



The leading property company specialising in low cost retail parks

2022 Half-year results

8 SEPTEMBER 2022



**PATRIMOINE
& COMMERCE**

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

An aerial photograph of a commercial district, likely in a city like Atlanta. The image shows a large, multi-story commercial building with a flat roof and a large parking lot filled with cars. In the background, there are more buildings, including one with a 'BRICO DEPOT' sign, and a residential area with houses. The sky is overcast. The entire image has a purple tint.

Patrimoine & Commerce, highlights

2022 Key first half figures



520,000

sqm. of surface area



23.0

million euros
of rents ⁽¹⁾



856

million euros
of assets ⁽²⁾



27.3

euros
of RNAV ⁽³⁾



44.9%

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)

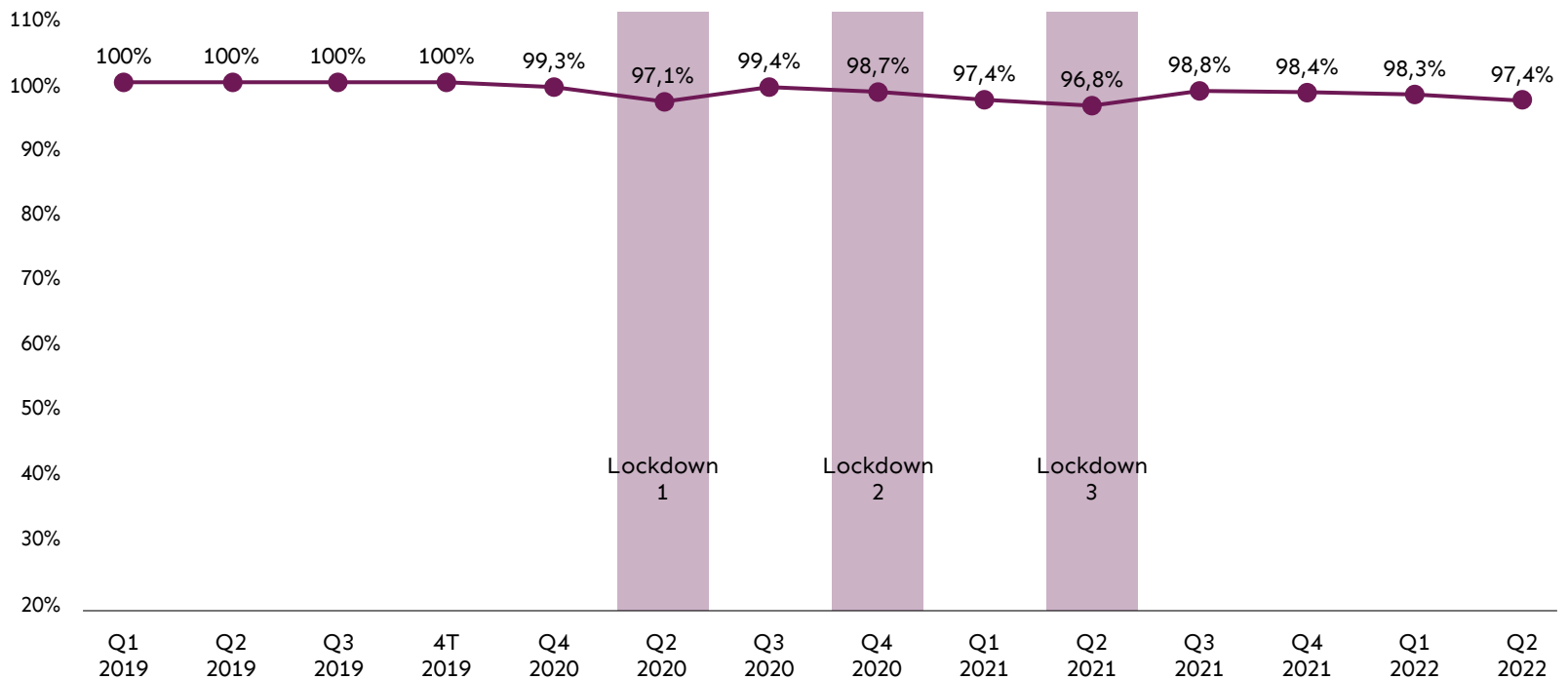
⁽³⁾ Triple net / share (excluding treasury shares)

⁽⁴⁾ Adjusted for security deposits and hedging instruments

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

A recovery rate which illustrates the strength of the business model

> RECOVERY RATE TREND



- An average recovery rate of 98 % over 12 sliding months and which continues to improve with the recovery of Q2 2022.



Note: recovery rate of rents, charges and property taxes

Sustained rental activity



21

leases signed in the
1st half-year 2022



€1,6_m
of gross annual
rent



13

new leases



8

renewals

A healthy rental base with 7 %
of leases tacitly renewed

WALT of 6.1 years
(vs 6.0 years as at 31/12/2021)

WALB of 3.2 years
(vs 3.0 years as at 31/12/2021)

An improving occupancy rate at 94%

As at 30/06/2022, 53 leases were in the
process of being signed or negotiated

Attractiveness of national retailers



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 OF RENTAL INCOME by retailer type

22% Household goods

21% Personal products

16% Leisure Culture

15% Discount

9% Food

8% Services

7% Beauty and health

Disposal of 5 non-strategic assets

Offices in Guadeloupe (971)

A complex of two buildings in Epagny (74)

Two retail units in Vitrolles (13)

Three retail units in Sarreguemines (57)

For a total amount of **€21,3m⁽¹⁾**, in line with the expert valuations.

