

FREY
La foncière à mission



FREY ACHIEVES ANOTHER RECORD YEAR

2023 Annual Results

Presentation of 28 February 2024

Disclaimer

At its meeting of 28 February 2024, FREY's Board of Directors approved the consolidated financial statements for 2023.

Audit procedures have been carried out by the Statutory Auditors. The certification report is in the process of being issued.

This presentation has been prepared solely for information purposes, to accompany the information disclosed by FREY to the public elsewhere, to which readers should refer.

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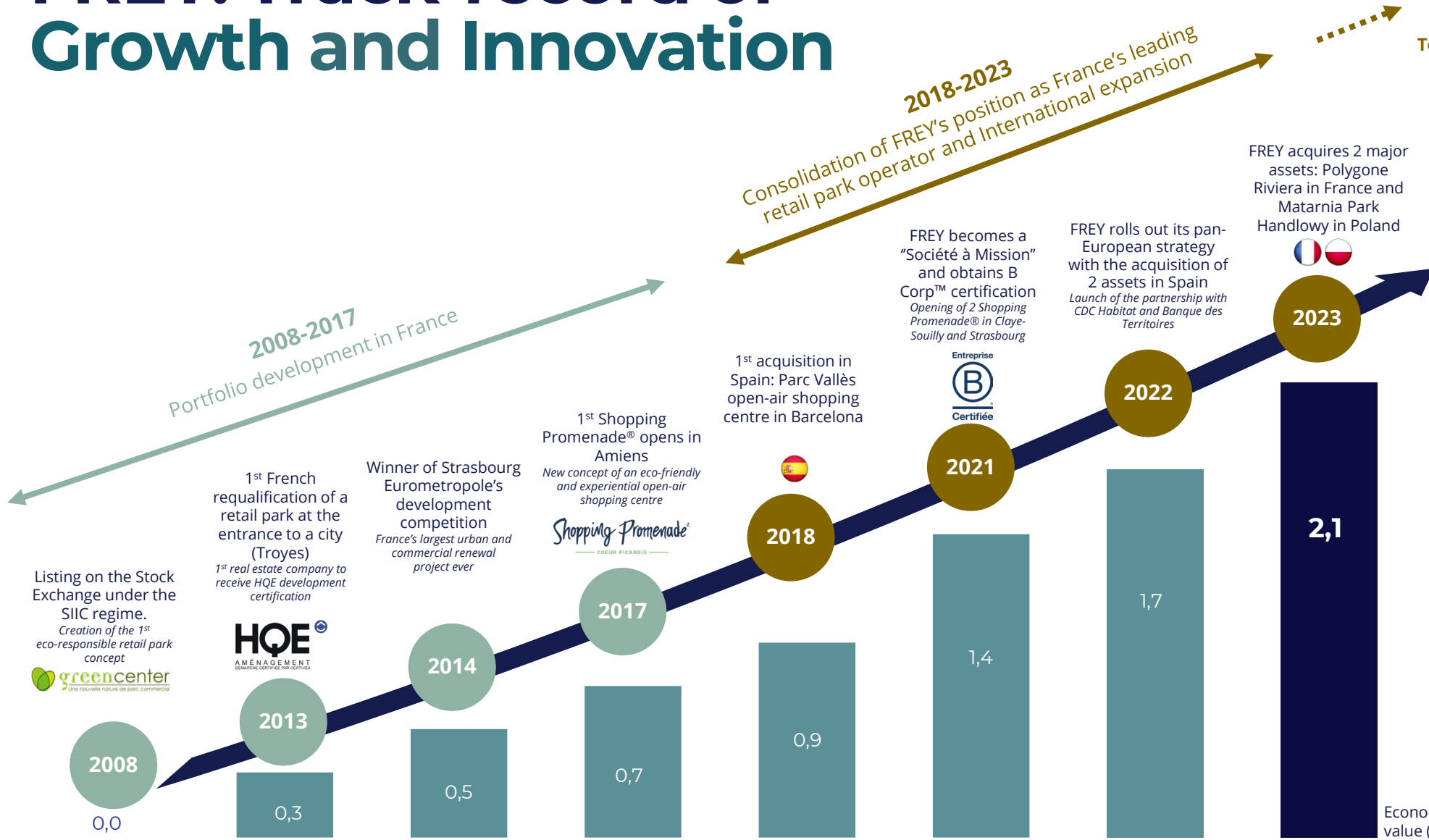


01. Introduction

FREY: Track-record of Growth and Innovation



Towards European leadership in open-air retail



2023: a year full of in structuring events

- ✓ **Acquisition** of the largest open-air shopping centre in France: **Polygone Riviera**
- ✓ **Development** of pan-European platform with the opening of a 4th country: **Poland**
- ✓ **Opening** of the largest gastronomic and cultural hall in **Europe** in St Ouen
- ✓ **Launch** of the 1st city entrance transformation project: **Montigny-lès-Cormeilles**
- ✓ **Strengthening** of FREY's capital: **Capital increase** of €97.1m





2023: Good dynamic of indicators

ECONOMIC PORTFOLIO

€2.1bn

+21.9%

OCCUPANCY RATE

97.7%

-30bps

ANNUALISED RENTS

€133.8m

+33.7%

UPLIFT ON RELETTINGS AND RENEWALS

+6.3%

PROFIT FROM RECURRING OPERATIONS

€84.2m

+34.1%

EPRA NTA NAV

€32.6/share

-1.5% / +1.5%

Excl. impact of the Capital Increase

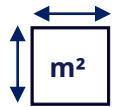
Changes vs 31.12.2022



02. 2023 Key events

Acquisition of Polygone Riviera

The largest open-air shopping centre in France



77,100 m² GLA ⁽¹⁾



1 hour 55

Average visit time
x2 times national average



€272.3m
Investments

Exclusive shopping destination

		+25 restaurants	



An open-air shopping centre **already of collective interest**: +30,000m² of natural park in the centre, **1,000 trees**, an educational pathway, a **natural river** and 1km trail along the banks.

