



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 ⁽¹⁾



841

million euros
of assets ⁽²⁾



28.5

euros
of RNAV ⁽³⁾



44.0%

LTV ⁽⁴⁾



7.0%

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 (excluding treasury shares)

⁽⁴⁾ Adjusted for hedging instruments

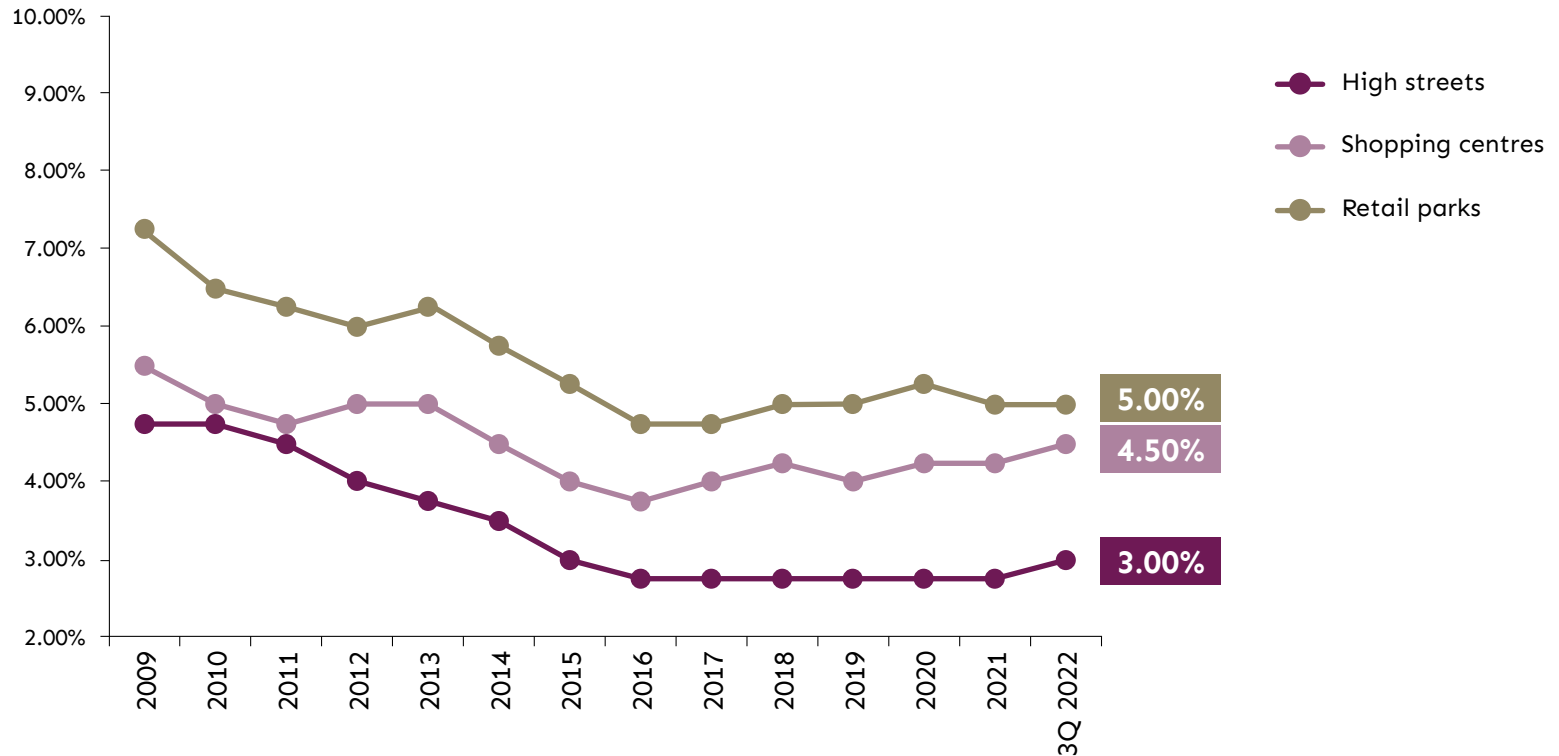
⁽⁵⁾ Annualised rental income + ERV of vacant spaces / value excluding transfer