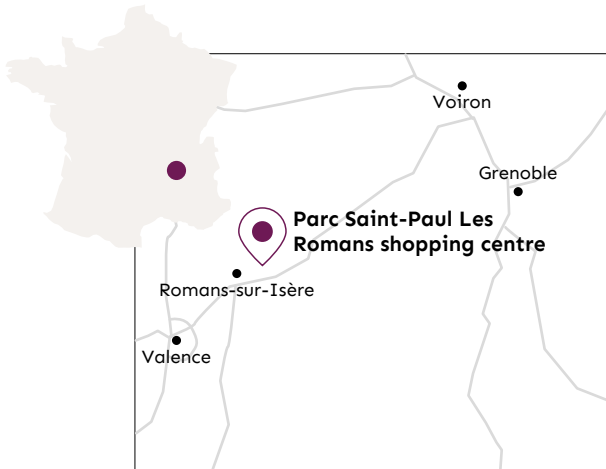
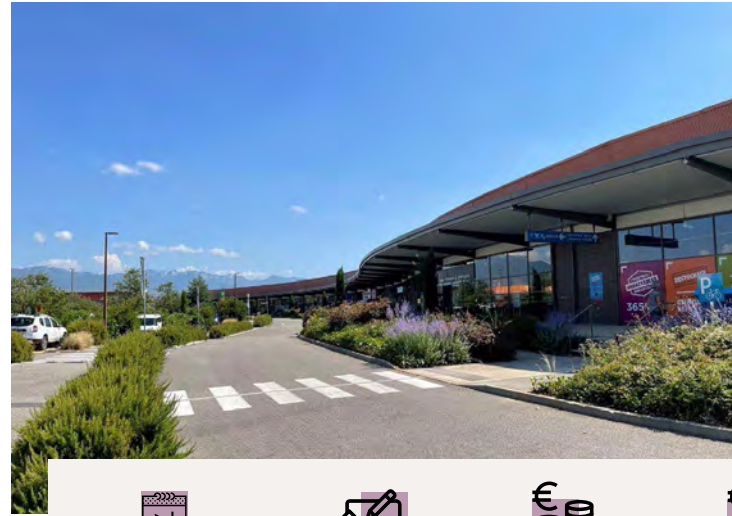
⁽¹⁾ Net selling price






€57m
of investment
in HY1 2022



Acquisition of the Saint-Paul retail park







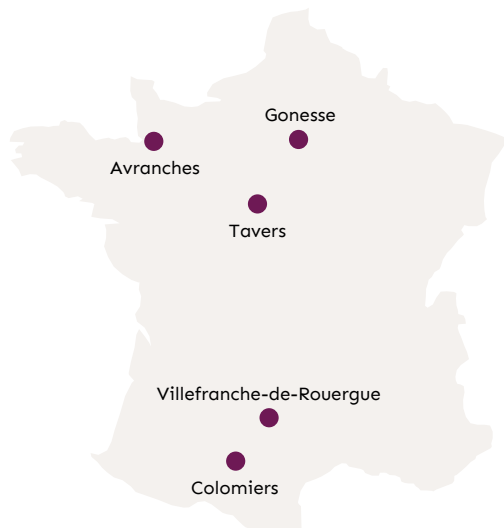
			
Q2 2022	20,000	25.5	7.2%
acquisition	sqm of surface area	million euros	yield rate

- Construction of 2014
- BREEAM Very Good
- 28 retail units
- A balanced merchandising mix

Acquisition of the Wave portfolio





			
Q1 2022	15,400	18.5	7.1%
acquisition	sqm of surface area	million euros	yield rate



- Five assets spread across the whole of France at Avranches (50), Colomiers (31), Tavers (45), Villefranche-de-Rouergue (12) and Gonesse (95)
- 21 retail units
- A vacancy rate close to zero
- Solid nationwide retailers such as Gifi, Picard, Districenter, Centrakor and Poltronsofa

Acquisition of a retail complex in Thonon-les-Bains



			
Q1 2022	2,928	6.0	7.0%
acquisition	sqm of surface area	million euros	yield rate

- Construction of 2013
- 8 retail units
- A catchment area of nearly 230,000 inhabitants with high purchasing power

