praemia HEALTHCARE

CONSOLIDATED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2024

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1. Consolidated financial statements

Unless otherwise stated, the consolidated financial statements are presented in millions of euros, rounded to the nearest hundred thousand euros. Rounding differences may therefore occur in the financial statements presented.

Consolidated income statement

(in millions of euros)	Notes	2024	2023
Gross rental income	**8.1.**	**357.1**	**337.8**
Services provided		-	0.8
Other income from operating activities	8.1.	31.9	31.4
Income from operating activities		**389.1**	**369.9**
Outside services		(65.3)	(57.0)
Taxes, duties and similar payments		(0.7)	(1.0)
Staff costs, performance incentive scheme and profit sharing		0.0	(4.8)
Other operating expenses		(1.2)	(0.3)
Expenses from operating activities		**(67.2)**	**(63.0)**
EBITDA		**321.8**	**306.9**
Change in fair value of investment property	5.3.	(107.3)	(207.8)
Profit/(loss) from acquisitions		-	-
Profit/(loss) on asset disposals		(0.2)	1.2
OPERATING PROFIT/(LOSS)		**214.3**	**100.3**
Cost of gross debt		(64.9)	(53.3)
Net income from cash and cash equivalents, related loans and receivables		8.2	8.4
Cost of net financial liabilities		**(56.8)**	**(44.9)**
Other finance income and expenses		(2.8)	(2.4)
FINANCE INCOME/(EXPENSE)	6.1.4.	**(59.6)**	**(47.3)**
Tax expense	9.1.	(1.1)	0.5
NET PROFIT/(LOSS)		**153.6**	**53.5**
- Including net profit/(loss) attributable to the Group		**149.7**	**58.2**
- Including net profit/(loss) attributable to non-controlling interests		**4.0**	**(4.6)**
Basic net profit/(loss) attributable to the Group per share (in €)	7.3.	**€3.97**	**€1.50**
Diluted net profit/(loss) attributable to the Group per share (in €)	7.3.	**€3.97**	**€1.50**

Consolidated statement of comprehensive income

(in millions of euros)	Notes	2024	2023
NET PROFIT/(LOSS) FOR THE PERIOD		**153.6**	**53.5**
Other comprehensive income:			
- Recyclable to the income statement – cash flow hedges:		**(16.9)**	**(31.1)**
- Changes in fair value		(17.0)	(31.2)
- Recycling to the income statement		0.1	0.1
- Non-recyclable to the income statement		**(0.2)**	**0.0**
- Actuarial gains and losses and asset ceiling adjustments		(0.2)	0.0
Total other comprehensive income		**(17.1)**	**(31.1)**
Including transfer to net profit/(loss)		0.1	0.1
COMPREHENSIVE INCOME FOR THE PERIOD		**136.5**	**22.5**
- Including comprehensive income attributable to the Group		**132.5**	**27.1**
- Including comprehensive income attributable to non-controlling interests		**4.0**	**(4.6)**

Consolidated statement of financial position

ASSETS

(in millions of euros)	Notes	12/31/2024	12/31/2023
Investment property	5.1.	6,024.3	6,054.7
Financial assets at fair value through profit or loss	6.1.5.	0.0	0.0
Financial assets at amortised cost	6.1.5.	0.5	20.0
Derivative assets	6.1.3.	17.8	34.6
NON-CURRENT ASSETS		**6,042.6**	**6,109.3**
Accounts receivable	8.2.1.	7.2	6.4
Tax receivables	9.	0.2	5.5
Miscellaneous receivables	8.2.2.	17.1	6.4
Financial assets at amortised cost		10.3	17.6
Derivative assets	6.1.3.	0.4	0.7
Cash and cash equivalents	6.1.6.	183.8	176.4
CURRENT ASSETS		**219.1**	**212.9**
TOTAL ASSETS		**6,261.7**	**6,322.2**

LIABILITIES

(in millions of euros)	Notes	12/31/2024	12/31/2023
Share capital	7.1.	575.6	575.6
Share premium		389.6	522.8
Revaluation reserves	6.1.3.	17.9	34.8
Other reserves		2,383.4	2,412.5
Net profit/(loss) attributable to the Group		149.7	58.2
Equity attributable to the Group		**3,516.1**	**3,603.9**
Non-controlling interests		91.8	92.2
EQUITY		**3,607.9**	**3,696.1**
Financial liabilities at amortised cost	6.1.1.	2,426.3	2,384.2
Lease liabilities	8.3.	5.2	1.8
Tax liabilities		0.0	1.0
Deferred tax liabilities		3.1	3.1
Other financial liabilities	6.1.5.	10.7	10.7
Derivative liabilities	6.1.3.	0.0	1.0
NON-CURRENT LIABILITIES		**2,445.3**	**2,401.7**
Financial liabilities at amortised cost	6.1.1.	169.5	183.3
Lease liabilities	8.3.	0.2	0.0
Tax liabilities		-3.7	6.0
Accounts payable		8.7	8.3
Miscellaneous payables	8.2.2.	33.6	26.8
Other financial liabilities		0.3	-
Derivative liabilities	6.1.3.	0.0	0.0
CURRENT LIABILITIES		**208.6**	**224.4**
TOTAL LIABILITIES AND EQUITY		**6,261.7**	**6,322.2**

Consolidated cash flow statement

(in millions of euros)	Notes	2024	2023
I) OPERATING ACTIVITIES			
Net profit/(loss)		**153.6**	**53.5**
Net depreciation and provision charges		1.2	(1.7)
Change in fair value of investment property	5.3	107.3	207.8
Unrealised gains and losses due to changes in fair value		(0.4)	0.1
Other non-cash income and expenses		3.7	1.3
Capital gains or losses on asset disposals			-
Capital gains or losses on disposals of investments in consolidated companies			(1.3)
Cash flow from operating activities after cost of net financial liabilities and tax		**265.5**	**259.7**
Cost of net financial liabilities		56.8	48.0
Tax expense		1.1	(0.5)
Cash flow from operating activities before cost of net financial liabilities and tax		**323.3**	**307.1**
Interest paid		(57.3)	(46.2)
Tax paid		(11.5)	(4.4)
Change in working capital requirement related to operating activities		(2.5)	(4.8)
NET CASH FLOW FROM OPERATING ACTIVITIES		**252.1**	**251.8**
II) INVESTING ACTIVITIES			
Tangible and intangible fixed assets and investment property			
- acquisitions		(45.7)	(82.2)
- disposals		0.7	1.4
Change in security deposits paid and received		4.5	1.6
Operating investments		**(40.4)**	**(79.2)**
Fully consolidated companies			
- acquisitions			-
- disposals			1.3
- impact of changes in scope of consolidation			(0.1)
Financial investments		**-**	**1.3**
Intragroup transactions – Investing activities		**-**	**-**
NET CASH FLOW FROM INVESTING ACTIVITIES		**(40.4)**	**(77.9)**
III) FINANCING ACTIVITIES			
Amounts paid to/by shareholders on capital increases or reductions:			
- paid by Præmia Healthcare shareholders			-
- paid by non-controlling interests of consolidated subsidiaries			(200.0)
Dividends paid during the financial year			
Final and interim dividends paid to Præmia Healthcare shareholders	7.2.	(222.9)	(272.8)
- final and interim dividends paid during the period to non-controlling interests of consolidated subsidiaries		(4.4)	(4.8)
Change in cash from capital activities		**(227.3)**	**(477.6)**
Bond issues and new financial liabilities		196.1	1,052.6
Repayments of lease liabilities			(0.0)
Bond redemptions and repayments of financial liabilities		(171.5)	(888.4)
Acquisitions and disposals of current financial assets and liabilities			(50.1)
Change in cash from financing activities	**6.1.1.**	**24.6**	**114.1**
NET CASH FLOW FROM FINANCING ACTIVITIES		**(202.7)**	**(363.5)**
NET CHANGE IN CASH (I) + (II) + (III)		**9.0**	**(189.6)**
OPENING NET CASH		**174.8**	**364.4**
CLOSING NET CASH		**183.8**	**174.8**
Cash and cash equivalents (excluding interest accrued but not due)		183.8	174.8
Bank overdrafts (excluding interest accrued but not due)			-
NET CASH		**183.8**	**174.8**

Statement of changes in equity

(in millions of euros)	Share capital	Share premium	Revaluation reserves	Other reserves and net profit/(loss) attributable to the Group	Equity attributable to the Group	Non-controlling interests	Total equity
EQUITY AS OF 01/01/2023	**607.6**	**780.8**	**65.9**	**2,595.2**	**4,049.5**	**101.6**	**4,151.1**
Net profit/(loss)				**58.2**	**58.2**	**(4.6)**	**53.5**
Other comprehensive income:							
Cash flow hedges:							
- Changes in value			(31.2)		**(31.2)**		**(31.2)**
- Recycling to the income statement			0.1		**0.1**		**0.1**
Other non-recyclable items:							
- Actuarial gains and losses				0.0	**0.0**		**0.0**
Comprehensive income	**-**	**-**	**(31.1)**	**58.2**	**27.1**	**(4.6)**	**22.5**
Final and interim dividends paid (a)		(90.0)		(182.8)	**(272.8)**	(4.8)	**(277.6)**
Capital reductions (b)	(32.1)	(167.9)		0.0	**(200.0)**		**(200.0)**
Other			(0.0)	0.1	0.1	-	0.1
EQUITY AS OF 12/31/2023	**575.6**	**522.8**	**34.8**	**2,470.7**	**3,603.9**	**92.2**	**3,696.1**
Net profit/(loss)				**149.7**	**149.7**	**4.0**	**153.6**
Other comprehensive income:							
Cash flow hedges:							
- Changes in value			(17.0)		**(17.0)**		**(17.0)**
- Recycling to the income statement			0.1		**0.1**		**0.1**
Other non-recyclable items:							
- Actuarial gains and losses				(0.2)	**(0.2)**		**(0.2)**
- Taxes on actuarial gains and losses							
Comprehensive income	**-**	**-**	**(16.9)**	**149.4**	**132.5**	**4.0**	**136.5**
Final and interim dividends paid (c)		(133.2)		(89.6)	**(222.9)**	(4.5)	**(227.3)**
Other				2.5	**2.5**		**2.5**
EQUITY AS OF 12/31/2024	**575.6**	**389.6**	**17.9**	**2,533.1**	**3,516.1**	**91.8**	**3,607.9**

(a) In 2023, Præmia Healthcare paid a dividend for the 2022 financial year and an interim dividend for the 2023 financial year.
(b) In 2023, 2,104,339 shares repurchased from Icade were cancelled.
(c) In 2024, Præmia Healthcare paid a dividend for the 2023 financial year and an interim dividend for the 2024 financial year (see note 2.3).

