



The leading property company specialising in low cost retail parks

2020 Annual Results

2 MARCH 2021



**PATRIMOINE
& COMMERCE**

patrimoine-commerce.com

Key figures



2020 key figures



494,000

sqm of surface area



45.8

million euros
of rents ⁽¹⁾



804

million euros
of assets ⁽²⁾



25.7

euros of RNAV ⁽³⁾



46.8%

LTV ⁽⁴⁾



7.2%

capitalisation
rate ⁽⁵⁾

⁽¹⁾ Gross rental income

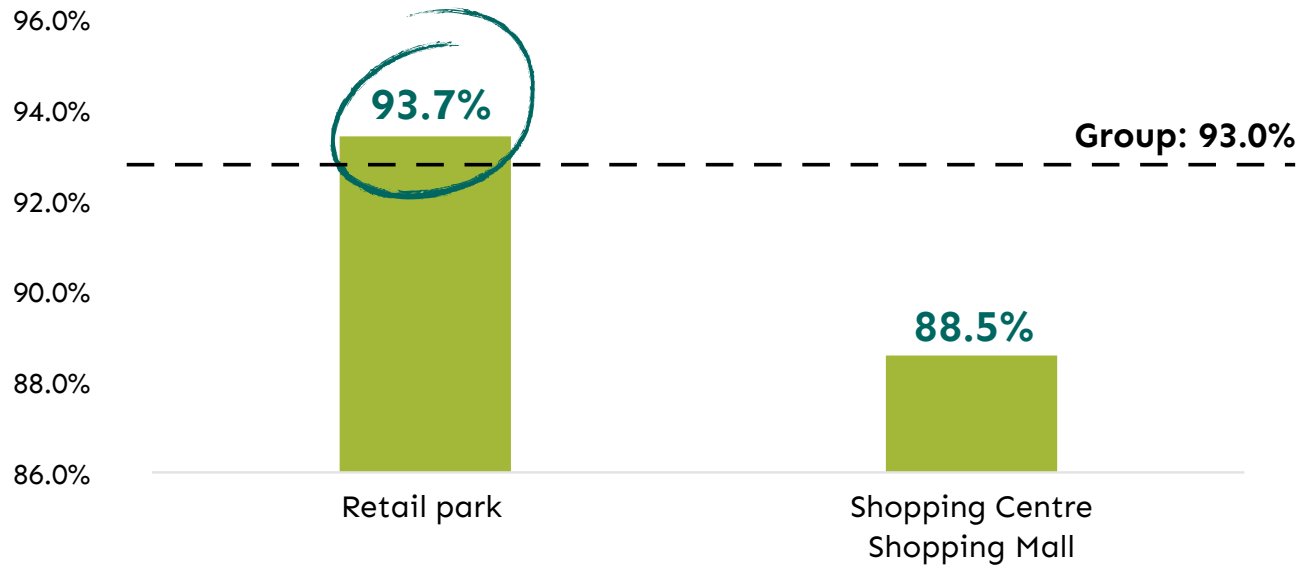
⁽²⁾ Excl. transfer fees (incl. group share of Cherbourg and Studio Prod and assets held for sale)

⁽³⁾ Triple net / share

⁽⁴⁾ Adjusted for security deposits and hedging instruments

⁽⁵⁾ Annualised rental income + ERV of vacant spaces / value excluding transfer

A stable occupancy rate from one year to the next



An aerial photograph of a large industrial or commercial complex. The image shows several large, rectangular buildings with flat roofs. One building in the foreground has a prominent sign that reads "BRICO DEPOT". To the right of the buildings is a large, paved parking lot filled with numerous cars. In the background, there are more buildings, trees, and a body of water under a clear sky. The entire image has a yellowish-green color cast.

Highlights

An unprecedented health crisis

17/03/2020 → 11/05/2020

30/10/2020 → 28/11/2020

Depuis 31/01/2021

FIRST WAVE

SECOND WAVE

THIRD WAVE

Closure of non-essential shops

Administrative closure
of shopping centres
of over 20,000 sqm

Support for
retailers

Control of operating
expenses

Negotiations with the
banking partners

€4.7m⁽¹⁾ of suspensions of which €1.4m⁽¹⁾ with an impact on the 2020 result

⁽¹⁾ Net of a tax credit of €0.7m granted for the November suspensions.



First wave

> AGREEMENTS MADE WITH THE RETAILERS

163 deals finalised and being negotiated

62
lease
renewals

25
renunciations at
the next break

44
refunds of suspended
rents if departure
at next break

3
lease
extensions

Monthly payments of rents

Suspensions of €3.9m granted

Second wave

> AGREEMENTS MADE WITH THE RETAILERS



302
retailers
concerned



€1.5m
of suspensions granted
for November 2020



€0.7m
of tax credit

Third wave

➤ DECREE OF 31/01/2021

- Administrative closure applied to the Cherbourg shopping mall
 - The Carrefour hypermarket, the baker's, parapharmacy, the laundry space and pet shop were able to stay open (43 % of floor space and 26 % of annual rents)
- A State support mechanism still uncertain to date