(1) Share owned 71,000m²

POLYGONE
RIVIERA
★★★★



BREEAM in Use certified
"Outstanding"



765,000

Inhabitants less than 15
min away



%

95%

Occupancy rate



€22m

Annual rental income



Opening of a fourth country: Poland

Matarnia Park Handlowy in Gdańsk

FREY will be able to transform this high-potential asset to bring it up to the standards of its Shopping Promenade® concept and so harness its innate benefits

 **52,278 m² GLA** 

 **€103m**
Investments

FREY's first investment in Poland, one of the most dynamic economies in Europe

 **MATARNIA**
park handlowy



600,000

Inhabitants less than 20 min away



%

99%

Occupancy rate



€8m

Annual rental income



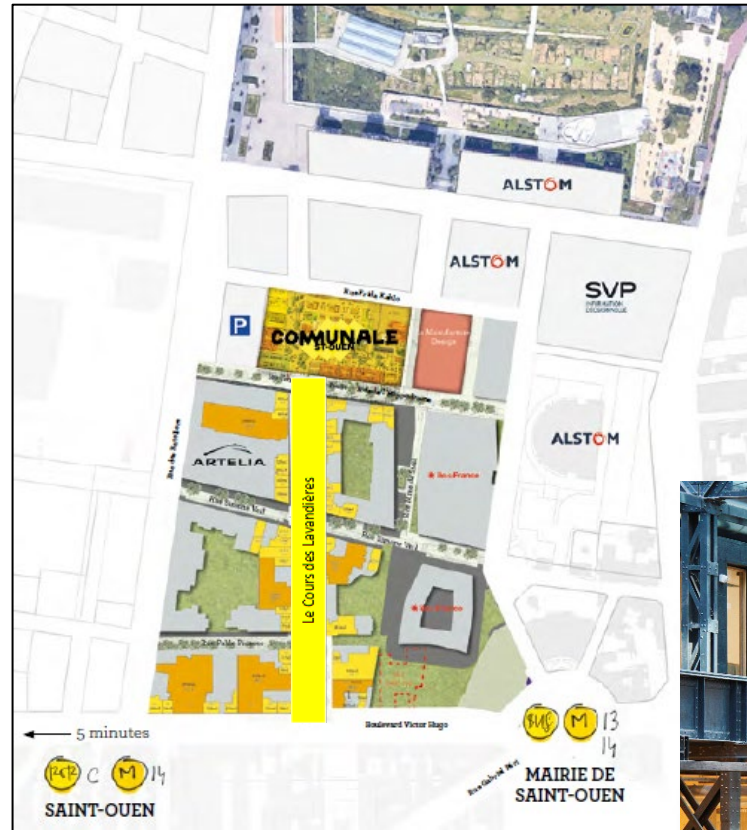
1st FREY URBAN Shopping Promenade

Located in **St-Ouen**, in the new “Docks” eco-neighbourhood, which will eventually be home to 15,000 inhabitants and 30,000 employees, this new retail complex composed with The **Cours des Lavandières** and The Hall called **COMMUNALE** is set to become a major artery dedicated to commerce and services, revitalising the public space and creating a vibrant and lively neighbourhood.

 **24.000m²**
Retail complex

 **55 %**
Ownership of FREY⁽¹⁾

(1) Banque des Territoires acquired a 45% stake in the Les Docks de Saint-Ouen SCI company. 



LES DOCKS DE SAINT-OUEN

COMMUNALE
ST-OUEN

The largest
gastronomic and
cultural hall in Europe



161 000
Visitors since opening
(18 Jan. 2024)



1st city entrance transformation project: Montigny-lès-Cormeilles

- ✓ Safeguarding existing economic momentum
- ✓ Meeting the need for local and regional development
- ✓ Integrating more diverse functions
- ✓ Stepping up the ecological transition of the urban complex in question



66,000 m²



A school



20,000 m² shops, restaurants and services



A 750 m open-air promenade connected to the surrounding public spaces



900 housing units by 2030



An urban park and 20% renaturation



€200m

Investments (co-promotion + commercial investments)



Mixed operation: promotion and portfolio project



Strengthening of capital

€97.1m

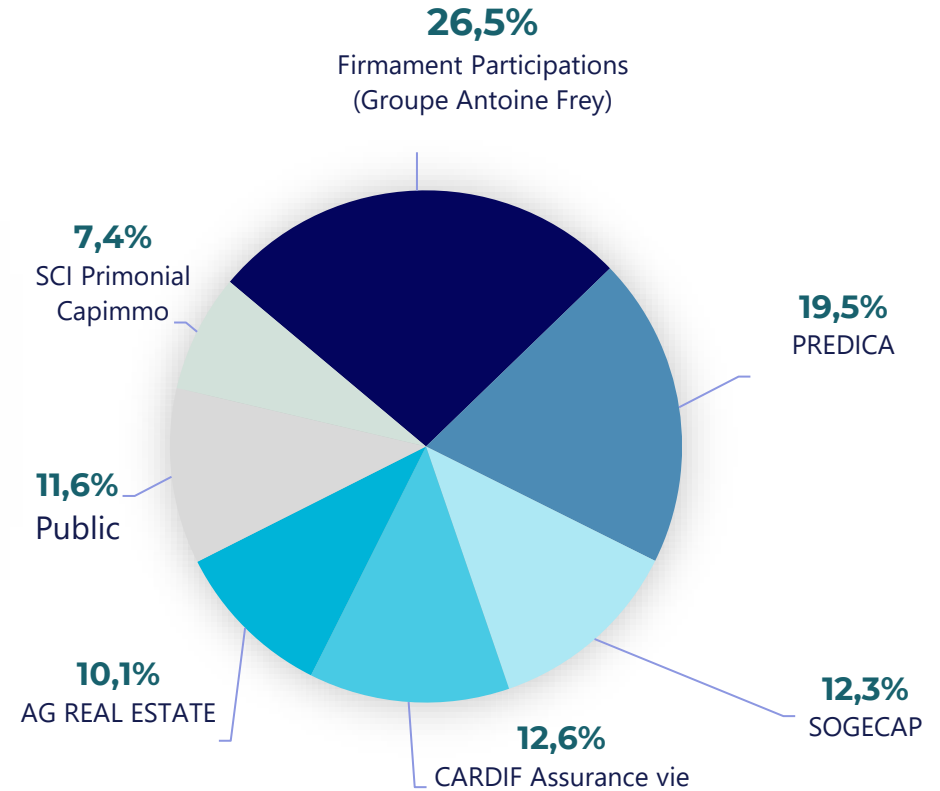
Capital increase

€25/share

Issue price

An accretive transaction enabling investment in assets offering returns in excess of 7.5%

Shareholding structure at 31/12/2023



AG REAL ESTATE: shares held by the real estate company AG REAL ESTATE and LOUVRESSES DEVELOPMENT II, entities of the AG INSURANCE Group



Acquisition of a stake in SIMM, the investment structure of the Deveaux Group, which owns several brands, including Armand Thiery, a long-standing tenant of the FREY Group