2. Notes to the consolidated financial statements

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Note 1. General principles

1.1. General information

Præmia Healthcare ("the Company") is a French public limited company (SA, *société anonyme*) with a Board of Directors. Its registered office is situated at 36, rue de Naples, 75008 Paris, France.

The Company's consolidated financial statements for the period ended December 31, 2024 reflect the financial position and profit and loss of the Company and its subsidiaries ("the Group"). They were prepared in euros, which is the Company's functional currency.

As of December 31, 2024, the Group operates as a property investor, assisting healthcare and senior services providers with the ownership and development of healthcare properties in France and elsewhere in Europe.

1.2. Accounting standards

The Group's consolidated financial statements as of December 31, 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union as of December 31, 2024, pursuant to European Regulation No. 1606/2002 dated July 19, 2002, and include comparative information as of December 31, 2023 prepared in accordance with the IFRS applicable at the reporting date.

The international accounting standards are issued by the IASB (International Accounting Standards Board) and have been adopted by the European Union. They include the IFRS, the IAS (International Accounting Standards) and their interpretations. These standards are available for viewing on the European Commission's website.

The accounting policies and measurement bases used by the Group in preparing the consolidated financial statements as of December 31, 2024 are identical to those used for the consolidated financial statements as of December 31, 2023, except for those mandatory standards, interpretations and amendments to be applied for periods beginning on or after January 1, 2024, which are detailed in note 1.2.1 below.

These consolidated financial statements were approved by the Group's Board of Directors on Thursday, February 20, 2025.

1.2.1. Mandatory standards, amendments and interpretations adopted by the European Union which became effective for annual periods beginning on or after January 1, 2024

- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current.
  The purpose of these amendments is to clarify the concept of current and non-current liabilities, applicable to liabilities with covenants and convertible debt. A non-current liability is any liability for which the Company has the right to defer settlement for at least twelve months, taking into account any covenants applicable at the reporting date.

- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback.
  These amendments to IFRS 16 specify the method to be used by the seller-lessee for the initial and subsequent measurement of a sale and leaseback transaction. In particular, they clarify the treatment of sale and leaseback transactions with variable lease payments.

- Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements.
  These amendments specify the new qualitative and quantitative disclosures to be made concerning reverse factoring transactions.

These amendments have had no impact on the Group.

1.2.2. Standards, amendments and interpretations issued but not yet mandatory for annual periods beginning on or after January 1, 2024

Standards, amendments and interpretations issued by the IASB effective for annual periods beginning on or after January 1, 2025 but not yet adopted by the European Union

- Amendments to IAS 21 – Lack of Exchangeability.

1.3. Basis of preparation and presentation of the consolidated financial statements

1.3.1. Measurement bases

The consolidated financial statements have been prepared according to the amortised cost method, with the exception of certain financial assets and liabilities and investment property measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. IFRS 13 – Fair Value Measurement utilises a fair value hierarchy across three levels:

- Level 1: fair value measured based on unadjusted prices quoted in active markets for identical assets or liabilities;
- Level 2: fair value measured based on models using observable data, either directly (i.e. prices), or indirectly (i.e. data derived from prices);
- Level 3: fair value measured based on market data not directly observable.

According to the principle of relevance and the ensuing materiality notion, only information deemed relevant and useful to the users' understanding of the consolidated financial statements is reported.

1.3.2. Use of judgements and estimates

The preparation of consolidated financial statements requires the Group's management to use estimates and assumptions to determine the value of certain assets, liabilities, income and expenses, to assess any positive or negative contingencies as of the reporting date, as well as the information provided in the notes to the financial statements.

Due to the uncertainties inherent in any measurement process, the Group revises its estimates on the basis of regularly updated information. The future results of the operations concerned may differ from the estimates made at the reporting date of the consolidated financial statements.

The main estimates made by the Group related to:

- The fair value of investment property determined by the valuations carried out by independent property valuers (see note 5.2);
- Measurement of credit risk arising from accounts receivable (see note 6.2.4).

The accounting estimates used to prepare the financial statements as of December 31, 2024 were made amid a still complex and volatile economic environment where inflation has slowed but interest rates remain high. In 2024, the Group was able to withstand these elevated interest rates through its high levels of fixed rate or hedged debt. However, the Group will continue to pay particular attention to the short- and medium-term outlook for interest rates in the financial markets and their impact on financing costs. For the period ended December 31, 2024, the Group considered the reliable information at its disposal with respect to the impact of this situation.

In addition to using estimates, the Group's management used its judgement to define the appropriate accounting treatment for certain operations and transactions where current IFRS and their interpretations did not specifically address the accounting issues raised.

Management exercised its judgement in:

- Determining the degree of control (sole or joint) by the Group over its investments or the existence of significant influence;
- Determining the classification of leases in which the Group is the lessor between operating and finance leases;
- Recognising deferred tax assets, in particular tax loss carry forwards.

1.3.3. Effects of climate change

The 2015 Paris Climate Agreement has stepped up the fight against climate change which lies at the heart of the environmental and societal concerns of major European economic players.

As such, in order to reduce its greenhouse gas emissions, the Group has been on an ambitious low-carbon pathway, with an objective of -37% by 2030 for its portfolio in France.

The Group has set aside specific amounts under its investment policy to support this objective and comply with the regulations applicable to it.

When determining the fair value of investment properties, planned investments, including those related to improving energy performance, are submitted to the independent property valuers for review. Such property valuers carry out their work in accordance with their professional standards, as described in note 5.2.1 “Valuation assignments”.

Investments that contribute to improving the energy performance of the portfolio are taken into account in the property valuers’ assessments and mitigate any falls in value. However, they do not act as a catalyst, which means they have no significant impact on value creation as such. As of December 31, 2024, the inclusion of the effects of climate-related issues has had no significant impact on the judgement and key estimates required to prepare the financial statements.

Note 2. Financial year highlights

2.1. Investments

Investments made in 2024 totalled €76.0 million, including €26.9 million outside France, mainly relating to the acquisition of a long-term care facility in Germany, and €49.0 million associated with the development pipeline (construction, refurbishment, renovation or extension projects for acute care facilities) and other investments.

During the financial year, the Company completed the following projects:

- a medium-term care facility in Salon-de-Provence operated by Clariane under a 12-year lease (completed in March 2024);
- an outpatient care unit at the Claude Bernard private hospital in Albi (completed in September 2024).

In addition, investments in pipeline development projects amounted to €26.7 million, including €11.5 million for the extension of the Saint-Augustin private hospital and €7.9 million for the refurbishment of the Flandre private hospital.

Other investments stood at €23.2 million, including €8.3 million for work to improve the energy performance of buildings.

2.2. Financing

In H1 2024, Præmia Healthcare arranged four unsecured bilateral sustainability-linked loans worth €160 million in total and refinanced a real estate finance lease on the Villeneuve d'Ascq private hospital for €50 million, including an €11 million down payment (including ESG indicators). These new credit lines have enabled the Company to complete its refinancing plan for 2024, including the repayment of two bank loans totalling €131 million in March 2024.

During the financial year, the Group decided to improve its medium-term hedging profile by arranging, in H2, €200 million of forward start derivatives (interest rate collars and swaps) beginning on December 31, 2025.

In addition, 58% of Præmia Healthcare's financing was sustainability-linked as of December 31, 2024, in line with its ESG strategy.

Lastly, in July 2024, rating agency S&P affirmed Præmia Healthcare's credit rating at BBB with a stable outlook following its annual review.

2.3. Dividend distribution

Dividends distributed by the Company to its shareholders in 2024 for the financial year 2023 totalled €224.2 million, i.e. €5.94 per share, including €168.3 million (€4.46 per share) paid in April 2024.

Dividends distributed in 2023 for the financial year 2022 amounted to €217.0 million, i.e. €5.45 per share.

In addition, in November 2024, Præmia Healthcare paid an interim dividend for the financial year 2024 of €54.5 million, i.e. €1.44 per share.

Note 3. Scope of consolidation

ACCOUNTING PRINCIPLES

Consolidation principles

The consolidated financial statements include the financial statements of fully consolidated subsidiaries. The Group does not hold any interests in joint ventures or associates, or any other entities in which it does not have direct, indirect or joint control, or significant influence over their financial and operating policies. The consolidation method is determined in accordance with the degree of control by the Group.

Subsidiaries

A subsidiary is an entity that is directly or indirectly controlled by the Group. Control exists when the Group:

- Has power over the entity in terms of voting rights;
- Has rights to variable returns from its involvement with the entity;
- Has the ability to use its power to affect the amount of these returns.

Potential voting rights as well as the power to govern the financial and operating policies of the entity are also among the factors taken into account by the Group in order to assess control.

Subsidiaries are fully consolidated from the date the latter acquires control over them until the date that such control ceases.

All intragroup transactions and balances between the Group's subsidiaries are eliminated on consolidation.

Non-controlling interests represent the share of interest which is not directly or indirectly attributable to the Group. These are presented in equity as "Non-controlling interests" and in the income statement as "Net profit/(loss) attributable to non-controlling interests".

Business combinations

To determine whether a transaction is a business combination under the revised IFRS 3, the Group analyses whether an integrated set of activities and assets has been acquired and not just property and whether this integrated set includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output.

The consideration transferred must include any contingent consideration, which must be measured at fair value.

According to the acquisition method, the acquirer must, at the acquisition date, recognise the identifiable assets, liabilities and contingent liabilities of the acquiree at fair value at that date.

Goodwill is measured as the difference between, on the one hand, the fair value of the consideration transferred and, on the other hand, the net of the acquisition-date amounts of the identifiable assets and liabilities assumed measured at fair value. If positive, goodwill is accounted for on the asset side of the balance sheet. If negative, goodwill may be referred to as "negative goodwill" or "badwill" or "bargain purchase gain" (arising as a result of a bargain purchase) and is recognised immediately in the income statement under the heading "Profit/(loss) from acquisitions".

Costs of business acquisitions are recorded as expenses in "Profit/(loss) from acquisitions" in the consolidated income statement.

The companies included in the scope of consolidation are listed in note 11.5.

Note 4. Segment reporting

ACCOUNTING PRINCIPLES

In accordance with IFRS 8 – Operating segments, segment information must be structured according to the operating segments for which results are regularly reviewed by the chief operating decision maker in order to assess their performance and make decisions about resources to be allocated to such segments. Segment information must be consistent with internal reporting to the chief operating decision maker.

The Group's business activities consist in assisting healthcare and senior services providers with the ownership and development of healthcare properties. These properties include acute and post-acute care facilities (private hospitals, rehabilitation centres) as well as long-term facilities (nursing homes).