Market dynamics



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

➤ PREMIUM RETAIL CAPITALISATION RATE TRENDS

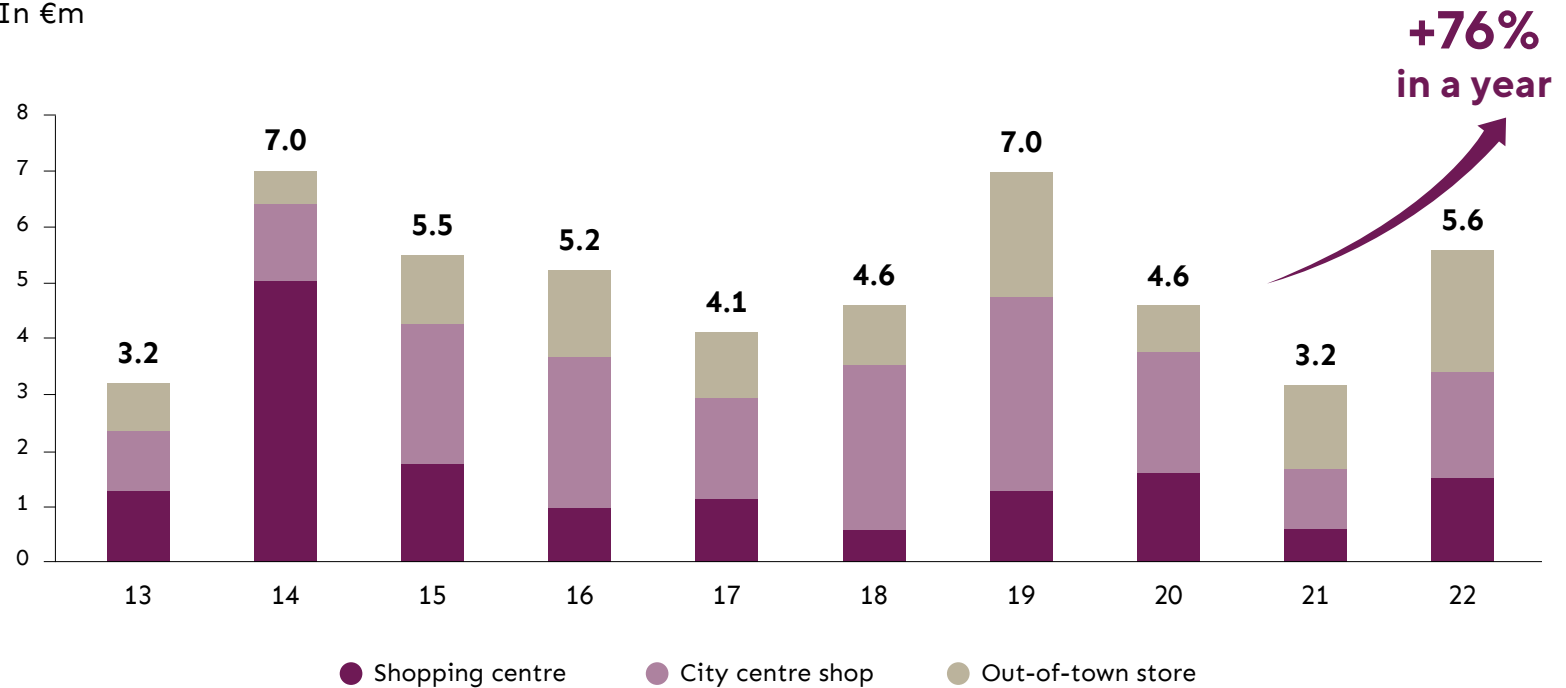


Source: Knight Frank

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

➤ INVESTMENT IN RETAILERS BY TYPE

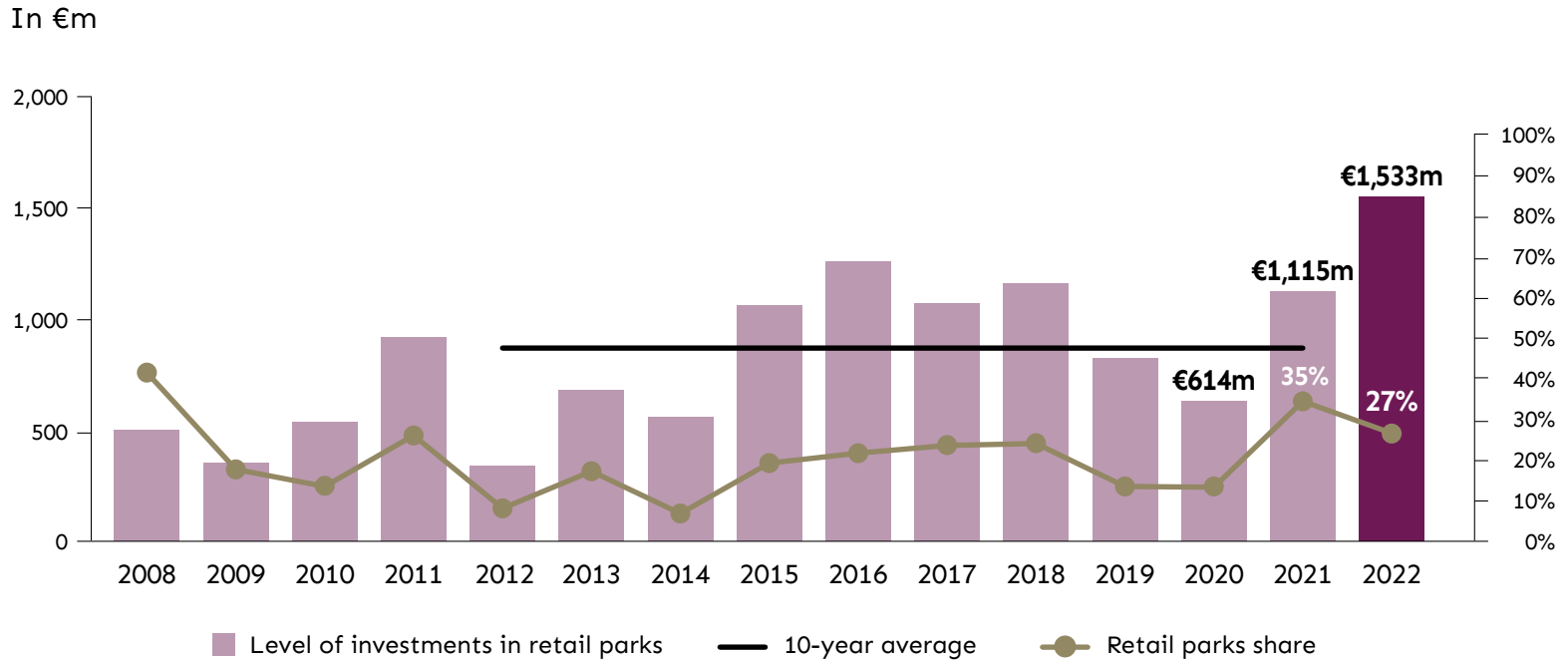
In €m



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

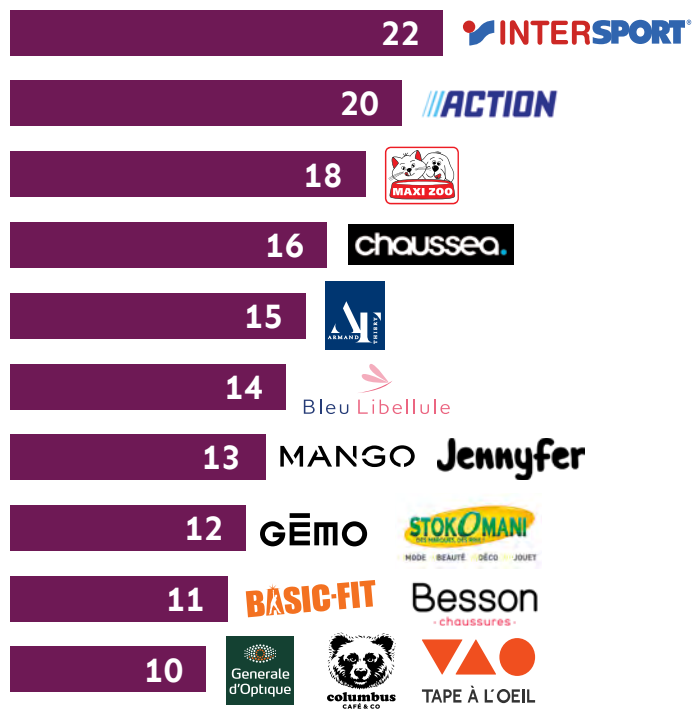


Source: Knight Frank

Continuation of retailer development

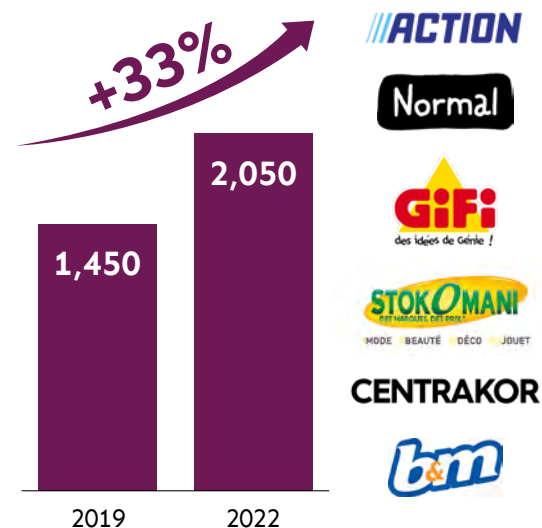
➤ TOP 10 OF THE MOST ACTIVE RETAILERS

