

Care building  
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Free translation. The Dutch version will prevail.

## PRESS RELEASE

### REGULATED INFORMATION

1 September 2020 - After trading hours

Under embargo until 17h45

## CARE PROPERTY INVEST

Public limited liability company (société anonyme/naamloze vennootschap),  
Public Regulated Real Estate Company (Société Immobilière Réglementée (SIR) /  
Gereguleerde Vastgoedvennootschap (GVV) under Belgian Law  
Registered Office: 3 Horstebaan, 2900 Schoten  
Companies Registration No. 0456.378.070 (LPR Antwerp)  
(the 'Company')

### HALF-YEARLY FINANCIAL REPORT 2020 - 1 SEPTEMBER 2020



### FINANCIAL HIGHLIGHTS

KEY FIGURE	30 June 2020	31 December 2019	30 June 2019		Evolution
FAIR VALUE PROPERTY PORTFOLIO	€796 m	€644 m		↗	+24%
MARKET CAPITALISATION	€637,710,399	€601,645,007		↗	+6%
OCCUPANCY RATE	100%	100%			=
DEBT RATIO	47.36%	49.32%		↘	-4%
COST OF BORROWED FUNDS	2.25%	2.35%		↘	-4%
ADJUSTED EPRA EARNINGS	€10.7 m		€9.2 m	↗	+16%
ADJUSTED EPRA EARNINGS PER SHARE	€0.4859		€0.4520	↗	+8%
EPS	€0.96		€0.87	↗	+10%
DPS	€0.80		€0.77	↗	+4%



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1. Impact of Covid 19 on the Company’s activities

The outbreak of the coronavirus in early 2020 and the related measures to contain the virus could potentially have an impact on the financial performance in 2020 and the valuation of certain assets and liabilities in the medium term. As a result, the Company may need to include material adjustments in its figures during the financial year 2020.

1.1 Impact on the global result statement

1.1.1 RENTAL INCOME

The entire portfolio, measured at fair value, consists of healthcare real estate located in Belgium (90%) and The Netherlands (10%).

Despite the application of additional measures to combat the COVID-19 virus, the residential care centres and service flats/ assisted living apartments are still able to provide services and pay the contractually due rent or ground rent (canon) to Care Property Invest. Care Property Invest enters into frequent dialogue with the operators and is also spontaneously informed of the impact of the COVID-19 crisis. For residential care centres, a support package has been developed by the Flemish government to combat the impact of increased vacancy or additional costs for the purchase of protective equipment by the operators. Similar measures were also taken in The Netherlands. For the service flats of the historical portfolio, which represents about half of the rental income of Care Property Invest, the Company foresees a more limited impact.

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, precisely because of these ongoing activities.

1.1.2 RESULT AND DIVIDEND PER SHARE

Despite the outbreak of the virus, Care Property Invest increases the guidance it provided for its adjusted EPRA earnings per share to €0.96 (instead of €0.93) as announced in the press release of 18 March 2020 for the 2020 financial year. The dividend remains unchanged at €0.80. The Company recalls that the dividend for the financial year 2020 has been split into 2 coupons: coupon nr. 12 (representing an amount of €0.32) and coupon nr. 13 (representing an amount of €0.58).

1.2 Impact on the balance sheet

1.2.1 VALUATION OF THE PROPERTY PORTFOLIO

The valuation reports of the external independent valuation experts over the second quarter for the entire portfolio of investment properties show a global upward trend. Therefore, there is no downward revaluation on the portfolio of investment properties as a result of the COVID-19 crisis in the second quarter at all. On the other hand, the report of the independent valuation expert states that it was drawn up taking into account the ‘material valuation uncertainty’ as defined by the RICS standards (VPS3 and VPGA 10 of RICS Red Book Global).

1.2.2 DEBT RATIO

As at 30 June 2020, the debt ratio of Care Property Invest was 47.36%. The available space up to a debt ratio of 60%, which Care Property Invest has agreed upon in covenants with its credit providers as the maximum debt ratio, amounts to €232.5 million. The principal amount of loans still to be repaid in 2020 only amounts to €51.1 million.

Care Property Invest has an MTN programme, which was increased to €200 million in April. As at 30 June 2020, Care Property Invest had €98.7 million outstanding as commercial paper, more than 100% of which was covered by specific, associated back-up lines. Care Property Invest would like to point out that it can still roll over commercial paper, even though it has noticed a disruption in this market.

As at 30 June 2020, Care Property Invest has approximately €200 million of confirmed undrawn credit lines and cash and cash equivalents at its disposal. The fact that Care Property Invest continues to have access to additional credit facilities proves the confidence that credit providers have in Care Property Invest, its activities and its management.

1.2.3 DEVELOPMENTS INCLUDED IN THE BALANCE SHEET

The Company’s development pipeline only concerns projects in The Netherlands.

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.





## I. Interim report of the board of directors



# History

**1996**

Presentation of the first 2 projects  
IPO on Euronext Brussels.



**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.

**2000**

Innovation Award for 'Technology and housing of elderly people'.



**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.



**2015**

NEW ADDRESS: HORSTEBAAAN 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.

**2001**



**Incorporation of reserves in the capital.**

**2012**



**Initial investment program 2,000 serviceflats completed.**

**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 juni 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.

**2017**

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.



**2018**

**Entry onto the Dutch market.**

Acquisition of 100th residential care project.



**2019**

**Capital increase through a contribution in kind.**

3 April 2019

Gross proceeds of the capital increase amounted to €16,372,079.85  
764,031 new shares were issued

As from 3 April 2019

20,086,876 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 from 19 June 2020, **21,918,213 fully paid-up shares**, of which 878 treasury shares (by means of a repurchase programme to meet its remuneration obligation).



**2020**

**Entry onto the Spanish market.**

Acquisition under suspensory conditions of the new construction project 'Emera Mostoles' in Mostoles (Madrid)

**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.



**2019**

**Optional dividend**  
May-June 2019

57% of the shareholders subscribed.  
**307,870** new shares were issued for a total issue price of €6,688,783.62.  
As from 26 June 2019, **20,394,746 fully paid-up shares** of which 5,658 own shares (as a result of a buy-back programme for the fulfilment of its remuneration obligations).



**2019**



**Inclusion Euronext Next 150 Index**

**2020**

**Capital increase through a contribution in kind.**

15 January 2020

Total amount of capital increase: €33.594.044.

1,250,376 new shares issued.

As from 15 januari 2020

21,645,122 fully paid-up shares.

**2020**

**Capital increase in cash (ABB).**

June 2020

Care Property Invest raises approximately €60 million gross.

As from 25 June 2020

24,110,034 fully paid-up shares.



## I. Interim report of the board of directors

### 1. Important events

#### 1.1 Important events during the first semester of 2020

##### 1.1.1 PROJECTS FIRST SEMESTER 2020 IN BELGIUM

Below is a brief overview of the acquisitions of several projects in Belgium during the first semester of 2020.

For further information regarding the real estate of the acquired projects, reference is made to chapter

'IV. Real estate report' on page 68.

##### 1.1.1.1 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 (part 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 (renewable) with a duration of at least 27 years
• CONVENTIONAL VALUE	Approximately €17.2 million
• 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 €17,229,464.00, 641,284 new shares in Care Property Invest were issued at an issue price of €26.87 per share.



### Bernissart - New BeaGENCY

• ACQUISITION DATE	15 January 2020
• ADDRESS:	Rue d'Ellezelles 57, 7321 Bernissart, Belgium
• OPERATOR:	New BeaGENCY Sprl (part 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 (renewable) with a duration of at least 20 years
• CONVENTIONAL VALUE	Approximately €16.4 million
• 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.

#### Investment properties



### Laeken - 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 110m 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, annually indexable long-term leasehold agreement of the 'triple net' type with a remaining duration of at least 29 years (renewable)
• CONVENTIONAL VALUE	Approximately €30.5 million
• TRANSACTION:	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 450m away from the project.
• YEAR OF CONSTRUCTION/ RENOVATION:	2014
• TYPE OF CONTRACT:	Existing, annually indexable long-term leasehold agreement of the 'triple net' type with a remaining duration of at least 29 years (renewable)
• CONVENTIONAL VALUE	Approximately €20.1 million
• TRANSACTION:	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 350m 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, annually indexable long-term leasehold agreement of the 'triple net' type with a remaining duration of at least 29 years (renewable)
• CONVENTIONAL VALUE	Approximately €36.3 million
• TRANSACTION:	Acquisition of 100% of the shares in Zorginfra nv
• FINANCING:	Loan capital



1.1.1.2 NEW PROJECTS SIGNED UNDER SUSPENSORY CONDITIONS


Investment properties

	<b>Stembert - La Lucine</b>	
	• 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 meters away from the property.	
• YEAR OF CONSTRUCTION/RENOVATION:	Completion is expected in Q3 of 2021.	
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable) with a duration of at least 27 years	
• CONVENTIONAL VALUE	Approximately €4.2 million	
• TRANSACTION:	Acquisition of 100% of the shares in the Company C.H.V. Stembert SA, expected in Q3 of 2022	
• FINANCING:	Loan capital	

	<b>Lier - Dunglehoff</b>	
	• 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 (128 single 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 meters away.	
• YEAR OF CONSTRUCTION/RENOVATION:	Completion expected end of 2021.	
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type, which can be indexed annually with a minimum duration of 27 years (renewable).	
• CONVENTIONAL VALUE	Approximately €26.5 million	
• TRANSACTION:	Acquisition of 100% of the shares in Apollo Lier NV, expected end of 2021	
• FINANCING:	Loan capital	


1.1.1.3 PROJECTS TAKEN INTO OPERATION

Investment properties

	<b>Vorst - Nuance</b>	
	• ACQUISITION DATE	28 February 2017
	• ADDRESS:	Vorst, 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 (renewable and annually indexable) with a duration of at least 20 years	
• TOTAL INVESTMENT VALUE:	Approximately €14.8 million	
• TRANSACTION:	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	

1.1.1.4 PROJECTS COMPLETED

Finance leases

	<b>Middelkerke - Assistentiewoningen De Stille Meers</b>	
	• 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 will be 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 (annually indexable) with a duration of 27 years	
• INVESTMENT COST:	Approximately €8.6 million	
• FINANCING:	Mix of loan capital and equity	

1.1.2 PROJECTS FIRST SEMESTER OF 2020 IN THE NETHERLANDS

1.1.2.1 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. €22.8 million.

Investment properties

	<h2>Heemstede - De Meerhorst</h2>	
	• ACQUISITION DATE	14 May 2020
	• ADDRESS:	Van Merlenlaan 2, 2103 GD Heemstede, The Netherlands
	• OPERATOR	Valuas Zorggroep
	• 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 Meerhorst' 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, annually indexable long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable).	
• CONVENTIONAL VALUE:	Approximately €6.3 million	
• TRANSACTION:	Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL7.	
• FINANCING:	Loan capital	

	<h2>Oegstgeest - Het Witte Huis</h2>	
	• ACQUISITION DATE	14 May 2020
	• ADDRESS:	Endegeesterlaan 2-4, 2342 CZ Oegstgeest, The Netherlands
	• OPERATOR	Valuas Zorggroep
	• 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, annually indexable long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable).	
• CONVENTIONAL VALUE:	Approximately €10 million	
• TRANSACTION:	Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL7.	
• FINANCING:	Loan capital	

	<h2>Oegstgeest - Villa Oranjepark</h2>	
	• ACQUISITION DATE	14 May 2020
	• ADDRESS:	Prins Hendriklaan 2, 2341 JB Oegstgeest, The Netherlands
	• OPERATOR	Valuas Zorggroep
	• 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, annually indexable long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable).	
• CONVENTIONAL VALUE:	Approximately €3,3 million	
• TRANSACTION:	Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL B.V.	
• FINANCING:	Loan capital	

	<h2>Aldeboarn - Boarnsterhim State</h2>	
	• ACQUISITION DATE	14 May 2020
	• ADDRESS:	Wjitteringswei 67, 8495 JM Aldeboarn, The Netherlands
	• OPERATOR	Valuas Zorggroep
	• 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 20km away. The project is easily accessible by car via the A32 (Leeuwarden-Meppel) and by public transport thanks to a train station 2.8km away.	
• YEAR OF CONSTRUCTION/RENOVATION:	Year built: 1830/ year most recent renovation: 2011.	
• TYPE OF CONTRACT:	New, annually indexable long-term rental agreement of the 'triple net' type with a duration of minimum 20 years (renewable).	
• CONVENTIONAL VALUE:	Approximately €3.2 million	
• TRANSACTION:	Purchase of the real estate through its Dutch subsidiary, Care Property Invest.NL B.V.	
• FINANCING:	Loan capital.	

1.1.2.2 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 expected end of 2020
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable and annually indexable) with a duration of at least 20 years
• TOTAL INVESTMENT VALUE:	Approximately €7.7 million
• TRANSACTION:	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 Q2 2021
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable and annually indexable) with a duration of at least 20 years
• TOTAL INVESTMENT VALUE:	Approximately €5.7 million
• TRANSACTION:	Acquisition through its Dutch subsidiary, Care Property Invest.NL3 B.V.
• FINANCING:	Loan capital



Zeist - Villa Wulperhorst

• ACQUISITION DATE	6 August 2019
• ADDRESS:	3709 JP Zeist, Tiendweg 6-8, The Netherlands
• OPERATOR	Valuas zorggroep
• 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 kilometres away.
• YEAR OF CONSTRUCTION/RENOVATION:	The renovation and construction works for the manor have started and will probably be completed by the end of 2020. The redevelopment of the coach house has also started and is expected to be completed in early 2021.
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable and annually indexable) with a duration of at least 25 years
• TOTAL INVESTMENT VALUE:	Approximately €13,1 million
• TRANSACTION:	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 through its Dutch subsidiary Care Property Invest.NL2 B.V. 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 The Netherlands
• ADDRESS:	Monseigneur van Leeuwelaan 1 & 3, 2182 EM Hillegom en Hoofstraat 141, 2181 EM Hillegom, Nederland
• 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:	Construction works will start in early 2020 and the provisional delivery is planned for the end of 2021.
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable and annually indexable) with a duration of at least 20 years
• TOTAL INVESTMENT VALUE:	Approximately €9.2 million
• TRANSACTION:	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 the second semester of 2021.
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable and annually indexable) with a duration of at least 25 years
• TOTAL INVESTMENT VALUE:	Approximately €11.7 million
• TRANSACTION:	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 for the end of 2020
• TYPE OF CONTRACT:	New long-term leasehold agreement of the 'triple net' type (renewable and annually indexable) with a duration of at least 20 years
• TOTAL INVESTMENT VALUE:	Approximately €10.6 million.
• TRANSACTION:	Acquisition through its Dutch subsidiary, Care Property Invest.NL B.V.
• FINANCING:	Loan capital



1.1.3 PROJECTS FIRST SEMESTER OF 2020 IN SPAIN

1.1.3.1 NEW PROJECTS SIGNED UNDER SUSPENSORY CONDITIONS

Investment properties

	<b>Mostoles (Madrid) - Emera Mostoles</b>	
	<ul style="list-style-type: none"><li>• <b>DATE SIGNING</b></li><li>• <b>ADDRESS:</b></li><li>• <b>OPERATOR:</b></li><li>• <b>CAPACITY:</b></li></ul>	<b>22 June 2020</b>  <b>Calle Agustin de Betancourt 37, 28935, Mostoles, Madrid, Spain</b>  <b>A 100% subsidiary of Groupe Emera</b>  <b>Residential care centre with 166 residential units 148 rooms (130 single rooms and 18 double rooms)</b>
• <b>LOCATION:</b>	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.	
• <b>YEAR OF CONSTRUCTION / RENOVATION:</b>	Expected start of construction works: Q2 2021. Provisional delivery is expected Q2 2023.	
• <b>CONTRACT TYPE:</b>	New long-term leasehold agreement of the 'triple net' type with a minimum duration of 15 years (renewable and annually indexable).	
• <b>TOTAL INVESTMENT VALUE:</b>	€12.0 million.	
• <b>TRANSACTION:</b>	Acquisition of the land by means of its Spanish subsidiary Care Property Invest Tulip. S.L. after the realisation of a number of conditions precedent, followed by the financing of the development in accordance with the progress of the works.	
• <b>FINANCING:</b>	Debt/equity financing (mix to be determined when cash out takes place).	

