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Paris, 13 February 2024

2023 Annual Results

Growth in recurring earnings and dividend

- Recurring earnings per share of €1.60, up 8% like for like compared with 2022¹ (up 2.3% versus 2022 recurring earnings per share of €1.56)
- Proposed cash dividend of €1.20 per share (a 2.6% increase on 2022)
- Acquisition of Galimmo: closing expected in summer 2024
- Recurring earnings per share expected to be at least €1.63 in 2024

Excellent operating performance

- Excellent leasing momentum: 826 leases signed, positive reversion of 2.4%
- Financial occupancy at a record 96.6%, up 0.1 percentage points versus end-2022
- Specialty Leasing revenue up 9% versus 2022
- Organic growth of 4.7% in net rental income versus 2022
- Retailer sales up 5% versus 2022

Increase in discount rates used in appraisal values partially offset by growth in the rental base

- Portfolio valuation on a like-for-like basis: down 2.3% versus end-2022
- Net Initial Yield of 6.42% (around 350 bps above 10-year French government bond yield)
- EPRA Net Tangible Assets (NTA) per share of €24.17 at end-2023 (down 4.3%)

Solid financial structure

- Net-debt-to-EBITDA ratio of 7.3x versus 7.7x at end-2022
- EPRA LTV ratio including transfer taxes² of 36.6% at end-2023
- Financing for the Galimmo acquisition secured
- No maturity to be refinanced before May 2027³

¹At constant scope and adjusted for non-recurring income resulting from the collection of prior-year rents.

² EPRA LTV ratio including real estate transfer taxes (RETTs).

³ Carmila's cash position at end-2023 is sufficient to cover repayment of the bond maturing in 2024.



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Marie Cheval, Chair and Chief Executive Officer of Carmila commented:

"In 2023, Carmila continued to successfully implement its "Building Sustainable Growth" strategic plan. This innovative and differentiating growth strategy is based on adapting the merchandise mix, agile and responsible transformation of our assets and optimised capital allocation.

The results are there to see: financial performance, record occupancy, successful asset rotation and the Galimmo acquisition.

2024 will be another year of growth, with more transformation projects, a long-term vision around mixed-use with Carrefour, and, above all, the closing of the Galimmo acquisition, which will allow us to roll out our strategy on a complementary portfolio."

Key financial highlights

	2023	2022	Change	Like-for-like change
Gross rental income (€m)	368.6	357.0	+3.3%	
Net rental income (€m)	342.4	335.2	+2.2%	+4.7%
EBITDA (€m)	292.4	287.2	+1.8%	
Recurring earnings (€m)	228.2	224.9	+1.5%	
Recurring earnings per share (€)	1.60	1.56	+2.3%	

	2023	2022	Change	Like-for-like change
Property portfolio valuation including transfer taxes (€m)	5,884.5	6,165.7	-4.6%	-2.3%
Net Initial Yield	6.42%	6.14%	+28 bps	
EPRA LTV ratio (including RETTs ⁴)	36.6%	35.8%	+80 bps	
EPRA LTV ratio	38.6%	37.6%	+100 bps	
EPRA NTA ⁵ per share (in euros)	24.17	25.26	-4.3%	

4 Including real estate transfer taxes.

5 Net Tangible Assets



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1. 2023 trading

Excellent leasing momentum: 826 leases signed in 2023

Carmila saw good leasing momentum in 2023, with the Company signing 826 leases for total minimum guaranteed rent of €44.1 million (up 4.4% year on year), or 12.2% of the rental base. Reversion was a positive 2.4% on average over the year, on top of the indexation effect. This indicator includes new leases on vacant premises and renewals.

Leasing activity reflects Carmila's proactive strategy in terms of its merchandise mix, in particular:

- More than 80 new retailers opening stores at Carmila centres for the first time;
- Consolidation of the healthcare offering, with opticians (Alain Afflelou, Soloptical, Kryss and Grand Optical), new pharmacies and pharmacy extensions;
- Development of discount chains (Action, Normal, Tedi);
- Renewal of the food and restaurant offering, with new concepts such as Crêp'touch in France, Popeyes in Spain, and a mix of international names (McDonald's, KFC, Starbucks) alongside independent and regional concepts;
- Expansion of the sports segment, with Intersport, Basic Fit, JD Sports and Courir in France, along with Area Fit and Décimas in Spain.

