



# The leading property company specialising in low cost retail parks

2022 Annual Results

22 FEBRUARY 2023



**PATRIMOINE  
& COMMERCE**

[patrimoine-commerce.com](https://www.patrimoine-commerce.com)

# 2022 key figures



520,000

sqm. of surface area



47.3

million euros  
of rents <sup>(1)</sup>



841

million euros  
of assets <sup>(2)</sup>



28.5

euros  
of RNAV <sup>(3)</sup>



44.0%

LTV <sup>(4)</sup>



7.0%

capitalisation  
rate <sup>(5)</sup>

<sup>(1)</sup> Gross rental income

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

<sup>(3)</sup> Triple net / share (excluding treasury shares)

<sup>(4)</sup> Adjusted for hedging instruments

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

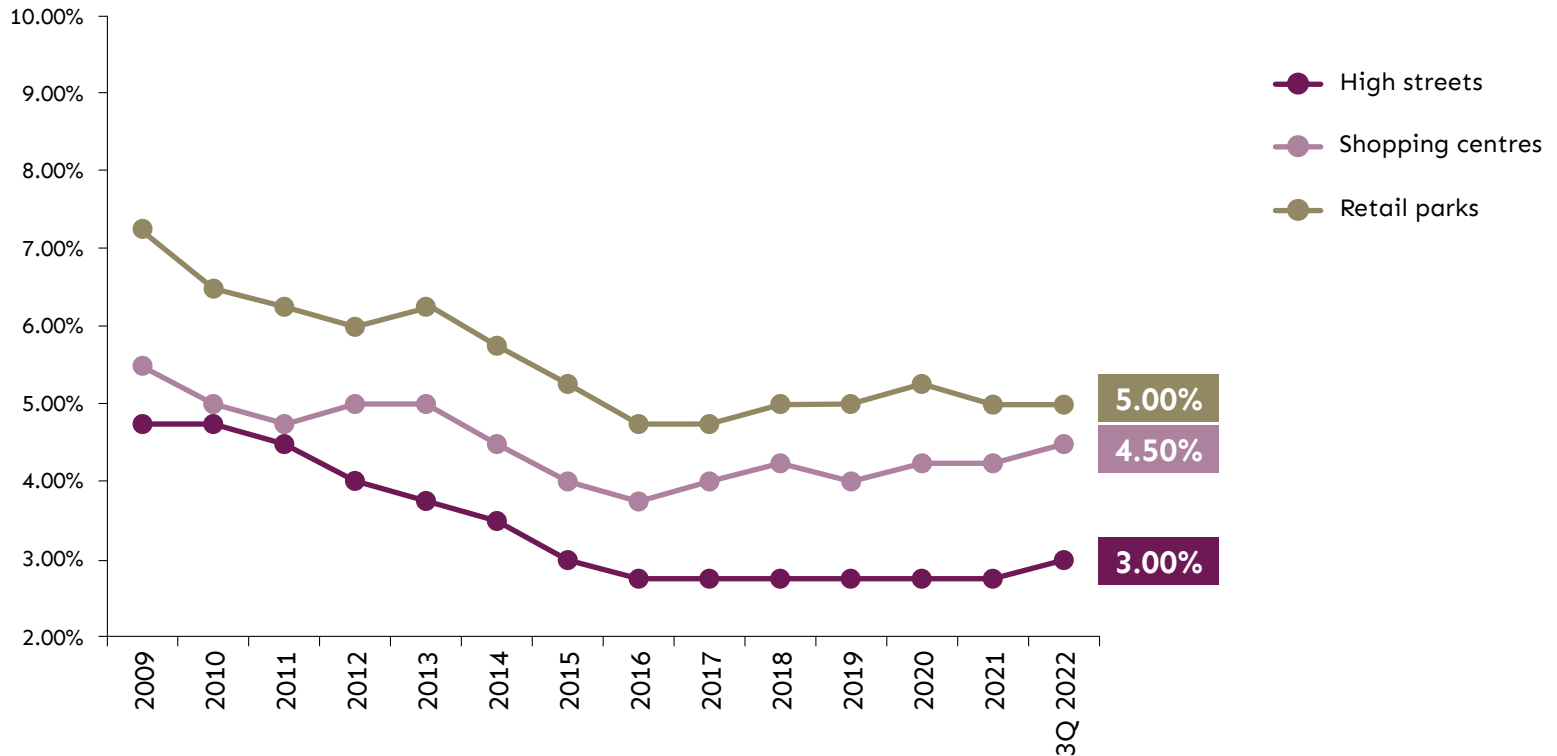


# Market dynamics



# The attractiveness of retail parks increasingly strengthened in comparison to shopping centres

## ➤ PREMIUM RETAIL CAPITALISATION RATE TRENDS

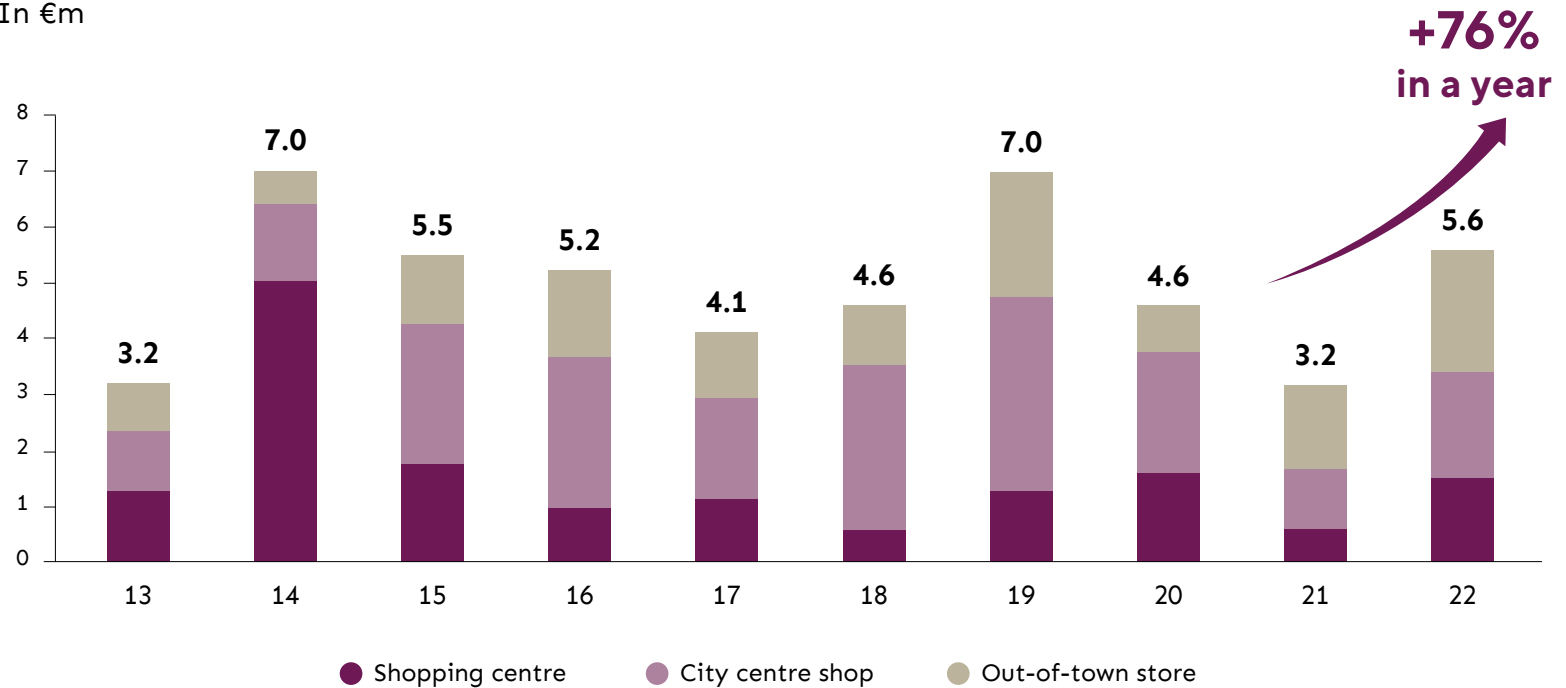


Source: Knight Frank

# A strong increase in the share of retail parks as regards investment in retailers

## ➤ INVESTMENT IN RETAILERS BY TYPE

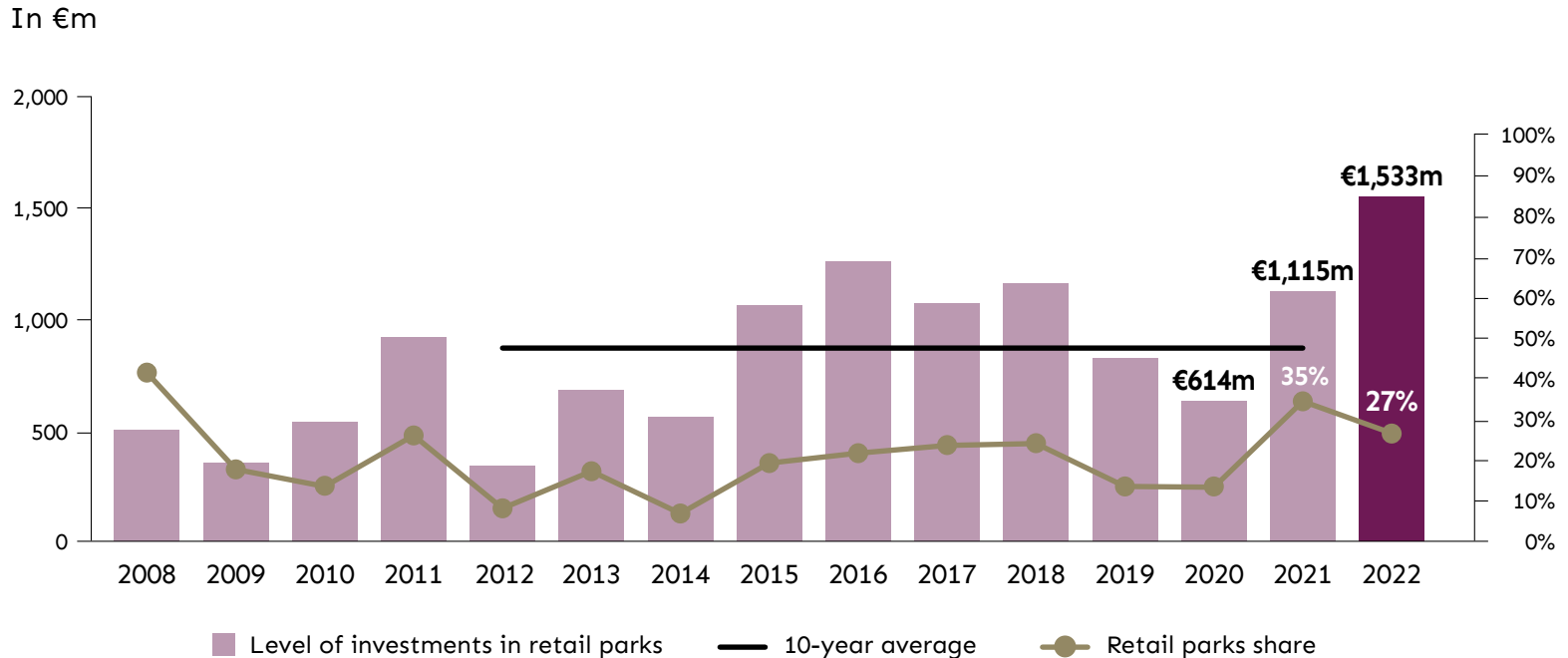
In €m



Sources: Immostat / BNPPRE