1.1.4 OTHER EVENTS DURING THE FIRST SEMESTER OF 2020

1.1.4.1 MERGERS

Merging company	Absorbing company	Date of effective absorption	Date of deed	Date publication Belgian Official Gazette	Code publication Belgian Official Gazette
Decorul nv	Care Property Invest nv	1 Jan. 2020	27 March 2020	28 April 2020	BS 2020-04-28/0053386

For more information on the merger proposals, see <https://carepropertyinvest.be/en/investments/mergers/>.

1.1.4.2 ESTABLISHMENT OF SUBSIDIARIES

Name established subsidiary	Date of establishment	Purpose
Care Property Invest.NL7 B.V.	16 April 2020	acquire healthcare real estate sites in The Netherlands

1.1.4.3 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.

1.1.4.4 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, which resulted in a strengthening of the equity of €6,970,784, which will be used to realise a further growth of the property portfolio.

For this purpose, 273,091 new ordinary shares were issued at a fixed issue price of €25.5255 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 to be paid out 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

1.1.4.5 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.

It issued 2,191,821 new shares (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 n° 13 et seq. attached and will participate in the result as of 29 May 2020.

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

1.1.4.6 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 board: 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.

1.2 Events after the closing of the first semester of 2020


1.2.1 ADDITIONAL INVESTMENTS

As already announced in separate press releases, Care Property Invest is proud to announce that it has made the following investment after the closing of the first semester of 2020:

1.2.1.1 ADDITIONAL PROJECTS IN SPAIN

1.2.1.1.1 NEW PROJECTSUNDER CONSTRUCTION

Investment properties

	<b>Carabanchel (Madrid) - Emera Carabanchel</b>	
	• <b>DATE SIGNING</b>	<b>24 July 2020</b>
	• <b>ADDRESS:</b>	<b>Calle Juan Mieg 25, Carabanchel, 28054 Madrid, Spain</b>
	• <b>OPERATOR:</b>	<b>A 100% subsidiary of Groupe Emera</b>
	• <b>CAPACITY:</b>	<b>Residential care centre with 179 residential units 149 rooms (119 single rooms and 30 double rooms) and 11 assisted living apartments</b>
• <b>LOCATION:</b>	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.	
• <b>YEAR OF CONSTRUCTION / RENOVATION:</b>	Expected start of construction works: Q3 2020. Provisional delivery is expected Q2 2022.	
• <b>CONTRACT TYPE:</b>	New long-term leasehold agreement of the ‘triple net’ type with a minimum duration of 15 years (renewable and annually indexable).	
• <b>INVESTMENT COST:</b>	€14.6 million.	
• <b>TRANSACTION:</b>	Acquisition of the land through its Spanish subsidiary Care Property Invest Tulip SL on 24 July 2020. The development will be financed and acquired in function of the progress of the construction works.	
• <b>FINANCING:</b>	Debt financing.	

1.2.2 CORONAVIRUS

The outbreak of the coronavirus in early 2020 and the results of the measures taken to contain the virus, could impact our financial performance of 2020 and the measurement of certain assets and liabilities. Accordingly, we may thus possibly need to record material adjustments in our accounts during 2020. Based on the facts known as of today, we have currently no knowledge of financial impacts on the 2020 financial statements.

1.2.3 ACQUISITION OF SUBSIDIARIES

Name acquired subsidiary	Date of acquisition of control	Purpose
Care Property Invest Spain. S.L.	21 July 2020	holding company
Care Property Invest Tulip. S.L.	21 July 2020	acquire healthcare real estate sites in Spain

1.3 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, bo in Belgium, The Netherlands, Spain and in other key geographic markets within the EEA.

More information on these projects can be found in section ‘1.1 Important events during the first semester of 2020’ on page 12

The board of directors is also constantly examining various investment and financing possibilities in order to realise its activities. A capital increase by contribution in kind is also among the possibilities.



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

2.1 Consolidated global result statement

Amounts shown in euros		
Period closed on 30 June	2020	2019
I. Rental income (+)	16,943,476	14,400,031
NET RENTAL RESULT	16,943,476	14,400,031
V. Recovery of rental charges and taxes normally borne by the tenant on let properties (+)	90,352	0
VII. Rental charges and taxes normally payable by tenants on let properties (-)	-90,352	0
REAL ESTATE OPERATING RESULT	16,943,476	14,400,031
XIV. General expenses of the Company (-)	-3,645,180	-2,560,354
XV. Other operating income and expenses (+/-)	1,096,589	1,820,641
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	14,394,885	13,660,318
XVIII. Changes in fair value of investment properties (+/-)	86,674	257,817
XIX. Other results on portfolio (+/-)	0	-140,606
OPERATING RESULT	14,481,559	13,777,529
XX. Financial income (+)	87	22,411
XXI. Net interest expense (-)	-3,345,013	-3,081,292
XXII. Other financial costs (-)	-192,961	-120,659
XXIII. Changes in fair value of financial assets/liabilities (+/-)	-6,050,744	-4,452,912
FINANCIAL RESULT	-9,588,631	-7,632,452
RESULT BEFORE TAXES	4,892,928	6,145,077
XXIV. Corporation tax (-)	-26,817	-161,372
XXV. Exit tax (-)	-80,257	710,055
TAXES	-107,074	548,683
NET RESULT ( group share)	4,785,854	6,693,760
Other elements of the global result	0	0
GLOBAL RESULT	4,785,854	6,693,760

2.2 Net result per share on a consolidated basis

Amounts shown in euros		
Period closed on 30 June	2020	2019
NET RESULT / GLOBAL RESULT	4,785,854	6,693,760
net result per share based on weighted average shares outstanding	0.2166	0.3283
gross yield compared to the initial issuing price in 1996	3.64%	5.52%
gross yield compared to stock market price on closing date	0.82%	1.35%

2.3 Components of the net result

Amounts shown in euros		
Period closed on 30 June	2020	2019
NET RESULT/ GLOBAL RESULT	4,785,854	6,693,760
NON-CASH ELEMENTS INCLUDED IN THE NET RESULT	5,949,294	2,523,260
depreciation, impairments and reversals of impairments	100,815	84,665
variations in fair value of investment properties	-86,674	-257,817
variations in fair value of authorised hedging instruments	6,050,744	4,452,912
projects' profit or loss margin attributed to the period	-115,591	-1,897,107
other results on portfolio	0	140,606
ADJUSTED EPRA EARNINGS	10,735,147	9,217,019
Adjusted EPRA earnings per share, based on the weighted average number of outstanding shares	0.4859	0.4520
gross yield compared to the issue price	8.17%	7.60%
gross yield compared to stock market price on closing date	1.84%	1.85%

The weighted average number of outstanding shares was 20,390,588 as at 30 June 2019 and increased to 22,091,179 shares as at 30 June 2020. The number of shares amounted to 20,394,746 as at 30 June 2019 (including 4,158 treasury shares) and increased to 24,110,034 shares as at 30 June 2020 (including 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' a located in Mons and Bernissart respectively, for which 1,250,376 shares were issued on January 15, 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 gross return is calculated in table '3.2 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 '3.3 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 €26.45 on 30 June 2020 and €24.40 on 30 June 2019.

Notes to the global result statement

Operating result

The Company's operating result increased by 5.11% compared to 30 June 2019.

**Rental income** as at 30 June 2020 increased by 17.66% compared to the same period last year. The increase in rental income from investment properties was caused, besides indexation, by the additional rental income following the acquisition of new investment properties during 2020. The acquired investment properties in the second semester 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 30 June 2020, the Company had no significant outstanding rent receivables, which meant that no receivables had to be transferred to the doubtful debtors.

**The Company's general expenses** increased by €1,082,786 compared to 30 June 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 11.4 FTEs on 30 June 2019 to 13 FTEs on 30 June 2020.

**Other operating income and expenses** decreased from €1,820,641 on 30 June 2019 to €1,096,589 on 30 June 2020. This relates to the completion of the 'Assistentiewoningen De Stille Meers' project in Middelkerke.

These are mainly costs and revenues that are corrected as non-cash elements for the calculation of the adjusted EPRA earnings. The largest operating expenses related to the projects concerns the construction costs of €943,975, which are activated through the item 'other operating income'. In addition, the 'other operating income' item also includes the profit and loss margin on projects.

**The variations in the fair value of investment properties** amount to €86,674 as at 30 June 2020. This is a more limited increase in fair value related to those as per 30 June 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 profit.

Financial result

The increase in interest charges is due to the additional foreign funds raised, in addition to the capital increases mentioned above, to finance the acquisitions that took place in the first semester of 2020. The weighted average interest rate is 2.25% at 30 June 2020. This is a significant decrease compared to the weighted average interest rate of 2.5% as at 30 June 2019. The Company had €98.7 million outstanding commercial paper at 30 June 2020.

The financial result was negatively influenced by the inclusion of the fair value of the financial instruments concluded. Due to a change in interest rates and the conclusion of 9 additional IRS's, despite the further expiry of the term of existing financial instruments, a negative value of €-6,050,744 was obtained as at 30 June 2020. As a result, the total impact to date amounts to €-28,826,342 compared to €-24,168,379 as at 30 June 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 30 June 2020 includes the estimated and prepaid corporate income taxes as well as the modification of the calculated exit tax of the subsidiaries. The change compared to 30 June 2019 is explained by the fact that during 2019 a number of subsidiaries merged with the Company, as a result of which the exit tax became payable. The positive balance as at 30 June 2019 was due to the impact of the reduced exit tax rate of 12.75%, which will increase again to 15% as from tax year 2021.

Adjusted EPRA earnings

The adjusted EPRA earnings on a consolidated basis amounted to €10,735,147 on 30 June 2020 compared to €9,217,019 on 30 June 2019. This represents an increase of 16.47%. The adjusted EPRA earnings per share rose from €0.4520 on 30 June 2019 to €0.4859 on 30 June 2020 which represents an increase of 7.5% and is lower due to the increase in the number of issued shares.

2.4 Consolidated balance sheet

Amounts shown in euros		
Period closed on	30 June 2020	31 December 2019
ASSETS		
I. NON-CURRENT ASSETS	710,742,510	566,900,062
B. Intangible assets	164,819	174,260
C. Investment properties	504,832,102	357,245,670
D. Other tangible fixed assets	2,083,561	9,909,596
E. Financial fixed assets	176,134	633,303
F. Finance lease receivables	187,580,882	183,842,688
G. Trade receivables and other non-current assets	15,905,011	15,094,545
II CURRENT ASSETS	25,491,492	5,978,297
D. Trade receivables	2,127,603	840,993
E. Tax receivables and other current assets	566,538	1,445,296
F. Cash and cash equivalents	21,935,043	3,347,195
G. Deferrals and accruals	862,307	344,813
TOTAL ASSETS	736,234,002	572,878,359
EQUITY AND LIABILITIES		
EQUITY	354,893,664	266,291,362
A. Capital	143,442,647	121,338,541
B. Share premium	181,474,407	104,174,862
C. Reserves	23,533,586	14,258,127
D. Net result for the financial year <sup>(1)</sup>	6,443,023	26,519,833
LIABILITIES	381,340,338	306,586,997
I. Non-current liabilities	209,910,853	189,841,523
A. Provisions	2,500	2,500
B. Non-current financial debts	176,953,357	164,999,835
C. Other non-current financial liabilities	28,826,342	23,075,069
E. Other non-current liabilities	1,783,847	1,764,119
F. Deferred taxation	2,344,807	0
II. Current liabilities	171,429,485	116,745,474
B. Current financial liabilities	161,979,431	108,885,078
D. Trade paybles and other current liabilities	3,422,845	4,201,363
E. Other current liabilities	4,544,260	2,477,769
F. Deferrals and accruals	1,482,948	1,181,264
TOTAL EQUITY + LIABILITIES	736,234,002	572,878,359

(1) The difference between the net 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 for which the general meeting on the annual accounts has yet to take place.

Notes to the consolidated balance sheet

Investment Properties

The Company’s property portfolio increased by €147,586,433 during the first semester of 2020, thanks to the acquisition of the investment properties, being the projects ‘La Reposée’ in Mons (Belgium), ‘New Beaagency’ 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).. The increase is also explained by the further development of the projects ‘Nuance’ in Vorst (Belgium), ‘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 property expert confirms the fair value of the property portfolio at a total amount of 504.3 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.

Other tangible fixed assets

30 June 2020, this item contains €2,078,752 in ‘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 canon 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 €291,376,723 as at 30 June 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.

Cash and cash equivalents

As a result of receiving the funds arising from the capital increase in cash (ABB) only a few days before the closing date, the cash position as at 30 June 2020 amounted to €21,935,043. This is higher than usual but was reduced to a desirable level in the days following the closing date as a result of the repayment of outstanding debts.

Debts and liabilities

As at 30 June 2020, the Company has an MTN programme at Belfius amounting to €200 million with dealers Belfius and KBC. The Company has set up the necessary backup lines for this purpose.

As at 30 June 2020, the amount already drawn amounts to €98.7 million in commercial paper and €21 million in bonds, being 2 bonds of €5 million each with an initial term of 6 and 7 years, a bond of €7.5 million with an initial term of 11 years, a bond of €1.5 million for an initial term of 8 years, a bond of €0.5 million with an initial term of 11 years and a bond of €1.5 million with an initial term of 8 years.

