

Carmila 2021 Annual Results Presentation





1 Key Highlights

MARIE CHEVAL
Chair and Chief Executive Officer

2 Activity Overview

SEBASTIEN VANHOOVE
Deputy Chief Executive Officer

3 Financial Performance

PIERRE-YVES THIRION
Chief Financial Officer

4 Conclusion

Marie Cheval
Chair and Chief Executive Officer

Key takeaways from 2021

Customers came back after lockdowns:

Retailer sales at 97% of H2 2019 level in H2 2021, despite health pass and Omicron

Increase in appraisal value of assets:

+1.1% vs. end-2020 at € 6.21bn
(+0.7% like-for-like)

Record leasing activity:

New leases signed +31% vs. 2019

Earnings per share above guidance:

€1.24, up +3% vs. 2020



Shareholder return and outlook

2021 dividend:

€1.00 per share, in cash, to be proposed to shareholders at annual meeting

New share buyback programme:

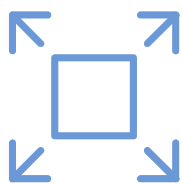
€ 20M programme to be launched to take advantage of current market valuation

Recurring EPS Growth outlook:

+10% Recurring EPS growth* per year expected in 2022 and in 2023



Carmila 2022-2026 Roadmap: Building sustainable growth



**An incubator
and an
omnichannel
platform for
retailers**



**A leader in the
sustainable
transformation
of local regions**



**Breaking new
ground**

*Digital infrastructure investment
with Next Tower*

*Minority venture investments
with Carmila Retail Development*

€30M incremental annual contribution from growth initiatives by 2026

Omnichannel incubator: Carmila continued to innovate in 2021



INCUBATING DNVB AND NEW CONCEPTS

BAYA
MAKE YOUR YOGA UNIQUEle
REPAIRE
des
SORCIERSLE BEAU THÉ
ATELIER DE CRÉATION À INFUSER

flotte.

OH
MY
FRIP!LE GOÛT
DES PLANTESle
REPAIRE
des
GREEKS
collégien

TESTING OMNICHANNEL IDEAS

Glovo?

made in Live



CLIENT DATA

4.1 million client contacts



CHEETAHDIGITAL



INFLUENCERS AND SOCIAL MEDIA

263 influencers



CARMILA SERVICES HUB

tiendeo



partoo

Carrefour
marketplace

Delivering on our sustainability commitments



A leader in the sustainable transformation of local regions



On track to reach emissions target:

-10% reduction in scope 1 and 2 greenhouse gas emissions* in 2021 vs. 2019
-15% reduction in energy consumption in 2021 vs. 2019
Scope 1 and 2 emissions trajectory aligned with +1.5° according to SBTi



Target: Net zero scope 1 and 2 emissions by 2030



On track with BREEAM certification:

93% of assets by value certified as of end 2021, 57% Very Good or better.

Target: 100% by 2025, 100% "Very Good" in 2030, largest sites earlier



Customers, our people and the local economy:

BtoC customer satisfaction 87% and BtoC NPS +10**
Professional Equality Index (94/100)

Chemins d'avenirs



EPRA Gold Awards
non-financial reporting



Rated "A-"

*Location based

**Net promoter score, absolute value

A local contribution to the anti-COVID effort

59

COVID-19 testing centres

50

Vaccination centres



Facilitating vaccination and testing
at pharmacies

afnor

Certification of anti-COVID measures



Collaboration with regional
health authorities

Moving forward with a sustainable development pipeline



Progress on development pipeline in 2021

CNAC approval for Montesson extension

Works to start in 2023:

€ 150M of Capex, almost all in 2024-25, to be funded through disposals

5 major extension plans

€ 550M capex

6.6% yield



Mixed-use development projects

First projects underway with Carrefour/Altarea: Nantes Beaujoire and Sartrouville

Entering a new phase with Next Tower

SUCCESSFUL TEST PHASE



71 towers at end-2021

Tower construction
experience



CREATION OF A NEW DIGITAL INFRASTRUCTURE BUSINESS LINE



New organisation and industrialised processes

A strong pipeline, with scope to ramp-up further:

Ca. 160 towers in progress or in operation by end 2022

Represents € 2M of annualised EBITDA on completion of all sites in current pipeline (in 2023)

