SELECTIRENTE

Retail real estate company

Real estate investment company listed on Euronext

UNIVERSAL REGISTRATION DOCUMENT

2019

financial year

Sofidy

SOCIÉTÉ DE GESTION
DE FONDS IMMOBILIERS DEPUIS 1987

SELECTIRENTE

Public limited company with a Management Board and Supervisory Board with a share capital of €66,767,008.
Registered office: 303 Square des Champs Elysées – Evry-Courcouronnes – 91026 Evry Cedex, France.

R.C.S. Evry B 414 135 558

2019 UNIVERSAL REGISTRATION DOCUMENT

including the Annual Financial Report

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This Universal Registration Document was filed on 28 April 2020 with the Autorité des Marchés Financiers (AMF), as the competent authority pursuant to Regulation (EU) 2017/1129 of 14 June 2017, without prior approval pursuant to Article 9 of said regulation.

Selectirente's Universal Registration Document may be used for the purpose of a public offer of securities or the admission of securities to trading on a regulated market if it is supplemented by a securities note, and if applicable, a summary and all amendments made to the Universal Registration Document. The set of documents is approved by the AMF pursuant to Regulation (EU) 2017/1129.

Copies of this Universal Registration Document are available free of charge from Selectirente's registered office at 303 Square des Champs Elysées – Evry-Courcouronnes – 91026 Evry Cedex, France, on the company's website (www.selectirente.com) and from the AMF website (www.amf-france.org).

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General remarks

SELECTIRENTE is a public limited company with a Management Board and Supervisory Board with a share capital of €66,767,008, the registered office of which is at 303 Square des Champs Elysées – Evry-Courcouronnes – 91026 Evry Cedex, France, registered in the Trade and Companies Register of Evry under identification number B 414 135 558, referred to as "SELECTIRENTE" or the "Company" in this Universal Registration Document.

In this Universal Registration Document, and unless stated otherwise, "**Universal Registration Document**" means this Universal Registration Document.

Prospective information

The Universal Registration Document contains indications regarding SELECTIRENTE's outlook and areas of development, as well as forward-looking statements. These indications are often characterised by the use of the future or conditional tense and forward-looking terms such as "consider", "envisage", "think", "aim", "expect", "intend", "must", "strive to", "estimate", "believe", "wish", "be able to", or, where applicable, the negative forms of these terms, or any other variant or similar expression. This information is not historical data and must not be interpreted as guarantees of the occurrence of the facts and data presented. This information is based on data, assumptions and estimates considered reasonable by the Company. They are likely to change or be modified in light of uncertainties notably relating to the economic, financial, competitive and/or regulatory environments. Furthermore, the materialisation of certain risks described in section 5 "Risk Factors" of the Universal Registration Document is likely to have an impact on the activities, position and financial income (expense) of the Company, as well as its ability to achieve its objectives. There is no guarantee that the Company's assessment of the relative significance of these risk factors will not be changed at a later date, whether to take into account new information, events, circumstances or other, or that any of the risks that the Company currently deems to be less significant will not materialise and have a significant adverse effect on its activities. This information is mentioned in various sections of the Universal Registration Document and contains data relating to the Company's intentions, estimates and objectives regarding, in particular, the market, strategy, growth, results, financial position and cash flow of the Company. The prospective information mentioned in the Universal Registration Document applies only at the date of publication of the Universal Registration Document. Except where required by law or regulations, notably pursuant to Regulation (EU) 596/2014 of 16 April 2014 on market abuse, the Company makes no commitment to publish updates to the prospective information contained in the Universal Registration Document to reflect any change(s) affecting its objectives or the events, conditions or circumstances on which the prospective information contained in the Universal Registration Document is based. The Company operates in an ever-changing and competitive landscape and is not therefore in a position to anticipate all of the risks, uncertainties and other factors likely to affect its activities, their potential impacts on its activity or to what extent the materialisation of a risk or combination of risks could produce significantly different results from those mentioned in any prospective information, it being recalled that none of the prospective information shall constitute a guarantee of future results.

1. KEY FIGURES

KEY FIGURES *(in thousands of €)*	2015	2016	2017	2018	2019
Reassessed value of the portfolio excluding duties	221 173	231 828	234 198	243 509	315 371
Liquidation NAV (diluted basis (a))	123 677	137 723	147 925	152,376 (*)	376 445
Investments (b)	12 944	1 563	2 945	11 422	73 121
Disposals	4 630	840	7 135	3 765	6 926
Equity before allocation	71 108	70 569	75 492	76,488 (*)	304 418
Net debt	107 284	104 138	93 185	95 447	-64 092
Gross rental income	14 465	15 205	14 496	14 372	15 743
Net rental income	13 706	14 290	13 716	13 601	14 898
EBITDA	11 998	12 484	11 727	11 337	12 879
Recurring income/(expense) before tax	3 730	3 974	4 554	4 589	6 168
Net result	4 896	3 559	5 970	4 191	8 775
Portfolio surface area *(in m²)*	90 193	88 987	83 368	81 974	81 525
Number of rental units	375	374	347	344	389
Annual average financial occupancy rate	94,4%	95,2%	94,7%	94,8%	96,7%

KEY FIGURES PER SHARE *(diluted basis – in euros)*	2015	2016	2017	2018	2019
EPRA NNNAV (c)	*n.d.*	*n.d.*	86,25	88,81 (*)	89,52
Liquidation NAV (c) (1)	73,95	82,34	88,55	91,21 (*)	90,27
Going concern NAV incl. duties (c) (2)	82,48	92,12	98,44	101,54 (*)	95,67
Recurring income (expense) after tax (d)	2,59	2,56	2,90	2,92	3,24
Net result (d)	3,29	2,33	3,78	2,69	4,75
Operating cash flow (d) (3)	5,51	5,86	5,25	5,19	5,88
Dividends	2,80	2,90	3,20	3,45	3.50 (**)
Number of shares comprising the share capital at 31 December	1 465 868	1 465 868	1 516 631	1 542 755	4 172 938
Number of non-treasury shares at 31 December	1 463 746	1 463 761	1 512 514	1 538 673	4 169 219
Number of diluted non-treasury shares at 31 December	1 672 529	1 672 544	1 670 534	1 670 569	4 170 273
Average number of diluted non-treasury shares	1 672 495	1 672 673	1 672 300	1 670 443	1 759 100

(a) in the event of conversion of all OCEANE into new shares.

(b) cost price of investments corresponding to the acquisition price and acquisition costs (mainly registration duties, legal fees and intermediary fees).

(c) compared to the total number of diluted non-treasury shares at 31 December.

(d) compared to the average number of diluted non-treasury shares.

(*) before interim ex-dividend date paid on 2 January 2019.

(**) proposed to the next General Meeting.

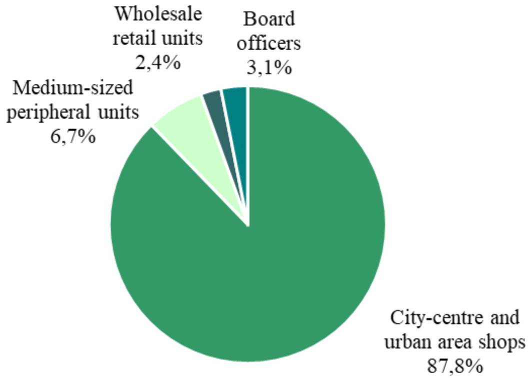
(1) Liquidation NAV corresponds to net assets at 31 December reassessed on the basis of real estate appraisals carried out by independent experts, Foncier Expertise for the ground floors and Cushman & Wakefield for peripheral medium-sized premises.

(2) NAV including transfer taxes corresponds to liquidation NAV plus transfer taxes (at rates of 6.2%, 6.9% or 7.5% in France and 10% or 12.5% in Belgium, depending on the regions used by the experts in their reports) applied to the appraisal values excluding transfer taxes.

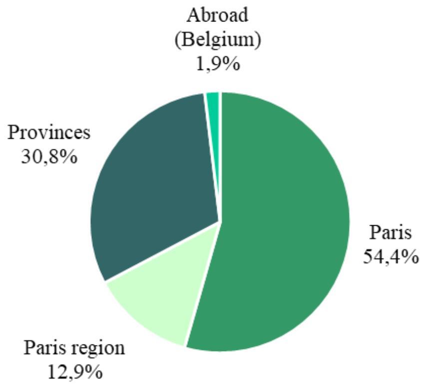
(3) Recurring cash flow corresponds to cash flow from operating activities during the financial year (net result excluding charges and reversals of amortisation, depreciation and provisions and capital gains and losses on disposals of assets).

Place Saint Ferdinand – Paris (17th)

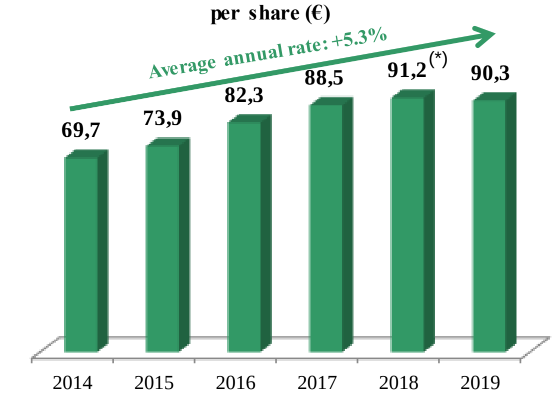
Distribution of the direct real estate portfolio by asset type (in value as at 31 December 2019)



Geographic distribution of direct real estate portfolio (in value as at 31 December 2019)

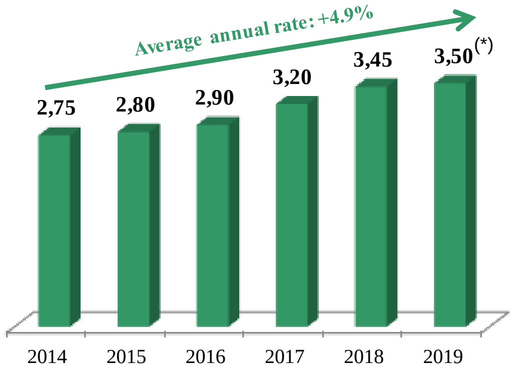


Liquidation Net Asset Value per share (€)



(*) before the interim dividend paid on 2 January 2019

Dividends per share (€)



(*) proposed to the next General Meeting

Rue de la Convention – Paris (15th)

Avenue Paul Doumer – Paris (16th)

Place Joffre – Paris (7th)

Rue Mouffetard – Paris (5th)

Rue de la Pompe – Paris (16th)

Rue de Longchamp – Paris (16th)

"Lutèce" portfolio

2. CHANGES IN THE REAL ESTATE MARKET AND ITS ENVIRONMENT

Economic outlook

In the Eurozone, the year 2019 was marked by the continued slowdown in economic growth which began in 2018, in a context of increasing uncertainties linked to the trade negotiations between China and the United States, and to Brexit. The GDP growth rate in the Eurozone stood at 1.2%, following a rate of 1.8% in 2018 and 2.4% in 2017 (source: Eurostat) with disparities between countries. The slowdown was particularly notable in Germany where growth was capped at 0.6% in 2019 (versus 1.5% in 2018 - *source: Destatis*).

In France, the GDP growth rate was 1.2%, following a rate of 1.7% in 2018 (*source: INSEE*). However, this slight downturn masks a strong contribution from domestic demand with an increase in household consumption (1.2% against 0.9% in 2018) and corporate investment (4.2% against 3.9% in 2018) offset by a negative contribution from foreign trade (-0.2% against +0.7% in 2018).

In 2020, household consumption in France may continue to benefit from an upturn in purchasing power in the wake of employment growth, lower taxes (abolition of employee contributions, reduction in French residence tax) and stable inflation. However, at the time of writing, the outlook for 2020 remains highly uncertain in terms of the consequences of the Coronavirus epidemic on the global and European economy.

On a positive note, the unemployment rate in France had fallen significantly, to 8.1% of the active population, as at the end of 2019 (source: INSEE), its lowest level since the end of 2008. The pace of job creation rose in 2019 to +210,000 new paid jobs created in the private sector in 2019 (*source: INSEE*), compared with +163,000 in 2018.

Changes in the monetary context

In a context of slowing global and European growth and very limited inflation, the European Central Bank has postponed its gradual monetary policy standardisation strategy announced in 2018 to maintain a highly accommodating policy.

Interest rates have stayed at historically low levels in France, with Euribor 3 months at -0.40% at the end of 2019 (-0.31% at end 2018) on the interbank market and long-term rates (10-Year OAT Government Bond) falling from 0.71% at the end of 2018 to 0.12% at the end of 2019.

This monetary context is clearly a key support factor for the real estate market in general.

The real estate market in 2019

The corporate real estate investment market in Europe remained highly buoyant in 2019 with transaction volumes exceeding €281 billion (*source: BNP Paribas Real Estate*), an increase of 2.6% against 2018, despite a decline of nearly 18% in investment volumes in the United Kingdom. Germany is the European leader in terms of investment volumes with over €73 billion invested in 2019, an increase of 19% on last year.

France is in second position with nearly €41.5 billion invested (*source: BNP Paribas Real Estate*) throughout the year, all asset types combined, an increase of 19% on 2018. This volume was notably driven by the completion of major transactions, with transactions over €200 million representing 40.1% of the volume invested.

Commercial real estate in France

With investments of nearly €6.2 billion in 2019, an increase of 14% on the previous year and +18% on the ten-year average, 2019 was a good year for the commercial real estate market. This has confirmed the strong momentum of city-centre shops, with almost half of the volumes relating to city-centre ground floor shops. However, the volumes invested in peripheral and shopping centre retail units remained strong (€3.2 billion), with numerous major transactions (such as the sale of the *Italie 2* shopping centre for €433 million). Transactions exceeding €100 million represented 55% of the total volume invested.

The yields on premium assets in Paris were limited to 2.5% for those in the best locations, and remained stable between 4.0% and 4.5% for prime shopping centres and the top premium retail parks in France respectively.

The national "*Action Cœur de Ville*" program launched in 2018, based on a 5-year revitalisation agreement between the State and 222 medium-sized towns and cities, aims to revive city and town centres. This public investment plan worth over €5 billion will help boost attractiveness by restructuring the commercial and economic fabric of the city centres concerned, the renovation-restructuring of city-centre housing, the simplification of administrative procedures prior to the construction and extension of peripheral commercial surface areas (less CDAC authorisations, etc.).

Growth in e-commerce continued in 2019, however at a slower pace than in 2018, due to the increased number of players being partially offset by a decrease in the average basket size. This development, which represents a challenge for traditional physical retail, is however accompanied by increased demand for logistics centres such as warehouses and large units, but also by a new type of urban logistics known as "last mile delivery" which represents a genuine opportunity for city-centre properties in quality locations with appropriate layouts.

Office real estate in France

With more than €25 billion invested in 2019, the office real estate market in France hit a new record this year. Investments in offices in Île-de-France, Paris and its suburbs, (+8% year-on-year) represented 86% of the volumes with a significant number of transactions exceeding €200 million this year.

Despite exceptionally low yields (2.8% for Paris CBD), the Paris CBD itself remains an attractive market for investors with €8.0 billion invested, representing 32% of investment volumes. Nevertheless, the *Croissant Ouest* [Western Crescent], *La Défense*, and *Petite et Grande Couronne* markets also appealed to investors, with investment volumes rising compared to 2018. Outside of the Paris region, the market for investment in regional office real estate remained stable at €3.7 billion. This can be explained by strong investor appetite for VEFA (off-plan) sales seeking certified buildings that meet new environmental standards and by a number of landmark transactions in excess of €100 million such as "To Lyon" and "Urban Garden" in Lyon and the Airbus portfolio in Blagnac.

The yields on premium regional office real estate fell steadily in 2019, especially in Lyon (to 3.5%) and Toulouse (approx. 4.5% for the best locations).

The vacancy rate on the office real estate market in Ile-de-France continued its downward trend, finishing 2019 at 5.0% (2.2% in the capital). The low vacancy rate in Ile-de-France has led to a rise in rental values in Paris. Premium rents in Paris' Central Business District are in the region of €880/m²/year.

Avenue Daumesnil – Paris (12th)

3. DESCRIPTION OF THE COMPANY

SELECTIRENTE is a real estate company specialising in local retail real estate. Founded in 1997 at the initiative of real estate professionals, SELECTIRENTE conducts asset activity that consists of acquiring and managing commercial real estate assets in the most dynamic French and European metropolitan city centres, for the purpose of leasing them.

The Company intends to develop and add value to its property portfolio, and has delegated full management of its assets to Sofidy in order to benefit from its know-how.

3.1. Strategy

3.1.1. A look back at the original positioning

Since its creation, the Company has positioned itself on the commercial real estate investment market with a view to generating secure rental income and creating long-term capital gains.

SELECTIRENTE has made its retail property investments with leverage according to well-established criteria:

- risk-pooling through the diversification of locations, brands and lessee activities;
- favourable locations on city-centre high streets;
- finding pre-let premises, at rents lower than market value. For any given location, this selection criterion is a key factor and enables it, during a real estate crisis, to maintain income levels, and during periods of economic recovery, to re-let, uncap or de-specialise with higher rents.

The SELECTIRENTE portfolio is therefore mainly comprised of small to medium-sized surface areas (approx. 30 m² to 500 m²) located in city centres on highly commercial so-called "premium" main roads - ideally number 1 or 1 bis (excluding addresses identified as ultra-luxury). The portfolio is predominantly located within Paris itself, in certain urban areas of the Paris region and in dynamic regional cities. Outside of the cities, the Company targets large-scale urban areas or those that offer some form of tourism or economic appeal, as well as central areas.

In addition to traditional local shops, tenants include a number of personal care businesses (beauty, wellness, pharmacies, etc.), food traders (delis, butchers, bakeries, etc.), local services (branches of banks, estate agents, insurance brokers, etc.), personal goods businesses (ready-to-wear, watchmakers, jewellers, etc.), food services (brasseries, restaurants, cafés, etc.) and other businesses (art galleries, toy shops, etc.). These assets are almost always subject to and based on co-ownership regulations;

SELECTIRENTE has historically also positioned itself on an ancillary basis in a number of district shopping arcades or shopping centres (made up of small or medium-sized units grouped within a city-centre arcade which is itself built around a food superstore) or a number of medium-sized peripheral units and wholesale retail units (generally with a surface area of more than 500 m² and located in shopping areas on the outskirts of urban areas, with an attractiveness often linked to a so-called "anchor" store such as hypermarkets, DIY stores or home furnishing outlets, etc.).

The investment policy applied over the past few years has significantly boosted the proportion of city-centre shops (72.5% at 31 December 2013 to 87.8% at 31 December 2019) as well as those in Paris and its surrounding area (62.9% at 31 December 2013 to 67.3% at 31 December 2019), to the detriment of medium-sized peripheral units and wholesale retail units (27.5% at 31 December 2013 to 9.3% at 31 December 2019).

3.1.2. Adding to the historical strategy

Faced with a rapidly-changing retail market, the Company is adapting its model towards a dual-growth strategy. The main area of development will remain focused on city-centre retail, in line with the established know-how of Sofidy and SELECTIRENTE. This area of focus is complemented by a second, more opportunistic and value-creating strategy, based on the phenomenon of metropolisation.