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

22% Household goods

21% Personal products

18% Leisure Culture

15% Discount

10% Food

9% Services

6% Beauty and health

Disposal of 8 non-strategic assets

Offices in Guadeloupe (971)

An industrial asset at Parigné L'Evêque (72)

A shopping mall at Salon de Provence (13)

A complex of two buildings in Epagny (74)

Two retail units in Vitrolles (13)

Three retail units in Sarreguemines (57)

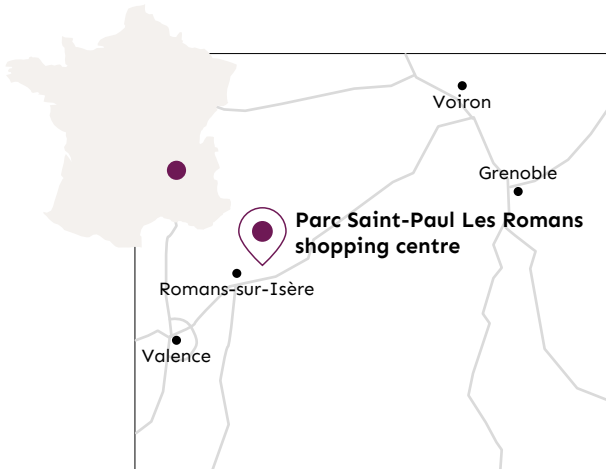
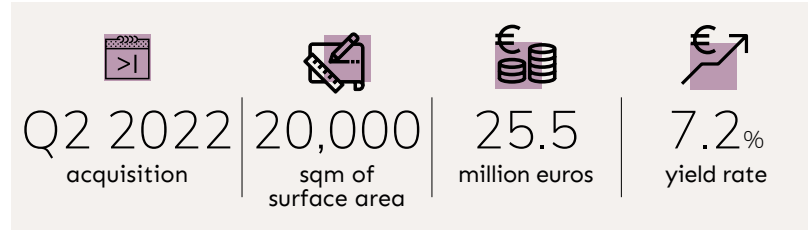
A retail asset at Bourgoin-Jallieu (38)