The Group's structure reflects the two geographical areas in which it operates (France and abroad), each having its own specific risks and advantages. These two areas constitute the two operating segments under the standard.

The "Intersegment transactions" column includes eliminations and reclassifications relating to transactions between business lines.

The following information is presented in accordance with the same accounting principles as those used in preparing the Group's consolidated financial statements.

The Group's business activities consist in assisting healthcare and senior services providers with the ownership and development of healthcare properties in France and abroad. These properties include acute and post-acute care facilities (private hospitals, rehabilitation centres) as well as long-term facilities (nursing homes).

4.1. Segmented income statement

	France		International		Intersegment transactions		Total Group	
(in millions of euros)	2024	2023	2024	2023	2024	2023	2024	2023
INCOME FROM OPERATING ACTIVITIES	**372.5**	**354.3**	**16.6**	**15.9**		**(0.3)**	**389.1**	**369.9**
EBITDA	**308.0**	**293.6**	**13.8**	**13.3**		**-**	**321.8**	**306.9**
OPERATING PROFIT/(LOSS)	**201.2**	**113.6**	**13.1**	**(13.2)**		**-**	**214.3**	**100.3**
FINANCE INCOME/(EXPENSE)	**(55.6)**	**(41.5)**	**(4.0)**	**(5.8)**		**-**	**(59.6)**	**(47.3)**
Tax expense	(1.1)	0.2	-	0.4		-	(1.1)	0.5
NET PROFIT/(LOSS)	**144.5**	**72.3**	**9.1**	**(18.7)**		**-**	**153.6**	**53.5**
Net profit/(loss) attributable to non-controlling interests	-	-	(4.0)	(4.6)		-	(4.0)	4.6
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**144.5**	**72.3**	**5.1**	**(14.1)**		**-**	**149.7**	**58.2**

In 2024, 95.4% of revenue was generated in France, 1.1% in Spain, 0.3% in Germany and 3.2% in Portugal

4.2. Segmented statement of financial position

	France		International		Intersegment transactions		Total Group	
(in millions of euros)	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Investment property	5,720.6	5,777.3	303.7	277.3	-	-	6,024.3	6,054.7
Other assets	218.1	464.6	19.4	(105.3)	-	(91.7)	237.4	267.5
TOTAL ASSETS	**5,938.6**	**6,241.9**	**323.1**	**172.0**	**-**	**(91.7)**	**6,261.7**	**6,322.2**
Equity attributable to the Group	3,375.3	3,622.5	140.8	(18.7)	-	-	3,516.1	3,603.9
Non-controlling interests	-	-	91.8	92.2	-	-	91.8	92.2
Financial liabilities	2,512.9	2,567.5	82.9	91.2	-	(91.2)	2,595.8	2,567.5
Other liabilities	50.4	51.9	7.6	7.3	-	(0.5)	58.0	58.6
TOTAL LIABILITIES AND EQUITY	**5,938.6**	**6,241.9**	**323.1**	**172.0**	**-**	**(91.7)**	**6,261.7**	**6,322.2**

4.3. Segmented cash flow from fixed assets and investment property

	France		International		Intersegment transactions		Total Group	
(in millions of euros)	2024	2023	2024	2023	2024	2023	2024	2023
CASH FLOW:								
- acquisitions	(39.9)	(71.1)	(5.8)	(11.1)	-	-	(45.7)	(82.2)
- disposals	0.7	1.4	-	-	-	-	0.7	1.4

Note 5. Property portfolio and fair value

5.1. Property portfolio

ACCOUNTING PRINCIPLES

IAS 40 – Investment property defines investment property as property held by the owner to earn rentals or for capital appreciation or both. This category of property cannot be held for use in the production or supply of goods or services or for administrative purposes. Furthermore, the existence of building rights, leasehold rights or building leases also falls within the definition of investment property.

Property that is being developed for future use as investment property is classified as investment property.

In accordance with the option offered by IAS 40, investment property is measured at fair value.

Investment property excluding right-of-use assets relating to building leases

Investment property is initially recognised at cost, which includes:

- the purchase price stated in the deed of acquisition or the construction costs, including non-refundable taxes, after deducting any trade discounts, rebates or cash discounts;
- the cost of restoration work;
- all directly attributable costs incurred in order to put the investment property in a condition to be leased in accordance with the use intended by management. Thus, transfer duties, fees, commissions and fixed legal expenses related to the acquisition, and leasing commissions are included in the cost;
- costs of bringing the property into compliance with safety and environmental regulations;
- capitalised borrowing costs.

Following initial recognition, investment property is measured at fair value.

The fair value of investment property is measured based on independent property valuations whose methods and assumptions are described in note 5.2. The fair values are appraised values excluding duties, except for those assets acquired at the end of the year for which the fair value is measured based on the acquisition price.

Investment property under construction, or undergoing major renovation, is valued according to the general principle of fair value unless it is not possible to determine its fair value reliably and continuously. In the latter case, the property is provisionally valued at cost less any impairment losses.

In accordance with IAS 36, investment property whose fair value cannot be determined reliably and which is provisionally measured at cost is tested for impairment as soon as an indication of impairment is identified (event leading to a decrease in the asset's market value and/or a change in the market environment). If the net carrying amount of the asset exceeds its recoverable amount (market value excluding duties, determined by independent property valuers) and if the unrealised capital loss exceeds 5% of the net carrying amount before impairment, the difference is recognised as an impairment loss.

Investment property which meets the criteria to be classified as non-current assets held for sale is presented as a separate line item in the consolidated statement of financial position but remains measured at fair value under IAS 40.

The change in fair value of the property portfolio during the period is recognised in the income statement, after deducting capital expenditure and other capitalised costs, such as capitalised borrowing costs and broker fees.

Gains or losses on disposal are calculated as the difference between the proceeds from the sale of the asset net of selling costs and the asset's carrying amount as per the most recent valuations.

Right-of-use assets relating to building leases

For the investment assets whose land base is subject to a building lease the fair value is determined by the property valuers as if the assets were a single building complex, in accordance with the fair value model under IAS 40 and with IFRS 13.

The fair value of the complex is determined on the basis of the expected net cash flows, including the expected cash outflows under the building lease. The latter are also recognised as part of the lease liability measured in accordance with IFRS 16, as described in note 8.3. The Group adds back the value of the lease liability to the value of the investment assets so as not to recognise this liability twice, in accordance with IAS 40.

Borrowing costs

Borrowing costs directly attributable to the construction or production of an asset are included in the cost of that asset until work is completed.

Capitalised borrowing costs are determined as follows:

- Where funds are borrowed in order to build a specific asset, the borrowing costs that are eligible for capitalisation are the costs actually incurred over the financial year less any investment income on the temporary investment of those borrowings;
- Where the borrowed funds are used to build several assets, the borrowing costs that are eligible for capitalisation are determined by applying a capitalisation rate to the construction costs. This capitalisation rate is equal to the weighted average of current borrowing costs for the financial year other than those of borrowings taken out for the purpose of building specific assets. The capitalised amount may not exceed the amount of costs actually borne.

The Group's property portfolio consists of investment property. It is valued as described in note 5.2 and its fair value is presented in note 5.3. Changes in investment property can be broken down as follows:

(in millions of euros)	12/31/2023	Acquisitions	Construction work	Disposals	Changes in fair value recognised in the income statement	12/31/2024
Investment property measured at fair value	6,054.7	26.1	49.8	(0.7)	(105.6)	6,024.3
Investment property	**6,054.7**	**26.1**	**49.8**	**(0.7)**	**(105.6)**	**6,024.3**
Value of the property portfolio	**6,054.7**	**26.1**	**49.8**	**(0.7)**	**(105.6)**	**6,024.3**
Portfolio distribution:						
France Healthcare	5,777.3	-	49.0	(0.7)	(105.0)	5,720.6
International Healthcare	277.3	26.1	0.8	-	(0.6)	303.7
Value of the property portfolio	**6,054.7**	**26.1**	**49.8**	**(0.7)**	**(105.6)**	**6,024.3**

The appraised value of the property portfolio broke down as follows:

(in millions of euros)	12/31/2024	12/31/2023
Value of the property portfolio	**6,024.3**	**6,054.7**
Lease liabilities	(1.8)	(1.8)
Appraised value of the property portfolio	**6,022.5**	**6,052.9**

Investments in 2024 totalled €76.0 million, mainly **in France**, and broke down as follows:

- In France, investments in **development projects** totalling €26.7 million related to the extension, refurbishment and renovation of acute care facilities (Saint-Augustin private hospital in Bordeaux for €11.5 million, Flandre private hospital in Dunkirk for €7.9 million). **Other investments** amounted to €22.3 million, including €8.3 million for energy performance improvement work ('green' capex).
- Internationally, Præmia Healthcare invested €26.9 million, including €26.1 million for the acquisition of a long-term care facility in Germany and €0.8 million for work on the facilities in Lisbon and Porto.

5.2. Valuation of the property portfolio: methods and assumptions

5.2.1. Valuation assignments

The Group's property assets are valued twice a year by independent property valuers for the publication of the half-year and annual consolidated financial statements, according to a framework consistent with the SIIC Code of Ethics (sociétés d'investissement immobilier cotées, French listed real estate investment companies) published in July 2008 by the French Federation of Real Estate Companies (Fédération des sociétés immobilières et foncières).

Property valuations were entrusted to Jones Lang LaSalle Expertises, CBRE Valuation and Catella Valuation.

In accordance with the SIIC Code of Ethics, after seven years Præmia REIM Care shall ensure that there is an internal turnover of the teams responsible for the valuation of its assets in the selected property valuation company. The valuer signing the valuation may not be appointed for more than two consecutive terms of four years except where the valuer has met the requirement with regard to the internal turnover of the teams.

Property valuation fees are billed on the basis of a fixed service fee that takes into account the specificities of the properties (floor area, number of existing leases, etc.) and that is not based on the value of the assets.

The assignments of the property valuers, whose main valuation methods and conclusions are presented hereafter, are performed according to professional standards, in particular:

- The French Property Valuation Charter (*Charte de l'expertise en évaluation immobilière*), fifth edition, published in March 2017;
- The Barthès de Ruyter report from the French Securities and Exchange Commission (COB), which is part of the French Financial Markets Authority (AMF), dated February 3, 2000, on the valuation of the property assets of publicly traded companies;
- On an international level, TEGoVA's (The European Group of Valuers' Associations) European Valuation Standards as set out in its Blue Book published in May 2016, as well as the Red Book standards of the Royal Institution of Chartered Surveyors (RICS).

These various texts specify the required qualifications for the property valuers, a code of conduct and ethics, and the main definitions (values, floor areas, rates and main valuation methods).