# Record year for retail parks

## ➤ LEVEL OF INVESTMENTS IN THE FRENCH MARKET OF RETAIL AREASALES



Resilience of the retail park asset class

Attractiveness of yields

Attractiveness of occupancy costs

Attractiveness of prices for the consumer

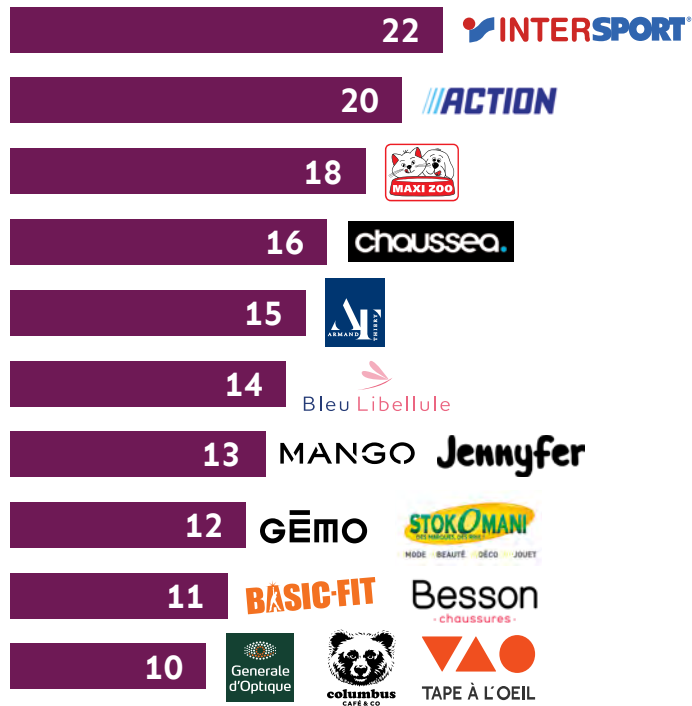


Source: Knight Frank

# Continuation of retailer development

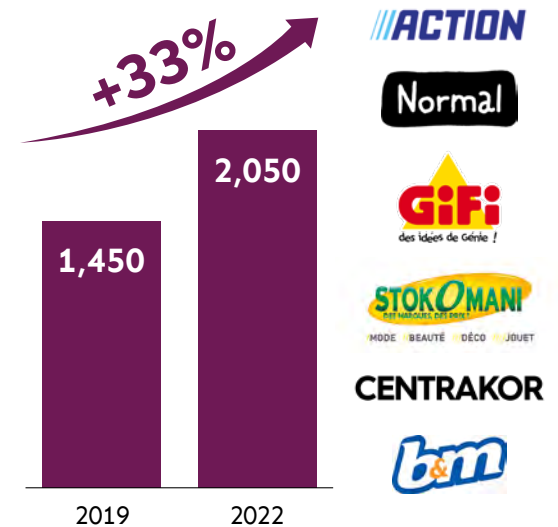
## ➤ TOP 10 OF THE MOST ACTIVE RETAILERS

Retailers with the highest presence of retail developments opened since 2019 in France



## ➤ A PARTICULARLY DYNAMIC DISCOUNT SEGMENT

Evolution of the number of stores of 6 discount chains in France



Source: Knight Frank / Shopping centres, retail parks and ground floors of buildings



# Continuation of retailer development

➤ THE MOST DYNAMIC DEVELOPMENT PLANS:  
MAINLY OUT-OF-TOWN PLAYERS



Those retailers that are the most dynamic in their short-term development plans are mainly out-of-town players.



# Patrimoine & Commerce highlights



# Sustained rental activity



55

leases signed  
in 2022



€4.4m

of gross annual  
rent



34

new leases



21

renewals

Improving occupancy rate at 94.3%  
(vs 92.7 % as at 31/12/2021)

WALT of 5.5 years  
(vs 6.0 years as at 31/12/2021)

WALB of 2.4 years  
(vs 3.0 years as at 31/12/2021)