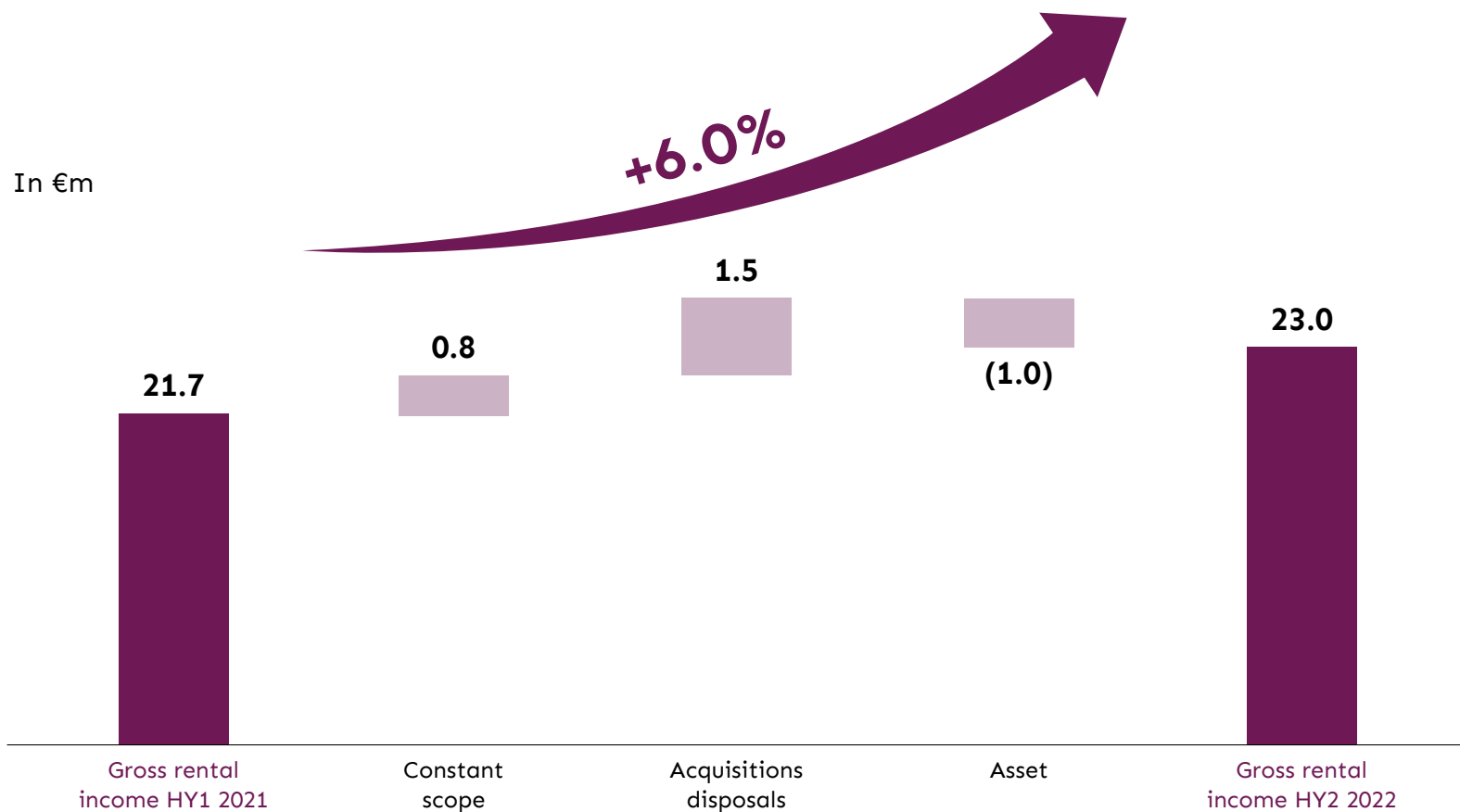
Financials



Simplified P&L as at 30/06/2022

In €m	12 months 30/06/2022	12 months 30/06/2021	Change in %
Gross rental income	23.0	21.7	+6.0%
Net rental income	21.1	19.8	+6.6%
Operating expenses and other income	(2.3)	(2.2)	+6.6%
Normative EBITDA	18.8	17.6	+6.7%
Net cost of debt	(4.4)	(4.5)	-2.2%
Current taxes	(0.3)	(0.2)	
Funds from operations (FFO)	14.1	12.9	+9.2%
Change in FV of properties	12.3	0.8	
Change in FV of financial instruments	1.6	0.6	
Equity method investees	0.5	0.3	
Other income and expenses	(0.4)	0.1	
Net income	28.1	14.6	+91.8%
Non-controlling interests	0.3	(0,2)	
Group share of net profit	28.4	14.4	+96.9%