The financial occupancy rate came out at an all-time high of 96.6% at end-2023, thanks to particularly strong leasing activity in the second half of the year and a record level of temporary retail activity at the end of the year, particularly in the lead-up to Christmas. Specialty Leasing revenue was 9% higher year on year. Temporary retail activity (sales events and pop-up stores) was also at a record high level.

Retailer sales were up 5% on 2022

Retailer sales in Carmila centres for 2023 were up 5% on 2022. Footfall in Carmila centres was 2% higher than in 2022, driven by the attractiveness of Carrefour hypermarkets.

The trend was the same in France, Spain and Italy. Spain delivered particularly good performances, due mainly to the strong rebound in tourism.

The average occupancy cost ratio of Carmila's tenants was 10.6% as of end-2023, stable versus 2022 (10.5%).



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2. Financial results

Net rental income up 4.7% year on year on a like-for-like basis

Net rental income was up 4.7% on a like-for-like basis in 2023, driven by 4.1% rent indexation as well as organic growth resulting from the strong leasing performance.

On a reported basis, taking into account the sale of three assets in France and four assets in Spain, net rental income climbed 2.2% year on year.

The collection rate for the year came out at 96.5%, in line with 2022.

Recurring earnings per share up 8% vs. 2022 at constant scope to €1.60

Recurring earnings per share for 2023 were €1.60, an 8% increase versus 2022, at constant scope and adjusted for exceptional income resulting from the collection of prior-year rents⁶. This was 2% higher than the guidance confirmed in October 2023.

Recurring earnings per share as reported were up 2.3% on the prior-year figure of €1.56.

Cash dividend of €1.20 per share to be proposed to shareholders at the Annual General Meeting

The Annual General Meeting to be held on 24 April 2024 will be asked to approve a per-share dividend of €1.20 in respect of 2023, to be paid in cash (a 2.6% increase year on year).

This corresponds to a payout of 75% of recurring earnings. As a reminder, Carmila's dividend policy for the period 2022 to 2026, as announced to the market in December 2021, is to pay out at least €1.00 per share in cash, with a target payout ratio of 75% of recurring earnings.

Portfolio value on a like-for-like basis: down 2.3% versus end-2022

As of 31 December 2023, the gross asset value of Carmila's portfolio, including transfer taxes, stood at €5.9 billion, down 2.3% versus end-2022 on a like-for-like basis.

This like-for-like decrease is attributable to higher discount rates, the effect of which is partially offset by the growth in the rental base. The portfolio capitalisation rate (Net Initial Yield) was up 28 basis points year on year, to 6.42%. Since 2017, this capitalisation rate has risen by 100 basis points, while the effect of higher capitalisation and discount rates used to value the portfolio has been broadly offset by organic growth in the rental base. Further, the yield on the portfolio represents a substantial premium of around 350 basis points over the yield on 10-year French government bonds.

⁶ Scope effect of EUR 8 million or €0.05 per share and net effect of exceptional income of EUR 3 million or €0.02 per share



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On a reported basis, the value of the portfolio is down 4.6% due to the sale of three assets in France and four assets in Spain.

EPRA Net Tangible Assets (NTA) per share of €24.17 at end-December 2023

Carmila's EPRA Net Tangible Assets (NTA) per share was €24.17, down 4.3% on the end-2022 figure. The decrease can be explained by lower like-for-like appraisal values (negative €1.45 per-share impact), recurring earnings for the period (positive €1.60 impact), payment of the dividend (negative €1.17 impact), share buybacks (positive €0.10 impact) and other effects (negative €0.17 impact).

S&P rating maintained at BBB with a stable outlook

On 16 November 2023, S&P confirmed Carmila's credit rating of BBB with a stable outlook.

Carmila's financial position is solid, with an EPRA LTV ratio including transfer taxes of 36.6% at end-December 2023, a net debt to EBITDA ratio of 7.3x as of 31 December 2023 and an interest coverage ratio of 4.7x.