During each valuation session and when valuers submit their valuation reports, the Group makes sure that the methods used by the different property valuers to value its assets are consistent.

Valuations are presented both inclusive and exclusive of duties, the values excluding duties being net of duties and fixed legal expenses calculated by the property valuers.

On-site inspections are systematically conducted by the property valuers for all new assets added to the portfolio. On-site inspections are scheduled to ensure that the entire portfolio is visited over a 12-month rolling period.

All the assets, including the land bank and projects under development, were valued as of December 31, 2024 according to the procedures currently in place within the Group, with the exception of:

- Properties subject to a preliminary sale agreement as of the end of the reporting period or those for which an offer has been received and that are valued based on the contractual sale price (or the price agreed as part of exclusive talks if applicable);
- Properties acquired less than three months before the end of the reporting period, which are valued at their acquisition price including duties (excluding fees).

The Group also has in place a process of internal valuation by its asset management teams in order to verify the asset values obtained by the property valuers and to gain a better understanding of the future performance of the portfolio on the basis of the business plans defined. This process is updated on a yearly basis. However, assets whose business plan changes materially are subject to a half-yearly update.

5.2.2. Methods used by the property valuers

Given the uncertainty and volatility that have prevailed since the beginning of 2023, trends in market data are difficult to predict.

However, the property valuers considered market evidence as of the valuation date to be sufficient and relevant, allowing them to form an opinion of value for the appraised properties.

Healthcare properties in France and Portugal are valued by the property valuers based on the mean of the values obtained using the rent capitalisation method (also known as "estimated rental value" method) and the discounted cash flow method. Assets in Spain and Germany are valued using the discounted cash flow method.

The market value of a healthcare facility is essentially dependent on its operation and its ability to generate sufficient revenue to provide a reasonable return on the property investment. These buildings fall under the category of single-use buildings and their value determined by the property valuer is totally related to their operation and consequently to the value of the underlying business. Also, since these premises are unsuitable for any other use without substantial conversion works, they are not subject to rent ceilings upon lease renewals or rent reviews or to the traditional rules for determining the estimated rental value.

The estimated rental value used by the property valuers thus takes into account a share of the average revenue or average EBITDA that the facility has generated during the last years of operation, with or without adjustment for category, administrative environment, quality of operating structure (price positioning, hospital fee agreement with the French Social Security, income statement, etc.) and competitive position. Alternatively, the healthcare property can be valued by capitalisation of the gross rental income reported by the Group.

5.2.3. Main valuation assumptions for investment property

Asset types	Methods generally used	Rates for discounting cash flows (DCF)	Exit yields (DCF)	Market yields (income capitalisation)
Paris region	Capitalisation and DCF	5.0% - 7.2%	4.3% - 6.4%	4.3% - 6.0%
France outside the Paris region	Capitalisation and DCF	5.3% - 11.7%	5.2% - 10.6%	4.9% - 10.3%
Spain	DCF	6.9% - 7.3%	5.0% - 5.3%	N/A
Germany	DCF	5.9%	5.4%	N/A
Portugal	Capitalisation and DCF	7.7% - 8.9%	5.7% - 6.9%	5.7% - 6.9%

5.2.4. Fair value sensitivity of property assets

The impact of changes in yields on the fair value of property assets is presented in the table below:

	Yields (a)			
	+25 bps		+50 bps	
12/31/2024 – Impact on valuation	in %	in millions of euros	in %	in millions of euros
France Healthcare				
Paris region	-4.4%	(38.6)	-8.4%	(74.0)
France outside the Paris region	-4.2%	(219.1)	-8.1%	(420.5)
Total France	**-4.2%**	**(257.7)**	**-8.1%**	**(494.5)**
International Healthcare				
Spain	-4.7%	(3.7)	-9.0%	(7.1)
Germany	-13.6%	(5.7)	-23.9%	(10.0)
Portugal	-4.3%	(8.6)	-8.3%	(16.5)
Total International Healthcare	**-5.6%**	**(18.0)**	**-10.5%**	**(33.6)**
TOTAL PRÆMIA HEALTHCARE GROUP	**-4.3%**	**(275.7)**	**-8.2%**	**(528.2)**

(a) Yield on the operating property portfolio, including duties.

5.3. Change in fair value of investment property

The change in fair value of investment property for the financial years 2024 and 2023 broke down as follows:

(in millions of euros)	2024	2023
France Healthcare	(106.5)	(181.3)
International Healthcare	(0.8)	(26.5)
Changes in value recognised in the income statement	**(107.3)**	**(207.8)**
Other (a)	1.8	2.0
Change in fair value of investment property	**(105.5)**	**(205.8)**

(a) Relates to the straight-lining of assets and liabilities relating to investment property.

The negative change in fair value of investment property as of December 31, 2024 is due mainly to the rise in yields in France in H1 2024, which was not fully offset by the positive impact of index-linked rent reviews.

Note 6. Finance and financial instruments

6.1. Financial structure and contribution to profit/(loss)

6.1.1. Change in net financial liabilities

ACCOUNTING PRINCIPLES

Financial liabilities

Borrowings and other interest-bearing financial liabilities are valued, after their initial recognition, according to the amortised cost method using the effective interest rate of the borrowings. Issue costs and premiums affect the opening value and are spread over the life of the borrowings using the effective interest rate.

For financial liabilities resulting from the recognition of finance leases, the financial liability recognised as the corresponding entry of the asset is initially carried at the fair value of the leased asset or, if lower, the present value of the minimum lease payments.

Hedging instruments

The Group uses financial derivatives to hedge its exposure to market risk stemming from interest rate fluctuations. Derivatives are used as part of a policy implemented by the Group on interest rate risk management. The financial risk management strategies and methods used to determine the fair value of financial derivatives are set out in notes 6.2.2 and 6.3.

Financial derivatives are recorded at fair value in the consolidated statement of financial position.

The Group uses derivatives to hedge its variable rate debt against interest rate risk (cash flow hedging) and applies hedge accounting where documentation requirements are met. In this case, changes in fair value of the financial derivative are recognised net of tax in “Other items” in the consolidated statement of comprehensive income until the hedged transaction occurs in respect of the effective portion of the hedge. The ineffective portion is recognised immediately in the income statement for the period. Gains and losses accumulated in equity are reclassified to the income statement under the same heading as the hedged item for the same periods during which the hedged cash flow has an impact on the income statement. Where financial derivatives do not qualify for hedge accounting under the standard, they are classified under the category of trading instruments and any changes in their fair value are recognised directly in the income statement for the period.

The fair value of derivatives is measured using commonly accepted models (discounted cash flow method, Black and Scholes model, etc.) and based on market data.

Breakdown of net financial liabilities at end of period

As of December 31, 2024, net financial liabilities stood at €2,393.8 million and broke down as follows:

(in millions of euros)		12/31/2023	Cash flow from financing activities: New financial liabilities	Cash flow from financing activities: Repayments	Fair value adjustments and other changes	12/31/2024
Bonds		1,600.0	-	-	-	1,600.0
Borrowings from credit institutions		786.7	160.0	(141.7)	-	805.1
Finance lease liabilities		179.9	39.0	(29.8)	-	189.1
Total borrowings		**2,566.7**	**199.0**	**(171.5)**	**-**	**2,594.2**
TOTAL GROSS INTEREST-BEARING FINANCIAL LIABILITIES		**2,566.7**	**199.0**	**(171.5)**	**-**	**2,594.2**
Interest accrued and amortised issue costs		0.8	-	-	0.8	1.6
GROSS FINANCIAL LIABILITIES (a)	**6.1.2.**	**2,567.5**	**199.0**	**(171.5)**	**0.8**	**2,595.8**
Interest rate derivatives	6.1.3.	(34.3)	(0.0)	-	16.1	(18.2)
Financial assets (b)	6.1.5.	(0.1)	-	-	(0.0)	(0.0)
Cash and cash equivalents	6.1.6.	(176.4)	-	-	(7.4)	(183.8)
NET FINANCIAL LIABILITIES		**2,356.8**	**199.0**	**(171.5)**	**9.5**	**2,393.8**

(a) Gross financial liabilities included €2,426.3 million of non-current financial liabilities and €169.5 million of current financial liabilities.
(b) Excluding security deposits paid.

The change in gross debt (excluding derivatives) for the period mainly resulted from:

Borrowings from credit institutions and other borrowings:
- New agreements for €160.0 million;
- Scheduled and early repayments for €141.7 million.

Finance lease liabilities:
- New agreements for €39 million (€50 million including an €11 million down payment);
- Scheduled and early repayments for €29.8 million.

The €24.6 million change in cash flow from financing activities in the cash flow statement mainly included cash flow relating to net financial liabilities (+€196.1 million increase net of issue costs amounting to €2.9 million and -€171.5 million decrease).

6.1.2. Components of financial liabilities

Gross financial liabilities: type of rate, maturity and fair value

Gross financial liabilities at amortised cost, excluding issue costs and premiums amortised using the effective interest method, stood at €2,594.2 million as of December 31, 2024. They broke down as follows:

(in millions of euros)	Balance sheet value as of 12/31/2024	Current: < 1 year	Non-current: 1 to 2 years	Non-current: 2 to 3 years	Non-current: 3 to 4 years	Non-current: 4 to 5 years	Non-current: > 5 years	Fair value as of 12/31/2024
Bonds	1,600.0	-	-	-	500.0	500.0	600.0	1,500.6
Borrowings from credit institutions	100.0	7.5	7.5	7.5	7.5	70.0	-	96.3
Finance lease liabilities	48.5	13.4	4.8	9.3	3.0	2.7	15.3	44.6
Fixed rate debt	**1,748.5**	**20.9**	**12.3**	**16.8**	**510.5**	**572.7**	**615.3**	**1,641.5**
Borrowings from credit institutions	705.1	117.9	303.2	124.3	5.7	83.6	70.3	705.6
Finance lease liabilities	140.6	20.1	12.7	24.2	11.1	9.5	63.0	136.7
Variable rate debt	**845.6**	**138.1**	**315.8**	**148.4**	**16.8**	**93.1**	**133.4**	**842.2**
TOTAL GROSS INTEREST-BEARING FINANCIAL LIABILITIES	**2,594.2**	**159.0**	**328.1**	**165.3**	**527.3**	**665.9**	**748.6**	**2,483.7**

The average debt maturity was 4.0 years as of December 31, 2024 (4.6 years as of December 31, 2023). The average maturity was 4.5 years for fixed rate debt and 2.9 years for variable rate debt.

The average maturity for derivatives was 3.7 years, compared with 3.3 years as of December 31, 2023, with the improvement due to the arrangement of forward-start interest rate hedges (swaps/collars) for a notional amount of €200 million beginning on December 31, 2025, for a term of 6 to 8 years.