Increase in gross rents

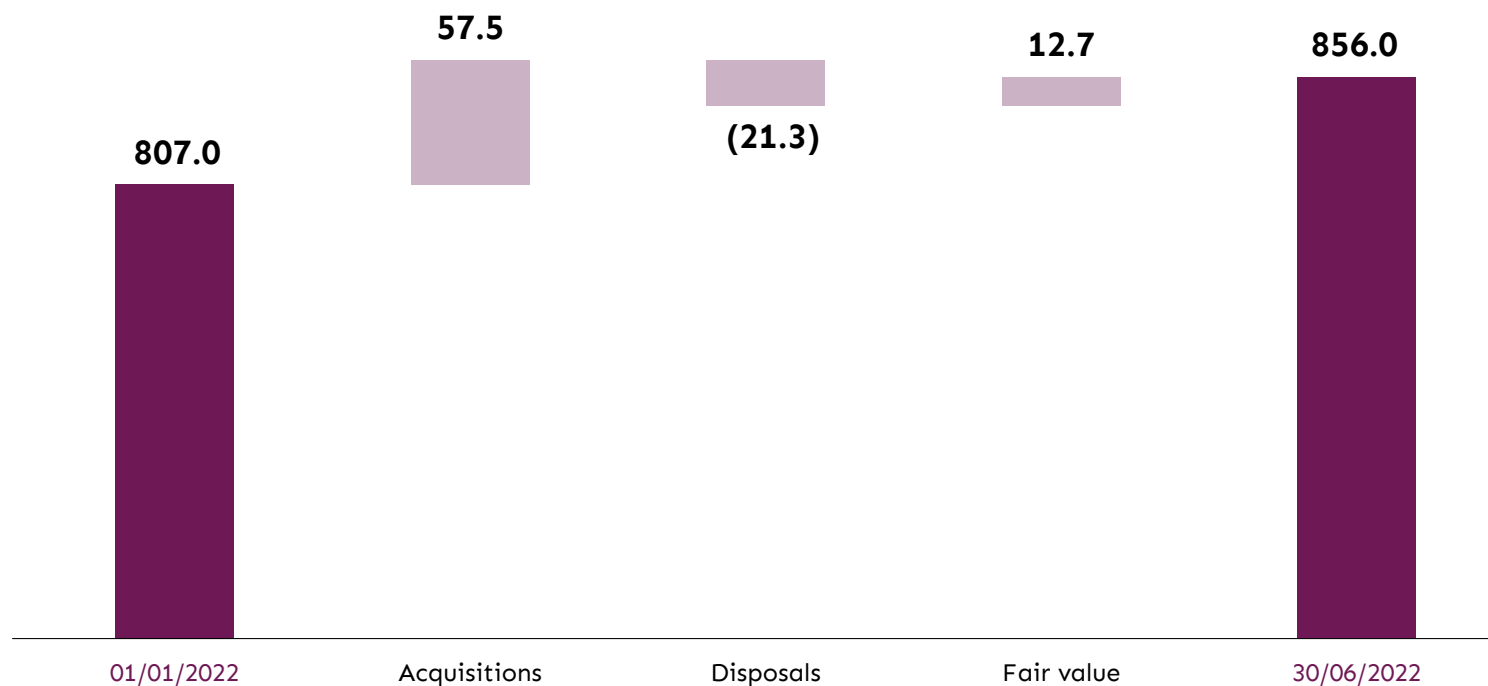


The increase in gross rents is explained by the acquisitions and disposals of the financial year (+€0.6m), as well as the contractual indexation of the leases (+€0.4m), and the reduction in the load of deferment of Covid-19 suspensions granted to our tenants in 2020 and 2021.

