 as at 31 December 2019. The change in the fair value of the derivative financial products amounted to €-5,358,254 as at 31 December 2020.

T 4.4.2 POTENTIAL IMPACT FOR THE COMPANY

The potential impact concerns the complexity and volatility of the fair value of the hedging instruments and consequently, also the net asset value (NAV), as published under the IFRS standards and also the counter-party risk in relation to partners with which we contract derivative financial products. The fall in the fair value of the derivative products amounting to €5,358,254 represents a fall in the net result and the net asset value per share of €0.23 per share, without having an impact in the adjusted EPRA Earnings and, therefore, the capacity of the Company to pay its priority dividend. An increase in market interest rates by 1% results in an increase in the fair value of the derivative financial products amounting to €18,980,121 or €0.82 per share and an increase in the net asset value per share amounting to €0.79 per share. A fall in market interest rates by 1% results in a diminution in the fair value amounting to €21,725,057 or €0.94 per share and a fall in the net asset value per share amounting to €0.90.

The Company assesses the probability of this intrinsic risk factor as average and its impact also as average.

T 4.4.3 RESTRICTIVE MEASURES AND MANAGEMENT OF THE RISK

All derivative financial products are held solely for hedging purposes. No speculative instruments are held. All derivative financial products are interest rate swaps and loans taken up with a fixed forward interest rate. Care Property Invest also works only with reputable financial institutions (Belfius Bank, KBC Bank, BNP Paribas Fortis and ING).

The Company conducts frequent talks with these financial institutions on the evolution of the interest rates and the impact on the existing derivative financial products. The Company also monitors the relevant interest rates itself.

However, the COVID-19 crisis causes greater volatility and pressure on the interest rates, so that this monitoring becomes all the more important in order to counter the volatility.
Nevertheless, the Company estimates the residual risk, i.e., taking account of the limiting factors and the management of the risk as low in terms of probability and average in terms of impact.

Note 5: Notes to the consolidated financial statements

T 5.1 NET RESULT PER SHARE

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT / GLOBAL RESULT	**19,864,912**	**26,959,453**
Net result per share based on weighted average shares outstanding	**0.8598**	**1.3222**
Gross yield compared to the initial issuing price in 1996	*14.45%*	*22.22%*
Gross yield compared to stock market price on closing date	*3.20%*	*4.48%*

T 5.2 COMPONENTS OF THE NET RESULT

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT / GLOBAL RESULT	**19,864,912**	**26,959,453**
NON-CASH ELEMENTS INCLUDED IN THE NET RESULT	**3,094,548**	**-8,256,201**
Depreciations, impairments and reversal of impairments	*211,654*	*180,950*
Changes in fair value of investment properties	*-2,598,197*	*-10,129,700*
Changes in fair value of authorised hedging instruments	*5,358,254*	*3,061,553*
Projects' profit or loss margin attributed to the period	*122,836*	*-1,644,083*
Provisions	*0*	*521*
Other result on portfolio	*0*	*274,559*
ADJUSTED EPRA EARNINGS	**22,959,461**	**18,703,252**
Adjusted EPRA earnings per share based on weighted average number of outstanding shares	**0.9937**	**0.9173**
Gross yield compared to the initial issuing price in 1996	*16.70%*	*15.42%*
Gross yield compared to stock market price on closing date	*3.69%*	*3.11%*

The weighted average number of outstanding shares was 20,389,088 as at 31 December 2019 and increased to 23,105,198 shares as at 31 December 2020. The number of shares amounted to 20,394,746 as at 31 December 2019 (including 5,658 treasury shares) and increased to 24,110,034 shares as at 31 December 2020 (including 6,878 treasury shares).

The number of shares changed as a result of (i) a capital increase in kind for the purchase of the residential care centres with assisted living apartments 'La Reposée' and 'New Beaugency', located in Mons and Bernissart respectively, for which 1,250,376 shares were issued on 15 January 2020, (ii) an optional dividend for the financial year 2019 which was successfully completed on 19 June 2020 and led to the issue of 273,091 new shares and (iii) a capital increase in cash through an accelerated private placement for which 2,191,821 new shares were issued on 25 June 2020. The shares issued under (i) are entitled to dividends for the entire 2020 financial year (coupon 12 et seq.), those issued under (ii) and (iii) share in the result as of 29 May 2020 (coupon 13 et seq.).

The gross return is calculated in table 'T 5.1. Net result per share on a consolidated basis' by dividing the net result per share by the initial issue price in 1996 (i.e., €5.9495) on the one hand and the market value on the closing date on the other hand. In table 'T 5.2. Components of the net result', the gross yield is calculated by dividing the adjusted EPRA earnings per share by the initial issue price in 1996 (i.e., €5.9495), on the one hand, and the market capitalisation on the closing date, on the other. The share price was € 26.90 on 31 December 2020 and € 29.50 on 31 December 2019. There are no instruments that have a potentially dilutive effect on the net result per share.

T 5.3 RENTAL INCOME

Amounts in EUR	31/12/2020	31/12/2019
Rental income and rental discounts for investment properties	**20,417,865**	**14,330,771**
Rent	20,530,990	14,428,804
Rental discounts	-113,125	-98,033
Income from financial leases and other similar leases	**15,785,231**	**15,150,984**
Ground rent	15,785,231	15,150,984
TOTAL	**36,203,096**	**29,481,755**

The item 'Rental income and rental discounts for investment properties' concerns the income from I.C. Investment properties, accounted for in accordance with IAS 40. As at 31 December 2020, these accounted for 56.40% of the Company's total rental income.

The item "Rental income from finance leases and similar' concerns the rental income from buildings, which the Company owns and which it issues as lessor and were recorded as rental income in the global result statement, as they relate to recurring income that the Company receives from its buildings(1). This rental income relates on the one hand to the portfolio built up until 2014 with local PCSWs (public centre for social welfare -local governments) and charitable non-profit organisations (initial portfolio(2)) and on the other hand to new leases entered into after 2014 (new portfolio(3)), all of which are generated by I.F. Finance lease receivables in the consolidated balance sheet. For the finance leases from the new portfolio, the ground rent payments are split between "investment value" and "income": the investment part is booked under I.F. Finance lease receivables in the balance sheet, the income part is booked under I. Rental income in the global result statement. As at 31 December 2020, the ground rent received by the Company from its finance leases represents 43.60% of the total rental income of the Company.

The 22.80% increase in rental income is the result of the growth of the portfolio during the 2020 financial year and the indexation of existing rental income.

Future ground rent receipts (in accordance with IFRS 16)

Amounts in EUR	31/12/2020	31/12/2019
Future ground rent and rent payments	**176,650,302**	**181,626,884**
Expiring < 1 year	10,994,953	10,771,091
Expiring between 1 year and 5 years	43,979,812	43,084,363
Expiring > 5 years	121,675,537	127,771,431

Future ground rents are at least equal to the contractually agreed ground rents for the entire duration of the project and do not take into account annual index adjustments. For the finance leases from the new portfolio, these also include the repayment of the investment, which at the time of receipt will be written off from I.F. Finance lease receivables in the balance sheet.

(1) For a comprehensive legal analysis, see chapter 'III. Report of the Board of Directors' under '1. Strategy: Care building in complete confidence' on page 32.

(2) The initial portfolio concerns the financial leases (with a balance sheet value of € 156,518,610 at 31/12/2020 and a generated rental income of €14,514,696) concluded by the Company until 2014.

(3) The new portfolio as referred to here concerned the financial leases (with as at 31/12/2020 a balance sheet value of €30,837,143 and a generated rental income of €1,270,535).

T 5.4 RECOVERY OF RENTAL CHARGES AND TAXES NORMALLY BORNE BY THE TENANT ON LET PROPERTIES

Amounts in EUR	31/12/2020	31/12/2019
Recuperated withholding tax	333,381	132,399
Recuperated other costs	217,867	233,676
TOTAL	**551,247**	**366,076**

T 5.5 RENTAL CHARGES AND TAXES NORMALLY PAYABLE BY THE TENANT ON LET PROPERTIES

Amounts in EUR	31/12/2020	31/12/2019
Withholding tax to recover	-333,381	-132,399
Other costs to recuperate	-217,867	-233,676
TOTAL	**-551,247**	**-366,076**

T 5.6 GENERAL EXPENSES OF THE COMPANY

Amounts in EUR	31/12/2020	31/12/2019
Auditor's fee	-95,590	-121,344
Fees for notary, lawyers and architects	-146,955	-140,149
External advice	-361,892	-222,379
Public relations, communications & marketing	-193,370	-213,035
IT	-162,585	-85,766
Costs linked to the status of the RREC	-419,353	-144,049
Costs of real estate expert	-150,846	-86,067
Remuneration of directors, CEO and Executive Committee members	-2,895,200	-1,867,462
Remuneration	-1,669,955	-1,313,190
Depreciations and impairments	-208,438	-180,950
Other general operating expenses	-913,276	-555,044
TOTAL	**-7,217,459**	**-4,929,433**

Costs relating to acquisitions are activated in accordance with IAS 40.

For additional explanations on the remuneration of the Directors and the Executive Committee, we refer to chapter 'III. Report of the Board of Directors' under point '11.11 Remuneration report 2020' on page 104.

Care Property Invest has taken out a defined contribution type group insurance policy ('Defined Contribution Plan') for its permanent staff with Belfius Bank & Insurance. The contributions to this plan are entirely at the expense of Care Property Invest. In particular, no own contributions are paid by the employee. Belfius Bank has confirmed that as at 31 December 2020 the minimum return, including profit participation, has been achieved. In other words, no provision needs to be made.

T 5.7 OTHER OPERATING EXPENSES AND INCOME OF THE COMPANY

Amounts in EUR	31/12/2020	31/12/2019
Costs	**-1,647,358**	**-12,725,588**
Taxes	-43,298	-53,367
Costs to be charged on	-4,620	-2,866
Real estate leases - loss margin attributed to the period	-1,023,207	-1,266,803
Cost of projects under construction	-567,453	-11,360,909
Provisions	0	-521
Other operating expenses	-8,780	-41,122
Income	**3,009,788**	**14,344,018**
Costs charged on	9,720	2,866
Project management fees	1,529,761	47,190
Real estate leases - profit margin attributed to the period	900,370	2,910,887
Capitalised costs of projects under contstruction	499,029	11,360,909
Other operating income	70,909	22,166
TOTAL	**1,362,430**	**1,618,430**

The other operating expenses consist mainly of the loss margin for the projects allocated to the period as well as the construction costs of the projects under development. The latter amount to €567,453 for the 2020 financial year, of which €499,029 was capitalised to the other operating income.

In addition to the activation of the construction costs of the projects, the other operating income consists mainly of the fees for sub-projects and the profit margin for the projects allocated to the period. In addition to the actual fees received for the management and execution of the projects, the reimbursements for sub-projects mainly consist of the recovery of pre-financing costs for an amount of €1,092,642.

The profit/loss margin on the projects results from the further development of these projects. These are unrealised income/expenses and are therefore corrected in the adjusted EPRA earnings and consequently do not qualify for distribution of dividend.

T 5.8 CHANGES IN THE FAIR VALUE OF INVESTMENT PROPERTIES

Amounts in EUR	31/12/2020	31/12/2019
Positive variations in the fair value of investment properties	12,694,231	13,821,805
Negative variations in the fair value of investment properties	-10,096,034	-3,692,105
TOTAL	**2,598,197**	**10,129,700**

The real estate experts value the Company's investment properties on its balance sheet on a quarterly basis in accordance with IAS 40. An administrative correction was made for rent-free periods awarded to operators of the real estate, as the real estate expert already takes account of the future cash flows (including rent discounts) and double counting would otherwise occur.

T 5.9 OTHER PORTFOLIO RESULT

Amounts in EUR	31/12/2020	31/12/2019
Other result on portfolio	0	-274,559
TOTAL	**0**	**-274,559**

T 5.10 FINANCIAL INCOME

Amounts in EUR	31/12/2020	31/12/2019
Interest and dividends received	90	20,693
TOTAL	**90**	**20,693**

T 5.11 NET INTEREST EXPENSE

Amounts in EUR	31/12/2020	31/12/2019
Nominal interest charges on loans	**-4,550,370**	**-4,086,802**
Bonds - fixed interest rate	-364,235	-347,526
Commercial paper - floating interest rate	-297,848	-144,825
Investment loans - fixed interest rate	-3,680,584	-3,545,756
Investment loans - floating interest rate	-207,703	-48,696
Cost of authorised hedging instruments	**-2,493,935**	**-2,070,323**
Authorised hedging instruments that are not subject to hedge accounting as defined in IFRS	-2,493,935	-2,070,323
Other interest charges	**-54,723**	**-48,550**
TOTAL	**-7,099,028**	**-6,205,675**

The weighted average interest rate (including IRSs) as at 31 December 2020 is 2.22% and the average remaining duration is 6.33 years.

The costs and revenues of financial instruments used for hedging purposes are interest flows paid or received by the Company in relation to derivatives that are presented and analysed in the notes to the liabilities in item 'T 5.18 Financial fixed assets and other non-current financial liabilities' on page 195.

T 5.12 OTHER FINANCIAL COSTS

Amounts in EUR	31/12/2020	31/12/2019
Bank charges and other commissions	-535,760	-244,039
TOTAL	**-535,760**	**-244,039**

T 5.13 CHANGES IN THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Changes in the fair value : interest rate swap (positive)	0	457,333
Changes in the fair value : interest rate swap (negative)	-5,358,254	-3,518,886
TOTAL	**-5,358,254**	**-3,061,553**

T 5.14 TAXES

Amounts in EUR	31/12/2020	31/12/2019
Parent company	**76,268**	**-28,826**
Result before tax	19,799,959	26,711,375
Result exempt from tax thanks to the RREC regime	-19,799,959	-26,711,375
Taxable result in Belgium related to non-deductible expenses	109,918	76,576
Belgian taxes due and deductible	-27,479	-22,651
Other	103,747	-6,175
Subsidiaries	**13,973**	**-136,922**
Belgian taxes due and deductible	12,419	-135,244
Foreign taxes due and deductible	1,554	-1,678
Corporate income tax	90,241	-165,748
Exit tax	-176,357	589,882
TOTAL	**-86,116**	**424,134**

The corporate income tax consists of the taxes payable on the rejected expenses of Care Property Invest (as a RREC, it is only taxed on the rejected expenses, abnormal gratuitous benefits and secret commissions), the tax on the profits of the consolidated subsidiaries and the tax on profits earned abroad. The applicable corporate income tax rate is 25% for the 2020 financial year (29.58% for the 2019 financial year).

The positive variation of the exit tax in 2019 is due to the reduction of the applicable exit tax rate from 16.995% to 12.75%, which is payable in the case of a silent merger or when a company is converted to specialised property investment fund status (in Dutch: GVBF-status). As of the 2020 financial year (the 2021 fiscal year) the applicable exit tax rate has risen again and amounts to 15%.

T 5.15 INTANGIBLE FIXED ASSETS

Amounts in EUR	31/12/2020	31/12/2019
Book value at the beginning of the financial year	**174,260**	**145,479**
Gross amount	221,553	157,288
Accumulated depreciation	-47,292	-11,809
Investments	36,393	64,265
Depreciation	-52,196	-35,483
Book value at the end of the financial year	**158,457**	**174,260**
Gross amount	257,946	221,553
Accumulated depreciation	-99,488	-47,292

The intangible fixed assets relate to licences.

T 5.16 INVESTMENT PROPERTIES

Amounts in EUR	2020 Real estate in operation	2020 Project Developments	2020 Rights in rem	2019 Real estate in operation	2019 Project Developments	2019 Rights in rem
Book value on 1 January	**312,497,264**	**43,062,441**	**1,685,965**	**257,331,510**	**13,761,157**	**338,556**
Acquisitions through purchase or contribution	139,392,756	30,659,664	21,615	45,999,683	28,353,337	1,596,162
Change in fair value excl. rental discount	3,243,279	3,586,346	-294,808	9,166,071	947,946	-82,141
Transfer to/from other items (1) (2)	16,382,841	-16,382,841				-166,612
Book value on 31 December	**471,516,140**	**60,925,609**	**1,412,772**	**312,497,264**	**43,062,441**	**1,685,965**

(1) Entry into operation of the 'Nuance' project in Vorst in 2020.

(2) Adjustments due to the capitalisation of costs in 2019.

Investment properties are recorded at fair value, using the fair value model, in accordance with the IAS 40 Standard. The fair value is supported by market data and is based on the valuation performed by an independent real estate expert with a relevant and recognised professional qualification who has recent experience in the location and nature of similar investment properties.

The valuations were carried out at the time of the Covid-19 pandemic and, given the uncertain impact on the financial markets and economy, should be interpreted with caution. The circumstances and references during this valuation exercise are unclear, so the real estate expert Stadim recommends to closely monitor the valuations in the coming period (acc. RICS Red Book Global Material Valuation Uncertainty VPS3 and VPGA 10).

The portfolio was valued by Stadim and Cushman & Wakefield at 31 December 2020 for a fair value of €533.9 million (including the rights in rem which are also classified as investment properties in accordance with IFRS 16). The capitalisation rate applied to the contractual rents is on average 5.11% for 2020 compared to 5.46% for 2019.

The positive variation in the valuation of the investment properties can be explained by the sharpening of the return of healthcare properties in the investment market and the latent capital gain on project developments.

The acquisitions and investments of the financial year are discussed in chapter 'III. Report of the Board of Directors' under '2. Important events' on page 40. For further explanation of the project developments, we also refer to the chapter 'VI. Real estate report' at point '3.2 Table summarising the projects under development' on page 149.

The investment property rights in rem concern leasehold agreements of the Company that are capitalised under the Investment properties in accordance with IFRS 16. A leasehold obligation is also linked to this on the liabilities side of the balance sheet.

The fair value is determined using unobservable inputs, as a result of which the assets within the investment properties are considered to be 'level 3' on the fair value scale defined by IFRS 13. During the 2020 financial year there were no shifts between levels 1, 2 and 3. The evaluation methods are mentioned in chapter 'VIII. Permanent document under the point 'Valuation method' on page 234 of this annual financial report.

The main quantitative information on the valuation of the fair value of the investment properties based on unobservable data (level 3) and of those presented below are data from the report of the independent real estate expert.

Financial year as closed on 31 December 2020						
Type of asset	**Fair value on 31 Dec 2020 (x €1,000)**	**Evaluation method**	**Unobservable data**	**Min**	**Max**	**Weighted average**
Housing for seniors - Investment properties	471,516	DCF (1)	GHW/m²	93.1	259.4	135.3
			m²	942	16,568	5,686
			Inflation	1.25%	1.25%	1.25%
			Discounting level	4.39%	6.13%	5.06%
			Remaining duration (years)	9.4	29.0	24.2
Housing for seniors - Project developments	60,925	DCF (1)	GHW/m²	74.2	355.3	141.2
			m²	1,060	11,790	3,563
			Inflation	1.25%	1.98%	1.27%
			Discounting level	5.02%	5.56%	5.57%

Discounting of estimated cash flows

Financial year as closed on 31 December 2019						
Type of asset	**Fair value on 31 Dec 2019 (x €1,000)**	**Evaluation method**	**Unobservable data**	**Min**	**Max**	**Weighted average**
Housing for seniors - Investment properties	312,497	DCF (1)	GHW/m²	92.6	261.0	132.7
			m²	1,411	16,568	5,930
			Inflation	1.25%	1.25%	1.25%
			Discounting level	4.72%	6.05%	5.04%
			Remaining duration (years)	10.4	29.1	24.1
Housing for seniors - Project developments	43,062	DCF (1)	GHW/m²	94.1	364.7	148.5
			m²	1,060	7,239	3,675
			Inflation	1.25%	1.25%	1.25%
			Discounting level	4.80%	5.55%	6.01%

(1) Discounting of estimated cash flows

An occupancy rate of 100% is taken into account for the valuation of the buildings.

The differences between the minimum and maximum values are explained by the fact that the different parameters applied in the discounted cash flow method depend on the location of the assets, the quality of the building and the operator, the duration of the lease agreement, etc. Moreover, these unobservable data may be linked because they are partly determined by market conditions.

In accordance with the legal provisions, the buildings are valued at fair value on a quarterly basis by independent real estate experts appointed by the Company.

These reports are based on information provided by the Company, such as contractual rents, tenancy contracts, investment budgets, etc. These data are derived from the Company's information system and are therefore subject to its internal control environment. Furthermore, the reports were based on assumptions and evaluation models developed by the independent experts based on their professional judgment and market knowledge. The reports of the independent experts are checked by the Company's Executive Committee. If the Committee takes the view that the reports of the independent expert are coherent, they are submitted to the Board of Directors.

The sensitivity of the fair value to a variation in the principal unobservable data disclosed is generally presented (if all parameters remain the same) as the effect on decrease or increase, as shown below.

Unobservable data	Fair value impact on decrease	Fair value impact on increase
ERV (Estimated Rental Value) m_2	Negative	Positive
Inflation	Negative	Positive
discount rate	Positive	Negative
remaining duration (year)	Negative	Positive

A value fluctuation (positive or negative) of 1% of the real estate portfolio would have an impact of about €5,338,545 on the adjusted EPRA earnings, €0.23 on the adjusted EPRA earnings per share and 0.33% on the debt ratio. A fluctuation (positive or negative) of 1% financial return would have an impact of about 16.1% on the value of the investment properties.

T 5.17 OTHER TANGIBLE FIXED ASSETS

Amounts in EUR	31/12/2020	31/12/2019
Tangible fixed assets for own use		
Book value at the beginning of the financial year	**2,031,811**	**2,030,107**
Gross amount	2,544,161	2,396,990
Accumulated depreciation	-512,350	-366,883
Investments	388,110	147,171
Divestments	-56,378	0
Depreciation	-166,813	-145,466
Reversal of depreciations for divestments	49,305	
Book value at the end of the financial year	**2,246,034**	**2,031,811**
Gross amount	2,875,892	2,544,161
Accumulated depreciation	-629,858	-512,350
Project developments		
Book value at the beginning of the financial year	**7,877,785**	**7,094,132**
Investments	0	11,912,784
Completions	-7,852,796	-11,129,131
Book value at the end of the financial year	**24,989**	**7,877,785**

T 5.18 FINANCIAL FIXED ASSETS AND OTHER NON-CURRENT FINANCIAL LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Loans and receivables	**177,036**	**175,971**
Deposits	177,036	175,971
Assets at fair value through result	**0**	**457,333**
Hedging instruments	0	457,333
TOTAL FINANCIAL FIXED ASSETS	**177,036**	**633,303**
Liablities at fair value liabilities through result	**27,975,990**	**23,075,069**
Hedging instruments	27,975,990	23,075,069
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	**27,975,990**	**23,075,069**

The deposits are a guarantee paid by the Company to a municipal authority upon delivery of a building permit.

The assets and liabilities at fair value through the result consist of hedging instruments that are not accounted for in accordance with hedging accounting in application of IFRS 9. The purpose of these instruments is to hedge the Company against interest rate risks. In order to hedge the risk of rising interest rates, the Company has opted for hedging instruments in which the debt at a variable interest rate is converted into a debt at a fixed interest rate ('cash flow hedge').

In accordance with IFRS 9, the fair value of financial instruments is included under the item financial assets (in case of a positive valuation) or under the item long-term financial liabilities (in case of a negative valuation). Changes in these fair values are accounted for via the changes in fair value of financial assets and liabilities in the global result statement (see note 'T 5.13 Changes in the fair value of financial assets and liabilities' on page 190).

The financial instruments are considered to be 'level 2' on the fair value scale as defined by IFRS 13. All hedges are entered into within the framework of financial risk management as described under 'Note 4: Financial risk management' on page 181. The fair value of the instruments is calculated by the banks on the basis of the present value of the estimated future cash flows. In accordance with IFRS 13, an adjustment is made to the fair value to reflect the bank's own credit risk ('debit valuation adjustment' or 'DVA') and the counterparty's credit rating ('credit valuation adjustment' or 'CVA').
The following is an overview of the hedging instruments held by the Company as at 31 December 2020.

