



# The leading property company specialising in low-cost retail parks

2024 Half-year results

24 JULY 2024



**PATRIMOINE  
& COMMERCE**

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

# Key figures H1 2024



528,000

sqm of surface area



26.2

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



859

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



28.7

euros  
of RNAV<sup>3</sup>



42.5%

LTV<sup>4</sup>



7.3%

capitalisation  
rate<sup>5</sup>

<sup>1</sup> Gross rental income H1 2024

<sup>2</sup> Excluding transfer fees (including 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

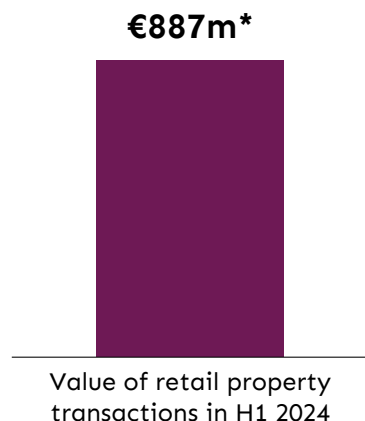
<sup>5</sup> Annualised rental income + ERV of vacant spaces / value excluding transfer

# Market dynamics



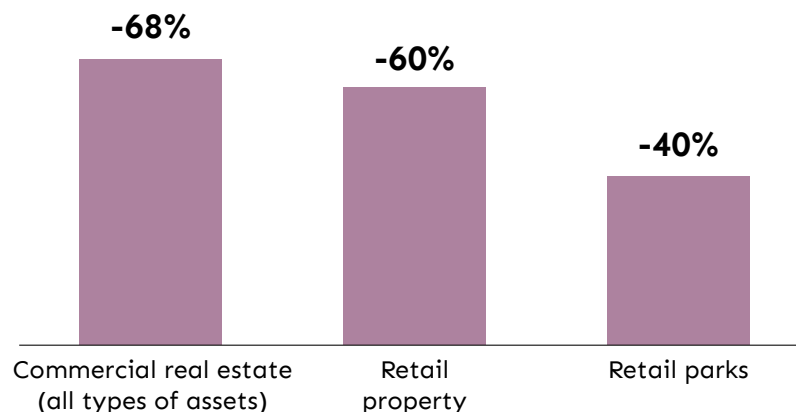
# Retail park less affected in a «wait-and-see» commercial property investment market stance

## LOW LEVEL OF INVESTMENT IN RETAIL PROPERTIES



## MORE MODERATE DECLINE IN THE RETAIL PARK SEGMENT

Change in quarterly transaction amounts between the past 5 years and HY1 2024



## STRATEGIES RESULTING IN A LOW LEVEL OF LIQUIDITY ACROSS THE MARKET

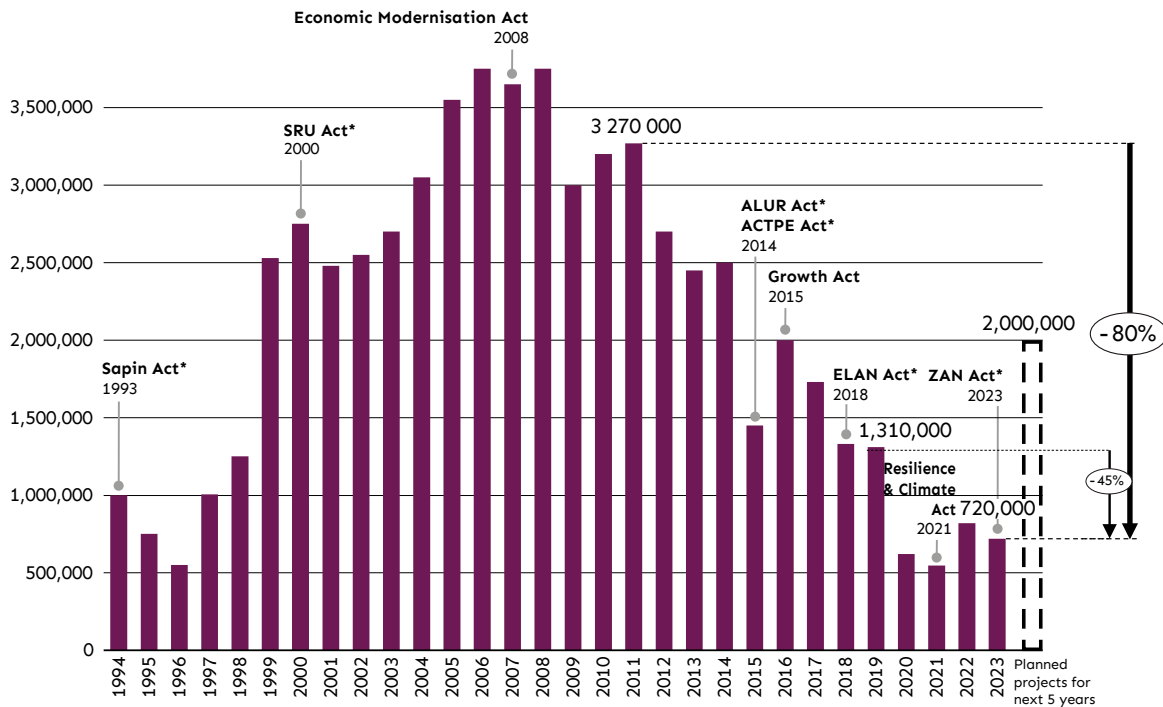
- Bank financing focusing on refinancing, debt restructuring and CAPEX injections
- Bolstering of market interest in core+ assets / added value under selective demand
- Arbitrage of assets pending a easing of financial conditions
- Majority of transactions taking place in the retail park segment (compared to shopping centres, whose transactions are concentrated on a small number of large sites)