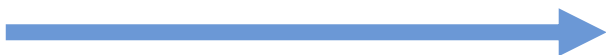
Focused on execution in 2022

Growing the investment portfolio with Carmila Retail Development



Successful ramp-up

81 stores opened in 2021, of which 35 in Carmila centres



RETAIL DEVELOPMENT

12 retail partners
235 stores, of which 112 in Carmila centres



New partnerships

5 new partnerships signed in 2021



Continuing to develop existing partners and invest in new concepts in 2022





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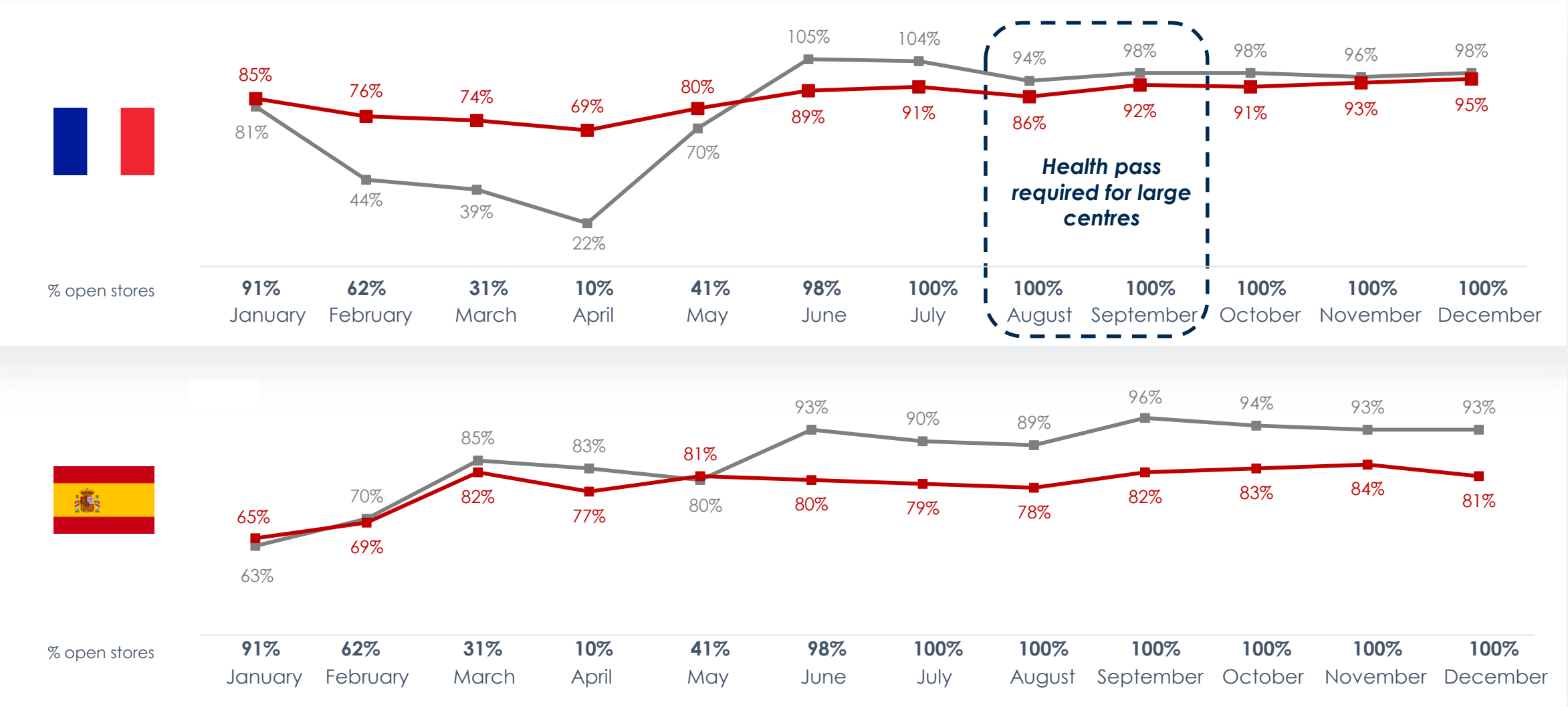
3 Financial Performance

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MARIE CHEVAL
Chair and Chief Executive Officer