Growth in asset value

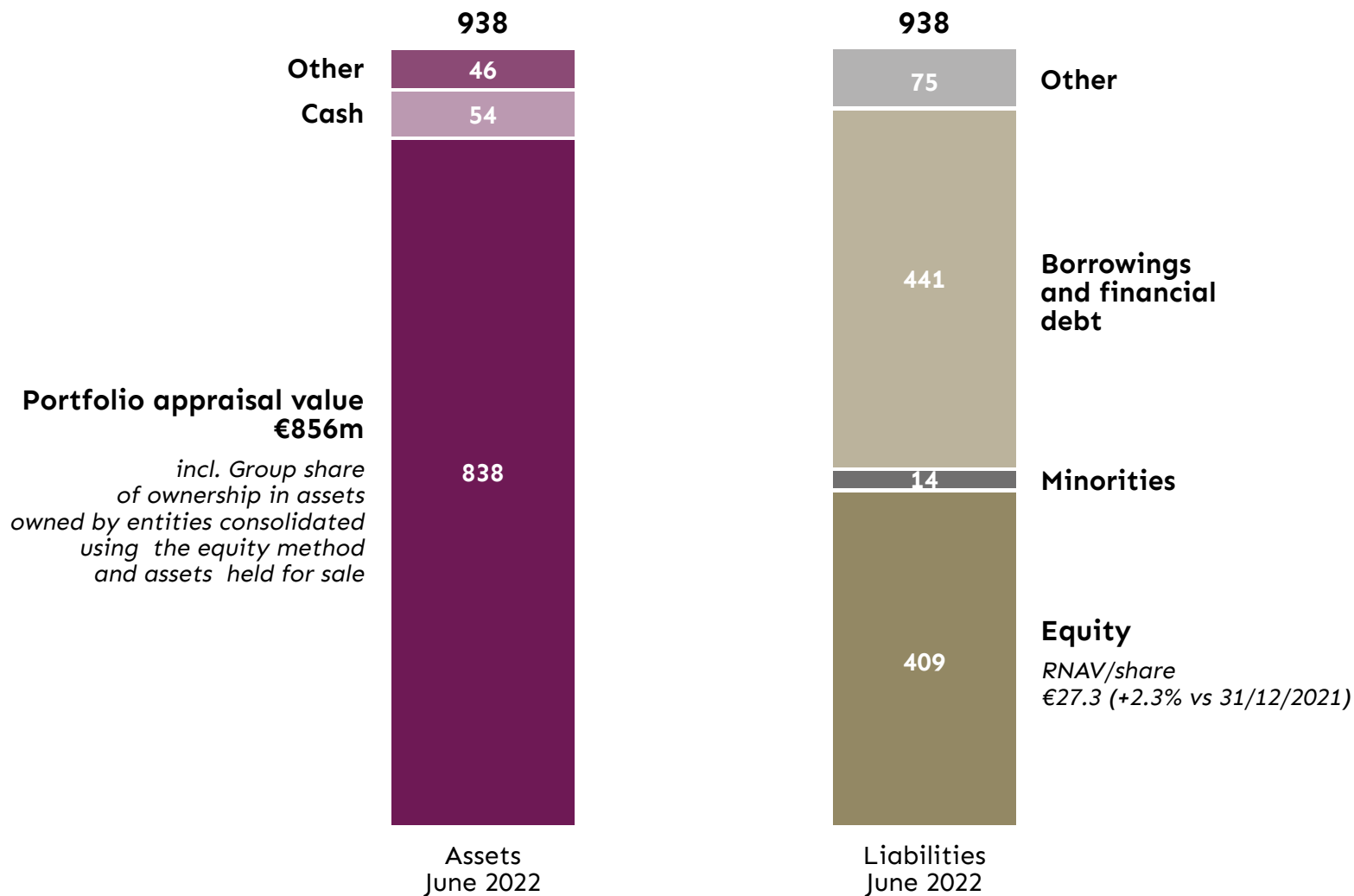
> INVESTMENT PROPERTY⁽¹⁾

In €m

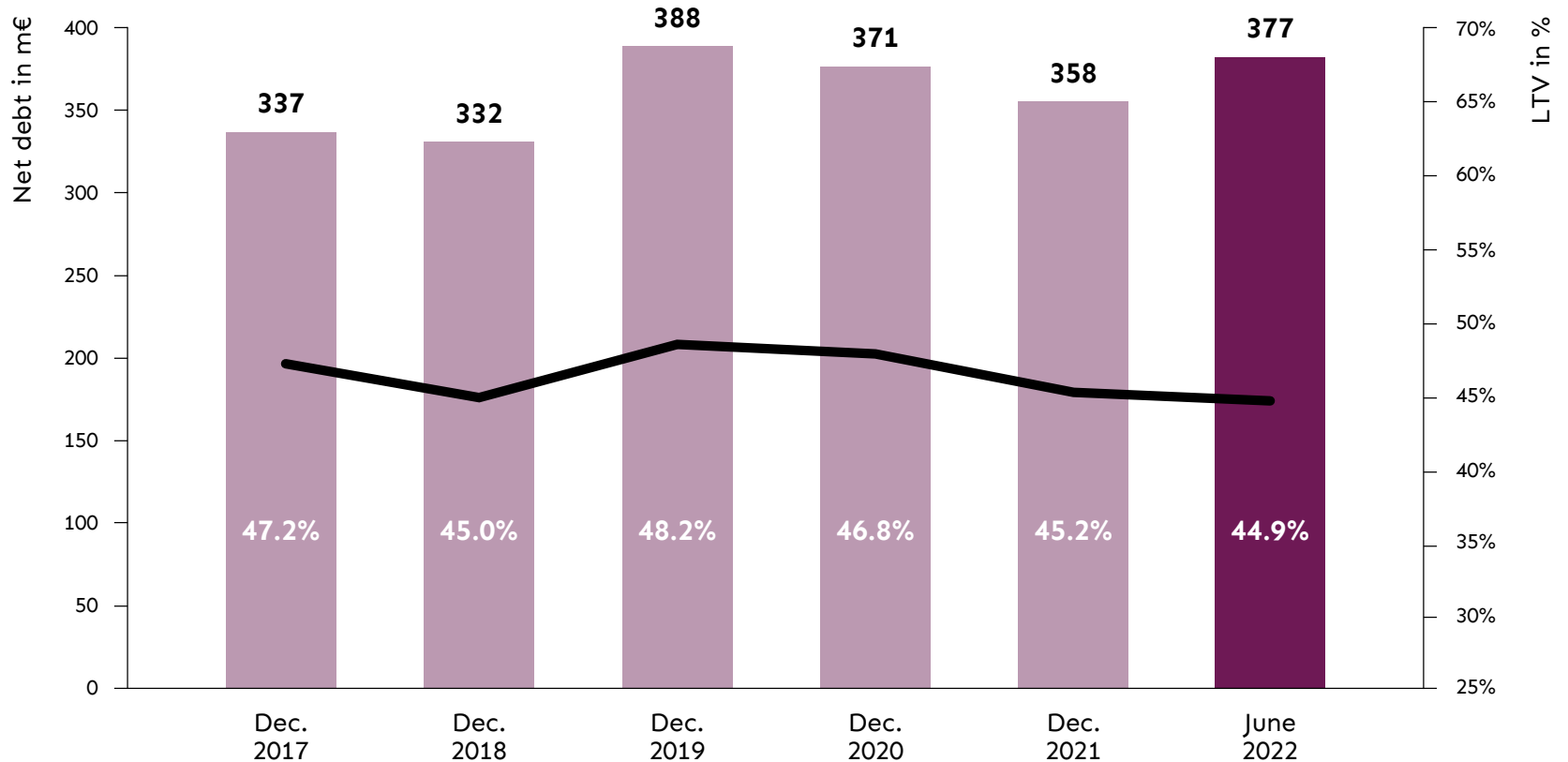


⁽¹⁾ Asset value excluding rights

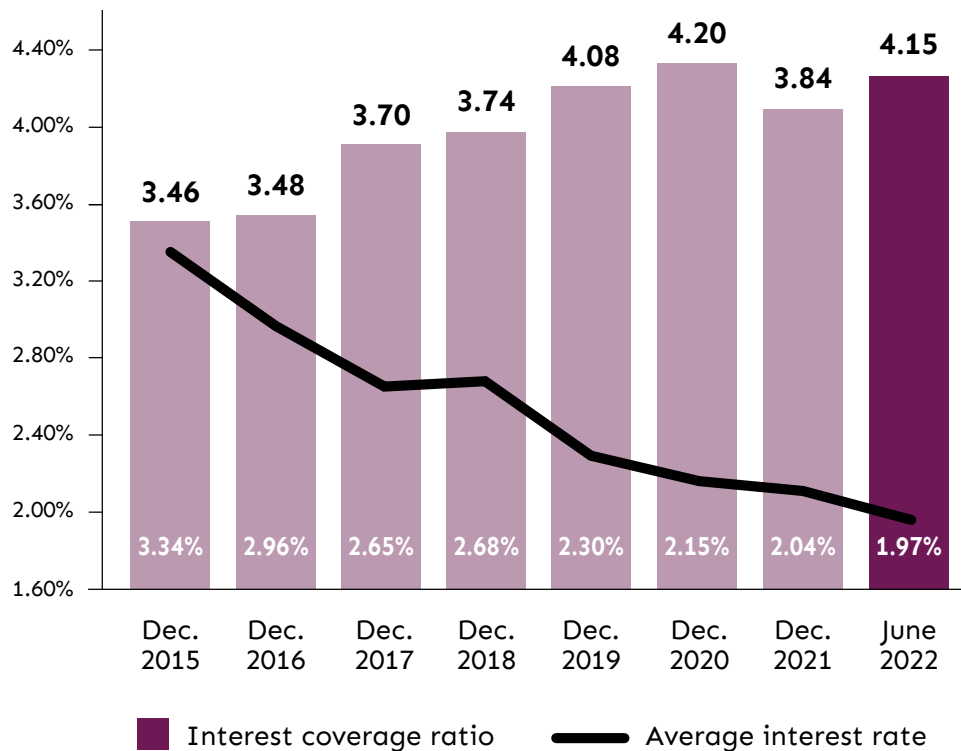
Solid financial structure



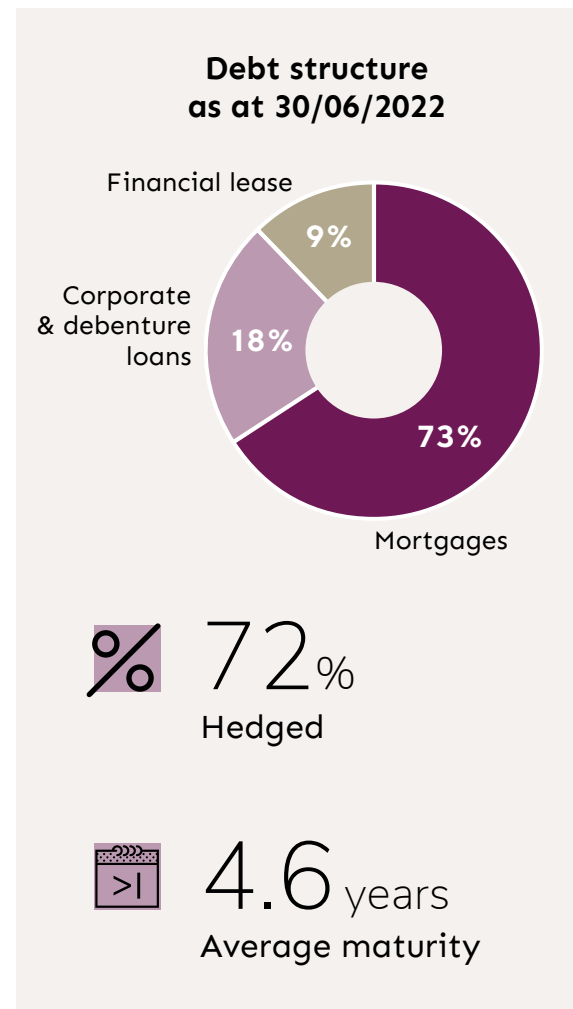
Slight decrease of the LTV ratio



Continuous improvement of financing conditions

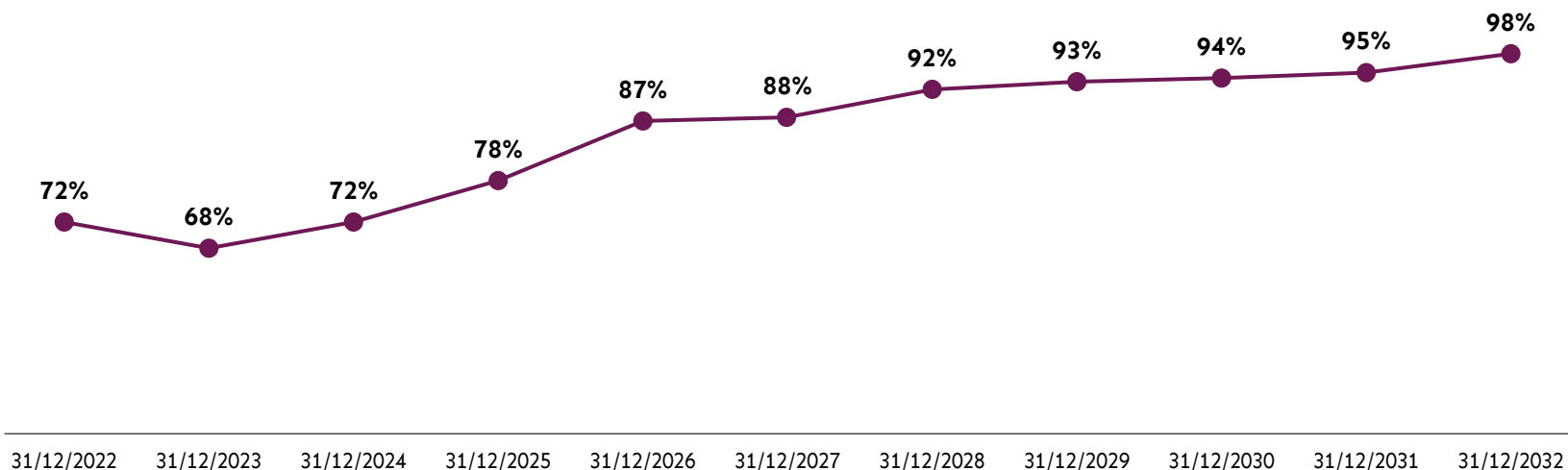


3-year extension of the €30m bond subscribed by Suravenir: initial maturity dates of 30/09/2022 and 30/09/2023 deferred until 30/09/2025 and 30/09/2026.