03. Operational performance

€2.1bn

Value of economic portfolio

€133.8m

Gross annualised rents

97.7%

Occupancy rate ⁽¹⁾

6.4%

Cap rate ⁽²⁾

31%

International share ⁽³⁾

Pan-European platform with solid fundamentals

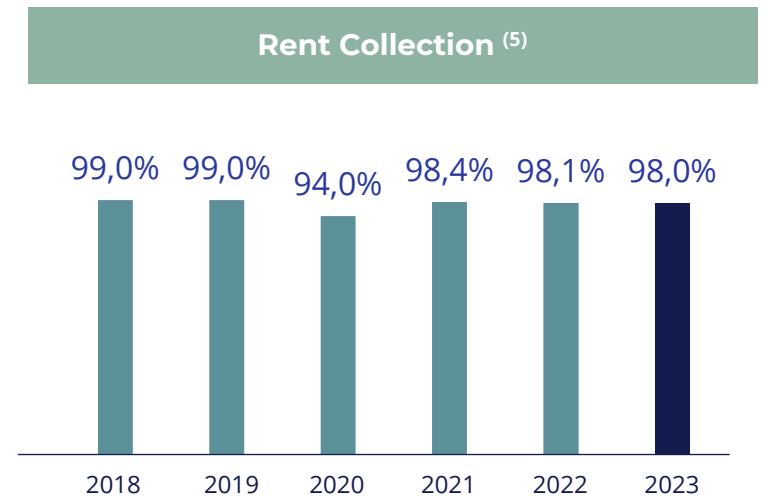
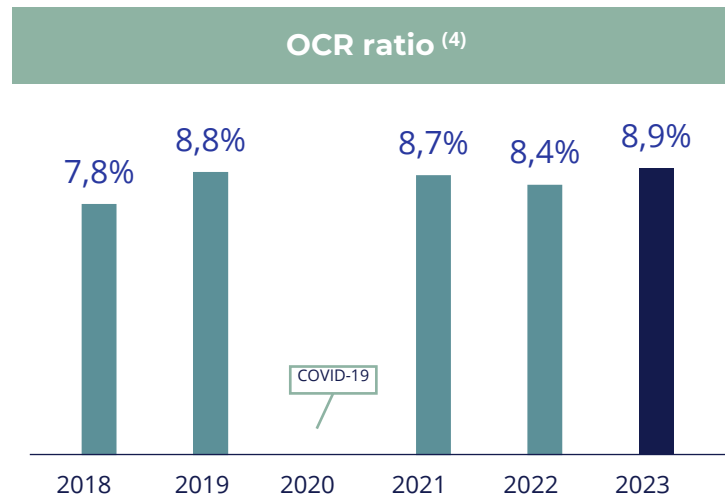
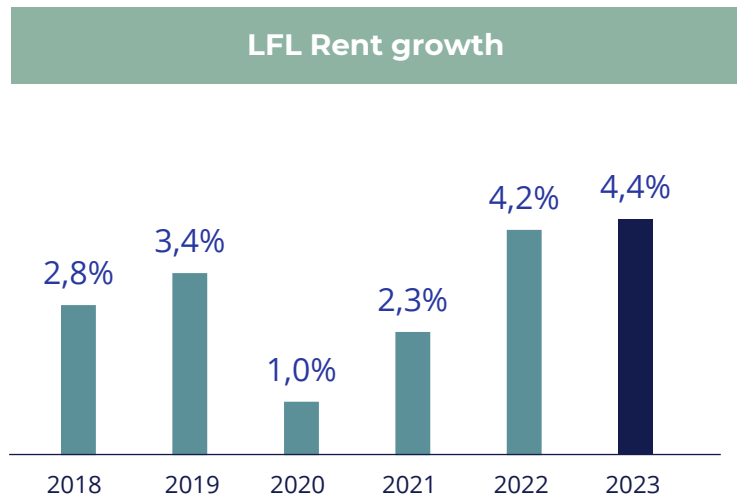
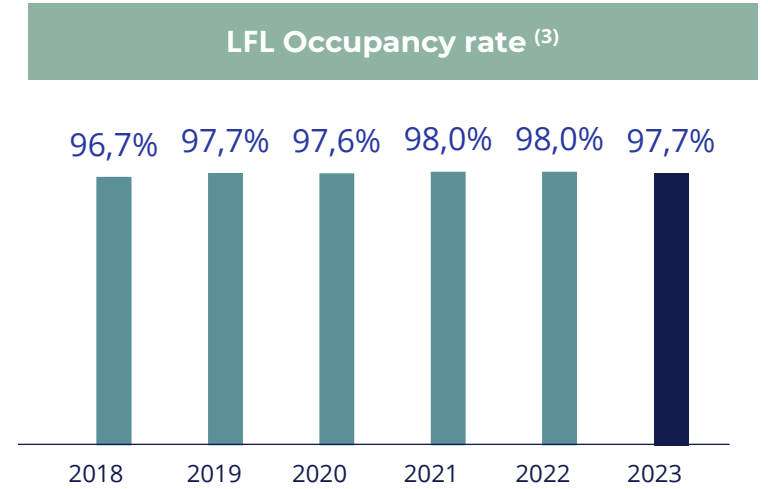
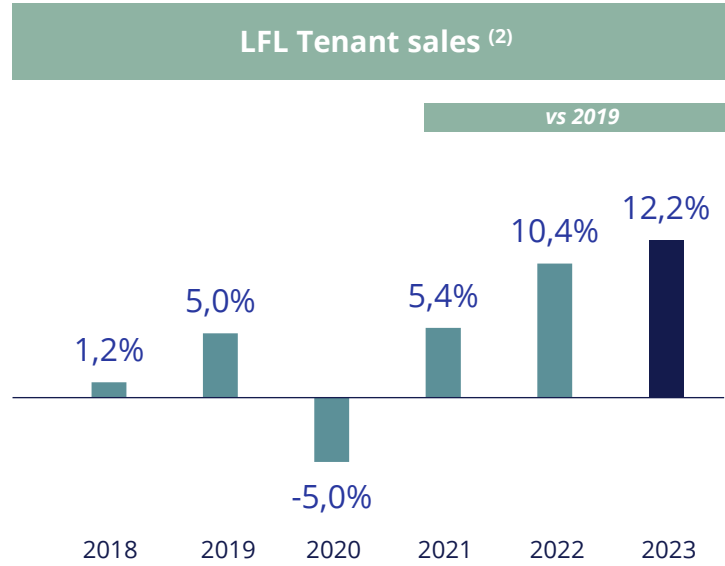
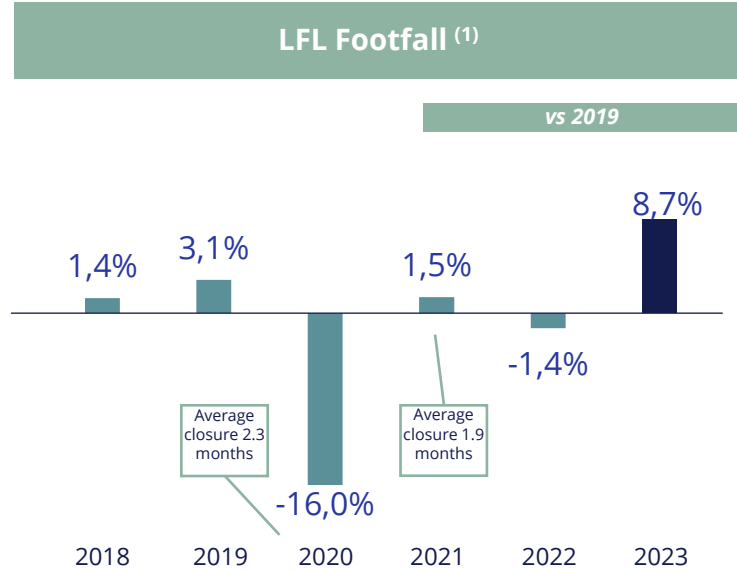