Amounts shown in euros		
Period closed on	30 June 2020	31 December 2019
average remaining term of financial debts	6.48 years	6.77 years
nominal amount of current and long-term financial debts	338,850,418	273,884,913
weighted average interest rate <sup>(1)</sup>	2.25%	2.35%
notional amount of derivative instruments	157,094,052	92,265,802
fair value of the hedging instruments	-28,826,342	-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 2020 financial year as the Company incurs new debts to finance additional investments. The Company has provided the necessary room for manoeuvre in view of its debt ratio. The Company also uses interest rate swaps to hedge its debts with a variable interest rate. As of 30 June 2020, the Company has hedged 88.3% of its debts, either by means of an interest rate swap or by means of a fixed interest rate.

The debt ratio, calculated in accordance with Article 13, §1, 2° of the RREC Decree, was 47.36% on 30 June 2020. The available margin for further investments and completion of the developments already acquired before reaching a debt ratio of 60% amounts to €232.5 million as at 30 June 2020.

The **other non-current liabilities** have risen slightly compared to 31 December 2019 to an amount of €1,783,847 and relate to the debt relating to the right in rem of the projects ‘La Résidence du Lac’ in Genval, ‘Residentie De Anjers’ in Balen and ‘Villa Wolperhorst’ in Zeist, which are included in the balance sheet in accordance with IFRS 16.

The other current liabilities have also increased compared to 31 December 2019 to an amount of €4,544,260 and relate to short-term liabilities with respect to development projects on the one hand and to the amount of withholding tax still to be paid in respect of the dividends paid out on the other hand.

2.5 Consolidated Balance sheet finance leases at fair value <sup>(1)</sup>

Amounts shown in euros		
Period closed on	30 June 2020	31 décembre 2019
Intangible assets	164,819	174,260
Investment properties	504,832,102	357,245,670
Finance lease receivables and trade receivables	291,376,773	286,714,450
Authorised hedging instruments	0	457,333
Other assets included in the debt ratio	5,816,144	12,716,669
Other assets: Cash and cash equivalents	21,935,043	3,347,195
<b>TOTAL ASSETS</b>	<b>824,124,881</b>	<b>660,655,577</b>
Equity	354,893,664	266,291,362
Revaluation gain on finance lease receivables	87,890,880	87,777,217
Debts and liabilities included in the debt ratio <sup>(2)</sup>	348,683,741	282,328,164
Other liabilities	32,656,597	24,258,833
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>824,124,881</b>	<b>660,655,577</b>
<b>DEBT RATIO</b>	<b>42.31%</b>	<b>42.76%</b>

(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.

2.6 Net assets and net value per share on a consolidated basis

Amounts shown in euros.		
Period closed on	30 June 2020	31 December 2019
Total assets	736,234,002	572,878,359
Liabilities	-381,340,338	-306,586,997
NET ASSETS	354,893,664	266,291,362
Net value per share <sup>(1)</sup>	€14.72	€13.06
Total assets	736,234,002	572,878,359
Current and long-term liabilities (excluding 'authorised hedging instruments' item)	-352,513,996	-283,969,261
NET ASSETS, EXCLUDING 'AUTHORISED HEDGING INSTRUMENTS'	383,720,006	288,909,098
Net value per share <sup>(1)</sup> , excluding the 'authorised hedging instruments' column	€15.92	€14.17
Total assets including the calculated fair value of finance lease receivables	824,124,881	660,655,577
Current and long-term liabilities (excluding 'authorised hedging instruments' and 'deferred taxes' item)	-350,169,189	-283,969,261
NET ASSETS EXCLUDING 'AUTHORISED HEDGING INSTRUMENTS' AND 'DEFERRED TAXES' AND INCLUDING THE 'FAIR VALUE OF LEASE RECEIVABLES ' EPRA NAV	473,955,692	376,686,316
Net value per share <sup>(1)</sup> , excluding the 'authorised hedging receivables' and 'deferred taxes' and including the 'fair value of the finance lease receivables'	€19.66	€18.47

(1) In accordance with the RREC Act, the net value per share is calculated on the basis of the total number of shares less own shares. On 30 June 2020, the Company held 878 own shares.

2.7 EPRA key performance indicators

Amounts shown in euros.		
Period closed on	30 June 2020	30 June 2019
EPRA Earnings (in €/share)	€0.49	€0.53
Adjusted EPRA Earnings (in €/share) <sup>(1)</sup>	€0.49	€0.45
EPRA Cost Ratio (including direct vacancy costs) (in %)	14.22%	5.14%
EPRA Cost Ratio (excluding direct vacancy costs) (in %)	14.22%	5.14%
Period closed on	30 June 2020	31 December 2019
EPRA NAV (in €/share)	€19.66	€18.47
EPRA NNNAV (in €/share)	€17.03	€15.94
EPRA net reinstatement value (NRV) (in €/share) <sup>(3)</sup>	€17.80	€16.77
EPRA net tangible assets (NTA) (in €/share) <sup>(3)</sup>	€17.16	€16.25
EPRA net disposal value (NDV) (in €/share) <sup>(3)</sup>	€17.03	€15.94
EPRA Net Initial Yield (NIY) (in%)	5.09%	5.15%
EPRA Topped-up NIY (in%)	5.09%	5.20%
EPRA Vacancy Rate (in%) <sup>(2)</sup>	0.00%	0.00%

(1) The calculation of the adjusted EPRA Earnings takes into account the correction of a number of company-specific non-cash elements.

(2) Care Property Invest only encounters a vacancy risk with the project 'Tilia' in Gullegem . With respect to the projects in the initial investment program the risk lies with the counterparty . The Company receives the ground rent, regardless of the occurrence of a certain vacancy. On 30 June 2020 there were no vacancies for the Tilia Project.

(3) These are new EPRA performance indicators to replace the NAV and the NNNAV.

### 3. Outlook

The debt ratio is calculated in accordance with Section 13, paragraph 1, bullet 2 of the GVV-KB (Royal Decree regarding Regulated Real Estate Companies) and amounts to 47.36% as at 30 June 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 Section 24 of the RREC Royal Decree.

#### 3.1. Assumptions

On the basis of the balance sheet and the global result statement for the financial year 2019 and the first semester of 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 debt securities;
- The financial costs are in line with the increase in financing during the 2019 financial year and the first semester of 2020.  
Additional financing costs for acquisitions during the second semester of 2020 were also taken into account.

**Assumptions regarding factors that can not 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 light of the coronavirus outbreak in 2020, the Company does not see any impact on the fair value of the investment properties to date. However, the increased volatility of interest rates may have an impact on the fair value of the financial instruments;
- Care Property Invest expects no impact from any doubtful debt;
- Due to the 'triple net' nature <sup>(1)</sup> of the agreements, 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.

#### 3.2. 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 Section 13 of the RREC Royal Decree amounts to 47.36% as at 30 June 2020.

(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.

The Company forecasts an increase in the debt ratio during the financial year 2020 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.

#### 3.3. Conclusion on outlook for dividends and distributable results

The uncertainty of the current economic situation and the 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, barring unforeseen circumstances, the Company assumes an increase in the distributable result and the dividend payment for the 2020 financial year. The Company therefore increases its guidance on rental income of at least €36 million. This results in adjusted EPRA earnings per share of minimum €0.96.

Care Property Invest intends to pay a gross dividend of at least €0.80 per share for the 2020 financial year.

After deduction of the 15% withholding tax rate, this results in a net dividend of €0.68 per share.



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 2020 (the “Forecast”) of Care Property Invest nv/sa, included in the paragraph I.3 “Outlook” of their half-yearly financial report as of 30 June 2020 as approved by the board of directors on 1 September 2020 of the Company..

The assumptions included in the paragraph I.3 “Outlook” result in the following consolidated financial forecasts for the accounting year 2020:

- Adjusted EPRA earnings per share: €0,96;
- Rental income: €36 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, 1 September 2020

EY Réviseurs d’Entreprises bv/srl-

Statutory auditor

Represented by

Christel Weymeersch <sup>(1)</sup>

Partner

Christophe Boschmans

Director

<sup>(1)</sup>Acting on behalf of a bv/srl

## 4. Conflicts of interest

In accordance with Article 7:96 of the Code of Companies and Associations, a director who has a direct or indirect interest of a patrimonial nature that conflicts with the interest of the Company with respect to a decision or a transaction that falls within the authority of the board of directors, must inform the other directors before the board of directors takes a decision. The statement and explanation of the nature of this conflicting interest shall be minuted and included in full in the annual report or in a document that is filed together with the annual accounts. The minutes shall be communicated to the statutory auditor without delay.

As yet, no conflicts of interest have occurred in 2020.

## 5. Corporate governance

### Composition of the board of directors

On 30 June 2020, the board of directors was structured as follows:

Mandate until after the General Meeting of 2021:	
name	capacity
Mark Suykens	Non-executive director and Chairman
Dirk Van den Broeck	Managing director and risk management - Risk manager
Willy Pintens	Managing director and Internal audit function
Mandate until after the General Meeting of 2022:	
name	capacity
Peter Van Heukelom	Chief Executive Officer (CEO) and managing director as well as Chairman Management Committee
Carol Riské	Independent non-executive director
Brigitte Grouwels	Independent non-executive director
Paul Van Gorp	Independent non-executive director
Mandate until after the General Meeting of 2024:	
name	capacity
Valérie Jonkers	Executive director
Filip Van Zeebroeck	Executive director
Michel Van Geyte	Independent non-executive director
Ingrid Ceusters	iIndependent non-executive director

Within the meaning of Article 7:87 of the Code of Companies and Associations, Mrs Brigitte Grouwels, Mrs Caroline Riské, Mrs Ingrid Ceusters, Messrs Paul Van Gorp and Michel Van Geyte are regarded as independent directors.

### Executive committee

On 30 June 2020, the executive committee comprised the following persons, all effective leaders within the meaning of Section 14 of the Act of 12 May 2014:

name	capacity
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 executive director
Valérie Jonkers	Chief Operating Officer (COO) and executive director

## 6. Research and development

Care Property Invest has not undertaken any activities within the meaning of Articles 3:6, 3:7 and 3:8 and 3:32 of the Belgian Code for Companies and Associations (BCCA) (before Articles 96 and 119 of the Companies Code).

7. Capital increases within the context of authorised capital

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.

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, which resulted in a strengthening of the equity of €6,970,784, which will be used to realise a further growth of the property portfolio.

For this purpose, 273,091 new ordinary shares were issued at a fixed issue price of €25.5255 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 to be paid out of €6,377,577, 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

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.

It issued 2,191,821 new shares (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 n° 13 et seq. attached and will participate in the result as of 29 May 2020.

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

8. Treasury shares

As a result of the share buy-back programme announced on 8 April 2019 and within the limits of the authorisation to repurchase own shares granted by the extraordinary general meeting of shareholders of 16 May 2018, the Company repurchased 10,780 shares at a price of €23.19 per share and 1,500 shares at a price of €29.48 per share. The purpose of the repurchase programme is to enable Care Property Invest nv to meet its obligations arising from purchase plans in favour of the executive management of Care Property Invest.

As at 30 June 2020, the Company still has 878 of these in its portfolio. The total amount of €25,883 was included as a reserve in the Company's equity. The capital value of €5,224 represents 0.00004% of the total issued capital as at 30 June 2020. The value of the shares based on the share price of €26.45 as at 30 June 2020 amounts to €23,223.

9. Persons responsible (Royal Decree 14 November 2007)

Peter Van Heukelom, Willy Pintens, Dirk Van den Broeck, Filip Van Zeebroeck and Valérie Jonkers, Managing Directors, hereby declare that, to the best of their knowledge, -the condensed 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 half-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.





## II. Care Property Invest on the Stock Market



II. Care Property Invest on the Stock Market

1. Stock price and volume

1.1. Number and types of shares

Amounts are in euro.

Number of shares on	30 June 2019	31 December 2019
Total number of shares	24,110,034	20,394,746

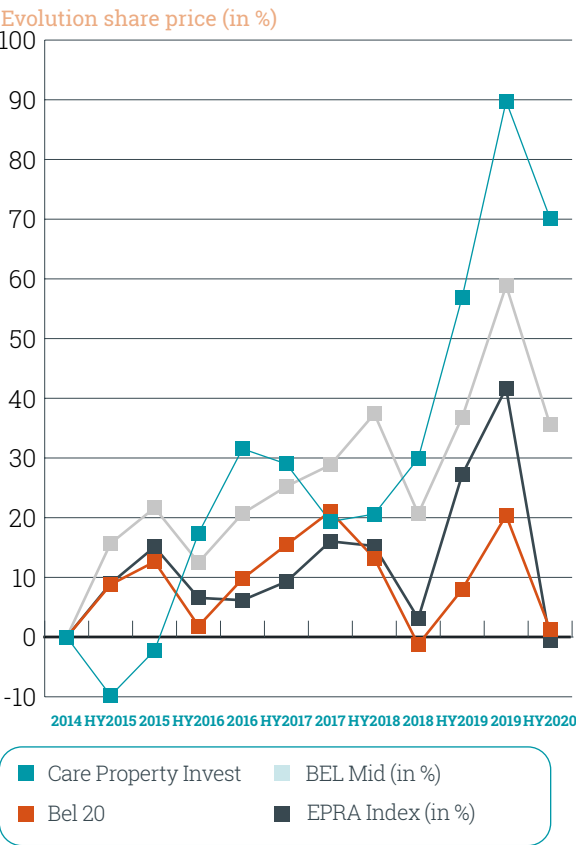
of which:

- number of ordinary shares	24,109,156	20,389,088
- number of own shares	878	5,658

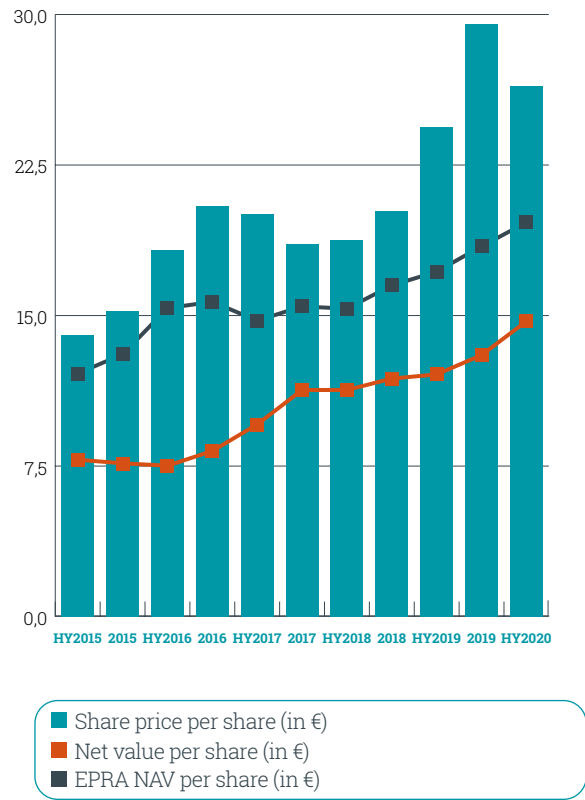
Amounts are in euro.