Long-term relationships with national retailers

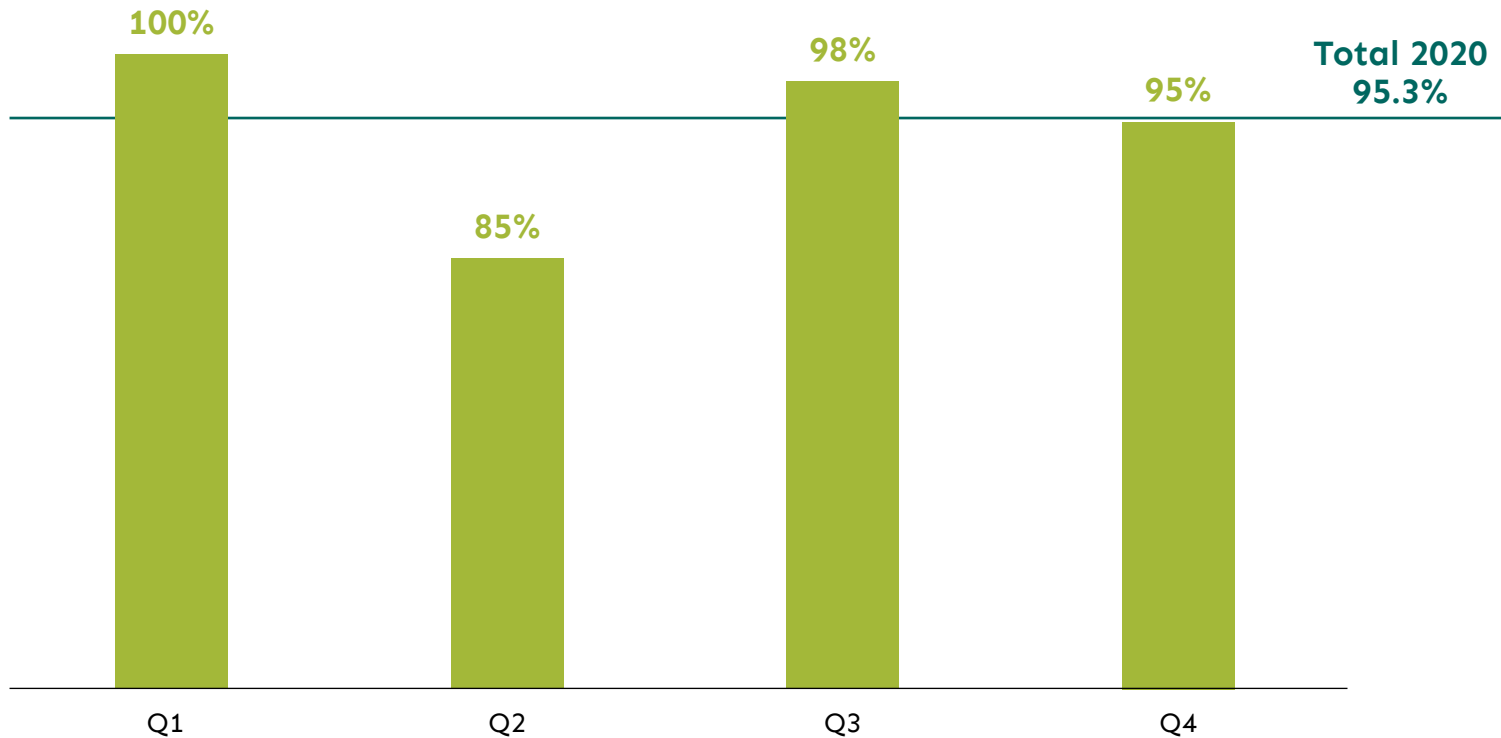


28

“global” deals with retailers during both lockdowns

Focus on the recovery rate

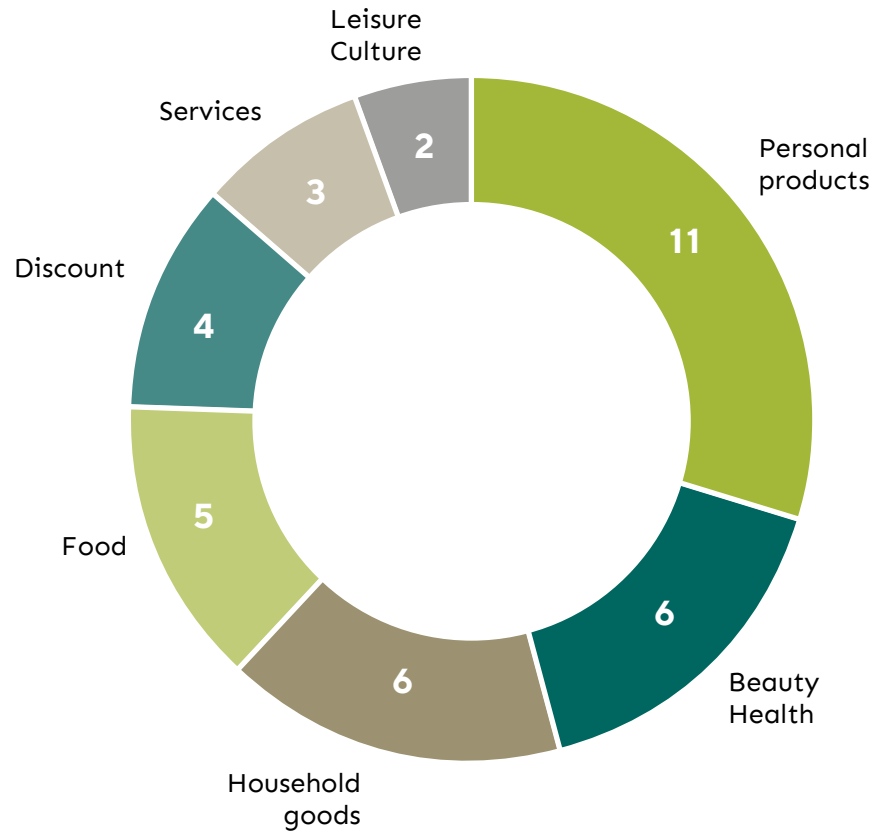
> RECOVERY RATE 2020 PER QUARTER



Note: recovery rate of rent payments (after Covid-19 suspensions)