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

⁽¹⁾ 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

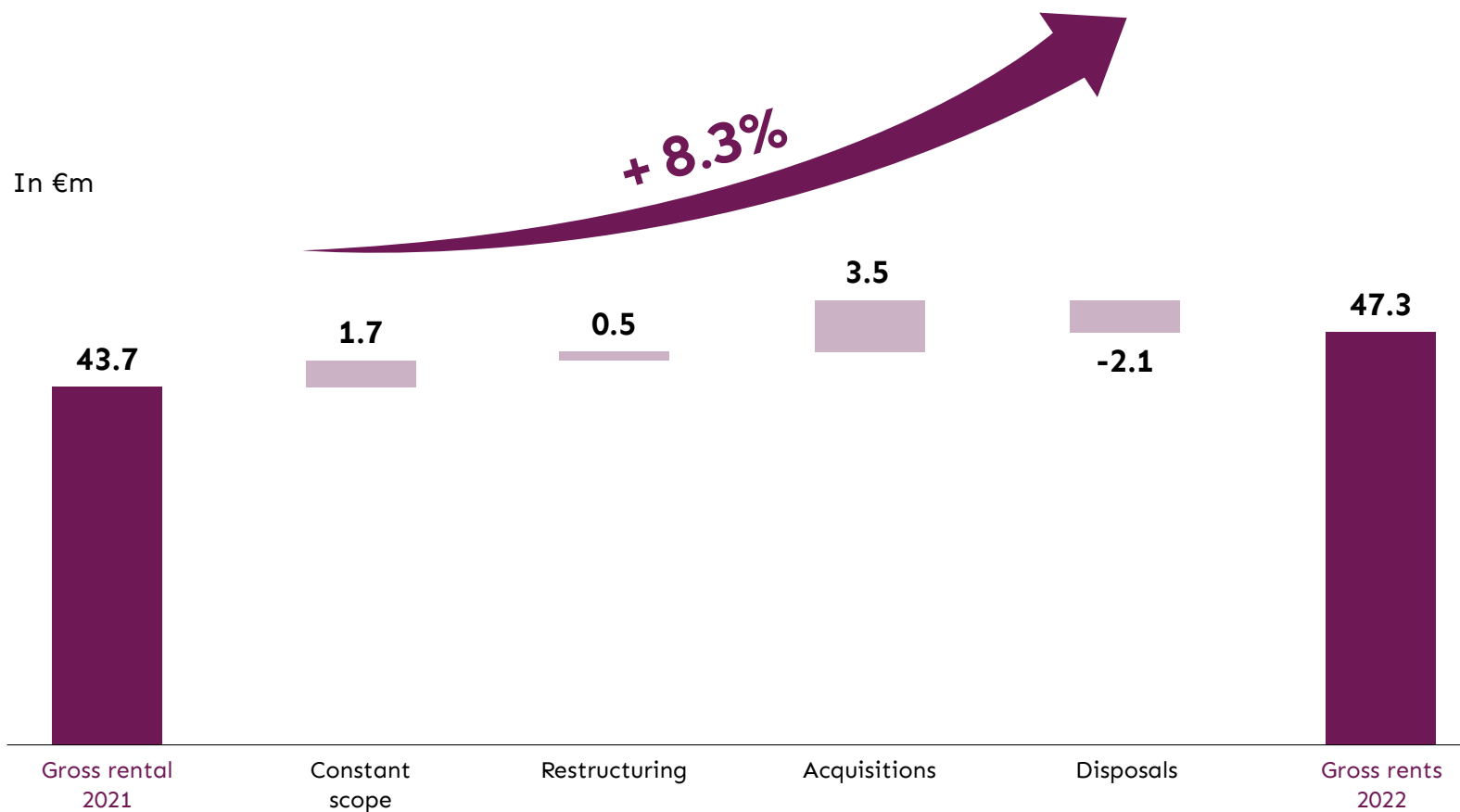
Financials



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%
Normative EBITDA	39.2	36.3	+7.9%
Net cost of debt	(9.5)	(9.4)	+0.7%
Current taxes	(0.4)	(0.2)	
Funds from operations (FFO)	29.3	26.7	+9.6%
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)	
Net income	46.1	31.2	+48.0%
Non-controlling interests	1.7	0.4	
Group share of net profit	47.8	31.5	+51.7%