3. Acquisition of Galimmo

On 12 July 2023, Carmila signed an agreement (put option) with the controlling shareholders of Galimmo SCA to acquire 93% of the company's capital. The acquisition of Galimmo will be completed simultaneously with the acquisition of Cora France by Carrefour.

The geographic complementarity of Carmila and Galimmo's portfolios provides an opportunity to roll out Carmila's strategy across a broader scope.

Galimmo's 52 assets, mostly located in North-East France, were valued at €688 million at end-December 2022. The aim is to roll out the powerful Carrefour-Carmila ecosystem across this new geographic area.

The total consideration for the acquisition of 100% of the shares of Galimmo represents €294 million, to be paid in cash by Carmila.

The transaction offers a compelling value proposition to Carmila's shareholders, with an implied acquisition yield of 9.8% on Galimmo's portfolio and accretion of both net asset value per share (up 5% pro forma) and recurring EPRA earnings per share (up 3% to 5% pro forma).

The transaction is expected to close in the summer of 2024 once all related anti-trust and regulatory approvals have been obtained.



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Galimmo SCA currently holds a 15% stake in a Belgian entity which owns seven shopping centres in Belgium. Prior to completion of the transaction, Galimmo will sell this stake to the entity's controlling shareholders, together with a current account granted to the Belgian entity, for a total cash consideration of €76 million, thereby reducing its pro forma net debt to around €65 million, with an LTV ratio of 9%. The transaction is estimated to increase Carmila's pro forma Loan-to-Value ratio (including transfer taxes) by around 160 basis points.

4. Implementation of the 2022-2026 strategic plan, "Building Sustainable Growth"

Second successful year of the strategic plan

In December 2021, Carmila launched its new strategic and financial plan for 2022-2026. This plan sets out Carmila's new ambition to build sustainable growth, invest in new business lines and transform its assets. The plan is based on three pillars:

- a new role for Carmila as an incubator and omnichannel platform;
- leadership in sustainability, notably through mixed-use urban development projects and a commitment to reach "net zero" (Scopes 1 & 2) by 2030;
- investment in new business lines: digital infrastructure and new retail concepts

Since the plan was announced, Carmila has achieved its financial targets in terms of recurring earnings growth, dividend payouts and an ongoing robust financial structure, as well as continuing its strategy of adapting the merchandise mix, acting as an incubator for new retailers and driving omnichannel innovation. The Company completed numerous agile asset transformation projects, demonstrating Carmila's ability to embrace the highest environmental standards. Lastly, the development of new business lines continues apace, with the launch of Next Tower's 5G tower development business in Spain.

Execution of the second phase of the asset rotation strategy

Since the launch of its new strategic plan, Carmila has sold 13 assets for close to €300 million including transfer taxes, representing around 5% of the portfolio's value. All disposals were made at prices in line with appraisal values.

After having exceeded its initial €200 million disposal target ahead of schedule at the beginning of 2023, following the sale of a portfolio of four assets in Spain, Carmila announced a new target of €100 million in disposals by the end of 2024. Of this amount, around €45 million in disposals were completed in 2023, including Torcy Bay 1 to Efixia, which was finalised in the fourth quarter.



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Carmila took advantage of the financial flexibility resulting from its successful asset rotation strategy by acquiring Galimmo.

A clear vision of long-term value creation through mixed-use projects

Carmila announced its intention to launch mixed-use projects to redevelop sites encroached upon by the city since their initial development. The aim is to reposition the shopping centre and help sustainably transform local regions. These currently 100% retail sites will become mixed-use, with homes, offices, local services and green spaces.

At the end of 2023, against a backdrop of regulations that favour the redevelopment of already-developed land, 13 Carmila sites are concerned by the Carrefour-Nexity development project. Carmila also continued to work with Carrefour and Altea on its mixed-use projects in Nantes Beaujoire and Sartrouville.

On track to meet the objectives of Carmila's three growth initiatives

The three growth initiatives of the "Building Sustainable Growth" strategic plan – Next Tower, the omnichannel incubator and Carmila Retail Development – are targeting an additional contribution of €30 million per year to recurring earnings by 2026.