Sustained rental activity



37
new leases



€2,8m
of gross annual rent



The retail park: a resilient model

A RESPONSE TO CONSUMERS' DEMAND

Human scale surface areas

5,000 -
15,000 sqm

An open-air customer journey, particularly well-adapted to the situation

AN ATTRACTIVE ENVIRONMENT FOR RETAILERS

Limited property charges

€ 10/sqm

Tailored rents

€ 110/sqm

AN ATTRACTIVE ECONOMIC MODEL FOR THE INVESTOR

P&C: a particularly attractive yield

7.2%

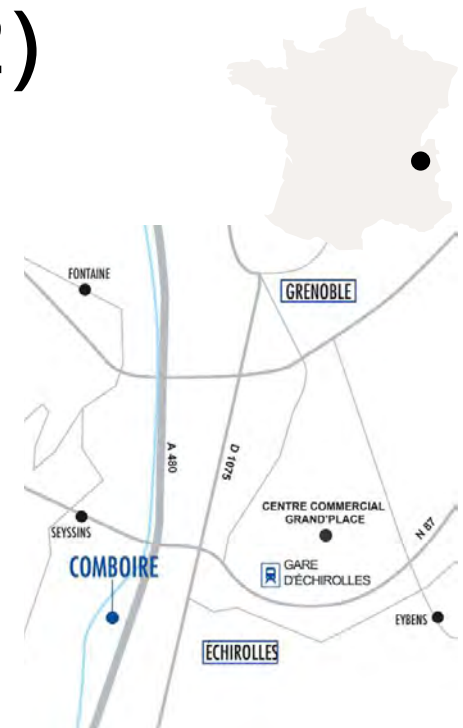
Low level of Capex

Echirolles - Comboire (1/2)

➤ A DYNAMIC AREA



Presence of Patrimoine et Commerce (11,700 sqm)



- Nearly 140 stores
- 65% of national retailers
- A catchment area of nearly 280,000 people (< 15 mins)
- Ideally located alongside the A480 motorway

Echirolles - Comboire (2/2)


➤ AN EXAMPLE OF PATRIMOINE & COMMERCE'S EXPERTISE

BASIC-FIT

LaFoire Fouille




1,500
sqm of surface


2019
summer


3,700
sqm of surface


2021
spring

Disposals in line with the strategy

DISPOSAL OF 5 NON-STRATEGIC ASSETS

A shopping mall in Tours (37)

Three isolated commercial units at Epinal (88)

An isolated commercial unit at Thionville (57)

An isolated commercial unit at Pierrelaye (95)

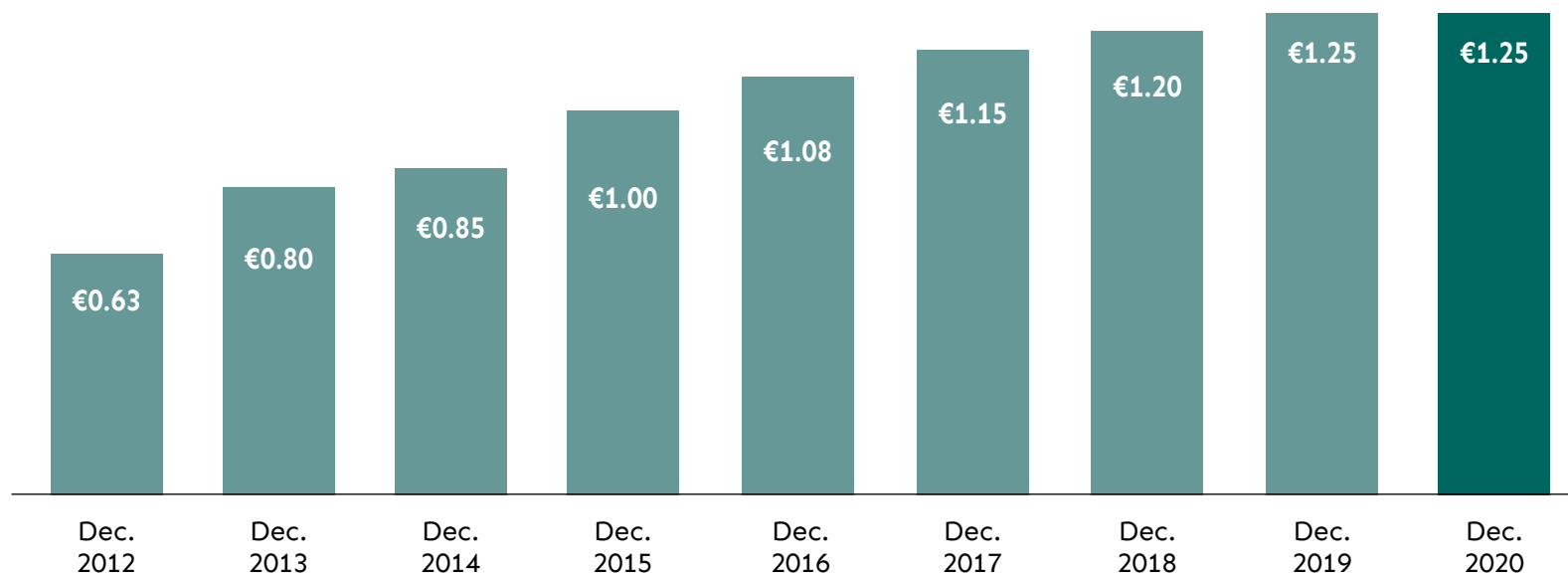
Two isolated commercial units at Forbach (57)

For a total amount of €8,2m ⁽¹⁾, in line with the expert valuations.