Environmental certifications

	11
	6
	2

(1) At 31 December 2023, the vacancy rate calculated in accordance with the EPRA Best Practices Recommendations stood at 2.3%.
 (2) Potential annualised rents relative to the value incl. transfer tax on delivery of works (including works still to be paid for) – scope of operating assets.
 (3) Calculated on the basis of 2023 annualised rents.

Business model once again shows its resilience



(1) Change in footfall in France for FREY sites.
 (2) Retailer sales in France, changes versus comparable periods for FREY data.
 (3) Vacancy rate calculated in accordance with EPRA's Best Practices.

(4) Rolling 12 months/FREY Group scope (France, Spain, Portugal and Poland). France scope: 9.0%.
 (5) Charged rents collected relative to charged rents invoiced.

Extremely dynamic rental activity



RITUALS...

LA CASA DE LAS
CARCASAS



Besson
- chaussures -

MiLOME
PROVOCATEUR D'ENVIES // MEUBLES ET DÉCORATION



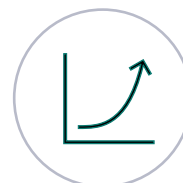
ROSSMANN
tu belleza, tu hogar, tu droguería



170
leases signed in 2023
under Assets & Development



€16.7m
in rental income ⁽¹⁾
€14.1m Group share



+6.3%
average uplift ⁽²⁾
Calculated on economic rents net of lessor contributions

(1) New leases, remarketings and renewals.

(2) Remarketing and renewal.

Excellent diversification of brands

18%

Share of Top 10

FREY confirms the robust diversification of its rental risk

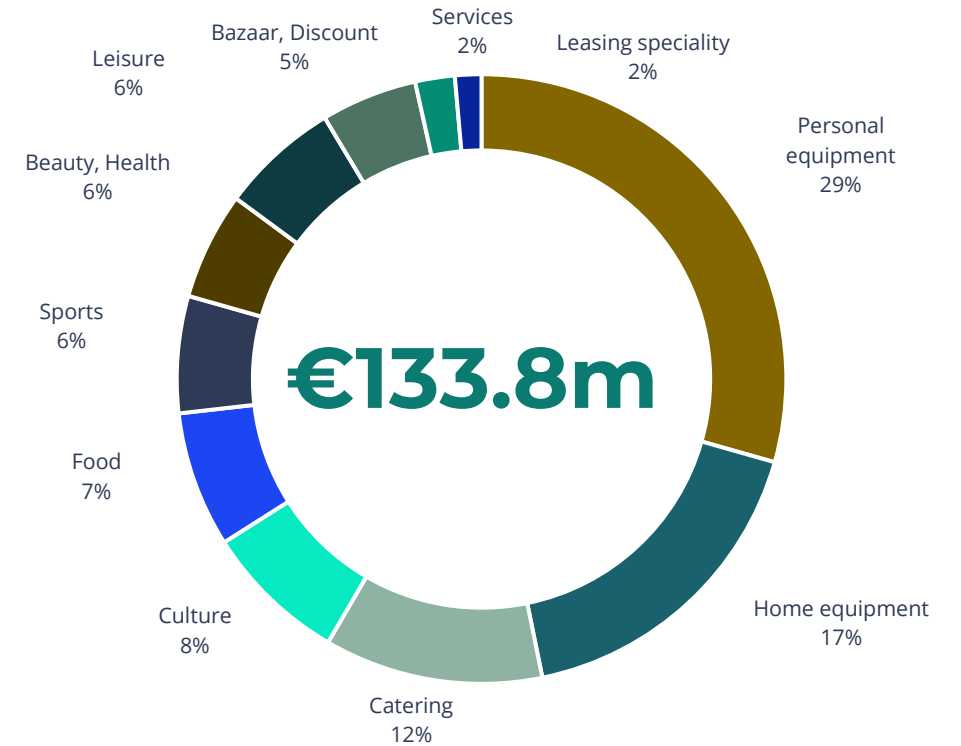
4%

Share the 1st tenants group

Financial profile
Investment Grade



Breakdown of rental income by sector



(1) Income from reserves, parking, pop-up shops, etc.



Increase in sales across all business sectors excluding home & discount, maintaining significantly higher returns vs 2019

Very limited impact of brands in insolvency proceedings at FREY



62 brands
4,000 shops



€0,4m

Actual risk amount (*) for FREY

0,3%

in annualised rents Group share

Continuous value creation at FREY



Restructuring of city entrances

Repositioning of acquired 1st generation assets

Extension of assets in the portfolio



FREY owns 270 hectares of already developed and partially built land (25%), representing a portfolio of value-creation projects in the coming years