Value of shares on 31 December	30 June 2019	31 December 2019
Stock price on cut-off date	€26.45	€29.50
Highest closing share price of this period	€34.90	€29.90
Lowest closing stock price of this period	€22.30	€19.90
Average share price	€28.92	€24.96
Market capitalisation	€637,710,399	€601 645 007
Net value per share	€14.72	€13.06
Premium compared to the net fair value	79.68%	125.87%
EPRA NAV	€19.66	€18.47
Premium compared to the EPRA NAV	34.55%	59.68%
Free float	100.00%	99.97%
Average daily volume	39,038	18,551
Turnover rate	22.64%	23.67%

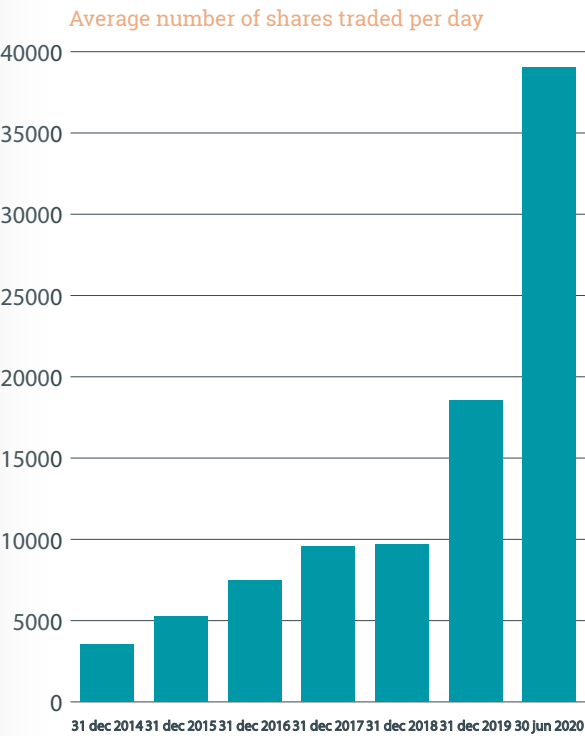
COMPARISON STOCK PRICE SHARES



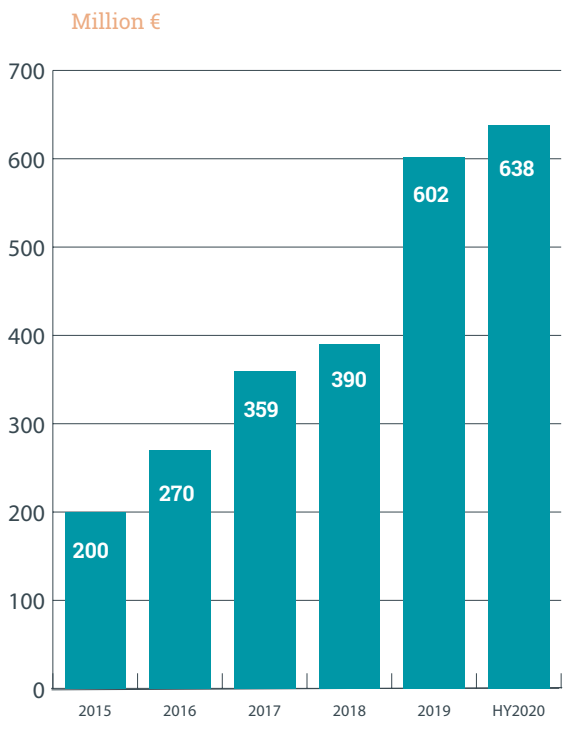
EVOLUTION OF THE SHARE PRICE IN RELATION TO THE NET VALUE (OR NET ASSET VALUE) OF THE SHARE



LIQUIDITY OF THE SHARES



EVOLUTION MARKET CAPITALISATION



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%

1.1. Index inclusions of the Care Property Invest share

On 30 June 2020, the Care Property Invest share is included in 4 indexes, being the Euronext BEL Mid Index, the Euronext NEXT 150 index, the Euronext 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 30 June 2020	
Name index	Index recording weight
Euronext Bel Mid index (Euronext Brussels)	2.27%
Euronext NEXT 150 index (Euronext Brussels)	0.24%
Euronext Real Estate (Euronext Brussels)	2.58%
GPR (Global Property Research) General Europe Index	0.1560%
GPR (Global Property Research) General Europe Quoted Index (excl. open-end bank funds)	0.2241%

2. Dividends policy

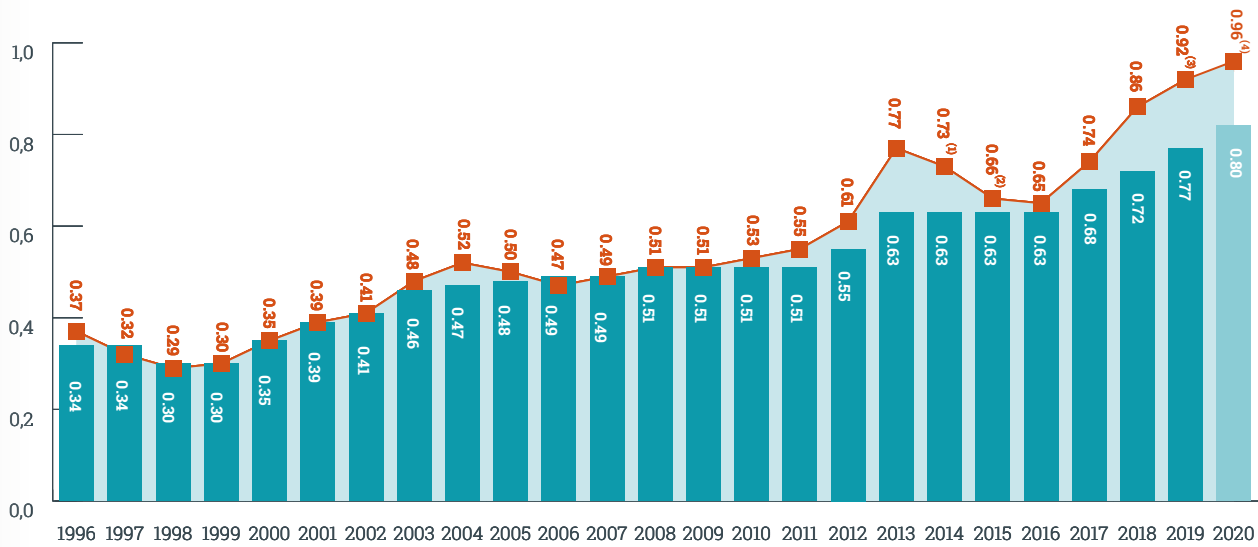
In accordance with Article 11 §3 of the RREC Law, Article 7: 211 of the Belgian Code of companies and associations (BCCA) – which requires a statutory reserve to be kept - is not applicable. The minimum pay-out requirement is established in accordance with Article 13 of the RREC Royal Decree and amounts 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 <sup>(1)</sup>, 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.

Based on the current contracts, barring unforeseen circumstances, the Company assumes an increase in the distributable result and the dividend payment for the 2020 financial year. The Company therefore increases its guidance on rental income to least €36 million. This results in adjusted EPRA earnings per share of minimum €0.96.

Care Property Invest intends to pay a gross dividend of at least €0.80 per share for the 2020 financial year. After deduction of the 15% withholding tax rate, this results in a net dividend of €0.68 per share. The Company’s solvency is supported by the stable value of its property projects.

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

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



<sup>(1)</sup> Decrease in earnings per share, by creation of additional shares by optional dividend  
<sup>(2)</sup> 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.  
<sup>(3)</sup> Earnings per share rising, despite 2 capital increases totalling € 23 million (capital + share premium).  
<sup>(4)</sup> Outlook: see further in this section under item ‘2. Dividend policy’ on page 48.

Gross dividend (in €/share) -  
On 24 March 2014 a share split took  
place (1/1000)

Adjusted EPRA earnings (in €/share)

Proposed dividend

3. Bonds and commercial paper

For the financing of its projects, the Company also relies on the capital market by issuing bonds and commercial paper through an MTN programme with Belfius. In the financial year 2020, this programme was increased to €200 million. On 30 June 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 share price as at 30/06/2020
Care Property Invest nv	BE6296620592	€ 5,000,000	12/07/2017	12/07/2023	6	1.49%	103.28%
Care Property Invest nv	BE6296621608	€ 5,000,000	12/07/2017	12/07/2024	7	1.72%	104.31%
Care Property Invest nv	BE6303016537	€ 7,500,000	28/03/2018	28/03/2029	11	2.08%	109.26%
Care Property Invest nv	BE6311814246	€ 1,500,000	14/02/2019	14/02/2027	8	1.70%	105.96%
Care Property Invest nv	BE6311813230	€ 500,000	14/02/2019	14/02/2030	11	1.99%	109.22%
Care Property Invest nv	BE6318510276	€ 1,500,000	31/01/2020	31/01/2028	8	0.90%	100.46%
Total		€ 21,000,000					



3.2. Commercial paper

Issuer	ISIN code	nominal amount	issue date	expiry date	remaining term in months	coupon	indicative share price as at 31/06/2020
Care Property Invest nv	BE6314981877	€ 500,000.00	5/07/2019	3/07/2020	12	0.142%	Unknown
Care Property Invest nv	BE6317286647	€ 3,500,000.00	6/11/2019	4/11/2020	12	0.272%	Unknown
Care Property Invest nv	BE6319001333	€ 1,000,000.00	5/02/2020	5/08/2020	6	0.162%	Unknown
Care Property Invest nv	BE6319098339	€ 4,000,000.00	12/02/2020	12/08/2020	6	0.161%	Unknown
Care Property Invest nv	BE6319201396	€ 1,000,000.00	17/02/2020	6/07/2020	4.5	0.118%	Unknown
Care Property Invest nv	BE6319361059	€ 1,500,000.00	25/02/2020	25/08/2020	6	0.144%	Unknown
Care Property Invest nv	BE6319412563	€ 2,500,000.00	27/02/2020	27/08/2020	6	0.142%	Unknown
Care Property Invest nv	BE6319512594	€ 3,400,000.00	4/03/2020	4/09/2020	6	0.100%	Unknown
Care Property Invest nv	BE6320779653	€ 500,000.00	24/03/2020	24/03/2021	12	0.364%	Unknown
Care Property Invest nv	BE6320869587	€ 5,000,000.00	27/03/2020	28/09/2020	6	1.050%	Unknown
Care Property Invest nv	BE6321410175	€ 3,000,000.00	16/04/2020	16/07/2020	3	0.302%	Unknown
Care Property Invest nv	BE6321640532	€ 1,500,000.00	27/04/2020	27/07/2020	3	0.739%	Unknown
Care Property Invest nv	BE6321640532	€ 3,300,000.00	27/04/2020	27/07/2020	3	0.708%	Unknown
Care Property Invest nv	BE6321674879	€ 3,000,000.00	27/04/2020	28/07/2020	3	0.358%	Unknown
Care Property Invest nv	BE6321724401	€ 1,500,000.00	30/04/2020	29/04/2021	12	0.441%	Unknown
Care Property Invest nv	BE6322003284	€ 1,000,000.00	15/05/2020	16/11/2020	6	0.603%	Unknown
Care Property Invest nv	BE6322018431	€ 5,000,000.00	15/05/2020	17/08/2020	3	0.297%	Unknown
Care Property Invest nv	BE6319512594	€ 17,000,000.00	4/06/2020	4/09/2020	3	0.570%	Unknown
Care Property Invest nv	BE6319201396	€ 4,000,000.00	4/06/2020	6/07/2020	1	0.162%	Unknown
Care Property Invest nv	BE6322660067	€ 11,500,000.00	19/06/2020	21/09/2020	3	0.504%	Unknown
Care Property Invest nv	BE6322690361	€ 5,000,000.00	22/06/2020	22/07/2020	1	0.047%	Unknown
Care Property Invest nv	BE6321640532	€ 5,000,000.00	25/06/2020	27/07/2020	1	0.042%	Unknown
Care Property Invest nv	BE6322914662	€ 3,000,000.00	29/06/2020	29/09/2020	3	0.498%	Unknown
Care Property Invest nv	BE6322939917	€ 5,000,000.00	30/06/2020	31/07/2020	1	0.046%	Unknown
Care Property Invest nv	BE6322951060	€ 5,000,000.00	29/06/2020	30/09/2020	3	0.147%	Unknown
Care Property Invest nv	BE6320869587	€ 2,000,000.00	30/06/2020	28/09/2020	3	0.125%	Unknown
Total		€ 98,700,000.00					

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 first semester of 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](http://www.carepropertyinvest.be).

Share division on	30 June 2020		25 June 2020 <sup>(3)</sup>		19 June 2020 <sup>(2)</sup>		15 January 2020 <sup>(1)</sup>		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)	% 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	100.00%	24,109,156	100.00%	24,109,156	100.00%	21,917,335	100.00%	21,644,244	99.97%	20,039,088
OWN SHARES	0.00%	878	0.00%	878	0.00%	878	0.00%	878	0.03%	5,658
Registered ordinary shares	6.63%	1,597,858	6.46%	1,557,708	7.11%	1,557,708	12.08%	2,615,364	6.69%	1,364,988
Dematerialised ordinary shares	93.37%	22,512,176	93.54%	22,552,326	92.89%	20,360,505	87.92%	19,029,758	93.31%	19,029,758

As at 30 June 2020, all shares are ordinary shares, the vast majority of which are dematerialised.

- (1) The number of shares changed following 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. To this end, 1,250,376 new shares were issued on 15 January 2020. The share capital as of this date amounts to €128,777,653.39 and is represented by a total number of voting securities of 21,645,122 ordinary fully paid-up shares, including 878 own shares.
- (2) The number of shares changed as a result of the optional dividend Care Property Invest offered to its shareholders on 27 May 2020. The success rate was 52.22%, resulting in a strengthening of equity by €6,970,784.32, and the issue of 273,091 new ordinary shares at an issue price of €25.5255 per share. As a result, the share capital of Care Property Invest as of June 19, 2020 was represented by a total of 21,918,213 fully paid-up ordinary shares.
- (3) The number of shares changed as a result of a capital increase by means of an accelerated private placement with composition of an order book (accelerated bookbuild offering) with international institutional investors whereby they placed 2,191,821 new shares at an issue price of €27.25 per share. As a result, the number of outstanding shares of the Company increased from 21,918,213 to 24,110,034 ordinary shares. As of this date, the Company's share capital amounted to €143,442,647.



5. Financial calendar

INTERIM STATEMENT 3RD QUARTER 2020

4 November 2020, after trading hours







III. EPRA

1. EPRA (European Public Real Estate Association)



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

With a joint real estate portfolio that exceeds the mark of €600 billion<sup>(1)</sup>, more than 273 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<sup>(2)</sup>.