⁽¹⁾ Net selling price

Maintenance of retail activity despite the context



- Dividend of **€ 1.25** per share will be proposed at the AGM with an option for payment in securities
- A yield of **4.9%** on the RNAV at 31/12/2020 and **8.6%** on the closing share price of 26 February 2021

Financials

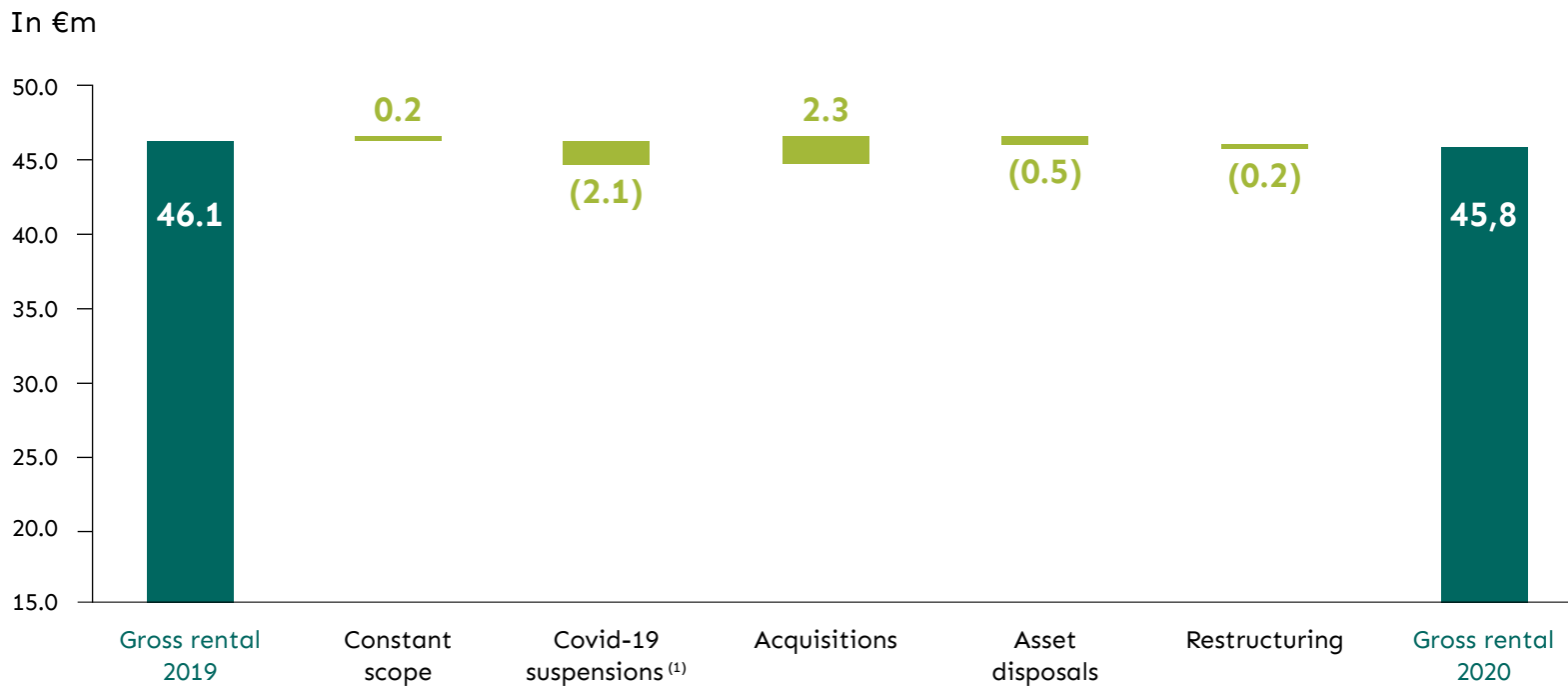


Simplified P&L as at 31/12/2020

In €m	12 months 31/12/2020	12 months 31/12/2019	Change in %
Gross rental income	45.8	46.1	(0.7)%
Net rental income	43.0	42.8	+0.4%
Operating expenses and other income ⁽¹⁾	(3.8)	(4.6)	(16.0)%
Normative EBITDA	39.2	38.3	+2.4%
Net cost of debt	(9.1)	(10.1)	(10.5)%
Funds from operations (FFO)	30.1	28.1	+7.0%
Change in FV of properties	(9.7)	(3.8)	
Change in FV of financial instrum	0.6	(0.0)	
Equity method investees	(0.6)	(2.6)	
Other income and expenses	(1.0)	2.0	
Net income	19.4	23.6	(17.7)%
Non-controlling interests	(1.6)	2.1	
Group share of net profit	17.8	25.7	(30.7)%

⁽¹⁾ This reduction in expenses is related to the tax credit.