Focus AlgarveShopping & Algarve Retail Park Repositioning and extension



59,000m² GLA

8 million
of visitors in 2023

100%
Occupancy rate

€12m
Capex

€16m
+12% since acquisition
NOI

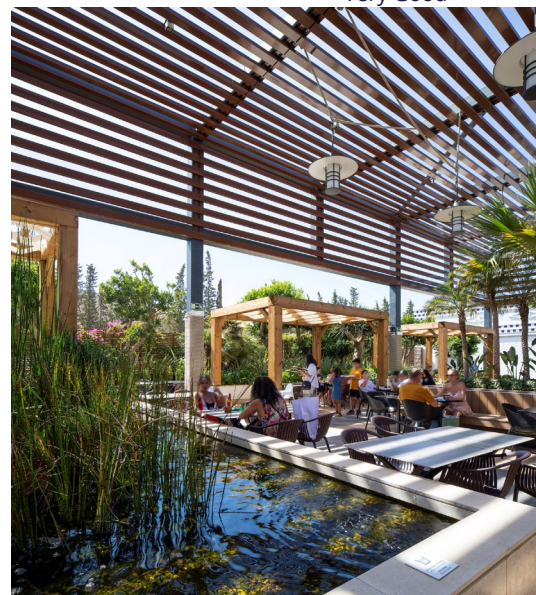
120 bps
Margin achieved



**Repositioning
of an 1st generation asset**



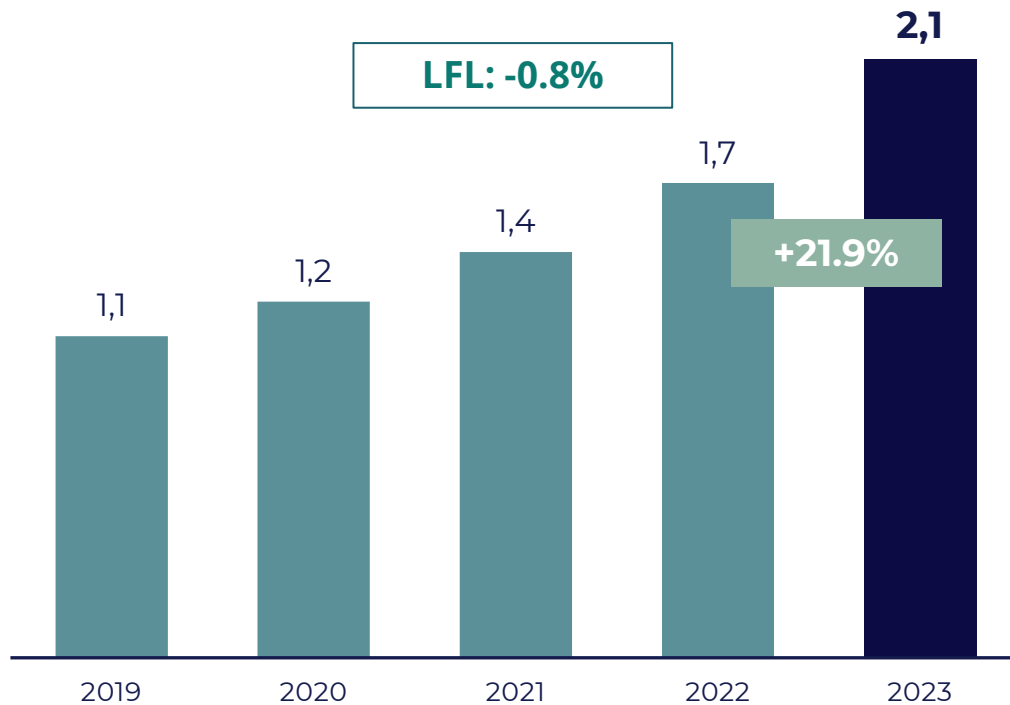
**Extension
of a retail Park**



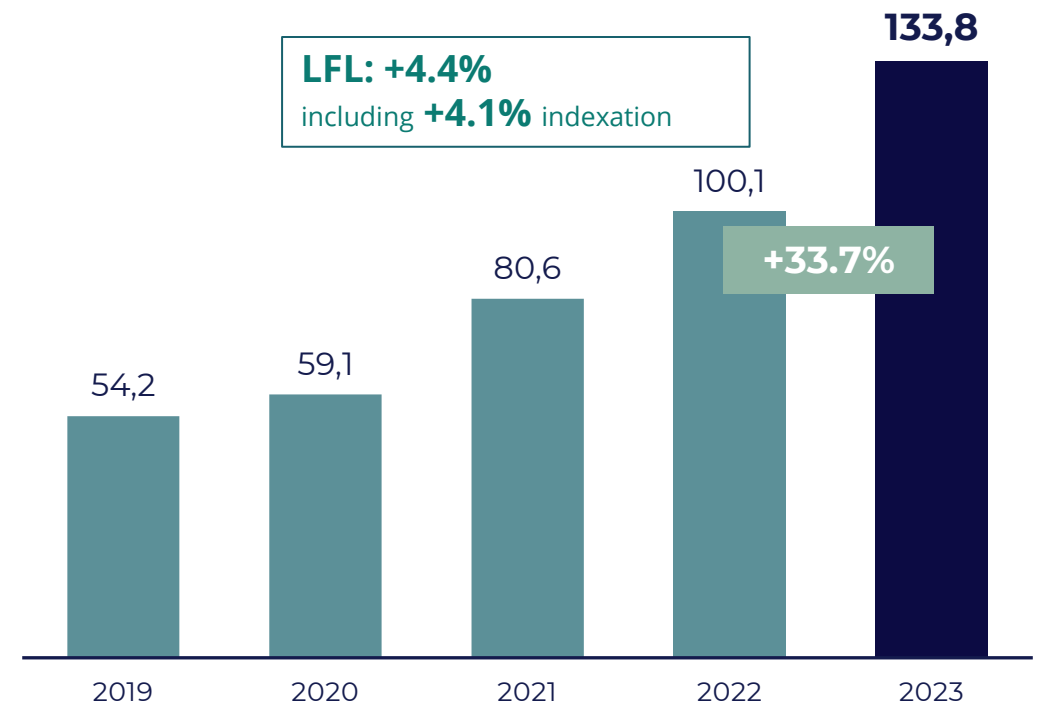
04. Financial results

Growth of the portfolio and annualised rents

Economic portfolio value ⁽¹⁾ (€bn)



Gross annualised rents ⁽²⁾ (€m)