Limited exposure to the rate risk

> FORECAST OF EVOLUTION OF P&C EXPOSURE AT HEDGED FIXED RATE VS VARIABLE RATE



- As at 30/06/2022, 72% of the debt of Patrimoine & Commerce is at fixed rates or hedged.
- Most of the variable rate debt is mainly short-term whereas mortgage / long-term debt is fixed rate.

Strategy and outlook


Patrimoine & Commerce,
a high-yield real estate company



A critical size actor in France

KEY FIGURES AT 30/06/2022

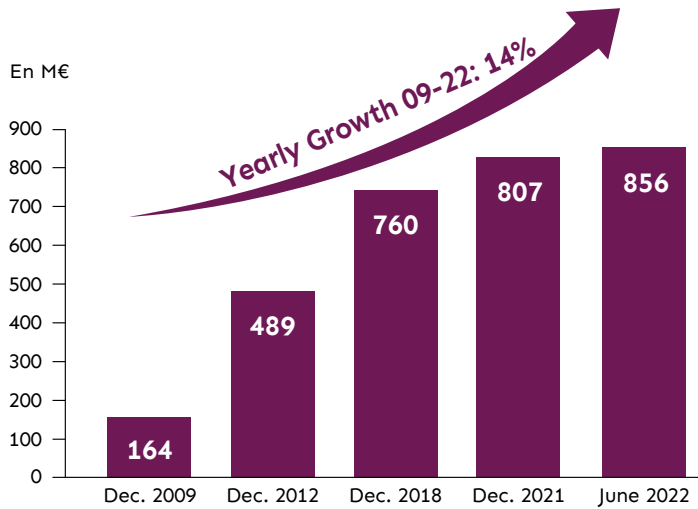
 **78**
assets

 **520,000**
sqm. of commercial
space

 **856**
million euros of assets ⁽¹⁾

 **6**
regional offices