Stability of gross rents



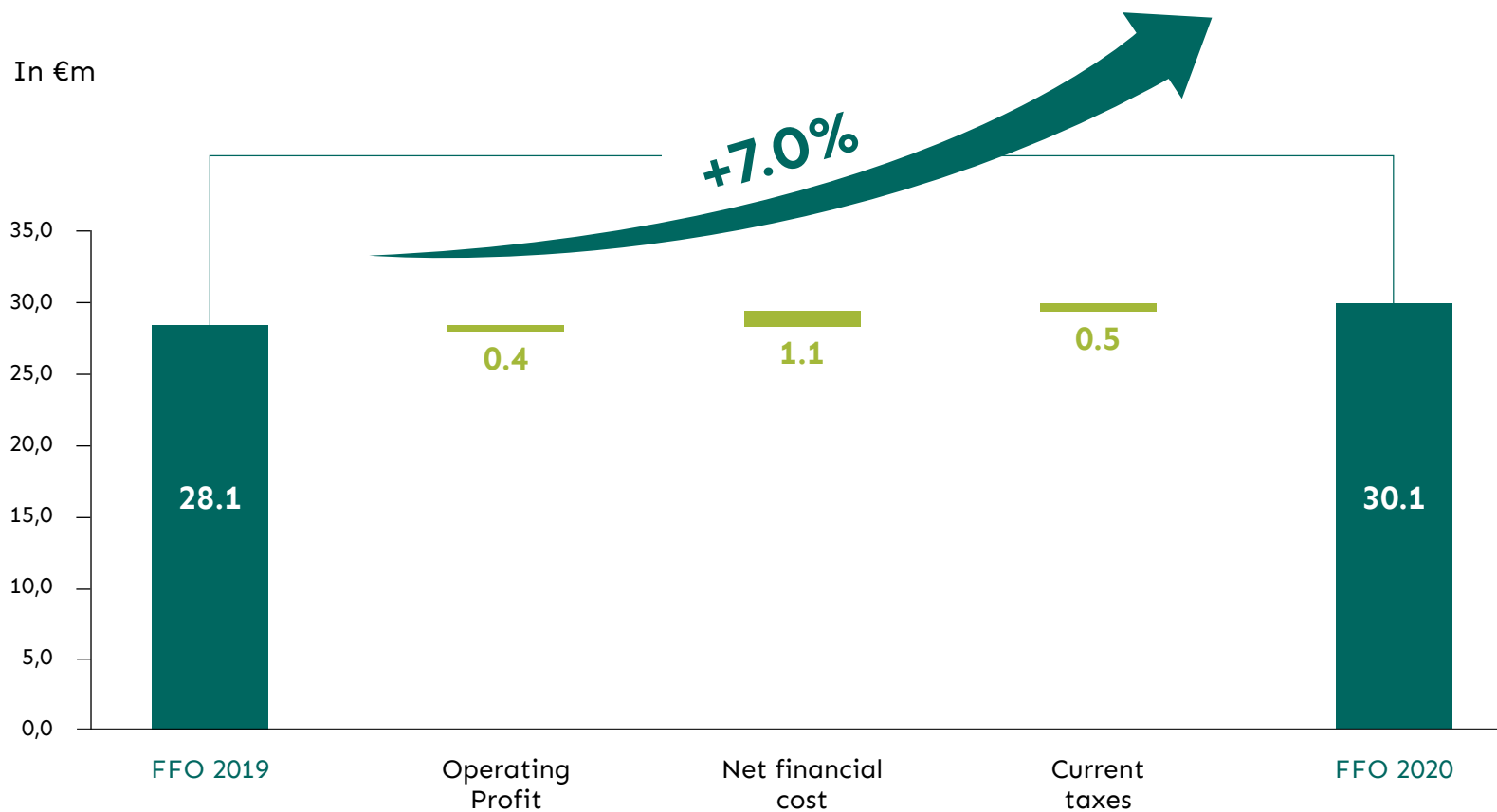
€ 110/sqm
Average rental income retail

€ 268/sqm
Average rental income malls