- Secured annual rental income from leases signed by Next Tower amounted to around €2.0 million as of end-2023. Next Tower currently operates 143 antennas in France and Spain.
- In 2023, the incubator and omnichannel services platform for retailers contributed €4.3 million to recurring earnings. Carmila is stepping up the development of its service platform for retailers, which spans development of the franchise, management of the online presence, pop-up and flash pop-up sales, DNVB incubators, targeted marketing and in-centre connectivity.
- Carmila's share of the EBITDA of Carmila Retail Development's equity-accounted partner companies in 2023 is €2.0 million, thanks to the strong growth momentum of the Cigusto chain. At the end of 2023, Carmila Retail Development has 13 partners for a total of 305 stores, of which 134 are located in Carmila centres.

Ongoing asset transformation strategy

Carmila is pressing ahead with its asset transformation strategy through restructurings and projects designed to create new restaurants and food courts. In 2023, 34 projects of this type were delivered, representing a total investment of €44 million.



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A similar number of agile projects and a capital expenditure budget of around €40 million are planned for 2024.

5. A clear roadmap for sustainable growth

Commitment to reduce carbon emissions (“net zero” Scopes 1 & 2 emissions by 2030)

Carmila is targeting “net zero” Scopes 1 & 2 carbon emissions by end-2030, by which time it will have cut emissions by 90% versus 2019, notably by reducing energy consumption and transitioning to renewable energy at its centres. The remaining 10% of emissions will be offset, in keeping with the recommendations of the Science Based Targets initiative (SBTi), through carbon credit financing in France (low-carbon label) acquired on the voluntary carbon market. This has led to partnerships with Agoterra (around 4,000 tCO₂eq. via farming projects) and Carbonapp (around 1,000 tCO₂eq. via a reforestation project). Carmila will also continue to reduce its Scope 3 emissions, with the aim of becoming fully carbon-neutral on all of its sources of emissions by 2040.

At the end of 2023, Carmila's Scopes 1 & 2 greenhouse gas emissions were 46% lower than in 2019, due notably to a 50% reduction in energy consumption compared to 2019.

An ambitious energy conservation plan

Carmila's energy conservation plan is based on a combination of technological innovation (artificial intelligence, building management systems, etc.), investment (replacing HVAC equipment, lighting) and careful management of our facilities. In recognition of these efforts, Carmila has been awarded the Cube Flex Shield, a prize organised by the French electricity grid operator RTE, Action for Market Transformation and French building performance institute IIFPEB, and presented by the French Minister for Energy Transition on 15 June 2023. In October, Carmila committed to continuing along this path, renewing its signature of the governmental Energy Conservation in Commercial Buildings Charter.

Annual €10 million “green capex” investment plan

In addition to efforts to reduce energy consumption, an ambitious annual €10 million “green capex” investment plan has been drawn up to retrofit the most energy-intensive assets. At the end of 2023:

- 100 sites were equipped with LED lighting and centralised technical building management systems;
- 40 HVAC systems were renovated, giving one-third of the centres in the portfolio innovative, energy-efficient equipment;



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- 30 centres were fitted with innovative smart sensors by our partner The WatchDog, allowing us to closely monitor sites using artificial intelligence technology.

To encourage eco-mobility, recharging points for electric vehicles have been installed at 93% of Carmila sites in France.

Transparency on the non-financial characteristics of the portfolio

In 2023, Carmila's BREEAM In-Use certification rate stood at 95.8% of the portfolio in terms of value, with 31% of sites rated Very Good BREEAM. More than 50 centres were recertified or certified in 2023.

Carmila recognised for the quality of its financial and sustainability reporting

Carmila received an EPRA sBPR Gold award for the fourth time in recognition of its alignment with the highest sustainability reporting standards. Carmila also received an EPRA BPR Gold award for the quality of its financial disclosures.

Carmila was also recognised for its leadership in terms of transparency and performance with respect to climate change by international not-for-profit environmental organisation CDP, which included the Company in its 2023 A-list (346 companies) of respondents to its Climate Change questionnaire. Carmila was able to maintain its position in the Top 5% of the 23,000 companies that responded to the questionnaire.