IRS payer	Amount of the loan	Expiration date	Interest rate payable	Interest receivable	Remaining term - number of years	Valuation on 31/12/2020
Belfius	1,187,486	1/02/2033	5.100%	EURIBOR 1M + 25 bp	12.10	-774,682
Belfius	1,213,165	3/08/2026	5.190%	EURIBOR 1M + 110 bp	5.59	-336,382
Belfius	1,511,366	2/10/2034	4.850%	EURIBOR 1M + 25 bp	13.76	-990,912
Belfius	1,618,799	2/05/2033	4.620%	EURIBOR 1M + 25 bp	12.34	-952,837
Belfius	1,667,307	2/05/2035	4.315%	EURIBOR 1M + 12 bp	14.34	-1,064,103
Belfius	1,736,652	2/01/2036	5.050%	EURIBOR 1M + 12 bp	15.01	-1,376,112
Belfius	1,885,159	3/10/2033	4.300%	EURIBOR 1M + 25 bp	12.76	-1,026,872
Belfius	2,067,360	2/11/2032	4.040%	EURIBOR 1M + 25 bp	11.85	-986,693
Belfius	2,147,305	3/04/2034	4.065%	EURIBOR 1M + 25 bp	13.26	-1,183,843
Belfius	2,283,967	1/10/2036	5.010%	EURIBOR 1M + 12 bp	15.76	-1,782,026
Belfius	2,406,537	1/08/2036	4.930%	EURIBOR 1M + 12 bp	15.59	-1,850,100
Belfius	2,993,024	1/03/2035	4.650%	EURIBOR 1M + 25 bp	14.17	-2,007,674
Belfius	3,003,108	1/12/2034	4.940%	EURIBOR 1M + 25 bp	13.93	-2,001,501
Belfius	3,061,479	1/02/2027	5.260%	EURIBOR 1M + 110 bp	6.09	-1,009,536
Belfius	3,222,433	31/12/2036	4.710%	EURIBOR 1M + 15.4 bp	16.01	-2,337,912
Belfius	3,786,791	31/12/2036	4.350%	EURIBOR 1M + 12 bp	16.01	-2,554,111
Belfius	5,000,000	23/10/2034	0.255%	EURIBOR 3M	13.82	-265,554
Belfius	5,000,000	23/10/2034	0.310%	EURIBOR 6M	13.82	-295,651
Belfius	5,000,000	4/12/2034	0.310%	EURIBOR 3M	13.93	-298,948
BNP Paribas Fortis	3,685,000	31/03/2026	2.460%	EURIBOR 1M	5.25	-578,502
BNP Paribas Fortis (1)	2,281,000	31/03/2026	2.060%	EURIBOR 1M	5.25	-162,615
BNP Paribas Fortis	2,156,104	30/06/2029	2.530%	EURIBOR 1M	8.50	-534,549
KBC	12,000,000	17/07/2026	0.653%	EURIBOR 3M	5.55	-1,044,881
KBC	8,000,000	29/03/2029	0.488%	EURIBOR 3M	8.25	-564,691
KBC	8,000,000	11/12/2029	0.050%	EURIBOR 3M	8.95	-282,567
KBC	10,000,000	19/02/2030	-0.083%	EURIBOR 3M	9.14	-231,959
KBC	5,000,000	4/03/2030	-0.204%	EURIBOR 3M	9.18	-58,339
KBC	40,000,000	18/06/2035	0.090%	EURIBOR 3M	14.47	-1,176,122
ING	5,000,000	30/09/2029	-0.160%	EURIBOR 3M	8.75	-77,306
ING	10,000,000	28/02/2030	-0.141%	EURIBOR 3M	9.17	-169,014
TOTAL	**156,914,042**					**-27,975,990**

(1) Write-down reference amount over the life of the swap.

The fair value of the hedging instruments is subject to the evolution of interest rates on the financial markets. A change in the yield curve of 0.25% (more positive or negative) would have an impact on the fair value of the loan portfolio of approximately €3.1 million.

T 5.19 FINANCE LEASE RECEIVABLES AND TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

Amounts in EUR	31/12/2020	31/12/2019
Finance lease receivables	187,355,753	183,842,688
Trade receivables and other non-curent assets	15,666,584	15,094,545
TOTAL	**203,022,336**	**198,937,233**

The balance of finance lease receivables and trade receivables consists on the one hand of the investment cost of the building, included under the item 'Finance lease receivables', the profit or loss margin generated during the construction phase and its write-off in relation to the ground rent payments already received, included under the item 'Trade receivables and other non-current assets'.

These buildings, which are owned by the Company, generate rental income, as discussed under 'T 5.3 Rental income' on page 187.

Finance lease receivables

Amounts in EUR	31/12/2020	31/12/2019
Initial portfolio	156,518,610	156,518,610
New portfolio	30,837,143	27,324,078
TOTAL	**187,355,753**	**183,842,688**

In the total amount 'Finance lease receivables' at 31 December 2020, the amount of contractual prepayments of €36,090,772 relating to the initial portfolio has already been deducted.
The amounts mentioned correspond to the repayable nominal final building rights (i.e., the total investment cost less the contractual prepayments received). The increase in the receivables is due to the final settlement of the 'Assistentiewoningen De Stille Meers' project in Middelkerke.

Contrary to the projects in the initial portfolio, for the projects in the new portfolio[1] the ground rent, in addition to a return, also consists of a repayment of the investment value, as a result of which the amount of the receivable will gradually decrease over the duration of the leasehold agreement. For the initial portfolio, the final building right fees must be repaid after the 30-year building period. The average remaining term of the building rights of the projects was 14.13 years as at 31 December 2020.

Amounts in EUR	31/12/2020	31/12/2019
Gross investment (end of building rights, ground rent and rent)	**333,031,060**	**338,007,642**
Expiring < 1 year	*10,994,953*	*10,771,091*
Expiring between 1 year and 5 years	*43,979,812*	*43,084,363*
Expiring > 5 years	*278,056,295*	*284,152,188*

The gross investment in the lease is the aggregate of the minimum lease payments to be received, in this case the nominal value of the final building rights fee, the ground rent and the rent (excluding indexations).

(1) For a comprehensive legal analysis, see chapter 'III. Report of the Board of Directors' under '1. Strategy: Care building in complete confidence' on page 32.

(2) The initial portfolio concerns the financial leases (with a balance sheet value of € 156,518,610 at 31/12/2020 and a generated rental income of € 14,514,696) concluded by the Company until 2014.

(3) The new portfolio as referred to above concerns the financial leases (with as at 31/12/2020 a balance sheet value of € 30,837,143 and a generated rental income of € 1,270,535 and the investment properties (with as at 31/12/2020 a balance sheet value of € 533,854,521 and a generated rental income of € 20,417,865) that the Company acquired after 2014.

Amounts in EUR	31/12/2020	31/12/2019
Fair value of finance lease receivables	287,828,166	286,714,450

The fair value of the finance leases is calculated by discounting the future cash-flows of the delivered projects, including the investment costs included in the item 'Finance lease receivables', at an IRS interest rate as applicable on the closing date, in proportion with the remaining term of the building right term, increased by a risk margin that the bank would charge on the relevant closing date. This calculation is based on a conservative approach as no account is taken of further indexation of future cash flows.

The tables below provide an overview of the IRS interest rates and risk margins that were applied on 31 December 2020.

Initial portfolio[1] (1996-2014)

BULLET	IRS ASK Duration ICAP	Number	Public social welfare centres-surety (in bp)	Number	Other surety (in bp)	Number
Duration 5 years	-0.466%	9	104	8	111	1
Duration 10 years	-0.269%	25	107	23	114	2
Duration 15 years	-0.082%	16	110	15	117	1
Duration 20 years	0.001%	24	117	23	124	1
Duration 25 years	0.004%	2	125	2	133	0
Duration 30 years	-0.024%	0	134	0	142	0
Duration 35 years	-0.053%	0	143	0	151	0
TOTAL		76		71		5

New portfolio[2] (after 2014)

AMORTISING	IRS ASK Duration ICAP	Number	Public social welfare centres-surety (in bp)	Number	Other surety (in bp)	Number
Duration 5 years	-0.493%	0	98	0	103	0
Duration 10 years	-0.385%	0	105	0	111	0
Duration 15 years	-0.255%	0	107	0	114	0
Duration 20 years	-0.156%	0	110	0	117	0
Duration 25 years	-0.098%	1	115	1	122	0
Duration 30 years	-0.073%	4	121	2	128	2
Duration 35 years	-0.065%	0	127	0	134	0
TOTAL		5		3		2

Financial year as closed on	31/12/2020	31/12/2019
Weighted average IRS interest rate	-0.16%	0.46%
Weighted average risk margin	1.15%	0.95%

(1) The initial portfolio concerns the financial leases (with a balance sheet value of €156,518,610 at 31/12/2020 and a generated rental income of €14,514,696) concluded by the Company until 2014.

(2) The new portfolio as referred to above concerns the financial leases (with as at 31/12/2020 a balance sheet value of €30,837,143 and a generated rental income of €1,270,535) and the investment properties (with as at 31/12/2020 a balance sheet value of €533,854,521 and a generated rental income of €1 20,417,865) that the Company acquired after 2014.

Trade receivables and other non-current assets

Amounts in EUR	31/12/2020	31/12/2019
Initial portfolio	9,275,786	9,777,021
New portfolio	6,390,798	5,317,524
TOTAL	15,666,584	15,094,545

T 5.20 TRADE RECEIVABLES

Amounts in EUR	31/12/2020	31/12/2019
Customers	2,430,796	839,359
Revenue to be collected	31,432	1,634
Provision for doubtful debtors	-2,500	-2,500
TOTAL	2,459,728	838,493

The provision (for which the 2019 figures have been reclassified to trade receivables to allow for proper comparability) relates to a provision made in accordance with IFRS 9 in the context of future credit losses. This provision is based on a thorough analysis carried out on Care Property Invest's client portfolio, splitting it into three categories: the initial portfolio[1] made up of contracts with local authorities and the new portfolio[2] which can be split between SMEs and large companies. The entire portfolio of Care Property Invest falls under stage 1 whereby a provision has to be made for the expected loss in the next 12 months. Given the quality of the tenants on the one hand, and the low credit risk associated with finance lease receivables (due to the guarantees provided by the local authorities) on the other, the model of expected credit losses under IFRS 9 has no material impact on the Company. The very limited provision that has been made stems from the limited risk that can be attributed to the 3 categories of the portfolio.

The Board of Directors therefore assumes that the book value of the trade receivables approximates the fair value.

T 5.21 TAX RECEIVABLES AND OTHER CURRENT ASSETS

Amounts in EUR	31/12/2020	31/12/2019
Taxes	**1,020,904**	**1,444,942**
VAT current account	914,426	162,720
Taxes recoverable	106,478	1,282,223
Other miscellaneous receivables	**1,274,086**	**354**
Other miscellaneous receivables	1,274,086	354
TOTAL	2,294,990	1,445,296

(1) The initial portfolio concerns the financial leases (with a balance sheet value of €156,518,610 at 31/12/2020 and a generated rental income of €14,514,696) concluded by the Company until 2014.

(2) The new portfolio as referred to above concerns the financial leases (with as at 31/12/2020 a balance sheet value of €30,837,143 and a generated rental income of €1,270,535) and the investment properties (with as at 31/12/2020 a balance sheet value of €533,854,521 and a generated rental income of € 20,417,865 that the Company acquired after 2014.

T 5.22 CASH AND CASH EQUIVALENTS

Amounts in EUR	31/12/2020	31/12/2019
Current accounts with financial institutions	3,750,641	3,345,940
Cash	1,210	1,255
TOTAL	**3,751,851**	**3,347,195**

Cash and cash equivalents comprise cash assets and the balances of current accounts and are recognised in the balance sheet at nominal value.

T 5.23 PREPAYMENTS AND ACCRUED INCOME

Amounts in EUR	31/12/2020	31/12/2019
Prepaid real estate costs	719,536	212,292
Prepaid interest and other financial costs	28,660	34,092
Other deferred charges and accrued income	477,307	98,428
TOTAL	**1,225,503**	**344,813**

T 5.24 CAPITAL

Evolution of capital		Capital movement	Accumulated number of shares
Date and operation			
30/10/1995	- Incorporation	1,249,383	210
07/02/1996	- Capital increase in cash	59,494,446	10,210
16/05/2001	- Capital increase conversion to euro	566	10,210
24/03/2014	- Share split through division by 1,000	0	10,210,000
20/06/2014	- Optional dividend financial year 2013	889,004	10,359,425
22/06/2015	- Capital increase in cash	16,809,093	13,184,720
15/03/2017	- Capital increase in kind (Watermael-Bosvoorde)	10,971,830	15,028,880
27/10/2017	- Capital increase in cash	25,546,945	19,322,845
03/04/2019	- Capital increase in kind (Immo du Lac)	4,545,602	20,086,876
26/06/2019	- Optional dividend financial year 2018	1,831,673	20,394,746
15/01/2020	- Capital increase in kind (Bergen & Bernissart)	7,439,112	21,645,122
19/06/2020	- Optional dividend financial year 2019	1,624,755	21,918,213
25/06/2020	- Capital increase in cash	13,040,239	24,110,034
TOTAL		**143,442,647**	**24,110,034**

Care Property Invest carried out three capital increases during the 2020 financial year. On 15 January 2020, a contribution in kind of the projects 'La Reposée' and 'New Beaugency' took place resulting in a capital increase (including share premium) of €33,594,044, for which €1,250,376 new Care Property Invest shares were issued. The issue price was €26.87 per share.

On 19 June 2020, a capital increase took place following an optional dividend for the 2019 financial year of €6,970,784 (including share premium) for which 273,091 new Care Property Invest shares were issued. The issue price was €25.53 per share.

On 25 June 2020, a capital increase by means of an accelerated private placement with composition of an order book (accelerated bookbuild offering) with international institutional investors took place whereby 2,191,821 new shares were issued at an issue price of € 27.25 per share. As of this date, the authorised capital amounts to € 143,442,647.

On 20 January 2021, through the contribution in kind of the 'Résidence des Ardennes' project in Attert, there was a capital increase of € 42,087,805 (including issue premium), for which 1,696,114 new Care Property Invest shares were issued.

All shares are ordinary shares and are fully paid up and registered or dematerialised. Each share entitles the holder to one vote at the General Meeting of Shareholders in accordance with Article 38 of the Articles of Association.

Notes to the repurchase of own shares

	Number	Amount
Starting balance	**5,658**	**167,916**
Purchases	6,000	166,827
Sales	-4,780	-116,075
Final balance	**6,878**	**218,668**

	31/12/2020	31/12/2019
Ordinary registered shares	1,595,167	1,364,988
Ordinary dematerialised shares	22,514,867	19,029,758
TOTAL NUMBER OF SHARES	**24,110,034**	**20,394,746**

Care Property Invest owns 6,878 own shares as at 31 December 2020. At the time of publication of this report, the Company only holds 1,692 own shares by fulfilling its obligations to the management as a result of the long-term incentive plan.

The following relevant articles of the articles of association were included in full in the coordinated Articles of Association presented in Chapter 'VIII. Permanent document', item '6. Coordinated Articles of Association' on page 245 and available on www.carepropertyinvest.be.

ARTICLE 6 of the coordinated articles of association as at 20/01/2021 - CAPITAL
ARTICLE 7 of the coordinated articles of association as at 20/01/2021 - AUTHORISED CAPITAL
ARTICLE 8 of the coordinated articles of association as at 20/01/2021 - CHANGE IN THE CAPITAL
ARTICLE 9 of the coordinated articles of association as at 20/01/2021 - NATURE OF THE SHARES

On 31 December 2020, no shareholder owns more than 5% of the capital. During the 2020 financial year, the Company did not receive any new notifications for exceeding the 3% threshold, other than those already known to KBC Asset Management and Pensio B. However, on 8 April 2021, KBC Asset Management informed the Company in a notification that it no longer exceeds the 3% threshold and this since 26 June 2020 as a result of the capital increase (ABB) that the Company successfully carried out in June 2020. Care Property Invest refers to its website www.carepropertyinvest.be for the publication of these transparency statements.

T 5.25 SHARE PREMIUM

Amounts in EUR	31/12/2020	31/12/2019
Share premium - optional dividend	11,394,581	6,048,551
Share premium - contribution in kind	60,572,986	34,418,054
Share premium - capital increase	114,469,676	67,782,792
Share premium - costs	-4,989,250	-4,074,536
TOTAL	**181,447,992**	**104,174,862**

T 5.26 RESERVES

Amounts in EUR		31/12/2020	31/12/2019
B.	Reserve for the balance of variations in the fair value of real estate (+/-)	21,336,658	8,315,800
C.	Reserve for the impact on the fair value of estimated transfer taxes and costs resulting from hypothetical disposal of investment properties (-)	-5,102,827	-1,743,507
E.	Reserve for net changes in the fair value of authorised hedging instruments that are not subject to a hedge accounting as defined in IFRS(+/-)	-22,617,736	-19,556,183
H.	Reserve for treasury shares (-)	-218,668	-167,916
M.	Other reserves (+/-)	11,427,374	11,283,515
N.	Retained earnings from previous financial years (+/-)	20,199,128	16,126,418
TOTAL		**25,023,930**	**14,258,128**

T 5.27 RESULT FOR THE FINANCIAL YEAR

Amounts in EUR	31/12/2020	31/12/2019
Result of the financial year	19,864,912	26,519,833
TOTAL	**19,864,912**	**26,519,833**

The difference between the result for the financial year included in the consolidated balance sheet and the net result based on the consolidated global result statement relates to the result as at 31 December 2019 of the Dutch subsidiaries Care Property Invest.NL B.V. and Care Property Invest.NL2 B.V. which had an extended financial year until 31 December 2019. Therefore, the result could only be allocated after the Ordinary General Meeting in 2020.

Appropriation of the result

It will be proposed to the Ordinary General Meeting of 26 May 2021 of the Company to distribute a total gross dividend for the 2020 financial year of €18,498,162 or €0.80 per share (€0.32 for coupon 12 and €0.48 for coupon 13). After deduction of the 15% withholding tax, this represents a net dividend of €0.68 per share (€0.27 for coupon 12 and €0.41 for coupon 13).

This represents a 3.90% increase over the dividend paid for the previous year. The payout ratio is 80.57% at consolidated level, based on the adjusted EPRA earnings.

T 5.28 FINANCIAL LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Non-current financial debts	**205,399,114**	**164,999,835**
Credit institutions	184,399,114	145,499,835
Other	21,000,000	19,500,000
Current financial liabilities	**125,266,029**	**108,885,078**
Credit institutions	33,183,659	3,202,708
Other	92,082,370	105,682,370
TOTAL	**330,665,142**	**273,884,913**

As at 31 December 2020, Care Property Invest has €217.58 million in loans taken out divided between non-current and current financial liabilities and which belong to the category 'financial liabilities measured at amortised cost' in accordance with the IFRS 9 standard. The loans were granted by 7 banks, being Belfius Bank, ING Bank, KBC Bank, BNP Paribas Fortis, Argenta, VDK Spaarbank and CBC Banque. These financial liabilities were fixed with a fixed interest rate or converted to a fixed interest rate by means of a swap transaction or with a revisable interest rate (every three or five years).

Financial Institution	Fixed incl hedging	Fixed excl hedging	Variable	Total
Belfius Bank	35,791,938	46,524,140	29,747	82,345,825
ING Bank	0	3,567,957	214,601	3,782,558
KBC Bank	0	10,110,000	0	10,110,000
BNP Paribas Fortis Bank	2,156,104	24,915,462	30,186,174	57,257,740
CBC Banque	0	2,003,316	83,333	2,086,649
Argenta	0	50,000,000	0	50,000,000
VDK Spaarbank	0	12,000,000	0	12,000,000
TOTAL	**37,948,042**	**149,120,875**	**30,513,855**	**217,582,772**

In addition to these credits, the Company also has an MTN programme (classified under 'Other') of €200 million as at 31 December 2020 with Belfius Bank and KBC Bank as dealers. This programme allows the Company to raise money in both the long (through the issuance of bonds) and short (through commercial paper) term. The Company has also provided the necessary back-up lines for this purpose. Although the covenants impose an obligation to have at least 80% of the outstanding commercial paper covered by back up lines and unused credit lines, the Company uses a 100% hedge as a strategic objective for security reasons. As at 31 December 2020, the amount already drawn consists of €92.0 million in commercial paper and €21.0 million in bonds. In early 2021, Care Property Invest further increased the ceiling of its MTN programme to €300 million, including an increase of the additional back-up lines. For an overview of the bonds we refer to chapter 'IV. Care Property Invest on the Stock Market' point '3. Bonds and short-term debt securities' on page 119.

Financing with maturity date or, if applicable, with review date	Number	Nominal funding amount	Average remaining term (year)
0-1 years	31	122,430,522	0.16
1-5 years	19	72,496,585	2.90
5-10 years	22	57,809,332	7.85
10-15 years	21	59,609,953	12
15-20 years	6	18,236,380	15.61
> 20 years	0	0.00	0.00
TOTAL	**99**	**330,582,772**	**5.89**

The weighted average interest rate (incl. IRS) for the entire portfolio of financial debts amounts to 2.22% as at 31 December 2020. The Company expects the average weighted interest rate to further decrease during the 2021 financial year as the Company enters into new debt to finance additional investments.

Table of changes in liabilities in accordance with IAS 7:

	31/12/2019	Cash elements	Non-cash elements				31/12/2020
			Acquisitions	Exchange rate movements	Changes in fair value	Other changes	
Long-term financial liabilities	164,999,835	43,500,000		0	0	-3,100,722	205,399,114
Current financial liabilities	108,802,708	13,280,229		0	0	3,100,722	125,183,659
Authorised hedging instruments	23,075,069	0	0	0	4,412,651	488,270	27,975,990
TOTAL	**296,877,612**	**56,780,229**	**0**	**0**	**4,412,651**	**488,270**	**358,558,762**

T 5.29 OTHER NON-CURRENT FINANCIAL LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Leasing debt		
Book value at the beginning of the financial year	**1,764,119**	**338,556**
Additions	21,610	1,428,564
Interest charges	51,930	44,695
Payments	-55,359	-47,695
Book value at the end of the financial year	**1,782,301**	**1,764,119**

For a number of investments, Care Property Invest does not maintain bare ownership of the land, but only usufruct through a long-term leasehold agreement. In practice, a liability has been created for this in accordance with IFRS 16. This obligation is included in the other non-current liabilities. The liability concerns the present value of all future lease payments. The discount rate used to determine this liability was based on a combination of the interest curve plus a spread based on the credit risk of Care Property Invest, both in line with the remaining term of the underlying right of use.

T 5.30 DEFERRED TAX LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Exit tax	2,440,905	0
TOTAL	**2,440,905**	**0**

The amount of deferred taxes as at 31 December 2020 relates to the provisions for the exit tax, set up within the subsidiaries De Wand-Janson sa/nv, Zilvermolen sa/nv and Ruiterschool Van Dooren sa/nv as a result of their acquisition by the Group on 4 June 2020. This will become payable at the time of merger with Care Property Invest or conversion to the specialised property investment fund (GVBG/FIIS) statute.

T 5.31 TRADE PAYABLES AND OTHER CURRENT LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Suppliers	10,134,622	3,048,800
Taxes, remuneration and social insurance charges	1,962,179	1,152,564
TOTAL	**12,096,802**	**4,201,363**

The item suppliers includes an amount of €7,382,704 that relates to invoices still to be received for the projects 'Mariënhoeve' in Warmond (The Netherlands) and 'Villa Vught' in Vught (The Netherlands), which were acquired shortly before the end of the year. These amounts were settled in the course of January 2021.

T 5.32 OTHER CURRENT LIABILITIES

Amounts in EUR	31/12/2020	31/12/2019
Miscellaneous debts	2,440,285	2,477,769
TOTAL	**2,440,285**	**2,477,769**

The miscellaneous debts relate to short-term liabilities related to development projects.

T 5.33 ACCRUALS AND DEFERRED INCOME ON THE LIABILITIES SIDE

Amounts in EUR	31/12/2020	31/12/2019
Prepayments of property revenue	1,226,039	578,348
Accrued costs	810,010	602,916
TOTAL	**2,036,049**	**1,181,264**

T 5.34 NOTES ON FAIR VALUE[2]

In accordance with IFRS 13, the items in the balance sheet for which the fair value can be calculated are presented below, divided into levels as defined by IFRS 13. This scale consists of three levels: Level 1: quoted prices in the asset markets; Level 2: observable data other than quoted prices included in Level 1; Level 3: unobservable data.

		31/12/2020		31/12/2019	
Balance sheet items	Level	Book value	Fair value	Book value	Fair value
Investment properties	3	533,854,521	533,854,521	357,245,670	357,245,670
Finance lease receivables and trade receivables and other non-current assets [1]	2	203,022,336	287,828,166	198,937,233	286,714,450
Financial fixed assets	2	177,036	177,036	633,303	633,303
Trade receivables	2	2,459,728	2,459,728	838,493	838,493
Cash and cash equivalents	1	3,751,851	3,751,851	3,347,195	3,347,195
Non-current and current financial liabilities [1]	2	330,665,142	365,521,490	273,884,913	303,018,264
Other non-current financial liabilities	2	27,975,990	27,975,990	23,075,069	23,075,069
Other non-current liabilities	2	1,782,301	1,782,301	1,764,119	1,764,119
Trade payables and other current liabilities	2	12,096,802	12,096,802	4,201,363	4,201,363
Other current liabilities	2	2,440,285	2,440,285	2,477,769	2,477,769

(1) The fair value of 'financial trade receivables' and the 'financial liabilities' was calculated by discounting all future cash flows at an IRS rate prevailing as at 31 December of the relevant year, depending on the maturity of the underlying contract, plus a margin. For more information, see item 'T 5.19 Finance lease receivables and trade receivables and other non-current assets' on page 197 further on in this section.

(2) Due to a reclassification between 'Provisions' (on the liabilities side) on the one hand and 'Trade receivables' (on the assets side) on the other hand, the figures as at 31 December 2019 were also adjusted to allow for correct comparability.