# Attractiveness of national brands



The top 15 retailers account for less than 35% of the total of Patrimoine & Commerce rents, distributed evenly across resilient sectors, i.e. 80% in home equipment, discount, leisure and food.

## BREAKDOWN IN RENTAL INCOME by store type



# Disposal of 8 non-strategic assets

Offices in Guadeloupe (971)

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An industrial asset at Parigné L'Evêque (72)

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A shopping mall at Salon de Provence (13)

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A complex of two buildings in Epagny (74)

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Two retail units in Vitrolles (13)

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Three retail units in Sarreguemines (57)

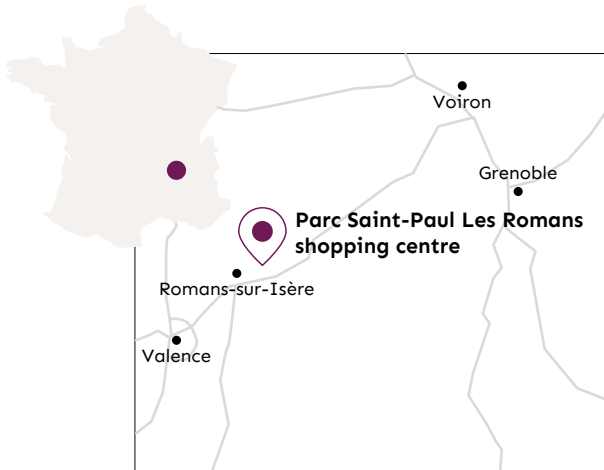
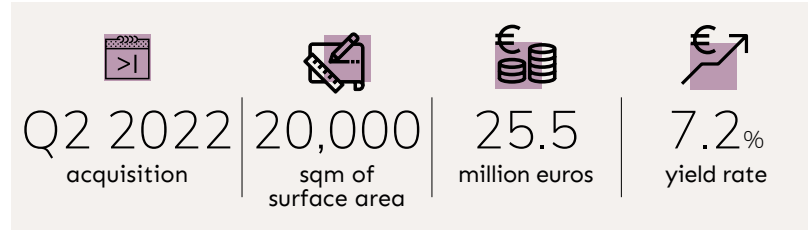
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A retail asset at Bourgoin-Jallieu (38)

**For a total amount of €42,5m<sup>(1)</sup>, in line with the expert valuations.**

<sup>(1)</sup> Net selling price

# Focus on the Saint Paul retail park



Photovoltaic panels on shade structures producing about 760 MWh/year equal to the consumption of 250 households