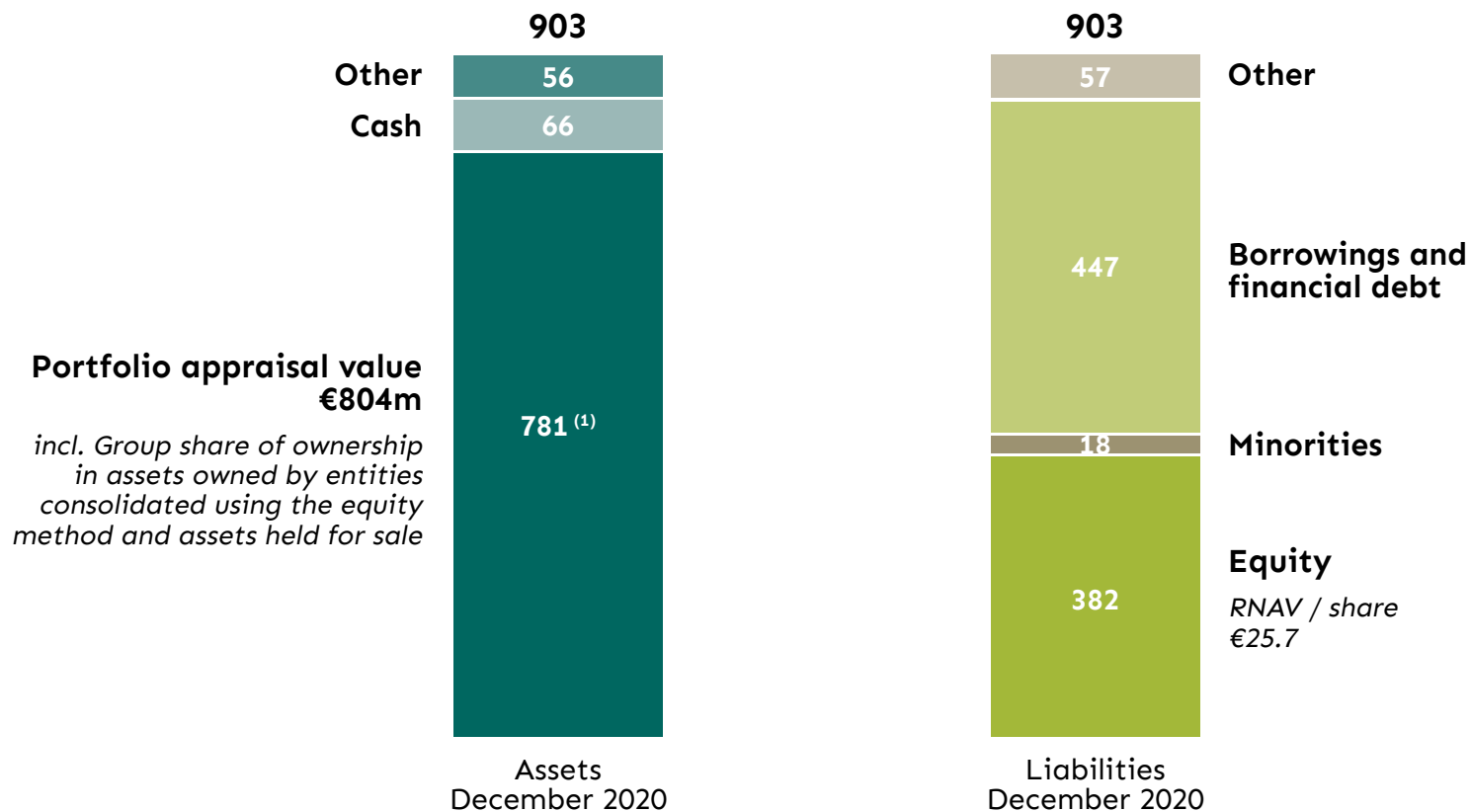
⁽¹⁾ Before tax credit

Growth of the FFO



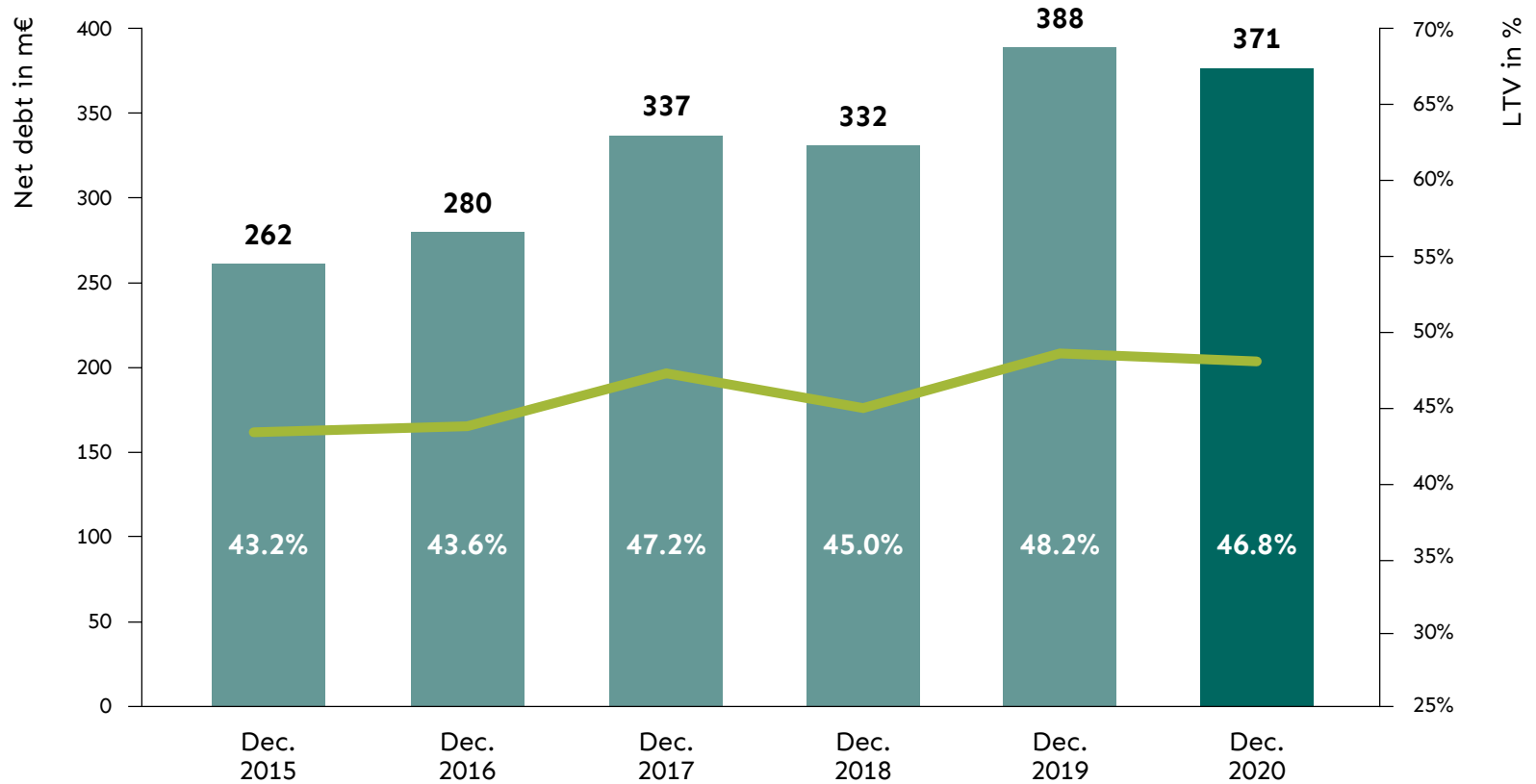
FFO per share: € 2.05/share in 2020 vs. € 2.04/share in 2019