\* 40% of which stemmed from the acquisition of the O'Parinor shopping centre (in Aulnay-sous-Bois) by Sofidy and Klépierre, and from the acquisition of two Mandarin Oriental boutiques by Lavender Propco SNC (Blackstone)



# Decrease in new commercial projects

RETAIL SPACE AUTHORISED IN FRANCE WITH FULL PERMITS SINCE 1994 (IN SQM)



**-50%**  
 Number of new projects registered each year since 2020, compared to pre-COVID

**-45%**  
 Drop in average project size since pre-COVID years (e.g. 5,200 sqm in 2023 vs 9,500 sqm in 2018)

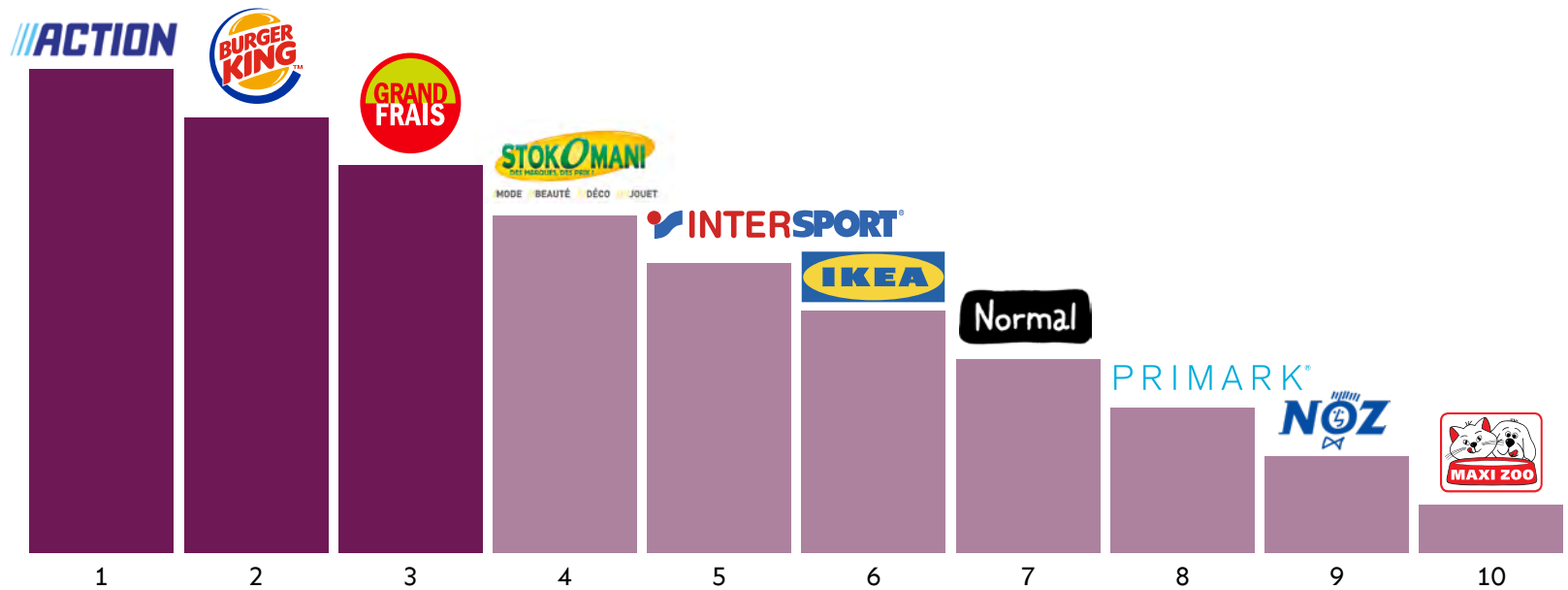
- Significant reduction in the number and average size of commercial projects
- Replacement of large projects (< 10,000 sqm) by mid-sized projects with smaller footprints (5,000 sqm)
- Premium on existing assets as an opportunity for growth (e.g., consolidations with other actors, reconfigurations, extensions of existing assets, etc.)

\* Sapin = Transparency of economic life and public procedures, SRU = Solidarity and Urban Renewal, ALUR = Housing Access and Updated Town Planning, ACTPE = Community Aid for Microbusinesses, ELAN = Evolution of Housing, Development and Digital, ZAN = Zero Net Artificialisation



# Strongest growth for chains located in retail parks

TOP 10 CHAINS WITH THE HIGHEST INCREASE IN REVENUE IN 2023  
(EXCLUDING PURE PLAYERS AND LARGE GROCERY RETAILERS)



100% of these chains are located in retail parks



# Three main sectors concentrating largest chains developments

## CHAINS WITH THE MOST DYNAMIC DEVELOPMENT PLANS PRESENT IN RETAIL PARKS

## EXAMPLE



- 800 establishments in France
- Target: 1,200 by 2030
- 100+ annual store openings on average over the last 4 years
- Standard format well-suited to retail parks (1,500 sqm)