T 5.35 CONDITIONAL LIABILITIES

RESIDENTIAL PRIORITY RIGHT: MAXIMUM DAILY CHARGE FOR SHAREHOLDERS WITH PRIORITY RESIDENTIAL RIGHTS

In accordance with the issuing prospectus, priority residential rights could be exercised from 1 January 2005 to 31 December 2020 by each shareholder who has held 10,000 shares (ten shares before the share split) for five years and has reached the age of 75. A shareholder who exercises his/her priority residential rights to an existing project waiting list also pays a maximum daily charge for his/her residence. This daily charge is adjusted annually to the consumer price index and amounts to €24.50 as at 1 January 2020 and €24.56 as at 1 January 2021. Since 31 December 2020, this residential priority right can no longer be exercised, but it continues to apply to shareholders who were already using it on that date.

The maximum daily charge is guaranteed for as long as the shareholder retains at least 10,000 shares and in as far as the pledge on the bare ownership of these shares remains established, as provided for in the terms of the residential priority rights.

Pursuant to the decision of the Board of Directors, from the contracting of the lease agreements after 1 August 2001, it is agreed with the PCSWs and non-profit associations that Care Property Invest will bear any difference between the maximum daily charge for holders of residential priority rights and other residents. This measure may have a limited financial impact for the Company. The exact impact depends on the actual number of shareholders who exercise residential priority rights for the projects concerned, and calculation of a reliable provision is consequently impossible.

On 31 December 2020, two shareholders were making use of their residential priority rights for which the Company pays total contributions to the landlords concerned of €5,563. This amount is the difference between the maximum daily charge for holders of residential priority rights and the daily charge that the landlord charges the other residents. The maximum daily charge is not exceeded by the other shareholders who make use of residential priority rights. The Company is not required to intervene for these shareholders.

All information concerning the residential priority rights can be obtained at the registered offices of the Company and can also be viewed on the website at www.carepropertyinvest.be.

T 5.36 SECURITIES RECEIVED FROM CONTRACTORS

If a project is awarded to a general contractor following a tendering procedure, the contractor pays a deposit equal to 5% of the original contract sum, in accordance with the administrative provisions of the contract. This deposit can be applied in the event of delays due to late execution or total or partial non-execution of the contract, or even on its dissolution or termination. Half of the bank guarantee is released on provisional delivery of the service flats building. On final acceptance of a building, the full guarantee is released. At the time of preparation of the financial statements, the Company had surety for a total amount of €513,380.

T 5.37 RELATED PARTY TRANSACTIONS

Transactions with related parties (within the meaning of IAS 24 and the Belgian Code for Companies and Associations (BCCA)) concern the costs included in the 'Remuneration of Directors and the Executive Committee' paid to the Executive Committee of the Company, for a total amount of €1,816,480.
We also refer to 'T 5.35 Conditional liabilities' with respect to the priority residential right to which certain shareholders are entitled. The Company has no further transactions to report for the 2020 financial year.
For additional explanations on the remuneration of the Directors and Executive Committee, we refer to the chapter 'III. Report of the Board of Directors' at point '11.11 Remuneration report 2020' on page 104.

T 5.38 EVENTS AFTER THE END OF THE 2020 FINANCIAL YEAR

T 5.38.1 ADDITIONAL INVESTMENTS

As already announced in separate press releases, Care Property Invest is proud to announce that after the closing of the financial year, it realised the following investments:

T5.38.1.1 ADDITIONAL INVESTMENTS IN BELGIUM

T5.38.1.1.1 *NEW PROJECTS GENERATING IMMEDIATE INCOME FOR THE COMPANY*

Investment properties

Attert - Résidence des Ardennes

• ACQUISITION DATE	**20 January 2021**
• ADDRESS:	**Rue du Bois de Loo 379, 6717 Attert, Belgium**
• OPERATOR:	**Services Ardennes Srl (a subsidiary of My-Assist)**
• CAPACITY:	**Today:** existing residential care centre with 150 residential places and a licensed group of assisted living apartments with 26 residential units. **After completion of the construction works:** existing residential care centre with 150 residential places and a licensed group of assisted living apartments with 50 residential units.
• LOCATION	Located in the centre of Attert, near the border with the Grand Duchy of Luxembourg. The project is 700 m away from the post office, town hall and several shops, restaurants and supermarkets. The project is easily accessible by car via the E25 (Liège-Bastogne-Aarlen/Arlon), the N87 (direction Parette) and the N4 (direction Aarlen/Arlon) as well as by public transport thanks to a bus stop right in front of the project.
• YEAR OF CONSTRUCTION/ RENOVATION:	The existing residential care centre (RRC) was built in 2004. A first extension took place in 2012 and a second in 2017. The provisional delivery of the construction works in progress is expected in Q4 of 2021.
• TYPE OF CONTRACT:	New long-term lease agreement of the 'triple net' type with a minimum duration of 29 years (renewable and annually indexable).
• CONTRIBUTION VALUE:	Approx. €42.1 million (contribution in kind)
• ADDITIONAL INVESTMENT COST:	Approx. €2.2 million (investment cost of ongoing construction works)
• TRANSACTION:	**Asset deal**
• FINANCING:	Through a successful contribution in kind of the property into the capital of Care Property Invest, within the framework of the authorised capital. As a result of this contribution, which led to a capital increase (including share premium) of €42,087,805, 1,696,114 new Care Property Invest shares were issued at an issue price of €24.81 per share.

T5.38.1.2 ADDITIONAL INVESTMENTS IN THE NETHERLANDS

T5.38.1.2.1 *NEW PROJECTS UNDER DEVELOPMENT*

Investment properties

Ouderkerk aan de Amstel - 'Amstel'

• ACQUISITION DATE	**31 March 2021**
• ADDRESS:	**Polderweg 3, 1191 JR Ouderkerk aan de Amstel, The Netherlands**
• CAPACITY:	**Care residence with 32 residential units (32 care apartments)**
• OPERATOR:	**Stepping Stones (part of Korian Holding Nederland B.V.)**
• LOCATION:	On the edge of the village of Ouderkerk aan de Amstel (province of North Holland). The village centre is about 1 km away from the care residence and, as the name suggests, the Amstel River runs right through the village, making it a pleasant place to spend time in the various eating and drinking establishments along the water's edge. The project is easily accessible by car via the A9 (Alkmaar-Amsterdam South-East) and the N522 (Amstelveen-Ouderkerk).
• DESCRIPTION PROPERTY AND FACILITIES:	The building will have a total capacity of 32 residential units, all of which will be care apartments. Residents will be able to keep fit in the adjacent sports facility and enjoy the sun on the adjoining terrace or in the garden.
• YEAR OF CONSTRUCTION / RENOVATION:	Provisional delivery is expected by the end of 2022.
• CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
• INVESTMENT VALUE:	€9.6 million.
• TRANSACTION:	**Asset deal:** acquisition of land and buildings through its Dutch subsidiary Care Property Invest.NL6 B.V.
• FINANCING:	Loan capital.

T5.38.1.3 ADDITIONAL INVESTMENTS IN SPAIN

T5.38.1.3.1 *NEW PROJECTS GENERATING IMMEDIATE INCOME FOR THE COMPANY*

Investment properties

Almeria - 'Emera Almeria'

• ACQUISITION DATE	**24 February 2021#**
• ADDRESS:	**Calle Fuente Victoria, 04007 Almeria, Spain**
• OPERATOR	**Wsenior Asistencia Integral 4 S.L., a 100% subsidiary of Groupe Emera**
• CAPACITY:	**Residential care centre with 154 residential places 105 rooms (56 single rooms and 49 double rooms) and a day care center with a capacity of 20 people**
• LOCATION:	Located in a residential area, 1.6km from the city centre of Almeria. You will find several shops, supermarkets and restaurants within 300m of the residential care centre. The project is easily accessible by car via the AL-12 motorway. (the main road to Almeria, which passes by the airport, among other things), as well as by public transport thanks to a bus stop located near the entrance of the building.
• YEAR OF CONSTRUCTION / RENOVATION:	2021
• CONTRACT TYPE:	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).
• CONVENTIONAL VALUE:	€10.0 million.
• TRANSACTION:	**Share deal:** Care Property Invest Spain S.L.U., a 100% subsidiary of Care Property Invest, acquired 100% of the shares in Care Property Invest Jasmine, S.L., the real estate company in which the entire project is incorporated.
• FINANCING:	Debt financing.

T 5.38.2 CAPITAL INCREASE IN KIND

On 20 January 2021, Care Property Invest acquired the 'Résidence des Ardennes' project in Attert by means of a contribution in kind of the land and the property into the capital of Care Property Invest within the framework of the authorised capital. A separate agreement was also concluded regarding the completion of the construction works in progress.

As a result of this contribution, which led to a capital increase (including issue premium) of €42,087,805, 1,696,114 Care Property Invest shares were issued. The issue price was €24.81 per share.

T 5.38.3 MTN PROGRAMME EXTENSION

In early 2021, Care Property Invest further increased the ceiling of its MTN programme to €300 million, including an increase in additional back-up lines.

T 5.38.4 CORONAVIRUS

The outbreak of COVID-19 in early 2020 and the measures to contain the virus did not have a significant impact on the financial performance in 2020.

For 2021, the Company has a solid base in terms of liquidity and debt ratio. The contribution in kind of the 'Résidence des Ardennes' project in Attert and the increase of the MTN programme to €300 million at the beginning of 2021 further strengthen the Company's position. Nevertheless, developments in the sector and among tenants are closely monitored, as well as the broader impact of the COVID-19 crisis and the measures and vaccination strategy. In the longer term, the demand for healthcare real estate driven by demographic developments remains unaffected by the COVID-19 crisis. This crisis has only underlined the importance of good care for the elderly.

T 5.38.5 ACQUISITION OF SUBSIDIARIES

Name of acquired subsidiary	Date of acquisition	Purpose
Care Property Invest Jasmine S.L.	18 March 2021	Acquire healthcare sites in Spain

T 5.39 INFORMATION ON SUBSIDIARIES

The following companies were fully consolidated and are deemed to be related companies in view of the fact that on 31 December 2020 they were direct or indirect 100% subsidiaries of Care Property Invest:

Name	Category	VAT number or Chamber of Commerce	Acquisition Date	% shares owned by CPI
Care Property Invest nv (GVV)	Parent company	BE0456.378.070		
Belgian subsidiaries				
't Neerhof service nv (GVBF)	Subsidiary	BE0444.701.349	29/03/2018	100%
De Meeuwen nv (GVBF)	Subsidiary	BE0833.779.534	02/10/2018	100%
B.E.R.L. Internationaal (GVBF)	Subsidiary	BE0462.037.427	19/12/2018	100%
Immo du Lac nv (GVBF)	Subsidiary	BE0888.891.766	03/04/2019	100%
Zorginfra NV	Subsidiary	BE0554.777.147	04/06/2020	100%
Ruiterschool Van Dooren nv	Subsidiary	BE0421.959.304	04/06/2020	100%
Zilvermolen nv	Subsidiary	BE0831.118.467	04/06/2020	100%
De Wand-Janson nv	Subsidiary	BE0874.597.530	04/06/2020	100%
Dutch subsidiaries				
Care Property Invest NL B.V.	Subsidiary	Kvk 72865687	17/10/2018	100%
Care Property Invest NL2 B.V.	Subsidiary	Kvk 73271470	05/12/2108	100%
Care Property Invest NL3 B.V.	Subsidiary	Kvk 74201298	05/03/2018	100%
Care Property Invest NL4 B.V.	Subsidiary	Kvk 74580000	15/04/2019	100%
Care Property Invest NL5 B.V.	Subsidiary	Kvk 74918516	23/05/2019	100%
Care Property Invest NL6 B.V.	Subsidiary	Kvk 75549808	08/08/2019	100%
Care Property Invest NL7 B.V.	Subsidiary	Kvk 77849922	16/04/2020	100%
Care Property Invest NL8 B.V.	Subsidiary	Kvk 80636357	19/10/2020	100%
Care Property Invest NL9 B.V.	Subsidiary	KvK 68707479	29/12/2020	100%
Spanish subsidiaries				
Care Property Invest Spain S.L.	Subsidiary	B-01618677	21/07/2020	100%
Care Property Invest Tulip S.L.	Subsidiary of Care Property Invest Spain, S.L.	B-01618727	21/07/2020	100%
Care Property Invest Aster S.L.	Subsidiary of Care Property Invest Spain, S.L.	B-01906189	10/11/2020	100%

The acquisitions of the above-mentioned subsidiaries were made in the context of an 'asset deal' to which IFRS 3 - Business Combinations does not apply. The participating interests are valued based on the equity method.

For more information on the mergers that took place during the 2020 financial year, we refer to chapter 'III. Report of the Board of Directors', point '2.1.4.1 Mergers' on page 50.

T 5.40 REMUNERATION OF THE STATUTORY AUDITOR

Amounts in EUR	2020	2019
Mandate	80,127	70,000
Other audit assignments	22,315	4,500
Other non-audit assignments	8,160	8,000

The other assignments outside the auditing assignments were always approved in advance by the Company's Audit Committee.

T 5.41 ALTERNATIVE PERFORMANCE MEASURES

An Alternative Performance Measures (APM) is a financial indicator, historical or forward-looking, of the performance, financial situation or cash flows of a company other than financial indicator defined or described by the applicable accounting standards in its financial reporting
Care Property Invest uses APMs in its financial communication within the meaning of the guidelines issued by the ESMA (European Securities and Markets Authority) on 5 October 2015. A number of these APMs have been recommended by the European Public Real Estate Association (EPRA) and are discussed in the chapter 'V. EPRA' on page 124 of this Annual Financial Report. The APMs below have been determined by the Company itself in order to provide the reader with a better understanding of its results and performance.

Performance measures established by IFRS standards or by law are not considered as APMs, nor are they measures based on items in the global result statement or the balance sheet.

T 5.41.1 OPERATING MARGIN

Definition: This is the operating result before the result on portfolio divided by the net rental result, whereby the operating result before the result on portfolio and the net rental result can be reconciled with global result statement.
Use: This indicator measures the profitability of the Company's leasing activities.

Amounts in EUR		31/12/2020	31/12/2019
Operating result before portfolio income	= A	30,345,783	26,170,752
Net rental result	= B	36,203,096	29,481,755
Operating margin	**= A/B**	**83.82%**	**88.77%**

T 5.41.2 FINANCIAL RESULT BEFORE CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Definition: This is the financial result excluding changes in fair value of financial assets and liabilities (authorised hedging instruments not subject to hedge accounting as defined under IFRS), the sum of the items 'XX. Financial income', 'XXI. Net interest cost' and 'XXII. Other financial costs' of the global result statement.
Use: This indicator does not take into account the impact of financial assets and liabilities in the global result statement, thus reflecting the result from strategic operating activities.

Amounts in EUR		31/12/2020	31/12/2019
Financial result	= A	-12,992,952	-9,490,574
Changes in fair value of financial assets /liabilities	= B	-5,358,254	-3,061,553
Financial result before chagnes in fair value of financial assets/ liabilities	**= A-B**	**-7,634,698**	**-6,429,021**

T 5.41.3 EQUITY BEFORE THE RESERVE FOR THE BALANCE OF CHANGES IN FAIR VALUE OF AUTHORISED HEDGING INSTRUMENTS AND EXCLUDING THE VARIATION IN FAIR VALUE OF FINANCIAL ASSETS/LIABILITIES

Definition: This is equity excluding the accumulated reserve for the balance of changes in fair value of authorised hedging instruments (not subject to hedge accounting as defined under IFRS) and the changes in fair value of financial assets and liabilities, where the reserve for the balance of changes in fair value of authorised hedging instruments is included in item 'C'. Reserves' of the consolidated balance sheet and changes in fair value of financial assets and liabilities can be reconciled with item 'XXIII. Changes in fair value of financial assets/liabilities in the global result statement.
Use: This indicator reflects equity without taking into account the hypothetical market value of the derivative instruments.

Amounts in EUR		31/12/2020	31/12/2019
Equity	= A	369,779,481	266,291,362
Reserve for the balance of changes in fair value of authorised hedging instruments	= B	22,617,736	19,556,183
Changes in fair value of financial assets/liabilities	= C	5,358,254	3,061,553
Equity before changes in fair value of financial products	**= A-B-C**	**341,803,491**	**243,673,627**

T 5.41.4 INTEREST COVERAGE RATIO

Definition: This is the operating result before the result on portfolio divided by the interest charges paid, whereby the operating result before the result on portfolio and the interest charges paid can be reconciled with the global result statement.
Use: This indicator measures how many times a company earns its interest charges and gives an indication of the extent to which the operating profit can fall back without the company getting into financial difficulties. In accordance with a covenant at KBC Bank, this value must be at least 2.

Amounts in EUR		31/12/2020	31/12/2019
Operating result before portfolio income	= A	30,345,783	26,170,752
Total amount of interest charges paid	= B	7,099,028	6,205,675
Interest coverage ratio	**= A/B**	**4.27**	**4.22**

3. Auditor's report

Independent auditor's report to the general meeting of Care Property Invest nv for the year ended 31 December 2020

As required by law and the Company's by-laws, we report to you as statutory auditor of Care Property Invest nv (the "Company") and its subsidiaries (together the "Group"). This report includes our opinion on the consolidated balance sheet as at 31 December 2020, the consolidated statement of overall result, the statement of changes in consolidated equity and the cash flow table for the year ended 31 December 2020 and the disclosures (all elements together the "Consolidated Financial Statements") and includes as well our report on other legal and regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as statutory auditor by the shareholders meeting of 29 May 2019, 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 annual accounts for the year ending 31 December 2021. We performed the audit of the Consolidated Financial Statements of the Group during two consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Care Property Invest nv, which consists of the consolidated balance sheet as at 31 December 2020, the consolidated statement of overall result, the statement of changes in consolidated equity and the cash flow table for the year ended 31 December 2020 and the disclosures, which show a consolidated balance sheet total of € 749.216.956 and of which the consolidated income statement shows a profit for the year of € 19.864.912.

In our opinion the Consolidated Financial Statements of the Group give a true and fair view of the consolidated net equity and financial position as at 31 December 2020, as well as its consolidated results and its consolidated cash flows for the year then ended 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

responsibilities under those standards are further described in the "Our responsibilities for the audit of the consolidated financial statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect of 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 of the investment properties

- Description of the matter and audit risk:

Investment property represents 71% of the assets of the Group. As at 31 December 2020, the investment properties on the assets of the balance sheet amount to € 533.854.521.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued 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 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement", some parameters used for valuation purposes being based on unobservable data (discount rate, future occupancy rate, …).

An external appraiser draws in its report the attention on an important uncertainty with regard to the impact of Covid-19 on the future valuation of the investment properties.

The audit risk appears in the valuation of these investment properties.

- Summary of audit 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 experts). More precisely, we have:

- assessed the objectivity, the independence and the competence of the external appraisers;
- tested the integrity of source data (contractual rentals, maturities of the rental contracts, …) used in their calculations;
- reviewed the models, assumptions and parameters used in their reports (discount rates, future occupancy rates, …), as well as the impact of Covid-19 on these assumptions and parameters;
- and verified if the uncertainty as expressed by an external appraiser was disclosed appropriately in the annual report and in the notes of the Consolidated Financial Statements.

Finally, we have assessed the appropriateness of the information on the fair value of the investment properties disclosed in note 5.16 of the Consolidated Financial Statements.

Classification of long-term rental contracts

- Description of the matter and audit risk:

The Group concludes long-term rental contracts with the operators of the health care real estate that it owns, with in some cases the rental term covering a substantial part of the economic life of the asset. As at 31 December 2020, the finance lease receivables on the assets of the balance sheet amount to € 187.355.753.

The IFRS-standards require that for newly contracted long-term rental contracts checks are performed as to whether the economic ownership of the real estate is transferred to the lessee through the long-term character of the lease. This analysis has an impact on the classification of the real estate as an investment property in accordance with IAS 40 or as a finance lease in accordance with IFRS 16. The audit risk appears in the correct classification of these contracts.

- Summary of audit procedures performed:

For newly contracted long-term rental contracts, we checked the correct classification based on an assessment of the analysis of the Group, taking into account the different conditions related to a classification as finance lease in accordance with IFRS 16 (reconstitution of capital, lease term, purchase option, …).

Finally, we have assessed the appropriateness of the information on the long-term rental contracts disclosed in note 5.19 of the Consolidated Financial Statements

Valuation of financial instruments

- Description of the matter and audit risk:

The Group uses interest rate swaps (IRS) to hedge the interest rate risk on the variable rate debts. The measurement of the derivatives at fair value is an important source of volatility of the result. As a matter of fact, in accordance with IFRS 9 "Financial

Instruments: Recognition and Measurement", these derivatives are valued at fair value (considered to belong to the level 2 of the fair value hierarchy defined by IFRS 13 "Fair Value Measurement"). The changes in fair value are recognized in the income statements. The audit risk appears in the valuation of these derivatives.

- Summary of audit procedures performed

We have compared the fair values of the derivatives with the values communicated by the counterparties and the credit risk adjustments. We have assessed the most important assumptions and the calculations.

Finally, we have assessed the appropriateness of the information on the financial instruments disclosed in note 5.18 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. This responsibility involves implementing internal controls relevant to the preparation of the Consolidated Financial Statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the 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 about whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit, in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements is larger when these misstatements are due to fraud, 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 Group'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 Board of Director's use of the going-concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to event or conditions that may cast significant doubt on the Company 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 or Group to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and of whether these financial statements reflect the underlying transactions and events in a true and fair view.

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.

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 Director's report on the Consolidated Financial Statements and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, and to report on any matters.

Aspects relating to Board of Director's report and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Director's report, the Board of Director's report on the Consolidated Financial Statements is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Companies and Associations Code.

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 Director's report on the and other information included in the annual report, being:

- EPRA (chapter 5)

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 auditor's office has not performed any services that are not compatible with the audit of the Consolidated Financial Statements and has remained independent of the Company and the Group during the course of our mandate.

The fees for additional services that are compatible with the audit of the Consolidated Financial Statements intended by article 3:65 of the

Companies and Associations Code have been correctly disclosed and detailed in the disclosures to the Consolidated Financial Statements.

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, 19 April 2021
EY Bedrijfsrevisoren bv
Statutory auditor
Represented by

Christel Weymeersch[1]
Partner

(1) Acting on behalf of a bv

Christophe Boschmans
Director

4. Abridged statutory financial statements as at 31 December 2020

4.1 Abridged statutory global result statement[1]

The Abridged Statutory Financial Statements of Care Property Invest, prepared under IFRS, are summarised below in accordance with article 3:17 BCCA. The unabridged Statutory Financial Statements of Care Property Invest, its Board of Directors' Report and its Auditors' Report will be registered at the National Bank of Belgium within the legal deadlines. They will also be available free of charge on the Company's website (www.carepropertyinvest.be) or on request at the Company's head office.

The abridged statutory financial statements as at 31 December 2019 were inserted in the Annual Financial Report 2019 under item 4 et seq in section 'VII. Financial Statements', from page 224 and the statements as at 31 December 2018 were inserted in the Annual Financial Report 2018 under item 4 et seq in section 'VIII. Financial Statements', from page 282. Both reports are available on the website www.carepropertyinvest.be. The auditors issued an unqualified opinion on the Statutory Financial Statements.

Amounts in EUR			31/12/2020	31/12/2019
I	Rental income (+)	T 5.3	28,418,498	24,426,784
NET RENTAL INCOME			**28,418,498**	**24,426,784**
V	Recovery of rental charges and taxes normally borne by tenants on let properties (+)	T 5.4	152,187	235,417
VII	Rental charges and taxes normally borne by tenants on let properties (-)	T 5.5	-152,187	-235,417
REAL ESTATE RESULT			**28,418,498**	**24,426,784**
IX	Technical costs (-)		-2,284	0
REAL ESTATE COSTS			**-2,284**	**0**
REAL ESTATE OPERATING RESULT			**28,416,214**	**24,426,784**
XIV	General expenses of the company (-)	T 5.6	-6,495,193	-4,475,744
XV	Other operating income and expenses (+/-)	T 5.7	3,698,840	2,360,137
OPERATING RESULT BEFORE THE RESULT ON PORTFOLIO			**25,619,861**	**22,311,176**
XVIII	Changes in the fair value of investment properties (+/-)	T 5.8	4,178,898	6,234,411
OPERATING RESULT			**29,798,759**	**28,545,587**
XX	Financial income (+)	T 5.9	2,528,065	668,463
XXI	Net interest expense (-)	T 5.10	-6,815,817	-5,601,203
XXII	Other financial costs (-)	T 5.11	-532,487	-240,747
XXIII	Changes in the fair value of financial assets and liabilities	T 5.12	-5,178,561	3,339,275
FINANCIAL RESULT			**-9,998,800**	**-1,834,212**
RESULT BEFORE TAXES			**19,799,959**	**26,711,375**
XXIV	Corporate tax (-)	T 5.13	76,268	-28,826
XXV	Exit tax (-)		-11,314	276,903
TAXES			**64,953**	**248,077**
NET RESULT (share of the group)			**19,864,912**	**26,959,453**
Other elements of the global result			0	0
NET RESULT/GLOBAL RESULT			**19,864,912**	**26,959,453**

(1) Due to a reclassification between the item XV on the one hand and items V and VII on the other hand, the figures as at 31 December 2019 were also adjusted to allow for proper comparability.