Care Property Invest's efforts in the financial year 2018 to apply the EPRA standards as completely as possible in its yearly and half-yearly financial reports have been rewarded for the third time in September 2019 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. As at 30 June 2020, the FTSE EPRA Nareit Developed Europe Index was composed based on a group of 102 companies with a combined market capitalisation of more than €253 billion (full market capitalisation).

In November 2016 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.

(1) Exclusively in European real estate

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.

Period closed on		30 June 2020	30 June 2019
<b>EPRA Earnings</b> Earnings from operational activities.	x 1,000	10,750	10,889
	€/share	0.49	0.53
<b>Adjusted EPRA Earnings</b> Earnings from operational activities corrected with company-specific non-cash items (being finance leases - profit or loss margin attributable to the period, depreciations, provisions and other portfolio result).	x 1,000	10,735	9,217
	€/share	0.49	0.45
<b>EPRA cost ratio (incl. costs of direct vacancy)</b> Administrative/operating costs including the direct costs of the vacant buildings divided by the gross rental income.	%	14.22%	5.14%
<b>EPRA cost ratio (excl. costs of direct vacancy)</b> Administrative/operating costs less the direct costs of the vacant buildings, divided by the gross rental income.	%	14.22%	5.14%
Period closed on 31 December		30 June 2020	31 December 2019
<b>EPRA NAV</b> 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.	x 1,000	473,956	376,686
	€/share	19.66	18.47
<b>EPRA NNNAV</b> EPRA NAV adjusted to include the fair value of (i) financial instruments. (ii) debt and (iii) deferred taxes.	x 1,000	410,475	325,018
	€/share	17.03	15.94
<b>EPRA NRV</b> EPRA Net Reinstatement Value, assumes that the Company will never sell its assets and gives an estimate of the amount needed to reestablish the Company.	x 1.000	429,066	341,920
	€/share	17.80	16.77
<b>EPRA NTA</b> EPRA Net Tangible Assets, assumes that the company acquires and sells assets, which would result in the realization of certain unavoidable deferred taxes.	x 1.000	413,793	331,277
	€/share	17.16	16.25
<b>EPRA NDV</b> 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.	x 1.000	410,475	325,018
	€/share	17.03	15.94



Period closed on		30 June 2020	30 June 2019
<b>EPRA Net Initial Yield (NIY)</b>	%	5.09%	5.15%
Annualised 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.			
<b>EPRA adjusted NIR ('topped up' NIR)</b>	%	5.09%	5.20%
This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods and other incentives.			
<b>EPRA vacancy rate <sup>(1)</sup></b>	%	0.00%	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 30 June 2020, there is no vacancy for the 'Tilia' project.

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 the first semester of 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.

1.2.1. EPRA EARNINGS

(x €1,000)		
Period closed on 30 June	2020	2019
<b>Net Earnings as mentioned in the financial statement</b>	<b>4,786</b>	<b>6,694</b>
<b>Adjustments to calculate EPRA Earnings:</b>	<b>5,964</b>	<b>4,195</b>
(i) Changes in fair value of investment properties and assets held for sale	-87	-258
(vi) Changes in fair value of financial assets and liabilities (IAS 39) and associated close-out costs.	6,051	4,453
<b>EPRA Earnings</b>	<b>10,750</b>	<b>10,889</b>
Weighted average outstanding number of shares <sup>(1)</sup>	22,091,179	20,390,588
<b>EPRA Earnings per share (in €)</b>	<b>0.49</b>	<b>0.53</b>

(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

(x €1,000)		
Period closed on 30 June	2020	2019
<b>Net Earnings as mentioned in the financial statement</b>	<b>4,786</b>	<b>6,694</b>
<b>Adjustments to calculate EPRA Earnings:</b>	<b>5,949</b>	<b>2,523</b>
(i) Changes in fair value of investment properties and assets held for sale	-87	-258
(vi) Changes in fair value of financial assets and liabilities (IAS 39) and associated close-out costs.	6,051	4,453
(xi) company-specific non-cash elements	-15	-1,672
<b>Adjusted EPRA Earnings</b>	<b>10,735</b>	<b>9,217</b>
Weighted average outstanding number of shares <sup>(1)</sup>	22,091,179	20,390,588
<b>Adjusted EPRA Earnings per share (in €)</b>	<b>0.49</b>	<b>0.45</b>

(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 EARNINGSS

(x €1,000)		
Period closed on 30 June	2020	2019
<b>EPRA Earnings</b>	<b>10,750</b>	<b>10,889</b>
Depreciation, amortization, write-downs and reversals of impairments	101	85
profit or loss margin projects allocated to the period	-116	-1,897
other portfolio result	0	141
<b>Adjusted EPRA earnings</b>	<b>10,735</b>	<b>9,217</b>

(€/ share)		
Period closed on 30 June	2020	2019
<b>EPRA Earnings</b>	<b>0.4866</b>	<b>0.5340</b>
Depreciation, amortization, write-downs and reversals of impairments	0.0046	0.0042
profit or loss margin projects allocated to the period	-0.0052	-0.0930
<b>Adjusted EPRA earnings</b>	<b>0.4859</b>	<b>0.4520</b>
Weighted average number of shares outstanding <sup>(1)</sup>	22,091,179	20,390,588

(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) (x €1,000)

Period closed on	30 June 2020	31 December 2019
NAV per the financial statements	354,894	266,291
NAV per share per the financial statements	14.72	13.06
Diluted NAV, after the exercise of options, convertibles and other equity interests.	354,894	266,291
To be included:		
(ii) Re-evaluation to fair value of finance lease receivables. <sup>(1)</sup>	87,891	87,777
To be excluded:		
(iv) Fair value of financial instruments.	-28,826	-22,618
(v.a) Deferred tax.	-2,345	0
EPRA NAV	473,956	376,686
Number of shares <sup>(2)</sup>	24,109,156	20,389,088
EPRA NAV per share (in €)	19.66	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) (x €1,000)

Period closed on	30 June 2020	31 December 2019
EPRA NAV	473,956	376,686
To be included:		
(i) Fair value of financial instruments	-28,826	-22,618
(ii) Fair value of debt	-32,309	-29,051
(iii) Deferred tax	-2,345	0
EPRA NNNAV	410,475	325,018
Number of shares <sup>(1)</sup>	24,109,156	20,389,088
EPRA NNNAV per share ( in €)	17.03	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) (x €1,000)

Period closed on	30 June 2020	31 December 2019
IFRS equity attributable to shareholders	354,894	266,291
Diluted EPRA NAV	354,894	266,291
To be included:		
(ii) Revaluation at fair value of finance lease receivables <sup>(1)</sup>	87,891	87,777
Diluted EPRA NAV at fair value	442,785	354,069
To be excluded:		
(vi) Fair value of financial instruments	-28,826	-22,618
To be included:		
(xi) Transfer tax on immovable property	15,108	10,469
EPRA NRV	429,066	341,920
Number of shares <sup>(2)</sup>	24,109,156	20,389,088
EPRA NRV per share ( in €)	17.80	16.77

(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)

(x €1,000)		
Period closed on	30 June 2020	31 December 2019
IFRS equity attributable to shareholders	354,894	266,291
Diluted EPRA NAV	354,894	266,291
To be included:		
(ii) Revaluation at fair value of finance lease receivables <sup>(1)</sup>	87,891	87,777
Diluted EPRA NAV at fair value	442,785	354,069
To be excluded:		
(vi) Fair value of financial instruments	-28,826	-22,618
(viii.b) Intangible assets	-165	-174
EPRA NTA	413,793	331,277
Number of shares <sup>(2)</sup>	24,109,156	20,389,088
EPRA NTA per share ( in €)	17.16	16.25

1.2.8. EPRA NET DISPOSAL VALUE (NDV)

(x €1,000)		
Period closed on	30 June 2020	31 December 2019
IFRS equity attributable to shareholders	354,894	266,291
Diluted EPRA NAV	354,894	266,291
To be included:		
(ii) Revaluation at fair value of finance lease receivables <sup>(1)</sup>	87,891	87,777
Diluted EPRA NAV at fair value	442,785	354,069
To be included:		
(ix) Fair value of the debt	-32,309	-29,051
EPRA NDV	410,475	325,018
Number of shares <sup>(2)</sup>	24,109,156	20,389,088
EPRA NDV per share ( in €)	17.03	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)

(x €1,000)		
Period closed on	30 June 2020	31 December 2019
Investment properties in fair value.	503,426	355,560
Finance lease receivables in fair value. <sup>(1)</sup>	291,377	286,714
Development projects. (-)	-49,405	-43,062
Investment properties in exploitation in fair value	745,398	599,212
Allowance for estimated purchasers' rights and costs in case of hypothetical disposal of investment properties.	13,054	8,606
Investment value of investment properties in exploitation	758,452	607,818
Annualised gross rental income. (+)	38,572	31,287
Annualised net rental income	38,572	31,287
Rental discounts expiring within 12 months and other incentives. (-)	15	303
Topped-up and annualised net rental income	38,588	31,590
EPRA NIY (in %)	5.09%	5.15%
EPRA TOPPED-UP NIY (in %)	5.09%	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 <sup>(1)</sup>

(x €1,000)		
Period closed on 30 June	2020	2019
Rental area (in m²)	0	0
ERV of vacant surfaces	0	0
ERV of total portfolio	0	0
EPRA rental vacancy ( in %)	0.00%	0.00%

(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 30 June 2020, there is no vacancy for the 'Tilia' project.

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

(x €1,000)							
Period closed on	30 June 2020	30 June 2019					
	net rental income at current perimeter <sup>(2)</sup>	Acquisitions	Sales	In operation	net rental income for the period	net rental income at current perimeter <sup>(2)</sup>	Evolution of the net rental income at current perimeter
Belgium	13,901	1,115	0	14,925	16,041	14,154	1.82%
Investment properties in operation	6,337	1,032	0	7,147	8,179	6,521	
Finance leases	7,564	83	0	7,778	7,862	7,632	
The Netherlands	140	150	0	753	903	144	2.65%
Investment properties in operation	140	150	0	753	903	144	
Total investment properties and finance leases in operation	14,041	1,266	0	15,678	16,943	14,297	1.82%

(1) These are the variations from year to year (indexations, amended rental agreements) of net rental income (including capital repayments and rent reductions), excluding variations due to changes in size (major renovations, acquisitions) that occurred during the year.

(2) Investment properties and finance leases held in operation for 2 consecutive financial years.

1.2.12. EPRA COST RATIOS

(x €1,000)		
Period closed on 30 June	2020	2019
Administrative/operating expense line per IFRS statement	-2,549	-740
Overheads	-3,645	-2,560
Other operating income and charges	1,097	1,821
EPRA Costs (including direct vacancy costs) (A)	-2,549	-740
Charges and taxes on unlet properties	0	0
EPRA Costs (excluding direct vacancy costs) (B)	-2,549	-740
Gross Rental Income (C)	17,921	14,400
EPRA Cost Ratio (including direct vacancy costs) (A/C)	14.22%	5.14%
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	14.22%	5.14%
General and capitalised operating expenses (including share of joint ventures)	1,543,388	516,682

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

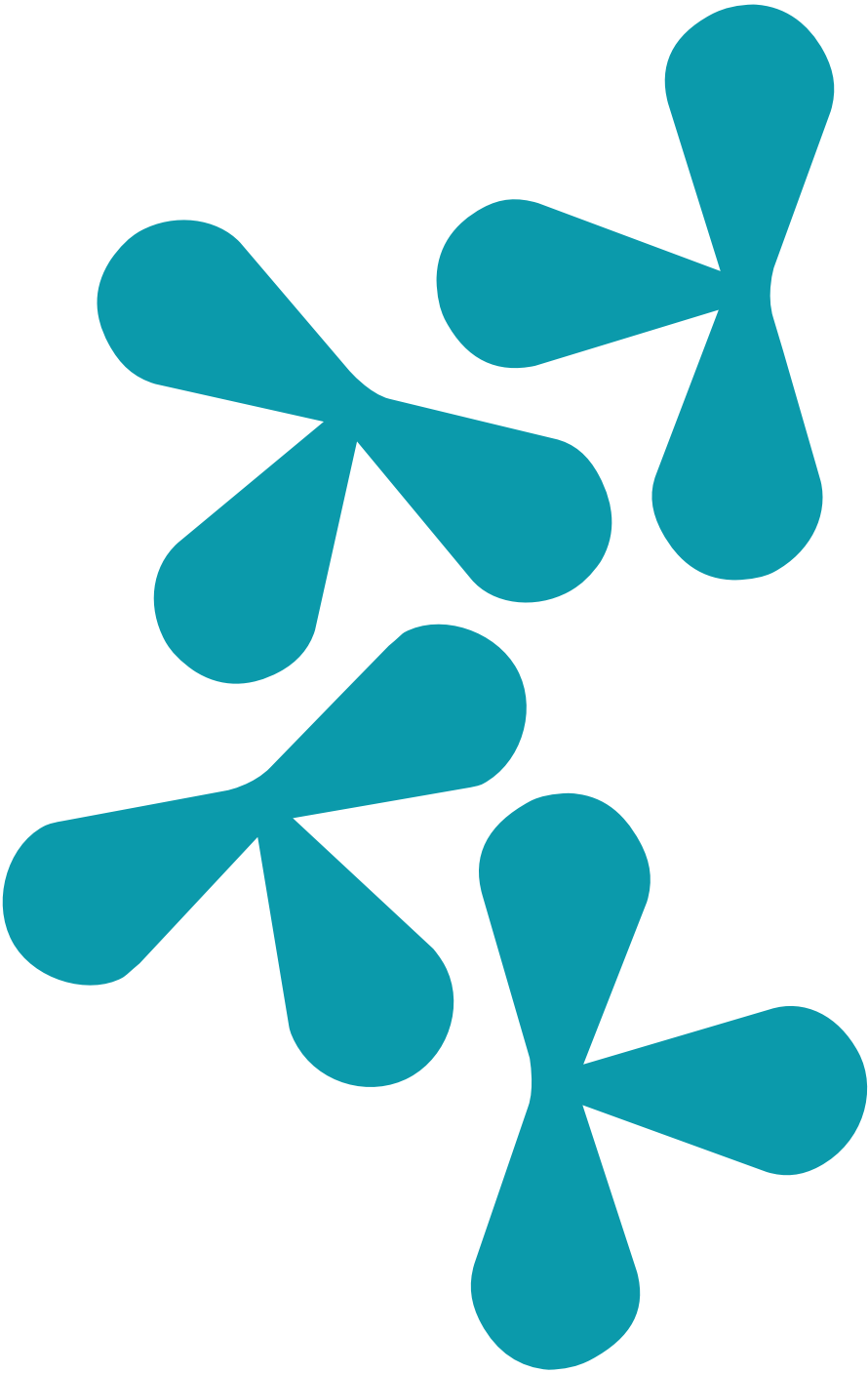


1.2.10.EPRA CAPEX

Period closed on 30 June			(x €1,000)
2020			2019
Capitalised investment costs related to the investment properties			
(1) Acquisitions	132,576		35,066
(2) Developments	22,726		15,543
(3) Real estate in operation	16,493		-1,189
Total capitalised investment costs investment properties	171,795		49,419
Period closed on 30 June			
2020			2019
Capitalised investment costs related to the finance leases			
(1) Acquisitions	4,290		15,370
(2) Developments	-11,725		9,931
(3) Real estate in operation	4,561		-161
Total capitalised investment costs the finance leases	-2,874		25,140

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

Care Property Invest continues to aim for continuous improvement of its financial transparency.