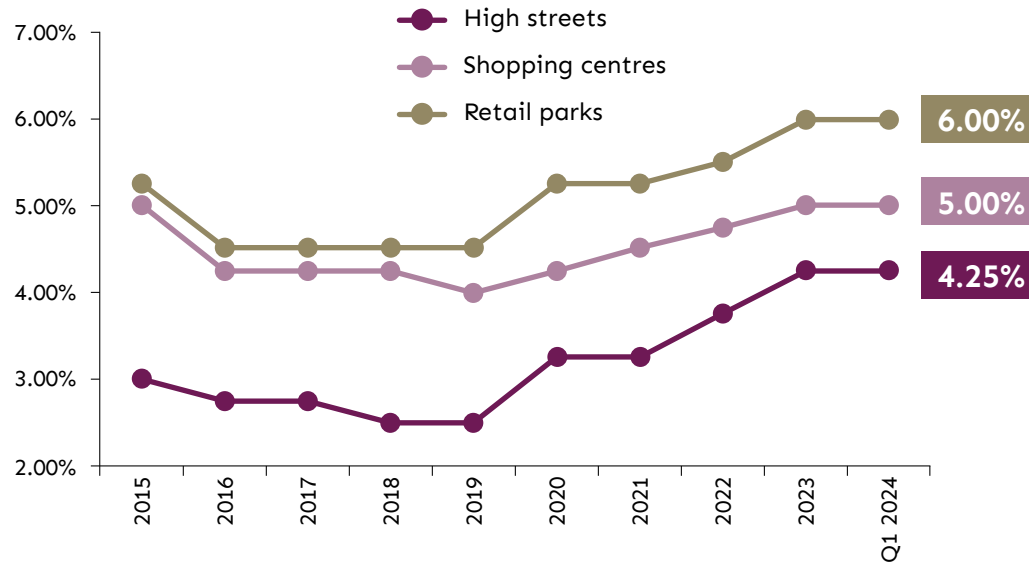
- French population's favourite chain in 2023 and 2024
- Revenue up 28% between 2022 and 2023 (up 17% across the same scope)
- 810 stores in France
- 10 store openings since January 2024



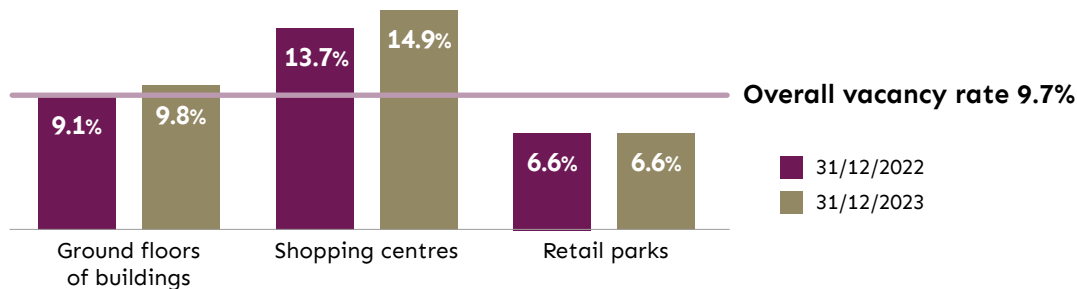
- 250 stores at year-end 2023
- 40+ store openings scheduled for 2024
- No. 1 chain of franchised bakeries in France
- Equity stake acquired by Lov Group (Ladurée, Banijay, Betclic) to speed up the chain's growth

# The retail park: A resilient business model

## HISTORICALLY HIGHER PRIME RATES OF RETURN THAN ON OTHER COMMERCIAL ASSETS



## LOWER VACANCY RATES THAN OTHER RETAIL PROPERTIES



### Chains

- Attractive rents (€110/sqm) and low charges (€10/sqm)
- Strong merchantability (footfall, parking and accessibility)
- Model aligned with new consumption patterns

### Investors

- Resilient revenue (high occupancy rates and low overdue rates), ownership of operating permits and low CapEx
- Attractive returns and resilient retail tenants (such as discount stores)
- Opportunities for growth (including the potential for consolidation in a market that is still largely fragmented)





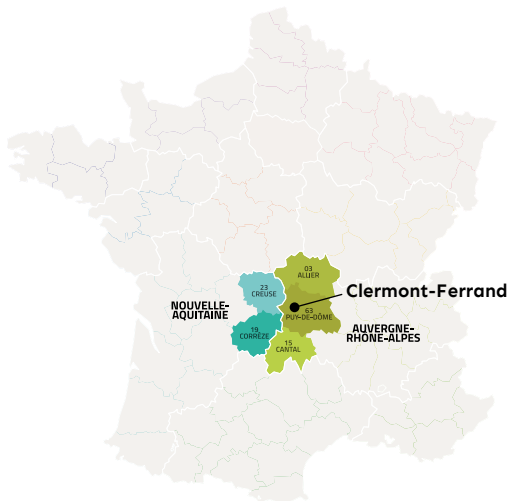
# Patrimoine & Commerce highlights



# Crédit Agricole Centre France invests in P&C



Cash capital increase restricted to Crédit Agricole Centre France, a regional section of the Crédit Agricole Group



No. 1 bank in its territory, which covers five departments (Allier, Cantal, Corrèze, Creuse and Puy-de-Dôme)

## SUMMARY OF THE INVESTMENT

€20m

Invested capital

5.44%

CACF's stake in P&C

€23

Subscription price per share

+15%

Share premium vs stock market price as at April 25<sup>th</sup> 2024, adjusted for the dividends paid out for FY 2023

**Subscription date: 1 August 2024**

**Continuing P&C's development  
whilst maintaining a solid financial structure**

# Continuation of sustained rental activity



33

leases signed



€3.2<sub>m</sub>

in gross annual  
rent



14

new leases



19

renewals

Occupancy rates on the rise for the past 2½ years, reaching 95.2% as at 30/06/2024 (vs 94.7% as at 31/12/2023 and 94.3% at 31/12/2022)

99.1% recovery rate of rents, charges and taxes

WALT of 4.7 years  
(vs 4.9 years as at 31/12/2023)

WALB of 2.2 years  
(vs 2.3 years as at 31/12/2023)

# Attractive retail tenants



The top 15 retailers account for less than a third of the total of Patrimoine & Commerce rents, distributed evenly across resilient sectors.

