

Bezannes, Thursday 6 March 2025, 6:30 – 2024 Annual Results

ANOTHER YEAR OF SOLID GROWTH FOR FREY WITH A 2024 PROFIT FROM RECURRING OPERATIONS UP +28.1% (€107.9m)

Open-air shopping centres: shrewdly positioned

Increased footfall in FREY's centres: **+3.5%**

Higher tenant revenues: **+2.8%**

Occupancy cost ratio still low at **9.0%**

New strategic initiative: growth in the outlets sector

Acquisition of ROS (Retail Outlet Shopping), a third-party manager of 13 outlets, of which 2 developments, across 8 different European countries

Malmö Designer Village, a **€100m development secured with a high yield**

Designer Outlet Berlin: an accretive acquisition secured for €230m ⁽¹⁾

Solid operating performances

2024 gross rental income: **€135.7m** (+19.6%), i.e. +5.4% like-for-like

Relettings and renewals: **+3.5%** uplift

Financial occupancy rate ⁽²⁾: **97.5%**, still high

Yield including transfer tax ⁽³⁾: **6.6%** (+20bp)

Financial resources reinforced

€224m of asset disposals made in 2024 ⁽⁴⁾

€550m of new financing raised

LTV ratio (incl. transfer tax): **41.1%**, consistent with the medium-term target (of below 45%)

Available liquidity: **€521.3m** ⁽⁵⁾

Results and NAV trending upwards

Revenue: **€191.3m** (+28.8 %) ⁽⁶⁾

Profit from recurring operations: **€107.9m** (+28.1 %) ⁽⁶⁾

Net income Group share: **€40.0m** (+112.1 %) ⁽⁶⁾

EPRA NAV NTA: **€1,073.0m** (+3.8%) ⁽⁶⁾ or **€33.6** per share (+3.1%) ⁽⁶⁾

Further dividend increase: **€1.9** per share (+5.6%) ⁽⁶⁾

(1) Amount excluding transfer tax, commitment signed in Q1 2025.

(2) At 31/12/2024, the vacancy rate calculated based on EPRA (European Public Real Estate Association) Best Practices Recommendations stood at 2.5%.

(3) Potential annualised rental income relative to value including transfer tax on delivery (including work yet to be paid) – scope of assets in operation.

(4) Group share of €127m.

(5) €321.3m in cash and investments and €200.0m in corporate credit lines.

(6) Change vs. 31/12/2023.

Antoine Frey, Chairman and Chief Executive Officer of FREY, made the following statement: “2024 was a particularly active year for FREY and enabled it to take major strategic strides towards our goal, which is to be the leading operator of open-air shopping centres in Europe. The 2024 results confirm that our retail offering in a segment pioneered by FREY is a shrewd one, enabling us to further improve our various metrics. Other highlights this year included the first achievements stemming from our outlet investment policy (ROS, development project in Malmö) and an increase in our financial resources, which will enable FREY to pursue its growth trajectory in 2025. A prime example of the Group’s ambitious trajectory is the major acquisition of the Designer Outlet in Berlin secured in February 2025 for €230 million.”

KEY FINANCIAL DATA

Key figures - €m	2024	2023	Chg.
Consolidated revenue	191.3	148.5	+28.8%
o/w property investment activity (gross rental income)	135.7	113.5	+19.6%
Profit from recurring operations	107.9	84.2	+28.1%
Change in fair value of investment properties	23.8	14.7	
Net income Group share	40.0	18.9	+111.6%
Net income Group share excluding MtM valuations	69.8	59.0	+18.3%
Balance sheet indicators - €m	31.12.2024	31.12.2023	Chg.
EPRA NAV Net Tangible Assets (NTA)	1,073.0	1,033.8	+3.8%
<i>i.e. per share</i>	33.6	32.6	+3.1%
LTV ratio (incl. transfer tax)	41.1%	41.0%	+10 pts

FREY’s Board of Directors approved the consolidated financial statements for full-year 2024 at its meeting of 6 March 2025. Audit procedures have been carried out by the Statutory Auditors. The certification report is in the process of being issued.

