

PRESS RELEASE

2023 ANNUAL RESULTS

Paris - February 21, 2024

At its meeting on February 20, 2024, the Patrimoine & Commerce Supervisory Board reviewed the Company's operations and approved the 2023 financial statements ⁽¹⁾, prepared by Management.

- **FFO per share growing by +5.2% at € 2.03/share**
- **Collection rate at 98% on rents and service charges**
- **Portfolio valuation of € 858m**
- **Dividend payment of € 1.35 per share, +3.8% vs. last year, implying a 7.7% yield on share price, as well as a 4.6% yield on NAV**

Key figures

| Key financials | 31/12/2023 12 months | 31/12/2022 12 months | Var. % |
|---------------------------|-------------------------|-------------------------|---------|
| Gross Rental Income | € 50.5m | € 47.3m | +6.7% |
| Funds from operations | € 30.7m | € 29.3m | +4.8% |
| Group share of net profit | € 29.0m | € 47.8m | (39.3%) |

| Alternative Performance Measures | 31/12/2023 | 31/12/2022 | Var. % |
|---|------------|------------|--------|
| Asset appraisal value (excluding transfer taxes) ⁽²⁾ | € 858.3m | € 841.3m | +2.0% |
| Capitalization rate ⁽³⁾ | 7.3% | 7.0% | n.a. |
| LTV ratio ⁽⁴⁾ | 43.9% | 44.0% | n.a. |
| NAV (excluding transfer taxes - €/share) | 29.1 € | 28.5 € | +2.2% |
| NAV (excluding transfer taxes) | € 439.2m | € 431.2m | +1.8% |

Eric Duval, Managing Director and Founder of Patrimoine & Commerce declared: « *This year again, the Company's results are solid, despite the persistence of a complex economic context marked by a general decline in the entire real estate investment sector (including commercial real estate). Less affected than other commercial real estate segments, the retail park remains a safe haven market with solid fundamentals (low vacancy rate, affordable rents). We are continuing our objective of proactive portfolio management with the sale of non-strategic assets, the strengthening of the rental mix around growing verticals (discount, catering, leisure, food), the development and valorization of our existing assets. We remain attentive to opportunities to acquire relevant retail properties. In line with our profit distribution policy, and driven by our confidence in pursuing sustainable growth, we will propose the distribution of a dividend of € 1.35 per share, up +3.8% compared to last year.* »

Operational performance

Patrimoine & Commerce had a sustained leasing activity and signed 58 leases (of which 26 renewals). The financial occupancy rate is increasing and stands at 94.7% ⁽⁵⁾ on the portfolio. The collection rate on rents and service charges invoiced in 2023 stands at 98%.

FFO increasing by +4.8%

In 2023, Patrimoine & Commerce continued to deliver a solid financial performance.

For the fiscal year ended December 31, 2023, Patrimoine & Commerce reported consolidated gross rental income of € 50.5m, against € 47.3m for the fiscal year ended December 31, 2022:

| in millions of euros - 12 months | 31/12/2023 | 31/12/2022 | Var. % |
|----------------------------------|-------------|-------------|--------------|
| Like-for-like | 44.4 | 42.6 | +4.2% |
| Acquisitions | 4.4 | 2.8 | n.a |
| Disposals | 0.0 | 1.4 | n.a |
| Properties under restructuring | 1.7 | 0.5 | n.a |
| Gross rental income | 50.5 | 47.3 | +6.7% |

The increase of gross rental income is mainly explained by (i) the effect of the acquisitions and disposals made in 2022 and 2023 (ii) the delivery of restructuring operations on a property in Martinique in 2022 as well as the delivery of the restructuring works in La Ville-du-Bois in 2023 and (iii) the like-for-like increase, driven by contractual indexation (4.2% in average on the period) and the decrease in the amortization of rent free periods.