A planted setting in harmony with its environment



# Ville-du-Bois

An example of Patrimoine & Commerce's expertise

## > A SHOPPING MALL TO RETAIL PARK RESTRUCTURING PROJECT



**Restructured area:**  
8,000 sqm / Total area  
19,500 sqm



**Creation of**  
4 medium-sized stores  
and 2 small shops



**A pre-letting**  
rate of more  
than 90%



**Opening to the public**  
July 2023

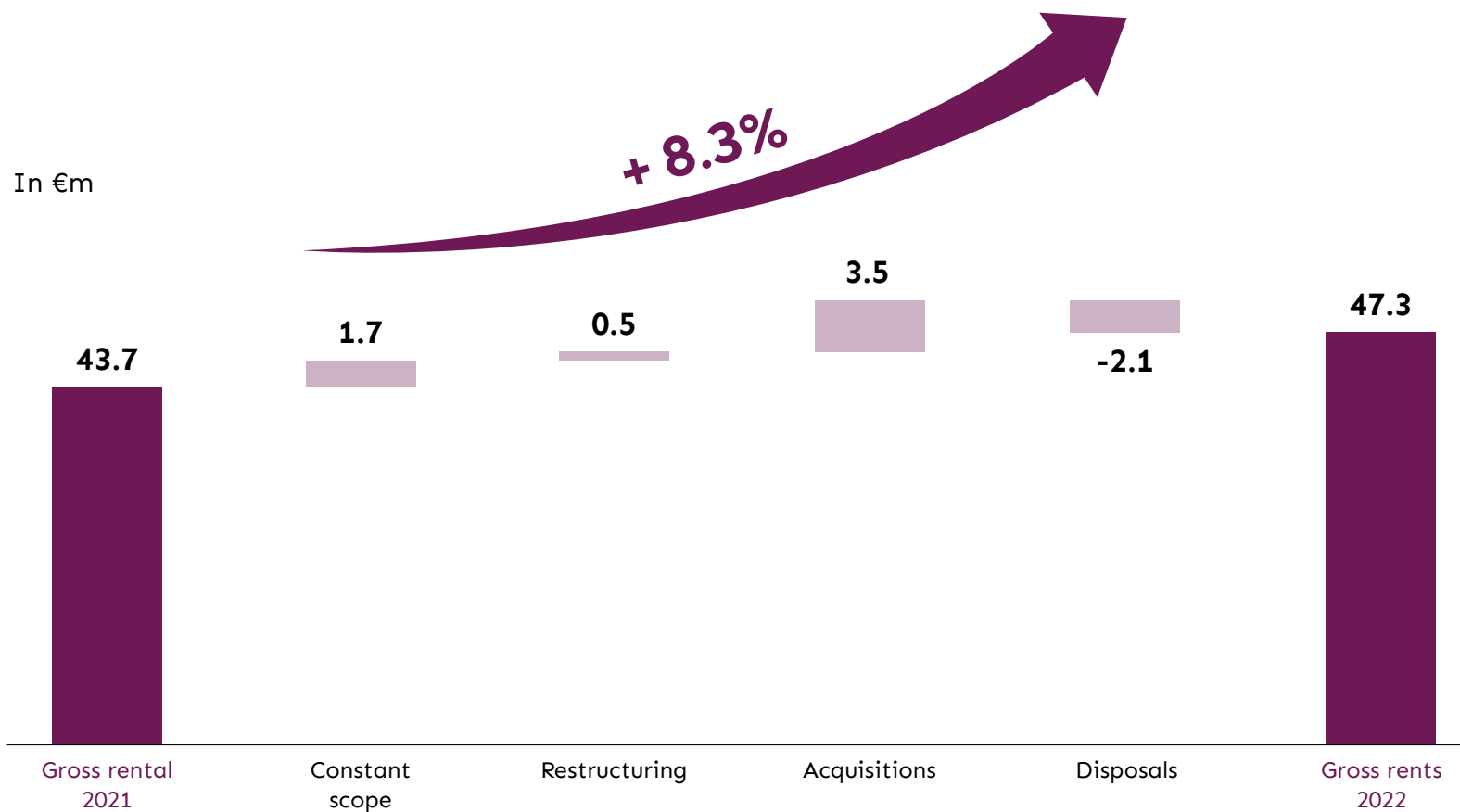
# Financials



# Simplified P&L as at 31/12/2022

In €m	12 months 31/12/2022	12 months 31/12/2021	Change in %
Gross rental income	47.3	43.7	+8.3%
Net rental income	44.2	40.8	+8.2%
Operating expenses and other income	(5.0)	(4.5)	+10.8%
<b>Normative EBITDA</b>	<b>39.2</b>	<b>36.3</b>	<b>+7.9%</b>
Net cost of debt	(9.5)	(9.4)	+0.7%
Current taxes	(0.4)	(0.2)	
<b>Funds from operations (FFO)</b>	<b>29.3</b>	<b>26.7</b>	<b>+9.6%</b>
Change in FV of properties	14.9	2.5	
Change in FV of financial instruments	3.6	1.1	
Equity method investees	0.5	0.9	
Other income and expenses	(2.1)	(0.0)	
<b>Net income</b>	<b>46.1</b>	<b>31.2</b>	<b>+48.0%</b>
Non-controlling interests	1.7	0.4	
<b>Group share of net profit</b>	<b>47.8</b>	<b>31.5</b>	<b>+51.7%</b>

# Changes in gross rents



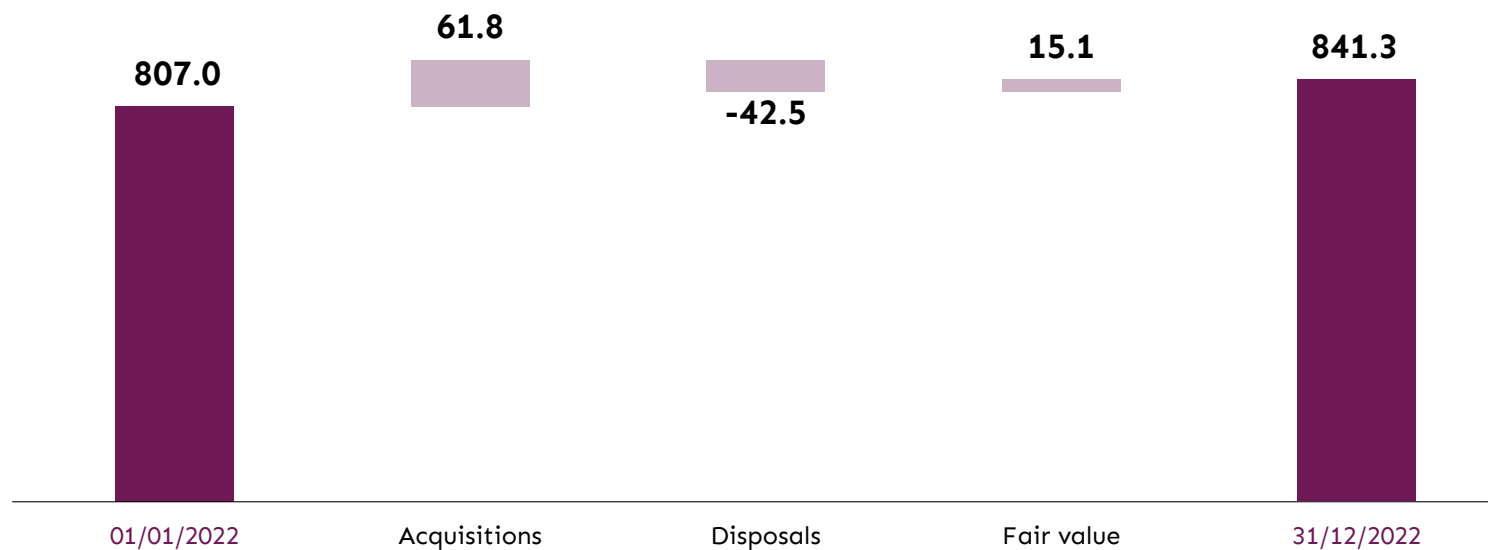
The increase in gross rents is mainly explained by the effect of a full year of 2021 acquisitions and the acquisitions of the first half of 2022.