Characteristics of the bonds

ISIN code	Issue date	Maturity date	Nominal value on the issue date	Rate	Repayment profile	Nominal value as of 12/31/2024
FR0013457967	11/04/2019	11/04/2029	500.0	Fixed rate of 0.875%	Bullet	500.0
FR0013535150	09/17/2020	09/17/2030	600.0	Fixed rate of 1.375%	Bullet	600.0
FR001400KL23	09/19/2023	09/19/2028	500.0	Fixed rate of 5.500%	Bullet	500.0
Bonds			**1,600.0**			**1,600.0**

6.1.3. Derivative instruments

Presentation of the fair value of derivatives in the consolidated statement of financial position

Derivative instruments consist of interest rate cash flow hedges. As of December 31, 2024, the fair value of these instruments was a net asset position of €18.2 million vs. €34.3 million as of December 31, 2023.

Detailed changes in fair value of hedging derivatives as of December 31, 2024 were as follows:

(in millions of euros)	12/31/2023	Acquisitions	Disposals	Changes in fair value recognised in the income statement	Changes in fair value recognised in equity	12/31/2024
Interest rate swaps – fixed-rate payer	34.5	(0.5)	(0.2)	1.7	(17.2)	18.3
Interest rate options	(0.2)	0.4	-	(0.6)	0.2	(0.2)
TOTAL INTEREST RATE DERIVATIVES	**34.3**	**(0.1)**	**(0.2)**	**1.1**	**(17.0)**	**18.2**
Including derivative assets	35.3	0.7	(0.2)	(1.2)	(16.3)	18.2
Including derivative liabilities	(1.0)	(0.8)	0.0	2.4	(0.6)	(0.0)

Changes in hedge reserves

Hedge reserves consisted exclusively of fair value adjustments to financial instruments used by the Group for interest rate hedging purposes (effective portion). Changes in hedge reserves for the periods presented are detailed in the table below:

(in millions of euros)	12/31/2023	Recycling to the income statement	Changes in value recognised in equity	12/31/2024
Revaluation reserves – Interest rate swaps	35.0	0.1	(17.2)	**17.9**
Revaluation reserves – Interest rate options	(0.2)	-	0.2	**-**
Total – Revaluation reserves	34.8	0.1	(17.0)	**17.9**

Derivatives: analysis of notional amounts by maturity

The derivative portfolio as of December 31, 2024 was as follows:

(in millions of euros)	Total	< 1 year	> 1 year and < 5 years	> 5 years
Outstanding derivatives – Interest rate swaps – Fixed-rate payer	731.2	190.7	439.2	101.3
Interest rate options – caps	150.0	150.0	-	-
TOTAL PORTFOLIO OF OUTSTANDING DERIVATIVES	**881.2**	**340.7**	**439.2**	**101.3**
PORTFOLIO OF FORWARD START DERIVATIVES				
Forward start derivatives – Interest rate swaps – Fixed-rate payer	133.1	1.2	9.3	122.6
Forward start interest rate options – caps	100.0	-	-	100.0
TOTAL PORTFOLIO OF FORWARD START DERIVATIVES	**233.1**	**1.2**	**9.3**	**222.6**
TOTAL INTEREST RATE DERIVATIVES AS OF 12/31/2024	**1,114.3**	**341.9**	**448.5**	**323.9**
TOTAL INTEREST RATE DERIVATIVES AS OF 12/31/2023	**938.0**	**23.7**	**787.8**	**126.5**

These derivatives are used as part of the Group's interest rate hedging policy (see note 6.2.2).

6.1.4. Finance income/(expense)

Finance income/(expense) consists primarily of:

- Cost of gross financial liabilities (primarily including interest expenses on financial liabilities and derivatives);
- Other finance income and expenses primarily including a non-use fee and restructuring costs for financial liabilities.

The Group recorded a net finance expense of €59.6 million for the financial year 2024 (vs. €47.3 million for 2023). It mainly consisted of interest expenses on financial liabilities and derivatives.

(in millions of euros)	2024	2023
Interest expenses on financial liabilities	(87.2)	(70.5)
Interest expenses on derivatives	22.1	16.9
Recycling to the income statement of interest rate hedging instruments	0.1	0.4
Expenses on loans and credit lines from Icade		4.4
Other income	8.3	4.0
COST OF NET DEBT	**(56.8)**	**(44.9)**
Changes in fair value of derivatives recognised in the income statement	0.4	(0.4)
Non-use fees	(1.1)	(0.9)
Restructuring costs for financial liabilities	(1.2)	(0.6)
Finance income/(expense) from lease liabilities		(0.1)
Other finance income and expenses	(0.9)	(0.3)
Total other finance income and expenses	**(2.8)**	**(2.4)**
FINANCE INCOME/(EXPENSE)	**(59.6)**	**(47.3)**

6.1.5. Financial assets and liabilities

ACCOUNTING PRINCIPLES

Under IFRS 9, financial assets are classified and measured either at amortised cost or fair value. In order to determine how best to classify and measure financial assets, the Group has taken into consideration its business model for managing such assets and analysed the characteristics of their contractual cash flows. The Group's financial assets fall into two categories:

- Financial assets carried at fair value through profit or loss:

These assets relate to investments in unconsolidated companies carried at fair value through profit or loss at the end of the reporting period. Fair value is determined using recognised valuation techniques (reference to recent market transactions, discounted cash flows, net asset value, quoted prices if available, etc.).

- Financial assets carried at amortised cost:

They consist primarily of receivables associated with equity investments, loans, deposits and guarantees paid, contract assets and accounts receivable carried at amortised cost at the reporting date.

In accordance with IFRS 9, the Group applies the expected loss model for financial assets that requires, where applicable, expected losses and changes in such losses to be accounted for as soon as the financial asset is recognised at each reporting date to reflect the change in credit risk since initial recognition.

Financial liabilities as of December 31, 2024 related to deposits and guarantees received from tenants (€10.7 million) and had an average maturity of more than 5 years.

Financial assets totalling €10.3 million comprised deposits and guarantees maturing after 1 year paid to IHE Spain 1 as part of the preliminary agreement to purchase the Ciudalcampo asset. The change in "Financial assets" reflects the discontinuation of the Tenerife project.

6.1.6. Cash and cash equivalents

ACCOUNTING PRINCIPLES

Cash includes current bank accounts and demand deposits.
Overdrafts are excluded from cash and cash equivalents and are recognised as current financial liabilities.

(in millions of euros)	12/31/2024	12/31/2023
Cash equivalents (term deposit accounts)	25.2	-
Cash on hand and demand deposits (including bank interest receivable)	158.5	176.4
CASH AND CASH EQUIVALENTS	**183.8**	**176.4**

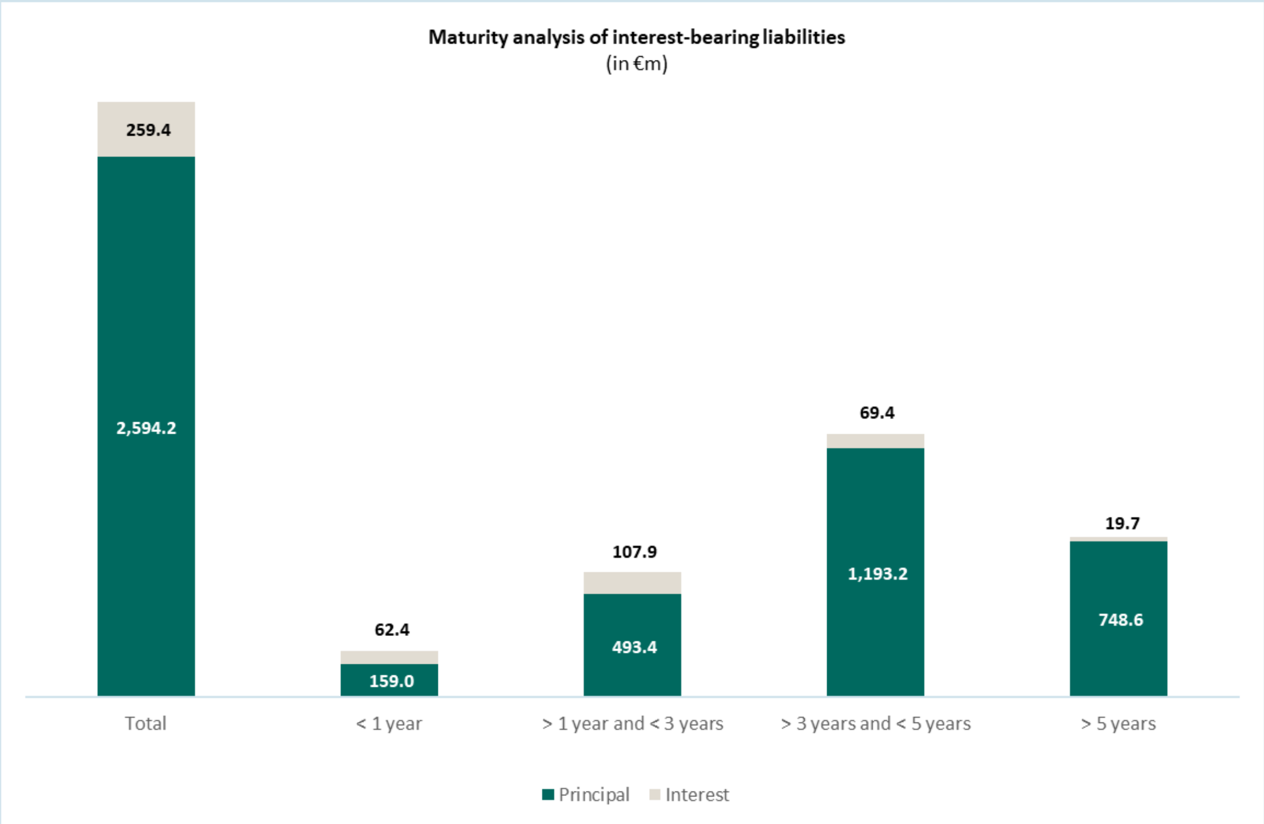
6.2. Management of financial risks

6.2.1. Liquidity risk

As of December 31, 2024, the Præmia Healthcare Group had €183.8 million in closing net cash. The Group's total liquidity of €583.8 million (consisting of an available credit line worth €400 million and cash) covered debt payments up to 2026.

In addition, Præmia Healthcare managed its short-term refinancing risk by arranging four unsecured bilateral sustainability-linked loans worth €160 million in total during the period and refinancing a real estate finance lease on the Villeneuve d'Ascq private hospital for €50 million, including an €11 million down payment (including ESG indicators). These credit lines have enabled the Company to repay two bank loans totalling €131 million in March 2024.