## BREAKDOWN IN RENTAL INCOME by store type

23% Household goods

20% Personal products

19% Leisure and culture

16% Discount

12% Food

6% Services

4% Beauty and health

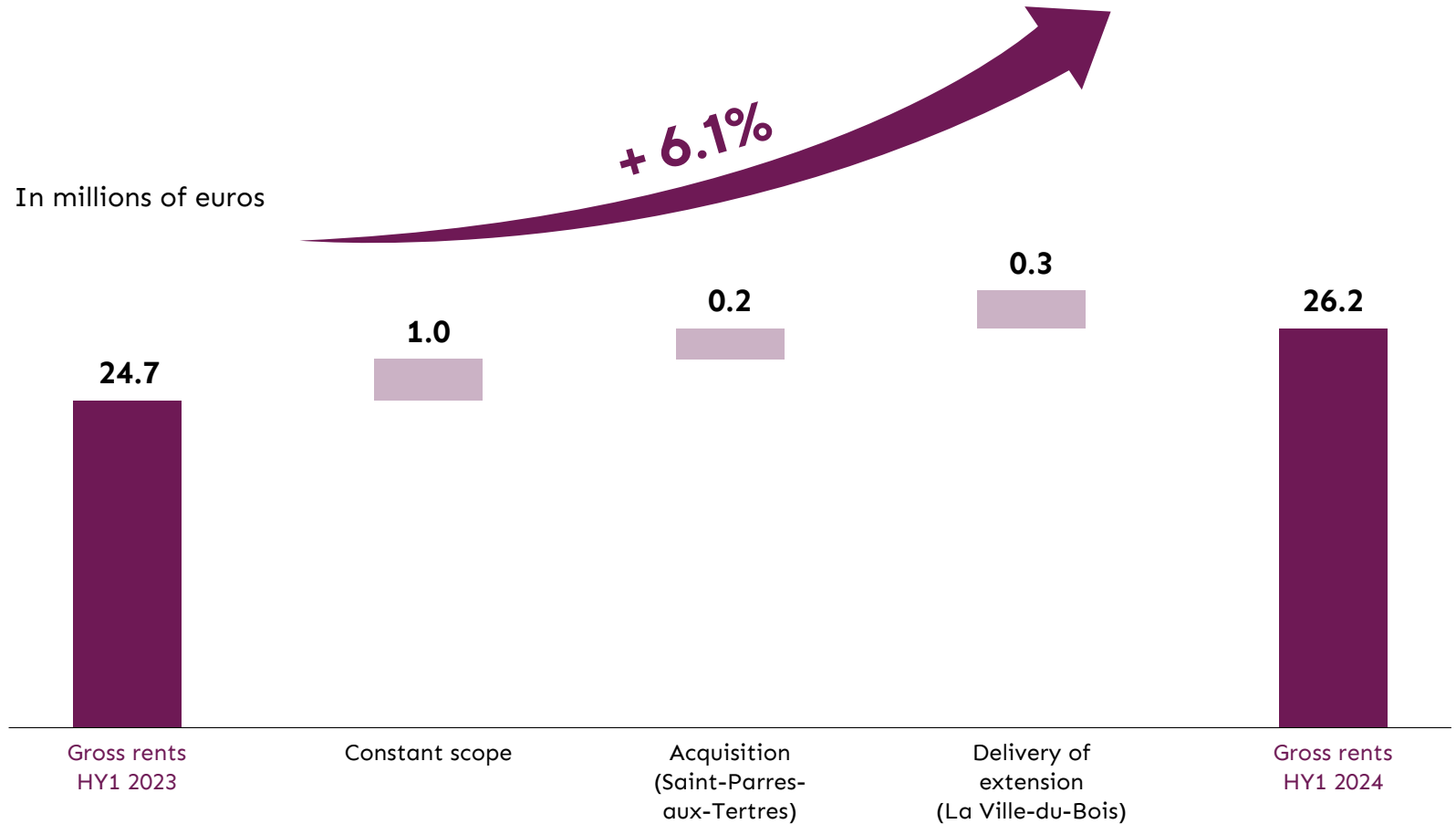
# Financials



# Simplified P&L as at 30/06/2024

In millions of euros	6 months 30/06/2024	6 months 30/06/2023	Change (as a %)
Gross rents	26.2	24.7	+6.1%
Net rental income	24.2	22.6	+7.2%
Operating expenses and other income	(3.0)	(2.3)	+32.0%
<b>Normative EBITDA</b>	<b>21.2</b>	<b>20.3</b>	<b>+4.4%</b>
Net cost of debt	(5.9)	(5.4)	+10.7%
Current taxes	(0.0)	(0.1)	
<b>Funds from operations (FFO)</b>	<b>15.2</b>	<b>14.8</b>	<b>+2.4%</b>
Change in fair value of properties	1.0	(0.8)	
Change in fair value of financial instruments	(0.5)	(0.3)	
Equity method investees	(0.6)	(1.4)	
Other income and expenses	(0.6)	(0.2)	
<b>Net income</b>	<b>14.4</b>	<b>12.1</b>	<b>+18.8%</b>
Non-controlling interests	0.5	0.7	
<b>Group share of net profit</b>	<b>14.9</b>	<b>12.8</b>	<b>+16.2%</b>