HIGHLIGHTS OF 2024: 100% GROWTH-CENTRIC INITIATIVES

FREY moves into a new open-air retail segment: outlets

FREY is expanding into a market that is fragmented within Europe: outlets, also referred to as designer outlets or factory outlets. These open-air shopping centres are structured around major brands looking to reduce their inventories of high-quality products at low prices. In Europe, **they are expected to enjoy +9% annual revenue growth out to 2026** (source Kenn Gunn Consulting).

FREY acquired Retail Outlet Shopping (ROS) in July 2024. ROS is an Austrian third-party operator managing 13 outlet shopping destinations across 8 different European countries representing 235,000 m² ⁽⁷⁾ and receiving 17 million visitors each year (for assets in operation). **ROS is very much a services platform, offering an extensive range of expertise that covers the full spectrum of outlet development and outlet management activities** including finance sourcing and arrangement,

(7) 170,000 m² for assets in operation.

works project management, asset and property management, centre management, leasing and marketing.

FREY also signed an agreement in 2024 to acquire Malmö Designer Village in Sweden, a **development project of which the first tranche represents an investment of around €100 million with a yield of more than 8%**, scheduled for delivery in the first half of 2027.

FREY made further progress on its growth strategy by announcing at its 2024 earnings presentation that it had **signed a firm commitment to acquire Designer Outlet Berlin for €230 million generating operating profit of €18.1 million⁽⁸⁾**. This outlet is located to the west of Berlin and has a primary catchment area of 4.5 million inhabitants (living within one hour by car) with considerable purchasing power. The outlet's main brands include Ralph Lauren, Adidas, Tommy Hilfiger, Hugo Boss, Rituals and Levi's. Management of this asset will benefit from the expertise of ROS's staff already operating in Germany and from the Berlin city area's vibrant economy.

€550 million of new financing raised

FREY raised €550 million of new financing during the course of 2024, enabling it to **extend its debt maturity (4.7 years at end-2024 vs. 4.0 years at end-2023) and diversify its sources of funding**. For instance, FREY set up a corporate financing deal in November 2024 worth €100 million at a fixed rate and with a 10-year maturity. The deal was arranged by Natixis and fully subscribed by a major insurance company based in the United Kingdom.

The total cost of these new financing arrangements is in line with that of other such arrangements made within the past 24 months. Thanks to these new funds and the hedges that are in place, FREY's **average cost of debt is competitive at 2.66%** and its debt is 95% hedged; it is therefore poised to continue rolling out its strategy.

FREY pursues its asset rotation policy

FREY's asset disposals totalled €224 million in 2024 as part of its strategy aimed at focusing on the largest open-air shopping centres in its portfolio.

Having realised or secured a number of unit disposals in the amount of €55 million in the first half of the year, FREY then agreed in late December to **sell a €169 million portfolio to Batipart Europe** under a long-term partnership. FREY continues to manage this portfolio consisting of 4 retail parks located in Arles (Shopping Promenade Arles), Douai (Parc du Luc), Reims (Time Square) and Terville (Supergreen) under a joint venture that is 66.7%-owned by Batipart Europe and 33.3% by FREY.

(8) Operating profit in the 12 months to March 2025.

2024 OPERATING PERFORMANCES: A VERY BUSY YEAR

Shrewdly positioned in open-air retail destinations

Footfall in FREY's centres was +3.5% higher⁽⁹⁾ in 2024 than in 2023. Tenant revenues in FREY's centres increased by +2.8%⁽¹⁰⁾ in 2024, while the occupancy cost ratio remained low at 9%. A breakdown of tenant revenue growth by country shows that **FREY's centres in the Iberian Peninsula delivered excellent performances, with their annual growth reaching +4.4%.**

For the France scope specifically, **footfall in FREY's centres was +2.5% higher**, thus greatly outperforming the 2024 indicator established by FACT (*Fédération des Acteurs de Commerce*) which stood at +1.1%. **Tenant revenues increased by +2.1%**, compared with +1.3% in 2024 for FACT's France benchmark.

Strong rental activity

FREY signed 173 leases in 2024, corresponding to a group share rental income of €17.4 million (vs. €14.1 million in 2023). The **average uplift** on renewals and relettings **came to +3.5%** and broke down into +6.4% for relettings and +2.6% for renewals.

These data factor in the repositioning of Shopping Promenade Riviera with a mix leaning more towards local brands and restaurants. Such strong rental activity in 2024 made it possible to perfectly scale each centre's offering to consumer demand.