4.2 Abridged statutory statement of realised and unrealised results

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT/GLOBAL RESULT	**19,864,912**	**26,959,453**
Net result per share based on weighted average shares outstanding	**0.8598**	**1.3222**
Gross yield compared to the initial issuing price in 1996	*14.45%*	*22.22%*
Gross yield compared to stock market price on closing date	*2.91%*	*4.48%*

Amounts in EUR	31/12/2020	31/12/2019
NET RESULT/GLOBAL RESULT	**19,864,912**	**26,959,453**
NON-CASH ELEMENTS INCLUDED IN THE NET RESULT	**2,119,643**	**-10,549,703**
Depreciations and amortizations, impairments and reversal of write-downs	*211,654*	*180,950*
Changes in the fair value of investment properties	*-4,178,898*	*-6,234,411*
Changes in the fair value of authorised hedging instruments	*5,358,254*	*3,061,553*
Changes in the fair value of financial assets and liabilities	*-179,693*	*-6,400,828*
Dividends from subsidiaries	*785,489*	*486,595*
Projects' profit or loss margin attributed to the period	*122,836*	*-1,644,083*
Provisions	*0*	*521*
ADJUSTED EPRA EARNINGS	**21,984,556**	**16,409,749**
Adjusted EPRA earnings per share based on weighted average number of outstanding shares	**0.9515**	**0.8048**
Gross yield compared to the initial issuing price in 1996	*15.99%*	*13.53%*
Gross yield compared to stock market price on closing date	*3.23%*	*2.73%*

The weighted average number of outstanding shares was 20,389,088 as at 31 December 2019 and increased to 23,105,198 shares as at 31 December 2020. The number of shares amounted to 20,394,746 as at 31 December 2019 (including 5,658 treasury shares) and increased to 24,110,034 shares as at 31 December 2020 (including 6,878 treasury shares).

The number of shares changed as a result of (i) a capital increase in kind for the purchase of the residential care centres with assisted living apartments 'La Reposée' and 'New Beaugency', located in Mons and Bernissart respectively, for which 1,250,376 shares were issued on 15 January 2020, (ii) an optional dividend for the financial year 2019 which was successfully completed on 19 June 2020 and led to the issue of 273,091 new shares and (iii) a capital increase in cash through an accelerated private placement for which 2,191,821 new shares were issued on 25 June 2020. The shares issued under (i) are entitled to dividends for the entire 2020 financial year (coupon 12 et seq.), those issued under (ii) and (iii) share in the result as of 29 May 2020 (coupon 13 et seq.).

The share price was € 26.90 on 31 December 2020 and € 29.50 on 31 December 2019. The gross return is calculated by dividing the net result per share or the adjusted EPRA earnings by the market capitalisation on the closing date. There are no instruments that have a potentially dilutive effect on the net result or the adjusted EPRA earnings per share.

4.3 Abridged statutory balance sheet[1]

Amounts in EUR			31/12/2020	31/12/2019
ASSETS				
I.	**FIXED ASSETS**		**738,103,872**	**540,102,720**
B.	Intangible fixed assets	T 5.14	158,457	174,260
C.	Investment properties	T 5.15	268,654,124	223,442,883
D.	Other tangible fixed assets	T 5.16	2,266,259	9,904,832
E.	Financial fixed assets	T 5.17	264,002,695	107,643,512
F.	Finance lease receivables	T 5.18	187,355,753	183,842,688
G.	Trade receivables and other non-current assets	T 5.18	15,666,584	15,094,545
II.	**CURRENT ASSETS**		**16,327,417**	**16,858,941**
D.	Trade receivables	T 5.19	2,044,993	672,913
E.	Tax receivables and other current assets	T 5.20	11,686,661	13,688,740
F.	Cash and cash equivalents	T 5.21	1,749,549	2,156,185
G.	Deferrals and accruals	T 5.22	846,214	341,103
TOTAL ASSETS			**754,431,288**	**556,961,661**
EQUITY AND LIABILITIES				
EQUITY			**369,779,481**	**266,291,362**
A.	Capital	T 5.23	143,442,647	121,338,541
B.	Share premium	T 5.24	181,447,992	104,174,862
C.	Reserves	T 5.25	25,023,929	13,818,507
D.	Net result for the financial year	T 5.26	19,864,912	26,959,453
LIABILITIES			**384,651,807**	**290,670,298**
I. Non-current liabilities			**223,546,311**	**176,262,195**
B.	Non-current financial liabilities	T 5.27	195,402,659	153,018,438
C.	Other non-current financial liabilities	T 5.17	27,975,990	23,075,069
E.	Other non-current liabilities	T 5.28	167,662	168,687
II. Current liabilities			**161,105,496**	**114,408,104**
B.	Current financial liabilities	T 5.27	124,429,528	107,949,543
D.	Trade payables and other current liabilities	T 5.29	35,054,482	5,361,281
E.	Other current liabilities	T.5.30	0	250,000
F.	Deferrals and accruals	T 5.31	1,621,486	847,280
TOTAL EQUITY + LIABILITIES			**754,431,288**	**556,961,661**

(1) Due to a reclassification between the item A. Provisions (on the liabilities side) and the item D. Trade receivables (on the assets side) on the one hand and a reclassification between the item D. Trade payables and other current liabilities and the item E. Other current liabilities (both on the liabilities side) on the other hand, the figures as at 31 December 2019 were also adjusted in order to allow for correct comparability.

4.4 Abridged statutory appropriation of results[1]

Amounts in EUR		31/12/2020	31/12/2019
A. NET RESULT / GLOBAL RESULT		**19,864,912**	**26,959,453**
B. APPROPRIATION TO / RELEASE FROM RESERVES (-/+)		**-1,366,750**	**-11,259,855**
1	*Appropriation to/release from reserve for the positive or negative balance of changes in the fair value of real estate (-/+)*	*-5,029,172*	*-6,525,162*
2	*Appropriation to/release from reserve for estimated charges and costs for hypothetical disposal of investment properties (-/+)*	*850,274*	*290,751*
6	*Release from the reserve for net changes in the fair value of authorised hedging instruments that are not subject to hedge accounting as defined in IFRS (+)*	*5,358,254*	*3,061,553*
11	*Addition to/withdrawal from retained earnings in previous financial years (-/+)*	*-3,151,903*	*-2,172,764*
12	*Addition to/withdrawal from reserve for the share in the profit or loss and in the unrealised results of subsidiaries that are accounted for according to the equity method.*	*605,796*	*-5,914,233*
If A+B is less than C, only this sum may be distributed		**18,498,162**	**15,699,598**
C. RETURN ON CAPITAL IN ACCORDANCE WITH ARTICLE 13 OF THE RREC ROYAL DECREE		**17,587,645**	**13,127,799**
D. RETURN ON CAPITAL, OTHER THAN C		**910,518**	**2,571,798**

(1) Following a recommendation by the FSMA, the amounts relating to the equity method, which were distributed among the various reserve items, were reclassified to a new reserve account 'Reserve for the share in the profit or loss and unrealised results of equity accounted investees'. The figures as at 31 December 2019 were also adjusted to allow for proper comparability.

4.5 Dividend payment obligation pursuant to the Royal Decree of 13 July 2014 concerning RRECs

Amounts in EUR	31/12/2020	31/12/2019
For the return on capital, the public RREC is required to repay an amount equal to the amount of the positive net result for the financial year after settlement of losses carried forward and after appropriations to/ releases of reserves as calculated in paragraph '4.4 Abridged statutory appropriation of results[1]' on page 222, item 'B.Appropriations to /releases from reserves (-/+)'.		
Net result	19,864,912	26,959,453
Settlement of losses carried forward	0	0
Amount calculated under 'Appopiation account' point B	-1,366,750	-11,259,855
POSITIVE NET RESULT	**18,498,162**	**15,699,598**
If this calculated positive net result is zero, the company is not required to pay a dividend. If this calculated positive net result exceeds nil, the Company must pay a return on the capital amounting to at least the positive difference between 1° and 2° to be paid as a return on the capital. 1°, being 80% of an amount equal to the sum of (A) the adjusted EPRA earnings and of (B) the net gain on realisation of real estate not exempt from distribution.		
(A) adjusted EPRA earings are calculated cfr. Appendix C, Section 3 of the RREC Royal Decree		
Net result	19,864,912	26,959,453
(+) Depreciation and impairments	211,654	180,950
(-) Reversals of impairments		
(+/-) Other non-monetary items	5,301,398	-4,982,837
(+/-) Extraordinary income	*0*	*0*
(+/-) Changes in the fair value of financial assets and liabilities(swaps)	*5,358,254*	*3,061,553*
(+/-) Share in the profit or loss of holdings that are accounted for in accordance with the equity method	*-179,693*	*-6,400,828*
(+/-) Real estate leasing profit or loss margin on projects attributed to the period	*122,836*	*-1,644,083*
(+/-) Real estate leasing purchase commercial receivables (profit or loss margin allocated in previous periods)	*0*	*0*
(+/-) Provisions	*0*	*521*
(+) Dividends received from equity-accounted subsidiaries	785,489	486,595
(+/-) Changes in the fair value of real estate	-4,178,898	-6,234,411
(A) ADJUSTED EPRA earnings	**21,984,556**	**16,409,749**
(B) Net gain on disposal of real estate not exempt from distribution		
(B) NET GAINS		
1° = 80% OF THE SUM OF (A) + (B)	**17,587,645**	**13,127,799**
2° Being the net reduction in the debt levels of the RREC during the financial year:		
2° =	**0**	**0**
Positive difference between 1° and 2°	**17,587,645**	**13,127,799**
MINIMUM DIVIDEND PAYABLE IN ACCORDANCE WITH ARTICLE 13 OF THE RREC ROYAL DECREE	**17,587,645**	**13,127,799**

4.6 Non-distributable equity in accordance with Article 7:212 BCCA(1)

The mentioned obligations in Article 13 of the RREC Decree do not affect the application of Article 7:212 BCCA which stipulates that no dividend may be paid out if, as a result thereof, the net assets of the Company would fall below the capital plus the reserves which are not distributable on the basis of the law or the Articles of Association.

Amounts in EUR	31/12/2020	31/12/2019
Net assets' refers to the total assets shown in the balance sheet, less provisions and liabilities.		
Net assets	369,779,481	266,291,362
Proposed dividend	-18,498,162	-15,699,598
NET ASSETS AFTER DIVIDEND DISTRIBUTION	**351,281,319**	**250,591,765**
Capital plus the reserves which may not be distributed by law or pusuant to the Articles of Association as the arithmetical sum of paid-up capital (+) in accordance with the RREC Royal Decree (Annex C - Chapter 4)	143,442,647	121,338,541
Share premium unavailable in accordance with the Articles of Association (+)	181,447,992	104,174,862
Reserve for the positive balance of changes in the fair value of real estate (+)	16,377,967	11,348,795
Reserve for the impact on the fair value of estimated transfer taxes and costs resulting from hypothetical disposal of investment properties (-)	-1,469,177	-618,904
Reserve for net changes in the fair value of authorised hedging instruments that are not subject to hedge accounting as defined in IFRS (+/-)	-22,211,550	-19,149,997
Reserve for the share in profits or losses and in the unrealised results of equity-accounted subsidiaries	11,798,422	12,404,218
NON-DISTRIBUTABLE PROFIT	**329,386,301**	**229,497,515**
MARGIN REMAINING UNDER ARTICLE 7:212 OF THE BELGIAN CODE FOR COMPANIES AND ASSOCIATIONS (BCCA)	**21,895,018**	**21,094,249**

(1) Following a recommendation by the FSMA, the amounts relating to the equity method, which were distributed among the various reserve items, were reclassified to a new reserve account 'Reserve for the share in the profit or loss and unrealised results of equity accounted investees'. The figures as at 31 December 2019 were also adjusted to allow for proper comparability. In accordance with the recommendation of the FSMA, dividends from subsidiaries have been reclassified to available reserves.

4.7 Statement of changes in non-consolidated equity[1]

	CAPITAL	SHARE PREMIUM	Reserves for the balance of changes in the fair value of real estate		Reserves for impact of swaps [2]
			Reserves for the balance of changes in the investment value of real estate	Reserve for the impact on the fair value of estimated transfer taxes and costs resulting from hypothetical disposal of investment properties (-)	
1 January 2019	**114,961,266**	**87,551,065**	**2,261,442**	**-212,636**	**-19,413,963**
Net appropiation account for the 2018 financial year			2,562,191	-115,517	263,966
Dividends					
Treasury shares					
Result for the period [3]					
Other transfers					
Capital Increase	6,377,275	16,623,797			
31 December 2019	**121,338,541**	**104,174,862**	**4,823,633**	**-328,153**	**-19,149,997**
1 January 2020	**121,338,541**	**104,174,862**	**4,823,633**	**-328,153**	**-19,149,997**
Net appropiation account for the 2019 financial year			6,525,162	-290,751	0
Dividends					
Treasury shares					
Result for the period [3]					
Capital Increase	22,104,106	77,273,130			
31 December 2020	**143,442,647**	**181,447,992**	**11,348,795**	**-618,904**	**-19,149,997**
Appropriation of profit before distribution of dividends			5,029,172	-850,274	0
TOTAL	**143,442,647**	**181,447,992**	**16,377,967**	**-1,469,177**	**-19,149,997**

	Other reserves	Reserve treasury shares	Reserve for the share in profits or losses and in the unrealised results of subsidiaries accounted for using the equity method	Results carried forward from previous financial years	RESERVES	RESULT FOR THE FINANCIAL YEAR	TOTAL SHAREHOLDERS' EQUITY
1 January 2019	**11,283,515**	**0**	**-442,859**	**11,933,080**	**5,408,579**	**21,831,191**	**229,752,102**
Net appropiation account for the 2018 financial year	0	0	6,932,844	-1,724,742	7,918,743	-7,918,743	0
Dividends					0	-13,912,448	-13,912,448
Treasury shares		-167,916			-167,916	0	-167,916
Result for the period [3]					0	26,959,453	26,959,453
Other transfers	659,100				659,100		659,100
Capital Increase					0	0	23,001,072
31 December 2019	**11,942,615**	**-167,916**	**6,489,985**	**10,208,338**	**13,818,506**	**26,959,453**	**266,291,362**
1 January 2020	**11,942,615**	**-167,916**	**6,489,985**	**10,208,338**	**13,818,506**	**26,959,453**	**266,291,362**
Net appropiation account for the 2019 financial year	-3,061,553	0	6,400,828	1,682,489	11,256,175	-11,256,175	0
Dividends			-486,595	486,595	0	-15,703,278	-15,703,278
Treasury shares		-50,752			-50,752	0	-50,752
Result for the period [3]					0	19,864,912	19,864,912
Capital Increase					0	0	99,377,236
31 December 2020	**8,881,062**	**-218,668**	**12,404,218**	**12,377,422**	**25,023,929**	**19,864,912**	**369,779,481**
Appropriation of profit before distribution of dividends	0	0	-605,796	21,650,065	25,223,167	-19,864,912	
TOTAL	**8,881,062**	**-218,668**	**11,798,422**	**34,027,487**	**50,247,095**	**0**	**369,779,481**

(1) Following a recommendation by the FSMA, the amounts relating to the equity method, which were distributed among the various reserve items, were reclassified to a new reserve account 'Reserve for the share in the profit or loss and unrealised results of equity accounted investees'. The figures as at 31 December 2019 were also adjusted to allow for proper comparability.

(2) Reserve for net changes in the fair value of authorised hedging instruments that are not subject to hedge accounting as defined in the IFRS (+/-).

(3) The Company has no 'other comprehensive income', within the meaning of IAS 1, so that the Company's net income is equal to the overall result.

VIII. Permanent document

VIII. Permanent document

1. General information

1.1 Company name (Article 1 of the Articles of Association)

The Company has the status of a public limited liability company. It is subject to the statutory system of public regulated real estate companies, legally abbreviated to 'public RREC'. It bears the name 'CARE PROPERTY INVEST', abbreviated to 'CP Invest'.

The corporate name of the Company and all of the documents that it produces (including all deeds and invoices) contain the words 'public regulated real estate company' or are immediately followed by these words. The company name must always be preceded or followed by the words 'public limited liability company' or the abbreviation 'nv'.

The Company raises its financial resources, in Belgium or elsewhere, through a public offering of shares. The Company's shares have been admitted for trading on a regulated market, Euronext Brussels.

The Company is subject to the regulations currently applicable to RRECs and in particular to the provisions of the Law of 12 May 2014 concerning regulated real estate companies as amended by the Law of 22 October 2017 (the 'RREC Law') and the Royal Decree of 13 July 2014 with respect to regulated real estate companies, as amended on 23 April 2018 (the 'RREC Decree').

The Company is also subject to Article 2.7.6.0.1 of the Flemish Tax Code (VCF) in respect of exemption from inheritance rights pertaining to the social rights in companies incorporated within the framework of the realisation and/or financing of investment programmes for service flats, as amended from time to time.

1.2 Registered office, address, telephone number and website

The Company's registered office is located in the Flemish Region at 2900 Schoten, Horstebaan 3 and can be reached by telephone at +32 3 222 94 94 and by e-mail at info@carepropertyinvest.be.

The Board of Directors may relocate the registered office to any other place in Belgium, provided that the language legislation is respected.

The Company may, by decision of the Board of Directors, establish administrative seats, offices, branches, agencies and establishments at any other place in Belgium or abroad.

For the application of Article 2:31 BCCA, the Company's website is www.carepropertyinvest.be. The Company's e-mail address is info@carepropertyinvest.be.

The information made available through the website is not part of this Universal Registration Document, unless that information has been included by reference.

1.3 Incorporation and notification

The public limited liability company Care Property Invest was incorporated on 30 October 1995 under the name 'Serviceflats Invest' pursuant to a deed executed before notary Jan Boeykens in Antwerp and published in the Annexes to the Belgian Official Gazette of 21 November 1995 under number 1995-11-21/176.

1.4 Registration number

The Company is registered in the Trade Register (RPR) of Antwerp (Antwerp branch) under number 0456.378.070.

1.5 Object (Article 3 of the Articles of Association)

The Company's sole object is,

(a) making real estate available to users directly or via a company in which it has a shareholding, in compliance with the provisions of the RREC Law and decrees and regulations issued for the implementation of the RREC Law;

(b) property ownership within the limits of the RREC Law, as referred to in Article 2, 5°, vi to xi of the RREC Law;

(c) concluding or joining one or more of the following long-term contracts with a public client, directly or via a company in which it has a shareholding in compliance with the provisions of the RREC Law and the decrees and regulations issued for its implementation, possibly in collaboration with third parties: (i) Design, Build, Finance (DBF) contracts, except where these can be qualified solely as a promotional order for works, within the meaning of Article 115, 4° of the Royal Decree of 15 July 2011 on the award of public procurement contracts in the classical sectors; (ii) Design, Build, (Finance) and Maintain (DB(F)M) contracts; (iii) Design, Build, Finance, (Maintain) and Operate (DBF(M)O) contracts; and/or (iv) contracts for concessions for public work relating to buildings and/or other infrastructure of an immovable nature and services relating to this, on the basis of which: (i) it guarantees the provision, maintenance and/or operation for a public entity and/or citizens as end-users, in order to meet a social need and/or to facilitate the provision of a public service; and (ii) for which it is able to bear the associated financing, availability, demand and/or operating risks, partially or in full, in addition to any construction risk, without necessarily holding rights in rem in that regard.

(d) developing, providing for the development, establishing, providing for the establishment, managing, providing for the management, operating, providing for the operation of or making available one or more of the following in the long term, directly or via a company in which it has a shareholding in compliance with the provisions of the RREC Law and the decisions and regulations imposed for its implementation, possibly in collaboration with third parties: (i) utilities and storage locations for transportation, distribution or storage of electricity, gas, fossil or non-fossil fuels and energy in general and the related goods; (ii) utilities for transportation, distribution, storage or treatment of water and the related goods; (iii) installations for the generation, storage and transportation of energy, green or otherwise, and the related goods; or (iv) waste and incineration installations and related goods.

The activity, as described in the preceding paragraphs, must relate to the financing and realisation of (i) with regard to the Flemish Region, only projects primarily concerning (a) the realisation of service flats as referred to in Article 88, §5, of the Residential Care Decree of 13 March 2009 (as amended from time to time) or (b) real estate for facilities in relation to the Residential Care Decree of 13 March 2009, or (c) real estate for persons with disabilities, (ii) with regard to the European Economic Area, with the exception of the Flemish Region, projects equivalent to the projects referred to in (i), or (iii) real estate located in a Member State of the European Economic Area and used or intended solely or primarily for residential units adapted for residential care or health care, or (iv) other projects which are approved from time to time under the applicable legislation on exemption from inheritance tax, without withdrawal of recognition under that legislation (hereinafter jointly referred to as "Projects").

In the context of the provision of real estate, the Company may, in accordance with regulations applicable to RRECs and within the aforementioned limits, perform all activities related to the establishment, construction (without prejudice to the prohibition to act as a property developer, within the meaning of the RREC Law, except in the case of occasional transactions), refurbishment, renovation, furnishing and fitting, development, acquisition, disposition, lease, sublease, exchange, contribution, transfer, parcelling, placement under a system of co-ownership or joint ownership of real estate as described above, the provision or acquisition of right of superficie, usufruct, leasehold or other real or personal rights to real estate as described above, the management and operation of real estate. The Company may, in accordance with regulations applicable to regulated real estate companies and within the aforementioned limits:

- act as the lessee of real estate, with or without a purchase option;
- act as the lessor of real estate, as the main activity or as an additional activity, with or without a purchase option (with the proviso that the leasing of real estate with a purchase option may only be the main activity, as defined in and subject to compliance with the conditions of Article 17(3) of the RREC Decree);
- develop activities within the framework of public-private partnerships, whether or not incorporated in an institutional regulated real estate company;
- initially hold a share of less than 25% in the capital of a company which performs the activities referred to in sub-paragraph (c) of this Article, in as far as the said participating interest is converted into a participating interest through a share transfer, in accordance with the provisions of the RREC Law and the decisions and regulations for its implementation, within two years of the end of the construction phase of the public-private partnership (PPP) or after every longer term required in that regard by the public entity with which the contract is concluded;
- in a secondary or temporary capacity, invest in securities which are not property securities within the meaning of the regulations applicable to RRECs. These investments will be carried out in accordance with the risk management policy adopted by the Company and will be diversified so that they ensure adequate risk diversification. The Company may also own unallocated cash and cash equivalents. The cash and cash equivalents may be held in any currency in the form of deposits on demand, or term deposits or any monetary instrument, which are readily available for mobilisation;
- provide mortgages or other securities, or issue guarantees in the context of the activities of the Company or its group, within the limits of the regulations applicable to RRECs;
- grant loans within the limits of the legislation applicable to RRECs, and
- carry out transactions concerning authorised hedging instruments (as defined in the regulations applicable to regulated real estate companies), where these operations are part of a policy adopted by the Company to cover financial risks, with the exception of speculative transactions.

The Company shall, in compliance with the regulations applicable to regulated real estate companies, within the above limits, carry out all immovable, movable, financial, commercial and industrial actions which are directly or indirectly related to its objectives or of a basic nature to pursue their realization or to facilitate this, both domestically and abroad.

In compliance with the regulations applicable to regulated real estate companies, and within the above limits, the Company may acquire, by means of contribution in cash or in kind, merger, de-merger or other corporate law restructuring, subscription, participation, financial intervention or otherwise, a share in any existing or future companies or businesses in Belgium or abroad, whose objectives are identical, similar or related to its own, or of a nature as to pursue or promote the objectives of the Company.

1.6 Duration (Article 5 of the Articles of Association)

The company is established for an indefinite period and commences operations on the date of its formation. It can be dissolved by a decision of the General Meeting, deliberating in accordance with the conditions and forms required for an amendment of the Articles of Association.

1.7 Financial year – Financial Statements – Annual Report (Article 41 of the Articles of Association)

The financial year commences on the first of January and ends on the thirty-first of December of each year except for the first financial year, which ran from 30.10.1995 to 31.12.1996).

At the end of each financial year, the Board of Directors prepares an inventory and the financial statements. The Directors also prepare a report in which they render account of their policy, i.e., the Annual Report. This report contains a commentary on the financial statements, which includes a fair overview of the state of affairs and the position of the Company. This report also contains the information required by the BCCA, including a Corporate Governance Declaration, which forms a specific part thereof. This Corporate Governance Declaration also contains the Remuneration Report, which forms a specific part thereof.

In view of the Annual General Meeting, the Statutory Auditor prepares a written and detailed report, i.e., the Audit Report.

As soon as the notice of the Meeting has been published, the shareholders may take note of the financial statements and other documents referred to in the BCCA.

1.8 General Meeting

In accordance with Article 32 of the coordinated Articles of Association, the Ordinary General Meeting is convened on the last Wednesday of May.

1.9 Accredited auditor

In accordance with article 29 of the Articles of Association, the General Meeting of 29 May 2019 appointed the limited liability company EY Bedrijfsrevisoren, with registered office at 1831 Diegem, De Kleetlaan 2, company number 0446.334.711, RPR Brussels and membership no. B160, as statutory auditor for a period of three years. This company has appointed Mrs Christel Weymeersch and Mr Christophe Boschmans, both auditors, as representatives authorised to represent the company and charged with the execution of the mandate in the name and on behalf of EY. The mandate expires after the General Meeting of Shareholders that must approve the financial statements as at 31 December 2021.