ASSET VALUE CHANGE



A DENSE TERRITORIAL NETWORK



69
retail parks

6
shopping centres /
shopping malls

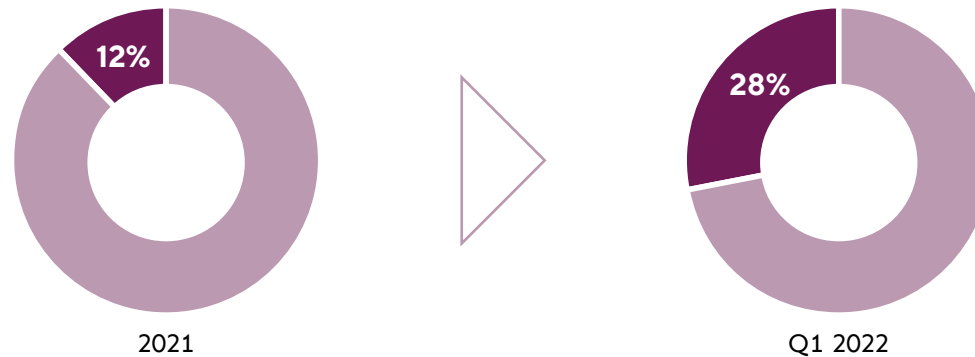
3
tertiary
buildings

⁽¹⁾ Asset value excluding rights



Positioned in a dynamic market

> ATTRACTIVENESS TO INVESTORS



Note: share of retail parks in business property investments in France

> STRONG FUNDAMENTALS



Carbon footprint



In early 2022, Patrimoine & Commerce carried out a carbon footprint assessment in partnership with I Care, with the purpose of defining a decarbonation trajectory for its activities.