Solid financial structure

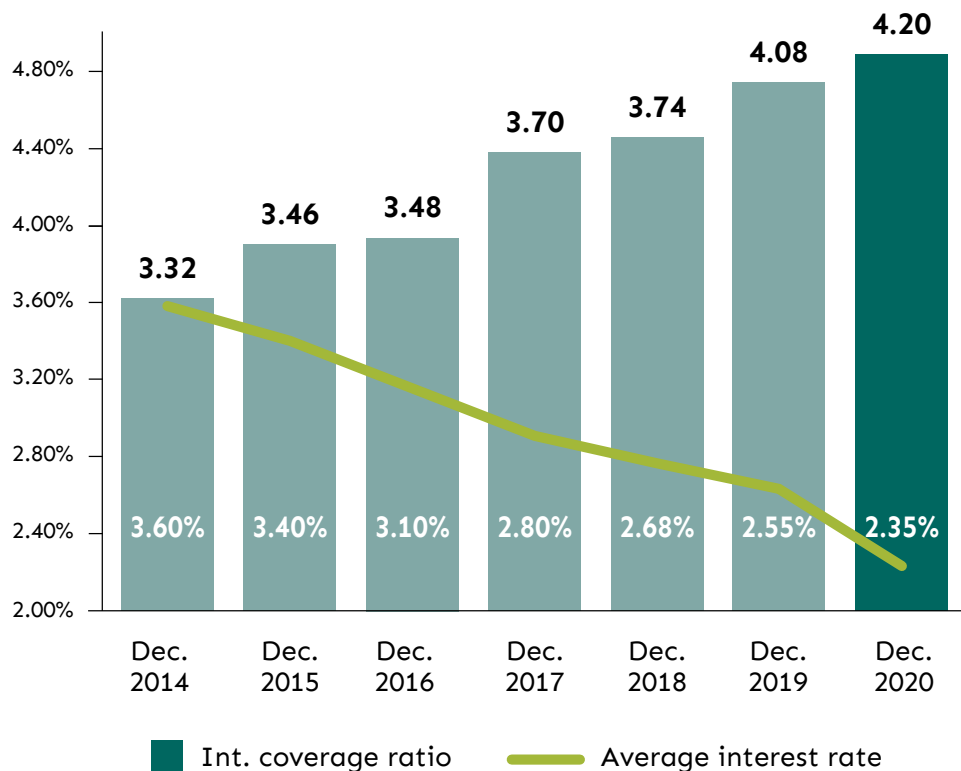


⁽¹⁾ Including assets held for sale

Improvement in the LTV ratio

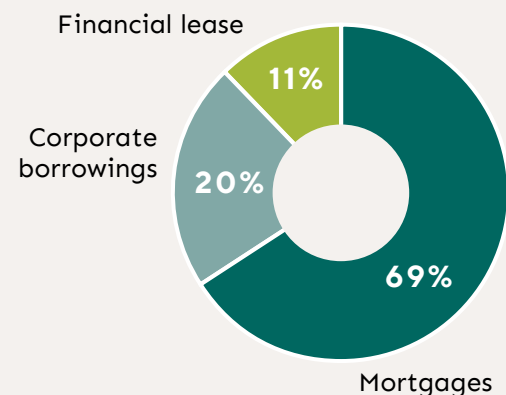


Proactive management of the debt




Patrimoine & Commerce has negotiated with all of its banking partners prolonged maturities on its mortgages in order to ensure a high level of cash is available.

Debt structure as at 31/12/2020



 **70%**
Hedged

 **4.9** years
Average maturity

Strategy and outlook


Patrimoine & Commerce,
a high-yield real estate company



A critical size actor in France

KEY FIGURES AT 31 DECEMBER 2020

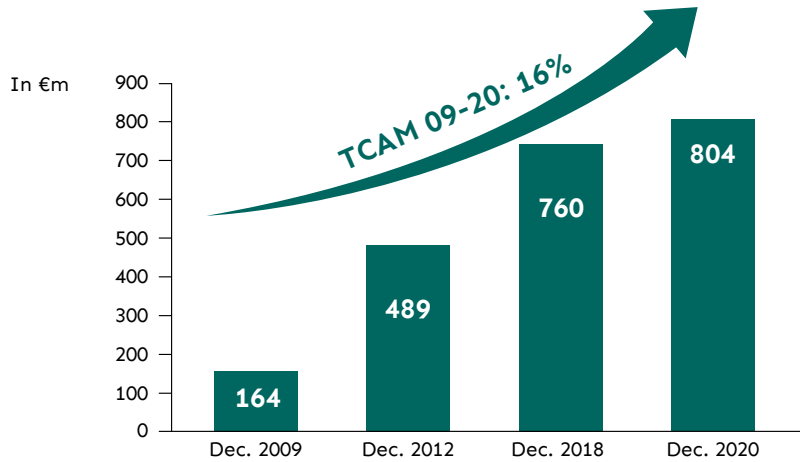
 **72**
assets

 **494,000**
sqm. of surface area
centres

 **804**
million euros
total asset value ⁽¹⁾

 **6**
regional
headquarters

ASSET VALUE EVOLUTION (IN €M)