1.10 Internal audit

The Board of Directors uses bvba Mazars Advisory Services for the performance of the internal audit tasks, with its registered office at 1050 Brussels, Marcel Thirylaan 77, represented by Mrs Cindy Van Humbeeck, director-manager. On 6 September 2017, the Board of Directors decided to extend the outsourcing contract for the ‘internal audit’ function for an indefinite period. The agreement can be terminated subject to compliance with a notice period of 3 months.

1.11 Real estate expert

Pursuant to the RREC Law and RREC Decree, the Company's real estate must be valued by a recognised, independent real estate expert. This expert must determine the 'fair value' of the buildings, which is included in the financial statements of the Company.

For this purpose, the Company calls upon (i) Stadim cvba, with registered office at 2018 Antwerp, Mechelsesteenweg 180, and (ii) Cushman & Wakefield nv, with registered office at 1000 Brussels, Kunstlaan 56. The respective agreements were concluded for a renewable term of 3 years. The current term for Stadim cvba expires on 31 December 2022 and that for Cushman & Wakefield on 31 March 2023. The fee of both real estate experts is independent of the fair value of the real estate to be valued.

Valuation method

The following approach is used for the purpose of the appraisal:

- A detailed update of the financial flows based on explicit assumptions of future developments of this revenue and the final value. In this case, the discount rate takes into account the financial interest rates in the capital markets, plus a specific risk premium for real estate investments. Interest rate fluctuations and inflation prospects will be taken into account in the evaluation, in a conservative manner.
- These evaluations are also assessed in terms of the unit prices quoted on the sale of similar buildings, after which a correction will be applied to take account of any differences between these reference properties and the properties in question.
- The development projects (construction, renovation or extension work) are valued by deducting the costs of the project on completion from its estimated value, as determined by applying the above estimates. The costs of the study phase of the construction, renovation or extension works are stated at the acquisition cost.

1.12 Financial services

Belfius Bank, BNP Paribas Fortis, KBC Bank, CBC Banque, Bank Degroof Petercam and VDK Spaarbank.

1.13 Stock market quotation

- Euronext Brussels
- Industry Classification Benchmark – 8673 Residential REITs.
- ISIN code: BE0974273055
- LEI number: 54930096UUTCOUCQDU64.

Below is an overview of the indices in which the Care Property Invest share has been included in the meantime:

Inclusion indices as at 31 December 2020
Name index
Euronext Bel Mid index (Euronext Brussels)
Euronext NEXT 150 index (Euronext Brussels)
Euronext BEL Real Estate (Euronext Brussels)
GPR (Global Property Research) General Europe Index
GPR (Global Property Research) General Europe Quoted Index (excl. open-end bank funds)

1.14 Analists

Care Property Invest is monitored by:

Bank Degroof Petercam Herman van der Loos	+32 2 229 63 40	h.vanderloos@degroofpetercam.com
KBC Securities Wido Jongman	+32 2 429 60 32	wido.jongman@kbcsecurities.be
Vlaamse Federatie van Beleggers Gert De Mesure	+32 2 253 14 75	gert.de.mesure@skynet.be
Belfius-Kepler Cheuvreux Frédéric Renard	+32 1 149 14 63	frenard@keplercheuvreux.com
ABN AMRO Steven Boumans	+31 63 056 91 59	steven.boumans@aa-ob.com
Mainfirst Louise Boyer	+33 1 70 98 39 40	louise.boyer@mainfirst.com
Berenberg Kai Klose	+44 20 32 07 78 88	kai.klose@berenberg.com

1.15 Liquidity provider

In February 2018, the Company appointed Bank Degroof Petercam as liquidity provider. In November 2018, the Company appointed KBC Securities as additional liquidity provider to further improve the liquidity of its share.

1.16 Investor profile

Taking account of the legal regime of the RREC in general and that for residential RRECs in particular, Care Property Invest shares could form an attractive investment for both private and institutional investors.

1.17 Change in the rights of shareholders

Pursuant to Articles 7:153 and 7:155 BCCA, the rights of shareholders may only be changed by an Extraordinary General Meeting. The document containing the information on the rights of shareholders referred to in Articles 7:130 and 7:139 BCCA can be viewed on the website of Care Property Invest. (www.carepropertyinvest.be/en/investments/becoming-shareholder/).

1.18 Voting rights of the main shareholders

The main shareholders of Care Property Invest do not have voting rights other than those arising from their participation in the share capital (within the meaning of point 16.2 of Annex I to the Delegated Regulation (EU) No 2019/980).

1.19 Strategy or information on governmental, economic, budgetary, monetary or political policies or factors that have or may have a direct or indirect material impact on the activities of Care Property Invest

See chapter 'I. Risk factors' on page 8.

1.20 History and evolution of the Company - important events in the development of the activities of Care Property Invest

Further information on the Company and its history can be found in this chapter under item '5. History of the Company and its share capital' on page 243.

1.21 Public information

The necessary information concerning the Company is made available to the public to ensure the transparency, integrity and proper functioning of the market, as required by the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted for trading on a regulated market. The required information is distributed and stored in accordance with this Royal Decree via the Company's website (www.carepropertyinvest.be), as well as in accordance with FSMA Circular/2012_01 dated 11 January 2012, including later changes.

However, the information available on the Company's website does not form part of this URD, unless the information has been incorporated by reference in this URD. In accordance with the aforementioned Royal Decree, the information provided must be true, accurate and sincere and must enable the shareholders and the public to assess the impact of the information on the position, business and results of the Company.

The convocation of the General Meeting is published in the Belgian Official Gazette and in a financial newspaper and will also be announced through the media and on the Company's website (www.carepropertyinvest.be), in accordance with the BCCA. Any interested party can register free of charge on the Company's website in order to receive press releases by e-mail. The decisions on appointments and dismissals of members of the Board of Directors and the Statutory Auditor are published in the Annexes to the Belgian Official Gazette. The financial statements are filed with the National Bank of Belgium.

The Annual and Half-yearly Financial Reports are sent to the registered shareholders and to any other persons on request. These reports, the Company's press releases, annual information, publications concerning the payment of dividends, all information subject to mandatory disclosure, as well as the Company's Articles of Association and the Corporate Governance Charter, are available on the Company's website at www.carepropertyinvest.be during the period of validity of this URD. Certain relevant articles of law, royal decrees and decisions applicable to Care Property Invest are posted on the website purely for information purposes and can be viewed there.

1.22 Information incorporated by reference

For an overview of the Company's activities, operations and historical financial information, reference is made to the Annual Financial Reports of the Company for the financial years 2018 and 2019, as well as to the Half-yearly financial reports and the publication of the Interim Statements of the Board of Directors, which are incorporated by reference in this URD. The Annual and Half-yearly Financial Reports have been audited by the Statutory Auditor of the Company. The Interim Statements have not been audited by the Statutory Auditor. This information can be consulted at the registered office or on the website (www.carepropertyinvest.be) of Care Property Invest.

Where reference is not made to the entire document, but only to certain parts of it, the unabridged parts are not relevant to the investor as far as the current URD is concerned.

Annual Financial Report 2018	
IV. Report of the Board of Directors	page 48
VII. Real estate report	page 164
VIII. Financial Statements, including Consolidated Financial Statements, Notes and Abbreviated Statutory Financial Statements	page 200
VIII./3. Statutory Auditor's report (unqualified opinion)	page 273

Annual Financial Report 2019	
III. Report of the Board of Directors	page 30
VI. Real estate report	page 138
VII. Financial Statements, including Consolidated Financial Statements, Notes and Abbreviated Statutory Financial Statements	page 158
VII./3. Statutory Auditor's report (unqualified opinion)	page 218

Half-yearly Financial Report 2020	
I. Interim report of the Board of Directors	page 12
IV. Real estate report	page 68
V. Condensed financial statements, including Notes	page 84
V./9. Statutory Auditor's report	page 99

Interim statement from the Board of Directors 3rd quarter 2020
See Company website, https://www.carepropertyinvest.be

Coordinated Articles of Association
The coordinated Articles of Association as at 20/01/2021 are included in this chapter in point « 6. Coordinated Articles of Association ».

Corporate Governance Charter
See Company website, https://carepropertyinvest.be/en/investments/corporate-governance/

Shareholders' rights
See Company website, https://carepropertyinvest.be/en/investments/becoming-shareholder/

1.23 Significant change in the financial or commercial position

The Company's financial or commercial position has not altered significantly since the end of the previous financial year for which the audited annual financial statements or interim financial statements have been published.

2. Information likely to affect any public takeover bid

Notices pursuant to Article 34 of the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments admitted to trading on a regulated market (FSMA/2012_01 dated 11 January 2012).

Care Property Invest provides a summary and, where appropriate, an explanation below of the following elements, in as far as they are of a nature likely to affect any public takeover bid. The Company has no notices to report for the 2020 financial year.

2.1 Arrangements whose entry into force at a later date may result in a change of control of the issuing institution.

The Company is not aware of any arrangements that could result in a change in control of the Company at a later date.

2.2 Provisions in the Articles of Association which could have the effect of delaying, postponing or preventing a change of control

Reference is made to Article 7 of the coordinated Articles of Association as at 20/01/2021 - AUTHORISED CAPITAL. However, the use of the authorised capital is limited in accordance with Article 7:202 BCCA in the event of notification by the FSMA to the Company of a public takeover bid. However, it cannot be excluded that this provision may have a delaying or preventing effect on a possible takeover bid.

2.3 Capital structure

The capital structure is included in chapter 'IV. Care Property Invest on the Stock Market', '4. Shareholding structure' on page 120. In accordance with Article 38 of the Articles of Association, each share affords the right to cast one vote. The following relevant articles of the Articles of Association were included in full in the coordinated Articles of Association (in paragraph '6. Coordinated Articles of Association' on page 245). The coordinated Articles of Association are also available on www.carepropertyinvest.be.

Article 6 of the coordinated Articles of Association as at 20/01/2021- CAPITAL
Article 7 of the coordinated Articles of Association as at 20/01/2021- AUTHORISED CAPITAL
Article 8 of the coordinated Articles of Association as at 20/01/2021- CHANGE IN THE CAPITAL
Article 9 of the coordinated Articles of Association as at 20/01/2021- NATURE OF THE SHARES

2.4 Legal restrictions or restrictions pursuant to the Articles of Association on the exercise of voting rights

As at 31 December 2020, Care Property Invest owns 6,878 treasury shares. At the time of publication of this report, the Company owns 1,692 treasury shares by fulfilling its obligations to the Management as a result of the long-term incentive plan. Further information is included in chapter 'VII. Financial statements', point 'T 5.24 Capital' on page 200.

2.5 Legal restrictions and restrictions pursuant to the Articles of Association on the transfer of securities

The following relevant articles of the Articles of Association were included in full in the coordinated Articles of Association (in paragraph '6. Coordinated Articles of Association' on page 245). The Coordinated Articles of Association are also available on www.carepropertyinvest.be.

Article 13 of the coordinated Articles of Association as at 20/01/2021- TRANSFER OF SHARES
Article 15 of the coordinated Articles of Association as at 20/01/2021- NOTIFICATION OF SIGNIFICANT PARTICIPATING INTERESTS

The legislation applying to public limited liability companies and listed companies whose shares are offered to the public for subscription, and public RRECs in particular, must be respected, including in as far as these entail a restriction of transfers of securities.

2.6 Holders of securities with special control rights attached - description of these rights

Not applicable: as at 31 December 2020, there are no special control rights attached to the shares of Care Property Invest.

2.7 The mechanism for the control of any employee share scheme where the control rights are not exercised directly by the employees

Not applicable: there are no share schemes.

2.8 Agreements contracted between Care Property Invest and its directors or employees providing for when, in the event of a takeover bid, the directors should resign or are redundant without valid reason or the employees' employment is terminated

Not applicable.

2.9 The rules governing the appointment and replacement of members of the governing body

The following relevant articles of the Articles of Association were included in full in the coordinated Articles of Association (in paragraph '6. Coordinated Articles of Association' on page 245). The Coordinated Articles of Association are also available on www.carepropertyinvest.be.

Article 16 of the coordinated Articles of Association as at 20/01/2021- COMPOSITION OF THE BOARD OF DIRECTORS
Article 17 of the coordinated Articles of Association as at 20/01/2021- PREMATURE VACANCIES
Article 18 of the coordinated Articles of Association as at 20/01/2021- CHAIRMANSHIP
Article 25 of the coordinated Articles of Association as at 20/01/2021- COMMITTEES
Article 27 of the coordinated Articles of Association as at 20/01/2021- EXECUTIVE COMMITTEE

2.10 The rules for amending the Articles of Association

The legislation applying to public limited liability companies and listed companies whose shares are offered to the public for subscription, and public RRECs in particular, must be respected. In the event of an amendment of the Articles of Association or a decision for which the law imposes a similar majority requirement as for an amendment of the Articles of Association, and where the rights and obligations of a certain class of shareholders are affected, the statutory majority requirements must be complied with separately for each class of shareholders.

2.11 The powers of the governing body as regards the power to issue or buy back shares

The following relevant articles of the Articles of Association were included in full in the coordinated Articles of Association (in paragraph '6. Coordinated Articles of Association' on page 245). The Coordinated Articles of Association are also available on www.carepropertyinvest.be

Article 14 of the coordinated Articles of Association as at 20/01/2021- BUY-BACK OF SHARES
Further explanation is given in chapter 'III. Report of the Board of Directors', in paragraph '11.9 The powers of the administrative body, in particular with regard to the possibility of issuing or repurchasing shares' on page 102.

2.12 Shareholder agreements known to Care Property Invest, which result in restrictions on the transfer of securities and/or voting rights

The following relevant articles of the Articles of Association were included in full in the coordinated Articles of Association (in paragraph '6. Coordinated Articles of Association' on page 245).
The Coordinated Articles of Association are also available on www.carepropertyinvest.be.

Article 13 of the coordinated Articles of Association as at 20/01/2021- TRANSFER OF ORDINARY SHARES

No shareholder agreements are known to the Company as at 31 December 2020.

2.13 Significant agreements to which Care Property Invest is party and which take effect, undergo changes or expire in the event of a change of control over Care Property Invest following a public takeover bid

There are no significant agreements to which the Company is party, and which take effect, undergo changes or expire in the event of a change of control over the Company following a public takeover bid, except the management agreements contracted with the CEO, CFO and COO in relation to their mandate as effective leaders and a number of credits entered into by the Company with credit institutions.

Contractual provisions in the management contracts concerning resignation and severance pay are explained in Chapter III. Report of the Board of Directors, '11.11 Remuneration report 2020' on page 104.

There are no other agreements contracted between the Company and its directors or employees providing for benefits if, in the event of a takeover bid, the directors resign or are made redundant without valid reason or the employees' employment is terminated. The Belgian labour laws must be respected when workers resign or are dismissed.

The loans taken out by the Company, which contain provisions that are subject to a change of control over the Company, have been approved and disclosed by the General Meeting in accordance with article 7:151 BCCA, with the exception of the loan taken out by the Company with ABN AMRO. This will be presented at the next General Meeting and disclosed thereafter.

3. Declarations (Annex I to Regulation (EU) No. 2019/980)

3.1 Persons responsible for the information provided in the URD

The Managing (executive) Directors are responsible for the information provided in this URD, namely: Messrs Peter Van Heukelom, Willy Pintens, Dirk Van den Broeck, Filip Van Zeebroeck and Ms Valérie Jonkers.

3.2 Declaration by the persons responsible for the URD

The responsible persons mentioned in point 3.1 above declare that, having taken all reasonable care to ensure that such is the case, and to the best of their knowledge, the information given in the URD is in accordance with the facts and contains no omission likely to affect its import.

3.3 Third party information

Care Property Invest declares that the information provided by the experts and the recognised statutory auditor has been faithfully reproduced and is included with their permission. As far as Care Property Invest is aware and has been able to ascertain from information published by the third party concerned, no facts have been omitted that result in any error or misstatement in the information presented.

This relates in particular to the information provided by the Company's statutory auditor, EY Bedrijfsrevisoren (De Kleetlaan 2, 1831 Diegem), the statement '1. Status of the property market in which the Company operates' on page 136, drawn up by and included with the approval of the recognised real estate experts Stadim cvba (Mechelsesteenweg 180, 2018 Antwerp) and Cushman & Wakefield nv (Kunstlaan 56, 1000 Brussel) in this Annual Financial Report under chapter 'VI. Real estate report' and paragraph '4. Report of the real estate expert' on page 153, also in chapter 'VI. Real estate report'. The Company is not aware of any possible interests that the experts might have in Care Property Invest.

4. Other declarations

4.1 Declaration of the responsible persons in accordance with the Royal Decree of 14 November 2007

Hereby, the responsible persons mentioned under point 3.1 above declare that, to the best of their knowledge, the annual financial statements which were prepared in accordance with the applicable accounting standards for financial statements, present a true and fair view of the assets, the financial position and the results of the Company and that this yearly report includes a fair review of the development, performance and position of the Company and the undertakings included in the consolidation, as well as a description of the principal risks and uncertainties facing the Company and the undertakings included in the consolidation.

4.2 Statements relating to the future

This Annual Financial Report contains statements relating to the future. Such statements are based on estimates and forecasts of the Company and naturally contain unknown risks, uncertain elements and other factors that could lead to material differences in the results, the financial position, the performance and the presentations from those expressed or implied in these forward-looking statements. Given these uncertainties, the statements relating to the future do not entail any guarantees whatsoever.

4.3 Litigation and arbitration proceedings

The Care Property Invest Board of Directors declares that no government intervention, litigation or arbitration proceedings are pending that could have a relevant impact on the financial position or profitability of Care Property Invest and that, to the best of its knowledge, there are no facts or circumstances that could give rise to such government intervention, litigation or arbitration proceedings.

5. History of the Company and its share capital

Date	Nature of the operation	Amount of the share capital (in €)	Number of shares (without nominal value)
30 October 1995	Initial capital through cash contributions on incorporation from ASLK Bank, BACOB Bank, Gemeentekrediet, Kredietbank, Petercam and GIMV, (share capital on incorporation through contributions in cash)	1,249,383	210
		1,249,383	**210**
7 February 1996	Capital increase through contribution in cash	59,494,446	10,000
		60,743,829	**10,210**
7 February 1996	**IPO on Euronext Brussels**		
16 May 2001	Reserve incorporation in the capital	566	10,210
		60,744,395	**10,210**
19 February 2004	Conversion of 60 special shares in the name of GIMV into ordinary shares		
2012	**Investment program 2,000 service flats completed.**		
2014	**Serviceflats Invest becomes Care Property Invest and builds its future. Since 25 November 2014, Care Property Invest has the status of a public Regulated Real Estate Company (public RREC) under Belgian law 9**		
24 March 2014	Division of the number of shares by 1,000		10,210,000
		60,744,395	**10,210,000**
20 June 2014	Capital increase through contribution in kind in relation to stock dividend	889,004	149,425
		61,633,399	**10,359,425**
22 June 2015	Capital increase in cash with irrevocable allocation right	16,809,093	2,825,295
		78,442,492	**13,184,720**
2016	**Inclusion of Care Property Invest's share as BEL Mid Cap in the BEL Mid-Index.**		
2016	**Member of EPRA organisation and inclusion of EPRA performance indicators in its financial reports.**		
15 March 2017	Capital increase through contribution in kind	10,971,830	1,844,160
		89,414,322	**15,028,880**
2017	**The first projects in the Walloon and Brussels Capital Regions have been acquired.**		
27 October 2017	Capital increase in cash with irrevocable allocation right	25,546,945	4,293,965
		114,961,266	**19,322,845**

Date	Nature of the operation	Amount of the share capital (in €)	Number of shares (without nominal value)
2018	**Entry onto the Dutch market.**		
27 June 2018	Deletion of the special shares and conversion to ordinary shares.	114,961,266	19,322,845
		114,961,266	**19,322,845**
2019	**Inclusion of Care Property Invest share in Euronext Next 150 index.**		
3 April 2019	Capital increase through contribution in kind	4,545,602	746,301
		119,506,869	**20,086,876**
26 June 2019	Capital increase by contribution in kind within the framework of optional dividend	1,831,673	307,870
		121,338,541	**20,394,746**
2020	**Entry onto the Spanish market**		
15 January 2020	Capital increase through contribution in kind	7,439,112	1,250,376
		128,777,653	**21,645,122**
19 June 2020	Capital increase through contribution in kind in relation to stock dividend.	1,624,755	273,091
		130,402,408	**21,918,213**
25 June 2020	Capital increase in cash (accelerated book building with orderbook composition)	13,040,239	2,191,821
		143,442,647	**24,110,034**
After closing of the FY 2020			
20 January 2021	Capital increase through contribution in kind	10,091,030	1,696,114
		153,533,677	**25,806,148**

6. Coordinated Articles of Association

COMPANY HISTORY

The company was incorporated by deed executed before the notary public Jan Boeykens on 30 October 1995, published in the Annexes to the Belgian Official Gazette of 21 November thereafter under number 19951121/176.

The articles of association were amended by deeds executed before the aforementioned notary public Jan Boeykens on:

- 30 October 1995, published in the Annexes to the Belgian Official Gazette of 24 November thereafter under number 19951124/208.
- 7 February 1996, published in the Annexes to the Belgian Official Gazette of 19 March thereafter under number 19960319/128.
- 9 June 1999, published in the Annexes to the Belgian Official Gazette of 16 July thereafter under number 19990716/228.

The capital was adjusted and converted into Euros by a resolution of the General Meeting dated 16 May 2001, published in the Annexes to the Belgian Official Gazette of 17 August thereafter under number 20010817/309.

The articles of association were subsequently amended by deeds executed before the aforementioned notary public on:

- 28 January 2004, published in the Annexes to the Belgian Official Gazette of 16 February thereafter under number 20040216/0025164.
- 7 November 2007, published in the Annexes to the Belgian Official Gazette of 7 December thereafter under number 20071207/0176419.
- 27 June 2012, published in the Annexes to the Belgian Official Gazette of 17 July thereafter under number 20120717/0125724.
- 26 June 2013, published in the Annexes to the Belgian Official Gazette of 19 July thereafter under number 20130719/0112410.
- 19 March 2014, published in the Annexes to the Belgian Official Gazette of 16 April thereafter under number 20140416/0082192

The articles of association were subsequently amended by deed executed before notary public Alvin Wittens in Wijnegem on:

- 20 June 2014, published in the Annexes to the Belgian Official Gazette of 15 July thereafter under number 20140715/0136439.
- 25 November 2014, published in the Annexes to the Belgian Official Gazette of 16 December thereafter under number 20141216/ 0233120.
- 22 June 2015, published in the Annexes to the Belgian Official Gazette of 17 July thereafter under number 20150717/0103638.
- 22 June 2016, published in the Annexes to the Belgian Official Gazette of 14 July thereafter under number 20160714/0098793.
- 15 March 2017, published in the Annexes to the Belgian Official Gazette of 11 April thereafter under number 20170411/0051595.
- 27 October 2017, published in the Annexes to the Belgian Official Gazette of 27 November thereafter under number 20171127/0165423.
- 16 May 2018, published in the Annexes to the Belgian Official Gazette of 12 June thereafter, under number 20180612/0090633.
- 3 April 2019, published in the Annexes to the Belgian Official Gazette of 30 April thereafter, under number 20190430/0059222.
- 26 June 2019, published in the Annexes to the Belgian Official Gazette of 12 July thereafter, under number 20190712/0094013.
- 18 December 2019, published in the Annexes to the Belgian Official Gazette of 24 January thereafter, under number 20200124/001490.
- 15 January 2020, published in the Annexes to the Belgian Official Gazette of 12 February thereafter, under number 20200212/20024540.
- 15 June 2020, published in the Annexes to the Belgian Official Gazette of 9 September thereafter, under number 20200909/0104355.
- 19 June 2020, published in the Annexes to the Belgian Official Gazette of 9 September thereafter, under number 20200909/0104355.
- 25 June 2020, published in the Annexes to the Belgian Official Gazette on 5 August thereafter, under number 20200805/0090304.
- 20 January 2021, to be deposited for publication in the Annexes of the Belgian Official Gazette.
-

COORDINATED TEXT OF THE ARTICLES OF ASSOCIATION AS AT 20 JANUARY 2021

Where these articles of association refer to 'the regulations applicable to the regulated real estate company' this shall mean 'the regulations applicable to the regulated real estate company at any time'.

TITLE I – LEGAL FORM - NAME - REGISTERED OFFICE - PURPOSE - INVESTMENT POLICY - DURATION

ARTICLE 1 – LEGAL FORM AND NAME

The company has the legal form of a public limited liability company (société anonyme/naamloze vennootschap).

It is subject to the statutory regime for public regulated real estate companies, which is called "public RREC" or "PRREC". It bears the name "CARE PROPERTY INVEST", abbreviated as "CP Invest".