In addition, the Præmia Healthcare Group ensures disciplined management and monitoring of the maturities of its main credit lines as shown in the bar chart below. This chart presents the cumulative future principal repayments on its financial liabilities and interest payments as estimated up to the maturity dates.



6.2.2. Interest rate risk

Interest rate risk includes, in the event of increased interest rates, the risk of increased finance expenses related to variable rate financial liabilities and, in the event of reduced interest rates, the risk of reduced finance income related to variable rate financial assets.

	12/31/2024		
(in millions of euros)	Fixed rate	Variable rate	Total
Bonds	1,600.0	-	1,600.0
Borrowings from credit institutions	100.0	705.1	805.1
Finance lease liabilities	48.5	140.6	189.1
Total gross interest-bearing financial liabilities	**1,748.5**	**845.6**	**2,594.2**
Breakdown before hedging	**67%**	**33%**	**100%**

To finance its investments, the Group may use variable rate debt, thus remaining able to prepay debt without penalty.

As of December 31, 2024, the Group's total debt was 67% fixed rate and 33% variable rate, with fixed rate and hedged debt representing 100% of the total. The percentage of fixed rate or hedged debt stood at 100%, unchanged compared to December 31, 2023.

The average debt maturity was 4.0 years. The average maturity was 4.5 years for fixed rate debt, 2.9 years for variable rate debt and 3.7 years for the related hedges.

The Group has continued its prudent debt management policy, maintaining limited exposure to interest rate risk by entering into appropriate hedging contracts (swaps and options).

It should be noted that the Group favours designating its hedging instruments as "cash flow hedges" according to IFRS 9; therefore, any changes in fair value of such instruments are recognised in equity (for the effective portion).

Due to the Group's hedging structure and the trend in interest rates in the last few financial years, changes in fair value of hedging instruments had a negative impact on other comprehensive income of €17.0 million as of December 31, 2024.

The accounting impact of a -1% or +1% change in interest rates on the value of derivatives is described below:

	12/31/2024	
(in millions of euros)	Impact on equity before tax	Impact on the income statement before tax
Derivative instruments		
Impact of a +1% change in interest rates	27.7	0.0
Impact of a -1% change in interest rates	(29.9)	(0.0)

6.2.3. Currency risk

Since the Group does not enter into any foreign currency transactions, it is not exposed to currency risk.

6.2.4. Credit risk

In the course of its business, the Group is exposed to two major types of counterparties: financial institutions and its tenants.

Regarding financial institutions, credit and/or counterparty risk relates to cash and cash equivalents, and to the banks where they are deposited. The vast majority of investments chosen have maturities of less than one year with a very low risk profile. They are monitored daily and a regular review of authorised investments complements the control process. Additionally, in order to limit its counterparty risk, the Group only enters into financial transactions with major banking institutions and applies a principle of risk dispersion, avoiding concentration of exposure to any single counterparty.

As regards its tenants, the Group believes that it is not exposed to significant credit risk thanks to its diversified tenant portfolio. In addition, the Group has introduced procedures to verify the creditworthiness of tenants prior to signing leases and on a regular basis thereafter. In particular, the tenants' parent companies guarantee payment of any amount owed by them. These procedures are subject to regular monitoring.

The Group's exposure to credit risk corresponds primarily to the net carrying amount of receivables less deposits received from tenants. As of December 31, 2024, since the deposits received from tenants were greater than the net carrying amount of receivables, the Group's exposure was zero.

6.2.5. Covenants and financial ratios

In addition, the Group is required to comply with the financial covenants listed below, which are covered by the Group's financial risk monitoring and management processes. All covenants were met as of December 31, 2024.

		Covenants	12/31/2024
LTV bank covenant	Maximum	< 60%	39.7%
ICR	Minimum	> 2	5.6x
Value of the property portfolio	Minimum	> €2bn or €3bn	€6.0bn
Security interests in assets	Maximum	< 30% of portfolio value	4.2%
Percentage of gross debt at fixed rate or hedged	Minimum	> 67%	101%

As of December 31, 2024, the covenants had been comfortably met, with the LTV ratio below the limit set in the bank agreements and the ICR at a high level.

LTV bank covenant

The LTV (loan-to-value) ratio as defined in the bank covenants, which is the ratio of net financial liabilities to the latest valuation of the property portfolio excluding duties, stood at 39.7% as of December 31, 2024 (vs. 38.9% as of December 31, 2023), well below the limit set out in the bank agreements.

Interest coverage ratio (ICR) bank covenant

The interest coverage ratio, which is the ratio of EBITDA to the interest expense for the period, was 5.6x as of December 31, 2024 (6.8x as of December 31, 2023). This ratio has remained high, well above the limit set out in the bank agreements.

6.3. Fair value of financial assets and liabilities

6.3.1. Reconciliation of the net carrying amount to the fair value of financial assets and liabilities

Below is the reconciliation of the net carrying amount to the fair value of financial assets and liabilities as of December 31, 2024:

(in millions of euros)	Carrying amount as of 12/31/2024	Amortised cost	Fair value through equity	Fair value through profit or loss	Fair value as of 12/31/2024
ASSETS					
Financial assets at amortised cost	10.9	10.9	-	-	10.9
Derivative instruments	18.2	-	17.8	0.4	18.2
Accounts receivable	22.9	22.9	-	-	22.9
Other operating receivables (a)	18.2	18.2	-	-	18.2
Cash equivalents	25.2	25.2	-	-	25.2
TOTAL FINANCIAL ASSETS	**95.4**	**77.2**	**17.8**	**0.4**	**95.4**
LIABILITIES					
Financial liabilities	2,595.8	2,595.8	-	-	2,483.7
Lease liabilities	5.4	5.4	-	-	5.4
Other financial liabilities	11.0	11.0	-	-	11.0
Derivative instruments	0.0	0.0	0.0	-	0.0
Accounts payable	8.7	8.7	-	-	8.7
Other operating payables (a)	50.2	50.2	-	-	50.2
TOTAL FINANCIAL LIABILITIES	**2,671.1**	**2,671.1**	**-**	**-**	**2,559.1**

(a) Excluding prepaid expenses and income, and excluding social security and tax receivables and payables.

6.3.2. Fair value hierarchy of financial instruments

The three levels in the fair value hierarchy of financial instruments which are used by the Group in accordance with IFRS 13 are presented in note 1.3.1 on measurement bases.

The financial instruments whose fair value is determined using a valuation technique based on unobservable data are investments in unconsolidated, unlisted companies.

As of December 31, 2024, the Group's financial instruments consisted of:

- Derivative assets and liabilities measured based on observable data (Level 2 of the fair value hierarchy);
- Financial assets at fair value through profit or loss, measured based on market data not directly observable (Level 3 of the fair value hierarchy).

As of December 31, 2024, the Group did not hold any financial instruments measured based on unadjusted prices quoted in active markets for identical assets or liabilities (Level 1 of the fair value hierarchy).

Below is a summary table of the fair value hierarchy of financial instruments as of December 31, 2024:

		12/31/2024			
(in millions of euros)	Notes	Level 1: quoted price in an active market	Level 2: valuation technique based on observable data	Level 3: valuation technique based on unobservable data	Fair value
ASSETS					
Derivatives excluding margin calls		-	18.2	-	18.2
Financial assets at fair value through profit or loss		-	-	0.0	0.0
Cash equivalents		-	25.2	-	25.2
LIABILITIES					
Derivative instruments		-	-	0.0	0.0

Note 7. Equity and earnings per share

7.1. Share capital and ownership structure

7.1.1. Share capital

Changes in the number of shares and share capital between December 31, 2023 and December 31, 2024 were as follows:

	Number	Capital in millions of euros
SHARE CAPITAL AS OF 12/31/2023	**37,741,151**	**575.6**
SHARE CAPITAL AS OF 12/31/2024	**37,741,151**	**575.6**

There were no capital increases or reductions in 2024.

As of December 31, 2024, share capital consisted of 37,741,151 ordinary shares with a par value of €15.25 each. All the shares issued are fully paid up.

7.1.2. Ownership structure

As of December 31, 2024, the Company's shareholding structure, in terms of both number of shares and percentage of share capital held, was as follows:

	12/31/2024		12/31/2023	
	Number of shares	% ownership	Number of shares	% ownership
PREIM Care	11,623,307	30.80%	11,623,307	30.80%
Icade SA	8,498,693	22.52%	8,498,693	22.52%
Messidor	6,747,255	17.88%	6,747,255	17.88%
Sogecapimmo	5,162,626	13.68%	5,162,626	13.68%
Cap Santé	3,643,312	9.65%	3,643,312	9.65%
Holdipierre	2,065,958	5.47%	2,065,958	5.47%
Total	**37,741,151**	**100.00%**	**37,741,151**	**100.00%**

7.2. Dividends

Dividends paid for the financial years 2024 and 2023, respectively, were as follows:

(in millions of euros)	12/31/2024	12/31/2023
Payment to Præmia Healthcare shareholders	224.2	217.0
Total	**224.2**	**217.0**
Number of shares	37,741,151	39,845,490
DIVIDEND PER SHARE (IN €)	**€5.94**	**€5.45**

Dividends distributed by the Company to its shareholders for the financial year 2023 totalled €224.2 million, i.e. €5.94 per share. These dividends were paid in two instalments: (i) an interim dividend of €55.9 million (€1.48 per share) was paid in November 2023 and (ii) the balance of €168.3 million (€4.46 per share) in April 2024. Dividends distributed in 2023 for the financial year 2022 amounted to €217.0 million, i.e. €5.45 per share.

In addition, in November 2024, Præmia Healthcare paid an interim dividend for the financial year 2024 of €54.5 million, i.e. €1.44 per share.

7.3. Earnings per share

ACCOUNTING PRINCIPLES

Basic earnings per share are equal to net profit/(loss) for the period attributable to holders of the Company's ordinary shares divided by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares outstanding during the period is the average number of ordinary shares outstanding at the beginning of the financial year, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor.

In calculating diluted earnings per share, the average number of shares outstanding is adjusted to take into account the diluting effect of equity instruments issued by the Company and likely to increase the number of shares outstanding.

The Group issued no equity instruments likely to increase the number of shares outstanding. As a result, diluted earnings per share were the same as basic earnings per share and were as follows for the financial years 2023 and 2024:

(in millions of euros)		**2024**	**2023**
Net profit/(loss) attributable to the Group	**(A)**	**149.7**	**58.2**
Opening number of shares		37,741,151	39,845,490
Change in the average number of shares as a result of a capital increase or reduction		-	-1,052,170
Average undiluted number of shares	(B)	37,741,151	38,793,320
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP PER SHARE (in euros)	**(A/B)**	**€3.97**	**€1.50**

Note 8. Operational information

8.1. Gross rental income

ACCOUNTING PRINCIPLES

Gross rental income includes rents and other ancillary income from leases in which the Group is the lessor. This income includes rents from healthcare and senior services facilities.