Changes in gross rents

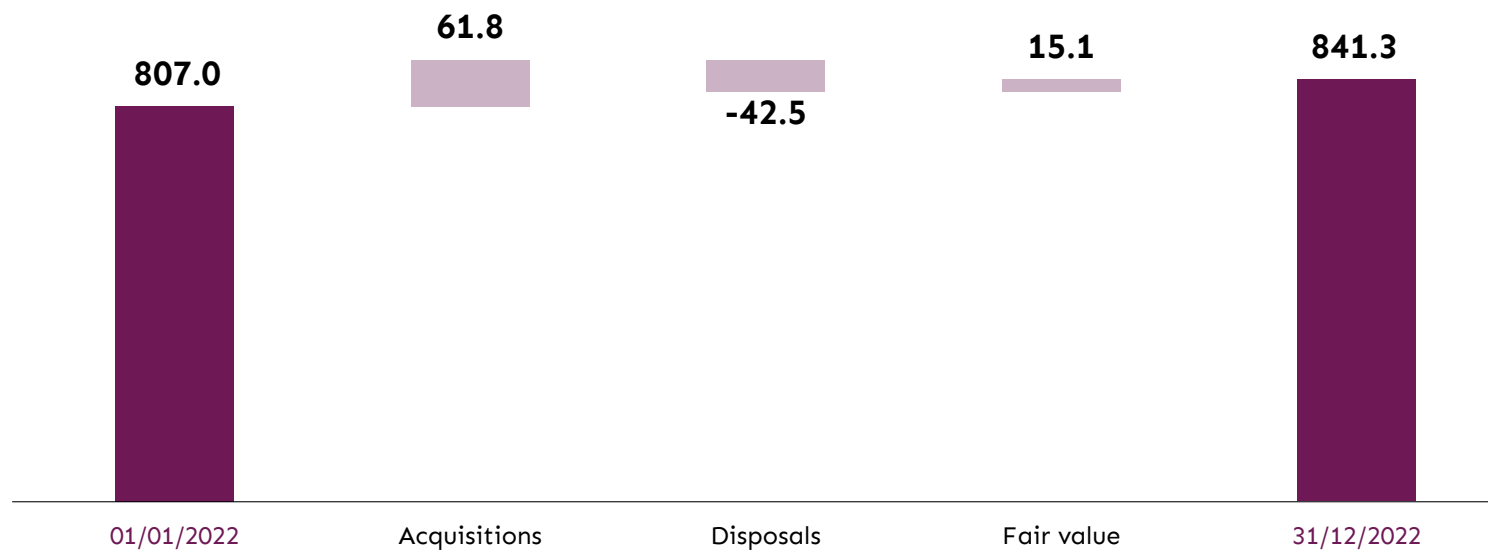


The increase in gross rents is mainly explained by the effect of a full year of 2021 acquisitions and the acquisitions of the first half of 2022.