The company's name and all of the documents that it produces (including all deeds and invoices) contain the words "Openbare gereglementeerde vastgoedvennootschap naar Belgisch recht ("Public regulated real estate company under Belgian law") or "OGVV naar Belgisch recht" ("PRREC under Belgian law") or are immediately followed by these words.

The company's name must always be preceded or followed by the words "naamloze vennootschap" ("public limited liability company"/"société anonyme") or the abbreviation "NV"/"SA".

The company is subject to regulations applicable to regulated real estate companies at any time and in particular to the provisions of the Act of 12 May 2014 concerning regulated real estate companies (the "RREC Act") and the Royal Decree of 13 July 2014 with respect to regulated real estate companies (the "RREC Decree") as amended from time to time.

The company is also subject to the Decree of the Flemish government of 3 May 1995 governing the exemption from inheritance rights attached to the corporate rights in companies established within the framework of the realisation and/or financing of investment programs of service flats, as amended from time to time and with effect from 1 January 2015 inserted in Article 2.7.6.0.1. of the Decree of 13 December 2013 containing the Flemish Tax Code (the " Flemish Tax Code of 13 December 2013").

ARTICLE 2 - REGISTERED OFFICE

The registered office of the company is located in the Flemish Region.

It may be transferred to any other place in Belgium by decision of the Board of Directors, subject to compliance with language legislation.

The company may, by decision of the Board of Directors, establish administrative seats, offices, branches, agencies and establishments at any other place in Belgium or abroad.

For the application of Article 2:31 of the Code of Companies and Associations, the company's website is www.carepropertyinvest.be. The company's e-mail address is info@carepropertyinvest.be.

ARTICLE 3 - OBJECT

The company's sole object is,

(a) making real estate available to users directly or via a company in which it has a shareholding, in compliance with the provisions of the RREC Act and decrees and regulations issued for the implementation of the RREC Act;

(b) property ownership within the limits of the RREC Act, as referred to in Article 2, 5°, vi to xi of the RREC Act;

(c) concluding or joining one or more of the following long-term contracts with a public client, directly or via a company in which it has a shareholding in compliance with the provisions of the RREC Act and the decrees and regulations issued for its implementation, possibly in collaboration with third parties: (i) Design, Build, Finance (DBF) contracts, except where these can be qualified solely as a promotional order for works, within the meaning of Article 115, 4° of the Royal Decree of 15 July 2011 on the award of public procurement contracts in the classical sectors; (ii) Design, Build, (Finance) and Maintain (DB(F)M) contracts; (iii) Design, Build, Finance, (Maintain) and Operate (DBF(M)O) contracts; and/or (iv) contracts for concessions for public work relating to buildings and/or other infrastructure of an immovable nature and services relating to this, on the basis of which: (i) it guarantees the provision, maintenance and/or operation for a public entity and/or citizens as end-users, in order to meet a social need and/or to facilitate the provision of a public service; and (ii) for which it is able to bear the associated financing, availability, demand and/or operating risks, partially or in full, in addition to any construction risk, without necessarily holding rights in rem in that regard.

(d) developing, providing for the development, establishing, providing for the establishment, managing, providing for the management, operating, providing for the operation of or making

available one or more of the following in the long term, directly or via a company in which it has a shareholding in compliance with the provisions of the RREC Act and the decisions and regulations imposed for its implementation, possibly in collaboration with third parties: (i) utilities and storage locations for transportation, distribution or storage of electricity, gas, fossil or non-fossil fuels and energy in general and the related goods; (ii) utilities for transportation, distribution, storage or treatment of water and the related goods; (iii) installations for the generation, storage and transportation of energy, green or otherwise, and the related goods; or (iv) waste and incineration installations and related goods.
The activity, as described in the preceding paragraphs, must relate to the financing and realisation of (i) with regard to the Flemish Region, only projects primarily concerning (a) the realisation of service flats as referred to in Article 88, §5, of the Residential Care Decree of 13 March 2009 (as amended from time to time) or (b) real estate for facilities in relation to the Residential Care Decree of 13 March 2009, or (c) real estate for persons with disabilities, (ii) with regard to the European Economic Area, with the exception of the Flemish Region, projects equivalent to the projects referred to in (i), or (iii) real estate located in a Member State of the European Economic Area and used or intended solely or primarily for residential units adapted for residential care or health care, or (iv) other projects which are approved from time to time under the applicable legislation on exemption from inheritance tax, without withdrawal of recognition under that legislation (hereinafter jointly referred to as "Projects").
In the context of the provision of real estate, the company may, in accordance with regulations applicable to RRECs and within the aforementioned limits, perform all activities related to the establishment, construction (without prejudice to the prohibition to act as a property developer, within the meaning of the RREC Act, except in the case of occasional transactions), refurbishment, renovation, furnishing and fitting, development, acquisition, disposition, lease, sublease, exchange, contribution, transfer, parcelling, placement under a system of co-ownership or joint ownership of real estate as described above, the provision or acquisition of right of superficie, usufruct, leasehold or other real or personal rights to real estate as described above, the management and operation of real estate. The company may, in accordance with regulations applicable to regulated real estate companies and within the aforementioned limits:
- act as the lessee of real estate, with or without a purchase option;
- act as the lessor of real estate, as the main activity or as an additional activity, with or without a purchase option (with the proviso that the leasing of real estate with a purchase option may only be the main activity, as defined in and subject to compliance with the conditions of Article 17(3) of the RREC Royal Decree);
- develop activities within the framework of public-private partnerships, whether or not incorporated in an institutional regulated real estate company;
- initially hold a share of less than 25% in the capital of a company which performs the activities referred to in sub-paragraph (c) of this Article, in as far as the said participating interest is converted into a participating interest through a share transfer, in accordance with the provisions of the RREC Act and the decisions and regulations for its implementation, within two years of the end of the construction phase of the public-private partnership (PPP) or after every longer term required in that regard by the public entity with which the contract is concluded;
- in a secondary or temporary capacity, invest in securities which are not property securities within the meaning of the regulations applicable to RRECS. These investments will be carried out in accordance with the risk management policy adopted by the company and will be diversified so that they ensure adequate risk diversification. The company may also own unallocated cash and cash equivalents. The cash and cash equivalents may be held in any currency in the form of deposits on demand, or term deposits or any monetary instrument, which are readily available for mobilisation;
- provide mortgages or other securities, or issue guarantees in the context of the activities of the company or its group, within the limits of the regulations applicable to RRECs;
- grant loans within the limits of the legislation applicable to RRECs, and
- carry out transactions concerning authorised hedging instruments (as defined in the regulations applicable to regulated real estate companies), where these operations are part of a policy adopted by the company to cover financial risks, with the exception of speculative transactions.

The company shall, in compliance with the regulations applicable to regulated real estate companies, within the above limits, carry out all immovable, movable, financial, commercial and industrial actions which are directly or indirectly related to its objectives or of a basic nature to pursue their realization or to facilitate this, both domestically and abroad.
In compliance with the regulations applicable to regulated real estate companies, and within the above limits, the company may acquire, by means of contribution in cash or in kind, merger, de-merger or other corporate law restructuring, subscription, participation, financial intervention or otherwise, a share in any existing or future companies or businesses in Belgium or abroad, whose objectives are identical, similar or related to its own, or of a nature as to pursue or promote the objectives of the company.

ARTICLE 4 - PROHIBITORY PROVISION

The company may not act as a real estate promoter within the meaning of the legislation applicable to regulated real estate companies, unless these are occasional activities.
The company is not permitted to:
1° participate in a permanent takeover or guarantee syndicate;
2° lend financial instruments, with the exception of loans which are granted in accordance with the provisions and under the conditions of the Royal Decree of 7 March 2006;
3° acquire financial instruments issued by a company or a private association which has been declared bankrupt, entered into an amicable settlement with its creditors, been the subject of a judicial reorganisation, been granted a suspension of payments or which has been the subject of similar measures in another country; and
4° conclude contractual agreements or provide for provisions of the articles of association relating to affiliated companies that could adversely affect the voting power that is granted to them in accordance with applicable law following a participation of a participation of 25% plus one share.

ARTICLE 5 - DURATION

The company is established for an indefinite period and commenced operations on the date of its formation.
It can be dissolved by a decision of the General Meeting, deliberating in accordance with the conditions and forms required for an amendment of the articles of association.

TITLE II - CAPITAL - SHARES - OTHER SECURITIES

ARTICLE 6 - CAPITAL

The capital amounts to one hundred and fifty-three million five hundred and thirty-three thousand six hundred and seventy-seven euro and sixty eurocents. (€153,533,677.60).
The capital is represented by twenty-five million eight hundred and six thousand one hundred and forty-eight (25,806,148) shares without par value.
All shares must be fully paid up from the subscription date.

ARTICLE 7 - AUTHORISED CAPITAL

The Board of Directors is authorised, on dates and at conditions at its discretion, in one or more tranches, to increase the share capital by a maximum amount of one hundred and fourteen million, nine hundred and sixty-one thousand two hundred and sixty-six euros and thirty-six eurocents (€114,961,266.36).
This authorisation is valid for a period of five years from the announcement of the decision of the EGM of 16 May 2018 in the Annexes to the Belgian Official Gazette.
It is renewable.
This/these capital increase(s) may be carried out in any manner permitted under the applicable regulations, including by contributions in cash, by contributions in kind or as a mixed contribution, or by the conversion of reserves, including retained earnings and share premiums as well as all private assets under the statutory IFRS financial statements of the company (prepared under the regulations applicable to regulated real estate companies) that are amenable to conversion into capital, and with or without the creation of new securities, in accordance with the rules prescribed by the Belgian Code for Companies and Associations, the regulations applicable to regulated real estate companies and to these articles of association.
The Board of Directors may issue new shares with the same rights as the existing shares for that purpose.
As the case may be, the share premiums, less any deduction of an amount no more than that equal to the costs of the capital increase within the meaning of the applicable IFRS rules, in the event of a capital increase decided by the Board of Directors, must be placed by the Board of Directors in a blocked reserve account that shall constitute the surety for third parties on the same basis as the capital and which in no case may be reduced or eliminated other than by a decision of the General Meeting deciding as for an amendment of the articles of association, except for the conversion into capital as provided above.
Under the conditions and within the limits provided in this article, the Board of Directors may also issue subscription rights (whether or not attached to another security) and convertible bonds or bonds redeemable in shares, which may give rise to the creation of the same securities as referred to in the fourth paragraph, and always in compliance with the applicable regulations and these articles of association.
Without prejudice to the application of the mandatory provisions contained in the applicable regulations, the Board of Directors may restrict or cancel the preferential right in the cases and subject to compliance with the conditions stipulated in the applicable regulations, even if this is done in favour of one or more specific persons other than employees of the company or its subsidiaries.
If applicable, the irrevocable allocation right must at least comply with the modalities shown in the applicable regulations on regulated real estate companies and article 8.1 of these articles of association. Without prejudice to the application of the mandatory provisions contained in the applicable regulations, the aforementioned restrictions in connection with the cancellation or restriction of the preferential right are not applicable in the case of a cash contribution with restriction or cancellation of the preferential right, which is made to supplement a contribution in kind for the purpose of distributing an optional dividend, provided this is made payable to all shareholders.
Upon the issue of securities for contributions in kind, the conditions set out in the applicable regulations on regulated real estate companies and article 8.2 of the articles of association must be complied with (including the ability to deduct an amount equal to the portion of the undistributed gross dividend). However, the special rules set out under article 8.2 regarding the capital increase in kind shall not apply to the contribution of the right to dividend for the purposes of the payment of an optional dividend, provided this is made payable to all shareholders.

ARTICLE 8 - CHANGE IN THE CAPITAL

Notwithstanding the option of using the authorised capital by means of a resolution of the Board of Directors, and with due regard to the legislation applicable to regulated real estate companies, a capital increase or capital reduction may only be decided by an extraordinary General Meeting in the presence of a notary public and in accordance with the Belgian Code for Companies and Associations and the RREC legislation.
The company is prohibited from directly or indirectly subscribing to its own capital increase.
On the occasion of each capital increase, the Board of Directors shall determine the price, the issue premium, if any, and the terms and conditions of the issue of new shares, unless the General Meeting decides otherwise itself.
If the General Meeting decides to request an issue premium, this must be placed in a non-available reserve account that shall constitute the guarantee of third parties in the same way as the capital and which may not be reduced or eliminated in any case other than by a decision of the General Meeting deciding as for an amendment of the articles of association, except for the conversion into capital as provided above.
In the event of a reduction in the issued capital, shareholders must be treated equally in equivalent circumstances, and the other rules contained in the mandatory provisions of the applicable regulations must be complied with.

8.1 Capital increase in cash

In the case of a capital increase by contribution in cash and without prejudice to the application of the mandatory provisions contained in the applicable regulations, the preferential right may be restricted or cancelled in the cases and subject to compliance with the conditions stipulated in the applicable regulations.
If applicable, the irrevocable allocation right must at least meet the following conditions:
1. it must relate to all newly issued securities;
2. it must be granted to the 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; and
4. the public subscription period must in such case be at least three trading days.
However, according to the RREC legislation, this should in any event not be granted in the case of a capital increase by contribution in cash carried out under the following conditions:
1. the capital increase shall take place using the authorised capital;
2. the cumulative amount of capital increases carried out in accordance with this paragraph over a period of twelve (12) months shall not exceed 10% of the amount of the capital at the time of the decision to increase the capital.
Without prejudice to the application of the mandatory provisions contained in the applicable regulations, the aforementioned restrictions in connection with the capital increase in cash shall also not apply in the case of a cash contribution with restriction or cancellation of the preferential right, which is made to supplement a contribution in kind for the purpose of distributing an optional dividend, provided this is made payable to all shareholders.

8.2 Capital increase in kind

The following conditions must be fulfilled upon the issue of securities against contribution in kind, without prejudice to articles 7:196 and 7:197 of the Belgian Code for Companies and Associations:
1. the identity of the contributor must be stated in the report of the Board of Directors referred to in article 7:197 of the Belgian Code for Companies and Associations and, where appropriate, in the notice convening the General Meeting for the purpose of the capital increase;
2. the issue price shall not be less than the lower of (a) a net value per share, which dates back more than four months before the date of the contribution agreement or, at the option of the company, prior to the date of the deed of capital increase, and (b) the average closing price of the thirty calendar days prior to that date;
3. unless the issue price or, in the case referred to in article 8.3, the exchange ratio, and the relevant conditions are determined no later than the working day following the conclusion of the contribution agreement and communicated to the public, specifying the period within which the capital increase will be effectively implemented, the deed of capital increase will be executed within a maximum period of four months; and
4. the report envisaged in point 1 above must also explain the impact of the proposed contribution on the situation of former shareholders, in particular as regards their share in the profits, the net value per share and in the capital, as well as the impact in terms of voting rights.
For the purposes of point 2 above, it is permitted to deduct from the amount referred to in paragraph (b) of point 2, an amount equal to the portion of the undistributed gross dividend to which the new shares would eventually not give any rights. In such case, the Board of Directors shall specifically account for the deducted dividend amount in its special report and explain the financial conditions of the transaction in its annual financial report.
The special rules set out under this article 8.2 regarding the capital increase in kind shall not apply to the contribution of the right to dividend for the purposes of the payment of an optional dividend, provided this is made payable to all shareholders.

8.3 Mergers, demergers and similar transactions

The special rules concerning the capital increase in kind as set out under article 8.2, shall apply mutatis mutandis to mergers, demergers and similar transactions as referred to in the Belgian Code for Companies and Associations.
In such case, the "date of the contribution agreement" refers to the date on which the merger or demerger proposal is deposited.

ARTICLE 9 - NATURE OF THE SHARES

The shares are without nominal value.
The shares may be registered or dematerialised, at the option of the shareholder and in accordance with the restrictions imposed by law.
Shareholders may at any time and free of charge request in writing the conversion of registered shares into dematerialised shares or vice versa.
Dematerialised securities are represented by an entry in an account with an approved account holder or a settlement institution, in the name of the owner or holder, and shall be transferred by transfer from account to account. The number of dematerialised shares in circulation at any time will be registered in the register of registered shares in the name of the settlement institution.
A register is maintained for registered shares at the registered office of the company. This register of the registered shares may be kept in electronic form. Each holder of securities may inspect the register with respect to his or her securities.

ARTICLE 10 - SECURITIES

The company may, with the exception of profit-sharing certificates and similar securities and provided it is in compliance with the regulations applicable to regulated real estate companies, issue any securities that are not prohibited by or by virtue of the law, in accordance with the rules as prescribed therein and the legislation applicable to regulated real estate companies and the articles of association. These securities are registered or dematerialised.

ARTICLE 11 - EXERCISE OF RIGHTS ATTACHED TO THE SHARES

The shares are indivisible with respect to the company. If a share belongs to several people or the rights attached to a share are divided among several people, the Board of Directors may suspend the exercise of the rights attached thereto until one person has been designated as a shareholder vis-à-vis the company.
If a share is encumbered with usufruct, then the voting rights connected to that share shall be exercised by the usufructuary, unless otherwise agreed with the bare owner.

ARTICLE 12 - (BLANCO)

ARTICLE 13 - TRANSFER OF SHARES

The shares are freely transferable.

ARTICLE 14 - ACQUISITION OF OWN SHARES

The company may buy back its own shares or accept them in pledge, in compliance with the conditions provided for in the Belgian Code for Companies and Associations.
Pursuant to the decision of the extraordinary General Meeting of 15 June 2020, the Board of Directors is authorised to acquire its own shares, or to take them into pledge, with a maximum of ten percent (10%) of the total number of shares issued, for a unit price that may not be less than ninety per cent (90%) of the average price of shares listed on the regulated market of Euronext Brussels in the past thirty (30) days, nor higher than one hundred and ten per cent (110%) of the average price of shares listed on the regulated market of Euronext Brussels in the past thirty (30) days, or a maximum increase or fall of ten per cent (10%) in relation to the aforementioned average price.
This authorisation is granted for a renewable period of five (5) years from the date of the publication in the Annexes to the Belgian Official Gazette of the decision of the extraordinary General Meeting of 15 June 2020.
The company may dispose of its own shares on the stock exchange or privately, subject to the conditions set by the Board of Directors, without the prior consent of the General Meeting, provided that the applicable market regulations are respected.
The Board of Directors is permitted to dispose of its own listed shares, in accordance with article 7:218, §1, paragraph 1, 2° of the Belgian Code for Companies and Associations.
The above authorisation also applies for the acquisition and disposal of shares in the company held by one or more direct subsidiaries of the company, within the meaning of the legal provisions concerning the acquisition of shares of the parent company by its subsidiaries.

ARTICLE 15 - DISCLOSURE OF SIGNIFICANT PARTICIPATIONS

In accordance with the conditions, terms and provisions stipulated in articles 6 to 13 of the Act of the second of May two thousand and seven and the Royal decree of the fourteenth of February two thousand and eight concerning the disclosure of major shareholdings, as amended from time to time (the "Transparency Law"), any natural or legal person must inform the company and the Financial Services and Markets Authority (FSMA) of the number and the percentage of voting rights that he or she holds directly or indirectly, whenever the number of voting rights reaches, exceeds or falls below 5%, 10%, 15%, 20%, etc., in each case in blocks of 5 percent, of the total of the existing voting rights, under the conditions stipulated by the Transparency Act.
Pursuant to article 18 of the Act of the second of May two thousand and seven, this requirement also applies when the voting rights attached to the securities with voting rights that are held directly or indirectly reach, exceed or fall below the threshold of three percent (3%) of the total existing voting rights.

TITLE III - MANAGEMENT AND AUDIT

ARTICLE 16 - COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors has a variable number of members. The minimum number of directors is five. The directors do not need to be shareholders. The Board of Directors shall be composed of at least three independent members within the meaning of article 7:87, §1 of the Belgian Code for Companies and Associations. The directors are exclusively natural persons; they must meet the requirements of reliability and expertise as laid down in the RREC legislation and may not fall within the scope of the prohibitions laid down in the RREC legislation.
The duration of the mandate of a director shall not exceed four years. Outgoing directors are eligible for re-appointment.
The members of the Board of Directors are appointed by the General Meeting, which also determines their remuneration. Their remuneration, if any, may not be determined in relation to the operations and transactions carried out by the company.
Unless the appointment decision of the General Meeting provides otherwise, the mandate of outgoing and non-elected directors shall end immediately after the first General Meeting following after the expiry of the term of the respective mandate, which has provided for new appointments in so far as this is necessary in the light of the legal and statutory number of directors.
If a director's mandate becomes vacant for any reason, a new director shall be elected notwithstanding the provisions of article 17.
The effective management of the company must be entrusted to at least two persons who, like the members of the managing body, must have the necessary professional reliability and appropriate expertise as required for the performance of their mandate and must comply with the regulations applicable to regulated real estate companies.
The appointment of directors and effective management is submitted to the FSMA for approval.

ARTICLE 17 - PREMATURE VACANCY

If any managing director's mandate becomes vacant for any reason whatsoever, the remaining managing directors shall convene a board meeting to provide for temporary replacements for such vacancies until the next General Meeting, which will make provision for the final appointment. On this occasion the directors must ensure that sufficient independent directors remain in relation to the above article 16 and the applicable regulations. The directors must possess the professional reliability and appropriate expertise required for the performance of their mandate.
Every appointment of a director by the General Meeting pursuant to the above terminates the mandate of the director that he or she replaces.

ARTICLE 18 - CHAIRMANSHIP

The Board of Directors shall elect a chairman among its directors. The chairman chairs the Board of Directors.

ARTICLE 19 - MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors shall be convened by the chairman or by two directors whenever the interests of the company so require.
The convening notices state the place, date, time and agenda of the meeting and are sent at least two full days before the meeting by letter, e-mail or by any other written means.
If the chairman is unable to attend, the Board of Directors is chaired by the most senior non-executive director.
Each director who attends a meeting of the Board of Directors or is represented at such meeting is considered to be regularly convoked.

ARTICLE 20 - DELIBERATION

The Board of Directors can only validly deliberate and decide if at least a majority of the directors are present or represented.
If this quorum is not reached, a new Board of Directors may be convened with the same agenda, which will validly deliberate and decide if at least two directors are present or represented.
With respect to items not included on the agenda, it may only deliberate with the consent of the entire Board of Directors and provided that all directors are present or represented.
Convening notices shall be sent 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 may grant a proxy by letter, e-mail or any other written form to another member of the Board of Directors to represent him or her at a meeting of the Board of Directors and to validly vote in his or her place.
The Board of Directors may meet by conference call, video conference or similar communications equipment, by means of which all persons participating in the meeting can hear each other.
Any director may also provide his or her advice to the chairman by letter, e-mail or other written form.
A decision may be adopted by unanimous written consent of all directors.
If a director has a direct or indirect interest of a financial nature that conflicts with a decision or transaction that falls within the competence of the Board of Directors, he or she must act in accordance with article 7:96 of the Belgian Code for Companies and Associations. The members of the Board of Directors shall also comply with articles 37 and 38 of the RREC Act.
Subject to the provisions hereafter, decisions of the Board of Directors are adopted by a majority of votes cast.

Blank or invalid votes shall not be counted as votes cast. In the event of a tie of votes within the Board of Directors, the director chairing the meeting will cast the deciding vote.

ARTICLE 21 - MINUTES

The deliberation of the Board of Directors shall be recorded in minutes signed by the members present. These minutes shall be included in a special register kept at the registered office of the company. The proxies shall be attached to the minutes.
The copies or extracts, required to be presented by law or otherwise, shall be signed by two directors or by a person charged with the daily management. This authority may be delegated to a proxyholder.

ARTICLE 22 - POWERS OF THE BOARD OF DIRECTORS

The Board of Directors has the broadest powers to perform all acts that are necessary or useful for the realisation of the object of the company.
It is authorised to perform all acts that are not expressly reserved for the General Meeting by law or by the articles of association.
The Board of Directors draws up the half-yearly reports as well as the annual report.
The Board of Directors appoints one or more independent valuation expert(s) in accordance with the RREC legislation and, if necessary, proposes any modification to the list of experts included in the dossier attached to the application for recognition as RREC.

ARTICLE 23 - SPECIAL POWERS

The Board of Directors may mandate a proxyholder for special and specific matters, even if he or she is not a shareholder or director, within the limits set by the applicable legal provisions.
The proxyholders legally bind the company within the limits of the powers granted, without prejudice to the responsibility of the Board of Directors in the event of excessive power.

ARTICLE 24 - REMUNERATION

The mandate of directors is remunerated. The General Meeting determines the remuneration of the directors.
The members of the Board of Directors are entitled to a refund of the costs directly related to their mandate.

ARTICLE 25 – COMMITTEES

25.1 Advisory committees

The Board of Directors sets up an audit committee and a remuneration committee in accordance with article 7:99 and article 7:100 of the Belgian Code for Companies and Associations.

25.2 Other committees

Without prejudice to article 25.1, the Board of Directors may establish one or more other advisory committees from its members and under its responsibility, in accordance with article 7:98 of the Belgian Code for Companies and Associations.
The Board of Directors determines the composition, mandate and powers of these committees, in compliance with the applicable regulations.

ARTICLE 26 - EXTERNAL REPRESENTATION POWERS

The company is legally represented in all its actions, including those to which a public official or a ministerial officer cooperates, as well as in legal proceedings, either by two directors acting jointly or, within the limits of day-to-day management, by two members of the executive committee acting jointly. The company is also validly represented by special proxyholders within the limits of the mandate entrusted to them for this purpose by the competent body.