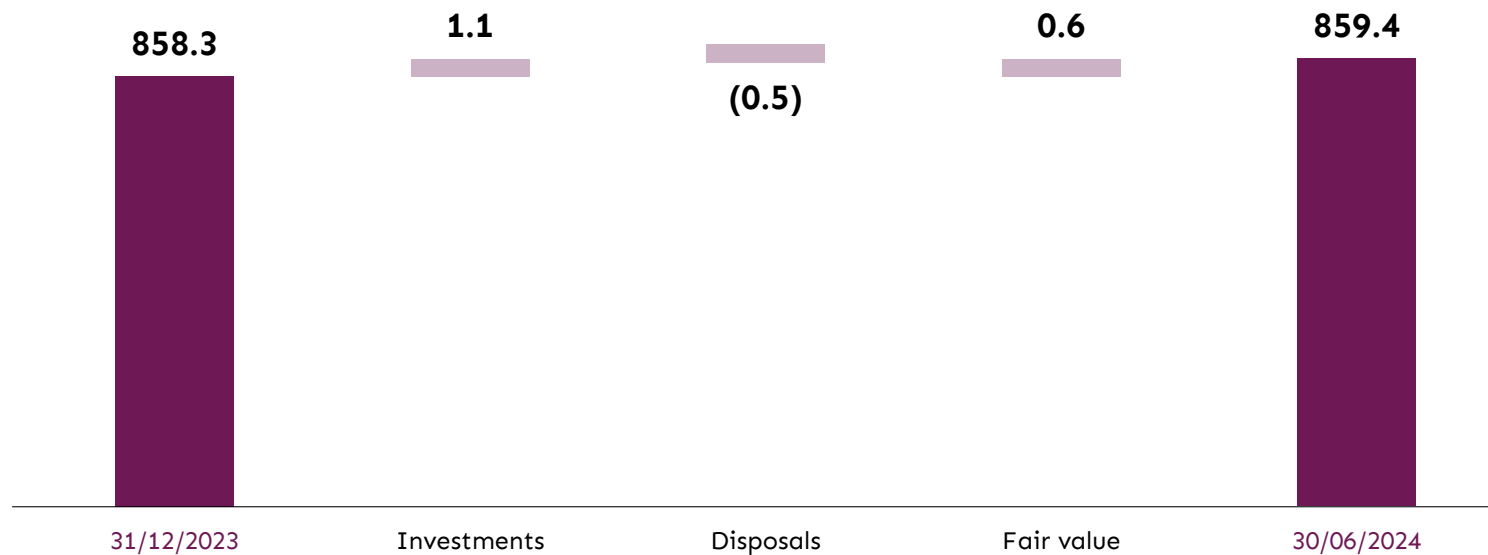
# Trend in gross rents



# Asset value change

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

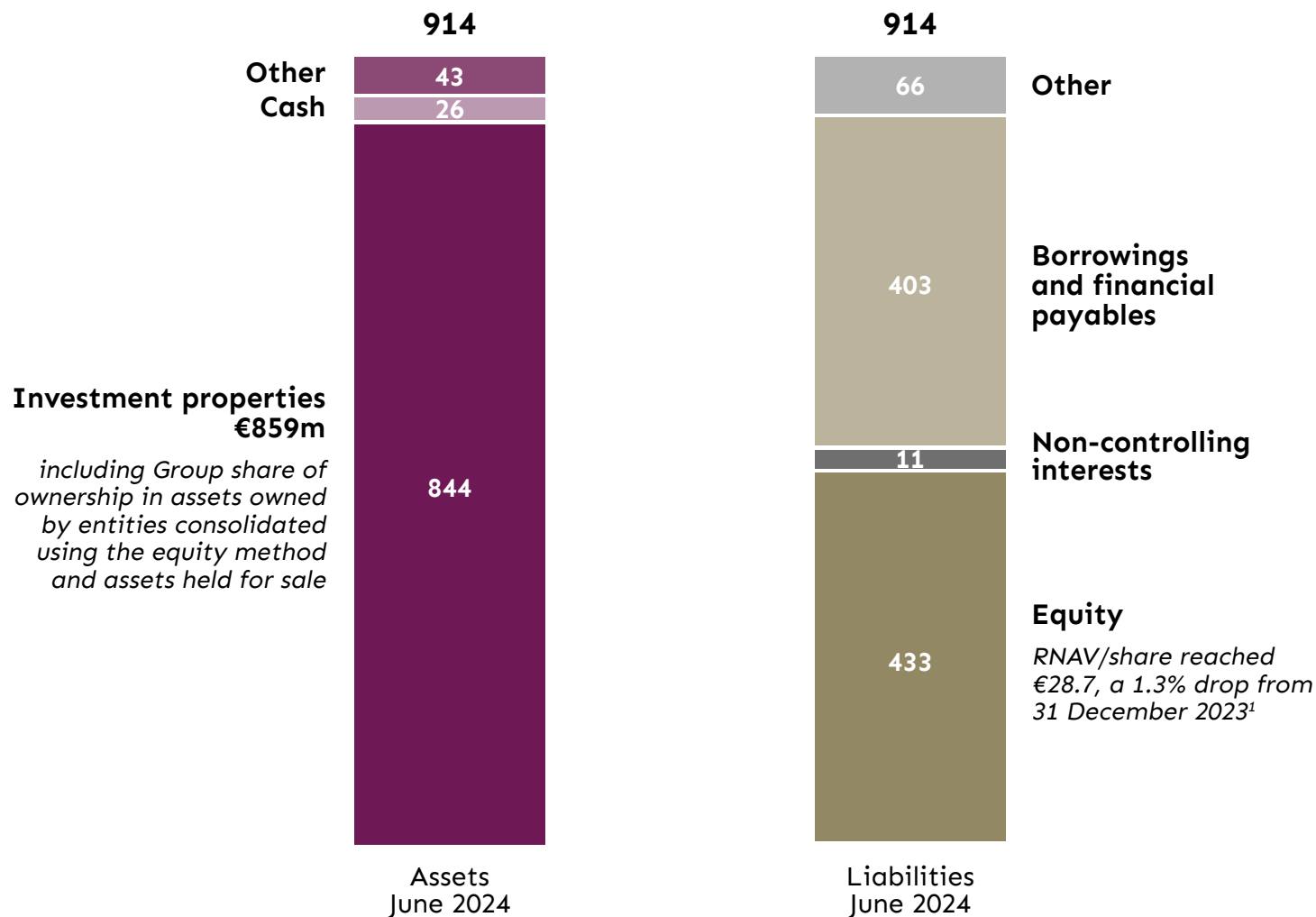
In millions of euros



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

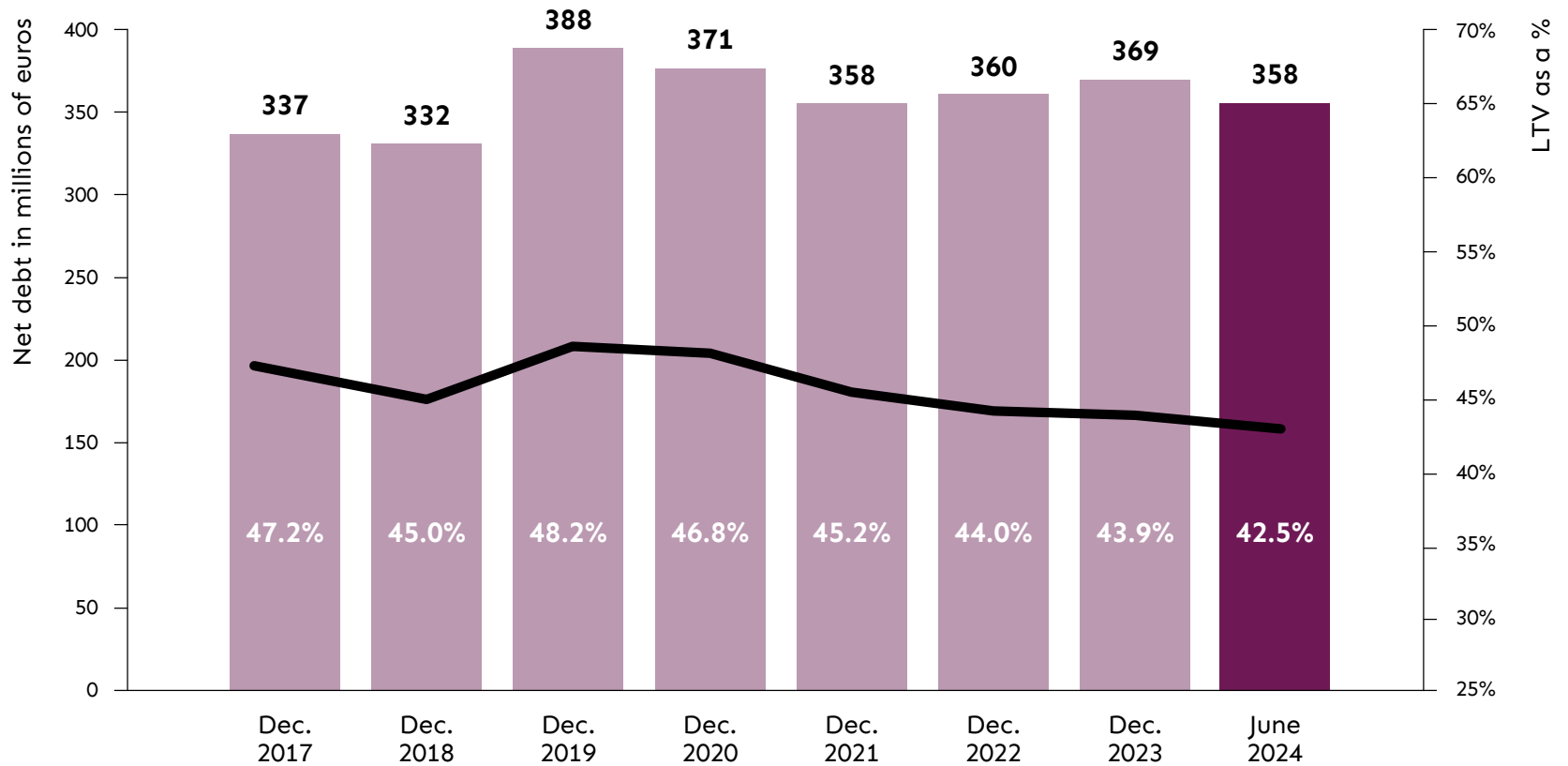


# Solid financial structure

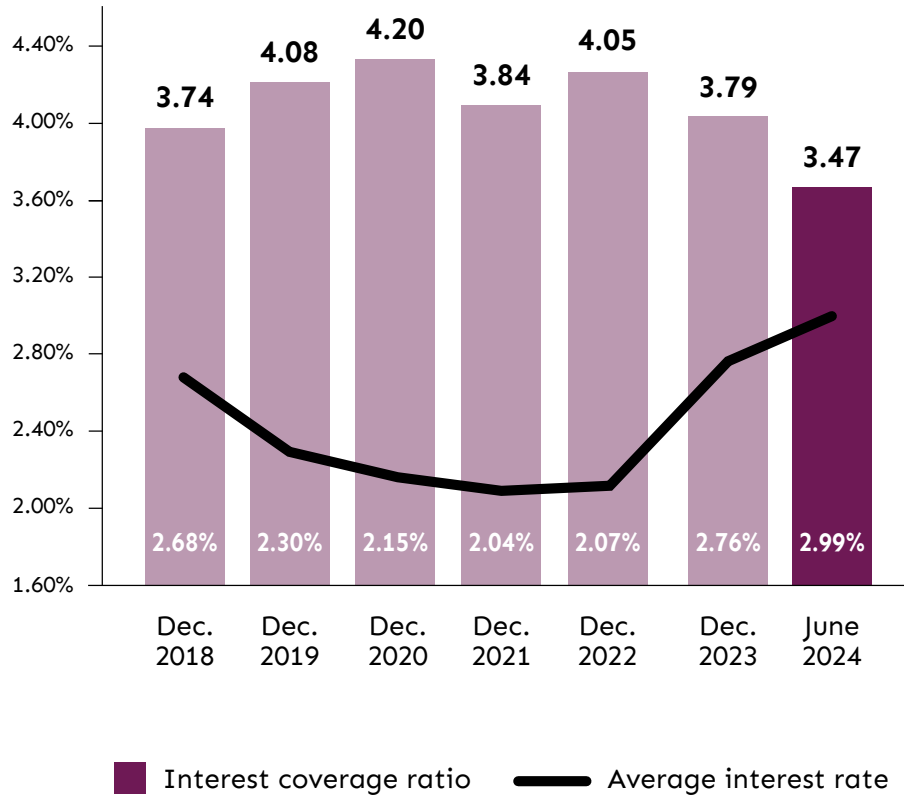