Asset value change

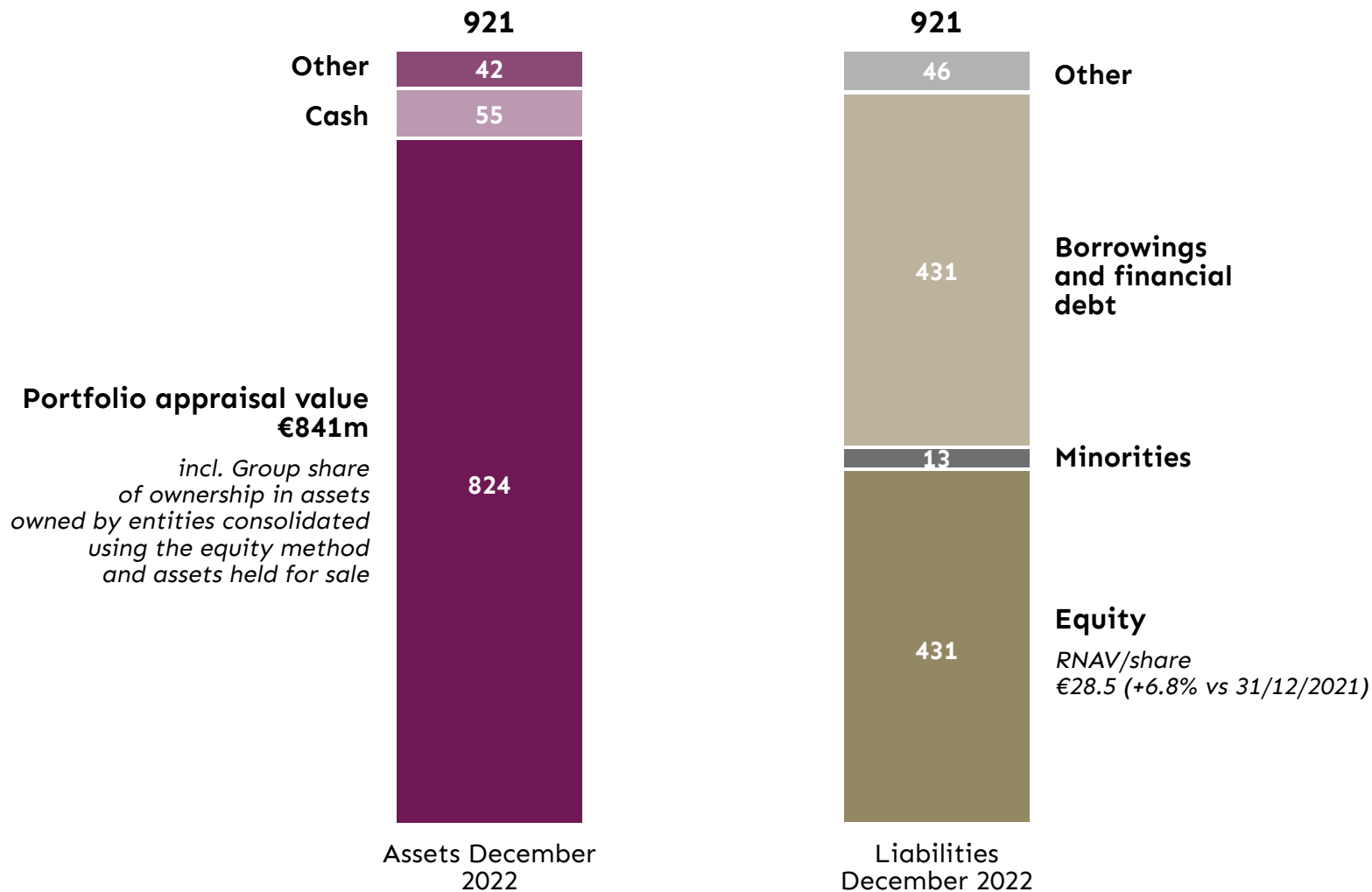
> INVESTMENT PROPERTY⁽¹⁾

In €m

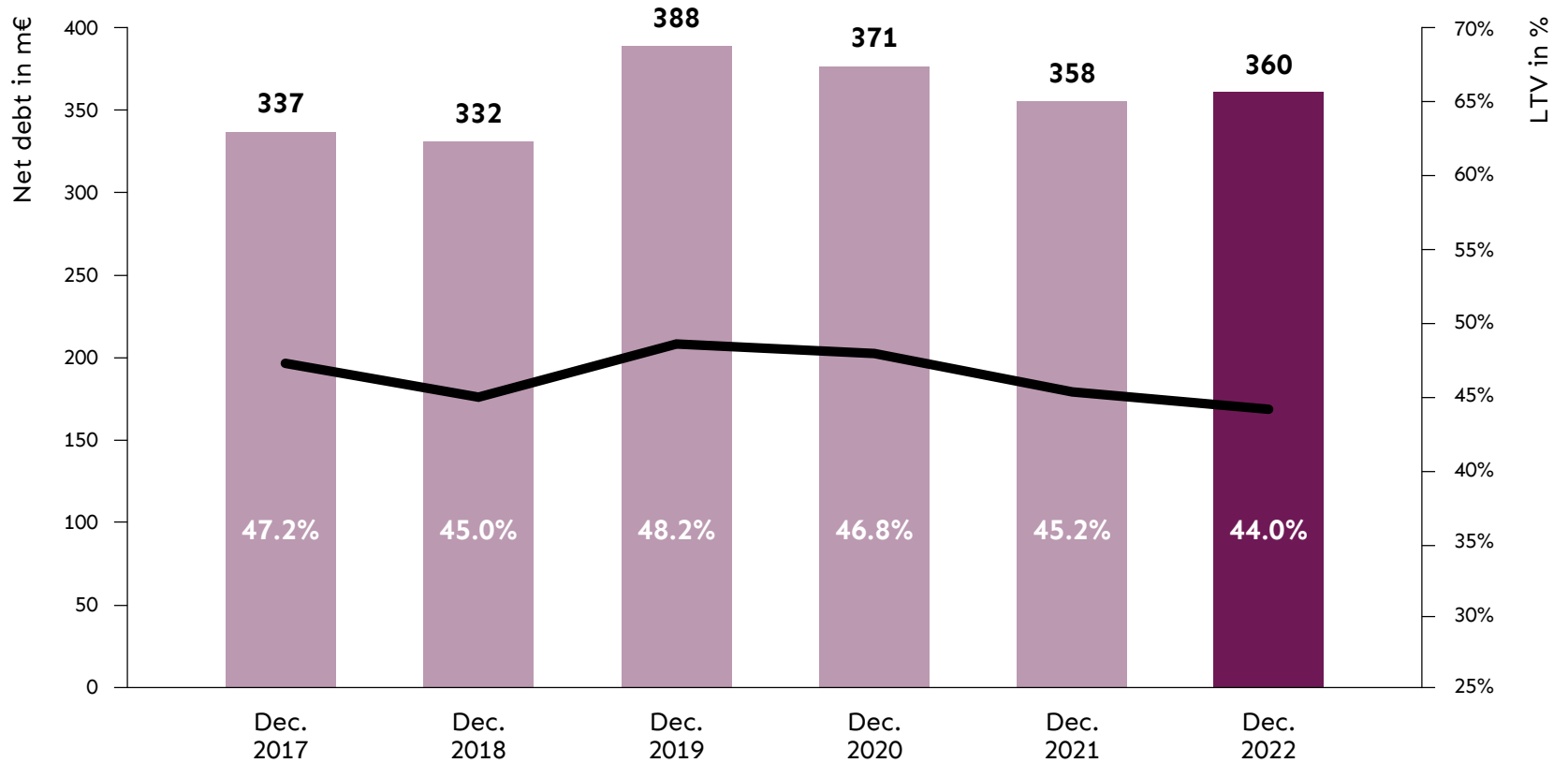


⁽¹⁾ Asset value excluding rights

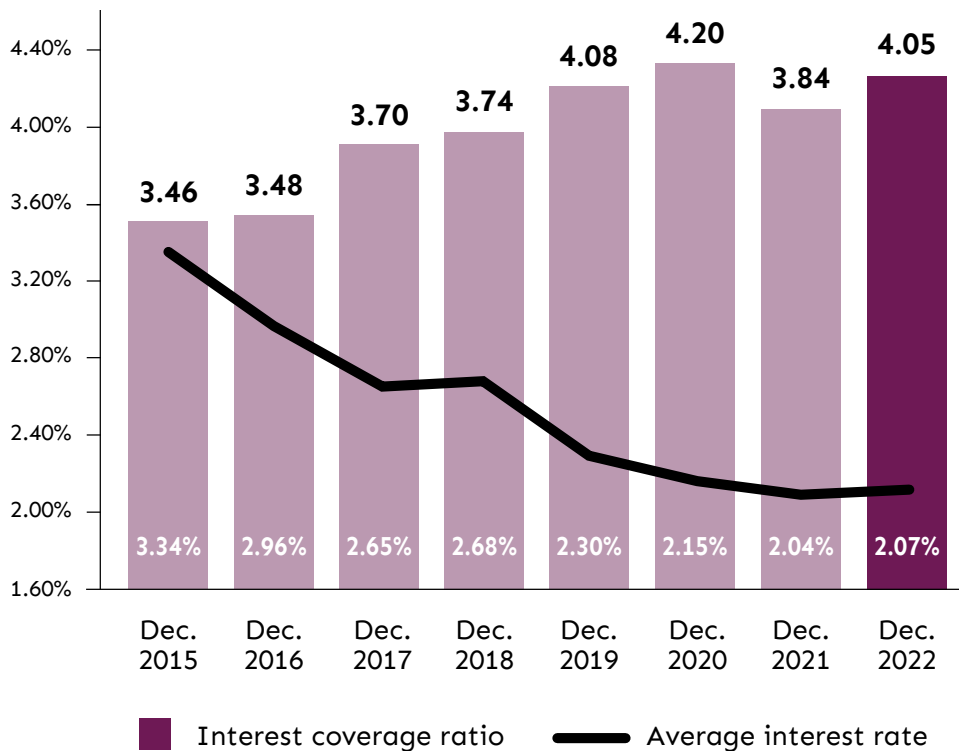
Solid financial structure



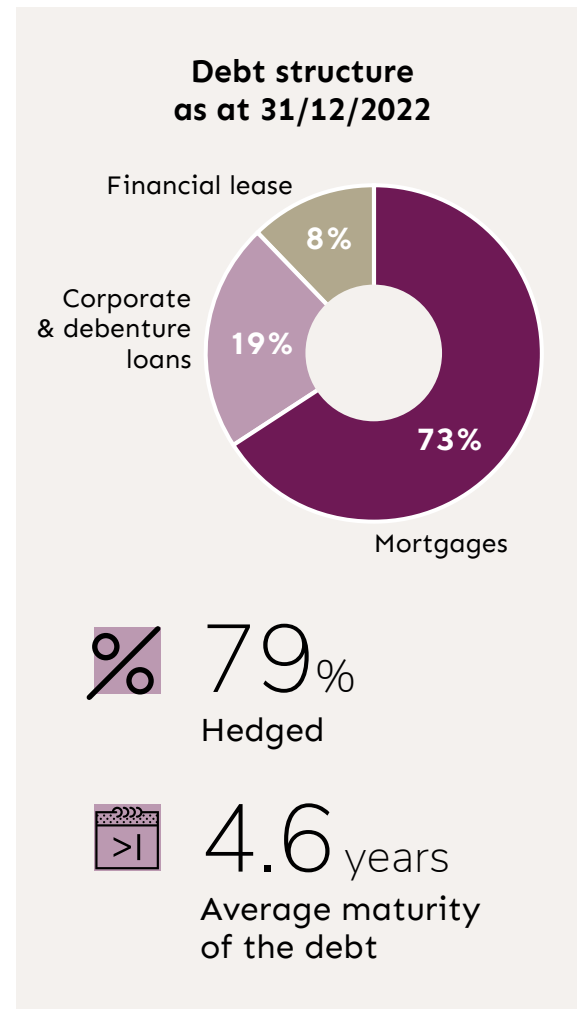
Fall in the LTV ratio



Continuous improvement of financing conditions

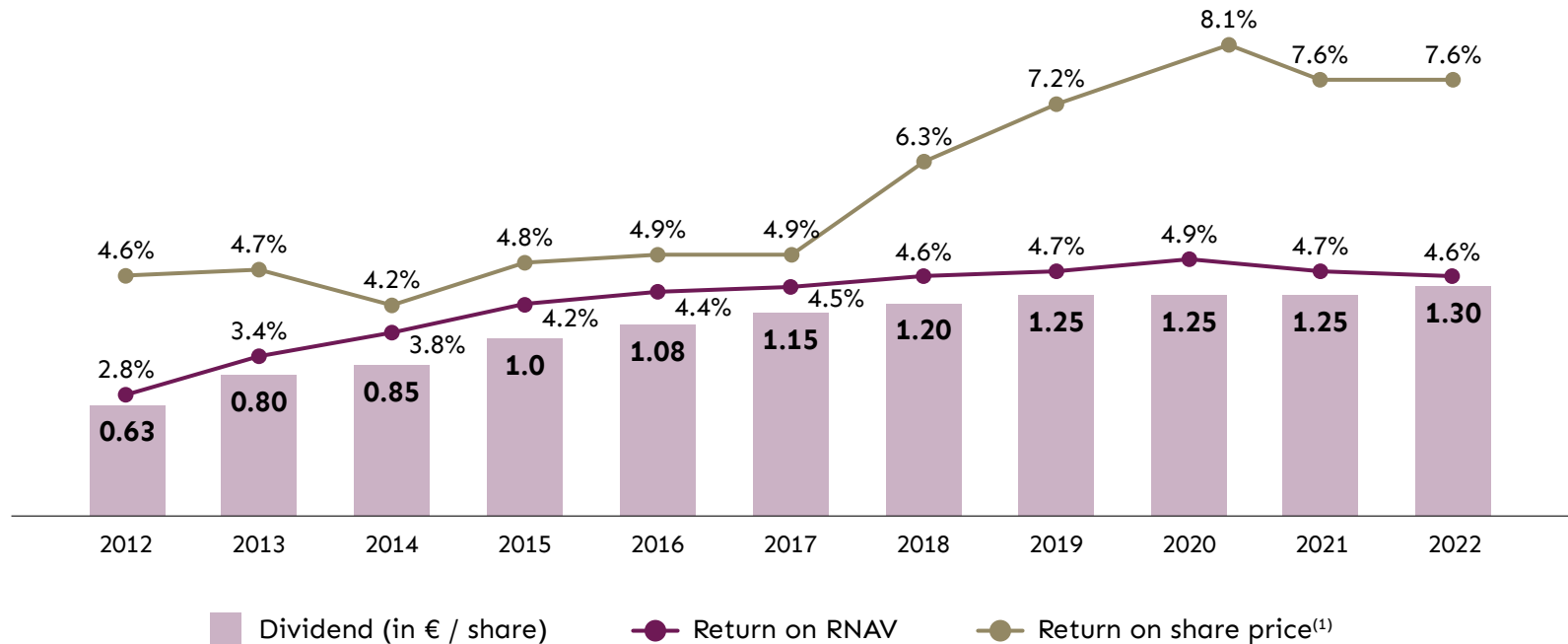


3-year extension of the €30m bond subscribed to by Suravenir: initial