Lease income is recorded using the straight-line method over the shorter of the entire lease term and the period to the next break option. Consequently, any specific clauses and incentives stipulated in the leases (rent-free periods, progressive rent) are recognised over the shorter of the entire lease term and the period to the next break option, without taking index-linked rent reviews into account. The reference period used is the shorter of the entire lease term and the period to the next break option.

Any expenses directly incurred and paid to third parties to set up a lease are recorded as assets under the item "Investment property", and depreciated over the duration of the lease, which is usually the shorter of the entire lease term and the period to the next break option.

Uncollected lease income as of the end of the financial year is recognised in accounts receivable and is tested for impairment in accordance with IFRS 9 as described in note 8.2.1.

Service charges are contractually recharged to tenants. To this end, the Group acts as principal since it controls service charges prior to passing them on to the tenants. As a result, the Group recognises such recharges as income in the "Other income from operating activities" line of the consolidated income statement.

The Group assists major operators of healthcare and senior services facilities with the ownership and development of healthcare properties. Leases are signed on a facility-by-facility basis. Gross rental income by operator broke down as follows:

(in millions of euros)	2024		2023	
Elsan group	174.4	48.9%	165.6	49.0%
Ramsay Santé group	80.0	22.4%	75.9	22.5%
Other operators	86.3	24.2%	80.8	23.9%
GROSS RENTAL INCOME – FRANCE HEALTHCARE	**340.7**	**95.4%**	**322.3**	**95.4%**
LUSÍADAS	11.0	3.1%	**10.6**	**3.1%**
COLISÉE	0.6	0.2%	**2.6**	**0.8%**
MIRANZA	0.8	0.2%	0.7	0.2%
Other operators	4.1	1.1%	1.6	0.5%
GROSS RENTAL INCOME – INTERNATIONAL HEALTHCARE	**16.4**	**4.6%**	**15.5**	**4.6%**
TOTAL RENTAL INCOME	**357.1**	**100.0%**	**337.8**	**100.0%**

In 2024, the Group generated gross rental income of €357.1 million (€337.8 million in 2023), up 5.7% year-on-year on a reported basis.

No individual tenant operating a healthcare facility accounts for more than 5% of total gross rental income.

In addition, service charges recharged to tenants included in the "Other income from operating activities" line of the consolidated income statement amounted to €31.9 million as of December 31, 2024 and €29.4 million as of December 31, 2023.

8.2. Components of the working capital requirement

The working capital requirement consists primarily of the following items:

- Accounts receivable and miscellaneous receivables on the asset side of the consolidated statement of financial position;
- Miscellaneous payables on the liability side of the consolidated statement of financial position.

8.2.1. Accounts receivable

ACCOUNTING PRINCIPLES

Accounts receivable are measured at amortised cost in accordance with IFRS 9. They are initially recognised at the invoice amount and tested for impairment. See note 6.2.4 for further information on the Group's exposure to credit risk.

Changes in accounts receivable were as follows:

(in millions of euros)	12/31/2023	Change for the period	Net change in impairment losses recognised in the income statement	12/31/2024
Accounts receivable – Gross value	9.0	0.8	-	9.9
Accounts receivable – Impairment	(2.7)	-	0.0	(2.6)
ACCOUNTS RECEIVABLE – NET VALUE	**6.4**	**0.8**	0.0	**7.2**

Below is a maturity analysis of accounts receivable net of impairment as of December 31, 2023 and 2024:

(in millions of euros)	Total	Not yet due	Due				
			< 30 days	30 < X < 60 days	60 < X < 90 days	90 < X < 120 days	> 120 days
Net value of accounts receivable as of 12/31/2023	**6.4**	**2.3**	**0.1**	**0.1**	**-**	**3.9**	**-**
Gross value of accounts receivable	9.9	1.3	4.6	-	-	-	3.9
Impairment loss on accounts receivable	(2.6)	-	-	-	-	-	(2.6)
Net value of accounts receivable as of 12/31/2024	**7.2**	**1.3**	**4.6**	**-**	**-**	**-**	**1.3**

The Group has maintained its impairment policy. As at each reporting date, a case-by-case analysis was carried out to assess the risk of non-payment of receivables and to impair, where appropriate, receivables from tenants at risk of default as of December 31, 2024.

8.2.2. Miscellaneous receivables and payables

Miscellaneous receivables consisted mainly of tax and social security receivables, advances and down payments to suppliers and prepaid expenses. Miscellaneous payables consisted mainly of payables on investment property acquisitions, tax and social security payables, advances from customers and prepaid income.

Miscellaneous receivables broke down as follows:

(in millions of euros)	12/31/2024	12/31/2023
Advances to suppliers	1.1	0.4
Prepaid expenses	3.4	2.8
Social security and tax receivables	0.7	2.5
Other receivables	11.9	0.6
TOTAL MISCELLANEOUS RECEIVABLES	**17.1**	**6.4**

No impairment losses were recognised at the end of the financial years presented. As a result, the gross values of miscellaneous receivables were equal to the net values.

Miscellaneous payables broke down as follows:

(in millions of euros)	12/31/2024	12/31/2023
Advances from customers	0.2	0.3
Payables on acquisitions of fixed assets	21.2	21.7
Prepaid income	1.0	1.8
Tax and social security payables excluding income taxes	8.1	2.2
Other payables	3.0	0.9
TOTAL MISCELLANEOUS PAYABLES	**33.6**	**26.8**

8.3. Lease liabilities

ACCOUNTING PRINCIPLES

In accordance with IFRS 16:

- In the consolidated statement of financial position, "Lease liabilities" (current and non-current liabilities) refers to lease commitments under building leases;
-
- In the consolidated income statement, "Other finance income and expenses" includes interest expenses arising from lease liabilities;
- Within the "Financing activities" section of the consolidated cash flow statement, "Repayments of lease liabilities" comprises principal repayments on lease liabilities. Within the "Operating activities" section of the consolidated cash flow statement, "Interest paid" includes interest payments on lease liabilities.

The lease liability is initially measured at the present value of future lease payments. These future lease payments include:

- Fixed lease payments less any lease incentives provided by the lessor;
- Variable lease payments that depend on an index or a rate;
- Residual value guarantees;
- The price of any purchase options where management is reasonably certain that they will be exercised;
- Early termination penalties where management is reasonably certain that an early termination option entailing significant penalties will be exercised.

The present value of future lease payments is obtained using the Group's incremental borrowing rate, which varies depending on the remaining lease term.

Lease liabilities are subsequently measured at amortised cost using the effective interest method. In practice, lease liabilities are determined at their net carrying amount plus any interest and less any lease payments made.

Lease liabilities may be remeasured in the course of the reasonably certain lease term in any of the following circumstances:

- Lease modification;
- An increase or decrease in the assessment of the lease term;
- An increase or decrease in the assessment of lease payments linked to an index or a rate.

(in millions of euros)	Lease liabilities
12/31/2023	**1.8**
Finance expense for the period	0.2
Repayment of liabilities (a)	(0.2)
Interest paid (a)	-
Impact of changes in scope of consolidation	3.6
12/31/2024	**5.4**
< 1 year	0.2
> 1 year and < 5 years	0.9
> 5 years	4.4

(a) Lease payments for the financial year amounted to €0.2 million.

Note 9. Income tax

ACCOUNTING PRINCIPLES

Eligible companies of the Group benefit from the specific tax regime for French listed real estate investment companies (SIICs). Ordinary tax rules apply to the other companies of the Group.
The tax expense for the financial year includes:

- the current exit tax expense for entities under the SIIC tax regime;
- the current tax expense at the standard rate;
- deferred tax income or expense;
- the company value-added contribution (CVAE).

SIIC tax regime

Præmia Healthcare and its eligible subsidiaries have opted for the SIIC tax regime, which provides for:

- An SIIC segment exempt from tax on current income from leasing activities, capital gains on disposals and dividends received from subsidiaries which have opted for the SIIC tax regime;
- A segment that is taxable under ordinary tax rules in respect of other operations.

Entities to which the SIIC tax regime applies must pay out:

- 95% of profits from leasing activities;
- 70% of capital gains on disposals;
- 100% of dividends paid by subsidiaries which have opted for the SIIC tax regime.

Entry into the SIIC tax regime

At the time of entry into the SIIC tax regime, an exit tax of 19% is levied on any unrealised capital gains relating to investment property and partnerships not subject to corporate tax. A quarter of the tax amount is payable from December 15 of the financial year on which the entity begins to apply the tax regime and the remainder is spread over the following three financial years.
The exit tax liability is discounted according to its payment schedule on the basis of a market rate plus a premium.
The impact of discounting is deducted from the tax liability and the tax expense initially recognised. At the end of each reporting period until maturity, a finance expense is recognised as an offsetting entry for the unwinding of the discount on the tax liability.

Tax regime for assets located in Spain

The assets located in Spain are held directly by companies based in this country (IHE Spain 1 and IHE Spain 2) that are wholly owned by Præmia Healthcare, a company incorporated as a French public limited company (SA, *société anonyme*) with a Board of Directors, with its registered office in France. The net profit of IHE Spain 1 and IHE Spain 2 (i.e. gross rental income less depreciation charges and interest charges on existing debt) is taxed in Spain at a rate of 25%.
Dividends paid by IHE Spain 1 and IHE Spain 2 to Præmia Healthcare will be subject to a 1.25% residual tax in France (proportion of costs and expenses).
Any capital gains generated in the event of a sale of an asset by IHE Spain 1 or IHE Spain 2 will be taxed in Spain at a rate of 25%.
Should Præmia Healthcare sell its shares in IHE Spain 1 or IHE Spain 2, any capital gains realised on such sale would be taxed in France at the corporate tax rate of 25%, net of a tax credit equal to the amount of tax paid in Spain (at a rate of 19%) on these capital gains.

Tax regime for assets located in Portugal

The assets located in Portugal are held directly by an entity incorporated in Portugal as a regulated fund (the "Fund"). Under Portuguese law, the Fund is exempt from tax on operating its property assets in Portugal and any capital gains generated if an asset is sold.
Dividends paid by the Fund to its shareholders IHE and Præmia Healthcare will be subject to a 10% withholding tax in Portugal. In France, the dividends received by IHE and Præmia Healthcare will be exempt from tax.