## IV. 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.

During the first semester of 2020 Care property Invest proceeded with the effective acquisition of 9 projects and also signed the agreement under suspensory conditions for 3 additional projects.

During the first semester of 2020, the Belgian real estate portfolio was enriched with 5 new investment properties, being i.e. the residential care centre with group of assisted living apartments 'New Beaugency' in Bernissart, the residential care centre with group of assisted living apartments 'La Reposée' in Mons, the residential care centre 'Keymolen' in Lennik, the residential care centre 'Westduin' in Westende and the group of assisted living apartments 'De Wand' in Laeken. Care Property Invest also signed the agreement under suspensory conditions for the 'La Lucine' residential care centre complex for persons with disabilities (Maison d'Accueil Spécialisée) in Stembert and the residential care centre with group of assisted living apartments 'Dungelhoe' in Lier. More information about these projects can be found in the chapter. More information on these projects can be found in chapter 'I. Interim report of the board of directors', point '1.1 Important events during the first semester of 2020' on page 12.

On 7 January 2020, the Company was also able to announce the completion of the group of assisted living apartments 'Assistentiewoningen De Stille Meers' in Middelkerke, a project awarded by the PCSW of Middelkerke.

In The Netherlands, the Company proceeded with the acquisition of no less than 4 new projects, all investment properties. Specifically, this concerns the acquisition of the care residence with care hotel 'Boarnsterhim State' in Aldeboarn, the care residence 'Villa Oranjepark' in Oegstgeest, the care residence 'Het Witte Huis' in Oegstgeest, and the care residence 'De Meerlhorst' in Heemstede. More information on these projects can be found in chapter 'I. Interim report of the board of directors', point '1.1 Important events during the first semester of 2020' on page 12.

As mentioned at the top of this page, the Company was also able to announce its first acquisitions in Spain. On 22 June 2020, it signed the agreement under suspensory conditions for the development of the residential care centre 'Emera Mostoles' in Mostoles (Madrid). More information on this project can be found in chapter 'I. Interim report of the board of directors', point '1.1 Important events during the first semester of 2020' on page 12.

On 24 July 2020, after the closing of the first semester of 2020, the Company acquired its second project on Spanish soil, being the residential care centre with group of assisted living apartments 'Emera Carabanchel' to be developed in Carabanchel (Madrid). More information on this project can be found in chapter 'I. Interim report of the board of directors', point '1.2 Events after the closing of the first semester of 2020' on page 24.

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<sup>(1)</sup>**

The first semester of 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 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 percent, 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 shaken. 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.

(1) Drawn up by Stadim cvba and included in this half-yearly financial report with its consent.

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 reasons 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 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 nutrition, 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.

**The market for housing for the elderly in The Netherlands<sup>(1)</sup>**

***Dutch Economy***

The Dutch economy has shown a strong recovery since 2016, culminating in 2017. Economic growth in The Netherlands has levelled 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 percent 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.

***Income and unemployment***

Unemployment in The Netherlands rose exceptionally fast in June 2020. In May, 3.6 percent of the labour force was still unemployed; in June this figure rose to 4.3 percent. In November 2008, at the start of the financial crisis, the unemployment rate in The Netherlands was also 3.6 percent, but rose to 4.3 percent (419,000) in 7 months. The rapidly rising unemployment rate is also due to the outbreak of the Covid-19 virus. The developments in the second quarter of 2020 are difficult to explain. For example, in addition to the rise in unemployment, the number of people employed rose by 45,000 in June.

In the first quarter of 2020, wages under the Collective Labour Agreement in The Netherlands rose by 3.1 percent 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 fell to 1.6% in the second quarter of 2020, from 2.7% in 2019. In previous years, inflation was at a moderate, comparable 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%). The inflation rate of 1.6% in June is in line with earlier expectations of a price increase of around 1.4%.

***Housing market***

The Dutch housing market remains cramped. House prices in The Netherlands continue to rise, despite the outbreak of the Covid-19 virus. In the second quarter of 2020 (June), prices of existing owner-occupied homes were 7.6% higher nationwide than in the same quarter of 2019. In 2019, house prices still grew by 6.7% on an annual basis. The decline in the number of transactions of existing owner-occupied homes is levelling off, but this is mainly due to the limited supply. Particularly in the large cities, the housing market is still cramped and due to the lagging construction of new homes, the tightness will continue to increase.

The nitrogen and PFAS problems are affecting construction production in The Netherlands. In the second quarter a contraction in construction production was even observed, despite the policy of accelerating construction production.

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



**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 primarily on the operation of social housing, as a result of which this traditional Dutch health care real estate investor is forced to be much less active in this area. 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 shortage of private care apartments in the Netherlands continues to grow. Due to the strong demand, the shortage in the Netherlands has increased to approximately 32,000 apartments. As long as this supply is not expanded, this shortage is expected to increase further to a level of approximately 52,000 homes in 2040.

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 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. As a result, as long as there are no new measures to tackle the corona virus, the decline is expected to be temporary and more investment activity will be observed as from the fourth quarter of 2020.

According to sector association Actiz, several billion 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 denounced 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. Only about a third of the transaction volume in healthcare real estate concerns new construction. The share of new construction fell from 41 % in 2018 to 36 % in 2019. As the expansion of the supply lags behind the growing demand for suitable housing for senior citizens, the shortage of these homes continues.

**Importance of proper healthcare facilities**

The corona crisis shows that well-equipped healthcare facilities are of great importance. ‘A temporary ban on visits has been imposed in many places,’ says van der Poel. ‘In order to be able to focus on providing good care and to be flexible in times of crisis, good care housing is important. For example, it is smart to design a building 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.

In the market, a decline in the gross initial yield was still visible in 2018 compared to 2017. This decline in initial yields continued in 2019. The percentages below represent the ‘prime A-1’ gross initial yields applicable in the first half of 2018. For healthcare real estate, the starting point here is a 15-year market-based rental agreement with a solvent tenant in a new building that is fully suitable for the healthcare operation in question and is situated in a good location.

Primary health centres	5.60%
Second-line centres	6.00%
Intramural real estate	5.10%
Extramural (residential) care real estate	4.25%
Private (residential) care real estate	5.35%

## The market for housing for the elderly in Spain<sup>(1)</sup>

### *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 is reflected in other countries, although some are faring better than others, with investors closely watching the evolution of GDP. It's expected that the GDP will decrease with 9.8% in 2020 and will growth with 7.4% again in 2021. Consumption will lower with 14.3% in 2020 and growth again with 9.6% in 2021. With the importance of tourism to Spain's economy it remains to be seen how the numbers of overseas visitors will recover as we emerge from the lockdown and hopefully avoid a second wave of coronavirus infections. In this context, it is clear that real estate investment volumes for some asset classes are likely to fall, 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.

Please note that although unemployment in Spain is high at 18% in 2020 (back to the position 3 years ago), it is important to bear in mind that official employment figures do not account for the significant submerged 'cash' economy in Spain, particularly prevalent in rural and tourist regions of Spain where seasonal labour is at its highest. The concern for this year is obviously the tourism sector which will hinder overall consumer spending – particularly on the coast in 2020.

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. Nevertheless, in all probability, it is expected that this recession ought to be short and sharp, with significant recovery during 2021. Also positive for the Spanish economy, is the low oil price which is of benefit to businesses and consumers alike.

Once market recovery returns, assuming no second wave of infections and lockdown, our outlook for the real estate market is positive in the context of what is expected to be a strong rebound in 2021. We have concerns that business contraction may weigh heavily on the economy in the short term, however we also believe that once the public health crisis passes that confidence will rapidly return and property markets will recover. In terms of property finance, banks are acting with caution at present, citing the risk of a second lockdown in the autumn as cause for being more selective on what they are prepared to lend on.

(1) Prepared by, and included in this half-yearly financial report in full and unaltered form, in agreement with Cushman & Wakefield.

### *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.

### *Operators landscape*

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.

### *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.

### *Prime yields*

Yield compression has become widespread amongst healthcare assets which are becoming harder to find considering the growing interest of investors. C&W's opinion of yields for prime assets with good performances, located in prime cities, is estimated to range between 4.75%-5.00%. For more second-tier locations, we estimate higher yields to be appropriate, around 5.25% -5.50%.

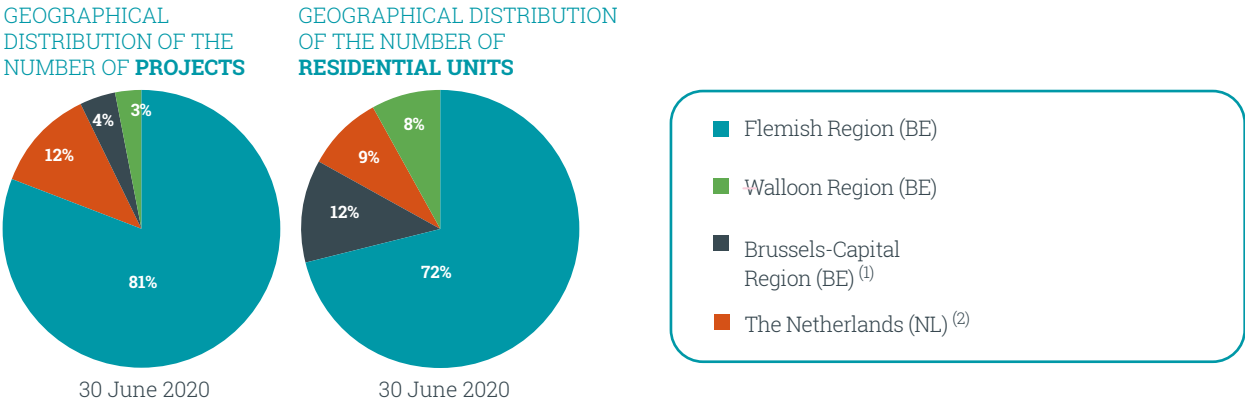
2. Analysis of the full consolidated property portfolio

Amounts are in euro

30 June 2020	Acquisition value	Fair value	Rental income received
<b>Belgium</b>			
Investment properties in operation	380,765,814	402,684,317	8,136,068
Investment properties under development	13,921,653	15,492,487	121,079
Finance leases in operation	227,690,694	291,376,773	7,861,594
<b>The Netherlands</b>			
Investment properties in operation	49,311,272	51,336,537	902,937
Investment properties under development	27,866,546	33,912,615	0
<b>Total</b>	<b>699,555,978</b>	<b>794,802,729</b>	<b>17,021,678</b>

Over the first semester of 2020, Care Property Invest was able to include 9 additional investments in the consolidated real estate portfolio.

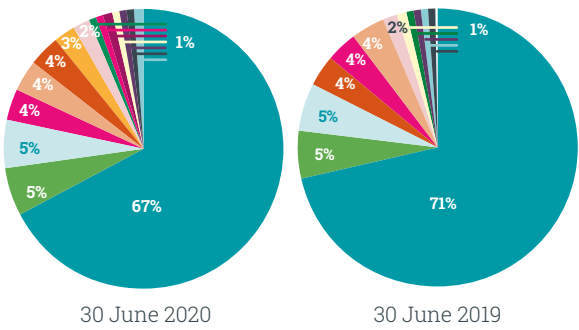
2.1 Geographical distribution



(1) On 30 June 2020, the investment property 'Nuance' in Forest is still under development. The building was already operational on 13 January 2020, but the provisional delivery has yet to take place.

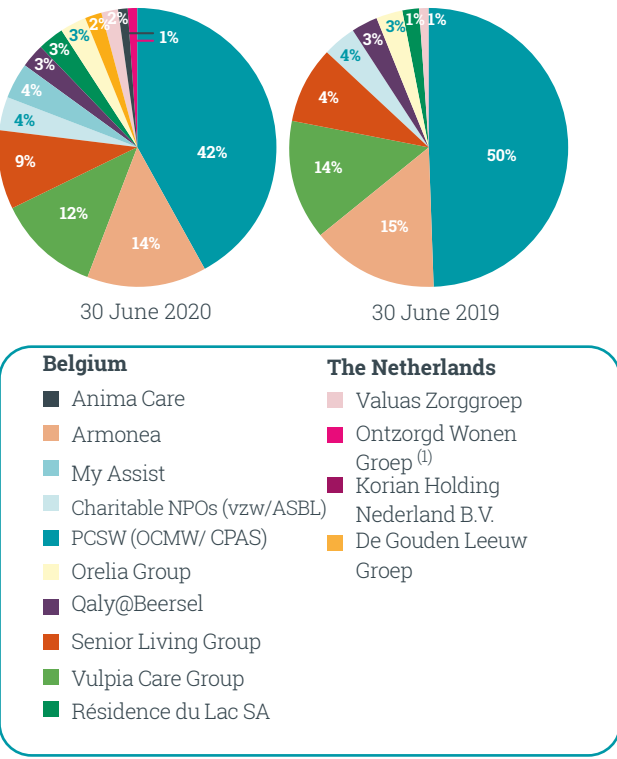
(2) On 30 June 2020 the investment properties 'De Orangerie' in Nijmegen (NL), 'Margaritha Maria Kerk' in Tilburg (NL), 'Sterrenwacht' in Middelburg (NL), 'Villa Wulperhorst' in Zeist (NL), 'St. Josephkerk' in Hillegom and 'De Gouden Leeuw' in Zutphen (NL) are still under development.

2.2 Distribution of the number of projects per operator



(1) For the following operator, the share of rental income was less than 1% on 30 June 2019: Ontzorgd Wonen Groep

2.3 Distribution of income received from rental and long lease agreements per operator





2.4 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% <sup>(1)</sup>. 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 30 June 2020.

(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. It was completely occupied on both 30 June 2020 and 30 June 2019, so there were no vacancies. 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.

2.5 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 30 June 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.

3. Report of the real estate expert

Dear Sir or Madam,

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 30 June 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 30 June 2020, the fair value of the property portfolio amounted to €503,426,000 and the market value with no additional costs payable by the buyer (or the investment value, before deduction of transfer tax) to €518,534,100. The fair value of the outstanding ground rent amounts to €1,406,100.