A first area focused on city-centre retail spaces

The Company confirms a line of investment based on the long-standing expertise of Sofidy in traditional retail. The current portfolio, which is likely to continue to grow, offers Company shareholders secure and steady returns over the long term and constitutes a solid foundation for diversification.

The Company is confident in the robustness of its assets and that of the traditional retail sector in the city centres of major cities that it deems resilient in the context of a changing market.

The natural appeal of major European cities as historical, cultural and artistic centres and offering increasing tourism potential, is also boosted by strong structural trends that favour physical (as opposed to or alongside online) shopping and resistance to digitisation: metropolisation, tourism, ageing populations, shift away from personal road transport, the returning trend of shopping locally (for food, healthcare and personal services) and the demand for new places to meet and socialise (hotels, bars, cafés and restaurants).

For instance, the Parisian market, the Company's main target market, saw over 600 bars and restaurants open between 2014 and 2017, as well as over 300 new specialist food stores and nearly 200 shops specialising in body care. This trend, analysed over a number of years by the Company, has also confirmed this strategic area of development (source: APUR survey 2017).

In this context, the Company could continue to focus on premium addresses which, as well as being traditional sales outlets, are now a showcase for brands and places offering positive customer experiences.

Or, the Company could seize the opportunities being made available by changes in the market, while maintaining its existing DNA, by investing in major French and European cities.

A second, more opportunistic development area

The Company plans to develop a second complementary strategy, one which is more opportunistic and value-creating, centred around the phenomenon of metropolisation.

This second area of focus corresponds to a firm belief based on the growing densification of major cities and the appeal of certain cities that are central in their regions or attract high numbers of tourists.

This phenomenon of metropolisation draws on both demographic changes and changes in economic vitality which are redefining the quality of locations, a key criterion in SELECTIRENTE’s approach to investment.

With regard to this strict location criterion, a number of opportunities for diversification have emerged for the Company:

- commercial mix: alongside traditional city-centre ground floor shops, the Company could focus on other types of urban retail outlets (shopping arcades or shopping centres);
- complex situations: the Company could explore opportunities that offer the potential for value creation with assets that could be improved through restructuring, the buyback of retail premises or resolution of co-ownership issues;
- sectoral mix: in addition to the ground floor shops, the Company could look at entire buildings that house mixed spaces comprising hotels, offices or residential spaces with a view to creating value over the medium term by, where appropriate, selling the non-retail portion of the buildings acquired;
- the Company could adopt an upstream position through promotion campaigns, the development of new districts or the repositioning of train stations, for instance; and
- the Company could harness the potential for growth of small urban logistics solutions, driven by the boom in the "click and collect" and "drive by foot" concepts and the growth of e-commerce, as well as small peri-urban (e.g. "last mile") logistics.

3.2. Important events in the development of the Company’s business

The Company was created in 1997 at the initiative of Sofidy, Avip, La Henin Vie Pierre, GSA Immobilier and a few individuals, with an initial share capital of FF 7,552,000 (€1,151,295).

From its inception, the main purpose of the company has been “the acquisition and management, direct or indirect, of a real estate rental portfolio”, with the aim, from the outset, of constituting a “pure” portfolio invested mostly in retail properties.

In 1998 and 1999, the Company conducted a first capital increase of FF 6,865,400 (approx. €1,046,623) and then a second capital increase of FF 8,134,600 (approx. €1,240,112). These transactions saw Foncière de l’Erable (formerly SEDAF), a promotion company, and Caisse Autonome de Retraite et de Prévoyance des Vétérinaires (CARPV) acquire stakes in the share capital of the Company.

From 2000 to 2005, the Company pursued a policy of strengthening its equity through regular capital increases. Targeted investments in retail businesses in city centres, especially in Paris, and suburbs continued. A number of divestments were also conducted each year. In addition, the Company completed the issue of a first convertible bond for an amount of €1,829,388 in 2001.

The year 2006 was an important milestone in the Company's expansion with its initial public offering (Compartment C of Euronext Paris) in October. This listing was the occasion for a further capital increase of

€9.2 million. Introduced at a price of €38.50, the share was priced at €45 on 31 December 2006.

In 2007, the Company opted for the *SIIC* (French REIT) tax regime, which exempts from corporate income tax rental income and capital gains from property disposals in the first year (see Section 7.3.1). The 2007 financial year was also marked by a further capital increase of €11 million.

Between 2008 and 2012, the Company grew with more modest annual investment programs (between €2 million and €16 million), targeted at city-centre shops, with refinancing of its asset portfolio and with disposals that generally affected its peripheral retail spaces. In 2010, it completed payment of the capital gains tax in connection with the adoption of the SIIC regime.

In 2013, the Company raised new funds by issuing bonds convertible into and/or exchangeable for new or existing shares (OCEANE) for an amount of €14.2 million. This transaction enabled the Company to acquire new money to accelerate its commercial asset acquisition program, in city centres in particular, and will ultimately contribute to strengthening of share liquidity.

In December 2018, Tikehau Capital filed a Public Takeover Bid for the Company's shares and OCEANE at a price of €86.80 per share and €87.25 per OCEANE. At the end of the bidding period, Tikehau Capital and the companies with which it acts in concert held 81.0% of SELECTIRENTE's share capital and 97.5% of its OCEANE.

In December 2019, the Company conducted a capital increase without preferential subscription rights and with a priority subscription period for shareholders, for an amount of €217 million, to enable the Company to raise the funds required to directly or indirectly acquire mainly commercial new real estate assets as part of the strategy put in place, while maintaining a "corporate" loan-to-value ratio of around 40%. Following this capital increase and several block disposals, the stake owned by Tikehau Capital and the shareholders with which it acts in concert was taken to 52.05% of the share capital, enabling the Company to comply with the SIIC tax status.

3.3. Main markets

Macroeconomic factors

The good health of the commercial real estate sector is directly influenced by the general economic environment and is strongly correlated to changes in household consumption in particular.

The other main macroeconomic indicators, including gross domestic product (GDP) growth, the level of job creation, interest rate levels as well as the commercial lease index level, may have a more or less long-term impact on the commercial real estate market.

Interest rate levels are an important factor. Low levels help to support the value of commercial asset portfolios and improve the financial health of tenants. Keeping long-term interest rates low also facilitates the financing of property owner investments by lowering the costs related to the completion of their projects.

The Commercial Lease Index ("CLI") is a significant factor. This index determines changes in the vast majority of commercial rents apart from sporadic renewals, withdrawals and despecialisations of leases that may be incurred by the lessor.

Structural factors

Commercial real estate is strongly correlated to the following structural factors:

- the phenomenon of metropolisation boosts the development of French major regional cities (Lyon, Bordeaux, Nantes, etc.) thanks to movements in the concentration of populations, activities and value in these large-scale urban buildings;
- the downward trend in the use of motor vehicles as transport has had a favourable impact on local shops in major cities;
- the ageing of the population also contributes to the support afforded to local shops;
- Tourism adds to the well-being of the tenants and the value of their premises.

Real estate and retail market

City-centre retail

In city centres, there is very selective demand from lessees and developments in major regional cities are ongoing. Retailers are now favouring “premium” arteries and assets that enjoy significant traffic.

Beyond the traditional real estate characteristics of retail (location, floor area, etc.), the caution of retailers is also noticeable in the lengthening of negotiation deadlines and the fragility of their commitment. They are now ready to wait for opportunity. Large retail chains as well as smaller retailers are no longer willing to pay off-market rents for an attractive location with no guarantee of profitability.

In addition, the officil authorisations and the administrative, planning and architectural constraints that impose obvious limitations weigh especially hard on the development of the centre city hypermarkets and very large scale units. The concept of megastores developing over large surface areas remains limited to very occasional prominent operations reserved to rare users, with considerable restructuring work and very high development costs.

In addition, the market for secondary locations, whose values adjust quickly, is more mixed but is standing firm in sectors with demographic dynamics that have high residential density or urban renewal projects.

Peripheral retail

Long criticised for having "disfigured" the entrance to cities, these open-air commercial areas made up of so-call "box stores" are undergoing a transformation, under the combined demand of local authorities, consumers and regulators.

Until now, the development of commercial activity areas on the outskirts of cities was initiated by retailers, with each one setting up a box store and managing its retail policy independently of the others. Currently, driven by investors, developers and managers, a new generation of retail parks (*parcs d'activités commerciales*, "PACs") is developing, with a more agreable architecture.

However, with regard to their commercial development and their network of stores, brands are more and more cautious and have taken on a wait-and-see attitude in their decision-making.

Competitive landscape of the Company

Competition in the commercial real estate investment sector has increased significantly in recent years. This competitive environment is due primarily to the mass of capital ready to be invested in real estate in general and in commercial real estate in particular. In addition, allocations to this asset class by institutions that manage long-term savings (insurance companies, pension funds, etc.) could increase further in the coming years.

In the context of its asset activity, the Company is in competition with numerous players whose categories can be summarised as follows:

- major French and international listed real estate companies (Unibail Rodamco Westfield, Klépierre / Corio, Mercialys, Hammerson, etc.) with a real estate portfolio and a financial backing that is out of all proportion to the Company's. This financial capacity and the ability to undertake significant projects on its own offer the largest players in the market the option of responding to calls for tenders for asset acquisition transactions that do not necessarily meet the investment criteria and acquisition objectives that the Company has set for itself;
- smaller listed property companies that generally do not specialise necessarily in retail property (Paref, Affine, Lucette Mines, Foncière Massena, etc.);
- unlisted companies or investment funds (Grosvenor, Financière Técheney, LFPI, etc.), as well as SCPIs (Immorente, Buroboutic, Multicommerce, Foncia Pierre Rendement, etc.) that may or may not specialise in retail property and have a very diverse commercial portfolio and investment capacity;
- although the trend is more towards outsourcing of real estate portfolios, some food retailers or specialised retailers have a significant portfolio of commercial assets that are generally operated on their own;
- promotion companies specialised in commercial planning;
- independent retail investors of various types and sizes;
- and OPCIs (Real Estate Collective Investment Organisations).

However, the segment of small to medium-sized assets sold by the unit via portfolios on which the Company is positioned remains less sought after than shopping centres, shopping malls, retail parks and other commercial parks targeted by the major European property companies and British and U.S. funds. It should be noted that small assets are experiencing growing demand from individuals.

The specific segment occupied by SELECTIRENTE, which focuses in particular on the ground floors of city centre buildings, is difficult to quantify because it has not received any statistical study by specialised organisations (IEIF, etc.) or professionals in the sector (BNP Paribas Real Estate, CBRE, etc.). Despite this very diffuse competitive environment, SELECTIRENTE occupies a significant and recognised place in this market.

3.4. Competitive position

SELECTIRENTE believes that its main competitive advantages are as follows:

Sourcing or asset purchase opportunities

The Company, a recognised participant in the retail property real estate market, takes advantage of Sofidy's network of real estate finders. This network, which has been in existence for over twenty-five years, is kept regularly and fully informed of the investment profiles sought by the Company. It includes a large number of commercial real estate players that regularly provide it with acquisition opportunities.

In addition to this network, the Company has been involved for several years in:

- developing commercial relationships with retailers to support them in their development projects;
- positioning itself with several retailers as a natural purchaser in the context of their outsourcing programs;
- responding to calls for tender, with the benefit of Sofidy's expertise.

Lease management

Since its creation, the Company has benefited from the experience and skills of Sofidy, the founding shareholder of the Company and one of the main players in the management of "retail property" real estate funds, to which SELECTIRENTE has delegated the complete management of its activities since its creation.

SELECTIRENTE has demonstrated its ability to manage over 350 rental assets and revalue its assets based on deadlines and opportunities of rental contracts while constantly striving to limit the leasing risks to its asset base that may be related to a geographical area, lessee or type of commercial activity.

The Company demonstrates on a daily basis its ability to build and develop very secure asset portfolio, characterised by its maturity, the scarcity of the assets held and a strong pooling of risks in terms of lessee, location and retail activities.

Sale of assets

Specialisation in the field of small and medium-sized spaces for commercial use gives SELECTIRENTE recognised know-how and an ability to adapt its portfolio according to supply and demand and, more generally, to changing methods of distribution for that type of space. As a result, the Company knows how to optimise the sale of certain properties based on market conditions.

3.5. Dependency of the Company on patents or licenses, industrial, commercial or financial contracts or new production processes

None.

4. ORGANISATION

4.1. Summary description of the group

SELECTIRENTE has delegated the full management of its portfolio to Sofidy.

Sofidy, Asset Management Company of SELECTIRENTE

Sofidy is the Asset Management Company of SELECTIRENTE, to which the Management Board of SELECTIRENTE has delegated an extensive mission of assistance under the Management Delegation Agreement described in detail in Chapter 16. Sofidy is also a subsidiary of Tikehau Capital, a 50.08% shareholder of SELECTIRENTE, directly or indirectly, as at the date of this Universal Registration Document (52.05% with the companies with which it is deemed to act in concert).

Sofidy is an independent simplified joint-stock company (*société par actions simplifiée*), real estate fund manager notably specialised in savings, approved by the AMF (The French regulator) under GP No. 07000042 on 10 July 2007 (compliant with the AIFM directive since 18 July 2014).

Sofidy is a leader in SCPI management. According to the February 2020 figures of *the Institut de l'Epargne Immobilière et Foncière* (IEIF), which references 36 management companies, Sofidy is the sixth-largest actor in the SCPI market (and second-largest independent actor) in terms of total real estate assets under management with five SCPIs, with cumulative capitalisations amounting to €4,960 million at 31 December 2019. According to the same sources, Sofidy was also the seventh-largest savings collector on behalf of SCPIs, in all categories, in 2019, with a net inflow of €582 million at the end.

Sofidy is the manager of:

- SCPI Immorente, variable capital, one of the first French SCPIs, with €3,338 million in total assets at 31 December 2019;
- SCPI Efimmo1, variable capital, an SCPI invested predominantly in offices, with €1,593 million in total assets at 31 December 2019;
- SCPI Sofipierre, variable capital, a diversified SCPI, with €136 million in total assets at 31 December 2019;
- SCPI Immorente 2, fixed capital, a retail property SCPI, with €117 million in total assets at 31 December 2019;
- SCPI Sofiprime, fixed capital, a high-end French residential SCPI, with €22 million in total assets at 31 December 2019;
- SPPICAV Sofidy Pierre Europe, a "general public" OPCI created in March 2018, with €90 million in total assets at 31 December 2019;
- SPPICAV Sofimmo, an OPPCI mainly invested in retail property, with €66 million in total assets at 31 December 2019;
- SC Sofidy Convictions Immobilieres with €122 million in total assets at 31 December 2019;
- SA Alma Property with €12 million in total assets at 31 December 2019;
- SAS Macasa with €30 million in total assets at 31 December 2019;
- SC UMR Select Retail with €75 million in total assets at 31 December 2019;
- FCP Sofidy Selection 1 with €90 million in total assets at 31 December 2019;
- FCP S.YTIC with €4 million in total assets at 31 December 2019.

In accordance with Article 9 (7) of the AIFM Directive 2011/61/EU, the Sofidy Asset Management Company has sufficient capital to cover the potential risks of professional liability to which it is exposed in the course of its activity.

The asset management company Sofidy guarantees the fair treatment of partners and respects the terms of Article 314-3-1 of the AMF General Regulation.

4.2. Operational structure

The Company's operational structure is based on the skills of its Management Board and on those of Sofidy, to which the Company has chosen to entrust the implementation of certain assistance tasks under its supervision. This structure thus provides the Company with greater flexibility in its operation and allows it to control its management costs.

Internal structure

The Company's strategic decisions are made by the Management Board, which defines the Company's business strategy, and the Supervisory Board, which oversees their implementation. The Management Board may draw on the skills, experience and availability of the members of the Supervisory Board and also benefit from the opinions, recommendations and analyses formulated by the Investment Committee and the Audit Committee.

For further developments on the composition, organisation and powers of the Management Board and Supervisory Board, see Chapter 12 of this Universal Registration Document.

Outsourcing of management

It is recalled that according to the terms of the Management Delegation Agreement detailed in Chapter 16, the Company entrusts Sofidy, Portfolio Management Company approved by the AMF, with an extensive mission of assistance for the preparation and execution of the investment, financing and divestments programs, the real estate and rental management of the Company's assets and its administrative management.

To this end, Sofidy:

- carries out asset management activities (development and enhancement of the portfolio, lease renewals, search for new tenants, etc.) and executes investments, disposals and financing programs;
- manages the properties (relationships with tenants, property maintenance, rent invoicing and collection);
- handles the administrative and accounting management of the Company.

Outside Sofidy, the Company is not dependent on any of its service providers.

4.3. List of major subsidiaries

The Company has no subsidiaries and holds no interests except for a 1% interest in SPPICAV Tikehau Retail Properties III and a 48% interest in SARL Rose. These investments are described in detail in Section 6.3.

Cours de l'Intendance – Bordeaux (33)

5. RISK FACTORS

Potential investors are invited to carefully read all of the information presented in the Universal Registration Document, including the risk factors described in this section. In accordance with the provisions of Article 16 of Regulation (EU) 2017/1129 of 14 June 2017, this section includes those risks whose potential occurrence, as at the date of the Universal Registration Document, the Company considers would likely have a material adverse effect on its activities, results, financial position and/or outlook. The risks described below are not the only risks to which the Company is exposed.

For the presentation of the risks described in this Section 5, the Company has identified the main categories and most significant risks, in an order that the Company believes to be descending order of importance within each category, which corresponds to its current perception of the importance of these risk factors for the Company, based on the current likelihood of occurrence of these risks, and the estimated effects of their adverse impact. This risk hierarchy takes into account the effects of the measures implemented by the Company to manage these risks. There is no guarantee that the Company's assessment of the relative significance of these risk factors will not be changed at a later date, whether to take into account new information, events, circumstances or other, or that any of the risks that the Company currently deems to be less significant will not materialise and have a significant adverse effect on its activities.

This section takes into account the provisions of Regulation (EU) 2017/1129 of 14 June 2017 which came into force on 21 July 2019.

RISKS ASSOCIATED WITH THE COMPANY'S BUSINESS

Risks linked to the economic environment and to the commercial real estate market

The Company's real estate portfolio was composed of 98.1% commercial real estate in France and 1.9% in Belgium as at 31 December 2019. The proportion of city-centre and urban area shops represented 87.8% of the Company's portfolio at 31 December 2019. Changes in the general economic climate and household consumption in particular are likely to have a significant effect on the Company's level of business, its rental income, the value of its real estate portfolio, as well as its investment policy and therefore its growth prospects.

The general economic environment is likely to stimulate or curb demand for retail properties. It may also have a long-term impact on occupancy rates (increase in vacancy rates) and on the ability of tenants to pay their rent and rental expenses.

An unfavourable economic environment is likely to be accompanied by a reduction in household purchasing power. Such a situation could lead to a deterioration in the economic health of retailers and, as a result, a reduction in the Company's rental income and/or a deterioration in the occupancy rate of its portfolio. For example, according to INSEE, purchasing power fell by 2.4% over the period between 2008 and 2018. This decline, however, was not uniform across France and affected major dynamic cities less than smaller cities and peripheral areas. That said, Paris and the major regional cities are precisely those targeted by the Company for investment.

Changes in household consumption habits could also have an adverse effect on the commercial real estate market. The development of e-commerce is the main threat likely to impact demand for rental retail spaces and therefore on the Company's business. In this respect, city-centre shops in the large cities targeted by the Company and offering proximity to customers are on the whole less affected by this phenomenon than peripheral retail stores.