Healthy rental activity kept the **EPRA occupancy rate high at 97.5% at end-2024**.

Economic portfolio of €2.1 billion

FREY's economic portfolio Group share amounted to **€2,116 million at end-December 2024**, broken down into €1,965 million for the portfolio in operation and €151 million for the portfolio under development. The Group's portfolio in total was worth €2,440 million.

At constant scope, the value of the portfolio in operation rose by +0.4% in 2024, confirming that values have stopped trending downwards. **Appraisal values in the economic portfolio increased by +3.7%** (including assets under development).

Appraisals at end-December 2024 showed a net yield including transfer tax of 6.6%⁽¹¹⁾. Relative to the 10-year swap rate at end-2024 (2.4%), FREY's portfolio therefore offers a risk premium of 420bp; this is a historical high compared with bond yields.

(9) Change in footfall in FREY Group's scope (France, Spain, Portugal and Poland) from January to December 2024, changes versus comparable periods for FREY data / MyTraffic.

(10) Tenant revenue in FREY Group's scope (France, Spain, Portugal and Poland) from January to December 2024, changes versus comparable periods for FREY data.

2024 FINANCIAL PERFORMANCES: METRICS IMPROVED FURTHER

Rental income: €135.7 million (+19.6%)

It was a busy year for FREY, acquiring Shopping Promenade Riviera and Matarnia and achieving solid operating performances in 2024; **gross rental income thus jumped by +19.6% in 2024 to €135.7 million.**

Given its combination of a growth strategy and regular asset disposals, annualised rental income at end-2024 is a good indicator of the Group's activity. Despite the effects of the disposals made in 2024, annualised rental income Group share at 31 December 2024 totalled €137.2 million (vs. €133.8 million at end-2023). On this basis and **at constant scope, rental income increased by +5.6% with an indexation effect of +3.4%**. The collection rate remained high at 97.9%.

Total revenues, including FREY's other revenues but only partly factoring in the acquisition of ROS in July 2024, totalled €191.3 million (+28.8% vs. 2023).

Profit from recurring operations: €107.9 million (+28.1%)

Having jumped by +34.1% in 2023, **profit from recurring operations surged once again in 2024 to €107.9 million (+28.1%)** thanks to a combination of solid operating performances at constant scope, the full-year consolidation of Shopping Promenade Riviera, the acquisition of ROS and effective cost control.

Net income Group share amounted to €40.0 million (+112.1% vs. 2023). Restated for fair value items and mark-to-market valuations of financial instruments, it came to €69.8 million (+18.3% vs. 2023).

EPRA NAV NTA at €33.6/share (+3.1%)

In accordance with IFRS, the 2024 property appraisal campaign resulted in a +€23.8 million fair value adjustment which was recognised in the income statement.

EPRA NAV Net Tangible Assets (NTA) came to €1,073.0 million, which is +3.8% higher than at 31 December 2023. On a per-share basis, **EPRA NAV NTA was €33.6, reflecting a +3.1% increase** during this same period.

LIABILITIES ENABLING FREY TO SEIZE INVESTMENT OPPORTUNITIES

Debt with a longer maturity and hedged

Net debt amounted to €1,215.6 million at 31 December 2024. The Group's **average debt maturity stood at 4.7 years at end-2024 (vs. 4 years at end-2023)** following its various refinancing arrangements, not including the extension options included in the loan agreements.

The average cost of debt in 2024 was **2.66%**, compared with 2.37% in 2023. Thanks to the interest rate hedges in place, the interest rate on this Euribor-indexed debt is **95.1% secured**.

So the company's **LTV ratio including transfer tax** at end-December 2024 was **41.1%**, which is consistent with its aim to keep LTV below 45%. The ICR was 3.8x.

A strong liquidity position

After factoring in its immediately available funds (cash and investments) of €321.3 million and its undrawn credit facilities of €200 million, **FREY's liquidity amounted to €521.3 million** at end-December 2024; meaning it can grasp any investment opportunities that might arise.

2024 DIVIDEND AND OUTLOOK

The Board of Directors will ask the General Meeting of Shareholders of 25 June 2025 to approve the payment of a **€1.9 dividend per share, which is +5.6% higher than the previous year**.