A DENSE TERRITORIAL NETWORK



63
retail parks

6
shopping centres /
shopping malls

3
tertiary
buildings



⁽¹⁾ Asset value excluding rights

Attractiveness of national retailers

TOP 15 OF RETAILERS

35% total rents



90%
National
retailers



BREAKDOWN IN RENTAL INCOME by store type

25% Household goods

21% Personal products

16% Leisure culture

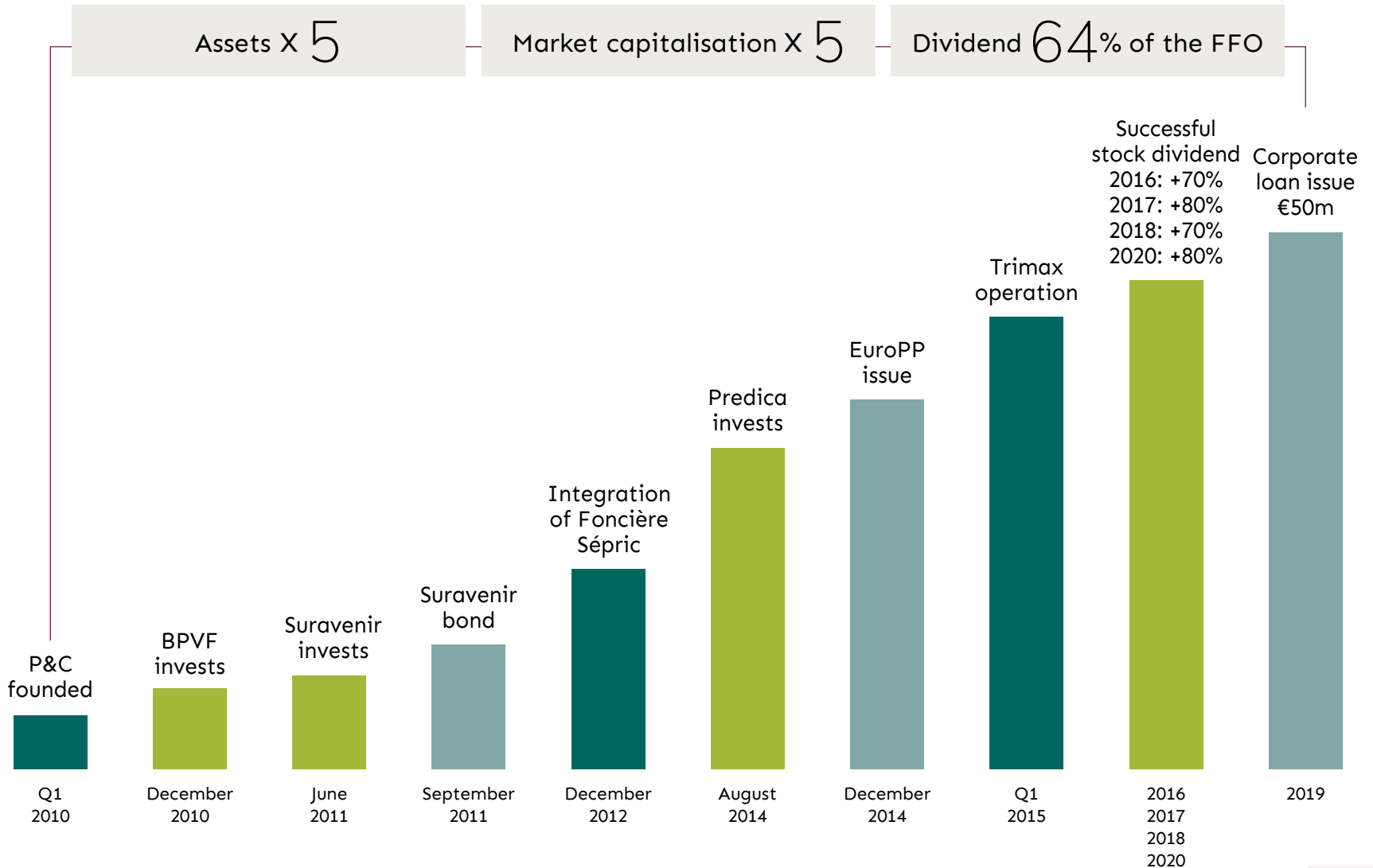
13% Discount

11% Food

7% Services

6% Beauty and health

P&C, from growth to yield



Winning strategy of a high-yield SIIC



PATRIMOINE & COMMERCE



The leader of low-cost retail parks in France



Target assets of €1bn



Yield greater than 7.0%



Loan To Value ratio of around 50%



pipeline of €100m ⁽¹⁾



A distribution rate close to 60% of the FFO

⁽¹⁾ €45m in 2021 / €55m in 2022

Patrimoine & Commerce's CSR commitment

Participate in territorial, economic and social development

- Foster local employment and regional development
- Foster development of the neighbouring or local populations

Contribute to the carbon neutrality target

- Continuous concern with improving the energy performance of buildings

A committed employer

- A strong commitment to dealing with and combating discrimination
- Special attention to employee training



KARANA
Wittenheim (68)

BREEAM®

Note: certification goal for the project



Appendices

Shareholding and voting rights as at 31 December 2020

Poitiers Porte Sud, Retail Park, Poitiers (86)



DUVAL FAMILY	PREDICA (Crédit Agricole)	BANQUE POPULAIRE VAL DE FRANCE (Groupe BPCE)	VERGELY FAMILY	GRAFF FAMILY	ROBBE FAMILY	SURAVENIR (Crédit Mutuel)	OTHER SHAREHOLDERS AND PUBLIC
28.7%	23.3%	10.9%	8.6%	5.2%	5.0%	2.2%	16.1%

VOTING RIGHTS

26.7%	20.8%	9.7%	8.4%	6.0%	4.8%	3.7%	19.8%
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SHAREHOLDING STRUCTURE



Governance compliant with the MiddleNext Code



SUPERVISORY BOARD

15 members

of which 12 independents

Chairman: Mr Louis Victor

REMUNERATION COMMITTEE

1 independent member / 2

AUDIT COMMITTEE

1 independent member / 3

INVESTMENT COMMITTEE

4 independent members / 5

NB: Predica considered non-independent has two members on the Supervisory board and one member on each Committee.

Thank you!

Patrimoine & Commerce

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**PATRIMOINE
& COMMERCE**