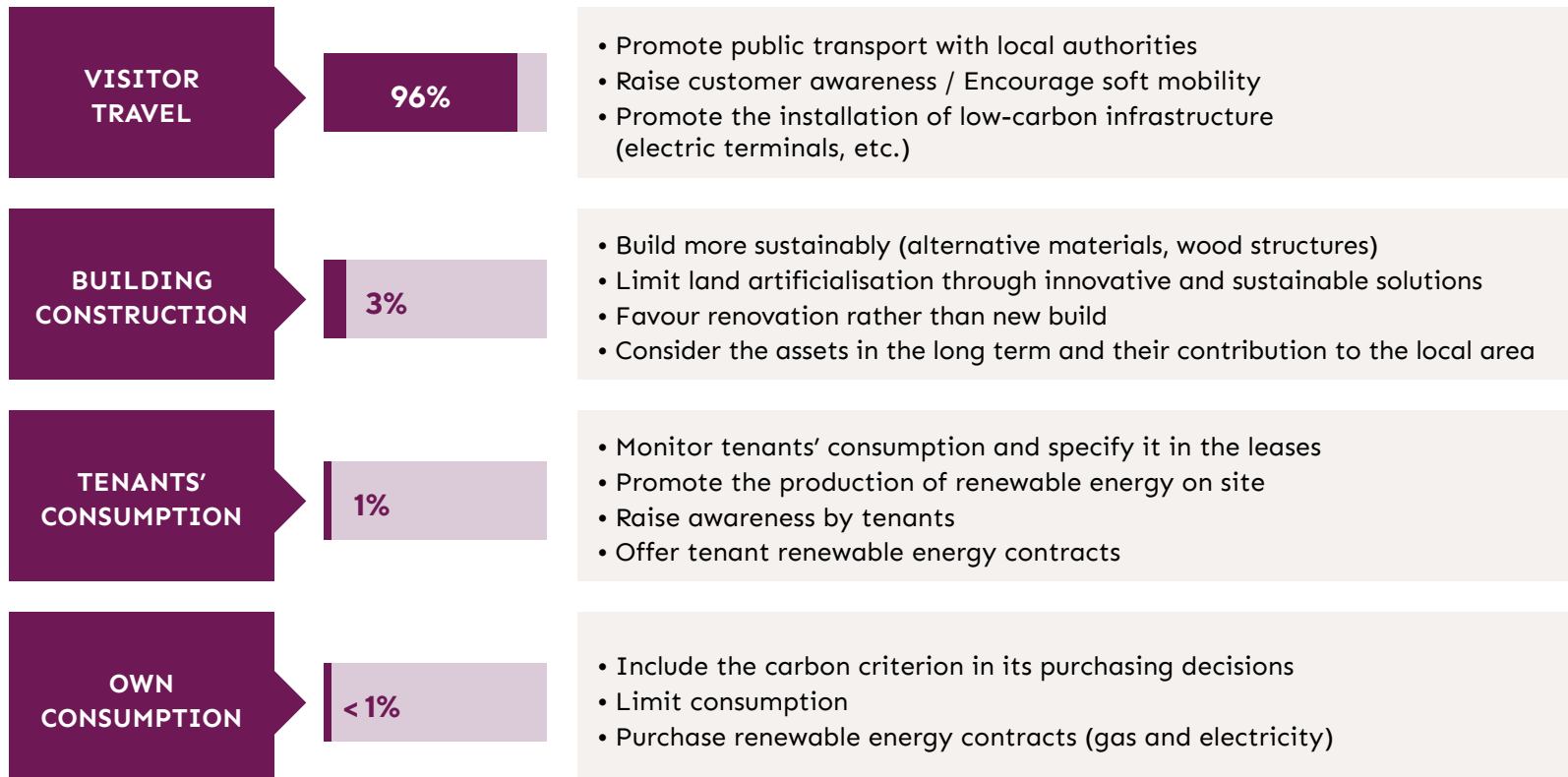
Total emissions

9 ktCO₂e

Excluding visitor travel

204 ktCO₂e

With visitor travel



ESG commitment

- With a concern to address the issues of ESG and in an approach that aims to go farther than the regulatory constraints of the Tertiary Decree, Patrimoine et Commerce has focused on putting in place a 2021-2025 roadmap on the themes of the environment, governance and social action.
- This roadmap is structured around key sub-themes (energy efficiency, biodiversity, carbon emissions, comfort and well-being of occupants, circular economy, business ethics).

Some examples of concrete initiatives carried out by Patrimoine & Commerce:



Systematic LED relamping



Identification of areas to be reforested



Set up of a ESG committee



Realisation of a carbon footprint



Installation of charging stations in car parks



Establishment of a “Sapin 2” risk mapping



Evaluation of an energy capex plan of the buildings aimed at optimising efficiency



Establishment of an ethics and compliance charter



Systematic implementation of green leases

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 30 June 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
27.8%	20.5%	10.3%	9.6%	7.3%	4.7%	3.7%	16.2%

SHAREHOLDING

23.1%	25.1%	12.2%	9.0%	6.5%	4.8%	2.3%	17.1%
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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**