FREY's property positioning in open-air retail assets and its integrated management business model should enable it to **deliver resilient organic growth** thanks to its low occupancy cost ratio and the promising markets in which it operates. FREY will continue to rotate its assets and focus on the largest centres in its portfolio, which should also help it to generate solid organic growth.

The **total development pipeline** at 31 December 2024 was worth €628 million and will spur the Group's medium- and long-term growth. **Two major deliveries are scheduled for the first half of 2027 (Malmö and Lleida) and could generate net rental income of more than €20 million** (for a total cost of around €240 million) as well as substantial value creation.

Last of all, **the large-scale acquisition of Designer Outlet Berlin** for €230 million **will have a positive impact in 2025** and is a perfect example of the **deployment of FREY's strategy, which is aimed at becoming Europe's leading operator of open-air shopping destinations (retail parks, shopping centres and outlets)**.

*This press release is available on the frey.fr website under the headings Finance / Results and press releases
The annual financial report is available under the headings Finance / Regulatory information*

About FREY

FREY's expertise covers the entire property value chain (as a developer, investor and manager) and it is a leading operator of open-air shopping destinations. Having invented the next generation of open-air shopping centres with its Shopping Promenade® concept and pioneered eco-friendly retail parks with its Greencenter® concept, FREY is a B Corp™ certified mission-driven company and is fully committed to building a more responsible and greener society that is socially beneficial to its ecosystem and its stakeholders. FREY aspires to become Europe's leading operator of open-air shopping destinations (open-air shopping centres, retail parks and outlets).

FREY is listed on compartment B of Euronext Paris. ISIN code: FR0010588079 - Ticker code: FREY.

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Sébastien Eymard – Deputy Chief Executive Officer

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Marine Giraud – Communications Manager

APPENDICES

- Key financial data

Key figures - €m - 12 months	31.12.2024	31.12.2023	% change
Consolidated revenue	191.3	148.5	+28.8%
o/w property investment activity (gross rental income)	135.7	113.5	+19.6%
Profit from recurring operations	107.9	84.2	+28.1%
Change in fair value of investment properties	23.8	14.7	+61.9%
Net income Group share	40.0	18.9	+111.6%
Net income Group share excluding MTM valuations	69.8	59.0	+18.3%
Balance sheet indicators - €m	31.12.2024	31.12.2023	Chg.
EPRA NAV Net Tangible Assets (NTA)	1,073.0	1,033.8	+3.8%
<i>i.e. per share</i>	33.6	32.6	+3.1%
LTV ratio (incl. transfer tax)	41.1%	41.0%	+10 pts

- Figures relating to the portfolio in operation (€m, excluding transfer tax)

€m	(Excluding transfer tax)	31.12.2024
	Consolidated investment property	1,926.6
+	Properties held for sale	3.1
+	Portfolio properties in operation	23.4
-	Extension projects	(12.4)
-	Projects under development	(46.6)
-	Projects in progress measured at cost	(62.0)
=	CONSOLIDATED PORTFOLIO IN OPERATION	1,832.1
-	Assets in operation in partnerships (non-FREY share)	(2.9)
+	Assets in operation accounted for under the equity method (FREY share)	135.3
=	ECONOMIC PORTFOLIO IN OPERATION	1,964.5
+	Assets in operation in partnerships (non-FREY share)	2.9
+	Assets in operation accounted for under the equity method (non-FREY share)	311.0
=	TOTAL PORTFOLIO IN OPERATION	2,278.4