ARTICLE 27 - DAILY MANAGEMENT

The Board of Directors entrusts the daily management as well as the representation concerning the daily management of the company to an executive committee consisting of at least three members. A director who is also a member of the executive committee shall be referred to as a "managing director".

ARTICLE 28 - (BLANCO)

ARTICLE 29 - AUDITS

The audit of the financial situation, the financial statements and the regularity of the company's operations in terms of the Belgian Code for Companies and Associations, the RREC legislation and the articles of association, shall be entrusted to one or more statutory auditors appointed from the auditors or firms of auditors approved by the FSMA.
The General Meeting shall determine the number of statutory auditors and their remuneration by simple majority.
The statutory auditors are appointed for a renewable term of three years. Under penalty of damages, they may be dismissed by the General Meeting only for legitimate reasons during their mandate, subject to compliance with the procedure described in article 3:67 of the Belgian Code for Companies and Associations.

ARTICLE 30 - RESPONSIBILITIES OF THE STATUTORY AUDITORS

The statutory auditors have an unrestricted right of audit over all operations of the company, either jointly or separately. They may inspect the books, correspondence, minutes and in general all documents of the company on site.
Every six months, the Board of Directors shall hand them a statement summarizing the assets and liabilities of the company.
The statutory auditors may be assisted by employees or other persons for whom they are responsible in the exercise of their mandate, at their own expense.

TITLE IV - GENERAL MEETING

ARTICLE 31 - THE GENERAL MEETING - COMPOSITION AND POWERS

The regularly constituted General Meeting represents the totality of the shareholders. The resolutions of the General Meeting are binding on all shareholders, even on those absent from the meeting or those who voted against them.

ARTICLE 32 - MEETINGS OF THE GENERAL MEETING

The General Meeting shall be held on the last Wednesday of the month of May at 11 a.m.
An extraordinary General Meeting may be convened whenever the interests of the company require it and must always be convened whenever shareholders representing one tenth of the subscribed capital so request.
Such request shall be sent by registered letter to the office of the company and shall precisely describe the subjects to be deliberated and decided by the General Meeting. The request should be addressed to the Board of Directors and the statutory auditor, who must jointly convene a meeting within three weeks of receipt of the request. In the convening notice other agenda items may be added next to items requested by the shareholders.
One or more shareholders who together hold at least three percent (3%) of the capital of the company may, in accordance with the provisions of the Belgian Code for Companies and Associations, request the inclusion of items to be discussed on the agenda of any shareholders' meeting and may submit proposals for resolutions with respect to items to be discussed that have been or will be included on the agenda.
Unless otherwise stated in the convening notice, the General Meeting will be held at the registered office of the company.

ARTICLE 33 – CONVOCATION

The Board of Directors or the statutory auditor(s) convenes the General Meeting.
The notices convening meetings state the venue, date, time and agenda of the General Meeting as well as the proposed resolutions and are issued in the form and within the periods required by the Belgian Code for Companies and Associations.
Each year, a General Meeting will be held whose agenda includes at least the following points: the discussion of the annual report and the report of the statutory auditor(s), the discussion and approval of the financial statements and the appropriation of net profit, discharge of the directors and the statutory auditor(s) and, where applicable, the appointment of directors and the statutory auditor(s).
The regularity of the convocation of meetings cannot be disputed if all shareholders are present or duly represented.

ARTICLE 34 - ELIGIBILITY

A shareholder may only participate in the General Meeting and exercise voting rights, subject to compliance with the following requirements:
A shareholder may only participate in the General Meeting and exercise voting rights on the basis of the administrative registration of the shares of the shareholder on the registration date, either by registration in the register of registered shares of the company, or by their registration in the accounts of a recognised account holder or a clearing institution, irrespective of the number of shares held by the shareholder at the General Meeting. The fourteenth day before the General Meeting, at midnight (Belgian time), counts as the registration date.
Holders of dematerialised shares who wish to attend the meeting must submit a certificate issued by a recognised account holder or the clearing institution and confirming, as appropriate, how many dematerialised shares are registered in the name of the shareholder on the record date and for which the shareholder has indicated that he or she intends to participate in the General Meeting. Such submission shall be made no later than the sixth day preceding the date of the General Meeting, via the e-mail address of the company or via the e-mail address specifically mentioned in the convocation notice, at the registered office or by post.

The owners of registered shares who wish to participate in the meeting, must inform the company no later than six days before the date of the meeting of their intention to participate in the meeting, via the e-mail address of the company or via the e-mail address specifically mentioned in the convocation notice, by post or, as the case may be, by sending a proxy.
The Board of Directors shall keep a register of each shareholder who has indicated he or she wishes to participate in the General Meeting, which will list his or her name and address or registered office, the number of shares in his or her possession on the registration date and with which he or she indicated they will participate in the General Meeting, and a description of the documents showing that he or she held the relevant shares on the registration date.

ARTICLE 35 – PROXY VOTING

Each shareholder may appoint a proxy to represent him or her at the General Meeting in accordance with the relevant provisions of the Belgian Code for Companies and Associations. The proxy does not have to be a shareholder.
A shareholder of the company may appoint only one person as a proxy at each General Meeting. Any deviation from this rule is only possible in accordance with the relevant provisions of the Belgian Code for Companies and Associations.
A person who acts as a proxy holder may hold a proxy of more than one shareholder. Where a proxy holder holds proxies of several shareholders, he or she may vote differently for one shareholder than for another shareholder.
The appointment of a proxy holder by a shareholder takes place in writing or through an electronic form and must be signed by the shareholder, in such case by an advanced electronic signature within the meaning of article 4, §4 of the Act of 9 July 2001 concerning the establishment of rules relating to the legal framework for electronic signatures and certification services, or by an electronic signature which meets the requirements of article 1322 of the Belgian Civil Code.
The notification of the proxy to the company must be made via the company's e-mail address or via the e-mail address specifically mentioned in the convocation notice, at the registered office or by post.
The company must receive the proxies by the sixth day before the date of the General Meeting at the latest.
Notwithstanding the possibility to deviate from the instructions in certain circumstances in accordance with article 7:145, second paragraph of the Belgian Code for Companies and Associations, the proxy holder shall cast votes in accordance with any instructions of the shareholder who appointed him or her. The proxy holder shall keep a record of the voting instructions for at least one year and confirm that he or she has complied with the voting instructions at the request of the shareholder.
In the case of a potential conflict of interest, as defined in article 7:143, §4 of the Belgian Code for Companies and Associations, between the shareholder and the proxy holder he or she has designated, the proxy holder must disclose the specific facts that are relevant for the shareholders in order to assess whether there is any risk that the proxy holder might pursue another interest than the interest of the shareholder. In addition, the proxy holder may only vote on behalf of the shareholder, provided that he or she has received specific voting instructions for each item on the agenda.
If several persons hold rights in rem in respect of the same share, the company may suspend the exercise of the voting rights attached to that share until one person has been designated as the holder of the voting rights.

ARTICLE 36 - BUREAU

Every General Meeting is chaired by the chairman of the Board of Directors or, in his or her absence, by the oldest director present.
The chairman appoints a secretary and two scrutineers, who need not be shareholders. One person may be both secretary and scrutineer. The chairman, the secretary and the scrutineers together form the bureau, which is completed by the other members of the Board of Directors.

ARTICLE 37 - POSTPONEMENT

The Board of Directors may, at any General Meeting, during the session, postpone the decision regarding the approval of the financial statements for five weeks.
This postponement does not affect the other decisions taken, unless otherwise decided by the General Meeting in this regard. The next meeting has the right to determine the final financial statements.
The Board of Directors also has the right to postpone any other General Meeting or any other item on the agenda of the annual meeting during the session by five weeks, unless the meeting was convened at the request of one or more shareholders representing at least one fifth of the capital or by the statutory auditor(s).

ARTICLE 38 - NUMBER OF VOTES – EXERCISE OF VOTING RIGHTS

Every share confers the right to one vote, subject to the cases of suspension of voting rights provided for in the Belgian Code for Companies and Associations or any other applicable law.

ARTICLE 39 - PROCEEDINGS OF THE GENERAL MEETING - DELIBERATION

An attendance list which displays the name of the shareholders and the number of shares they represent at the meeting, shall be signed by each of the shareholders or by their proxy before the meeting is opened.
The General Meeting may not deliberate or decide on items not listed on the agenda unless all shareholders are present or represented at the meeting and they unanimously decide to extend the agenda. The required approval is certain if no opposition is noted in the minutes of the meeting.
The aforementioned shall not affect the possibility of one or more shareholders jointly holding at least 3% of the share capital, and provided that the relevant provisions of the Belgian Code for Companies and Associations are met, to have items placed on the agenda to be discussed at the General Meeting and to submit proposals for resolutions relevant to the agenda or to include items to be discussed, until at the latest the twenty-second day before the date of the General Meeting.
This does not apply if a General Meeting is convened by a new convocation notice because the required quorum was not reached with the first convocation, provided that the first convocation was in compliance with the legal requirements, the date of the second meeting was mentioned in the first convocation notice and no new items are put on the agenda.
The company must receive these requests by the twenty-second day before the date of the General Meeting at the latest.
The subjects to be covered and the related proposals for resolutions that would be added to the agenda in such case, shall be published in accordance with the provisions of the Belgian Code for Companies and Associations. If a proxy was already notified to the company before the publication of this revised agenda, the proxy holder must comply with the relevant provisions of the Belgian Code for Companies and Associations.
The items to be discussed and the proposed resolutions that have been placed on the agenda pursuant to the preceding paragraph, may be discussed only if all relevant provisions of the Belgian Code for Companies and Associations have been met.
The Board of Directors shall answer the questions raised, during the meeting or in writing, regarding their report or regarding the agenda items, to the extent that sharing the details or facts is not of a nature to be potentially detrimental to the company's business interests or to the confidentiality to which the company or its directors have committed to.
The statutory auditors shall answer the questions raised, during the meeting or in writing, regarding their report, to the extent sharing the details or facts is not of a nature to be potentially detrimental to the company's business interests or to the confidentiality to which the company, its directors or the statutory auditors have committed to. They are entitled to address the General Meeting regarding fulfilment of their task.
If there are various questions regarding the same subject, the Board of Directors and the statutory auditors may answer these in a single response. Once the convocation notice is published, the shareholders may ask the above questions in writing, in accordance with the relevant provisions of the Belgian Code for Companies and Associations.
The General Meeting may validly deliberate and vote, regardless of the part of the capital that is present or represented, except in cases where the Belgian Code for Companies and Associations imposes an attendance quorum.
Except for mandatory legal provisions or provisions in the articles of association that stipulate otherwise, decisions shall be taken by simple majority of the votes cast. Blank and invalid votes are not counted as votes cast. In the case of a tie vote the proposal will be rejected.
Voting takes place by show of hands or by roll call, unless the General Meeting decides otherwise by a simple majority of the votes cast.
The extraordinary General Meeting must be held in the presence of a notary public who will prepare an authentic official record.
The General Meeting may only validly deliberate and decide on an amendment of the articles of association if those attending the meeting represent at least half of the share capital. If a quorum is not reached, then a new convocation is required; the second meeting shall deliberate and decide validly, irrespective of the present or represented portion of the capital.
Moreover, an amendment of the articles of association is only adopted if it was previously approved by the FSMA and if three quarters of the votes attached to the present or represented shares are acquired (or any other special majority stipulated in the Belgian Code for Companies and Associations), with abstentions not being taken into account either in the numerator or in the denominator.

ARTICLE 40 - MINUTES

Minutes shall be drawn up of every General Meeting.
The minutes of the General Meeting are signed by the members of the bureau and by shareholders who request so.
The copies required to be presented by law or otherwise, shall be signed by two directors or by a managing director.
For each decision, the number of shares for which valid votes have been cast, the percentage in the share capital represented by these shares, the total number of validly cast votes, the total number of votes cast in favour of or against each decision, and the number of abstained votes, if any, will be reported in the minutes of the General Meeting. This information will be published on the company website within fifteen days of the General Meeting.

TITLE V - FINANCIAL STATEMENTS - PROFIT APPROPRIATION

ARTICLE 41 - FINANCIAL YEAR - FINANCIAL STATEMENTS - ANNUAL REPORT

The financial year commences on the first of January and ends on the thirty-first of December of each year.
At the end of each financial year, the Board of Directors prepares an inventory and the financial statements. The directors also prepare a report in which they render account of their policy, i.e., the annual report. This report contains a commentary on the financial statements, which includes a fair overview of the state of affairs and the position of the company. This report also contains the information required by the Belgian Code for Companies and Associations, including a corporate governance declaration, which forms a specific part thereof. This corporate governance declaration also contains the remuneration report, which forms a specific part thereof.
In view of the Annual General Meeting, the statutory auditor prepares a written and detailed report, i.e., the audit report.
As soon as the notice of the meeting has been published, the shareholders may take note of the financial statements and other documents referred to in the Belgian Code for Companies and Associations.

ARTICLE 42 - APPROVAL OF THE FINANCIAL STATEMENTS

The General Meeting shall be presented with the annual report and the report of the statutory auditor(s) and decide by a simple majority on the approval of the financial statements.
After approval of the financial statements, the General Meeting shall decide by a simple majority, by separate voting, regarding the discharge granted to the directors and the statutory auditor(s).
This discharge is only valid if the balance sheet does not contain omissions or false statements concealing the true state of the company and, in respect of acts contrary to the articles of association, only if these were specifically indicated in the convocation notice.
The Board of Directors shall ensure that the statutory and consolidated financial statements are filed with the National Bank of Belgium within thirty days of the approval of the financial statements, in accordance with the relevant legal provisions.
The annual and half-yearly financial reports, the annual and half-yearly financial statements and the statutory auditor's report and the articles of association of the company, will be made available to the shareholders for consultation, in accordance with the provisions applicable to issuers of financial instruments admitted to trading on a regulated market and with the RREC legislation. The annual and half-yearly reports can be consulted, for information purposes, on the website of the company.
Shareholders can obtain a free copy of the annual and half-yearly reports at the registered office of the company.

ARTICLE 43 - APPROPRIATION OF PROFIT

At the proposal of the Board of Directors, the General Meeting shall vote by a simple majority on the appropriation of net profit. The company must distribute to its shareholders, within the limits permitted by the Belgian Code for Companies and Associations and the RREC legislation, a dividend, the minimum amount of which is prescribed by the RREC legislation.

ARTICLE 44 - PAYMENT OF DIVIDENDS

The payment of dividends shall take place at the time and place determined by the Board of Directors.
The Board of Directors may pay interim dividends, within the limits specified in article 7:213 of the Belgian Code for Companies and Associations.

ARTICLE 45 - (BLANCO)

TITLE VI - DISSOLUTION - LIQUIDATION

ARTICLE 46 - LIQUIDATION

In the event of the dissolution of the company, for any reason or at any time, the liquidation will be performed by liquidators appointed by the General Meeting. If the statement of assets and liabilities drawn up in accordance with the Belgian Code for Companies and Associations shows that not all creditors can be repaid in full, the appointment of the liquidators in the articles of association or by the General Meeting must be submitted to the President of the Court for confirmation. However, this confirmation is not required if that statement of assets and liabilities shows that the company only has debts towards its shareholders and all shareholders who are creditors of the company confirm in writing that they agree to the appointment.
In the absence of such appointment, the liquidation will be performed by the Board of Directors acting in the capacity of liquidation committee. With regard to third parties, they shall be considered as liquidators by operation of law, but without the powers conferred by law and the articles of association on the liquidator appointed in the articles of association, by the General Meeting or by the court.
The liquidators shall take up their mandate only after the competent commercial court has confirmed their appointment following the decision of the General Meeting.
Unless decided otherwise, the liquidators shall act jointly. To this end, the liquidators shall have the broadest powers in accordance with articles 2:87 et seq. of the Belgian Code for Companies and Associations, subject to limitations imposed by the General Meeting.
The General Meeting determines the remuneration of the liquidators.
The liquidation of the company shall be completed in accordance with the provisions of the Belgian Code for Companies and Associations.

ARTICLE 47 - DISTRIBUTION

After the settlement of all debts, charges and expenses of the liquidation, the net assets must first be used to repay, in cash or in kind, the amount paid up on the shares.
Any surplus shall be distributed to the shareholders in proportion to their rights.

TITLE VII - GENERAL PROVISIONS

ARTICLE 48 - ELECTED DOMICILE

Every director, manager and liquidator who resides abroad shall be deemed to have chosen domicile in Belgium for the term of its mandate. If this was not the case, they shall be deemed to have his domicile at the registered office of the company, where writs and notices concerning the affairs of the company and the responsibility for its governance may be validly served, with the exception of notices that are sent in accordance with these articles of association.
The holders of registered shares are required to notify the company of any change of address. In the absence of notification, they shall be deemed to have elected domicile at their last known address.

ARTICLE 49 - JURISDICTION

Except when explicitly waived by the company, any disputes between the company, its directors, its stockholders and liquidators concerning the affairs of the company and the implementation of these articles of association shall be settled exclusively by the commercial courts where the company has its

registered office.
ARTICLE 50 – GENERAL PROVISIONS OF LAW
The parties declare that they will fully comply with the Belgian Code for Companies and Associations, as well as the regulations applicable to regulated real estate companies (as amended from time to time).
Accordingly, any provisions of these articles of association which unlawfully deviate from the provisions of the aforementioned laws, shall be deemed not to be included in the current deed, and the clauses which are contrary to the provisions of these laws shall be deemed not written.
The nullity of one article or part of an article of these articles of association will not affect the validity of the other (parts of) clauses in these articles of association.

On behalf of the company
The notary public

7. The public regulated real estate company (RREC)

7.1 Definition

The public regulated real estate company (RREC) was established on 12 May 2014 by the RREC Law of 12 May 2014 as last amended by the Law of 28 April 2020. The RREC Law defines the RREC as a company that (i) is established for an indefinite period, (ii) performs the activity referred to in Article 4 or Article 76/5 of the RREC Law (see below) and (iii) is licensed as such by the Belgian Financial Services and Markets Authority (FSMA). The public RREC is an RREC, the shares of which are admitted for trading on a regulated market and which raises its financial resources in Belgium or elsewhere through a public offering of shares. A public RREC is therefore a listed company, subject to the requirement that at least 30% of its marketable shares should be issued to the public (free float).
According to the RREC Law, a public RREC carries on a business consisting of:
(a) making real estate available to users directly or via a company in which it holds a participation, in compliance with the provisions of the Law and decrees and regulations issued for the implementation of the Law; and

(b) property ownership, within the limits of Article 7, 1, b of the RREC Law, as referred to in Article 2(5°) (vi) to (xi) of the RREC Law;

(c) concluding or joining one or more of the following long-term contracts with a public client, directly or via a company in which it has a shareholding in compliance with the provisions of the legislation on the public regulated real estate company (public RREC) (SIR/GVV), possibly in collaboration with third parties: (i) Design, Build, Finance (DBF) contracts; (ii) Design, Build, (Finance) and Maintain (DB(F)M) contracts; (iii) Design, Build, Finance, (Maintain) and Operate (DBF(M)O) contracts; and/or (iv) contracts for concessions for public work relating to buildings and/or other infrastructure of an immovable nature and services relating to this, on the basis of which: (i) it guarantees the provision, maintenance and/or operation for a public entity and/or citizens as end-users, in order to meet a social need and/or to facilitate the provision of a public service; and (ii) for which it is able to bear the associated financing, availability, demand and/or operating risk, partially or in full, in addition to any construction risk, without necessarily holding rights in rem in that regard.

(d) developing, providing for the development, establishing, providing for the establishment, managing, providing for the management, operating, providing for the operation of or making available one or more of the following in the long term, directly or via a company in which it has a shareholding in compliance with the provisions of the legislation on the public RREC (SIR/GVV), possibly in collaboration with third parties: (i) utilities and storage locations for transportation, distribution or storage of electricity, gas, fossil or non-fossil fuels and green energy in general and the related goods; (ii) utilities for transportation, distribution, storage or treatment of water and the related goods; (iii) installations for the generation storage and transportation of energy, renewable and/or green or otherwise, and the related goods; or (iv) waste and incineration installations and the related goods.

Real estate refers to 'real estate' within the meaning of the RREC legislation.

In the context of the provision of real estate, the Company may perform all activities relating to the construction, refurbishment, renovation, development (for its own portfolio), acquisition, disposal, management and operation of real estate.

RRECs are subject to the supervision of the FSMA and must comply with extremely strict rules regarding conflicts of interest.

From its formation until 25 November 2014, Care Property Invest held the status of a property investment fund with fixed capital (BEVAK/sicafi). On 25 November 2014, the Company acquired the status of a public RREC.

7.2 Main features

7.2.1 ACTIVITIES

The public RREC must carry on the activities mentioned above.

In the context of the provision of real estate, a public RREC may perform all activities relating to the construction, refurbishment, renovation, development (for its own portfolio), acquisition, disposal, management and operation of real estate (Article 4, §1 of the RREC Law). A public RREC pursues a strategy that serves to maintain long-term ownership of its real estate and, in the performance of its activities, focuses on active management, which implies in particular that it takes responsibility itself for the development and day-to-day management of the real estate, and that all other activities that it performs have added value for that real estate or its users, such as the provision of services that are complementary to the provision of the relevant properties.

To this end: (i) the public RREC performs its activities itself, without delegating such performance to a third party, other than to an affiliated company, (ii) it maintains direct relationships with its clients and suppliers, and (iii) it has operational teams at its disposal which constitute a significant part of its workforce. In other words, a public RREC is an operational and commercial real estate company.

It may own the following types of real estate (as defined by the RREC Law):

Ordinary real estate:

i. real estate as defined in Article 517 and thereafter of the Civil Code and rights in rem to real estate, excluding property of a forestry, agricultural or mining character;
ii. shares with voting rights issued by real estate companies, of which the Company holds directly or indirectly more than 25% of the capital;
iii. option rights on real estate;
iv. shares of public or institutional RRECs, provided that, in the latter case, the Company holds directly or indirectly more than 25% of the capital;
v. rights arising from contracts leasing one or more properties to the RREC or granting other similar rights of use.

Other real estate (within certain limits):

vi. shares of public and institutional property investment funds (BEVAK/sicafi);
vii. participating rights in foreign collective property investment institutions registered in the list referred to in Article 260 of the AICB Law;
viii. participating rights in collective real estate investment institutions established in another Member State of the European Economic Area (EEA) and not registered in the list referred to in Article 260 of the AICB Law, in as far as they are subject to equivalent supervision to the public property investment funds (BEVAK/sicafi);
ix. shares or participating rights issued by companies (i) having legal personality; (ii) governed by the law of another EEA Member State; (iii) the shares of which are admitted for trading on a regulated market and/or which are subject to a prudential supervision regime; (iv) the principal activity of which is the acquisition or construction of real estate with a view to making it available to users, or the direct or indirect ownership of participating interests in companies with similar activities; and (v) which are exempt from tax on income from the profits generated by the activities referred to in (iv) above, subject to compliance with certain legal obligations, and which are at least required to distribute part of their income to their shareholders (also known as the 'Real Estate Investment Trusts' (abbreviated REITs));
x. real estate securities, as referred to in Article 5, §4 of the Law of 16 June 2006;
xi. participating rights in a Specialised Real Estate Investment Fund.

The real estate referred to in (vi), (vii), (viii), (ix) and (xi) that concerns participation rights in an alternative investment institution as referred to in Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies and (EU) No. 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No. 716/2009/EC and repealing Commission Decision 2009/77/EC, cannot qualify as shares with voting rights issued by real estate companies, regardless of the amount of the shareholding held directly or indirectly by the public RREC (SIR/GVV).

A public RREC may not invest more than 20% of its consolidated assets in real estate which constitutes a single property (same rule as that applying to property investment funds (BEVAK/sicafi) and may not hold 'other property' (as referred to in paragraphs vi to xi) or option rights for such assets, other than in as far as the fair value of these does not exceed 20% of its consolidated assets.

The Company's business consists of the provision of real estate to users (in particular all forms of housing covered by the Residential Care Decree plus accommodation for the disabled) and the active development and management of its real estate. The added value that Care Property Invest provides here consists in offering customised real estate solutions, in which the properties are adapted to the specific needs of users. Care Property Invest develops, renovates or extends real estate for this purpose. Care Property Invest wishes to continue deploying its expertise and know-how accumulated in the realisation of 2,000 (subsidised) service flats in order to realise projects provided for in the Residential Care Decree in the future. This includes nursing homes, short-stay centres, day care centres, service centres, groups of assisted living residences, as well as all residential facilities for people with disabilities.

7.2.2 OBLIGATIONS

In order to acquire and maintain the status of a public RREC and the fiscal transparency regime provided for this Company (see below), the Company is subject to, inter alia, the following obligations;

Dividend pay-out ratio: the public RREC must (if it makes a profit) pay out at least the positive difference between the following amounts as return on capital: 1°) 80% of the amount equal to the sum of the adjusted result and the net gain on disposal of property that is not exempt from mandatory payouts 2°) the net reduction of the debt during the financial year.