Within the commercial real estate market, other types of commercial properties such as medium-sized and large peripheral units and shopping centres are liable to create phenomena of commercial desertification in certain city centres and thus lead to structural commercial vacancies which could possibly affect the Company's assets. This risk is intensified in medium-sized cities and in the outskirts of cities, to which the Company is more marginally exposed.

Furthermore, a deterioration of other characterising factors of the general economic situation, such as variations in the level of interest rates or the Commercial Lease Index (CLI), on which lease payments are indexed, would lead to unfavourable changes in the value of assets, the market liquidity of these assets and on the Company's rental income. A decrease in the latter would, at the end of the chain, trigger a decrease in the yield on newly acquired assets. With regard to the CLI indexation clauses contained in current and/or future leases, the Court of Cassation ruled in a decision dated 14 January 2016 (no. 14-24681) that these must cover both upward and downward indexation. A drop in this index would likely impact all of the indexed leases.

The quality of the Company's portfolio, predominantly made up of commercial assets in Paris city centre and in the major regional cities, as well as its wide diversification in terms of the types of businesses operated by its tenants serve to mitigate the impact of this risk. Moreover, changes in the economic environment are closely monitored by the Company upon the implementation of the strategy and policies designed to anticipate and mitigate such risks.

However, at the time of writing, the outlook for 2020 remains highly uncertain with regard to the consequences of the Coronavirus epidemic on the global and European economy in general, as well as on the activities of SELECTIRENTE specifically. The impact of this risk is described in more detail below (see "Risks linked to the COVID-19 pandemic").

Risk of occurrence: moderate; net impact: average; horizon: medium term

Risks linked to the COVID-19 pandemic

Since the beginning of 2020, the COVID-19 epidemic has spread across Europe and especially in France. In response to the growing number of cases in France, a lockdown of the population was introduced on 17 March 2020, accompanied by the temporary mandatory closure of "non-essential" outlets such as shops selling personal goods, cafés and restaurants, and the majority of retail businesses, with the notable exception of pharmacies and food retailers. In addition, the French Government issued orders and decrees (Order No. 2020-316 of 25 March 2020, Decree No. 2020-378 of 31 March 2020, Decree No. 2020-371 of 30 March 2020) setting out the eligibility conditions for the deferral of rental payments and tenant expenses for very small businesses made most vulnerable by the temporary mandatory closure measures.

In the context of this health crisis, asset management company SOFIDY has engaged its business continuity plan in order to guarantee the continuation of its day-to-day operations and the proper management of SELECTIRENTE. All of the teams have been reorganised so as to work remotely under the best conditions possible.

As at the date of writing, the asset management company believes that the annual rents from tenant retailers affected by the temporary mandatory closure represent approximately 62% of SELECTIRENTE's total annual rent. In accordance with the announcements made by the principal landlord associations and federations, as well as the aforementioned decrees and orders, SELECTIRENTE has granted to its tenants operating very small and small and medium-sized businesses affected by the temporary mandatory closure measures the option to pay their rent and expenses monthly, as well as the automatic deferral of their payments during the period of mandatory closure and the staggering of payments over the six months following this period.

This health crisis and lockdown measures are likely to have an impact on tenant revenue, as well as the Company's rental income and results.

Given the uncertainty surrounding the duration of the epidemic and the lockdown measures, as well as their impact on the health of tenants, it is not possible at this stage to quantify the consequences of this situation on the Company's results for 2020.

However, SELECTIRENTE benefits from strong granularity in terms of its portfolio (382 rental units) and high levels of mutualisation in terms of its rental risk (diversification by number of tenants and by sector of activity in particular). SELECTIRENTE began the year 2020 in a strong financial position based on available cash in excess of €198 million, a debt ratio of 42.5% (cash position net of positive debt of €64 million), and an abscence of financial covenants on its borrowings. SELECTIRENTE is thus well positioned to face the uncertainties linked to the current public health crisis which should be limited over time.

Risk of occurrence: high; net impact: strong; horizon: short term

Risks linked to the competitive landscape and the rise in e-commerce

Within to its rental activities, the Company faces competition from commercial units located in the suburbs of towns and cities, as well as city-centre shopping centres owned by competitor companies and located in an extensive catchment area that often overlaps with that of its own assets. Furthermore, the continued growth of e-commerce is likely to reduce retain chains' requirements in terms of commercial space and disrupt certain commercial segments and/or render certain shops unprofitable, which could have an impact on the demand of local commercial spaces and, consequently, on the Company's rental income as well as the rate of unpaid rents.

For instance, few banking activities are today threatened by the development of online banking services (banking apps and Internet banks). At 31 December 2019, physical banking branches represent 20 assets in the Company's portfolio, for a cumulative annual rent of €2,209,182 (of which €1,009,070 from the acquisition on 14 October 2019 of the property located at 28-30 Cours de l'Intendance in Bordeaux (33) and let to Société Générale with an agency on the ground floor and its offices above). The selection of assets situated in premium locations helps to mitigate this vacancy risk by facilitating re-lettings.

These different factors are likely to affect the revenue of its tenants, their development prospects and results, as well as the Company's rental income and results.

In regard to its acquisition policy, the Company faces competition from numerous real estate investment players (listed property companies, investment funds or real estate investment vehicles (SCPI, OPCI, etc.), family offices, investors, individuals, etc.), some of which have larger funding capacities, a larger portfolio and/or the ability to self-promote. In a context characterised by market maturity and the scarcity of assets likely to meet its development objectives, the Company could in the future be unable to properly implement its development strategy which could have an adverse effect on its growth, its activities and its future results. This investment competition increased in 2014 with the application of the Pinel Act which, in the event of the sale of a commercial rental property, provides for pre-emptive rights in favour of the tenant. Nevertheless, the asset management company Sofidy holds a significant and recognised place in the types of assets targeted by the Company, which serves to mitigate this risk.

Risk of occurrence: moderate; net impact: average; horizon: medium term

Risks linked to the estimated value of assets

The valuation of the Company's portfolio of commercial real estate assets is linked to numerous external factors (economic climate, changes in the job market, changes in the commercial real estate market, interest rates, etc,) and internal factors (occupancy rates, levels of rent, work to be carried out, etc.) which are likely to vary significantly. In order to assess the level of risk associated with the estimated value of assets, expert appraisals are carried out half-yearly on the Company's assets.

A decrease in the market value of the Company's assets could result in:

- the depreciation of investment properties;
- non-compliance with financial ratios in place in terms of financing; and/or
- a decrease in the value of the Company's securities.

However, a decrease in the market value of the Company's assets will not necessarily have a negative impact on rental income and the cash flow generated by the Company helps to mitigate this risk.

Since 2019, the valuation of the Company's portfolio has been carried out by Cushman & Wakefield. At 31 December 2019, the reassessed value of the portfolio was €304.3 million excluding duties (compared to €243.5 million at 31 December 2018).

The reassessed value (excl. duties) of the Company’s portfolio at 31 December 2019 was based on the following:

- the Company's direct real estate portfolio which is recorded at its expert valuation;
- fully-owned SCPI shares which are recorded at their withdrawal value or market value;
- OPCI shares which are recorded at their most recent net asset value; and
- Rose shares which are recorded at their most recent net asset value.

The expert valuation of the assets making up the Company's portfolio are subject to a detailed half-yearly review by the asset management company.

Risk of occurrence: moderate; net impact: average; horizon: medium term

Risks linked to acquisitions

The Company intends to pursue with a selective policy for the acquisition of quality commercial assets in Paris city centre and in the major French and European urban areas benefiting from the phenomenon of metropolisation and offering immediate income.

The Company plans to develop a second complementary strategy which is more opportunistic and value-add over the short and medium term, using the same territorial approach as the long-standing strategy but on a wider variety of asset classes (shops, offices, hotels, residential, including managed residences, urban logistics solutions). With regard to its various opportunities for growth, the Company has implemented a major investment program since the beginning of the 2019 financial year (see section 6.1.1 of the Universal Registration Document).

As part of these strategies, the acquisition of real estate is preceded by an analysis carried out by the asset management company eventually assisted by external consultants, the aim of which is to configure the risks associated with such acquisitions, to adjust the prices tendered accordingly and to put in place guarantees and other appropriate conditions.

The acquisition of real estate carries risks that could be poorly understood, notably leading to:

(i) the over-valuation of assets. A lack or unsuitability of comparables means that it is not always possible to identify whether a rent is excessive and likely to be adjusted downwards over time;

(ii) unanticipated negative changes in the marketability of a district or street resulting in a gradual drop in the local occupancy rate and leading to a downward adjustment of market rental values;

(iii) an inaccurate estimate of the amount of certain expenditures and/or the rate of achievement of business plans as part of the search for value creation via restructurings, the buyback of business assets or establishment of co-ownership agreements;

(iv) the acquisition of assets with hidden defects not covered by guarantees obtained as part of the acquisition contract and that may be likely to impact the current or future value of the assets (larger retail areas than those authorised, presence of hazardous or toxic substances, environmental issues);

(v) disagreements or disputes with vendors.

In particular, the new acquisition opportunities identified by the Company as part of its commercial diversification policy (such as shopping centres), sectoral diversification policy (such as mixed spaces, hotels, offices or residential buildings) or geographical diversification policy (such as new and upcoming districts or the relocation of rail stations for instance) may not materialise within the time frames or at the levels expected, which could prevent the Company from adhering to its growth and value creation strategy.

Failure to complete or the partial completion of the acquisition policy or more generally the occurrence of one or more of the risks described above linked to acquisitions could have a negative impact on the Company's business, the value of its portfolio, its financial position, results and outlook.

Risk of occurrence: low; net impact: average; horizon: short term

Risks linked to tenant insolvency

At 31 December 2019, 90.3% of the Company's revenue was generated by letting its real estate assets to third parties and the remaining 9.7% was made up of income from investments (SCPIs, OPCIs and company shares) and usufructs of SCPI shares.

Any missed or late rental payments, and any financial difficulties affecting the tenants, are likely to impact the Company’s results. This risk may also have a negative effect on the value of its real estate portfolio.

This risk must be assessed in terms of the Company’s diversification policy in order to limit the individual contribution of each tenant to its revenue, as well as in terms of the regulatory environment concerning commercial leases, which offers lessors a number of tools to help in such situations. At 31 December 2019, 30% of rental income was attributable to the twelve largest tenants who occupy 39 rental units. Furthermore, in October 2019, the Company finalised the acquisition of a property on Cours de l’Intendance in Bordeaux, let in full to the Société Générale group under the terms of a fixed 9-year lease. The annual rent (excluding taxes and charges) from this asset represents approximately 6% of the Company's full-year rental income as at 31 December 2019.

Risk of occurrence: low; net impact: low; horizon: short term

LEGAL, REGULATORY, TAX, ENVIRONMENTAL AND INSURANCE RISKS

Tax risk linked to the status of French Listed Real Estate Investment Company (SIIC)

SELECTIRENTE has opted for the tax regime for French Listed Real Estate Investment Companies ("SIIC") described in Article 208 C of the French General Tax Code, which enables it to benefit from corporate tax exemption subject to compliance with certain conditions and obligations, notably in terms of distribution. Should SELECTIRENTE fail to comply with these conditions and obligations, it would be subject to corporate tax under the conditions of ordinary law for the financial years in question, which would have a negative impact on its results.

In addition, should a shareholder or multiple shareholders acting in concert exceed the threshold of 60% of the share capital or voting rights in the Company, this would also result in the loss of this status, which would have a negative impact on its results.

By way of derogation, if this threshold of 60% is exceeded following a public tender or exchange offer, a restructuring operation, transaction to convert or redeem bonds into shares, and if this holding percentage is taken below 60% upon expiry of the time period provided for the filing of the tax declaration for that financial year, the holding condition shall be deemed to have remained compliant.

In the event that the composition of the Company's shareholding does not comply with the rules imposed by the SIIC regime, the primary consequence would be the corporate taxation of the Company's profits under the conditions of ordinary law for the financial year in question, with no option for deferral, and the payment of an "exit tax" in the event of opting once again for the SIIC regime. Opting out of the SIIC regime would also result in the Company becoming liable for corporate tax and, where applicable, a fine equal to 25% of the value of the assets acquired under Article 210 E of the French General Tax Code. Following the capital increase and several block disposals, the stake owned by the concert was down to 52.05% as at 16 December 2019.

The Company's compliance with the rules of the SIIC tax regime is regularly monitored by the asset management company.

Risk of occurrence: low; net impact: strong; horizon: short term

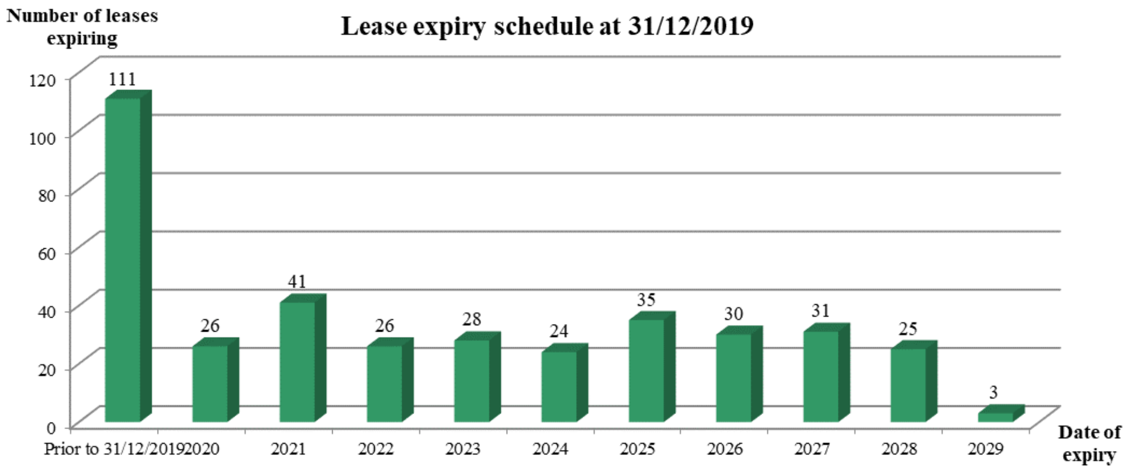
Risks linked to the regulatory environment of leases and the non-renewal thereof

The Company is subject to binding legislation with regard to commercial leases. Contractual stipulations relating to the term, termination, renewal and rent indexation of these leases are of public order and notably limit the option to increase rents to bring them in line with market rents. This means that an increase in rent is not possible, outside of indexation, except as part of the three-yearly review, unless stated otherwise. There therefore exists, over three years, the risk of a variation between the amount of rent and the average market rental value.

Furthermore, upon expiry of the lease, the tenant has the option to either vacate the premises (this option is also available at the end of each three-year period), to request the renewal of the lease or to opt for the tacit extension of the lease. Upon expiry of the lease, if the lessee does not wish to renew, the lessor is entitled to receive eviction compensation. The Company cannot guarantee that it will able to re-let the premises quickly or at the same level of rent. The lack of income generated by these vacant premises and the associated costs are likely to impact the Company’s results.

Lastly, regulatory changes relating to leases, especially with regard to their term and indexing, would likely have negative consequences on the valuation of the Company's portfolio, its results, activities and/or financial position.

At 31 December 2019, the Company's lease expiry schedule was as follows:



The 111 leases expired as at 31 December 2019 notably include leases whose renewal is currently under negotiation with the tenants, as well as those for which the Company's strategy is to obtain tacit extension after a period of two years following the issue of a notice with an offer of renewal or uncapping after the twelfth year, for certain leases.

The wide diversity of the Company's portfolio helps to reduce the impact of the risk of non-renewals on the Company's rental income. For example, at 31 December 2019, the five main expired leases represented only 13.6% of the Company's annual rent (including the rent from Société Générale in Bordeaux (33) which represents 6.2% of the Company's annual rent).

Risk of occurrence: low; net impact: average; horizon: long term

Regulatory risk linked to the ownership of commercial real estate assets

As part of its ownership and management of commercial real estate assets, the Company must comply with a number of specific and general implementing regulations governing, anti-money laundering, commercial urban planning, urban planning and the construction of buildings, public health, the environment, the safety of people and property, and commercial leases. Any substantial amendment to these regulations could result in the Company amending or calling into question the way in which it conducts its business, which could have a material adverse impact on its operating profit and/or its development and growth prospects.

Furthermore, and despite the due diligence carried out as part of its standard investment activities, the Company cannot guarantee that over the course of the economic life of one of the assets it owns, all of its tenants, especially those renting recently acquired properties, will strictly comply at all times with all regulations applicable to them. In fact, the Company may fall victim to a failure in its control processes adapted to the regulations on anti-money laundering and the financing of terrorism. The occurrence of such a failure would expose the Company to financial, criminal and/or reputational risks.

Any such irregularities would likely result in the Company being penalised, as the owner, which may affect its results and financial position.

The Company, its suppliers and sub-contractors, are also obliged to comply with numerous regulations which, if amended, could have significant financial consequences. As such, more stringent standards in terms of construction, safety and the issue of preliminary declarations of work, construction permits, building permits or commercial operation permits could also have an adverse influence on the profitability and operating result of the Company, by increasing operating, maintenance and improvement costs as well as the administrative costs associated with the properties owned by the Company.

The asset management company regularly monitors the regulatory obligations linked to the ownership and management of the Company's real estate assets.

Risk of occurrence: low; net impact: low; horizon: long term

Risk linked to the Company's status

The Company is a French public limited company approved by the AMF as an Alternative Investment Fund (AIF) under Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (and in particular any "Other AIF" within the meaning of Article L. 214-24, III of the French Monetary and Financial Code). It is due to this dual status that the Company must comply with the rules relating to public limited companies and those relating to Other AIFs. However, these different rules are complex, often difficult to reconcile, and/or subject to interpretation. Consequently, the legal and regulatory risk (particularly with regard to the marketing of the current offering outside of France) cannot be excluded, despite great care taken by the Company to comply with applicable regulations. Similarly, certain investors (OPCVM and AIFs, institutional investors, etc.) must comply with investment rules that may treat public limited commercial companies and Other AIFs differently. In this respect, it falls to them to verify the way in which an investment in the Company must be treated; neither the Company nor Sofidy nor any distributor can be responsible for this analysis.

The asset management company regularly monitors the rules with which the Company must comply given its AIF status.

Risk of occurrence: low; net impact: low; horizon: long term

Risks linked to compliance with laws and regulations relating to the environment and public health

The Company's business is subject to laws and regulations relating to the environment and public health. These laws and regulations mainly concern the ownership or use of facilities likely to be a source of pollution (classified facilities), the use of toxic substances or materials in construction, and the storage and handling of such substances. Should these applicable laws and regulations become more stringent, the Company could incur additional expenses.

To meet the objectives and recommendations set out in Decree No. 2019-771 of 23 July 2019 on obligations to reduce final energy consumption in buildings for tertiary use (market or non-market activities), the Company must, in the first stage, collect the consumption data of its assets of more than 1,000 m², and secondly, input on a platform provided by the Agence de l'Environnement et de la Maîtrise de l'Energie (ADEME), the collected data and a program of actions that will enable it to meet the target of reducing energy consumption by 40% before 2030. At 31 December 2019, the Company had only 15 assets of more than 1,000 m². However, in 2019, the Company completed the acquisition of a property with a surface area in excess of 3,500 m² on Rue de l'Intendance in Bordeaux (33).