Net rental income stands at 92% of gross rental income, mainly composed of unrecovered rental expenses and provisions for credit losses:

| in millions of euros - 12 months | 31/12/2023 | 31/12/2022 | Var. % |
|----------------------------------|-------------|-------------|--------------|
| Gross rental income | 50.5 | 47.3 | +6.7% |
| Entry fees | (0.0) | 0.0 | n.a. |
| Gross rental revenue | 50.5 | 47.4 | +6.6% |
| Unrecovered rental expenses | (3.5) | (2.7) | n.a. |
| Other building expenses | (0.3) | (0.6) | n.a. |
| Net rental income | 46.7 | 44.2 | +5.6% |

Operating expenses and other revenues remained under control at € 5.1m (vs. € 5.0m in 2022).

Net cost of debt amounted to € 10.8m in 2023, an increase of +13,3% compared to last year, driven by the tightening of financing conditions. The Company continues to benefit from the hedging of its debt portfolio, with 76% of the debt either at fixed rate or at hedged variable rate. The average interest rate on debt is 2.76% for the 12 months ending December 31, 2023 (versus 2.07% in 2022).

Recurring net result (FFO) amounted to € 30.7m in 2023, compared to € 29.3m in 2022:

| in millions of euros - 12 months | 31/12/2023 | 31/12/2022 | Var. % |
|---|-------------------|-------------------|---------------|
| Restated current operational result | 41.6 | 39.2 | +6.1% |
| Restated net cost of debt | (10.8) | (9.5) | +13.3% |
| Current taxes | (0.1) | (0.4) | n.a. |
| Funds from operations (FFO) ⁽⁶⁾ | 30.7 | 29.3 | +4.8% |
| Diluted FFO per share | 2.03 | 1.93 | +5.2% |

Including the fair value adjustment of the portfolio (+€ 0.2m), the share of the result of companies accounted for using the equity method (-€ 1.1m), other non-recurring revenues and charges (-€ 0.5m), and the contribution of hedging strategies on debt (-€ 1.2m), net profit amounted to € 28.2m for the fiscal year 2023 and € 29.0m in group share.

Decrease of the LTV ratio and increase of the NAV per share at € 29.1 (+2.2%)

The Group consolidated net debt of € 369.2m as of December 31, 2023, implies a Loan-to-Value ratio of 43.9%, leaving a significant investment capacity compared to the target of 50% set by Patrimoine & Commerce.

| in millions of euros - 12 months | 31/12/2023 | 31/12/2022 |
|---|-------------------|-------------------|
| Net Debt | 369.2 | 360.9 |
| <i>(-) other lease liabilities</i> | <i>(0.6)</i> | <i>(0.6)</i> |
| <i>(-) financial instruments</i> | <i>1.0</i> | <i>2.2</i> |
| Restated Net debt | 369.6 | 362.4 |
| Property valuation (excl. Transfer taxes) | 842.8 | 823.9 |
| Loan To Value ratio | 43.9% | 44.0% |

Net asset value per share amounted to € 29.12 (€ 439.2m) in 2023, an increase of +2.2% versus 2022.

| in millions of euros | 31/12/2023 | 31/12/2022 |
|---|-------------------|-------------------|
| NAV, excl. Transfer taxes | 439.2 | 431.2 |
| NAV per share, excl. Transfer taxes (in euros) | 29.12 | 28.48 |
| <i>Number of shares (excl. Treasury shares)</i> | <i>15 085 647</i> | <i>15 144 241</i> |

Development and optimization of the portfolio

As of December 31, 2023, the portfolio valuation (excluding transfer taxes and including properties accounted for using the equity method), reached € 858.3m, increasing by +2.0% compared to 2022. The capitalization rate of the properties in operation stands at 7.3%.

| in millions of euros | Variation |
|--|------------------|
| Net balance as of January 1, 2023 | 841.3 |
| Acquisitions | 19.4 |
| Disposals | (2.6) |
| Fair value impact | 0.2 |
| Net balance as of December 31, 2023 | 858.3 |

Over 2023, Patrimoine & Commerce continued its development through the acquisition, in April 2023, of a retail park of 7 500 sqm in Saint-Parres-aux-Tertres (Grand Est). The Company also continued its investments through the delivery of restructuring works in La Ville-du-Bois, a new building in Wittenheim as well as the delivery of two commercial units in Lexy. Those investments totalled € 19.4m in 2023.