First half 2021 health crisis closures, back in business in H2 2021



— Footfall as a % of 2019
— Retailer sales as a % of 2019

Footfall supported by local leadership and food anchor



Recovery in retailer sales after lockdown

H2 2021 Retailer sales (vs. H2 2019)



98%



92%



99%

Higher average sales per visit effect has continued throughout H2 2021

Good Christmas period despite Omicron, with strong performance in specialty leasing and pop-up stores

Recovery taking longer in Spain but situation improving (retailer sales +20% in H2 2021 vs. H2 2020)



Note: Retailer sales in Carmila centres in full year 2021 were at 82% of the 2019 level on average. That corresponds to 106% on average of the 2020 level.

Record commercial activity supporting the rental base

**+31% new leases
signed in 2021 vs.
2019**

1144

**Long-term leases
signed in 2021
(+67% vs. 2020)**

***Equivalent to 16% of
the total rental base***

**No change in policy on lease
terms, incentives, or fit out costs**

Positive reversion

+6.3%

**Above rental appraisal
value in 2021**

+1.9%

**Reversion on
renewals in 2021**

**Occupancy back to
pre-COVID level**

96.3%

**Financial occupancy rate
(+60bps vs. end 2020)**

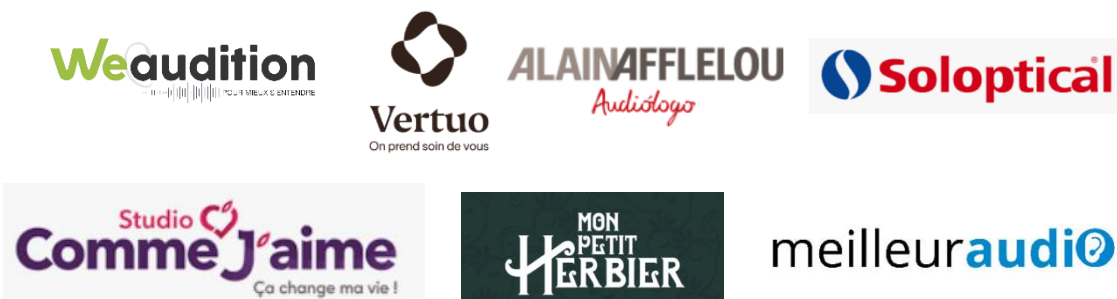


Bringing the right mix of retailers and new concepts to centres

KEY ACCOUNTS



HEALTHCARE AND WELLBEING



NEWCOMERS AT CARMILA



NEW FOOD CONCEPTS



Testing innovative new concepts in Spain



First co-working space in a Carmila centre

In partnership with



Free to use, but all the furniture is for sale online via QR code



Free sample pop-up store



Collaboration with



Dulcesol burger

Activia



Omnichannel quick commerce



Pilot project in five centres in Spain



Successful transformation of Cité Europe and Nice Lingostière extension

Nice Lingostière Extension



**Fully let
at opening**

+50 units

Ca. 100 in total

**+12 000 sq.m.
Gross Leasable
Area**

**+22 pts
Q4 footfall vs.
sector***

Cité Europe

Leisure and
restaurant complex

PRIMARK®

+14 pts Q4 footfall vs. sector*



A strong track record of agile restructuring projects

Creating new spaces for flagship stores with leading retailers

 Action



 FNAC in Bourges



 Mango in Murcia



Healthcare

7 Vertuo, 2 Dentalstar dentists



New and renovated restaurants and food courts

 Jerez Sur (Cadiz)



 BAB2 (Bayonne)



New leisure concepts

 Gran Sur



Many more renovation projects for new stores



20 significant projects in 2021, 24 000m² GLA, € 3.0M NRI uplift



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MARIE CHEVAL
Chair and Chief Executive Officer

Increase in the like-for-like valuation of assets

➔ Valuation of portfolio as of 31 December 2021⁽¹⁾

Market value

€6,214m



€ 4,488m



€ 1,375m



€ 352m

31 Dec 2021
(vs 31 Dec. 2020)

+1.1%

Total (reported)

Like-for-like
change
(vs 31 Dec. 2020)

+0.7%

Total (like-for-like)