In the event of non-compliance with this obligation, the Company would be liable for an annual fine of up to €7,500 and its company name would be published on a governmental website.

Furthermore, the Company's assets may be exposed to problems linked to public health and safety, particularly in terms of asbestos and legionella for commercial properties, as well as soil pollution. Although their occurrence is likely to be predominantly the responsibility of its suppliers and sub-contractors, the Company may still be held liable, for instance if it fails to fulfil its obligation to monitor and control the facilities it owns. Such problems could have a negative impact on the financial position, results and reputation of the Company.

Lastly, the Company's assets may be exposed to risks of flooding, collapse, or unfavourable rulings from safety commissions, especially under the regulation regarding public establishments (ERP). Such events could result in the total or partial closure of the commercial asset affected, and could have a significant adverse effect on the Company's image and reputation, the attractiveness of its assets and on its activities and results.

The Company's general environmental policy is described in more detail in the "Environmental data" section on pages 37 to 40 of the Universal Registration Document. The asset management company regularly monitors the Company's environmental obligations and those relating to public health.

Risk of occurrence: low; net impact: low; horizon: long term

RISKS LINKED TO FINANCIAL POLICY

Risks linked to interest rate levels

An increase in interest rates would have an unfavourable impact on the valuation of the Company's portfolio insofar as the capitalisation rates applied by the real estate experts to the rents of retail properties are partially determined according to interest rates.

Similarly, a short-term increase in interest rates could negatively impact the Company's results, as a portion of the bank financing of its portfolio has been arranged with variable-rate loans in the past. Furthermore, an increase in interest rates would result in higher costs of financing on future investments.

For information purposes, at 31 December 2019, 9.8% of the Company's gross bank borrowings were comprised of unhedged variable-rate loans (compared to 20.6% at 31 December 2018).

A change in interest rates would have an impact on the fair value of the Company's fixed-rate bank borrowings:

At 31 December 2019:

Type of loan	Outstanding capital (€)	Mark-to-Market Value (€)	Effect of Mark-to-Market on NAV (€)
Mortgages	133,981,947	133,186,141	+795,806
Hedging instruments	-	13,742	-13,742

Based on the current rate situation and the hedging in place (detailed in the notes to the financial statements), an average increase of 100 basis points in interest rates beyond -0.38% (Euribor 3-month rate of 31 December 2019) would have a negative impact on 2019 net income of €131 thousand (compared to €205 thousand in 2018).

As such, a fall in interest rates would have a positive impact on the Company's financial income (expense). On the other hand, any such change would have a negative impact on its EPRA net asset value.

The Company's debt is mainly made up of fixed-rate borrowings. In addition, the Company strives to actively manage its financial debt through regular refinancing transactions, in order to minimise this risk.

Risk of occurrence: moderate; net impact: average; horizon: medium term

Liquidity risk

As part of its financing policy, SELECTIRENTE uses mortgage bank loans. At 31 December 2019, these loans had been agreed without any financial ratio covenants. However, in October 2019, the Company set up a corporate credit of €25 million for a period of 12 months, which carried two financial ratio covenants to be complied with: a net debt to asset value ratio of less than 60% and a financial expense coverage ratio for net rent of at least 3x.

The Company has conducted a specific review of its liquidity risk and considers itself to be in a position to meet its future obligations.

Moreover, the SELECTIRENTE strategy notably relies on its ability to mobilise financial resources, either in the form of loans or using its own equity, to finance its investments and/or refinance debts reaching maturity.

SELECTIRENTE may not always have access to these types of financial resources, for instance in the event of a market or bond crisis, or if the perception of investors or credit institutions of the financial standing of the Company were to deteriorate. Such a situation could compel the Company to limit or slow down its acquisition policy and would likely have a negative impact on its development and growth prospects.

The Company's liquidity indicators are regularly monitored by the asset management company.

Risk of occurrence: low; net impact: low; horizon: long term

RISKS LINKED TO SOFIDY

Risks linked to the agreement entered into with Asset Management Company Sofidy

SELECTIRENTE is a public limited company with a Management Board and Supervisory Board, the management of which has, since its creation, been delegated to the company Sofidy in accordance with the terms of a management delegation agreement (the "**Management Delegation Agreement**").

Under the terms of the Management Delegation Agreement, the Company delegates to Sofidy the preparation and implementation of the Company's investment, financing and divestment programs. The Company also entrusts to Sofidy the responsibility for its administrative and real estate management (accounting and legal bookkeeping, day-to-day management and administration of the Company's assets, invoicing and collection of rent, examination of contractual commitments, handling of tenant requests and problems, etc.). For the execution of these services, the Company pays Sofidy an investment commission of 4% excluding tax of the purchase price, excluding tax and including costs, of the investments made and management fees of 8% excluding tax of the amount of rental income excluding tax, entry rights excluding tax, and any net financial income. With respect to the 2019 financial year, the Company paid Sofidy €1.2 million in management fees and €2.9 million in investment commission.

- *Risks linked to the quality of Sofidy services*

Any deterioration in the quality of the services provided by Sofidy pursuant to the Management Delegation Agreement is likely to have a negative impact on the valuation of the Company's portfolio, its results, activities and/or financial position.

In addition, any financial difficulty likely to significantly affect Sofidy could have adverse consequences on the valuation of the Company's portfolio, its results, activities and/or financial position.

- *Risk linked to the loss of the contract with Sofidy and its replacement*

This contract is described in Chapter 16 of the Universal Registration Document.

The Company benefits from exclusive access to the skills and expertise of Sofidy through the Management Delegation Agreement under the terms of which Sofidy is notably in charge of the management and administration of the Company.

Under the terms of the agreements entered into, the Company and Sofidy may, under certain circumstances, end the Management Delegation Agreement. The termination of the Management Delegation Agreement is subject to the Company' being given twelve months' advance notice. At 31 December 2019, the termination indemnity for the Management Delegation Agreement corresponded to the sum of (i) 33% of the amount of one year's investment commission and (ii) 66% of the amount of one year's management fees, in other words the sum of 33% x €2,934,827 and 66% x €1,174,353, i.e. €1,743,566 excluding tax. The termination indemnity will be due only in the event of termination on the Company's initiative, and the payment must be made within fifteen days following the date of termination of the Management Delegation Agreement.

Such a replacement could, due to Sofidy's exclusive long-standing knowledge of the Company's portfolio and its expertise and understanding of the real estate sector, require a period of adjustment for the Company to allow its replacement to become familiar with the retail assets to be managed. Such a replacement could result in a temporary decrease in the effective recovery of rents and more generally, a deterioration in the quality of services provided as well as the satisfaction of the various tenants. In addition, there may be a number of exceptional costs and expenses associated with a change in service provider.

Furthermore, as part of its financing policy, SELECTIRENTE has taken out bank loans, some of which contain an early repayment clause in the event of a change in Asset Management Company. Consequently, in the event of the termination of the Management Delegation Agreement entered into between the Company and Sofidy, certain lenders may require the early repayment of a portion of the Company's bank borrowings. At 31 December 2019, the maximum amount of borrowings concerned was €99.5 million.

It is recalled that, as at the date of the Universal Registration Document, Sofidy owns 12.6% of the share capital and voting rights of SELECTIRENTE and is part of the concert that controls SELECTIRENTE (see the risk factor below "*Risks of conflicts of interest with Sofidy*").

Lastly, there is a risk of dependency on Sofidy in light of applicable regulations, due to the fact that the Company is an Other AIF within the meaning of Article L. 214-24, III 1° of the French Monetary and Financial Code, as a result of which the management of its portfolio and its risks must be carried out by an asset management company approved to manage AIFs in France or in the European Union, such that the non-renewal or termination of the Management Delegation Agreement can only be effective once another portfolio and risk management contract has come into force with an AIFM management company.

Lastly, the contract with Sofidy enables the Company to benefit from favourable terms regarding its insurance coverage, the renewal of which may not be identical in the event of a breach of the Sofidy contract. This risk is explored in detail in the section "*Risks linked to insurance*".

Risk of occurrence: low; net impact: high; horizon: long term

Risks of conflicts of interest with Sofidy

Sofidy is a portfolio management company approved by the AMF under number GP 07000042. It manages a number of real estate Alternative Investment Funds (SCPI, OPCI, etc.). Sofidy, as well as its shareholder Tikehau Capital, are majority shareholders of SELECTIRENTE. As a result, the provision by Sofidy of services entrusted to it under the Management Delegation Agreement is likely to generate conflicts of interest between SELECTIRENTE and the other entities managed by Sofidy. Potential conflicts may typically concern:

- with regard to investment, the allocation of acquisition opportunities handled by Sofidy could be made in favour of one or more structure(s) under management;
- with regard to divestments, disposals of portfolios of assets comprising properties belonging to different structures managed by Sofidy could favour one or more structure(s);
- with regard to lease management, the overall negotiation of leases with tenants shared by the various structures managed by Sofidy could also be made in favour of one or more structure(s).

To prevent this type of situation, Sofidy has established a system for the prevention of conflicts of interest likely to arise between the different structures it manages.

With regard to investments, the conflict of interest resolution grid sets out the criteria used to differentiate between the various real estate funds under management: short-term profitability, legal terms and conditions for investment, method of financing, size of the investment, geographical location and type of asset. Lastly, if this conflict resolution grid does not help to determine the placement of a particular real estate investment, this will ideally be made on the company presenting the largest relative cash flow.

With regard to divestment, the various structures cannot transfer assets between each other and, with a few exceptions (i.e. co-ownership), a divestment portfolio must not be created from assets belonging to different structures.

Finally, with regard to lease management, the interest of each structure must be, where applicable, taken into account in the overall negotiation of leases with tenants shared by multiple structures.

In the event that the application of the rules above does not help resolve a potential conflict of interest, this shall be submitted to the Head of Compliance and Internal Control of Sofidy who shall inform, as transparently as possible, the governance bodies of the various structures affected by the decision made by Sofidy.

Risk of occurrence: low; net impact: low; horizon: long term

Risks linked to insurance

The Company has insurance policies to protect its capital, income and civil responsibility. The insurance policies relating to the Company's real estate assets and its civil responsibility are under a contract that covers all of the Company's assets. The costs of this insurance and the levels of cover provided benefit from the negotiating power of asset management company Sofidy with regard to the Company's aggregated assets under management and those of other funds managed by Sofidy.

The leverage that Sofidy has vis-à-vis insurers enables it to agree lower prices than a company such as SELECTIRENTE would be able to agree independently.

Given the size of the portfolio to be insured and the level of cover required, the Company may not take out similar insurance cover and may not source such cover at a reasonable cost, notably in the event of the loss of the Sofidy management agreement (see "*Risks linked to the loss of the contract with Sofidy and its replacement*"), which could lead the Company to assume a higher level of risk and/or be likely to significantly affect its activities, results, financial position and development outlook.

Risk of occurrence: low; net impact: low; horizon: long term

CLIMATE RISKS

According to predictions, climate change could lead to an increase in the number of extreme weather events. The occurrence of these events, such as heatwaves, heavy snowfall and flooding, risks disrupting the ongoing activity of the real estate assets held by the Company and could result in the temporary closure of or damage to these real estate assets. Temperature rises could impact consumer and mobility habits and lead to a drop in the number of visitors to the Company's assets.

In light of the percentage of real estate assets held by the Company that are located in city centres and urban areas, representing 87.8% of the Company's portfolio at 31 December 2019, and the geographical distribution of these assets, the Company considers that the occurrence of the events described above could affect its results.

These climatic changes could also lead to an increase in the cost of development and works at the Company's assets and in particular the operating costs linked to heating, ventilation and air conditioning.

The wide diversity of the Company's portfolio serves to minimise this risk.

Risk of occurrence: low; net impact: low; horizon: long term

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

SELECTIRENTE is a public limited company with a Management Board and Supervisory Board, the management of which is delegated to the company Sofidy in accordance with the terms of a Management Delegation Agreement signed in 1997 and amended in January 2003 and August 2006. Sofidy is itself a Portfolio Management Company approved by the AMF under number GP 07000042 (compliant with AIFM Directive since 18 July 2014).

The aim of the Sofidy internal control system is to manage the risks associated with the management of real estate funds and to provide reasonable assurance in relation to:

- the effective implementation and optimisation of management decisions;
- the protection of the portfolio;
- the reliability of financial and accounting information;
- compliance with current laws, regulations and internal directives.

This mainly comprises:

- a series of written procedures set out in the “Book of procedures and internal control”;
- an IT system and tools that help to protect data integrity and security;
- regular training and sharing services on current regulations and applicable internal procedures;
- an RCCI (Head of Compliance and Internal Control) who, based on risk mapping, is responsible for implementing an annual control plan giving rise to control reports presented to the Sofidy executive management team and the AMF;
- a Head of Risk Management.

The “Book of procedures and internal control” identifies the major risks and management and control procedures relating to the core business cycles of the Asset Management Company: real estate investments and the financing thereof, divestment, the leasing of premises, expenditure and payments, invoicing, receipts, recruitment conditions and the preparation of financial statements and forecasts. The principles cover compliance with the list of authorisations, the division of tasks, random and systematic controls and accounting reconciliations.

The IT system consists of a tool that is predominantly integrated and regularly checked. Any anomalies reported by the departments are investigated. Outputs and reports are checked for reliability and consistency on a regular basis. The integrity and security of data is handled by an internal and external back-up system.

Sofidy regularly holds internal meetings on topics including investments, investment financing, the cash situation, forecasts, rent collection and charges, ongoing litigation and the monitoring thereof, construction work and re-lettings. Reports are produced on the basis of these meetings.

Sofidy endeavours to identify risks linked to its activities and the funds it manages. To monitor and manage these risks, it has committed to an approach that consists of establishing a matrix of identified risks and a multi-year internal control program that seeks to manage its exposure to such risks, to check compliance with procedures and offer reasonable assurance to the executive management team with regard to the management of risks.

Concerning the Company’s accounting and financial information, the internal control procedures of the accounting services notably include the production of forecasts, the analysis of differences between the financial statements and forecasts, and the implementation of first and second-degree controls and the continuity of the audit trail.

The Company's management team is responsible for the preparation and completeness of the financial statements. These statements have been prepared and are presented in accordance with generally accepted accounting principles in France. The internal control and risk management procedures relating to the preparation and processing of accounting and financial information are implemented by Sofidy. The financial information presented in the annual report is consistent with that presented in the financial statements. The management team considers that these statements accurately represent the financial position of the Company, its operating profit and cash flow.

Following discussions with the AMF in the context of the AIFM European Directive (Directive No. 2011/61/EU of 8 June 2011), SELECTIRENTE has been approved as an Alternative Investment Fund Manager within the meaning of this Directive. This approval, which offers better protection for shareholders, requires that the Company appoint a custodian. To this end, BNP Paribas Securities Services has been appointed as the Company's custodian.

MANAGEMENT OF CONFLICTS OF INTEREST

Sofidy has a policy that seeks to eliminate any situation in which commissions should accrue (notably when a fund managed by Sofidy invests in another fund managed by Sofidy). To this end, Sofidy does not receive any investment commission or any management fees on income received by SELECTIRENTE in respect of investments in SCPIs managed by Sofidy (usufructs and full ownership). Sofidy also pays back to SELECTIRENTE a portion of the subscription commission it receives in respect of these investments in SCPI shares (6% excl. taxes on the 10% excl. taxes of subscription commission).

It is recalled that Sofidy has decided not to receive any investment commission or any management fees on income received by SELECTIRENTE in respect of minority stakes held in funds managed by Tikehau Capital (OPPCI Tikehau Retail Properties III and SARL Rose).

INSURANCE AND RISK COVERAGE

General overview of the insurance policy

The insurance policy implemented by the Company aims to protect assets and to guard against the liabilities incurred. The Company benefits from the Sofidy Group's bargaining power, which enables it to obtain favourable insurance conditions.

The Company's insurance policy takes into account the following requirements:

- identification and quantification of the greatest risks in terms of exposure and insured capital and random risk analysis;
- purchasing of insurance coverage adapted to the losses that may be reasonably anticipated for amounts assessed, either by expert appraisals approved by the insurers or after risk estimation made in collaboration with Company's internal services and broker;
- choice of a top-tier insurer to guard against any risk of insolvency of the insurer and/or the reinsurer.

Items used to evaluate the coverage purchased

With regard to the purchasing principles set forth above, the coverage described below is indicative of a situation at a given moment and cannot be considered permanent because of the modifications made necessary both for the risks to be covered and for the level of coverage itself that may occur at any time due to the constraints of the insurance markets and/or any divestment by the Company. The level of insurance coverage chosen provides, in compliance with the objectives indicated above and subject to the constraints related to insurance markets, financial capacities to allow significant coverage of claims of a reasonably estimated intensity with respect to their amount and probability. At the date of this document, there are no significant claims that could affect future coverage conditions and the overall amounts of insurance premiums.

Insurance coverage

The Company has insurance coverage purchased with the insurance company AXA for property damage, loss of rent and civil liability.

The assets of the portfolio are all insured at their full reconstruction value, which is applicable under certain conditions for property to which an ageing coefficient of less than 25% can be applied. The monetary consequences of the owner's third-party liability are also insured. Property and loss of rent insurance premiums may be re-billed to tenants as operating expenses if the leases so provide. In general, the Company believes that the insurance policies that cover it are adequate in relation to the value of the insured assets and the level of risk incurred.

Type of agreement	Insurance company	Main risks covered	Coverage in euros	Deductible in euros
Coverage Multirisk Building	AXA	Fire, climate event, water damage, vandalism, riots, etc.	Amount of damage	€10,000 per claim
		Non-decree natural event	€3,000,000 cap	
		Liability, all physical injury, material and incidental damage	Cap of €7,500,000 per claim in respect of civil liability	
		Liability to owners of neighbouring buildings and third parties of tenants	€4,500,000 cap	

List of main exclusions: damage intentionally caused by the policyholder, wars, direct or indirect effects of explosions, release of heat, radiation from radioactivity, damage due to mechanical, thermal or chemical wear and tear.

Rent and expense loss coverage is for three years.

Compensation is contractually limited to €19,000,000 (not indexed) per claim, all damages combined *(all material damages, costs and losses, recourse of neighbours and third parties, not including building owner civil liability).*

6. BUSINESS OVERVIEW

6.1. Portfolio and Investments

6.1.1. Significant investments made during the financial year

In 2019, SELECTIRENTE carried out a significant investment program of €73.1 million through the acquisition of ten city-centre shops, the "Lutèce 2" portfolio comprising 31 shops in Paris and a building (store and offices above) in Bordeaux (33). Overall, 60% of the investments made were within Paris itself, 36% in Bordeaux city centre and 4% in other major French city centres:

- a portfolio of 31 Paris shops across 24 different addresses (notably in the 1st, 8th, 15th, 16th and 17th arrondissements in Paris), for a cost price of €41,672 thousand. These shops represent a total of 3,300 m² and are situated in high-quality locations on busy commercial arteries such as Rue de Rivoli, Boulevard Malesherbes, Rue Poncelet, Rue de la Pompe, Avenue Paul Doumer and Rue de la Convention. Within in the portfolio, 5 assets were bought vacant and offer immediate and attractive opportunities for marketing in terms of value. In addition, opportunities to improve the rents and divestment of small annex spaces (offices, car parks, apartments) offer interesting short and/or medium-term value prospects;
- a co-owned property on Cours de l'Intendance in Bordeaux (33), for a cost price of €26,295 thousand. The building is let to the Société Générale group on a fixed 9-year lease (ground floor and offices);
- a perfume shop on Rue du Gros Horloge, a pedestrian road in the heart of Rouen city centre (76), close to the Cathédrale Notre-Dame, for a total cost price of €1,230 thousand;
- a furniture shop on Rue Chardon Lagache in Paris (16th) for a cost price of €1,026 thousand;
- an estate agent on Rue Rambuteau in Paris (3rd) for a cost price of €814 thousand;
- a library and a restaurant in Place de la Croix-Rousse in Lyon (4th), for a cost price of €603 thousand;
- a wine and spirits shop on Avenue Daumesnil in Paris (12th) for a cost price of €538 thousand;
- a "Heytens" furniture and home furnishing shop on Cours de la Liberté in Lyon (3rd) for a cost price of €491 thousand;
- a watchmakers/jewellers on Avenue des Frères Lumières in the heart of Lyon's 8th arrondissement for a total cost price of €238 thousand;
- a chocolaterie/confectioners on Rue Jean Rochon in Clermont-Ferrand (63) for a cost price of €216 thousand.