Patrimoine & Commerce also completed the disposal of several assets in Vandoeuvre (Grand Est) and Salon-de-Provence (Provence-Alpes-Côte d'Azur), and an building plot in Lempdes (Auvergne- Rhône-Alpes), for a total consideration of € 2.6m, in line with external appraisers' valuations.

Dividend payment of € 1.35 per share

The distribution of a dividend of € 1.35 per share will be proposed to the Annual General Meeting of Patrimoine & Commerce. The proposed dividend is increasing by +3.8% compared to last year and implies a 4.6% yield on net asset value per share as of December 31, 2023, and of 7.7% on the stock price ⁽⁷⁾.

Agenda

| | |
|------------------|-----------------------------|
| April 12, 2024 | First-Quarter 2024 activity |
| June 13, 2024 | Annual General Meeting |
| July 24, 2024 | First-Half 2024 results |
| October 11, 2024 | Third-Quarter 2024 activity |

About Patrimoine & Commerce

Patrimoine & Commerce owns and operates a real estate portfolio, largely comprising retail property, covering a total surface area of more than 528,000 sqm. The assets are mainly located in retail parks near mid-sized towns throughout France. Patrimoine & Commerce benefits from a significant identified deal flow that will enable it to feed its growth, in terms of both assets under development and operating assets.

Notes : ¹ The consolidated financial statements have been subject to audit procedures. The Statutory Auditors' report is to be issued shortly

² Incl. Group share of Cherbourg and Studio Prod and assets held for sale.

³ Based on annualized rents (or market rental value for vacant spaces) and on property valuation excl. transfer taxes

⁴ Adjusted for hedging instruments

⁵ Excluding strategic vacancy

⁶ As of December 31, 2023, the current operational result and the net cost of debt are restated from operating expenses, other income and financial expenses of the real estate development activity (-€ 0.8m)

⁷ Average 12 months as of December 31, 2023

Patrimoine & Commerce is listed on NYSE Euronext Paris.

ISIN code: FR0011027135 – Mnémo code: PAT

For further information, go to : www.patrimoine-commerce.com

For information, please contact :

PATRIMOINE & COMMERCE

Eric DUVAL

Managing Director

contact@patrimoine-commerce.com

PRESS - INVESTORS RELATIONS

CYLANS

Tél. : +33 (0)7 88 09 17 29

patrimoine-commerce@cylans.fr

Appendix 1 : Recurring net result and Net debt

Recurring net result

| in millions of euros - 12 months | 31/12/2023 | 31/12/2022 | Var. % |
|---|-------------------|-------------------|----------------|
| Gross rental income | 50.5 | 47.3 | +6.7% |
| Net rental income | 46.7 | 44.2 | +5.6% |
| Operating expenses and other income | (5.1) | (5.0) | +2.2% |
| Adjusted EBITDA | 41.6 | 39.2 | +6.1% |
| Net cost of debt | (10.8) | (9.5) | +13.3% |
| Current taxes | (0.1) | (0.4) | n.a. |
| Funds from operations (FFO) | 30.7 | 29.3 | +4.8% |
| FFO per share | € 2.03 | € 1.93 | +5.2% |
| Change in fair value of properties | 0.2 | 15.1 | n.a. |
| Change in fair value of financial instruments | (1.2) | 3.6 | n.a. |
| Equity method investees | (1.1) | 0.3 | n.a. |
| Other income and expenses | (0.5) | (2.1) | n.a. |
| Net income | 28.2 | 46.1 | (38.9%) |
| Minority interest | 0.8 | 1.7 | n.a. |
| Net profit, group share | 29.0 | 47.8 | (39.3%) |