# Asset value change

## > INVESTMENT PROPERTY<sup>(1)</sup>

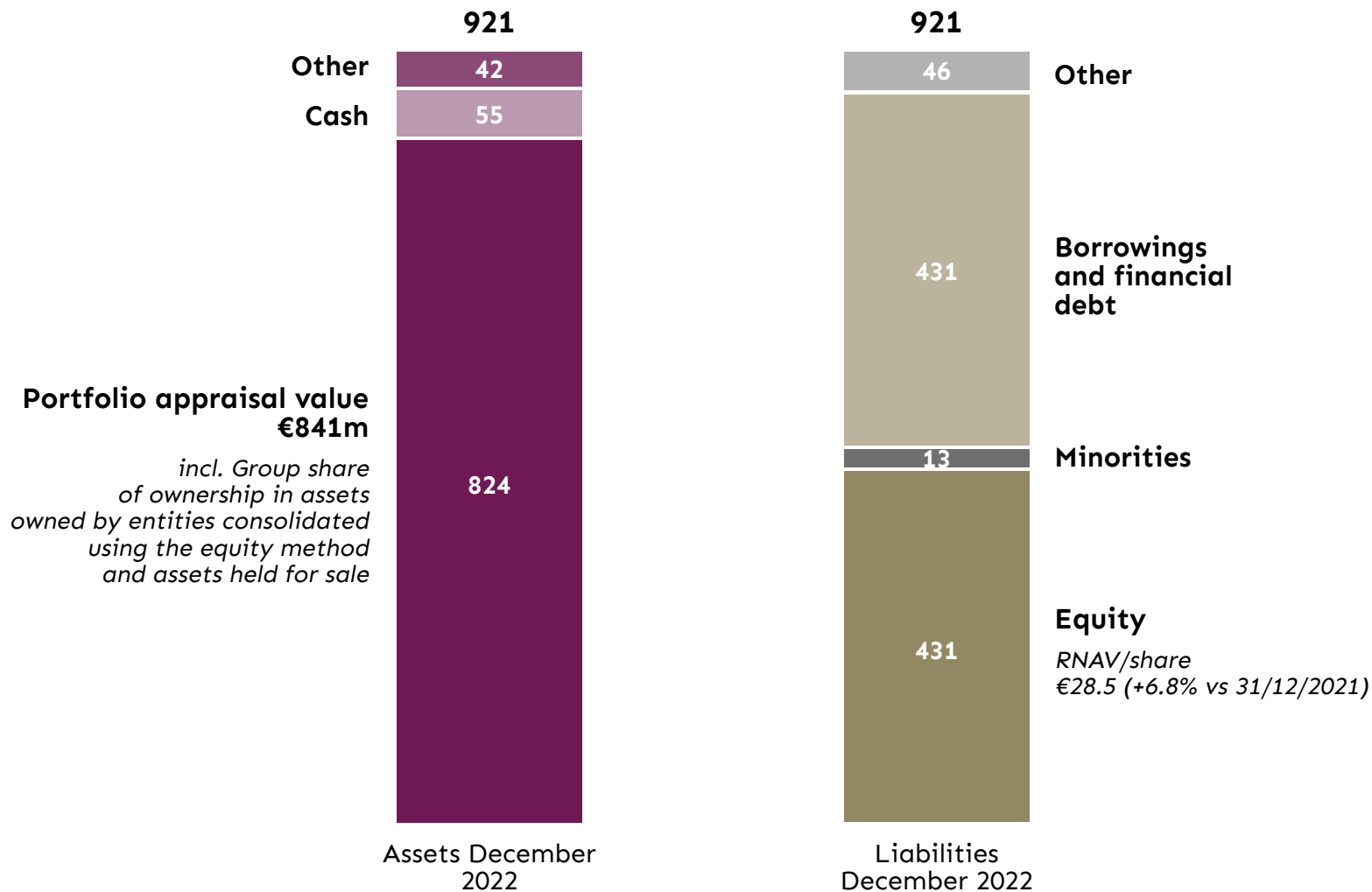
In €m



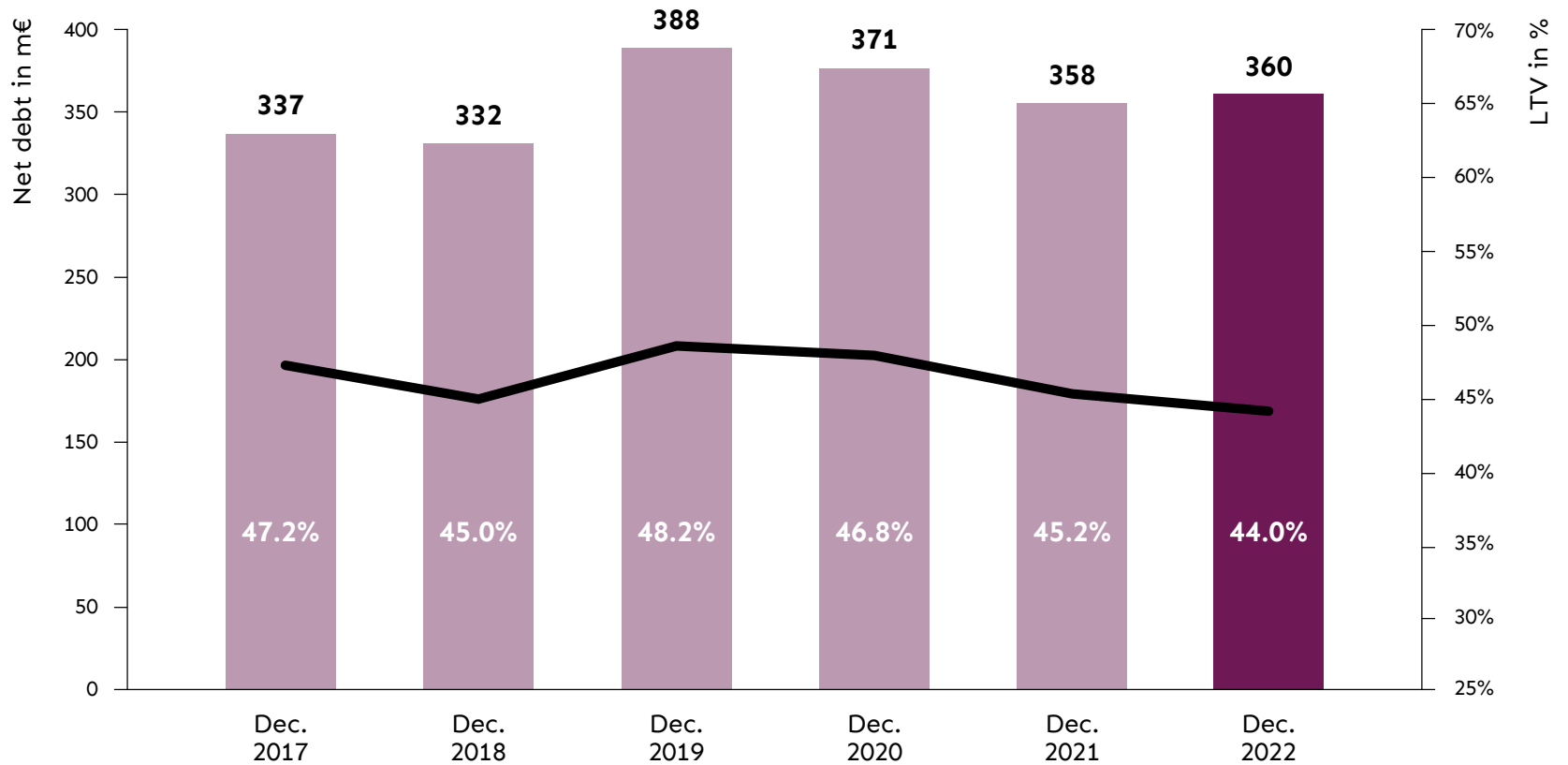
<sup>(1)</sup> Asset value excluding rights