Limit on the debt ratio: the consolidated debt ratio of the public RREC and its subsidiaries and the corporate debt ratio of the public RREC must not exceed 65% of the consolidated or corporate assets, as the case may be, less the permitted hedging instruments unless this is because of a change in the fair value of the assets; if the consolidated debt ratio of the public RREC and its subsidiaries exceeds 50% of the consolidated assets less the permitted hedging instruments, the public RREC should draw up a financial plan together with an implementation timetable, with a description of the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of the consolidated assets.

Diversification of real estate: the assets of the public RREC must be diversified in such a way as to ensure an appropriate spread of the risks in terms of real estate, by geographical region and by category of user or lessee; no operation performed by the public RREC may result in more than 20% of its consolidated assets being invested in real estate that constitutes a 'single real estate entity' (subject to the exceptions permitted by the FSMA and to the extent that the consolidated debt ratio of the public RREC and its subsidiaries does not exceed 33% of the consolidated assets less the permitted hedging instruments).

Risk management: the Company must, as a public RREC, have an appropriate risk management function and appropriate risk management policy. It may only subscribe to hedging instruments (excepting any transactions of a speculative nature) if the Articles of Association allow for this and if these form part of a policy intended to cover financial risks. This policy must be published in the annual and half-yearly reports.

Management structure and organisation: the Company must, as a public RREC, have its own management structure and suitable administrative, accounting, financial and technical organisation, enabling it to carry out its activities in accordance with the RREC regulations, an appropriate internal control system, an appropriate independent internal audit function, an appropriate independent compliance function and an appropriate integrity policy.

7.2.3 TAX CONSEQUENCES

Tax regime for the RREC

The taxable basis of the RREC is limited to non-deductible professional expenses, unusual or gratuitous advantages and a special assessment on 'secret commissions' on expenses that are not properly accounted for. The RREC may not apply the venture capital deduction or the reduced corporation tax rates.

If an RREC participates in a merger, demerger or a similar transaction, that transaction will not qualify for the fiscal neutrality regime but will give rise to the application of the exit tax, as is the case for property investment funds (BEVAK/sicafi). As announced by the Belgian federal government in its budgetary agreement of 26 July 2017, the rate of the exit tax has been reduced to 12.75% (including crisis contribution) as a result of the reduction of the standard rate of the corporate tax.

On 10 December 2018, an amendment was published in the Belgian Official Gazette concerning the entry into force of the reduction of the exit tax. As a result of this legislative amendment, the rate of the exit tax is no longer determined by the assessment year, linked to the taxable period in which the merger takes place, but as a new rule applies that the rate is determined by the date of the merger. For the assessment years 2019 and 2020, the percentage decreases from 16.995% to 12.75% as a result of this change in the law and will then increase again to 15%.

The RREC is subject to the 'subscription fee' in Articles 161 and 162 of the Inheritance Tax Code.

The tax regime for the shareholders of the RREC

The following paragraphs summarise certain effects of the ownership and transfer of shares in an RREC under Belgian tax law. This summary is based on the tax laws, regulations and administrative commentaries applicable in Belgium on the date of preparation of this document, and is included subject to changes in Belgian law, including changes with retroactive effect. This summary does not consider or treat the tax laws of countries other than Belgium and does not take into account special circumstances peculiar to each shareholder. The shareholders are invited to consult their own advisers.

Natural persons domiciled in Belgium

The dividends paid out by a RREC to a natural person domiciled in Belgium were formerly subject to withholding tax at a reduced rate of 15%. Pursuant to the Law of 18 December 2016 regulating the recognition and definition of crowd funding and containing various provisions concerning financing, published in the Belgian Official Gazette on 20 December 2016, shareholders of Care Property Invest can again enjoy a reduced rate of withholding tax, of 15% as from 1 January 2017. The Company satisfies the requirement of investing at least 60% of its property being located in the EEA and which is used or intended solely or primarily for residential care or residential units adapted for residential care or healthcare. After all, the portfolio of Care Property Invest consists solely of such real estate and, in accordance with its statutory purpose can only consist of such real estate.

The tax that is withheld by the RREC discharges Belgian shareholders-natural persons from their obligations.

Capital gains realised by Belgian natural persons who have not acquired the shares in the RREC in the context of the exercise of a professional activity are not taxable if they are part of the normal management of private assets. Capital losses are not deductible.

Belgian domestic companies

Pursuant to the Law of 18 December 2016 regulating the recognition and definition of crowd funding and containing various provisions concerning financing, published in the Belgian Official Gazette on 20 December 2016, shareholders of Care Property Invest can again enjoy a reduced rate of withholding tax, of 15% as from 1 January 2017.

These dividends in principle do not entitle the holder to a deduction by way of definitively taxed income for the Belgian shareholder company, as is the case for dividends from property investment funds (BEVAK/sicafi).

As is the case for capital gains on the shares of property investment funds (BEVAK/sicafi), the capital gains on the shares of RRECs are not exempt from corporation tax.

As a rule, the withholding tax on dividends paid by the RREC can be offset against corporation tax, and any overpayment is refundable, in as far as the shareholder corporation had full ownership of the shares at the time when the dividend was awarded or became payable and in as far as this award or provision for payment does not entail any impairment of or capital loss on these shares.

Non-resident shareholders

RREC dividends paid to non-resident shareholders normally give rise to the collection of withholding tax at the rate of 30% or 15% (RREC investing 60% or more in healthcare property, such as the Company). The reduced rate of 15% was repealed by the Law of 26 December 2015 containing measures to promote job creation and purchasing power (Belgian Official Gazette, 30 December 2015) and increased to 27% from 1 January 2016.

Pursuant to the Law of 18 December 2016 regulating the recognition and definition of crowd funding and containing various provisions concerning financing, published in the Belgian Official Gazette on 20 December 2016, shareholders of Care Property Invest can again enjoy a reduced rate of withholding tax, of 15% as from 1 January 2017. The Company satisfies the legal requirement of investing at least 60% of its property being located in the EEA and which is used or intended solely or primarily for residential care or residential units adapted for residential care or healthcare.

Certain non-citizens domiciled in countries with which Belgium has concluded tax treaties may, under certain conditions and subject to certain formalities, enjoy a reduction or an exemption from withholding tax.

Tax on stock exchange transactions

As a rule, the purchase, sale and any other acquisition and transfer for consideration in Belgium of existing shares in an RREC (secondary market) arranged through a ‘professional intermediary’, as is the case for property investment funds (BEVAK/sicafi), is usually subject to the tax on stock exchange transactions, currently at a rate of 0.09% with a maximum of €650 per transaction and per party.

Inheritance tax

Subject to the conditions referred to in Article 2.7.6.0.1 of the Flemish Tax Code (VCF), the shares of Care Property Invest can be exempted from inheritance tax, as the Company has accreditation within the meaning of this Article. The change of status from BEVAK to RREC does not, therefore, affect this exemption in any way.

IX. Glossary

IX. Glossary

1. Definitions

1.1 Acquisition cost

Intangible fixed assets: the acquisition value includes the capitalised costs excluding VAT.

Tangible fixed assets: the acquisition value includes the capitalised costs excluding VAT.

Finance lease receivables: the acquisition value includes the entire investment cost including VAT.

Investment properties: the acquisition value incorporates the conventional value that is included in the calculation of the price. For projects acquired through a contribution in kind, the price is determined on the basis of a contribution agreement. For development projects, the acquisition cost includes the price paid for the land plus the construction costs already incurred.

1.2 Privileged information or inside knowledge

Privileged information about the Company is any information that has not been disclosed and that is accurate, referring to an existing situation or a situation that can reasonably be expected to arise or an event that has occurred or that can reasonably be expected to occur, and that is sufficiently precise to enable conclusions to be drawn on the potential impact of that situation or event for the price of the financial instruments or financial derivatives of Care Property Invest, that relates directly or indirectly to Care Property Invest, and that, if it were disclosed, could influence the price of Care Property Invest's financial instruments or financial derivatives, including information regarded as price-sensitive for the financial instruments or financial derivatives if an investor, acting reasonably, is likely to use this information as a partial basis for his/her investment decisions.

1.3 Occupancy rate

The occupancy rate is the result of the total number of effectively occupied residential units in relation to the total number of residential units (both occupied and unoccupied). With regard to the initial portfolio, the leasehold fee agreed in the relevant agreements contracts is payable, regardless of occupancy. Also for acquisitions under the new real estate programme, the vacancy risk is transferred to the operator, with the exception of the 'Tilia' project in Gullegem.

1.4 Bullet loan

A loan which is repaid as a lump sum at the end of the term and for which only the interest charges are payable during the term of the loan.

1.5 Compliance officer

The Compliance Officer shall ensure compliance with the laws, regulations and rules of conduct applicable to the Company, and more specifically with the rules relating to the integrity of the Company's business and shall manage the Company's compliance risk.

1.6 Corporate Governance

Sound management of the Company. These principles, such as transparency, integrity and balance of responsibilities, are based on the recommendations of the Belgian Corporate Governance Code 2020 ('Code 2020'), as available on the website at www.corporategovernancecommittee.be.

This code replaces the Belgian Corporate Governance Code 2009 and is mandatorily applicable for financial years commencing on or after 1 January 2020.

1.7 Dividend yield

Gross - or net dividend divided by the closing price of Care Property Invest shares during the relevant financial year or at a specific time or divided by the subscription price at the IPO (excluding costs).

1.8 Double net

See definition in paragraph 1.31 'Triple net' later in this chapter, less owner maintenance (= major maintenance and repairs). There is only one project in the portfolio that was concluded with a long-term leasehold agreement of the 'double net' type, being the project 'Les Terrasses du Bois' in Watermaal-Bosvoorde.

1.9 EPRA

European Public Real Estate Association is an association founded in 1999 for the promotion, development and grouping of European listed real estate companies. EPRA establishes best practices regarding accounting, reporting and corporate governance and harmonises these rules in various countries, in order to provide high quality and comparable information to the investors. EPRA organises also discussion forums concerning the issues that determine the future of the sector. Finally, EPRA has created indexes that serve as benchmark for the real estate sector. All this information is available on the website www.epra.com.

EPRA Key Performance Indicators	Definition	Objective
EPRA Earnings	Result from operational activities	A key measure of a company's underlying operating results and an indication of the extent to which current dividend payments are supported by earnings.
Adjusted EPRA Earnings	Result from operational activities adjusted by company-specific non-cash items (being finance leases - profit or loss margin attributable to the period, depreciation, provisions and other portfolio result).	An important measure of a company's underlying operating results and an indication of the extent to which its current dividend payments are supported by its results, taking into account company-specific non-cash elements.
EPRA NAV	Net Asset Value (NAV) adjusted to include the investment properties at their fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.	Net Asset Value (NAV) adjusted to include the investment properties at their fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.
EPRA NNNAV	EPRA NAV adjusted to include the fair value of (i) financial instruments, (ii) debt and (iii) deferred taxes.	Makes adjustments to EPRA NAV to provide stakeholders with the most relevant information on the current fair value of all the assets and liabilities within a real estate company.
EPRA NRV	EPRA Net Reinstatement Value assumes that the Company will never sell its assets and gives an estimate of the amount needed to re-establish the company.	Makes amendments to the IFRS NAV to provide interested parties with the most relevant information regarding the fair value of the assets and liabilities within a real estate investment company with a long-term investment strategy.
EPRA NTA	EPRA Net Tangible Assets, assumes that the Company acquires and sells assets, which would result in the realisation of certain unavoidable deferred taxes.	Makes amendments to the IFRS NAV to provide interested parties with the most relevant information regarding the fair value of the assets and liabilities within a real estate investment company with a long-term investment strategy.
EPRA NDV	EPRA Net Disposal Value, represents the value payable to the share shareholders of the Company in the event of a sale of its assets, which would result in the settlement of deferred taxes, the liquidation of the financial instruments and the taking into account of other liabilities at their maximum amount, less taxes.	Makes amendments to the IFRS NAV to provide interested parties with the most relevant information regarding the fair value of the assets and liabilities within a real estate investment company with a long-term investment strategy.

EPRA Key Performance Indicators	Definition	Objective
EPRA Net Initial Yield (NIY)	Annualised gross rental income based on the passing rents at the closing date, excluding property charges, divided by the market value of the portfolio, increased with estimated transaction costs resulting from the hypothetical disposal of investment properties.	A comparable measure for portfolio valuations. This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.
EPRA 'topped-up' NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods and other incentives.	This measure should make it easier for investors to judge themselves, how the valuation of portfolio X compares with portfolio Y.
EPRA Vacancy Rate	Estimated Rental Value (ERV) of vacant space divided by the ERV of the total portfolio.	A 'pure' (%) measure of investment property space that is vacant, based on ERV.
EPRA Cost Ratios (including costs of direct vacancy)	Administrative/operational expenses, including the direct costs of vacant buildings, divided by the gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.
EPRA Cost Ratios (excluding costs of direct vacancy)	Administrative/operational expenses, less the direct costs of vacant buildings, divided by the gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.

1.10 Leasehold agreement

Contract with a term of at least 27 years and no more than 99 years, which grants a temporary right in rem to the leaseholder, consisting of the full enjoyment of the property during that period. In return, the leaseholder pays an annual fee, known as the 'ground rent'.

1.11 Exit tax

Companies that apply for recognition as a regulated real estate company or specialised real estate investment fund, or that merge with a regulated real estate company, are subject to a specific tax or exit tax. This tax is comparable to a liquidation tax on deferred net capital gains and tax-exempt reserves.

Exit tax rates are the following:

Year	Base	Crisis contribution	Total
2018 - financial year 2017	16.50%	3%	16.995%
2018 - financial year 2018 (for mergers)	12.50%	3%	12.875%
2019/2020	12.50%	2%	12.750%
2021	15.00%	0%	15.000%

1.12 Free float

The free float is the number of shares circulating freely on the stock exchange and, therefore, in the hands of the public.

1.13 FSMA

The Financial Services and Markets Authority, as referred to in the Law of 2 August 2002 on the supervision of the financial sector and financial services.

1.14 Closed period

Period during which persons in a management position and their closely related persons, as well as all persons included in the list of insiders pursuant to the Law of 2 August 2002 regarding the supervision of the financial sector and financial services (the so-called 'insiders' list') of Care Property Invest, may not carry out transactions involving financial instruments or financial derivatives of Care Property Invest. The closed periods are set out in the Dealing Code of Care Property Invest, which is part of the Corporate Governance Charter that is available on the website www.carepropertyinvest.be.

1.15 RREC Decree

The Royal Decree dated 13 July 2014 regarding regulated real estate companies (SIR/GVV), as published in the Belgian Official Gazette of 16 July 2014 and subsequently amended, last on 23 April 2018.

1.16 RREC Law

The Law of 12 May 2014 concerning regulated real estate companies (SIR/GVV), as published in the Annexes to the Belgian Official Gazette of 30 June 2014 and last altered by the Law of 22 October 2017, as published in the Belgian Official Gazette of 9 November 2017.

1.17 IAS/IFRS standards

The IAS/IFRS were issued by the IASB, which develops the international standards for the preparation of financial statements. European listed companies must apply these rules in their consolidated accounts for financial years beginning on or after 1 January 2005. In accordance with the Royal Decree of 13 July 2014, Care Property Invest has applied these rules to its statutory financial statements since the financial year commencing on 1 January 2007.

1.18 Interest rate swap

Financial instrument with which parties contractually agree to swap interest payments over a certain period. This allows parties to swap fixed interest rates for floating interest rates and vice versa. The Company only possesses interest rate swaps that allow her to swap floating interest rates for fixed interest rates.

1.19 Investment value

The investment value is the value as determined by an independent real estate expert and of which the necessary additional mutation costs are included (formerly known as 'deed-in-hand value').

1.20 Duration

Weighted average duration of the lease contracts, where the weight is equal to the ratio of the rental income to the total rental income of the portfolio.

1.21 Liquidity provider

A liquidity provider is a financial institution (in the case of Care Property Invest: Bank Degroof Petercam and KBC Securities) which, under the supervision of Euronext and the FSMA, carries out a market animation assignment with respect to the Company's shares. The purpose of the market animation mandate is to promote the liquidity of transactions in the Company's shares and, more specifically, to facilitate an appropriate interaction between supply and demand, thereby facilitating the free market and thus reducing price fluctuations in the share.

1.22 Market capitalisation

Share price multiplied by the total number of listed shares.

1.23 Transfer tax

The transfer of ownership of real estate is in principle subject to collection by the State of transfer tax, which constitutes most of the transaction costs. The amount of this tax depends on the transfer method, the capacity of the buyer and the geographical location of the property. The first two conditions, and thus the amount payable for the rights, are only known after the conclusion of the transfer of ownership.

In Belgium, the main possible methods of transfer of real estate and the associated registration fees are as follows:

- contracts of sale relating to real estate: 12.5% for real estate in the Brussels-Capital Region and the Walloon Region, and 10% for real estate in the Flemish Region;
- sales of real estate under the regime of a real estate agent: 5% to 8%, depending on the region;
- establishment of building rights and leasehold rights (up to 50 years for the right to build and to 99 years for leasehold: 2% or 0.5% if the tenant is a non-profit organisation);
- contracts of sale relating to real estate where the buyer is a public body (e.g., an entity of the European Union, the federal government, a regional government or a foreign government.): tax exempt;
- contribution of real estate in kind, for the issuance of new shares to the benefit of the contributor: tax exempt;
- contracts of sale of the shares in a real estate company: tax exempt;
- mergers, splits and other corporate restructuring: tax exempt;
- etc.

The effective rate of the transfer tax therefore varies between 0 and 12.5% without it being possible to give the percentage applying to a specific property before the transfer is executed.

N.B.: It should be noted that, as a result of the interpretation of the IAS/IFRS standards calculated by the Belgian Association of Asset Managers (BEAMA), the book value of buildings for the IAS/IFRS balance sheet is determined by deducting a fixed sum for transfer tax from the investment value, which is currently set by the real estate experts at 2.5%. However, for properties with a value of less than €2.5 million, the registration fees that apply according to the location of the property are deducted. For the Dutch and Spanish real estate investments there is no special agreement and the statutory transfer tax rates apply.

1.24 Net value per share

The value obtained by dividing the consolidated net assets of the RREC, net of minority interests, or, if no consolidation takes place, the net assets at statutory level, by the number of shares issued by the RREC, not including any treasury shares that may be held at the consolidated level.

'Inventory value of the shares' is a synonym for net value of share.

1.25 Net Rental Income

Rental income

- reversals of transferred and discounted rent
- expenses relating to rentals

1.26 Turnover rate

Total volume of shares traded during the year, divided by the total number of shares, as defined by Euronext (a synonym is 'velocity').

1.27 Building rights

A building right is a right in rem to have buildings, works or plantations partially or fully on, above or below another party's land (see Article 1 of the Law of 10 January 1824 concerning building rights).

1.28 Pay-out ratio

Gross dividend per share divided by the appropriated earnings per share, with the gross dividend being calculated on the basis of the adjusted EPRA Earnings.

1.29 Fair value

The fair value of the investment properties in Belgium is calculated as follows:

Buildings with an investment value exceeding €2.5 million:

The fair value = investment value/(1 + average determined as the lower of the investment unit value/ (1 + percentage of the transfer costs, depending on the region in which the building is located) and the investment value as a whole/(1 + average percentage of the transaction costs as determined by BEAMA);

Properties with an investment value of less than €2.5 million:

1. if the real estate expert finds that the building can be sold per apartment, the fair value is determined as the lower of the investment unit value/(1 + percentage of the transfer costs, depending on the region where the building is located), and the investment value as a whole/(1 + average percentage of the transaction costs as determined by BEAMA);
2. if the real estate expert finds that the building cannot be sold per apartment, the fair value is equal to the investment value as a whole/(1 + percentage of the transfer rights, depending on the region in which the building is located).

The average percentage of the transaction costs, as determined by BEAMA, is reviewed annually and adjusted if necessary, per threshold of 0.5%. The real estate experts confirm this deduction percentage in their regular reports to shareholders. The rate now stands at 2.5%.

1.30 Financial debt ratio

Numerator: 'Total liabilities' on the balance sheet

- I. Non-current liabilities - A. Provisions
- I. Non-current liabilities - C. Other non-current financial liabilities - Hedging instruments
- I. Non-current liabilities - F. Deferred tax liabilities
- II. Current liabilities - A. Provisions
- II. Current liabilities - C. Other current financial liabilities - Hedging instruments
- II. Current liabilities - F. Deferrals and accruals

as provided in the schedules in the Appendix to the Royal Decree of 13 July 2014 concerning regulated real estate companies. The amounts still payable by the RREC for the acquisition of real estate, which will be settled within a customary period, may be deducted in the calculation of the debt level.

Denominator: 'Total assets' after deduction of authorized hedging instruments.

Result: ≤ 65%.

1.31 Transparency legislation

The Law of 2 May 2007 concerning the disclosure of significant participating interests in issuers, the shares of which are admitted for trading on a regulated market and laying down various provisions, and the Royal Decree of 14 February 2008 concerning the disclosure of significant participating interests.

1.32 Triple net

The operating costs, maintenance costs and loss of rent associated with the vacancy are borne by the operator.

1.33 Distributable result or adjusted EPRA Earnings (per share)

As a return on capital, the Company must pay a sum equal to at least the positive difference between the following amounts:

- 80% of an amount equal to the sum of the net result (IFRS) (A) and the net gain on disposal of real estate assets that are not exempt from distribution (B).
  (A) and (B) are calculated according to the following schedule:
  Net result
  + depreciation and amortisation
  + impairments
  - reversals of impairments
  - reversals transferred and discounted rent
  +/- other non-monetary items
  +/- result of sales of property
  +/- changes in fair value of real estate, changes in fair value of financial assets/liabilities
  = adjusted EPRA Earnings (A)
  +/- gains and losses on real estate (gains and losses relative to the cost plus activated investment costs) realised during the financial year
  - gains on real estate realised during the financial year that are exempt from mandatory distribution subject to their reinvestment within a period of four years (gains in relation to the cost plus activated investment costs).
  + realised gains on real estate that were previously exempt from mandatory distribution and were not reinvested within a period of four years (gains in relation to the acquisition value plus activated investment costs).
  = Net gain on disposal of real estate that is not exempt from mandatory distribution (B)

and

- the net diminution in the debt of the public RREC in the course of the financial year, as provided for in Article 13 of the Royal Decree of 13 July 2014 (see the above definition of debt ratio).

1.34 Universal registration document

Institutions whose securities are admitted to a regulated market may draw up a registration document on a yearly basis in the form of a Universal Registration Document describing the organisation, business, financial position, profits, prospects and governance and shareholder structure of the institution. The Universal Registration Document may be used for an offer of securities to the public or the admission of securities to trading on a regulated market provided that it has been approved by the FSMA, together with any amendments and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.

1.35 Company

Care Property Invest NV

1.36 Prohibited period

The period that is communicated as such by the Compliance Officer on the instructions of the Executive Committee or the Board of Directors and commencing on the date on which inside knowledge becomes known to the Board of Directors, the Executive Committee and lasting until immediately after the disclosure of the said inside knowledge or to the date on which the inside knowledge loses its price-sensitive character.

1.37 Regulation (EU) 2017/1129

Regulation (EU) 2017/1129 of the European Parliament and 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.

1.38 Companies Code (W. Venn.)

The Companies Code, dated 7 May 1999, as published in the Belgian Official Gazette on 6 August 1999 and as amended from time to time.

This Code has been replaced in 2019 by the new Code for Companies and Associations (Law of 23 March 2019), which was approved by the Belgian Parliament on 28 February 2019 and published in the Belgian Official Gazette on 4 April 2019.

1.39 Code for Companies and Associations (CCA)

The Code of Companies and Associations of 23 March 2019, as published in the Belgian Official Gazette of 4 April 2019.

The Companies Code entered into force on 1 May 2019 and replaces the former Companies Code of 7 May 1999.

1.40 Residential Care Decree

The Residential Care Decree of 13 March 2009, as published in the Belgian Official Gazette on 14 May 2009, which entered into force on 1 January 2010, together with its implementing decrees, as amended from time to time.

2. Abbreviations

BEAMA	Belgian Asset Managers Association (Belgische Vereniging van Asset Managers)
BEVAK	Investment company with fixed capital (BeleggingsVennootschap met Vast Kapitaal)
BCCA (WVV)	Belgian Code of Companies and Associations (Wetboek van vennootschappen en verenigingen)
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
ECB	European Central Bank
EPRA	European Public Real Estate Association
ESMA	European Securities and Markets Authority
FSMA	Financial Services and Markets Authority
ERV	Estimated rental value
GVBF/ FIIS	Specialised Real Estate Investment fund
RREC	Regulated Real Estate Company
IAS	International Accounting Standards
UCI	Undertaking for Collective Investment
IFRS	International Financial Reporting Standards
IRS	Interest Rate Swap
NAV	Net Asset Value
NV	Public limited company (Naamloze Vennootschap)
URD	Universal Registration Document
VCF	Flemish Codex Taxation (Vlaamse Codex Fiscaliteit)
W. Venn.	Companies Code (Wetboek van vennootschappen)
VZW	Non-profit organisation (Vennootschap Zonder Winstoogmerk)

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