Carmila enters the 2023 ranking of women in executive management at SBF 120 companies in 11th place

This annual ranking, drawn up under the aegis of the French Ministry for Gender Equality and the Fight against Discrimination, assesses the commitment of SBF 120 companies to increasing the number of women in executive management positions and to gender equality in the workplace more generally. Carmila also scored 95/100 on the Gender Equality Index. These results reward Carmila's proactive policy in favour of diversity.



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6. Outlook

Completion of the Galimmo acquisition

The Galimmo acquisition, expected to close in the summer of 2024, will be accretive to recurring earnings per share from the closing date. Due to the significant implied purchase price discount versus the appraisal value of the Galimmo portfolio expected at the time the transaction is completed, the transaction will also be immediately accretive to Carmila's net asset value due to the gain resulting from a bargain purchase (negative goodwill), as defined by the relevant IFRS standards.

Once the transaction has been completed, Carmila will also be able to deploy its medium-term value creation strategy on the Galimmo portfolio.

Recurring earnings per share expected to be at least €1.63 in 2024

Carmila's recurring earnings per share are expected to be at least €1.63 in 2024 (2% growth vs. 2023).

This expected recurring earnings growth assumes organic growth in rents, supported by indexation in line with that of 2023, as well as the consolidation of a portion of Galimmo's recurring earnings. These two factors will help offset a moderate rise in financial expenses following the financing operations carried out in 2023, in particular to finance the Galimmo acquisition on very attractive terms for Carmila.

The full annual accretion to recurring earnings per share (between 3% and 5% pro forma) from the Galimmo acquisition is expected in 2025. In 2024, Galimmo's contribution will cover part of the year only.



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Additional information

The presentation of Carmila's 2023 annual results will be broadcast live on 14 February 2024 at 09:00 a.m. (CET) on Carmila's website (www.carmila.com).

The presentation in English will be made available on Carmila's website on the following page:

<https://www.carmila.com/en/finance/financial-presentation/>

A replay of the webcast will then be available online during the day on 14 February 2024.

A document entitled "Consolidated financial statements and commentary on 2023 business activity" will be made available on Carmila's website at the following page:

<https://www.carmila.com/en/finance/financial-press-releases/>

The audit procedures on consolidated financial statements have been carried out. The audit report will be issued following the final verification of the presentation of information in the format stipulated by ESEF regulation relating to accounts that will be included in the annual financial report.

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INVESTOR AGENDA

14 February 2024: Annual results presentation
17 April 2024 (after market close): First-quarter 2024 financial information
24 April 2024: Annual General Meeting
24 July 2024 (after market close): First-half 2024 results
25 July 2024: First-half 2024 results presentation
17 October 2024 (after market close): Third-quarter 2024 financial information

ABOUT CARMILA

As the third-largest listed owner of commercial property in Europe, Carmila was founded by Carrefour and large institutional investors in order to enhance the value of shopping centres adjoining Carrefour hypermarkets in France, Spain and Italy. At 31 December 2023, its portfolio was valued at €5.9 billion and is made up of 201 shopping centres, with leading positions in their catchment areas.



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Carmila is listed on Euronext-Paris Compartment A under the symbol CARM. It benefits from the tax regime for French real estate investment trusts ("SIIIC"). Carmila has been a member of the SBF 120 since 20 June 2022.

Important notice

Some of the statements contained in this document are not historical facts but rather statements of future expectations, estimates and other forward-looking statements based on management's beliefs. These statements reflect such views and assumptions prevailing as of the date of the statements and involve known and unknown risks and uncertainties that could cause future results, performance or events to differ materially from those expressed or implied in such statements. Please refer to the most recent Universal Registration Document filed in French by Carmila with the *Autorité des marchés financiers* for additional information in relation to such factors, risks and uncertainties. Carmila has no intention and is under no obligation to update or review the forward-looking statements referred to above. Consequently, Carmila accepts no liability for any consequences arising from the use of any of the above statements.

This press release is available in the "Financial Press Releases" section of Carmila's Finance webpage:
<https://www.carmila.com/en/finance/financial-press-releases>