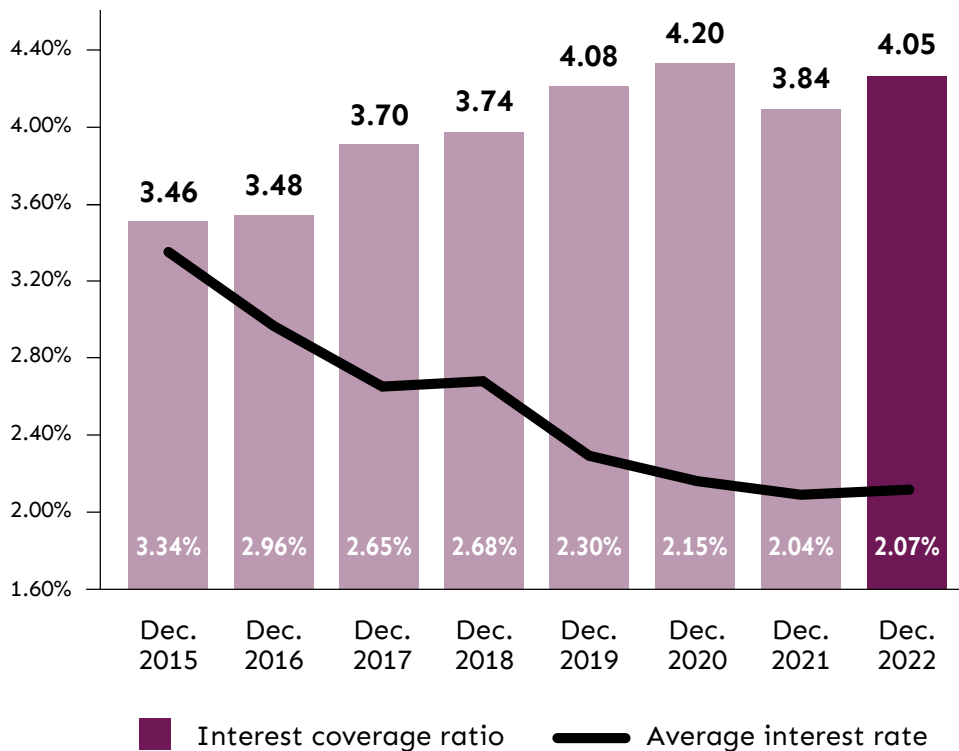
# Solid financial structure



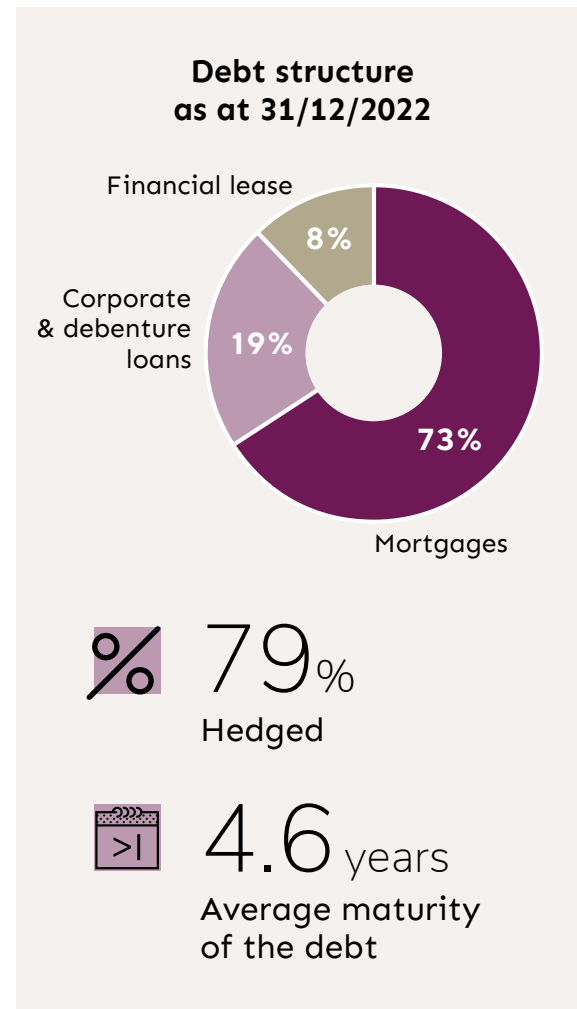
# Fall in the LTV ratio



# Continuous improvement of financing conditions

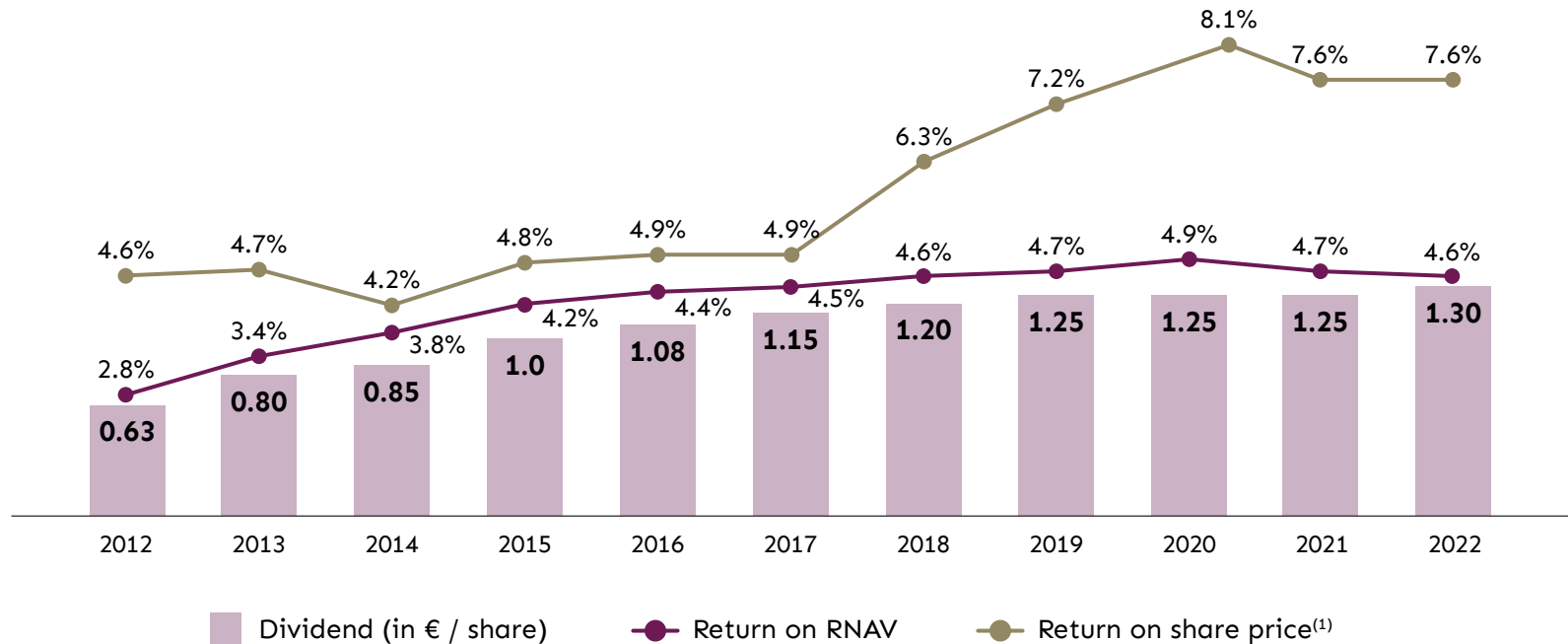


**3-year extension of the €30m bond subscribed to by Suravenir: initial reimbursement dates of 30/09/2022 and 30/09/2023 deferred until 30/09/2025 and 30/09/2026.**



# P&C, a property company of performance

## > CONTINUOUS GROWTH OF PERFORMANCE



**At the Annual General Meeting a dividend of €1.30 per share will be proposed, an increase of 4% compared to the previous year.**



<sup>(1)</sup> 12-month average at 31/12





# ESG commitment



# Progress report on the *Decret Tertiaire*

The *Decret Tertiaire* applies to:

- All tertiary assets of over 1,000 sqm
- All tertiary premises of over 1,000 sqm

In partnership with



## APRIL 2022

Implementation of the *Decret Tertiaire* in the Group

## JANUARY 2023

Setting of the baseline years

## 2023

Definition of the buildings' audit strategy

## 2023-2027

Implementation of the audit and drafting of action plans  
Implementation of the action plans with pooling of assets possible

## 2030

Target -40% of consumption of fluids vs baseline year

# The challenges for Patrimoine & Commerce



553  
eligible leases



85%  
of the assets concerned

1

Improve  
the energy  
performance of  
the buildings

2

Install  
efficient  
equipment

3

Optimise  
operation of  
the equipment

4

Adapt the  
premises to  
low-energy use

# The 2023 roadmap



Systematic LED relamping



Charging terminals

Deployment of electric charging terminals on 10 test sites



Systematic implementation of green leases for new leases and renewals



Strengthen our links with our partner retailers in drawing up action plans and energy-saving strategies