Antwerp, 30 June 2020

Yasmin Verwilt Schatter-Adviseur STADIM cvba	Philippe Janssens, FRICS Afgevaardigd Bestuurder STADIM cvba
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Operator and projects- 30 June 2020	Numbering on map on the left page	Address
Belgium - Finance leases		
PCSW (OCMW/ CPAS)		
Herfstvrede	1	Herfstvrede 1A, 9180 Moerbeke
Huis Driane	2	Molenstraat 56, 2270, Herenthout
De Stille Meers	4	Sluisvaartstraat 17, 8430 Middelkerke
Charitable NPOs (vzw/asbl)		
Residentie De Anjers	5	Veststraat 60, 2940 Balen
De Nieuwe Ceder	3	Parijsestraat 34, 9800 Deinze
The Netherlands - Investment properties		
De Gouden Leeuw Groep		
De Gouden Leeuw (Laag-Keppel)	6	Rijksweg 916998 AG, Laag-Keppel
De Gouden Leeuw (Zelhem)	9	Burg. Rijpstrastraat 3-5, 7021 CP Zelhem
De Gouden Leeuw (Zutphen)	10	Spitaalstraat 93, 7201 EC Zutphen
Ontzorgd Wonen Groep		
Villa Sijthof	4	Oud Clingendaal 7, 2245 CH Wassenaar
Korian		
De Orangerie	1	Malvert 5002-5004, 6538 DM Nijmegen
Margaritha Maria Kerk	3	Ringbaan West 300, 5025 VB Tilburg
Sterrenwacht	5	Herengracht 50-52, 4331 PX Middelburg
St. Josephkerk	8	Monseigneur van Leeuwelaan 1 & 3, 2182 EM Hillegom en Hoofstraat 141, 2181 EM Hillegom
Valuas Zorggroep B.V.		
Villa Pavia	2	Laan van Beek en Royen 45 te 3701 AK Zeist
Boarnsterhim State	11	Wjitteringswei 67, 8495 JM Aldeboarn
Villa Oranjepark	12	Prins Hendriklaan 2, 2341 JB Oegstgeest
Het Witte Huis	13	Endegeesterlaan 2-4, 2342 CZ Oegstgeest
De Meerhorst	14	Van Merlenlaan 2, 2103 GD Heemstede
Villa Wulperhorst	7	Tiendweg 6-8, 3709 JP Zeist





V. Condensed financial statements

1. Consolidated global result statement

Amounts shown in euros.			
Period closed on 30 June		2020	2019
I.	Rental income (+)	16,943,476	14,400,031
NET RENTAL INCOME		16,943,476	14,400,031
V.	Recovery of rental charges and taxes normally borne by the tenant on let properties (+)	90,352	0
VII.	Rental charges and taxes normally payable by tenants on let properties (-)	-90,352	0
REAL ESTATE OPERATING RESULT		16,943,476	14,400,031
XIV.	General expenses of the Company (-)	-3,645,180	-2,560,354
XV.	Other operating income and expenses (+/-)	1,096,589	1,820,641
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		14,394,885	13,660,318
XVIII.	Changes in fair value of real estate investments (+/-)	86,674	257,817
XIX.	Other results on portfolio (+/-)	0	-140,606
OPERATING RESULT		14,481,559	13,777,529
XX.	Financial income (+)	87	22,411
XXI.	Net interest expense (-)	-3,345,013	-3,081,292
XXII.	Other financial costs (-)	-192,961	-120,659
XXIII.	Changes in fair value of financial assets/liabilities (+/-)	-6,050,744	-4,452,912
FINANCIAL RESULT		-9,588,631	-7,632,452
RESULT BEFORE TAXES		4,892,928	6,145,077
XXIV.	Corporation tax (-)	-26,817	-161,372
XXV.	Exit tax (-)	-80,257	710,055
TAXES		-107,074	548,683
NET RESULT (part of the group)		4,785,854	6,693,760
Other elements of the global result		0	0
GLOBAL RESULT		4,785,854	6,693,760

2 Consolidated balance sheet

Amounts shown in euros.			
Period closed on		30 June 2020	31 December 2019
ASSETS			
I. NON-CURRENT ASSETS		710,742,510	566,900,062
B. Intangible assets		164,819	174,260
C. Investment properties		504,832,102	357,245,670
D. Other tangible fixed assets		2,083,561	9,909,596
E. Financial fixed assets		176,134	633,303
F. Finance lease receivables		187,580,882	183,842,688
G. Trade receivables and other non-current assets		15,905,011	15,094,545
II. CURRENT ASSETS		25,491,492	5,978,297
D. Trade receivables		2,127,603	840,993
E. Tax receivables and other current assets		566,538	1,445,296
F. Cash and cash equivalents		21,935,043	3,347,195
G. Deferrals and accruals		862,307	344,813
TOTAL ASSETS		736,234,002	572,878,359
EQUITY AND LIABILITIES			
EQUITY		354,893,664	266,291,362
A. Capital		143,442,647	121,338,541
B. Share premium		181,474,407	104,174,862
C. Reserves		23,533,586	14,258,127
D. Net result for the financial year <sup>(1)</sup>		6,443,023	26,519,833
LIABILITIES		381,340,338	306,586,997
I. Non-current liabilities		209,910,853	189,841,523
A. Provisions		2,500	2,500
B. Non-current financial liabilities		176,953,357	164,999,835
C. Other non-current financial liabilities		28,826,342	23,075,069
E. Other non-current liabilities		1,783,847	1,764,119
F. Deferred taxation		2,344,807	0
II. Current liabilities		171,429,485	116,745,474
B. Current financial liabilities		161,979,431	108,885,078
D. Trade payables and other current liabilities		3,422,845	4,201,363
E. Other current liabilities		4,544,260	2,477,769
F. Deferrals and accruals		1,482,948	1,181,264
TOTAL EQUITY + LIABILITIES		736,234,002	572,878,359

(1) The difference between the net 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 for which the General Meeting on the annual accounts has yet to take place.

3. 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)	
			<i>reserves for the balance of changes in the investment value of real estate</i>	<i>reserve for the impact on the fair value of estimated transfer taxes and costs resulting from hypothetical disposal of investment properties (-)</i>	
1 January 2019	114,961,266	87,551,065	2,884,002	-1,578,417	-19,413,963
net appropriation account for the 2018 financial year			5,431,796	-165,090	-142,220
dividends					
treasury shares					
result for the period (2)					
interim dividend					
capital increase	6,377,275	16,647,523			
30 June 2019	121,338,541	104,198,588	8,315,799	-1,743,507	-19,556,183
1 January 2020	121,338,541	104,174,862	8,315,799	-1,743,507	-19,556,183
net appropriation account for the 2019 financial year			7,592,632	-343,696	-3,061,553
dividends					
treasury shares					
result for the period (2)					
interim dividend					
capital increase	22,104,106	77,299,544			
30 June 2020	143,442,647	181,474,407	15,908,431	-2,087,203	-22,617,736

	other reserves	reserve for treasury shares	results carried forward from previous financial years	RESERVES	RESULT FOR THE FINANCIAL YEAR	TOTAL EQUITY
1 January 2019	11,283,515	0	11,722,154	4,897,292	23,001,578	230,411,202
net appropriation account for the 2018 financial year			4,404,264	9,528,750	-9,528,750	0
dividends				0	-13,912,448	-13,912,448
treasury shares		-123,691		-123,691	0	-123,691
result for the period (2)				0	6,693,759	6,693,759
interim dividend				0	0	0
capital increase				0	0	23,024,798
30 June 2019	11,283,515	-123,691	16,126,418	14,302,352	6,254,139	246,093,620
1 January 2020	11,283,515	-167,916	16,126,418	14,258,127	26,519,833	266,291,362
net appropriation account for the 2019 financial year	143,859		4,828,143	9,159,385	-9,159,385	0
dividends				0	-15,703,278	-15,703,278
treasury shares		116,075		116,075	0	116,075
result for the period (2)				0	4,785,854	4 785 854
interim dividend				0	0	0
capital increase				0	0	99,403,650
30 June 2020	11,427,374	-51,840	20,954,561	23,533,587	6,443,023	354,893,664

(1) Reserve for the changes in the fair value of permitted hedging instruments that are not subject to hedge accounting as defined in 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.

4. Cash flow table

Amounts shown in euros		
Period closed on 30 June	2020	2019
CASH AND CASH EQUIVALENTS AT START OF THE FINANCIAL YEAR	3,347,195	2,746,139
1. CASH FLOW FROM OPERATING ACTIVITIES	17,696,789	-21,882
Net result for the financial year	4,785,854	6,693,759
taxes	107,074	-548,683
net interest costs	3,345,013	3,081,292
income from interests	-87	-22,411
Net result for the financial year (excluding interest and taxes)	8,237,855	9,203,958
Non-cash items to be added to/deducted from the result	5,949,294	2,523,260
changes in the fair value of swaps	6,050,744	4,452,912
changes in the fair value of investment properties	-86,674	-257,817
depreciations and amortisations, impairments and reversals of impairments of property, tangible fixed assets	100,815	84,665
decrease in trade receivables (profit or loss margins attributed to previous periods)	-115,591	-1,897,107
other portfolio result	0	140,606
Change in working capital requirement	3,509,641	-11,749,100
Movements in assets	3,533,739	-6,444,220
Movements in liabilities	-24,098	-5,304,880
2. CASH FLOW FROM INVESTMENT ACTIVITIES	-111,103,149	-28,008,727
investments in finance leases (developments)	-943,975	-9,584,169
investment properties (including developments)	-25,083,210	-13,956,701
investments in shares of real estate companies	-84,934,442	-4,334,164
investments in tangible fixed assets	-124,480	-115,081
investments in intangible fixed assets	-16,878	-18,612
investments in financial fixed assets	-164	0
3. CASH FLOW FROM FINANCING ACTIVITIES	111,994,208	30,135,026
Cash elements included in the result	-3,315,263	-2,913,394
interest payments	-3,360,295	-2,978,995
received interest (swap)	45,031	65,601
Change in financial liabilities and financial debts	65,047,367	39,215,401
increase (+) in financial debts	65,406,815	40,700,000
decrease (-) in financial debts: repayments	-359,448	-1,484,599
Change in equity	50,262,104	-6,166,982
buy-back/sale of treasury shares	116,075	-123,691
dividend payments	-15,703,278	-6,043,292
capital increase and share premium	58,878,523	0
dividend increase	6,970,784	0
TOTAL CASH FLOWS (1) + (2) + (3)	18,587,848	2,104,417
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	21,935,043	4,850,556

5. Notes

5.1 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.

Care Property Invest's share is listed on Euronext Brussels (regulated market).

The condensed interim financial statements of the Company as at 30 June 2020 include the Company and its subsidiaries. The condensed interim financial statements are prepared in euro, unless stated otherwise, and cover the six-month period ended 30 June 2020.

5.2 Accounting policies

The consolidated interim 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 condensed interim financial statements should be read in conjunction with the annual financial statements for the financial year closed on 31 December 2019. Care Property Invest has not adopted any new IFRS standards or interpretations during the first semester of 2020.



5.3 Segment information

In view of the fact that Care Property Invest nv has been active on the Dutch market since October 2018 and has the ambition to make the Dutch market its second home market, the Company has since (in accordance with IFRS 8) made a distinction between 2 geographical segments: Belgium and The Netherlands.

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 5.2.— 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 13.9% share of the total turnover distributed over 7 buildings in Belgium and
- Vulpia Care Group with a 12.19% 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.

5.3.1 SEGMENTED INFORMATION - RESULT

Amounts shown in euros.

Period closed on 30 June 2020				
Operating result	Belgium	The Netherlands	Non allocated amounts	Total
NET RENTAL INCOME	16,040,540	902,937	0	16,943,476
REAL ESTATE OPERATING RESULT	16,040,540	902,937	0	16,943,476
General expenses of the Company	-3,555,049	-90,131	0	-3,645,180
Other operating revenue and expenses	1,096,596	-7	0	1,096,589
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	13,582,086	812,799	0	14,394,885
Changes in the fair value of investment properties	-1,036,852	1,123,526	0	86,674
Other portfolio result	0	0	0	0
OPERATING RESULT	12,545,234	1,936,325	0	14,481,559
Financial result			-9,588,631	-9,588,631
RESULT BEFORE TAXES				4,892,928
Taxes			-107,074	-107,074
NET RESULT				4,785,854
OVERALL RESULT				4,785,854

Amounts shown in euros.

Period closed on 30 June 2020				
Operating result	Belgium	The Netherlands	Non allocated amounts	Total
NET RENTAL INCOME	14,249,964	150,067	0	14,400,031
REAL ESTATE OPERATING RESULT	14,249,964	150,067	0	14,400,031
General expenses of the Company	-2,511,398	-48,956	0	-2,560,354
Other operating revenue and expenses	1,836,622	-15,981	0	1,820,641
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	13,575,188	85,130	0	13,660,319
Changes in the fair value of investment properties	-143,844	401,661	0	257,817
Other portfolio result	-108,972	-31,634	0	-140,606
OPERATING RESULT	13,322,371	455,158	0	13,777,529
Financial result			-7,632,453	-7,632,453
RESULT BEFORE TAXES				6,145,076
Taxes			548,683	548,683
NET RESULT				6,693,759
OVERALL RESULT				6,693,759

5.3.2 SEGMENTED INFORMATION - BALANCE SHEET

Amounts shown in euros.

Period closed on 30 June 2020				
Balance sheet	Belgium	The Netherlands	Non allocated amounts	Total
TOTAL ASSETS	419,012,185	85,819,918	231,401,899	736,234,002
Investment properties	419,012,185	85,819,918	0	504,832,102
Investment properties	402,684,317	51,336,537	0	454,020,854
Investment properties - project developments	15,492,487	33,912,615	0	49,405,102
Investment properties - rights in rem	835,381	570,765	0	1,406,147
Other assets			231,401,899	231,401,899
TOTAL EQUITY AND LIABILITIES			736,234,002	736,234,002
Shareholders' Equity			354,893,664	354,893,664
Liabilities			381,340,338	381,340,338

Amounts shown in euros.

Period closed on 31 December 2019				
Balance sheet	Belgium	The Netherlands	Non allocated amounts	Total
TOTAL ASSETS	299,366,869	57,878,801	215,632,690	572,878,359
Investment properties	299,366,869	57,878,801	0	357,245,670
Investment properties	284,403,034	28,094,230	0	312,497,264
Investment properties - project developments	13,771,920	29,290,521	0	43,062,441
Investment properties - rights in rem	1,191,915	494,050	0	1,685,965
Other assets			215,632,690	215,632,690
TOTAL EQUITY AND LIABILITIES			572,878,359	572,878,359
Shareholders' Equity			266,291,362	266,291,362
Liabilities			306,586,997	306,586,997

5.4 Property portfolio

Amounts shown in euros.