+1.2%

+0.7%

+0.9%

+0.9%

-

-0.1%

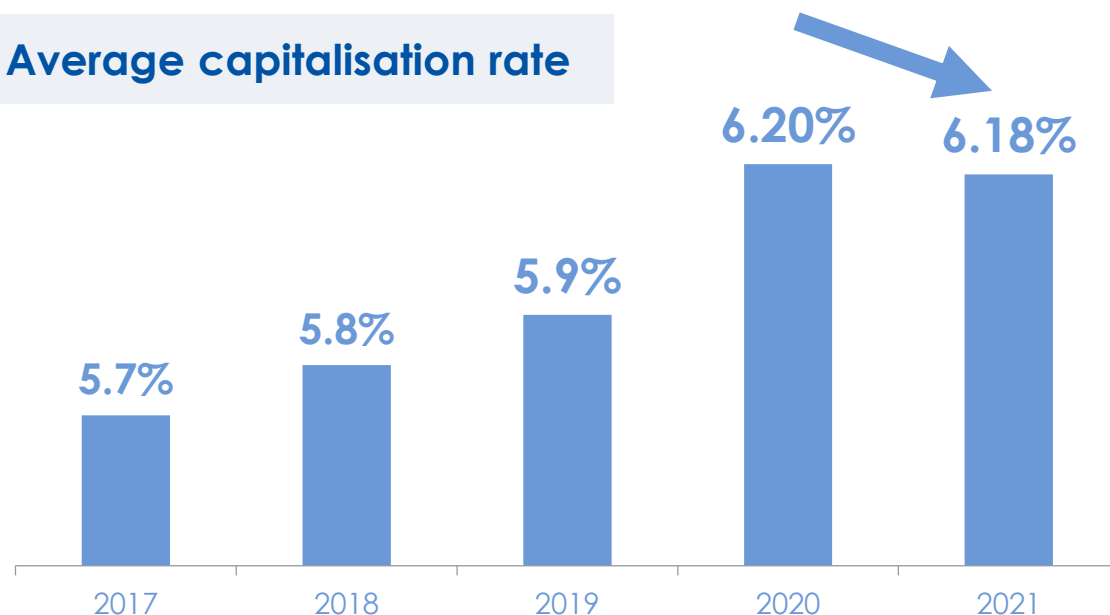
Confidence in the valuation of the portfolio

➔ Net Potential Yield of portfolio as of 31 December 2021

6.18%

Average capitalisation rate

Inflexion point in cap rates



Reasonable appraisal assumptions

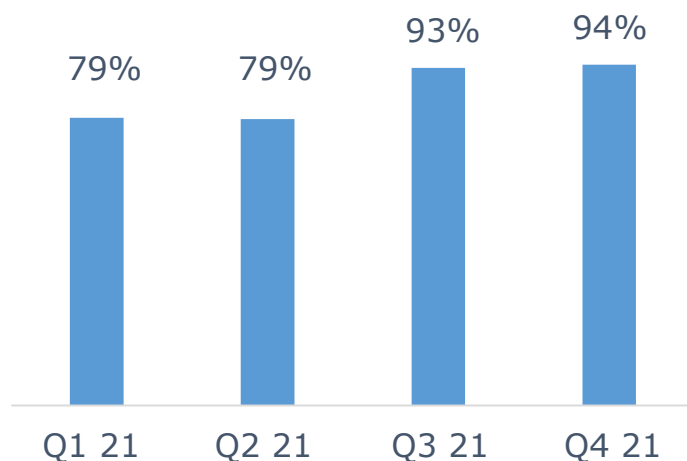
- Net Rental Income CAGR : 1.7%
- Exit cap rate : 6.2%
- Discount rate : 7.1%

Positive appraiser feedback

- Positive reversion provides comfort on outlook for rents
- Reasonable average rents: €257 per sq.m.
- Completely renovated portfolio
- Strong asset management track record (leasing, restructuring)

Steadily improving rent collection

2021 Rent collection by quarter (in % of total billed)



2021 rent collection
As of 10/02/2022

86%

Rent collection in H1 2021 affected by closure periods and anticipation of government support