Establish a systematic "ESG" Due Diligence list

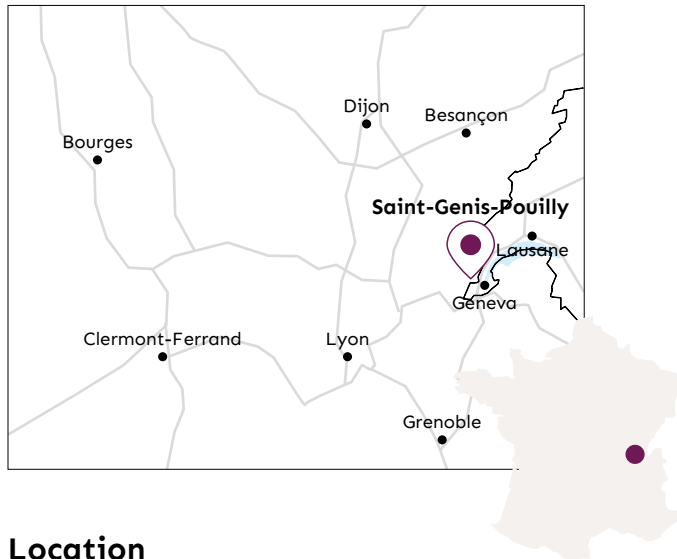
# Strategy and outlook

Patrimoine & Commerce,  
a high-yield real estate company



# Focus on development operations

## ➤ SAINT-GENIS-POUILLY (01)



### Location

- Former multi-activity leisure complex of 19,000 sqm
- 3.7 km from the Swiss border
- 12 km from Geneva's water jet



 7,300  
sqm of surface area

 20  
million euros  
of investment

 Provisional delivery  
staggered over  
2024  
2025

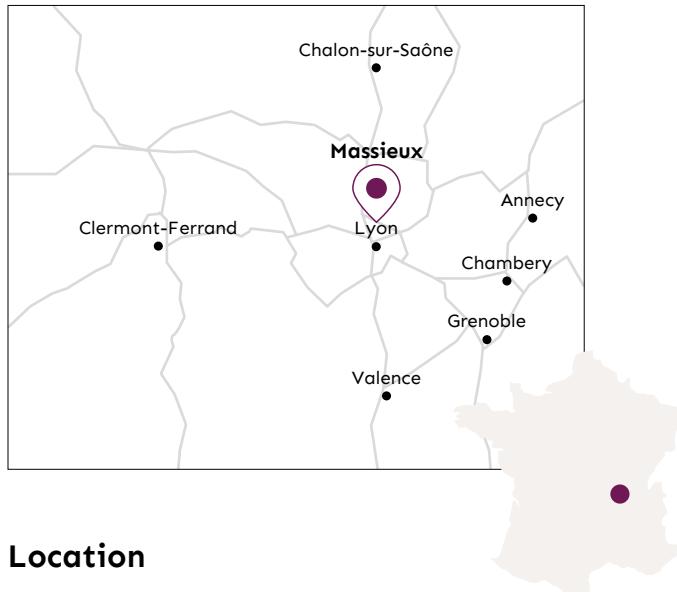
### Strategic direction

- Reclamation of a brown field site
- BREEAM certification goal
- Installation of solar panels on the site
- Installation of permeable ground coverings
- Study under way for use of innovative and long-lasting construction materials



# Focus on development operations

## > MASSIEUX (01)




### Location

- Former logistics site of 18,500 sqm
- 20 mins Villefranche-sur-Saône
- 35 mins centre Lyon

 6,500  
sqm of surface area

 12  
million euros  
of investment

 Provisional delivery  
between  
2024  
2025



### Strategic direction

- Reclamation of an industrial site
- BREEAM certification goal
- Inclusion of the project in the metropolitan reuse booster
- Installation of solar panels on the site
- Installation of permeable ground coverings

# A critical size actor in France

## KEY FIGURES AT 31/12/2022

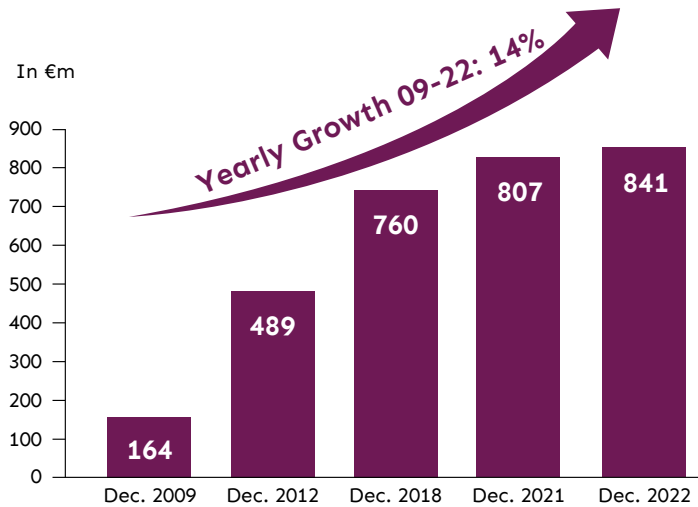
 **76**  
assets

 **520 000**  
sqm. of commercial  
space

 **841**  
million euros of assets <sup>(1)</sup>

 **6**  
regional offices

## ASSET VALUE CHANGE



## A DENSE TERRITORIAL NETWORK



**69**  
retail parks

**6**  
shopping centres /  
shopping malls

**1**  
tertiary  
building

<sup>(1)</sup> Asset value excluding rights



# 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%



A distribution rate close  
to 60% of the FFO







# Appendices





# Shareholding and voting rights as at 31 December 2022

Poitiers Porte Sud, Retail Park, Poitiers (86)



DUVAL FAMILY	PREDICA (Crédit Agricole)	BANQUE POPULAIRE VAL DE FRANCE (BPCE Group)	VERGELY FAMILY	GRAFF FAMILY	ROBBE FAMILY	SURAVENIR (Crédit Mutuel)	OTHER SHAREHOLDERS AND PUBLIC
28.4%	20.2%	10.1%	9.5%	6.6%	5.3%	3.6%	16.3%

## SHAREHOLDING

24.0%	25.0%	12.1%	10.7%	5.8%	5.4%	2.2%	14.7%
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## VOTING RIGHTS



# Governance compliant with the MiddleNext Code



## **SUPERVISORY BOARD**

15 members,

12 independents

**Chairman: Mr Louis Victor**

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### **REMUNERATION COMMITTEE**

1 independent member / 2

### **AUDIT COMMITTEE**

1 independent member / 3

### **INVESTMENT COMMITTEE**

4 independent members / 5

### **ESG 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**