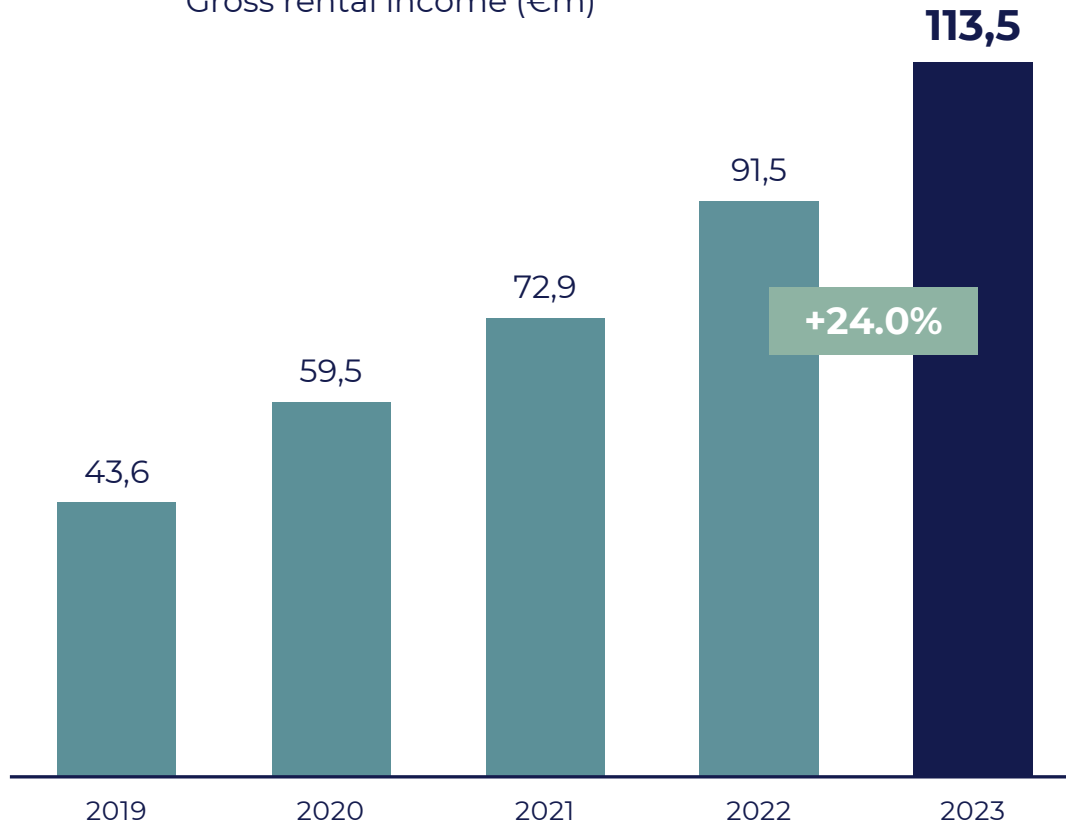


(1) Value of economic assets in operation and development programmes.

(2) On the economic assets in operation.

Strengthening and acceleration of recurring profitability

Gross rental income (€m)



Profit from recurring operations (€m)



Very good access to the debt market

€997.4m

€375m

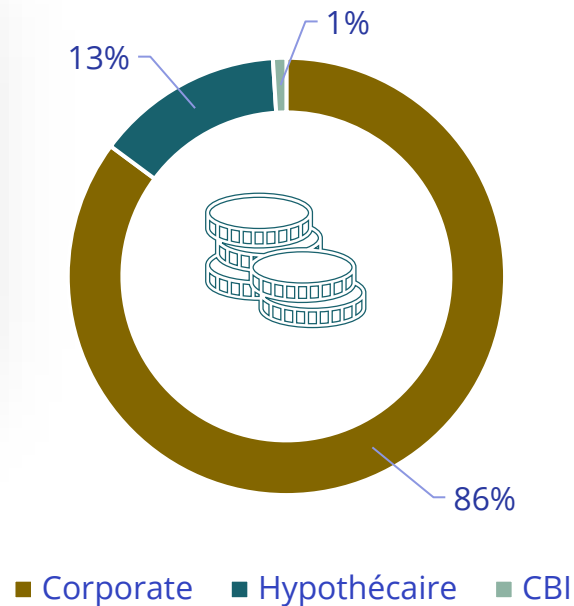
Financing raised

€378.0m

Cash

€73.0m in cash and €305.0m in undrawn corporate credit lines.

Gross bank debt



First Green Loan of €120.0m



100%

Corporate financing under ESG criteria

Strengthened liquidity by systematically implementing ESG commitments



- Cost of debt ⁽³⁾

2.37%



- Average debt period

4.0 years



- Optimisation of the coverage rate
- Increased to **98%** on average over **5 years** until 2028