Gradual return to normal in rent collection with Q3 and Q4 rents

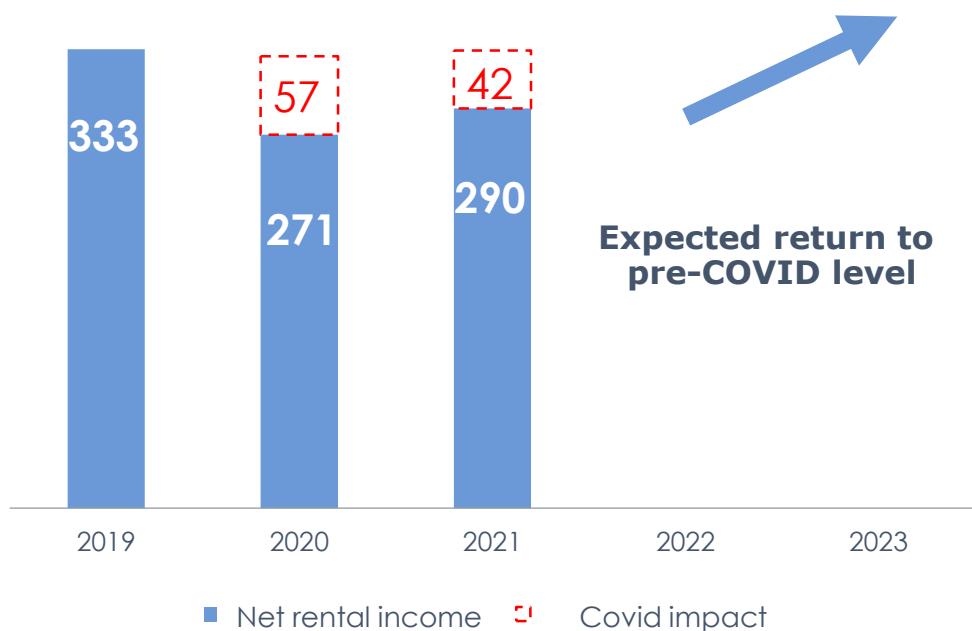
French Government support confirmed in H2 2021

Normalisation of rent collection to continue in coming quarters

Impact of the COVID crisis in 2021 fully provisioned in 2021 accounts

Net rental income affected by COVID crisis, but less than in 2020

Net Rental Income (€ M)



Net rental income up +7% vs. 2020, -13% vs. 2019

- **Smaller COVID impact than in 2020: +5.5%**
- **Like-for-like change +1.0%**

Non-recurring COVID impact of € 42M in 2021 and € 57M in 2020

Decline in net rental income vs. 2019 should reverse with stores now fully open and normalisation of rent collection

Recurring earnings +6% vs. 2020

€m	2020	2021
Net rental income	270,8	289,9
Overhead costs	-52,8	-52,8
Equity-accounted companies	2,2	1,7
EBITDA	220,2	238,8
Net financial expense (cash items)	-53,1	-59,0
Income taxes	0,2	-1,6
Other	0,3	
Recurring earnings ⁽¹⁾	167,6	178,2
IFRS 16 Covid impacts	-18,5	5,5
Recurring earnings (excl. IFRS 16 Covid impacts)	149,1	183,7