The average immediate net profitability of these investments, including the vacant assets, is 3.8%. These assets benefit from long-term value creation potential due to their conservative rents compared with market values.

At 31 December 2019, the Company also committed (firm offers or promises) to new acquisitions of city-centre shops, notably in Paris (4th, 10th, 14th and 18th), in Clermont-Ferrand (63) and in Menton (06) for the approximate sum of €12.7 million.

Table of the main investments over the past three financial years

Address	Date	Surface area (m²)	Cost Price (€)	Rent (€)
Paris (13th) - 115 avenue d'Italie	09/10/2017	52	629 700	33 916
Paris (2nd) - 31 boulevard de Bonne Nouvelle	27/02/2018	110	1 989 271	91 486
Paris (9th) - 29 rue du Faubourg Montmartre	08/03/2018	84	795 105	37 045
Paris (14th) - 7 rue Brezin	25/07/2018	67	705 443	35 608
Paris (10th) - 65 rue du Faubourg du Temple	25/07/2018	157	575 207	21 260
Paris (5th) - 135 boulevard Saint-Michel	17/09/2018	73	789 447	37 398
Paris (17th) - Avenue de la Grande Armée	07/11/2018	496	4 740 950	190 000
Paris (3th) - 28 rue Rambuteau	18/01/2019	31	814 020	32 133
Rouen (76) - 35 rue du Gros Horloge	02/04/2019	281	1 229 814	57 136
Paris (16th) - 100 rue Chardon Lagache	30/07/2019	134	1 025 700	51 653
Bordeaux (33) - 28,30 cours de l'Intendance	14/10/2019	3232	26 294 824	1 009 070
Paris - Portefeuille Lutèce (31 stores)	25/10/2019	3285	41 671 851	1 493 952
Lyon (69) - 17 place de la Croix-Rousse	16/12/2019	154	602 900	26 283

6.1.2. Divestments

The total sum of disposal procedures during the financial year amounted to €6,926 thousand, generating a total distributable capital gain of €3,130 thousand recognised in the net result for 2019. These sales pertained to:

- a peripheral store with a surface area of 6,420 m², let to "*La Plateforme du bâtiment*" and located in Alfortville (94), for the sum of €6,700 thousand (in line with the most recent valuation by Cushman & Wakefield in June 2019). This sale generated a significant capital gain of €3,169 thousand;
- a city-centre store with an apartment above, with a total surface area of 354 m², vacant since 2013 and 2016 and located in Montargis (45) for a total sum of €226 thousand. This sale generated a capital loss of €39 thousand.

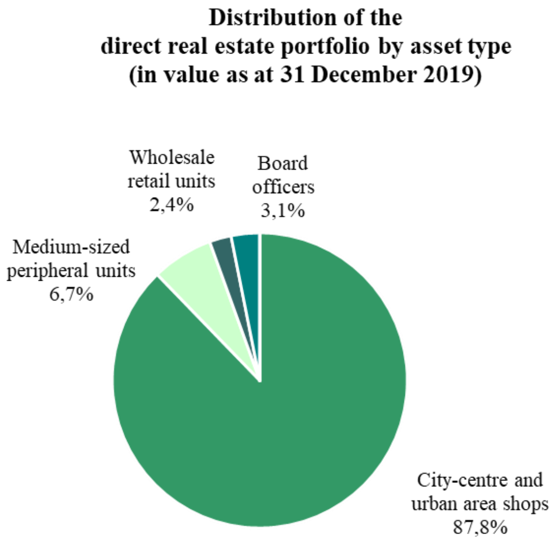
6.1.3. Composition of the portfolio

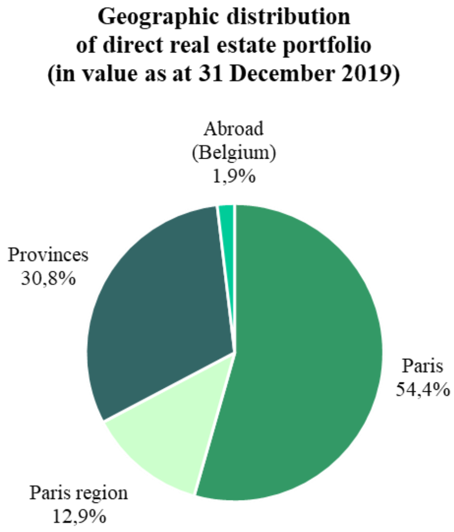
The reassessed portfolio of the Company stood at €315.4 million at 31 December 2019, an increase of 29.5% compared with the previous year. It is made up of:

- retail properties and a mixed-use building (shop and offices) directly acquired for €305.2 million;
- indirect real estate investments mainly comprising investments in real estate companies for €10.2 million.

At 31 December 2019, SELECTIRENTE's direct real estate portfolio was made up of 382 retail properties and a mixed-use building (shop and offices) in Bordeaux. These are mainly city-centre shops in and around Paris, and break down as follows:

Composition of the direct real estate portfolio (as a % of the appraisal value excluding transfer taxes)





Changes in the composition of the direct real estate portfolio over three years

As a % of the appraisal value excl. transfer taxes	31/12/2017	31/12/2018	31/12/2019
City-centre and urban area shops	84,6%	85,4%	87,8%
Medium-sized peripheral units	9,8%	8,7%	6,7%
Wholesale retail units	5,5%	5,9%	2,4%
Board officers	0,0%	0,0%	3,1%
TOTAL	**100,0%**	**100,0%**	**100,0%**

As a % of the appraisal value excl. transfer taxes	31/12/2017	31/12/2018	31/12/2019
Paris	46,0%	49,6%	54,4%
Paris region	18,8%	18,9%	12,9%
Provinces	32,3%	28,9%	30,8%
Abroad (Belgium)	2,9%	2,6%	1,9%
TOTAL	**100,0%**	**100,0%**	**100,0%**

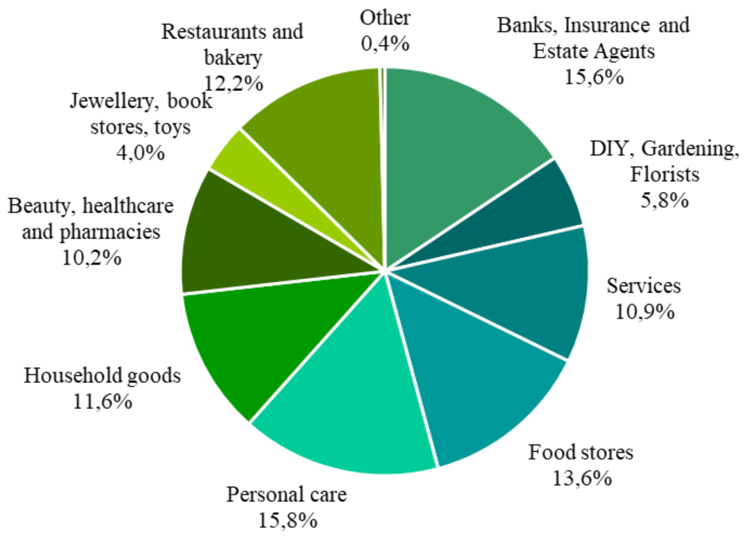
Main tenants

At 31 December 2019, the direct real estate portfolio of SELECTIRENTE was made up of 382 rental units for a total theoretical full-year rent of €16.2 million. In this respect, the twelve largest tenants (representing more than 30.8% of total rent) are as follows:

Tenants	Activities	Number of rental units	% of rent out of all rent
Société Générale	banking services	3	7%
Rallye Group (Casino, Franprix, etc.)	food	12	3,7%
Maisons du Monde	furniture	4	2,8%
La Poste (Média Post)	postal services	2	2,3%
BNP PARIBAS	banking services	3	2,1%
Kiloutou	rental and leasing of other personal and domestic goods	4	2,1%
Saint-Gobain Group (La plateforme du bâtiment)	DIY	2	2,1%
Crédit Agricole Group	banking services	6	1,9%
Vivarte (La Halle)	ready-to-wear	2	1,8%
SARL Bio C'Bon Dijon Liberté	food	1	1,8%
LVMH	luxury	3	1,8%
Sandro (SMCP Group)	ready-to-wear	1	1,7%
TOTAL		**43**	**30,8%**

At 31 December 2019, the breakdown of full-year rent by tenant activity is as follows:

Sector distribution of direct real estate portfolio (in value as at 31 December 2019)



6.1.4. Main investments agreed and under negotiation since 1 January 2020

As at the date of writing the Universal Registration Document, the main investments signed or under a promise to purchase are as follows:

Addresses	Date	Surface area (m²)	Cost price (in €)	Rent (€)	Profitability
Paris (10th) -137 rue du Faubourg du Temple	*Notarised deed of sale: 07/02/2020*	208	4 515 000	186 785	4,1%
Paris (4th) - rue de la Coutellerie - 8 avenue Victoria	*Notarised deed of sale: 10/02/2020*	103	1 045 750	40 835	3,9%
Paris (14th) - 186 avenue du Maine	*Notarised deed of sale: 17/03/2020*	61	806 560	35 416	4,4%
Sub-total - Acquisitions completed		**371**	**6 367 310**	**263 036**	**4,1%**
Guez Portfolio - 4 stores in Paris and the Paris region	*Agreement to sell: 31/01/2020*	213	2 618 437	125 680	4,8%
Town Portfolio - 6 stores and one dwelling in Paris, Clermont-Ferrand and Menton	*Agreement to sell: 05/02/2020*	552	5 471 253	282 859	5,2%
Aubert & Co Portfolio - 22 stores in Paris and the Paris region	*Agreement to sell: 26/02/2020*	1 245	13 437 844	552 902	4,1%
Vert - Orange GFT Portfolio - 23 stores in Paris and the Paris region	*Agreement to sell: 26/02/2020*	1 072	11 815 779	646 678	5,5%
Toulouse - 19 rue des Changes	*Agreement to sell: 26/02/2020*	53	998 100	50 516	5,1%
Villeurbanne (69) - 5 place Ch Hernu	*Agreement to sell: 26/02/2020*	245	1 045 200	57 059	5,5%
Terreis Portfolio - 9 stores in Paris	*Agreement to sell: 03/03/2020*	568	7 175 625	279 306	3,9%
Lyon 7 and 8 Portfolio - 4 stores in Lyon	*Agreement to sell: 17/3/2020*	669	4 180 800	192 666	4,6%
Sub-total after agreement to sell signed		**4 617**	**46 743 038**	**2 187 665**	**4,7%**
TOTAL		**4 988**	**53 110 348**	**2 450 701**	**4,6%**

As at the date of publication of the Universal Registration Document and in the context of the current public health crisis linked to COVID-19, the Asset Management Company is implementing all necessary measures and reserves the right not to complete all of these transactions.

6.1.5. Joint ventures and commitments for which the Company holds a significant portion of the share capital

None.

6.2. Lease and real estate management

Occupancy rate

The average financial occupancy rate[1] for the 2019 financial year was 96.7% (compared with 94.8% in 2018). It rose to 96.4% during the fourth quarter in 2019. This rate is calculated as the ratio between the sum of rent invoiced and the theoretical amount that would be invoiced if all properties were let.

At 31 December 2019, of the 382 rental units owned by SELECTIRENTE, the following were either vacant, in the process of being re-let or involved in divestments:

- six shops in Paris city-centre;
- seven city-centre shops in the Paris region - one in Longjumeau (91), two in Corbeil-Essonnes (91), three in Arpajon (91) and one in Le Raincy (93);
- two shops in regional city centres of which one in Toulouse (31) and one in Sens (89).
-

[1] *See Methodological note in section 7.3.5*

Lettings, re-lettings, disposals and lease renewals

Over the course of the 2019 financial year, the work undertaken in terms of lease management led to:

- the renewal of 16 leases with lower annual rents for the shops in question (€702 thousand compared with €717 thousand previously). This decrease is due to the signing of a lease renewal for a peripheral medium-sized unit in Namur (Belgium) with annual rent of €105 thousand excl. taxes and charges (compared with €139 thousand previously). The rent reduction granted helped to avoid legal proceedings while recommitting the current tenant in a downward rental market across the sector. Renewals during the financial year reflected a 2.1% drop in rents concerned;
- the re-letting of 13 vacant shops with a 5.5% increase in annual rents to €532 thousand (€505 thousand previously);
- the transfer of two leases with a 16.7% increase in rents to €75 thousand; and
- the receipt of lease break-up payments amounting to €70 thousand following the fransfer of 2 leases with a change in tenant activity (€20 thousand for the property on Rue Ferdinand Duval in Paris (4th) and €50 thousand for the property on Rue du Mont Thabor in Paris (1st)).

They are summarised as follows:

	Number	*Surface area (m²)*	*Previous annual rental income (€)*	*Annual rental income obtained (€)*
Lease renewal	16	3 832	716 865 €	701 987 €
Re-lettings	13	181	504 679 €	532 300 €
Lease transfers with chnage of tenant activity	2	132	64 069 €	74 797 €
TOTAL	**31**	**4 144**	**1 285 612 €**	**1 309 084 €**
Lettings				30 000 €
Lease transfer payments or entry fees				70 000 €

More specifically, the work undertaken on the "*Lutèce 2*" portfolio following its acquisition in October is detailed below:

- one commercial surface area on Boulevard Malesherbes in Paris (17th) was quickly re-let less than one month after its acquisition to an architecture and design equipment retailer for an annual rent of €230 thousand (compared to €191 thousand previously);
- two shops, acquired vacant, were let during December: the first on Rue de la Pompe in Paris (16th) to a beauty salon for an annual rent of €30 thousand, and the second, on Rue du Jour in Paris (1st) to a shop selling pet accessories for an annual rent of €50 thousand;
- In addition, one shop located on Rue du Mont Thabor in Paris (1st) was the subject of a lease transfer with a change in tenant activity (from a ready-to-wear clothing shop to the sale of costume jewellery). In this case, the annual rent was increased to €35 thousand (from €24.3 thousand when acquired) and a lease break-up indemnity of €50 thousand was received by SELECTIRENTE.

Disputes

At 31 December 2019, aside from proceedings against tenants behind with their rental payments, the only dispute related to SELECTIRENTE and its tenant (fast-food chain) being taken to court for odour pollution caused by a lack of extraction and the faulty airtightness of the ceiling in the commercial space by the owner of office premises located above a commercial space on Rue de Réaumur in Paris (4th). They are asking for approximately €100 thousand in compensation for rental losses and €10 thousand in costs. Legal proceedings are ongoing and the Company has made a provision of €70 thousand in its financial statements as at 31 December 2019.

The €70-thousand provision for risk made in the financial statements as at 31 December 2018 to cover a court order against the tenant of a shop in Andelys (27) following a leak in the roof was reversed in full during the 2019 financial year. These proceedings were subject to a first judgement in favour of SELECTIRENTE then a judgement on appeal in January 2019 finally ordering the Company to pay the tenant €80 thousand in damages and €5 thousand in costs and ordering the tenant to pay SELECTIRENTE €6 thousand in unpaid rent and charges.

Major repairs

The cost of non-rebillable major works and maintenance works (excl. restoration works), recorded under expenses or as a new fixed item in the balance sheet depending on the nature of the work, totalled €429 thousand in 2019 and mainly related to the following properties:

- work to replace the window of a shop on Avenue de Miromesnil in Paris (8th) for €120 thousand;
- structural reinforcement work (reinstatement of a mezzanine floor, etc.) at the property in Alfortville for €115 thousand, enabling the resale thereof;
- work to repair the roof at the property on Rue Beaumont in Nice (06) for €55 thousand;
- repair works at a shop on Rue de l'Arche in Corbeil-Essonnes (91) for €18 thousand;
- contribution towards work carried out by the tenant at the property in Place Charles Lepère in Auxerre (89) for €16 thousand;
- work on the plumbings at the property on Rue Saint Dominique in Paris (7th) for €13 thousand;
- contribution towards work carried out by the tenant at the building on Avenue de Wagram in Paris (17th) for €12 thousand, leading to it being re-let;
- work to repair the roof at the property on Avenue de la Grande Armée in Paris (17th) for €12 thousand;
- a €10 thousand contribution to the tenant's work to refurbish the shop on Rue Saint Aubin in Angers (49);
- work to repair the roof on the building on Rue Aristide Briand in Fontainebleau (77) for €9 thousand;
- work to repair the roof at the property on Rue de la Convention in Paris (15th) for €8 thousand.

Restoration work is subject to provisions for liabilities as part of the multi-year maintenance plans. A provision of €106 thousand was made in relation hereto in the 2019 financial statements and €73 thousand of this was reversed as it had been spent. The balance of this provision for restoration work was €441 thousand at 31 December 2019.

Marketing and technical management fees

To ensure the responsive real estate management of its portfolio, SELECTIRENTE may be required to sign lease or sale mandates with affiliated companies (*GSA Immobilier*, *Espace Immobilier Lyonnais*), subsidiaries of Sofidy. These mandates are agreed in accordance with market conditions and no fees were invoiced to SELECTIRENTE in this respect by *GSA Immobilier* or EIL in 2019.

In order to maintain the portfolio and value of the assets, real estate management, technical management or AFUL (independent property management association) director duties may be entrusted to affiliated companies (GSA Immobilier, Espace Immobilier Lyonnais), subsidiaries of Sofidy. These duties are entrusted in accordance with market conditions. The fees invoiced in this respect by GSA Immobilier amounted to €1,800, excluding taxes, in 2019. No fees were invoiced in this respect by EIL in 2019.

Brand

At its meeting on 28 July 2006, the Supervisory Board of the Company authorised the Management Board to acquire the "SELECTIRENTE" trademark from Sofidy for the price of one euro. This acquisition was completed on 2 August 2006.

6.3. Investments

Minority investment of 48% in Rose SARL[1] [3]

In February 2016, SELECTIRENTE completed an indirect investment of €1,200 thousand in a shopping arcade of 57 units in the immediate outskirts of Reggio Emilia, a city in northern Italy. The asset has a large catchment area and is mainly rented to domestic and international brands (Zara, Bershka, Stradivarius, Intersport, Virgin Active, etc.). This investment was made by way of a minority stake (48.0%), together with the Tikehau Group, in a Luxembourg company (SARL ROSE) which itself holds 6.9% in the acquiring fund of the arcade (Tikehau Italy Retail Fund 1 SCSP, managed by the TIKEHAU Group). The expected internal yield on this investment is estimated at between 10.4% and 14.0%.