9.1. Tax expense

The tax expense recognised in the consolidated income statement is detailed below:

(in millions of euros)	2024	2023
Company value-added contribution (CVAE)	(0.7)	(0.8)
Current and deferred tax expense	(0.4)	1.3
TAX EXPENSE RECOGNISED IN THE INCOME STATEMENT	**(1.1)**	**0.5**

As of December 31, 2024, the current tax expense related to a tax expense in Spain and the positive impact of tax loss carry forwards set off against deferred exit tax.

9.2. Reconciliation of the theoretical tax rate to the effective tax rate

(in millions of euros)	2024
NET PROFIT/(LOSS)	**153.6**
Tax expense	(1.1)
Company value-added contribution (CVAE)	(0.7)
PROFIT/(LOSS) BEFORE TAX AND AFTER CVAE	**154.0**
Theoretical tax rate	**25.0%**
THEORETICAL TAX (EXPENSE)/INCOME	**(38.5)**
Impact on the theoretical tax expense of:	
Permanent differences (a)	6.0
Tax-exempt segment under the SIIC regime	148.0
Change in unrecognised tax assets (tax loss carry forwards)	-
Tax rate differences	-
Other impacts (including exit tax, provision for taxes, etc.)	-
EFFECTIVE TAX (EXPENSE)/INCOME (b)	**(0.4)**
Effective tax rate	**-0.2%**

(a) Permanent differences mainly relate to differences between the consolidated income and the taxable "fiscal" income from companies benefiting from the SIIC tax regime.

(b) The effective tax expense is the tax expense recognised in the income statement excluding CVAE.

9.3. Contingent liabilities

Præmia Healthcare received:

- At the end of December 2023, a proposed tax reassessment in respect of the financial year ended December 31, 2020, relating mainly to the tax treatment of property finance leases;
- In June 2024, two proposed tax reassessments—one in respect of the financial year ended December 31, 2021 relating mainly to the tax treatment of property finance leases, and the second relating mainly to the transfer tax due on the acquisition of a company by Præmia Healthcare.

Following a review by the tax auditor's supervisor ('*recours hiérarchique*') in October 2024 at the request of Præmia Healthcare, both of these matters were dismissed and, as a result, the Company will suffer no financial loss.

Note 10. Provisions

ACCOUNTING PRINCIPLES

A provision is recognised if the Group has a present obligation to a third party that arises from past events, the settlement of which is expected to result in an outflow from the Group of resources embodying economic benefits and the value of which can be estimated reliably.

If the settlement date of that obligation is expected to be in more than one year, the present value of the provision is calculated and the effects of such calculation are recorded as finance income/(expense).

Identified risks of any kind, particularly operational and financial risks, are monitored on a regular basis, which makes it possible to determine the amount of provisions deemed necessary.

As of December 31, 2024, Præmia Healthcare had not recognised any provisions for liabilities and charges. In addition, since the Company no longer has any employees, it has not recognised any provision for lump sum payments on retirement.

Note 11. Other information

11.1. Related parties

ACCOUNTING PRINCIPLES

In accordance with IAS 24 – Related party disclosures, a related party is a person or entity that is related to the Company. This may include:

- A person or a close member of that person's family if that person:
  - ✓ Has control, or joint control of, or significant influence over the Company;
  - ✓ Is a member of the key management personnel of the Company or of a parent of the Company.

- An entity is considered a related entity if any of the following conditions applies:
  - ✓ The entity and the Company are members of the same Group;
  - ✓ The entity is a joint venture or associate of the Company;
  - ✓ The entity is jointly controlled or owned by a member of the key management personnel of the Group;
  - ✓ The entity provides key management personnel services to the Company.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party.

11.1.1. Related parties identified by the Company

As of December 31, 2024, the related parties identified by the Company and whose transactions are described in notes 11.1.2 and 11.1.3 are:

- The parent company of the Præmia Healthcare Group, PREIM Care, and its subsidiaries not included in the scope of consolidation of the Præmia Healthcare Group;
- The subsidiaries of the Præmia Healthcare Group.

11.1.2. Related party transactions

Transactions have been concluded under normal market conditions, i.e. comparable to those that would usually take place between independent parties.

Transactions with the parent company

✓ **Asset management agreement**

This agreement covers the administrative, financial, accounting and legal management of the properties owned by Præmia Healthcare and its subsidiaries. The agreement will run for five years from July 5, 2023. At the end of this period, it will be renewed on each expiry date for a period of one year, unless terminated by one of the parties, and will definitively expire on July 4, 2033.

✓ **Property management agreement**

This agreement covers the property, technical, administrative, financial and accounting management of the properties owned in France by Præmia Healthcare and its subsidiaries. The agreement will run for five years from July 5, 2023. At the end of this period, it will be renewed on each expiry date for a period of one year, unless terminated by one of the parties, and will definitively expire on July 4, 2033.

Transactions with Group subsidiaries

Transactions between Præmia Healthcare and its subsidiaries have been eliminated in the consolidated financial statements and are not itemised in this note.

11.1.3. Impact on the consolidated financial statements

The amount of related party transactions in the consolidated income statement is included in "Outside services" and was an expense of €26.5 million for the financial year 2024.

In connection with related party transactions, the consolidated statement of financial position showed no debt and there were no off-balance sheet commitments as of December 31, 2024.

11.2. Off-balance sheet commitments

ACCOUNTING PRINCIPLES

Off-balance sheet commitments made and received by the Group represent unfulfilled contractual obligations that are contingent on conditions being met or transactions being carried out after the current financial year.

The Group has three types of commitments: commitments relating to the scope of consolidation, commitments relating to financing activities (mortgages, promises to mortgage property and assignments of claims) and commitments relating to operating activities (security deposits received for lease payments).

Off-balance sheet commitments received by the Group also include future lease payments receivable under operating leases in which the Group is the lessor and minimum lease payments receivable under finance leases in which the Group is the lessor.

11.2.1. Off-balance sheet commitments

Commitments made

Off-balance sheet commitments made by the Group as of December 31, 2024 and 2023 broke down as follows:

(in millions of euros)	12/31/2024	12/31/2023
COMMITMENTS RELATING TO FINANCING ACTIVITIES	**251.4**	**233.5**
Mortgages	57.8	64.3
Promises to mortgage property and assignments of claims	193.6	169.1
COMMITMENTS RELATING TO OPERATING ACTIVITIES	**56.9**	**101.1**
Commitments relating to developments, disposals and acquisitions		
Residual commitments in construction contracts	46.3	81.5
Commitments to purchase investment property	3.1	13.3
Demand guarantees given	3.9	3.9
Other commitments made	**3.6**	**2.4**

Commitments received

Off-balance sheet commitments received by the Group as of December 31, 2024 and 2023 broke down as follows (by type and maturity):

(in millions of euros)	12/31/2024	12/31/2023
COMMITMENTS RELATING TO FINANCING ACTIVITIES	400.0	415.9
Unused credit lines	400.0	402.8
Sureties and guarantees received	-	13.1
COMMITMENTS RELATING TO OPERATING ACTIVITIES	2,286.4	2,240.0
Commitments relating to developments, disposals and acquisitions		
Commitments to sell investment property	3.1	13.3
Security deposits received for rents	2,282.8	2,212.3
Bank guarantees received for rents	0.5	0.5
Pre-let agreements	-	13.9
Other commitments received relating to operating activities	-	-

11.2.2. Information on leases

The breakdown of future minimum lease payments receivable by the Group under operating leases was as follows:

(in millions of euros)	12/31/2024	12/31/2023
Not later than one year	359.1	345.1
Later than one year and not later than five years	1,238.5	1,192.4
Later than five years	780.3	763.8
MINIMUM LEASE PAYMENTS RECEIVABLE UNDER OPERATING LEASES	2,377.9	2,301.3

11.3. Events after the reporting period

On January 17, 2025, Icade and Predica (Crédit Agricole Assurances), shareholders of Præmia Healthcare, announced that they have signed an agreement to exchange Icade's shares in Præmia Healthcare for Predica's shares in Future Way, a company that owns an office asset. This transaction would result in the following changes in ownership structure: Icade's stake would be reduced to 21.67% (vs. 22.52% as of December 31, 2024), while Crédit Agricole Assurances' stake would increase to 18.73% (vs. 17.88%).
The transaction, which will have no impact on Præmia Healthcare's financial statements, is scheduled to close in Q1 2025, subject to satisfaction of customary conditions precedent and approval by Præmia Healthcare's governance bodies.

11.4. Statutory Auditors' fees

	FORVIS MAZARS				*PRICEWATERHOUSE COOPERS AUDIT*				*TOTAL*			
	in millions of euros		*in %*		*in millions of euros*		*in %*		*in millions of euros*		*in %*	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Audit												
Audit, audit opinion, review of separate and consolidated financial statements – Issuer – Fully consolidated subsidiaries	0.2	0.1	89%	83%	0.2	0.1	98%	83%	0.3	0.2	93%	83%
Services other than the audit of financial statements – Issuer	0.0	0.0	11%	17%	0.0	0.0	2%	17%	0.0	0.1	7%	17%
TOTAL	**0.2**	**0.1**	**100%**	**100%**	**0.2**	**0.1**	**100%**	**100%**	**0.3**	**0.3**	**100%**	**100%**

11.5. Scope of consolidation

The companies included in the scope of consolidation as of December 31, 2023 and December 31, 2024 are listed in the table below. All the companies in the scope of consolidation are fully consolidated into Præmia Healthcare's financial statements.

	Legal form	12/31/2024	12/31/2023
		% ownership	% ownership
France			
PRÆMIA HEALTHCARE	SA	Parent company	Parent company
SCI TONNAY INVEST	SCI	100%	100%
SCI PONT DU CHÂTEAU INVEST	SCI	100%	100%
SCI SEOLANES INVEST	SCI	100%	100%
SCI SAINT AUGUSTINVEST	SCI	100%	100%
SCI CHAZAL INVEST	SCI	100%	100%
SCI DIJON INVEST	SCI	100%	100%
SCI COURCHELETTES INVEST	SCI	100%	100%
SCI ORLÉANS INVEST	SCI	100%	100%
SCI MARSEILLE LE ROVE INVEST	SCI	100%	100%
SCI GRAND BATAILLER INVEST	SCI	100%	100%
SCI SAINT CIERS INVEST	SCI	100%	100%
SCI SAINT SAVEST	SCI	100%	100%
SCI BONNET INVEST	SCI	100%	100%
SCI GOULAINE INVEST	SCI	100%	100%
International			
Germany Healthcare			
SAS ISIHE 1	SAS	100%	100%
Portugal Healthcare			
FUNDO DE INVESTIMENTO IMOBILIARIO FECHADO SAUDEINVESTE	-	51%	51%
Spain Healthcare			
IHE SPAIN 1	SLU	100%	100%
IHE SPAIN 2	SLU	100%	100%