Consolidated Net debt

| in millions of euros | 31/12/2023 | 31/12/2022 |
|--|-------------------|-------------------|
| Bond loans | 30.0 | 30.0 |
| Borrowings from financial institutions | 347.7 | 355.2 |
| Lease liabilities connected to finance leasing | 27.2 | 34.6 |
| Other lease liabilities | 0.6 | 0.6 |
| Accrued interest | 1.8 | 1.8 |
| Financial liabilities on hedging instruments | 0.0 | 0.0 |
| Bank overdraft | 0.0 | 0.0 |
| Financial liabilities - Partners' current accounts | 8.3 | 8.5 |
| Liabilities related to assets held for sale | 0.0 | 3.3 |
| Total Financial Debt | 415.6 | 434.1 |
| Cash and others | 27.9 | 55.2 |
| Financial assets on hedging instruments | 1.0 | 2.2 |
| Financial assets - Partners' current accounts | 17.5 | 15.8 |
| Consolidated Net Debt | 369.2 | 360.9 |

Appendix 2 : IFRS Consolidated Financial Statements

| Assets | | |
|--|-------------------|-------------------|
| in millions of euros | 31/12/2023 | 31/12/2022 |
| Non current assets | | |
| Investment properties | 840.6 | 815.4 |
| Tangible and intangible assets | 0.6 | 0.7 |
| Investment in equity-accounted companies | 5.6 | 7.5 |
| Non-current financial assets | 1.5 | 2.9 |
| Non-current deferred tax assets | 0.4 | 0.1 |
| Total - Non current assets | 848.8 | 826.6 |
| Current assets | | |
| Current financial assets | 0.6 | 0.2 |
| Trade and other receivables | 22.3 | 22.4 |
| Other receivables | 4.7 | 7.8 |
| Cash and cash equivalents | 27.9 | 55.2 |
| Total - Current assets | 55.6 | 85.5 |
| Assets held for sale | 2.2 | 8.5 |
| Total assets | 906.5 | 920.6 |
| Equity and Liabilities | | |
| in millions of euros | 31/12/2023 | 31/12/2022 |
| Equity attributable to owners of the parent | | |
| Share capital | 151.0 | 152.8 |
| Additional paid-in capital | 34.5 | 35.7 |
| Legal reserves | 4.0 | 2.8 |
| Consolidated reserves | 220.7 | 192.1 |
| Consolidated earnings | 29.0 | 47.8 |
| Total - Equity attributable to owners of the parent | 439.2 | 431.2 |
| Equity attributable to non-controlling interests | 11.5 | 12.8 |
| Total equity | 450.7 | 444.0 |
| Non current liabilities | | |
| Non current financial liabilities | 342.2 | 388.8 |
| Deposits | 8.1 | 7.7 |
| Deferred tax liabilities | - | - |
| Other long-term liabilities | 2.4 | 2.4 |
| Total - Non current liabilities | 352.7 | 398.9 |
| Current liabilities | | |
| Current financial liabilities | 73.4 | 41.9 |
| Payroll and tax liabilities | 5.9 | 6.7 |
| Trade payables | 7.3 | 8.9 |
| Other liabilities | 16.5 | 16.9 |
| Total - Current liabilities | 103.1 | 74.4 |
| Liabilities related to assets held for sale | 0.0 | 3.3 |
| Total Equity and Liabilities | 906.5 | 920.6 |