As the asset management company for Tikehau Italy Retail Fund 1 SCSP, Tikehau Investment Management

[1] *As the asset management company for Tikehau Italy Retail Fund 1 SCSP, Tikehau Investment Management (TIM) received commission equal to 1% of the value of the real estate asset at the time of the acquisition, followed by an annual commission equal to 0.70% of the acquisition value of the asset.*

(TIM) received commission equal to 1% of the value of the real estate asset at the time of the acquisition, followed by an annual commission equal to 0.70% of the acquisition value of the asset.

Minority investment of 1% in SPPICAV Tikehau Retail Properties III[1 2]

In October 2015, SELECTIRENTE invested €2,000 thousand in a professional OPCI which owns 102 commercial units divided between 35 sites in France, mainly let to national brands including the Babou Group (59% of rents). This investment comprised a minority stake (1.1% of the share capital in the OPCI managed by the Tikehau Group) and the expected IRR is between 7.0% and 7.5%.

As the Asset Management Company for OPPCI Tikehau Retail Properties III, Tikehau Investment Management (TIM) receives a maximum annual management commission of 1.61% (incl. taxes) of the net asset of the OPPCI and commission on the investment and real estate asset disposal transactions (direct or indirect), equal to 1.20% (incl. taxes) of the acquisition or disposal value of the assets concerned. It may also receive a maximum performance commission of 10% of the profits of OPPCI if these exceed the target of 7% per year.

SCPI shares fully owned or held in temporary usufruct

Furthermore, SELECTIRENTE has invested in shares of eleven SCPIs, either fully owned and managed by SOFIDY[2] or by other asset management companies. The composition of this portfolio is valued at €6.0 million at 31 December 2019.

SELECTIRENTE also invested in a portfolio of temporary usufruct shares in eight SCPIs managed by Sofidy[3] or by other asset management companies. The composition of this portfolio is valued at €1.0 million at 31 December 2019.

6.4. Significant events

In December 2019, the Company conducted a capital increase without preferential subscription rights and with a priority subscription period for shareholders, for an amount of €217 million, to enable the Company to raise the funds required to directly or indirectly acquire new real estate assets, mainly commercial, as part of the strategy put in place, while maintaining a "corporate" loan-to-value ratio of around 40%. Following this capital increase and several block disposals, the stake owned by Tikehau Capital and the shareholders with which it acts in concert was taken to 52.05% of the share capital, enabling the Company to comply with the SIIC tax status.

6.5. Main characteristics of leases

The leases entered into by the Company vary in origin and are the result of successive acquisitions and therefore have different durations and terms and conditions. For several years, as part of an active management policy, the Company has gradually harmonised all of the leases it operates when they expire and are up for renewal. Newly signed leases take the form of a Commercial Lease template. These new leases have the following characteristics: duration greater than or equal to nine years, a restrictive activity clause, an annual ILC indexing clause and the rebilling of the portion of charges. They can also charge the tenant for the cost of maintenance repairs.

Duration

All of the leases granted by the Company in the course of its activity are commercial leases. Their duration is usually nine years. If, however, the lessor is bound by the minimum lease term, the lessee has, unless the lease stipulates otherwise, an option to terminate the lease at the end of each triennial period, subject to notification by extrajudicial document to the lessor at least six months before the end of the current period, even though some leases provide for a waiver by tenants of notification at the end of the first renewal.

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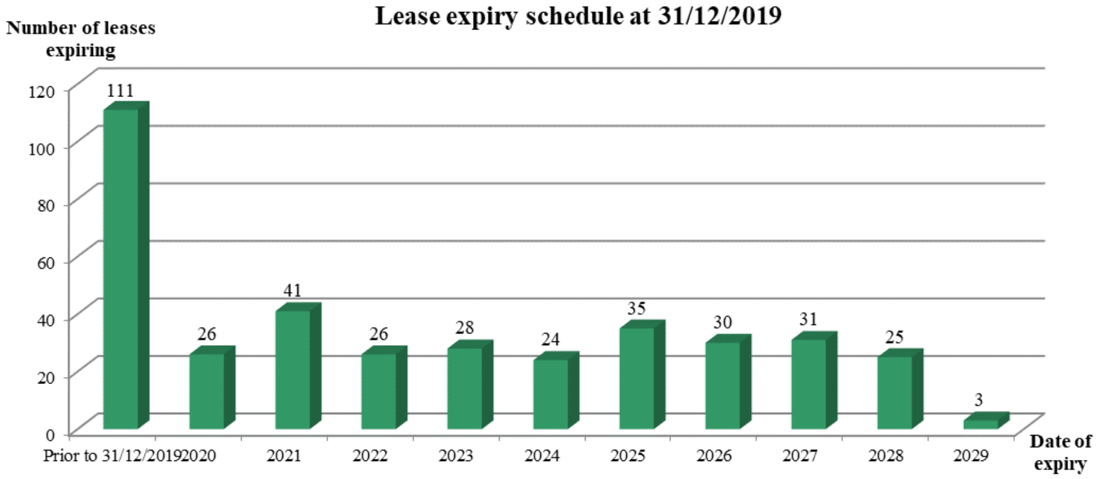
[1] As the asset management company for OPPCI Tikehau Retail Properties III, Tikehau Investment Management (TIM) will receive a maximum annual management commission of 1.61% (incl. taxes) of the net asset of the OPPCI and commission on the investment and real estate asset disposal transactions (direct or indirect), equal to 1.20% (incl. taxes) of the acquisition or disposal value of the assets concerned. It may also receive a maximum performance commission of 10% of the profits of OPPCI if these exceed the target of 7% per year.

[2] The policy implemented by SOFIDY that seeks to eliminate any situation in which commissions should accrue is presented on page 27.

[3] As the asset management company for Tikehau Italy Retail Fund 1 SCSP, Tikehau Investment Management (TIM) received commission equal to 1% of the value of the real estate asset at the time of the acquisition, followed by an annual commission equal to 0.70% of the acquisition value of the asset.



Rent and charges

As a general rule, and subject to statutory rent increase mechanisms depending on the changes in the ICC index or ILC index, the rents determined at the time of the signing of the lease cannot be revalued during the initial duration of the agreement, save in exceptional circumstances.

Save in exceptional circumstances, rents are net of all charges, and the lessees must reimburse the lessor for the share of taxes and charges relating to the leased premises, insurance premiums for the building and the property manager fees.

With respect to support for construction, most leases provide that the lessee shall bear the cost of work to bring the leased premises into compliance with any new laws or regulations. However, some make the lessor bear the cost of compliance for the structure. In most cases, the lessor has primary responsibility for major repairs as defined in Article 606 of the French Civil Code.

Lastly, the Company bears all expenses that it does not re-invoice to its tenants (in particular, expenses relating to vacant premises and the costs relating to major works carried out on real estate assets). Each year, Sofidy prepares a general expenses budget and a works budget. Expenses for works that can be recovered from tenants are included in the general expenses budget. This budget also includes insurance premiums and Sofidy management fees.

Termination indemnity

Some leases state that in the event of termination of the lease at the next triennial term, the lessee shall pay an indemnity to the lessor.

Rent-free periods

In accordance with commercial real estate rental market practices, the Company sometimes grants certain advantages to its tenants. More specifically, it may grant rent-free periods at the signing or renewal of a lease.

Transfer of lease rights

The majority of leases state that a transfer of lease rights is prohibited without the prior authorisation of the lessor and further state that a transferring tenant remains a joint guarantor of the payment of rent and charges and compliance with the terms and conditions of the lease for the remaining term of the lease.

Partial or total destruction of premises

In the event of a total destruction of the premises, the majority of leases provide for the termination thereof, and some leases provide the opportunity for the lessor to reconstruct the leased premises within a certain period of time after the destruction.

In the event of partial destruction, if the duration of works exceeds a period of 12 or 18 months according to the leases, the lessor and the lessee may terminate the lease and failing such termination, if the works are carried out, the lessee may ask for a rent reduction because of its deprivation of enjoyment.

6.6. Environmental issues

The purpose of the information below is to present, for each section of the implementing decree of Article 225 of the Grenelle II Law, the measures implemented by the Company in response to these themes.

It should be noted that the Company, having delegated its management to Sofidy, does not employ any staff. The sections relating to social information are therefore not applicable.

SOCIAL INFORMATION

Not applicable

ENVIRONMENTAL INFORMATION

a) General environmental policy

The organisation of the Company to take into account environmental issues, and where applicable, environmental assessment or certification procedures

The growing challenges of environmental policies affect buildings in particular. In France, real estate is responsible for 44% of energy consumption and 25% of greenhouse gas emissions[1]. It also plays a role in water consumption, waste and waste water management, commuting and urban mobility. Aware of the importance of these issues, your Asset Management Company endeavours to place sustainable development and the management of environmental risks at the heart of its organisation.

From an environmental point of view, your SCPI ensures its strict compliance with applicable standards and in particular provisions relating to asbestos, legionella, soil pollution and, generally speaking, all public health concerns covered by a regulatory framework. Analyses and appraisals are carried out on a case-by-case basis as risks are identified. Mandatory monitoring is regularly carried out and compliance work is undertaken if necessary, combining environmental coherence with financial profitability.

The Elan Law (law No. 2018-1021 of 23 November 2018) lists improving the energy efficiency of buildings among the priority objectives. This law, complemented by its implementing decree (tertiary decree), imposes a 40% reduction in energy consumption by 2030 (compared with 2010), a 50% reduction by 2040 and a 60% reduction by 2050 for tertiary sector, private and public buildings of more than 1,000 m². SELECTIRENTE carries out technical analyses of its portfolio assets by collecting data on consumption (fluids, energy, etc.) and by identifying the necessary action plans and work to improve the energy and environmental performance of its buildings. These analyses have resulted in the establishment of scheduled renovation programs and the gradual improvement of the portfolio. These actions are subject to assessments of the level of performance gained.

As part of this renovation program, SELECTIRENTE seeks to obtain environmental certifications (HQE, BREEAM, etc.) and/or energy label certifications (BBC, HPE, etc.) to confirm the sustainability of the assets in question.

Your SCPI's investment policy is also part of an environmental and societal approach, notably by targeting certified buildings. To this end, your Asset Management Company will soon be integrating a property rating grid based on twenty environmental, social and "ESG" governance criteria into its analysis of investment opportunities. This ESG rating grid will then be rolled out to the entire portfolio under management.

At the same time as the work to improve the energy and environmental performance of the buildings, an initiative has been set up to raise tenants' awareness of these issues. This includes a user guide which provides "eco advice" to help them reduce their energy consumption and use their premises in the best way.

All diagnostics, action plans, management tools and best practices are now managed by an ESG Committee within Sofidy and incorporated within the real estate management investment processes. The management of the “sustainable performance” of real estate assets plays a major role in their long-term financial valuation.

Employee training and awareness-raising on environmental protection

SELECTIRENTE, having delegated its management to Sofidy, does not employ any staff.

Asset Management Company Sofidy regularly holds training sessions for its technical and real estate asset manager employees on the protection of the environment.

[1] Source: general presentation brochure on “Energy efficiency in buildings”, Ministry of Ecology, Energy, Sustainable Development and Spatial Planning – ADEME, April 2008.

Resources dedicated to the prevention of environmental risks and pollution

The Company's business is subject to laws and regulations relating to the environment and public health. These laws and regulations mainly concern the ownership or use of facilities likely to be a source of pollution (classified facilities), the use of toxic substances or materials in construction, and the storage and handling of such substances.

SELECTIRENTE ensures its strict compliance with applicable standards and in particular provisions relating to asbestos, legionella, soil pollution and, generally speaking, all public health concerns covered by a regulatory framework.

Each asset is assessed (for asbestos, lead, etc.), particularly at the time of new acquisitions or work on the building. Geotechnical surveys are also used to detect any risks linked to soil pollution.

Lastly, SELECTIRENTE ensures that all companies carrying out work on its behalf remain compliant with all regulations, especially with regard to environmental risks.

Amount of provisions and guarantees for environmental risks, subject to this information not causing serious prejudice to the Company in relation to a pending or ongoing dispute

No provisions or guarantees for environmental risks have been necessary.

The impact on climate change of the Company's business and the use of the goods and services it produces

In order to reduce its CO2 emissions and mitigate the impact of its activities on the climate, the Company is working to reduce the energy consumption of its real estate portfolio through renovation works (BBC construction, etc.). At this stage, no general monitoring process to identify favourable changes in these investments has been implemented.

b) Pollution and waste management

Measures to prevent, reduce and improve emissions into the atmosphere, water and soil that severely affect the environment

When carrying out work, the companies and project managers working for SELECTIRENTE are aware of the various risks associated with construction work. The contractual documents include clauses regarding compliance with current regulations.

Measures to prevent, recycle and eliminate waste

An effective waste management policy must be based on active cooperation with the tenants.

To this end, asset management company Sofidy has developed a "Best Practices Guide" to advise the main tenants of best practices with regard to the environment, and regarding waste management in particular.

Consideration of noise pollution and any other form of pollution specific to an activity

SELECTIRENTE endeavours, especially with regard to co-owned properties, to reduce noise pollution generated by the activities of its tenants. During its renovations and any work on its assets, the Company pays particular attention to soundproofing for the comfort of the users of the buildings as well as neighbouring properties.

c) Sustainable use of resources

Water consumption and supply within local constraints

SELECTIRENTE does not consider itself concerned by specific local constraints concerning the water supply, given the geographical location of its assets.

SELECTIRENTE works closely with its tenants to reduce the consumption of water at its existing properties. With regard to renovation projects, the efficiency of installed facilities is a key factor in determining technical choices (fitting of mixer taps, etc.), to reduce water consumption.

To this end, the "Best Practices Guide" implemented by Sofidy helps to advise the main tenants of best practices with regard to water consumption.

Consumption of raw materials and measures taken to improve the effective use thereof

SELECTIRENTE's documentation, and its Universal Registration Document in particular, is printed on PEFC-certified paper, attesting to its compliance with best practices regarding sustainable forest management.

Furthermore, Asset Management Company Sofidy has introduced a paper waste collection and recycling policy with La Poste.

Energy consumption and measures taken to improve energy efficiency and the use of renewable energies

SELECTIRENTE carries out a technical analysis of its portfolio using energy performance diagnosis (DPE). The aim of these analyses is to develop a scheduled program of renovations and the gradual updating of the portfolio with a view to reducing energy consumption. For instance, SELECTIRENTE has carried out roof repair works to improve the energy efficiency of the buildings concerned.

Lastly, SELECTIRENTE works closely with its tenants to reduce the consumption of energy at its existing assets. To this end, the "Best Practices Guide" introduced by Sofidy helps to advise the main tenants of best practices with regard to the environment.

The Company does not use renewable energies.

Soil use

The due diligence process applied to acquisitions includes an assessment of technical, regulatory, environmental and safety risks, including risks such as soil pollution.

As the Company's projects are predominantly carried out in urban areas, its activities do not require the artificialisation of soil.

Food waste prevention measures

In light of the activities of SELECTIRENTE, this topic is not considered to be relevant.

d) Climate change

Greenhouse gas emissions

In its portfolio improvement and maintenance policy, the Company is mindful of its impact in terms of its greenhouse gas emissions (roof repairs, air-conditioning, green spaces, etc.). These works are carried out to improve the energy efficiency of the buildings concerned.

Adaptation to the consequences of climate change

SELECTIRENTE has not identified any particular risk concerning the potential impact of the consequences of climate change on its assets.

e) Protection of biodiversity

Measures taken to preserve and develop biodiversity

The high urban density of the majority of its properties limits the Company's capacity to work in this area.

SOCIETAL INFORMATION

a) Territorial, economic and social impact of the Company's business

Regarding employment and regional development

SELECTIRENTE, owing to the fact that the majority of its portfolio is comprised of city-centre retail properties, contributes to the economic and commercial fabric of the cities in which its assets are located. Its assets enable the development of the activities of its various tenants, which themselves are employment-generating.

Furthermore, as part of its renovation works, it generates employment directly linked to the works.

On local and neighbouring populations

The commercial activities of the SELECTIRENTE tenants benefit local residential populations and contribute to local development.

In terms of the circular economy

In light of the activities of SELECTIRENTE, this topic is not considered to be relevant.

b) Relationships with people and organisations interested in the Company's business, notably inclusion associations, educational institutions, environmental protection associations, consumer associations and local populations

Conditions of the dialogue with these people and organisations

SELECTIRENTE pays close attention to the quality of its relationships with local communities and residents. Consultations may be held when required for projects affecting the Company's real estate portfolio.

Partnership and patronage actions

Since 2012, Sofidy has been a signatory of the Principles for Responsible Investment, an initiative designed to promote action in favour of environmental, social and corporate governance concerns (http://www.unpri.org).

c) Sub-contracting and suppliers

The consideration of social and environmental issues in the Company's procurement policy

As part of the renovation works on its assets, delegated project management and real estate development contracts signed by SELECTIRENTE include clauses concerning the fight against illegal employment, compliance with environmental standards and sub-contractor insurance and guarantees.

Sofidy has also introduced a procedure for the assessment of its service providers.

The importance of sub-contracting and the consideration of social and environmental responsibility in relationships with suppliers and sub-contractors

In addition to the comments made in the paragraph above, SELECTIRENTE favours local sub-contractors to help boost regional economic development and limit the carbon footprint of its projects.

d) Fairness of practices

Action taken to prevent corruption

As part of its real estate fund management activities, Asset Management Company Sofidy has received approval from the AMF under number GP 07000042 and is subject to supervision thereby.

The "Code of Ethics for SCPI asset management companies" and the "OPCI Code of Ethics" are appended to the employment contract of every employee of the asset management company which monitors the strict compliance with the rules of good conduct set out in these codes.

The Sofidy internal control toolset notably provides for:

- an RCCI (Head of Compliance and Internal Control);
- a series of written procedures set out in the "Book of procedures and internal control";
- the regular training and sharing of services concerning current regulations and applicable internal procedures.

The "Book of procedures and internal control" requires that any gift or benefit received by an employee with a value of more than €150 must be declared to the RCCI and that any gift whose value exceeds €500 must be refused.

Measures taken to protect the health and safety of consumers

As public establishments, certain buildings and shopping centres are subject to the fire safety standards set out in Articles R. 123-1 to R. 123-55 of the French Construction and Housing Code. Before any public establishment is opened, the building is inspected by the Safety Commission. Once signed off by the Safety Commission, the mayor authorises the opening of the establishment by decree. In addition, periodic inspections are carried out to ensure compliance with safety standards.

Furthermore, all renovation work carried out by SELECTIRENTE is done so with a view to offering its tenants the highest-performing and safest premises.

e) Other action in favour of human rights

Other action in favour of human rights

In light of the Company's business and the location of its assets, the topic of "other action in favour of human rights" is not considered to be relevant.

Rue du Gros Horloge – Rouen (76)

7. REVIEW OF THE FINANCIAL POSITION AND RESULTS

7.1. Financial position

SELECTIRENTE prepares its financial statements in accordance with French accounting principles and standards. As it does not control any subsidiaries or shareholdings, it does not prepare consolidated financial statements and does not enter into the scope of application of IFRS. Within the context of the option provided by the SIIC tax regime with effect from 1 January 2007, SELECTIRENTE has carried out a revaluation of its property, plant and equipment and non-current financial assets as at 31 December 2006. No changes have been made to the presentation of the annual financial statements.