• *Simplified consolidated income statement under IFRS*

€m	31.12.2024	31.12.2023	Chg.
Gross rental income	135.7	113.5	+19.6%
Income from third-party development	6.4	1.5	
Income from third-party management	5.9	0.8	
Income from other activities	2.8	1.6	
Reinvoiced expenses – IFRS 16	40.6	31.1	
Revenue	191.3	148.5	+28.8%
Purchases consumed	(64.5)	(46.8)	
Payroll expenses	(14.2)	(11.7)	
Other income & expenses	1.8	0.8	
Taxes and similar payments	(2.5)	(2.5)	
Amortisation, depreciation and impairment	(4.0)	(4.1)	
Profit from recurring operations	107.9	84.2	+28.1%
Other operating income and expenses	(2.5)	(3.4)	
Gains/(losses) on disposals of investment properties	(1.3)	(2.1)	
Adjustment of investment property values	23.8	14.7	
Operating profit	127.8	93.4	+36.8%
Share of net profit/(loss) of associates	(4.5)	1.2	
Operating profit after share of net profit from associates	123.3	94.6	+30.3%
Cost of net debt	(32.6)	(23.9)	
Other financial income and expenses	(29.8)	(40.2)	
Profit before tax	60.9	30.5	+99.7%
Income tax	(15.7)	(5.7)	
Net profit attributable to consolidated entities	40.2	24.8	+62.1%
<i>Net profit attributable to non-controlling interests</i>	<i>(5.2)</i>	<i>(5.9)</i>	
Net profit Group share	40.0	18.9	+111.6%

• *Simplified consolidated balance sheet under IFRS*

ASSETS in €m	31.12.2024	31.12.2023
Non-current assets	2,050.6	2,140.5
o/w investment properties	1,926.6	2,054.0
o/w equity interests in associates	73.0	45.5
Current assets	462.3	255.6
o/w cash and cash equivalents	321.3	73.0
Assets held for sale	3.1	1.0
LIABILITIES in €m		
Equity	1,099.7	1,116.4
Non-current liabilities	1,270.2	1,087.9
o/w long-term financial liabilities	1,220.8	1050.2
Current liabilities	146.0	192.8
o/w short-term financial liabilities (including bond issues)	20.8	27.4
Liabilities on assets held for sale		-
Balance sheet total	2,516.0	2,397.1

• **Consolidated cash flow statement under IFRS**

€m	31.12.2024	31.12.2023
Cash flow from consolidated entities	108.4	88.0
Dividends received from associates		
Tax paid	(5.2)	(2.2)
Change in operating WCR	7.5	(24.7)
Net cash flow from operating activities (1)	110.7	61.0
Acquisitions of fixed assets and investment properties	(117.0)	(150.8)
Changes in loans, advances and other financial assets	(1.3)	0.26
Disposals of fixed assets	190.3	128.6
Impact of changes in consolidation scope and other	(5.9)	(245.1)
Net cash flow from investing activities (2)	66.1	(267.0)
Dividends paid to shareholders of the parent company	(57.1)	(47.7)
Capital increase	-	96.1
Net sales (purchases) of treasury shares	3.6	(11.7)
Sums paid in the event of a change in ownership interest without loss of control	(5.5)	-
Increase in borrowings	609.5	618.0
Loan repayments (including finance leases)	(390.8)	(424.0)
Repayment of lease liabilities	(1.0)	(1.0)
Interest paid (including on lease obligations)	(41.3)	(22.9)
Change in other financing	(45.9)	-
Net cash flow from financing activities (3)	71.5	206.9
Cash impact of exchange rate variations	0.0	0.1
Change in cash position (1+2+3)	248.3	0.9

- **Net asset value**

The Group reports EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV) as defined in the EPRA Recommendations for all financial years starting from 1 January 2020.

€m	31.12.2024	31.12.2023	Chg.
EPRA NAV Net Disposal Value (NDV)	1,046.1	1,045.7	+0.0%
<i>EPRA NAV Net Disposal Value per share (€)</i>	<i>32.8</i>	<i>33.0</i>	<i>-0.6%</i>
EPRA NAV Net Tangible Assets (NTA)	1,073.0	1,033.8	+3.8%
<i>EPRA NAV Net Tangible Assets per share (€)</i>	<i>33.6</i>	<i>32.6</i>	<i>3.1%</i>
EPRA NAV Net Reinstatement Value (NRV)	1,161.4	1,120.4	+3.7%
<i>EPRA NAV Net Reinstatement Value per share (€)</i>	<i>36.4</i>	<i>35.4</i>	<i>2.8%</i>
<i>Number of diluted shares</i>	<i>32,250,098</i>	<i>32,250,098</i>	
<i>Number of treasury shares held under the liquidity contract and in respect of the free share allocation plan</i>	<i>361,643</i>	<i>586,392</i>	
<i>Adjusted number of shares</i>	<i>31,888,455</i>	<i>31,663,706</i>	