96.5%

Solid financial structure

41.0% LTV ratio incl. transfer tax

60.0% bank covenant

6.3% Secured Debt Ratio

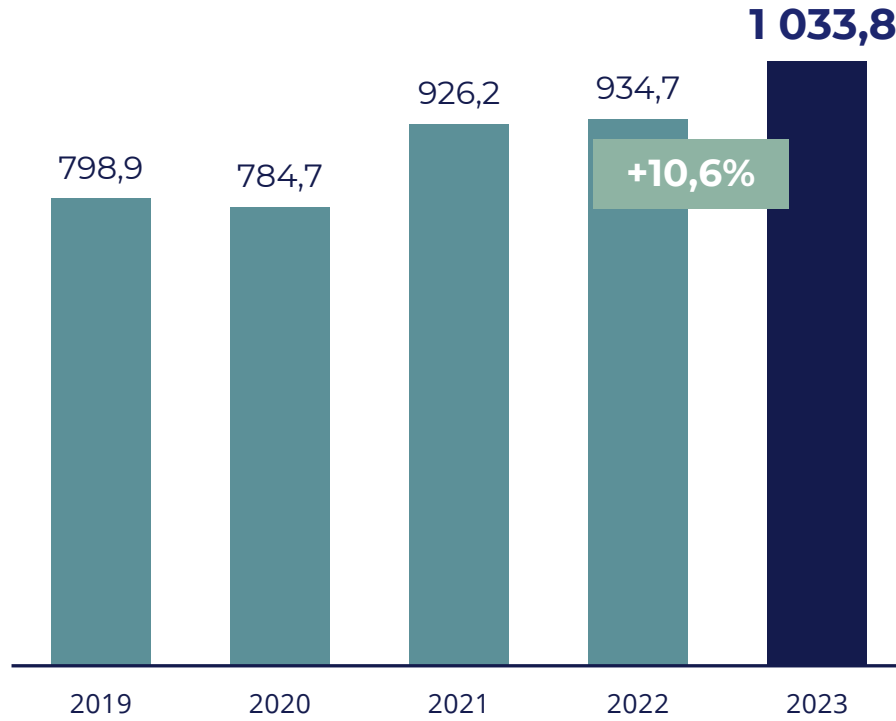
20.0% bank covenant

Comfortable leverage in today's economic environment and given its strong growth

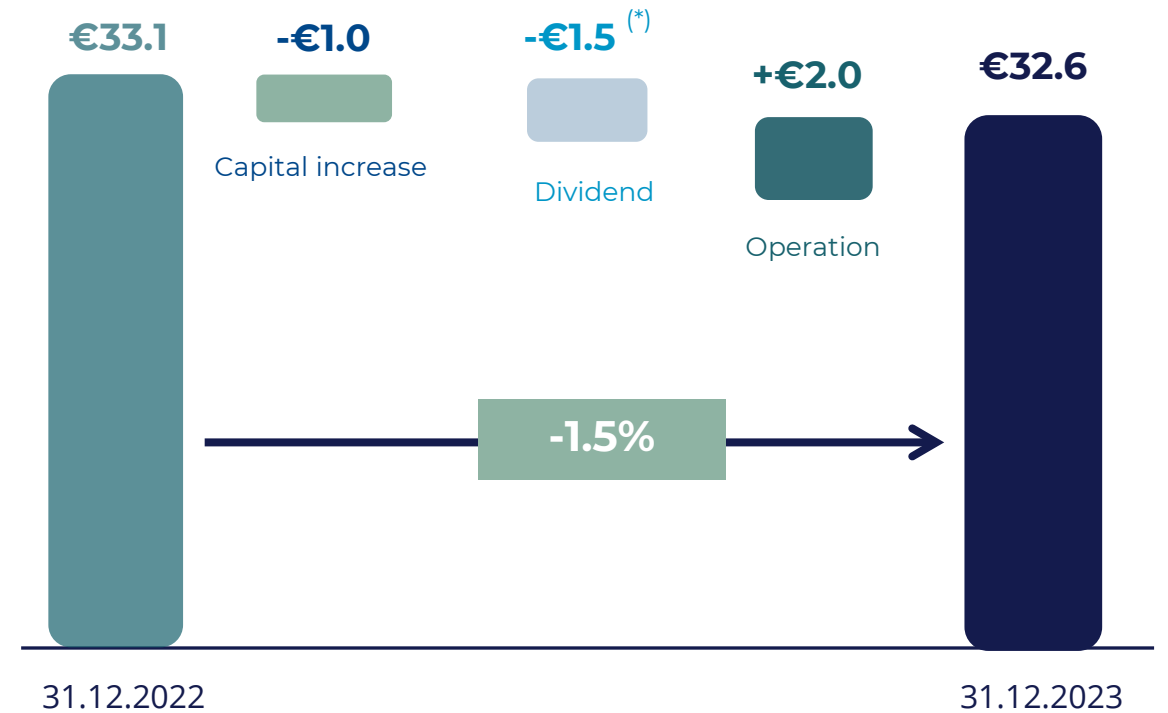
(3) The average rate of the Group's debt based on market conditions at 31 December 2023 (including margin and coverage ratio).

Resilient NAV despite the dilutive impact of fundraising

Change in NTA NAV (€m)



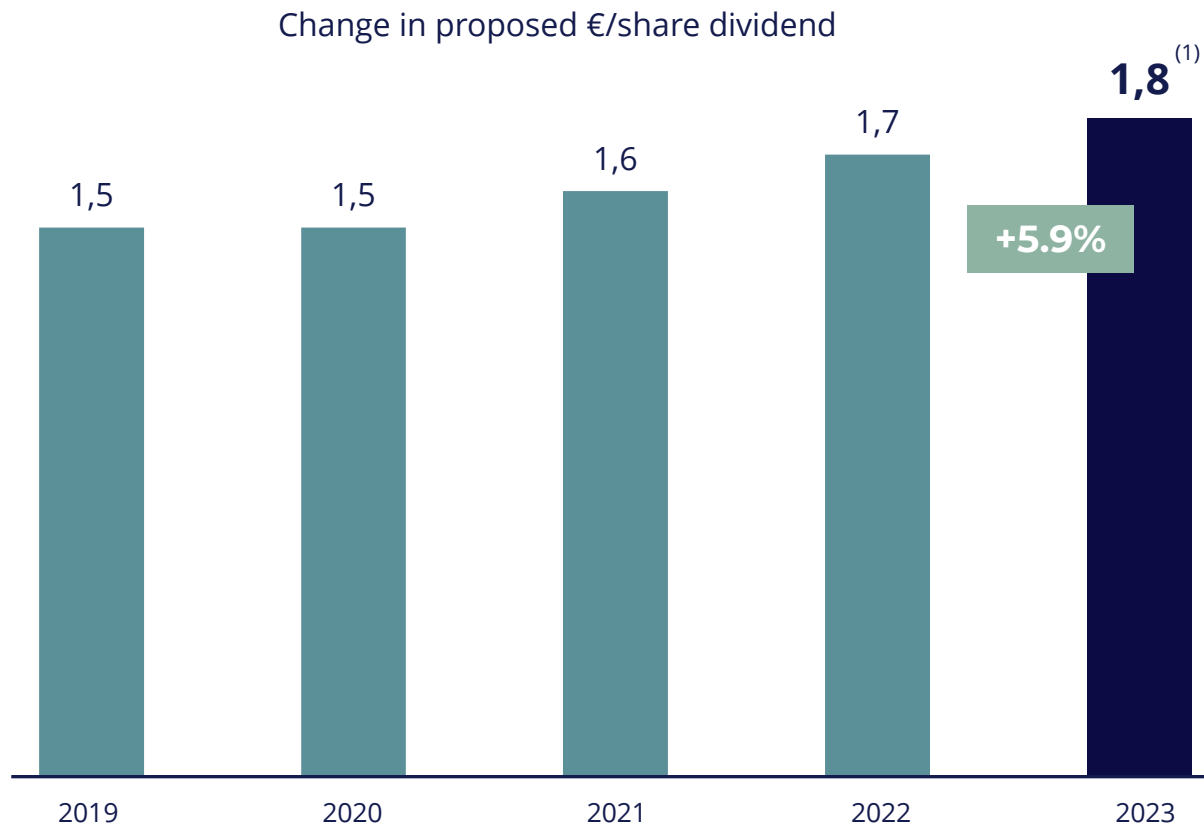
Change in NTA NAV/share (€)



(1) EPRA Net Tangible Assets (NTA) as defined by the EPRA recommendations for fiscal years beginning on or after 1 January 2020.

(*) Diluted by the number of shares

Recurring dividend growth



100%
in cash

(1) As proposed to the General Meeting to be held on 15 May 2024.