Net rental income +7% vs. 2020

Stable cost base vs. 2020

Increase in net financial expense due to refinancing in 2021

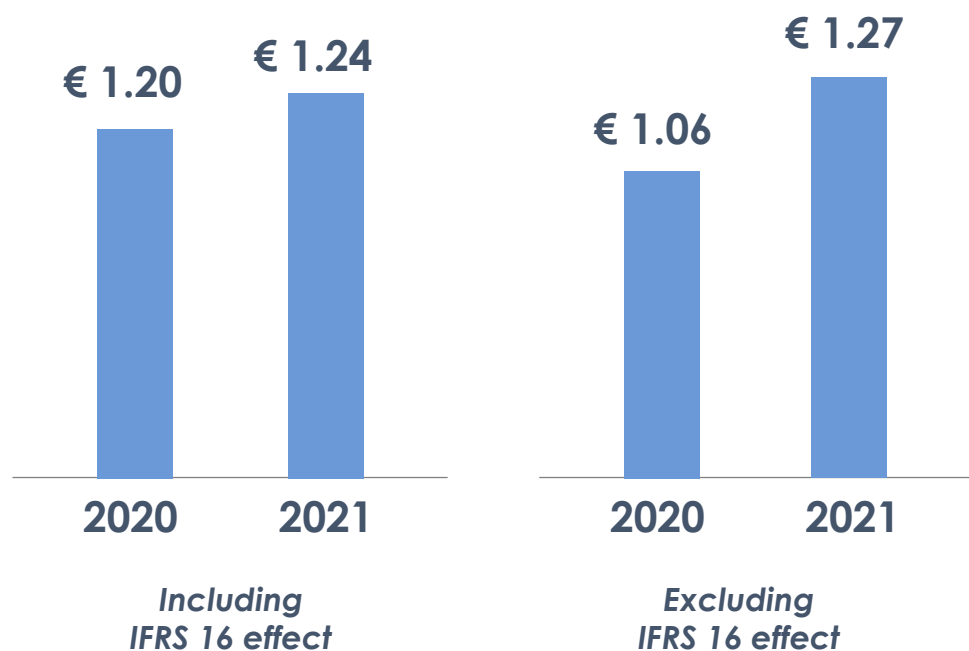
Recurring earnings +6% vs. 2020

Recurring earnings, excluding IFRS 16 effect: +23% vs. 2020

(1) EPRA earnings restated for non-recurring and non-cash items (adjustments are also reflected in other lines of table shown above)

Start of recovery in recurring earnings per share

Recurring Earnings Per Share



2021

EPS +3% vs. 2020 at €1.24, +20% excluding IFRS 16 impact

Outlook

Positive indexation effect on rents

Normalisation of rent collection

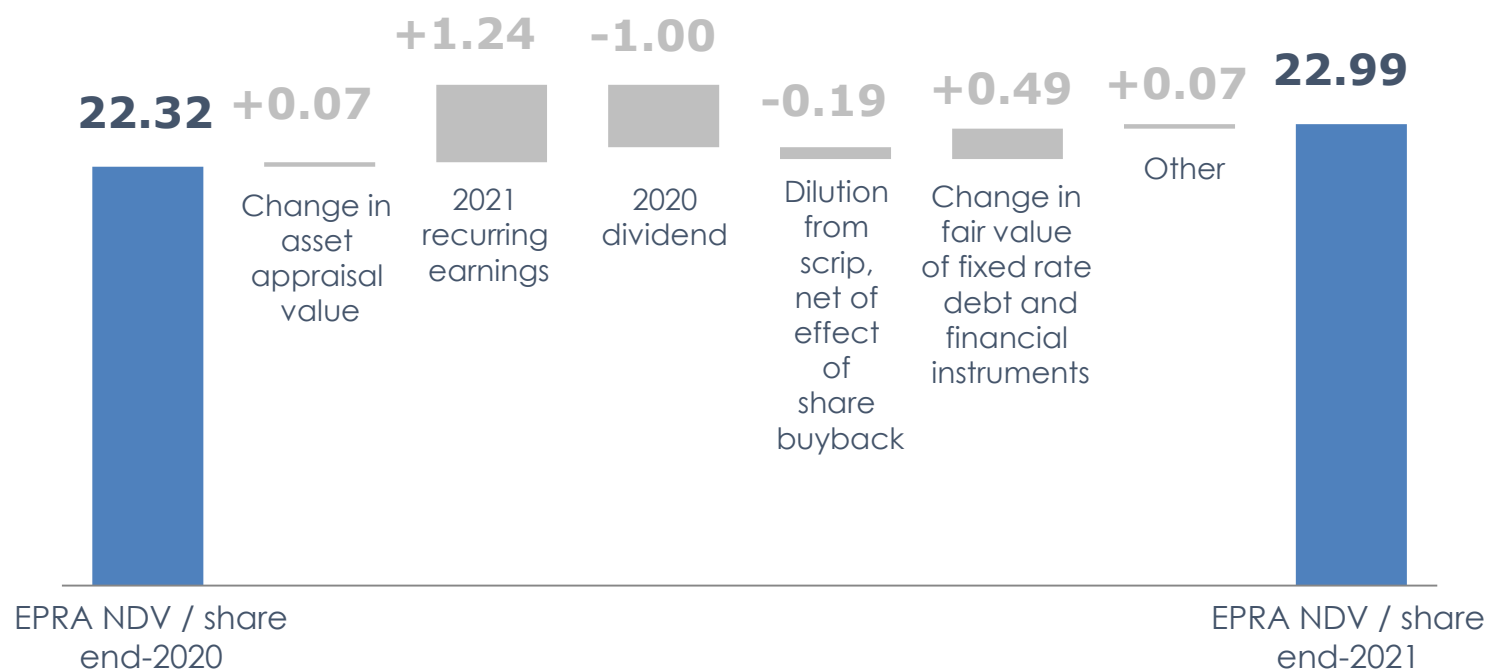
+10% annual recurring EPS growth* expected in both 2022 and 2023