<sup>1</sup> Adjusted for the distribution of dividends, the RNAV would have been €454m (€30.10/share), up 3.4% from 31 December 2023

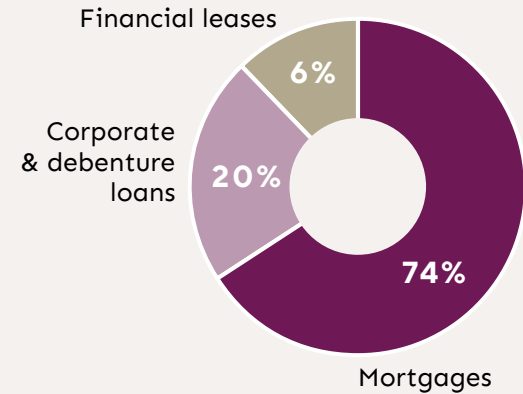
# Fall in the LTV ratio




# Tightening of financing conditions



## Debt structure as at 30 June 2024



 **76%**  
Hedged debt

 **4.1 years**  
Average debt maturity



# Strategy and outlook

Patrimoine & Commerce, a  
high-yield real estate company



# P&C: France's retail park leader

## KEY FIGURES AS AT 30 JUNE 2024

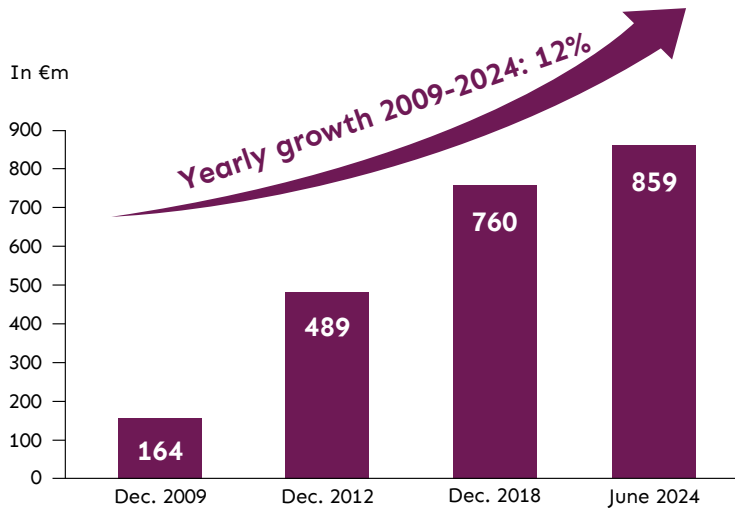
 **75**  
assets

 **528,000**  
sqm of surface  
area

 **859**  
million euros  
in assets<sup>1</sup>

 **6**  
regional offices

## ASSET VALUE CHANGE



## A DENSE NATIONAL NETWORK



**69**  
retail parks

**5**  
shopping malls

**1**  
tertiary buildings



<sup>1</sup> Asset value excluding rights.