05. Execution of ESG strategy

FREY 1st Mission-Led Property company: 3rd year in execution

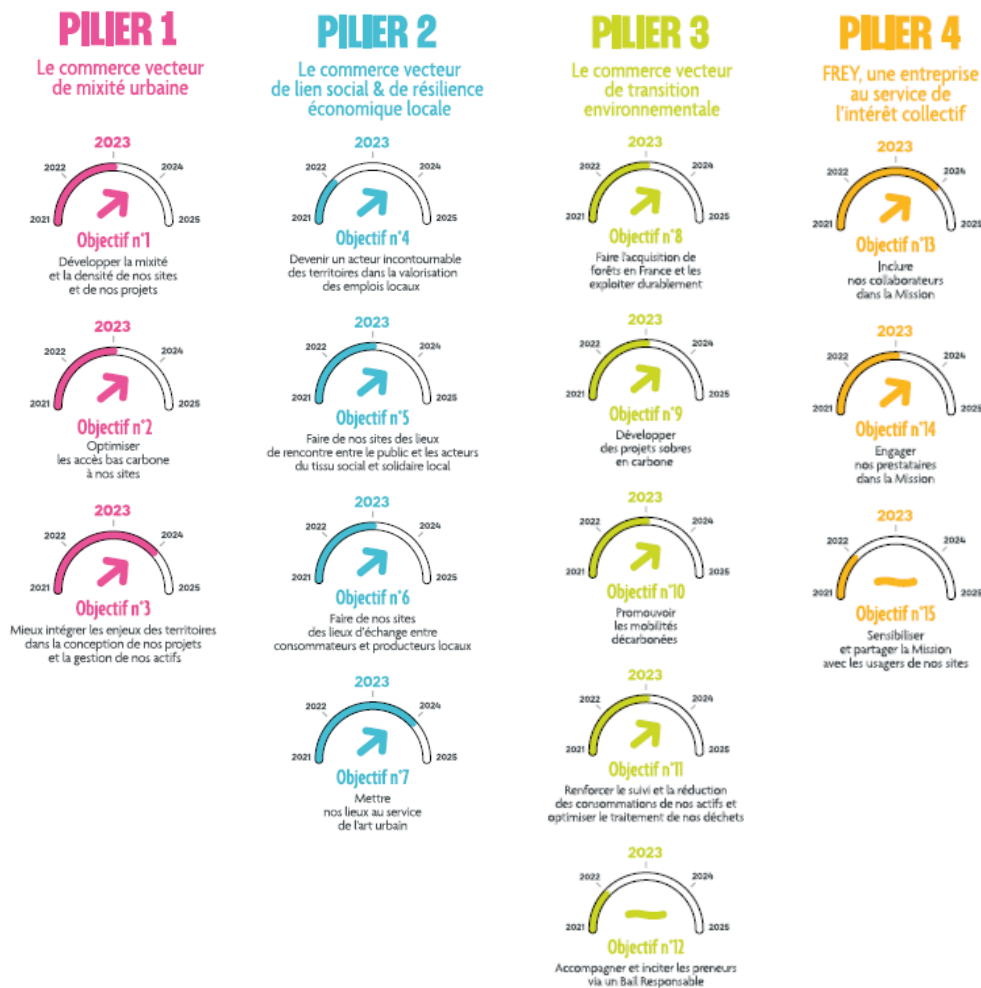
Achievement of the 2023 targets

OUR AIM : restoring retail as a service for the common good



- ☑ Quitus of the Mission Committee
- ☑ 2nd Audit by the Independent Third Party KPMG

100%
involved employees



Decarbonisation



B Corp™ certified Mission Company,
FREY remains at the forefront of
innovation and exemplarity

- ❑ FoREY: Forest acquisition in France and responsible, sustainable forest management:
 - ✓ **1,845 ha in 8 forests**
 - ✓ **53%** of 2030 target
- ❑ Developing **low-carbon projects**
- ❑ **Reducing the carbon impact** of site operations
- ❑ Exhaustive calculation of FREY's carbon footprint according to the GHG Protocol ⁽¹⁾ on the **3 scopes**
- ❑ Development of the climate strategy according to the **Science Based Target** ⁽²⁾ (SBT) initiative: commitment to reduce emissions on the **3 scopes**
- ❑ FREY is a founding member of BBCA and participates in the working group for the development of the **1st BBCA Commerce label**



FoREY



(1) International protocol proposing a framework for measuring, accounting for and managing greenhouse gas emissions from private and public sector activities, developed by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

(2) New requirements under review by the Science Based Target initiative (SBT) expected in 2024.

Renewable solar energy production

Objective: installation of solar panels on

- **50%** of the existing portfolio ⁽¹⁾ **by 2026**
- **100%** of the portfolio **by 2028**

Operational component completed:

- ❑ **4,300 PV modules** installed on **17,300 m²** of roofs, producing **1,800 kWc**
- ❑ **In 2024**, FREY is continuing to implement this strategy on **2 pilot projects**, Clos du Chêne (77) and Polygone Riviera (06), with a view to self-consumption by the stores

(1) Portfolio comprising assets more than 50% owned by FREY (excluding Finestrelles Shopping Centre) and assets with more than three units.





06. Outlook

Execution of the strategic plan



- ❑ **Densification and diversification** of existing sites
- ❑ To **investment** showing average returns higher than valuations




3 Major projects
145,000 m² GLA surface area
€440m investments

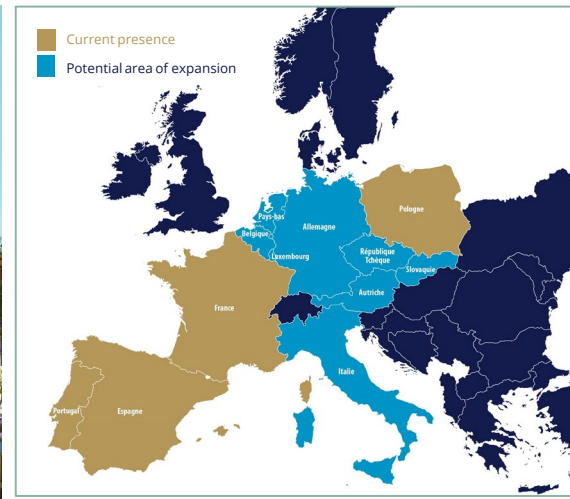

€32.0m Rental income



- ❑ **Acquisitions of prime open-air retail** assets in Europe
- ❑ To **transform them** to Shopping Promenade concept both economically and environmentally

REPENSER LA VILLE | Nous transformons les entrées de ville

- ❑ **Valuation** of expertise as a developer for regional development
- ❑ To **generate** development or co-development margins in other asset classes



Appendices

Attractive investment profile

- ✓ **Leading real estate company** in the **French and European open-air** shopping centre market, with a portfolio concentrated on **large, high-performance assets** of high environmental quality
- ✓ **Pioneer in ESG**, inventor of a new generation of open-air shopping centres that are more sustainable, more practical, friendlier and more economical for retailers, **1st French listed company certified B Corp™** and **1st real estate company to adopt the status of “Société à Mission”**
- ✓ **The leading French operator specialised in urban renewal of commercial zones at city entrances** to reinvent the city of tomorrow via the 1st innovative public/private partnership with the Caisse des Dépôts Group
- ✓ Business model combining **value creation and recurring returns thanks** a secure development pipeline
- ✓ **Funded growth strategy** with significant room to seize market opportunities in Europe
- ✓ **Strong entrepreneurial spirit** combined with the presence of major institutional partners

ECONOMIC ASSETS

€2.1bn

Value of economic portfolio

€133.8m

Gross annualised rents

97.7%

Financial occupancy rate ⁽¹⁾

FINANCIAL INDICATORS

€32.6/share

EPRA NTA NAV ⁽²⁾

41.0%

LTV ratio incl. transfer tax

€1.80/share

Dividend ⁽³⁾

(1) At 31 December 2023, the vacancy rate calculated in accordance with the EPRA Best Practices Recommendations stood at 2.3%.

(2) Calculated according to the standard developed and published by the European Public Real Estate Association (EPRA) and excluding the impact of the capital increase.

(3) As proposed to the General Meeting to be held on 15 May 2024.

FREY | Certified
La foncière à mission | **B**
Corporation

Thank you.