*At constant scope

Increase in EPRA Net Disposal Value per share

2021 Change in EPRA Net Disposal Value per share



EPRA NDV

at 31 December 2021 – fully diluted

€ 22.99 / share



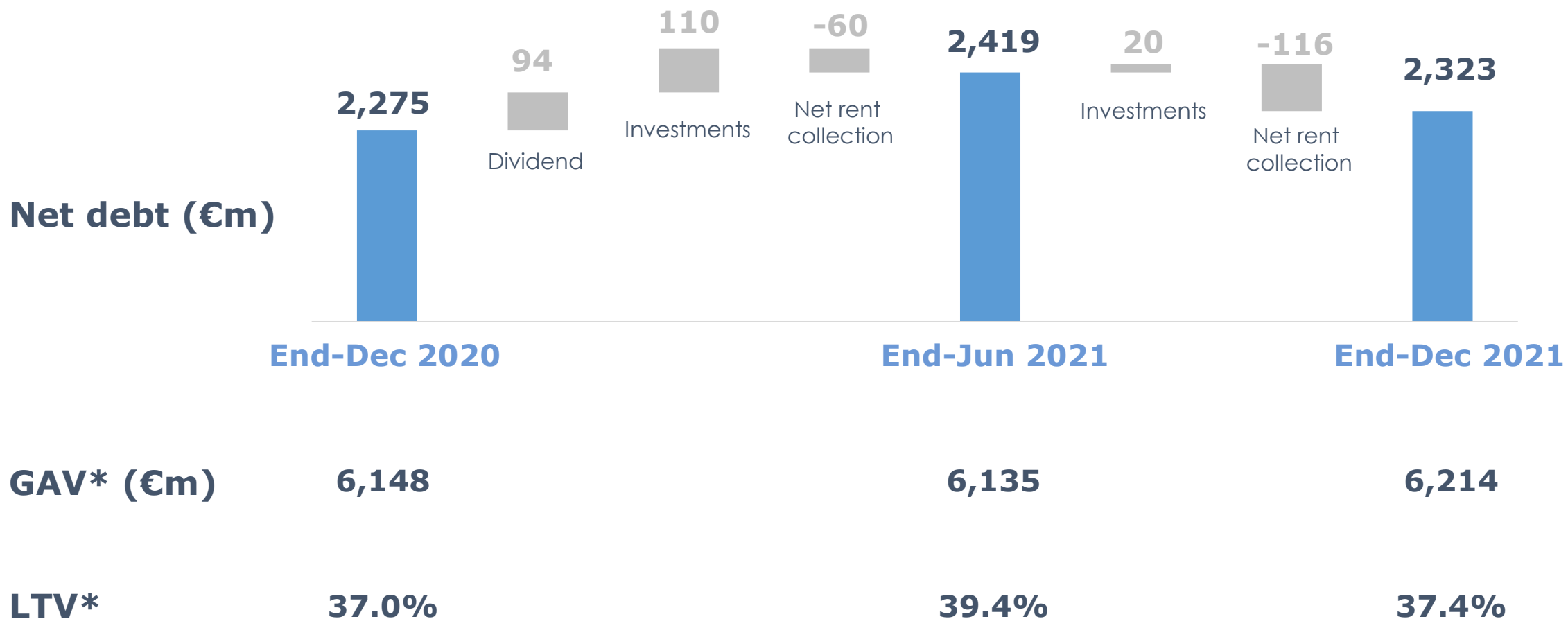
EPRA NTA

at 31 December 2021 – fully diluted

€ 24.54 / share



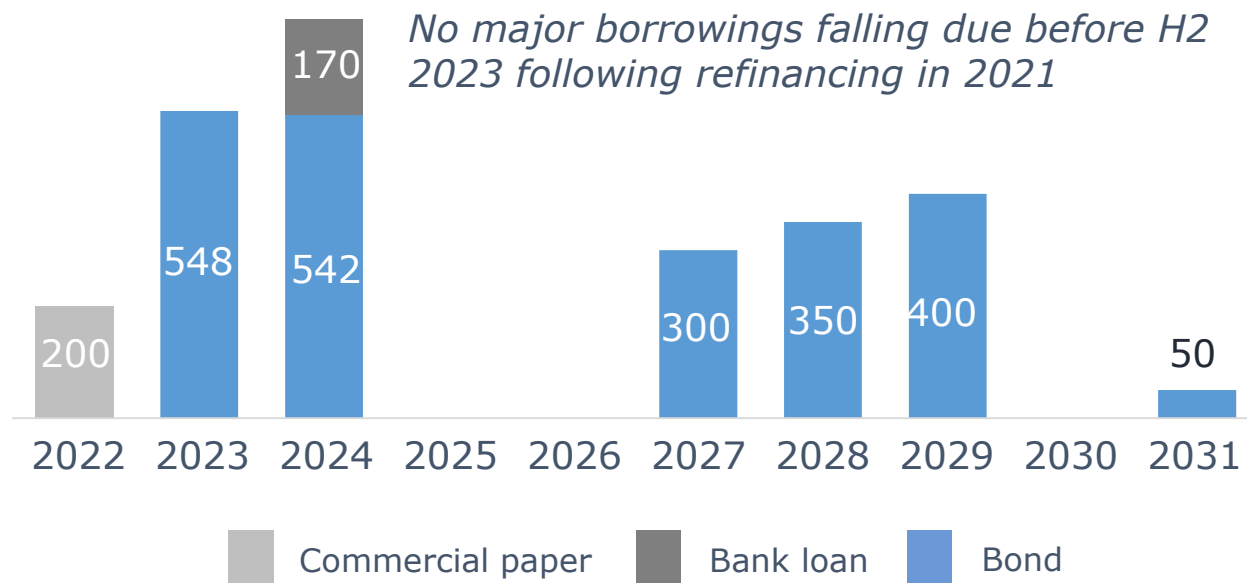
Strong Balance Sheet: LTV Ratio 37.4%



*Including transfer taxes

Strong liquidity position and funding structure

Carmila debt maturity profile (€M)



Average cost of debt: 2.0%

Average remaining maturity: 4.3 years

Successful refinancing in 2021:

Repayment of €300M bank loan, new €300M bond issue and new €810m sustainability linked RCF

BBB rating with a stable outlook from S&P

Significant liquidity: €1,048M (including €238M in cash and cash equivalents)

ICR 3.9x (Bank covenants 2.0x)

Asset rotation: More active management of the portfolio

USE OF PROCEEDS OF DISPOSALS

Development



Shareholder return

ASSET ROTATION

2021



Sale of the *Nanteuil-les-Meaux* retail park at appraisal value

€ 8M share buyback

2022-26



Targeting 200M€ of disposals in 2022-2023

Disposals to continue beyond 2023

**Confident on capacity to dispose of mature assets:
€ 20M share buyback to be launched to take advantage of current market value**



2021 Dividend

2021 Dividend

€1.00 per share, in cash, to be proposed to shareholders at annual meeting

Dividend Policy

Annual dividend of at least €1.00 per share, paid in cash

Target payout of 75% of Recurring Earnings Per Share



Financial wrap-up

€ 1.24

Recurring EPS
(+3% vs. 2020)

€ 1.00

2021 cash dividend

€ 6.21bn

Gross Asset Value
(+1.1% vs. end-2020)

€ 22.99

EPRA NDV/share

37.4%

LTV*

+10%

Expected 2022 and
2023 annual recurring
EPS growth**

On track to deliver 2026 financial targets



*Including transfer taxes

**At constant scope



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Chair and Chief Executive Officer

Focused on execution of the 2022-26 roadmap



An attractive portfolio of assets

Resilient in the crisis, grocery-anchored, present in mid-sized cities

Keep outperforming in the core business

Strong commercial performance, low vacancy, agile management of assets

Delivering on 2022-26 growth ambition

Omnichannel incubator, innovative services for retailers, supporting new concepts and investing in digital infrastructure

Q&A session