reimbursement dates of 30/09/2022 and 30/09/2023 deferred until 30/09/2025 and 30/09/2026.



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.



⁽¹⁾ 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

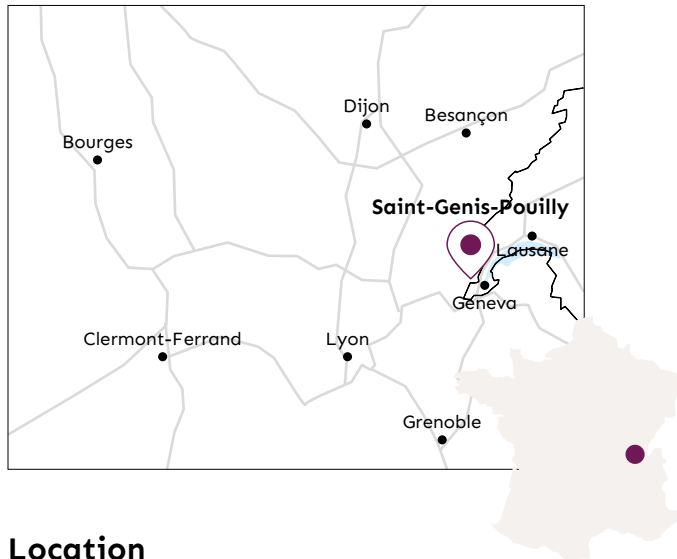
Strategy and outlook

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



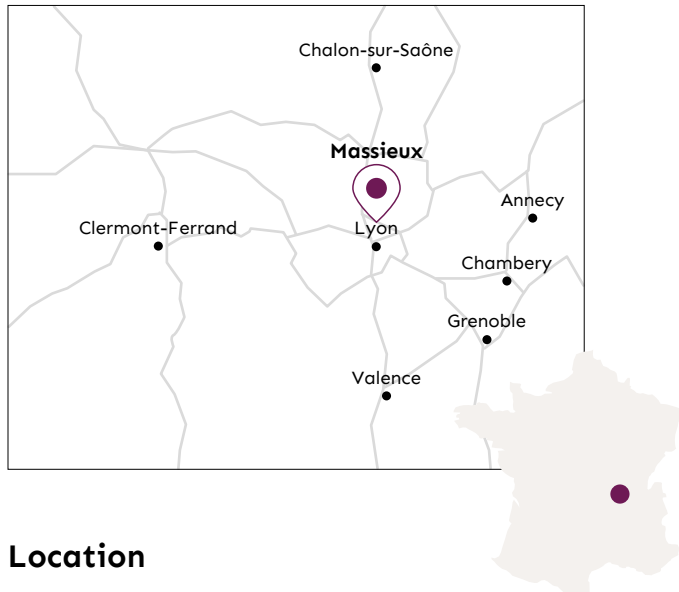
-  7,300 sqm of surface area
-  20 million euros of investment
-  Provisional delivery staggered over 2024-2025