At 31 December 2019, the Company's balance sheet total amounted to €446.1 million, compared with €184.3 million the previous financial year, following the capital increase carried out by the Company in December 2019. The main asset items are comprised of rental assets (buildings and investments) totalling €244.9 million, deposit certifications of €70.0 million and cash and cash equivalents of €128.1 million. The main liability items are comprised of share capital totalling €66.8 million, share premiums of €202.6 million, revaluation adjustments for €19.6 million and bank borrowings of €134.0 million.

7.1.1. Changes in income

The income statement for the past five years is as follows:

(in thousands of €)	**31.12.2015**		**31.12.2016**		**31.12.2017**		**31.12.2018**		**31.12.2019**	
Rental income from buildings	13 403	92,7%	13 798	90,7%	13 250	91,4%	12 955	90,1%	14 211	90,3%
Income from investments, usufruct and related income	1 062	7,3%	1 407	9,3%	1 246	8,6%	1 418	9,9%	1 532	9,7%
Gross rental income	**14 465**	**100,0%**	**15 205**	**100,0%**	**14 496**	**100,0%**	**14 372**	**100,0%**	**15 743**	**100,0%**
Net rental income	**13 706**	**94,8%**	**14 290**	**94,0%**	**13 716**	**94,6%**	**13 601**	**94,6%**	**14 898**	**94,6%**
Remuneration of the management company	-1 128	-7,8%	-1 119	-7,4%	-1 084	-7,5%	-1 072	-7,5%	-1 174	-7,5%
Other purchases and external expenses	-527	-3,6%	-551	-3,6%	-659	-4,5%	-821	-5,7%	-764	-4,9%
Other operating income and expenses	-53	-0,4%	-136	-0,9%	-246	-1,7%	-370	-2,6%	-80	-0,5%
EBITDA	**11 998**	**82,9%**	**12 484**	**82,1%**	**11 727**	**80,9%**	**11 337**	**78,9%**	**12 879**	**81,8%**
Amortisation and depreciation	-4 770	-33,0%	-4 917	-32,3%	-4 601	-31,7%	-4 575	-31,8%	-4 781	-30,4%
Provisions	-275	-1,9%	-449	-3,0%	117	0,8%	331	2,3%	-111	-0,7%
Operating profit (loss)	**6 954**	**48,1%**	**7 119**	**46,8%**	**7 242**	**50,0%**	**7 094**	**49,4%**	**7 987**	**50,7%**
Financial income	111	0,8%	36	0,2%	115	0,8%	77	0,5%	534	3,4%
Financial expenses	-3 335	-23,1%	-3 181	-20,9%	-2 803	-19,3%	-2 582	-18,0%	-2 354	-15,0%
Financial income (expense)	**-3 224**	**-22,3%**	**-3 144**	**-20,7%**	**-2 688**	**-18,5%**	**-2 505**	**-17,4%**	**-1 820**	**-11,6%**
Recurring income/(expense) before tax	**3 730**	**25,8%**	**3 974**	**26,1%**	**4 554**	**31,4%**	**4 589**	**31,9%**	**6 168**	**39,2%**
Capital gains or losses on building disposals	1 400	9,7%	-123	-0,8%	2 535	17,5%	1 499	10,4%	3 130	19,9%
Other non-recurring income and expenses	-235	-1,6%	-254	-1,7%	-1 069	-7,4%	-1 886	-13,1%	-480	-3,1%
Net non-recurring income/(expense)	**1 166**	**8,1%**	**-376**	**-2,5%**	**1 466**	**10,1%**	**-387**	**-2,7%**	**2 650**	**16,8%**
Corporate income tax	0	0,0%	-38	-0,3%	-50	-0,3%	-11	-0,1%	-43	-0,3%
Net result	**4 896**	**33,8%**	**3 559**	**23,4%**	**5 970**	**41,2%**	**4 191**	**29,2%**	**8 775**	**55,7%**

SELECTIRENTE recognised gross rental income of €15,743 thousand in 2019, a minor increase of 9.5% against the previous financial year. Rents in 2019 rose by 9.7% compared with the previous financial year. On a like-for-like basis, restated rent increased by 2.8% compared to the previous financial year.

Operating profit was up 12.6% thanks to good control of real estate expenses and the positive effect of action undertaken in terms of rent collection. The operating margin was 50.7% for the financial year, compared with 49.4% for 2018. The work undertaken to reduce the cost of debt has resulted in a 34.4% increase in recurring profit before tax, representing a higher margin than the previous financial year (39.2% versus 31.9%) and the highest for five years.

The net result for the year was €8,775 thousand, up 109% compared to the previous year, notably thanks to divestments during the year which generated capital gains of €3,124 thousand and the sale in September 2019 of a peripheral store in Alfortville (94) for the sum of €6,700 thousand.

Earnings per share over the past five years are as follows (fully-diluted basis):

In euros per share (1)	2015	2016	2017	2018	2019
Gross rental income	8,65	9,09	8,67	8,60	8,95
- Real estate expenses	-0,45	-0,55	-0,47	-0,46	-0,48
Net rental income	8,20	8,54	8,20	8,14	8,47
- Operating expenses	-1,02	-1,08	-1,19	-1,36	-1,15
EBITDA	7,17	7,46	7,01	6,79	7,32
- Net depreciation, amortisation and impairment	-3,02	-3,21	-2,68	-2,54	-2,78
Operating profit (loss)	4,16	4,26	4,33	4,25	4,54
Financial income (expense)	-1,72	-1,67	-1,40	-1,31	-1,28
Recurring income/(expense) before tax	**2,44**	**2,59**	**2,93**	**2,93**	**3,26**
- Tax on recurring income	0,00	-0,03	-0,03	-0,01	-0,02
Recurring income/(expense) after tax	**2,44**	**2,56**	**2,90**	**2,92**	**3,24**
Net non-recurring income/(expense)	0,70	-0,23	0,88	-0,23	1,51
- Tax on non-recurring income	0,00	0,00	0,00	0,00	0,00
Non-recurring income/(expense) after tax	**0,70**	**-0,23**	**0,88**	**-0,23**	**1,51**
Net result	**3,13**	**2,33**	**3,78**	**2,69**	**4,75**
Distributable income/(expense)	2,44	2,56	2,90	2,92	3,24
Distributable profit from arbitrages	0,84	-0,07	1,52	0,90	1,78
Distributable reserves from arbitrages	0,18	0,35	0,92	0,14	0,00
Other distributable non-recurring income/ (expense)	-0,14	-0,15	-0,64	-1,13	-0,27
Distributable profit (loss) and reserves generated over the yea	**3,31**	**2,69**	**4,69**	**2,83**	**4,75**
Operating cash flow	**5,51**	**5,86**	**5,20**	**5,19**	**5,88**

(1) average number of diluted shares outstanding during the financial year.

After taking into account the dilutive effect of the convertible bonds, operating cash flow per share was up slightly (+13.1%) compared with the previous financial year.

The cash flow statement is presented in the appendices to the financial statements.

The Company's results for the past five financial years is as follows:

(In euros)	2015	2016	2017	2018	2019
I-CAPITAL AT THE END OF THE YEAR					
Share capital	23 453 888	23 453 888	24 266 096	24 684 080	66 767 008
Existing number of ordinary shares	1 465 868	1 465 868	1 516 631	1 542 755	4 172 938
Maximum number of future shares to be created by conversion of bonds and exercise of stock options	208 783	208 783	158 020	131 896	1 054
II-OPERATIONS AND RESULTS FOR THE FINANC.					
Revenue excluding tax	14 464 898	15 204 817	14 496 102	14 372 219	15 743 107
Profit(loss) before tax, amortisation, depreciation, and provisions	10 148 495	9 207 759	11 048 052	9 954 650	13 986 031
Corporate income tax	-	38 243	49 671	11 430	42 689
Profit(loss) after tax, amortisation, depreciation, and provisions	4 895 662	3 559 481	5 970 048	4 191 055	8 774 664
Profit distributed for the financial year (1)	4 104 430	4 251 017	4 853 219	5 322 505	14 605 283
III-EARNINGS PER SHARE (2)					
Income after tax, but before depreciation, amortisation and provisions	6,34	5,75	5,76	6,12	7,93
Earnings after tax, amortisation, depreciation and provisions	3,29	2,48	3,84	2,74	5,03
Total net dividend accruing to each share (1)	2,80	2,90	3,20	3,45	3,50
IV-PERSONNEL					
Average number of employees during the financial year	-	-	-	-	-
Amount of payroll for the financial year	-	-	-	-	-

(1) dividend proposed at the next General Meeting for 2018.
(2) on a diluted basis and compared to the average number of diluted non-treasury shares.

7.1.2. Allocation of the revaluation adjustment, net result and distribution

The revaluation adjustment recorded in the non-distributable revaluation reserve may be transferred to a distributable reserve item when the asset that generated the difference is sold, as well as each year for the percentage of amortisation/depreciation corresponding to the revaluation adjustment.

In this respect, the Management Board proposes to the General Meeting (second resolution) to transfer the sum of €310,001.73 from the item "Revaluation adjustments" to a "Distributable reserves" item. This amount corresponds to additional amortisation/depreciation recognised for the financial year and to the revaluation.

The Management Board also proposes to the General Meeting (second resolution) to allocate the profit for year ended 31 December 2019 as follows:

Distributable profit:	
Profit for the financial year	+ €8,774,664.05
Retained earnings	+ €4,126,416.69
Distributable profit (excluding distributable reserves)	+ €12,901,080.74
Distributable reserves:	
Share premium	+ €202,619,937.32
Distributable revaluation adjustment	+ €9,134,511.99
Other reserves	+ €11,904.63
Distributable reserves	+ €211,766,353.94
Appropriation:	
Allocation to the legal reserve	- €438,733.20
Distribution of a dividend per share of €3.50	
representing a maximum amount of	- €14,605,283.00
including deduction from distributable profit:	*- €12,462,347.54*
including deduction from the "Distributable revaluation adjustment" item	*- €2,142,935.46*
Balance allocated to retained earnings	€0.00

With regard to distribution, SELECTIRENTE has opted for the SIIC tax regime since 1 January 2007. This regime imposes certain obligations in relation to distribution (Article 208 C of the French General Tax Code), the obligation relating to income on disposals was recently reinforced by the Finance Law for 2018:

- obligation to distribute, in the year following the end of the financial year, 95% of recurring income from SIIC activities. This obligation represents €5,391,343.97 for the 2019 financial year and will be complied with by the proposed distribution of €5,539,712.41 voted on at the next General Meeting;
- obligation to distribute, within the two years following the end of the financial year, 70% (rather than 60% as was the case previously) of income on disposals (capital gains on the sale of real estate assets). The distribution proposed at the next General Meeting will enable the Company to comply with the balance of the full obligation relating to sales completed in 2019 (€2,191,159.36).

In euros	2019 accounting base	2019 tax base **(1)**	Obligation to distribute in respect		Proposed distribution	
			Amount	Per share **(2)**	Amount	Per share **(2)**
Recurring income from exempt SIIC business subject to a distribution obligation of 95% in the following year	5 539 712,41	5 675 098,91	5 391 343,97	1,29	5 539 712,41	1,33
Exempt profit (loss) from disposal subject to a distribution obligation of 70% within two years **(3)**	3 130 227,65	3 130 227,65	2 191 159,36	0,53	2 691 494,45	0,64
Taxable earnings	104 723,99	104 723,99			104 723,99	0,03
Retained earnings					4 126 416,69	0,99
- of which taxable earnings					*2 593 291,12*	*0,62*
- of which exempt SIIC earnings					*1 533 125,57*	*0,37*
Distributable revaluation adjustment					2 142 935,46	0,51
Total	8 774 664,05	8 910 050,55	7 582 503,32	1,82	14 605 283,00	3,50

(1) *distribution obligations base by subsector (exempt/taxable).*
(2) *compared to the number of shares in circulation with full dividend rights at 31.12.2019 / rounded figure.*
(3) *the distribution proposed complies with 100% of the obligation to distribute in respect of the disposals during the 2019 financial year.*

In accordance with the provisions of the Finance Law for 2019, the dividend payment is reduced for individual shareholders resident in France for tax purposes by the amount of social security contributions, i.e. 17.2%, in addition to the mandatory fixed reduction of 12.8%. For shareholders opting for the taxation of dividends according to the progressive scale, it is specified that only those dividends paid in respect of activities subject to corporation tax (€4,840,950.57 i.e. €1.16 per share proposed at the next General Meeting) will be eligible for the 40% reduction mentioned in Article 158-3-2 of the French General Tax Code, as well as the exemptions provided for by the parent-subsidiary regime.

As a guideline, subject to the approval of the second resolution presented to the General Meeting, by adding the amount of distributable reserves to retained earnings after allocation of the profit distributed for the financial year, SELECTIRENTE still had distributable profit and reserves of €1.75 per share outstanding at 31 December 2019.

7.1.3. Information on sumptuary and non-deductible charges

Pursuant to Article 233 quarter of the French General Tax Code, we confirm that the Company did not incur any non-deductible expenses or charges as described in Article 39-4 of the aforementioned Code.

Pursuant to Article 223 quinquies of the French General Tax Code, we confirm that the Company did not incur any non-deductible expenses or charges as described in Article 39-5 of the aforementioned Code.

7.1.4. Supplier and customer settlement periods

Supplier settlement periods:

Article D. 441 I.-1°: Outstanding invoices received at the balance sheet date that have expired						
	0 days (for information)	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**> 91 days**	**Total (1 day and over)**
(A) Late payment days						
Number of invoices concerned	30					128
Total amount of invoices concerned including tax	528 118	33 920	12 944	716	91 970	139 551
Percentage of the total amount of purchases including tax for the financial year	5,88%	0,38%	0,14%	0,01%	1,02%	1,55%
(B) Invoices excluded from (A) concerning disputed or unrecognised debts and receivables						
Number of invoices excluded	0	0	0	0	0	0
Total number of invoices excluded	0	0	0	0	0	0
C) Reference payment terms used (contractual or legal terms - Article L.441-6 or Article L.443-1 of the French Commercial Code						
Payment terms used to calculate late payments	Legal terms: 30 days					

Customer settlement periods:

Article D. 441 I.-2°: Outstanding invoices issued at the balance sheet date that have expired						
	0 days (for information)	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**> 91 days**	**Total (1 day and over)**
(A) Late payment days						
Number of invoices concerned	0					824
Total amount of invoices concerned including tax	0	270 041	173 032	23 662	1 606 889	2 073 624
Percentage of the revenue including tax for the financial year	0,00%	1,42%	0,91%	0,12%	8,44%	10,89%
(B) Invoices excluded from (A) concerning disputed or unrecognised debts and receivables						
Number of invoices excluded	0	0	0	0	0	0
Total number of invoices excluded	0	0	0	0	0	0
C) Reference payment terms used (contractual or legal terms - Article L.441-6 or Article L.443-1 of the French Commercial Code						
Payment terms used to calculate late payments	Legal terms: 0 days					

7.2. Net asset value

The Company's portfolio has been subject to annual independent valuations since 2001, in the form of a full appraisal upon acquisition, and then every four years in the form of an updated appraisal (only room work without visiting).

In a context of the renewal of independent real estate experts following the resignation of Crédit Foncier Expertise (following a call for tenders, Cushman & Wakefield now covers the entire scope whereas Crédit Foncier Expertise previously covered 85%), at 31 December 2019 SELECTIRENTE had expert appraisals on its entire real estate portfolio. At 31 December 2019, only the most recent acquisition, completed on 16 December 2019, had not been appraised and was therefore recognised at its acquisition value excluding duties and costs (i.e. 0.2% of the total value of direct real estate assets).

The Net Asset Value (liquidation NAV (excl. duties)) of SELECTIRENTE is calculated by adding to the Company's shareholders' equity the unrealised capital gains on fixed assets based mainly on the appraisal value of each real estate asset. The detailed valuations of each asset are not presented insofar as their disclosure could be prejudicial to the Company in the event of any future divestments.

SELECTIRENTE now also calculates its EPRA Triple Net Asset Value (NNNAV) (excl. duties) (see section 7.3.5 of the Universal Registration Document).

SCPI and OPCI shares are measured at their withdrawal or net asset value, Rose shares are recorded at their most recent net asset value as at 31 December 2019 and the temporary usufructs of SCPI shares are recorded at historical cost less any depreciation, where applicable.

In euros	31.12.2018	31.12.2018 diluted (2)	31.12.2019	31.12.2019 diluted (2)
Equity	76 488 112 (*)	76 488 112 (*)	304 418 190	304 418 190
Impact from convertible bonds		8 309 448		66 402
Reassessed real estate portfolio (1)	232 957 000	232 957 000	305 155 800	305 155 800
-Net book value of real estate portfolio	-165 695 634	-165 695 634	-233 527 671	-233 527 671
Unrealised capital gains or losses	67 261 366	67 261 366	71 628 129	71 628 129
Valuation of the long-term shareholdings in trading portfolio	9 247 949	9 247 949	9 225 312	9 225 312
Net book value of the long-term shareholdings in trading portfolio	8 930 449	8 930 449	8 893 526	8 893 526
Unrealised capital gains or losses on securities	317 500	317 500	331 786	331 786
Liquidation NAV (A)+(B)+(C)+(D)	**144 066 979 (*)**	**152 376 427 (*)**	**376 378 106**	**376 444 508**
Impact of EPRA compliance:				
Restatement of equity under IFRS		-319 528		-190 053
of which: Amortisation of benefits granted to tenants and allowances		-170 295		-212 011
Accounting for OCEANE under IFRS		-152 367		3 439
Fair value adjustment of hedging instruments		-28 757		-13 743
Deferred taxes		-14		-10 741
Other IFRS restatements		31 905		43 001
Fair value adjustment of fixed-rate debts		-4 073 321		-2 929 327
Restatement of OCEANE financial expenses		383 915		3 101
EPRA NNNAV	***n.a.***	**148 367 492 (*)**	***n.a.***	**373 328 228**
Number of non-treasury shares at 31 December	1 538 673	1 670 569	4 169 219	4 170 273
Going concern NAV incl. duties per share	**320,22 (*)**	**101,54 (*)**	**95,67**	**95,67**
Liquidation NAV per share	**93,63 (*)**	**91,21 (*)**	**90,28**	**90,27**
EPRA NNNAV per share	***n.a.***	**88,81 (*)**	***n.a.***	**89,52**

(1) excluding fees according to independent real estate appraisal value.
(2) in the event of conversion of all OCEANE into new shares.
(*) before interim ex-dividend date of €2.205 per share paid on 2 January 2019.

At 31 December 2019, fully-diluted NAV per share showed the following changes compared with the previous financial year:

- continuation NAV (incl. estimated duties based on expert reports of 6.2%, 6.9% or 7.5% in France and 10% or 12.5% in Belgium, depending on the region), stood at €95.67 per share, representing decline of -5.8%;
- liquidation NAV (excl. duties) stood at €90.27 per share, down 1.0%;
- EPRA NNNAV (excl. duties) stood at €89.52 per share, up 0.8%.