Period closed on	30 June 2020	31 December 2019
Investment properties		
total fair value	504,832,102	357,245,670
average remaining duration until the end of the leasehold or rental period	22.85	23.07
Leasing activities (projects made available) by means of leasehold agreements		
receivables finance leases	187,580,882	183,842,688
trade receivables related to completed projects	15,905,011	15,094,545
total receivable finance leases	203,485,893	198,937,233
fair value of the finance lease receivables <sup>(1)</sup>	291,376,773	286,714,450
average remaining duration until the end of the building period	14.63	14.94
difference between total receivable/ fair value	87,890,880	87,777,217

5.5 Real estate mutation table

Amounts shown in euros.

	2020			2019		
	Properties in operation	Project developments	Rights in rem	Properties in operation	Project developments	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	139,369,275	4,167,305	20,237	45,999,683	28,353,337	1,596,162
Change in fair value excluding rental discount	2,154,314	2,175,356	-300,055	9,166,071	947,946	-82,141
Transfer from/to other items <sup>(1)</sup>						-166,612
Book value on 30 June/31 December	454,020,854	49,405,102	1,406,147	312,497,264	43,062,441	1,685,965

(1) Adjustments due to the capitalisation of costs..

5.6 Financial liabilities

Amounts are in euro.

	31/12/2019	Cash elements	Non-cash elements				30/06/2020
			Acquisi-tions	Exchange rate move-ments	Changes in fair value	Other changes	
Non-current financial liabilities	164,999,835	13,500,000	0	0	0	-1,546,478	176,953,357
Current financial liabilities	108,802,708	51,547,875	0	0	0	1,546,478	161,897,061
Authorised hedging instruments	23,075,069	0	0	0	5,742,098	9,176	28,826,342
Total liabilities from financial activities	296,877,612	65,047,875	0	0	5,742,098	9,176	367,676,761

5.7 Financial instruments

Care Property Invest has raised foreign funds to finance new projects. A number of these loans were hedged by means of a swap transaction. The fair values of these financial instruments are included, in accordance with IFRS 9, in the financial assets section (in the event of a positive valuation) or in the non-current financial liabilities section (in the event of a negative valuation). Changes in these values are recorded through the variation in the fair value of financial assets and liabilities in the global result statement.

The financial instruments are regarded as ‘Level 2’ on the scale of the fair value 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. The hedging instruments are derivatives that do not meet the strict criteria of IFRS 9 for the application of hedge accounting, but are derivatives that provide economic hedges against risks relating to interest rates.

All hedges were contracted within the framework of financial risk management as described from page 183 of the chapter ‘VIII Annual Accounts’ of the Company’s Annual Financial Report 2019. The fair value is calculated by the bank on the basis of the discounted value of the estimated future cash flows. This fair value is applied in accordance with IFRS 13 in order to show the Company’s own credit risk (‘debit devaluation adjustment’ (DVA)) and the credit rating of the counter-party (“credit valuation adjustment” (CVA)).

The summary of the hedges is presented below:

Amounts shown in euro.

OVERVIEW OF FINANCING AS AT 30 JUNE 2020						
financing for the project in	amount of the loan (notional amount)	due date	interest rate payable	interest receivable	maturity (in years)	valuation as at 30 June 2020
IRS payer Belfius	1,187,486	01/02/33	5.100%	EURIBOR 1M + 25 bp	12.60	-781,649
IRS payer Belfius	1,213,165	03/08/26	5.190%	EURIBOR 1M + 110 bp	6.10	-396,566
IRS payer Belfius	1,511,366	02/10/34	4.850%	EURIBOR 1M + 25 bp	14.27	-1,075,415
IRS payer Belfius	1,618,799	02/05/33	4.620%	EURIBOR 1M + 25 bp	12.85	-961,432
IRS payer Belfius	1,667,307	02/05/35	4.315%	EURIBOR 1M + 12 bp	14.85	-1,076,918
IRS payer Belfius	1,736,652	02/01/36	5.050%	EURIBOR 1M + 12 bp	15.52	-1,394,273
IRS payer Belfius	1,885,159	03/10/33	4.300%	EURIBOR 1M + 25 bp	13.27	-1,117,994
IRS payer Belfius	2,067,360	02/11/32	4.040%	EURIBOR 1M + 25 bp	12.35	-1,078,194
IRS payer Belfius	2,147,305	03/04/34	4.065%	EURIBOR 1M + 25 bp	13.77	-1,195,112
IRS payer Belfius	2,283,967	01/10/36	5.010%	EURIBOR 1M + 12 bp	16.27	-1,923,345
IRS payer Belfius	2,406,537	01/08/36	4.930%	EURIBOR 1M + 12 bp	16.10	-1,996,252
IRS payer Belfius	2,993,024	01/03/35	4.650%	EURIBOR 1M + 25 bp	14.68	-2,029,713
IRS payer Belfius	3,003,108	01/12/34	4.940%	EURIBOR 1M + 25 bp	14.43	-2,173,038
IRS payer Belfius	3,061,489	01/02/27	5.260%	EURIBOR 1M + 110 bp	6.59	-1,001,508
IRS payer Belfius	3,222,433	31/12/36	4.710%	EURIBOR 1M + 15.4 bp	16.52	-2,526,401
IRS payer Belfius	3,786,791	31/12/36	4.350%	EURIBOR 1M + 12 bp	16.52	-2,759,249
IRS payer Belfius	5,000,000	23/10/34	0.255%	EURIBOR 3M	14.32	-245,651
IRS payer Belfius	5,000,000	23/10/34	0.310%	EURIBOR 6M	14.32	-259,694
IRS payer Belfius	5,000,000	04/12/34	0.310%	EURIBOR 3M	14.44	-282,205
IRS payer BNP Paribas Fortis	3,685,000	31/03/26	2.460%	EURIBOR 1M	5.75	-632,123
IRS payer BNP Paribas Fortis <sup>(1)</sup>	2,461,000	31/03/26	2.060%	EURIBOR 1M	5.75	-193,798
IRS payer BNP Paribas Fortis	2,156,104	30/06/29	2.530%	EURIBOR 1M	9.01	-566,341
IRS payer KBC	12,000,000	17/07/26	0.653%	EURIBOR 3M	6.05	-1,035,261
IRS payer KBC	8,000,000	29/03/29	0.488%	EURIBOR 3M	8.75	-559,375
IRS payer KBC	8,000,000	11/12/29	0.050%	EURIBOR 3M	9.45	-252,645
IRS payer KBC	10,000,000	19/02/30	-0.083%	EURIBOR 3M	9.65	-182,915
IRS payer KBC	5,000,000	04/03/30	-0.204%	EURIBOR 3M	9.68	-30,906
IRS payer KBC	40,000,000	18/06/35	0.090%	EURIBOR 3M	14.98	-926,905
IRS payer ING	5,000,000	30/09/29	-0.160%	EURIBOR 3M	9.26	-53,877
IRS payer ING	10,000,000	28/02/30	-0.141%	EURIBOR 3M	9.67	-117,589
TOTAL	157,094,052					-28,826,342

(1) Write-down reference amount over the duration of the swap.



The fair value of the hedging instruments is subject to the evolution of interest rates on the financial markets. This evolution largely explains the variation in fair value of the hedging instruments between 1 January 2020 and 30 June 2020. This led to a loss of €-6,050,744 recorded in the global result statement of the Company as at 30 June 2020. These changes in value are unrealised changes that are corrected in the adjusted EPRA earnings. A change in the interest rate curve of 0.25% (more positive or negative) would have an impact on the fair value of the instruments of approximately €5.3 million. A rise in interest rates would have a positive impact on the global result statement and a fall in interest rates would have a negative impact on the global result statement.

5.8 Debt ratio

The consolidated debt ratio is determined in accordance with the RREC Decree.

Amounts shown in euros

Period closed on	30 June 2020	31 December 2019
calculation of debt burden in accordance with article 13 § 1 of the RREC Decree.		
total debt burden	381,340,338	306,586,997
less: (cfr. article 13 § 1 of the RREC Decree)		
provisions	-2,500	-2,500
authorised hedging instruments	-28,826,342	-23,075,069
deferred taxes (liability- incl. exit tax)	-2,344,807	0
deferrals and accruals	-1,482,948	-1,181,264
assets taken into account to calculate the debt ratio in accordance with article 13 § 1 of the RREC Decree.		
total assets	736,234,002	572,878,359
less: (in accordance with article 13 § 1 of the RREC Decree.)		
authorised hedging instruments	0	-457,333
DEBT RATIO OF THE COMPANY	47.36%	49.32%

The available space for further investments and completion of the developments already acquired before reaching a debt ratio of 60% amounts to €232.5 million on 30 June 2020.

5.9 Notes on fair value

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.

Amounts are in euro.

	Level	Book value	2020	Book value	2019
			Fair value		Fair value
Investment properties	3	504,832,102	504,832,102	357,245,670	357,245,670
Finance lease receivables and trade receivables etc, <sup>(1)</sup>	2	203,485,893	291,376,773	198,937,233	286,714,450
Financial fixed assets	2	176,134	176,134	633,303	633,303
Trade receivables	2	2,127,603	2,127,603	840,993	840,993
Cash and cash equivalents	1	21,935,043	21,935,043	3,347,195	3,347,195
Non-current and current financial liabilities	2	338,932,788	371,324,362	273,884,913	303,018,264
Other non-current financial liabilities (swaps)	2	-28,826,342	-28,826,342	-23,075,069	-23,075,069
Other non-current liabilities	2	1,783,847	1,783,847	1,764,119	1,764,119
Trade payables and other current liabilities	2	3,422,845	3,422,845	4,201,363	4,201,363
Other current liabilities	2	4,544,260	4,544,260	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 the closing date of the relevant period depending on the maturity of the underlying contract,plus a margin.

6. Events after the closing date

For the notes on important events after the closing date, see item '1.2 Events after the closing of the first semester of 2020' on page 24 in chapter 'I. Interim report of the board of directors'.

7. Transactions with affiliated parties

Transactions with related parties are in compliance with IAS 24 and the Companies Code.

In the first semester of the 2020 financial year, no transactions were carried out outside the scope of normal commercial relations.

8. Participating interests

On 30 June 2020, Care Property invests has 8 Belgian and 7 Dutch subsidiaries. More details about these companies <sup>(1)</sup> are listed in the table below. .

Name	Category	VAT number	Acquisition date	Share in the capital of CPI in %
Care Property Invest nv (RREC)	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	2/10/2018	100%
B.E.R.L. International (GVBF)	Subsidiary	BE0462.037.427	19/12/2018	100%
Immo du Lac nv (GVBF)	Subsidiary	BE0888.891.766	3/04/2019	100%
Zorginfra nv	Subsidiary	BE0554.777.147	4/06/2020	100%
Ruiterschool Van Dooren nv	Subsidiary	BE0421.959.304	4/06/2020	100%
Zilvermolen nv	Subsidiary	BE0831.118.467	4/06/2020	100%
De Wand-Janson nv	Subsidiary	BE0874.597.530	4/06/2020	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	5/12/2018	100%
Care Property Invest.NL3 B.V.	Subsidiary	Kvk 74201298	5/03/2019	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	8/08/2019	100%
Care Property Invest.NL7 B.V.	Subsidiary	Kvk 77849922	16/04/2020	100%

(1) After the closing of the first semester of 2020, on 21 July 2020, Care Property Invest has acquired two Spanish 100% subsidiaries under the names Care Property Invest Spain S.L. and Care Property Invest Tulip S.L.. These subsidiaries were established to acquire healthcare properties in Spain.

9. Auditors' report

REPORT OF THE STATUTORY AUDITOR TO THE SHAREHOLDERS OF CARE PROPERTY INVEST NV/SA ON THE REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2020 AND FOR THE SIX-MONTH PERIOD THEN ENDED

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of Care Property Invest nv/sa (the “Company”), and its subsidiaries (collectively referred to as “the Group”) as at

30 June 2020 and the related interim condensed consolidated global result statement, the statement of changes in consolidated equity and the consolidated cash flow table for the six-month period then ended, and explanatory notes, collectively, the “Interim Condensed Consolidated Financial Statements”. These statements show a consolidated balance sheet total of € 736.234 thousand and a consolidated profit for the six-month period of € 4.786 thousand. The board of directors is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting (“IAS 34”) as adopted by the European Union. Our responsibility is to express a conclusion on these Interim Condensed Consolidated Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Condensed Consolidated Financial Statements are not prepared, in all material aspects, in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

Emphasis matter – Covid-19

Without qualifying our review opinion, we draw your attention to the disclosures of the Half-Year Financial Report with regards to the consequences on the result of the Group, of the measures taken relating to the Covid-19 virus. The continuous evolution around the Covid-19 virus, creates an important uncertainty. The impact of these developments on the Group is disclosed in the Half-Year Financial Report and more specifically described in section '1. Impact of Covid 19 on the Company’s activities' regarding the risks and uncertainties for the Group as a consequence of the measures taken relating to the Covid-19 virus.

Brussels, 1 September 2020

represented by

EY Bedrijfsrevisoren cvba/EY Réviseurs  
d'Entreprises scrl  
Statutory auditor of Care Property Invest  
NV/SA

Christel Weymeersch  
Partner, Acting on behalf of a bv/sprl  
  
Christophe Boschmans, director

10. 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 “III. EPRA’ on page 54 of this half-yearly 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.

10.1 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 shown in euro.

Period closed on 30 June		2020	2019
Operating result before portfolio income	= A	14,394,885	13,660,319
Net rental income	= B	16,943,476	14,400,031
Operating margin	= A/B	84.96%	94.86%

10.2 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 shown in euro.

Period closed on 30 June		2020	2019
Financial result	= A	-9,588,631	-7,632,453
Changes in fair value of financial assets / liabilities	= B	-6,050,744	-4,452,912
Financial result before changes in fair value of financial assets/liabilities	= A-B	-3,537,887	-3,179,541

10.3 Equity before changes in fair value of financial products

**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 heading ‘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 shown in euro

Period closed on		30 June 2020	31 December 2019
Equity	= A	354,893,664	266,291,362
Reserve for the balance of changes in fair value of authorised hedging instruments	= B	22,617,736	19,556,183
Change in fair value of financial assets/liabilities	= C	6,050,744	3,061,553
Equity for changes in fair value financial products	= A-B -C	326,225,184	243,673,627

10.4 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 shown in euro.

Period closed on 30 June		2020	2019
Operating result before result on portfolio	= A	14,394,885	13,660,319
Total amount of interest charges paid	= B	3,345,013	3,081,292
Interest coverage ratio	= A/B	4.30	4.43





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*This annual financial report is a registration document within the meaning of Regulation (EU) 2017/1129. This report was approved in Dutch by the FSMA as the competent authority in accordance with the aforementioned Regulation on 7 April 2020. The FSMA will only approve this registration document if the standards of completeness, comprehensibility and consistency laid down in Regulation (EU) 2017/1129 are met.*

*The approval of this registration document by the FSMA should not be considered as an approval of the Company to which this registration document relates.*

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