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

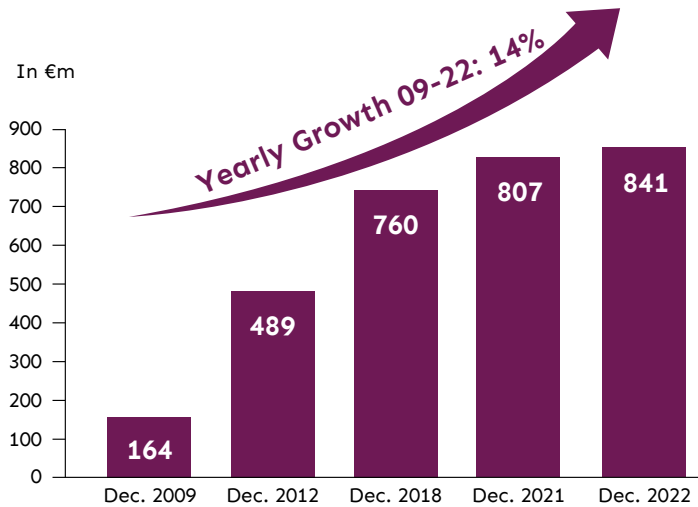
 **76**
assets

 **520 000**
sqm. of commercial
space

 **841**
million euros of assets ⁽¹⁾

 **6**
regional offices

ASSET VALUE CHANGE



A DENSE TERRITORIAL NETWORK



69
retail parks

6
shopping centres /
shopping malls

1
tertiary
building

⁽¹⁾ 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

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**