# Strategic priorities for P&C



## Continue expanding our portfolio

Proactive management of the mix (strengthening discount, dining, leisure and food distribution)

Selective acquisition of relevant sites

Opportunities for external growth



## Develop and transform existing assets

Seven projects that have received or applied for a building permit covering ~30,000 sqm, representing an investment of €55 million with an average return above 8%

30+ complementary projects already identified, about 10 of which aim to apply for building permits within a year (covering more than 25,000 sqm)



## Support the energy transition

Rollout of electric charging stations

Implementation of measures to reduce energy consumption and the selective renovation of assets

Rollout of solar panels (30+ projects currently under consideration or awaiting application for a building permit)

# SEPRIC, a property developer that enhances P&C's assets with consideration of sustainability issues

Goal of obtaining project certification to highlight sustainability efforts lead by P&C



## EXAMPLE OF SALAISE-SUR-SANNE



Salaise-sur-Sanne, France

- **6,000 sqm** of land area, including **2,200 sqm** of shade structures and **2,000 sqm** of green space
- Building permit authorisation received on 23 May 2024
- Biodiversity Life certification underway
- Delivery planned for November 2024



# Charging stations

## Committed to promoting green transport

### > ROLLOUT OF STATIONS WITH THREE OPERATORS




Zero CapEx / zero OpEx model: payment of a portion of the revenue to P&C in the name of rent for the installed locations


### > ROLLOUT PLAN

*Cumulated view*

- **2024: 23 car parks**  
(24% of total)
- **2025: 68 car parks**  
(70% of total)
- **2026-2027: 96 car parks**  
(100% of total)

 96  
Car parks

 ~400  
Stations installed

 22-300 kWh  
Mix of charging power to meet the different needs of visiting customers (high-power stations at an average of 140 kWh)

 €0.7 m  
Expected target rent

 2027  
Completion of rollout



# Charging stations

Already rolled out to 7 sites, 200+ charging points by year-end 2024

## 7 INSTALLED SITES

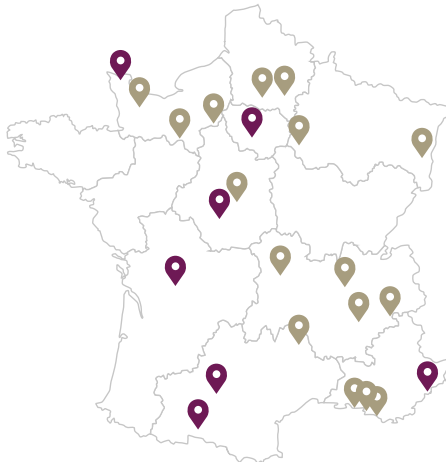
**21 stations / 42 charging points**

Average power: 125 kWh  
300+ vehicles charged in the last 90 days

## 16 SITES CURRENTLY BEING INSTALLED

**81 stations / 162 charging points**

Average power: 150-200 kWh



## EXAMPLES OF INSTALLED SITES



**ZAC des Perrières  
Vineuil,  
France**

- 2 charging stations
- 4 charging points (1 at a disabled parking space)
- 150 kWh
- 121 vehicles charged in the last 90 days



**Saint-Gaudens,  
France**

- 4 charging stations
- 8 charging points (1 at a disabled parking space)
- 22-150 kWh
- 73 vehicles charged in the last 90 days



# Winning strategy of a high-yield real estate company



## PATRIMOINE & COMMERCE



Leader in low-cost retail parks in France



Target assets of €1bn



Returns greater than 7%



Loan to value ratio of around 50%



A distribution rate close to 60% of FFO



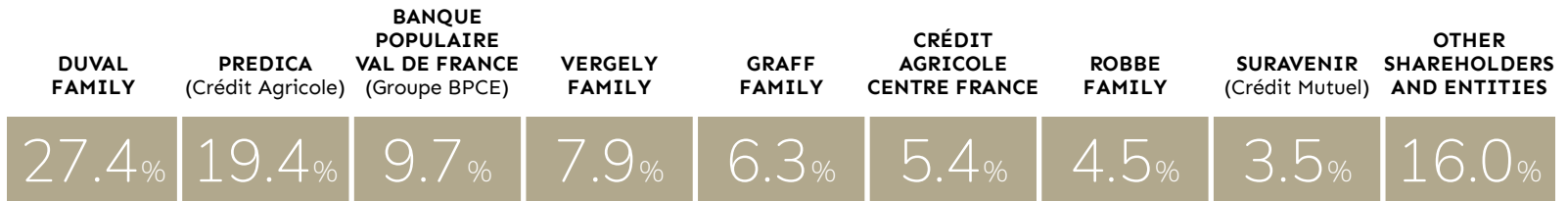


# Appendices

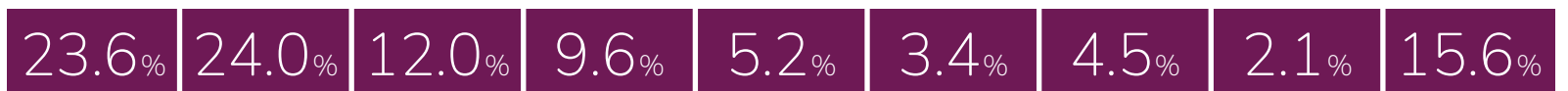


# Shareholding structure and voting rights after CACF's investment

Poitiers Porte Sud Retail Park, Poitiers, France



SHAREHOLDING STRUCTURE



VOTING RIGHTS



# Thank you!

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