Consolidated statements of comprehensive income

| in millions of euros - 12 months | 12 mois 31/12/23 | 12 mois 31/12/22 |
|--|-----------------------------|-----------------------------|
| Gross rental revenues | 50.5 | 47.4 |
| Service charge income | 11.1 | 10.3 |
| Service charge expenses | (14.6) | (12.9) |
| Other building expenses | (0.3) | (0.6) |
| Net rental income | 46.7 | 44.2 |
| External expenses and other taxes | (4.9) | (4.8) |
| Payroll expenses | (0.8) | (0.8) |
| Amortization and provisions | (0.1) | (0.1) |
| Other current operating income and expenses | (0.1) | 0.0 |
| Total - Operating income and expenses | (5.9) | (5.7) |
| Current operating income | 40.8 | 38.5 |
| Other operating income and expenses | 0.1 | (0.7) |
| Change in the fair value of investment properties | 2.2 | 14.9 |
| Share in earnings of equity-accounted companies | (3.1) | 0.5 |
| Operating income | 40.0 | 53.1 |
| Financial income | 0.8 | 0.4 |
| Financial expenses | (11.6) | (9.9) |
| Cost of net debt | (10.8) | (9.5) |
| Other financial income and expenses | (1.2) | 2.8 |
| Income tax benefit (expense) | 0.1 | (0.3) |
| Net income | 28.2 | 46.1 |
| Minority interests | (0.8) | (1.7) |
| Net profit, group share | 29.0 | 47.8 |
| Net income, per share | 1.91 | 3.17 |
| Diluted net income, per share | 1.91 | 3.17 |
| Net income | 28.2 | 46.1 |
| Items that will be reclassified subsequently to profit or loss | - | - |
| Items that will not be reclassified subsequently to profit or loss | - | - |
| Total comprehensive income | 28.2 | 46.1 |
| of which : - Group share | 29.0 | 47.8 |
| - Non controlling interest | (0.8) | (1.7) |
| Average number of shares outstanding | 15 170 184 | 15 057 573 |

Consolidated statements of cash flows

| in millions of euros | 31/12/2023 | 31/12/2022 |
|--|---------------|---------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income from consolidated companies | 28.2 | 46.1 |
| Restatements : | | |
| Share in earnings of equity-accounted companies | 3.1 | (0.5) |
| Dividends received from equity-accounted companies | 0.3 | 0.5 |
| Depreciation, amortization and provisions | 0.1 | 0.7 |
| Change in value of investment properties | (2.2) | (14.9) |
| Change in value of other assets and liabilities | 1.2 | (3.6) |
| Capital gains and losses on asset disposals | (0.2) | 0.1 |
| Net cost of debt | 10.8 | 9.5 |
| Income tax benefit (including deferred tax) | (0.1) | 0.3 |
| Gross cash flow from consolidated companies | 41.0 | 38.3 |
| Income tax paid | (0.1) | (0.0) |
| Change in operating working capital | 0.1 | 3.3 |
| Net cash flow from operating activities | 41.1 | 41.6 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Acquisitions of investment properties and other fixed assets | (19.2) | (61.5) |
| Proceeds from sales of investment properties | 3.3 | 41.4 |
| Movements in loans and other financial assets | 0.0 | 0.3 |
| Movements in current accounts of equity-accounted companies | (1.8) | (2.5) |
| Impact of changes in scope | 0.0 | - |
| Net cash flow from investing activities | (17.7) | (22.2) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividends paid to owners of the parent | (20.0) | (15.8) |
| Dividends paid to non-controlling interests | - | - |
| Acquisitions / disposals of treasury shares | (1.0) | (0.9) |
| New loans, borrowings and hedging instruments | 16.1 | 48.7 |
| Repayment of loans, borrowings, hedging instruments and lease liabilities | (33.5) | (37.2) |
| Repayment of loans, borrowings and hedging instruments on assets held for sale | (0.8) | (4.4) |
| Repayment linked to rental liabilities | (0.1) | (0.1) |
| Interest paid | (10.5) | (9.3) |
| Transactions with non-controlling interests | - | - |
| Changes in partner's current accounts | (0.9) | 4.2 |
| Net cash flow from financing activities | (50.7) | (14.9) |
| Change In Cash and Cash Equivalents | (27.3) | 4.5 |
| Cash and cash equivalents at beginning of period | 55.2 | 50.7 |
| Cash and cash equivalents at end of period | 27.9 | 55.2 |
| Change In Cash and Cash Equivalents | (27.3) | 4.5 |