The expert appraisals were 4.7% higher on a like-for-like basis in 2019, reflecting the buoyancy of the markets on which SELECTIRENTE operates, as well as its capacity to create value. This increase is the result of a rise in the values of city-centre shops (+5.2 %), which represent 88% of the portfolio, and peripheral stores

(+1.5%). Growth in the value of assets was higher in Paris (+8.0%) and the surrounding region (+4.7%) than in regional areas (+0.4%) and Belgium (-5.6%). At the end of 2019, the yield based on these appraisals (including duties) was 4.6% for city-centre shops (an average of 4.1% for Paris premises, an estimate of between 2.75% and 5.37% for the extremes, and 5.2% in the Paris region and 5.6% in regions) and 7.7% for peripheral units, representing an average yield of 4.9% on the portfolio as a whole.

7.3. Other financial information

7.3.1. SIIC tax regime option

As a reminder, the specific tax exemption scheme applicable to SIIC (French listed real estate companies) under Article 11 of the Finance Law for 2003 and implemented by the decree of 11 July 2003 is an option for companies listed on a regulated French market, with a minimum share capital of €15 million and whose main purpose is the acquisition or construction of buildings intended for leasing or the direct or indirect holding of investments in legal entities with the same corporate purpose. The option is irrevocable. In return for this exemption, the companies must distribute 95% of their rental income in the year following that in which the income is recorded, and 70% of their income on disposals within the two years following that in which the income is recorded (these obligations were reinforced by the Amending Finance Law of 2013 and the Finance Law of 2019). The option to apply for the SIIC regime results in the immediate payment of a capital gains tax of 16.5% on unrealised capital gains from the sale of buildings and securities of partnerships not subject to corporation tax. The capital gains tax is payable at the rate of one quarter of the amount on 15 December in the year in which the option is taken and the balance is spread out over the following three years.

SELECTIRENTE decided to opt for this tax regime with effect from 1 January 2007. The capital gains tax payable in this respect amounted to €3.9 million and was paid off in full on 15 December 2010. As part of the option to apply for the SIIC tax regime, SELECTIRENTE carried out revaluation of its property, plant and equipment and non-current financial assets. Pursuant to recommendation No. 2003-C of 11 June 2003 of the ANC (French National Accounting Council), the revaluation adjustment was recorded under own funds for an amount net of the capital gains tax, i.e. €19.7 million. Further details on this were appended to the 2007 financial statements.

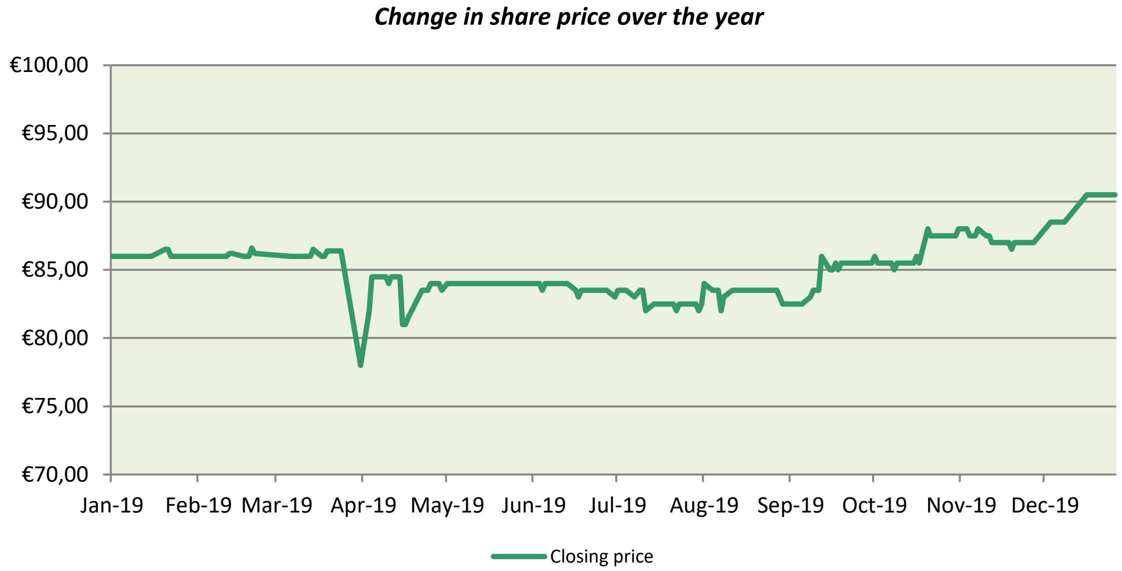
In the event that SELECTIRENTE opts out of the SIIC regime, the Company would be taxed under the common law conditions on income that was exempt under the SIIC regime and that has not been distributed. As the option to apply for this regime was taken over 10 years ago, SELECTIRENTE would be exempt from tax on unrealised capital gains acquired since 2007.

7.3.2. Company's dividend policy

The Company's distribution policy is set by its corporate bodies according to the Company's distribution capacity and obligations, its financial position and financial requirements, and in accordance with the distribution obligations associated with the regime applicable to French Listed Real Estate Investment Companies (SIIC), for which the Company has opted.

7.3.3. SELECTIRENTE shares

Changes in share price since January 2019



The SELECTIRENTE share price fluctuated between €78.00 and €90.50 over the course of the 2019 financial year.

A total of 24,665 shares, representing 0.6% of the share capital, were traded on the market during the 2019 financial year (excluding the off-market transaction), compared with 162,998 shares in 2018, 10.6% of the share capital. At 31 December 2019, the Company's market capitalisation stood at €406.9 million.

Share buyback program

As part of the share buyback program approved by the General Meeting of 28 August 2006 and renewed by the General Meeting of 13 June 2019, the Management Company entered into a liquidity agreement with Invest Securities for a nominal amount of €300,000. At 31 December 2019, 3,719 Company shares were held under this liquidity agreement, representing 0.09% of the share capital of SELECTIRENTE.

Sales and purchases over the financial year affected 1,403 shares with an average price of €84.40.

In the context of the capital increase launched by SELECTIRENTE, and in accordance with regulations, the liquidity agreement was suspended from the start date of the operation, i.e. 4 December 2019. Transactions resumed on 6 January 2020.

7.3.4. Future development forecasts and research & development activities

Given the nature of its activity, the Company did not incur any research and development expenses during the last financial year.

7.3.5. Methodological note

Loan-to-value

The loan-to-value corresponds to the ratio of bank borrowings (€133,982 thousand at 31 December 2019) to the reassessed value (excl. duties) of the Company's portfolio (€315,370 thousand at 31 December 2019).

Financial occupancy rate

The financial occupancy rate is calculated as the ratio between the sum of rent invoiced and the amount that would be invoiced if all properties were let. This indicator complies with the ASPIM methodological note on performance indicators, available from the website www.aspim.fr.

Reassessed value of the portfolio

The reassessed value (excl. duties) of the Company's portfolio is based on the following:

- the direct real estate portfolio is recognised at its appraisal value at 31 December 2019 or its acquisition cost excluding duties and fees for acquisitions after 30 November 2019;
- fully-owned SCPI shares are recorded at their withdrawal value or market value as at 31 December 2019;
- OPCI shares are recorded at their most recent net asset value as at 31 December 2019;
- Rose shares are recorded at their most recent net asset value as at 31 December 2019;
- temporary usufructs of SCPI shares are recorded at their net carrying amount as at 31 December 2019.

The table below details the breakdown of appraisal values of the direct real estate portfolio by type of valuation (expert appraisals, five-year revaluations, updates):

Crédit Foncier Expertise	2018	%	2019	%
Assessment and restatements	32 205 000 €	13,8%	0 €	0,0%
Discounts	161 252 000 €	69,2%	0 €	0,0%
Sub-Total	**193 457 000 €**	**83,0%**	**0 €**	**0,0%**

Cushman & Wakefield	2018	%	2019	%
Assessment and restatements			304 597 000 €	99,8%
Discounts	34 450 000 €	14,8%		0,0%
Sub-Total	**34 450 000 €**	**14,8%**	**304 597 000 €**	**99,8%**

Adjustment of the value of the Alfortville asset	600 000 €	0,3%	0 €	0,0%
Unassessed	4 450 000 €	1,9%	558 800 €	0,2%
TOTAL	**232 957 000 €**	**100%**	**305 155 800 €**	**100%**

Operating cash flow

Operating cash flow corresponds to the net income for the year (€8,775 thousand for 2019) plus net amortisation, depreciation and provisions for the year (€4,683 thousand for 2019) and adjusted for capital gains and/or losses on disposals, net of tax (€3,124 thousand for 2019).

Restated rent

Ad hoc regularisation of rent at 31 December 2018 with no impact on the net result for the year (offset by a reversal in provisions) linked to the legal setting of a rent with retroactive effect for a shop in Le Raincy (93). The change in rent between 31 December 2019 and 31 December 2018, restated for this ad hoc regularisation, is determined as follows:

In thousands of euros	2018	2019	Variation 2018 vs. 2019
Rent	12,995	14,218	+9.7%
- One-off asset recorded on a property in Le Raincy	+226	-	N.S.
Restated rent	**13,181**	**14,218**	**+7.9%**

The restated change in rent on a like-for-like basis is determined as follows:

Rent 2019 / 2018 on a like-for-like basis (€ thousand)	
Restated 2018 rent	13 181
- 2018 rent from 2018 acquisitions	-215
+ 2018 rent annualised for 2018 acquisitions	501
- 2018 rent from 2018 disposals	-92
- 2018 rent from 2019 disposals	-482
Restated 2018 rent excluding changes in scope	**12892**
2019 rent	14 211
- 2019 rent from 2019 acquisitions	-620
- 2019 rent from 2019 disposals	-342
Restated 2019 rent	**13249**
Change in amount	**357**
Change as %	**2,8%**

EPRA NAV

NAV is a valuation method which consists of estimating shareholders' equity based on the market value of the assets and liabilities of the entity being valued.

NAV therefore corresponds to net assets after reappraisal of the real estate portfolio by property experts. There is a distinction between:

- liquidation NAV for which the value of buildings is appraised excluding transfer taxes on securities and investment properties (paid by the purchaser of a property);
- NNNAV (according to the European Public Real Estate Association) which is calculated after tax on unrealised capital gains and the fair value adjustment of hedging instruments and financial borrowings.

Rue Saint-Dominique – Paris (7th)

8. CAPITAL RESOURCES

8.1. Information on the Company's share capital

	Number of shares issued	Number of shares after issue	Par value per share *euros*	Share premium per share *euros*	Subscription price per share *euros*	Capital increase (par + premium) *euros*	Share capital after issue *euros*
6 October 2006	238,960	1,221,708	16.00	22.50	38.50	9,199,960	19,547,328
1 August 2007	234,160	1,455,868	16.00	31.00	47.00	11,005,520	23,293,888
23 December 2008	10,000	1,465,868	16.00	14.49	30.49	304,900	23,453,888
2017	50,763	1,516,631	16.00	47.00	63.00	3,198,069	24,266,096
2018	26,124	1,542,755	16.00	47.00	63.00	1,645,812	24,684,080
2019 – conversion of OCEANE	130,183	1,672,938	16.00	47.00	63.00	8,201,529	26,767,008
2019 – capital increase	2,500,000	4,172,938	16.00	70.8	86.8	217,000,000	66,767,008

In 2019, 223,715 bonds with conversion and/or exchange options to new or existing Company shares issued by SELECTIRENTE on 17 December 2013 (the "OCEANE") were converted (including all of the 128,579 OCEANE held by Sofidy and Tikehau Capital which were converted at the end of October 2019). These conversions took place through the delivery of 207,070 new shares and 16,645 existing shares[1].

Following these conversions, 1,054 OCEANE granting entitlement to 1,054 shares (subject to adjustments) were outstanding at 31 December 2019. These OCEANE represent a nominal amount of €15,810. Holders of OCEANE benefit from a right to allocation of shares at the rate of one share per OCEANE (subject to adjustments), exercisable at any time up to the seventh business day prior to 1 January 2020. These bonds were redeemed in full upon maturity on 2 January 2020.

8.2. Source and amount of cash flows.

Cash flows are presented in the "Cash flow statement" section on page 95 of the Universal Registration Document.

8.3. Debt financing and changes in debt

Since its constitution at the end of 1997, SELECTIRENTE has implemented a debt policy which consists of:

- backing dedicated financing with a mortgage guarantee for each acquisition;
- arranging long-term loans (generally 15 years), the majority of which carry fixed rates;
- excluding any financial covenants on the Company;
- pooling its debt with a number of leading banking institutions.

It should be noted that the contracts for certain bank loans include an early repayment clause in the event of a change in the Asset Management Company.

At 31 December 2019, the Company had cash flow of €198.1 million. In light of this level of cash flow and the policy on the partial financing of its acquisitions through the arrangement of long-term mortgage loans, the Company considers this level of cash flow to be sufficient to meet its acquisition commitments.

[1] In accordance with the terms and conditions described in the securities note relating to the issue of OCEANE approved by the AMF on 26 November 2013, and as restated in the information memo regarding the public takeover bid initiated by Tikehau Capital relating to the Company's shares and OCEANE, the share to OCEANE allocation ratio was temporarily amended to 1.005 shares per OCEANE during the public takeover period. 480 OCEANE were converted during this period and benefited from the improved ratio. The share to OCEANE allocation ratio was then put back to 1 share per OCEANE after the public takeover.

New financing arranged in 2019

During the year, SELECTIRENTE signed a refinancing agreement on a portfolio of 19 commercial assets in and around Paris for the sum of €14 million (€9.4 million in new cash). This borrowing, made up of one amortisable tranche (€11.2 million) and one in fine tranche (€2.8 million) was taken out over 15 years at a fixed rate of 1.34%.

The acquisitions of the 2019 financial year were partially financed by mortgage bank loans for a total amount of €42.6 million, taken out over 10 to 15 year terms and with fixed rates of between 0.85% and 1.73%. These borrowings include the partial financing of the acquisition of the property in Bordeaux and the portfolio of 31 shops in Paris by two mortgages totalling €40.0 million, taken out over 10 years at a fixed rate of 1.23% with an amortisable tranche of 30% and an in fine tranche of 70%.

In addition to these mortgage financings, in October 2019 the Company took out a €25-million corporate credit over 12 months at a variable rate of Euribor 3 months (floor limit of 0%) plus a margin of 1.20%. This credit was repaid in full on 23 December 2019.

Issue of OCEANE (bonds convertible into new or existing shares)

As a reminder, SELECTIRENTE successfully completed an issue of OCEANE bonds in December 2013 for a gross amount of €14.2 million. The OCEANE bonds were issued at a unit price of €63 and will be redeemed on 1 January 2020 at the unit price of €67, unless they have been converted before this date or subject to early amortisation. They bear interest at a nominal annual rate of 3.5%.

During the financial year, SELECTIRENTE received conversion requests for 130,842 OCEANE. At 31 December 2019, the number of OCEANE outstanding was 1,054; these bonds were fully repaid upon maturity on 2 January 2020.

Composition of debt as at 31 December 2019

At 31 December 2019, bank borrowings totalled €134.0 million. Over the past five years, the overall net debt of SELECTIRENTE has changed as follows:

In thousands of €	**2015**	**2016**	**2017**	**2018**	**2019**
Borrowings from credit institutions	95 754	87 966	89 220	92 175	133 982
Financial debt on convertible bonds	13 988	13 988	10 587	8 837	69
Gross financial debt	109 742	101 955	99 807	101 012	134 051
Current account transactions by shareholders		3 000			
Cash and cash equivalents and marketable securitie	2 459	817	6 622	5 565	128 140
Certificates of deposit					70 003
Net debt	107 284	101 138	93 185	95 447	-64 092

The various debt ratios have changed as follows over the past five years:

At 31 December	**2015**	**2016**	**2017**	**2018**	**2019**
Bank borrowings/Revalued portfolio	**43,3%**	**37,9%**	**38,1%**	**37,9%**	**42,5%**
Gross debt *(1)* /Revalued portfolio	49,6%	45,3%	42,6%	41,5%	42,5%
Net debt *(1)* /NAV *(2)*	97,1%	81,2%	67,5%	66,3%	-17,0%
Net debt *(1)* /OCF *(3)*	12,3 x	10,8 x	11,1 x	11,4 x	-6,2 x
EBITDA *(4)* /Finance Charges *(1)*	3,8 x	4,1 x	4,4 x	4,6 x	5,7 x

(1) Including OCEANE and current account transactions by shareholders.

(2) Liquidated net asset value (excluding duties) excluding effect of dilution of OCEANE (see section "NET ASSET VALUE").

(3) Cash flow (see section "CASH FLOW STATEMENT").

(4) EBITDA (see section "INCOME STATEMENT AND EARNINGS PER SHARE").

The increase in loan-to-value is due to the volume of investments made during the year, while taking advantage of historically low interest rates.

The main characteristics of bank borrowings have changed as follows:

In euros	At 31/12/2018	At 31/12/2019
Outstanding bank borrowings	92,174,570	133,981,947
Average residual lifespan remaining	**109 months**	**115 months**
Duration	63 months	77 months
% fixed-rate debt	76.8%	89.7%
% non-hedged variable-rate debt	20.6%	9.8%
% capped variable-rate debt (1)	2.2%	0.3%
% swapped variable-rate debt	0.4%	0.2%
Average annual cost of debt	**2.43%**	**2.14%**

(1) In October 2014, SELECTIRENTE subscribed to a rate cap to hedge against a sharp rise in interest rates (cap of 2% on Euribor 3 months). This cap took effect from 1 January 2016 with a duration of three years for the sum of €1.5 million.

At 31 December 2019, the portion of variable-rate, non-swapped bank borrowings was 10.1%, reduced to 9.8% once interest rate caps are taken into account.

The average cost of bank borrowings fell to an average of 2.14% over the 2019 financial year (2.43% in 2018) and a spot interest rate of 1.86% at 31 December 2019.

In accordance with EU Directive 2011/61/EU, known as the "AIFM Directive", the leverage[1] ratio at 31 December 2019, calculated according to the gross method and the accrual method, within the meaning of the EU Regulation of 19 December 2012, was 1.02 and 1.02 respectively.

8.4. Information concerning any restrictions on the use of capital that may impact the Company's operations

None.

8.5. Expected capital resources

None.

Rue de Brest – Lyon (69)

Rue Saint Jean – Lyon (69)

[1] *SELECTIRENTE's leverage, calculated according to the gross method, provided for by the AIFM Directive, corresponds to the current value of the Company's portfolio (excluding cash and cash equivalents) plus the nominal amount of interest rate swaps and divided by its net asset value excluding duties. The leverage calculated according to the accrual method does not take into account the interest rate swaps.*

9. TREND INFORMATION

9.1. Outlook

The capital increase of €217 million successfully completed in December 2019 enabled the Company to envisage an ambitious investment program as part of the strategy implemented to primarily target high quality city-centre retail real estate, along with a more opportunistic and value-creating strategy focusing on the phenomenon of metropolisation, while maintaining a "corporate" loan-to-value ratio of around 40%.

However, as at the date of writing the Universal Registration Document, the pace and conditions of these investments remain uncertain in light of the consequences of the COVID-19 epidemic on the global and European economy in general, as well as on the activities of SELECTIRENTE in particular. This point is covered in more detail in section 9.3.

9.2. Description of the main trends and any significant changes in the Company's financial performance since the end of the last financial year

See section 9.3.

9.3. Events likely to significantly impact the outlook

SELECTIRENTE benefits from strong granularity in terms of its portfolio (more than 380 rental units) and high levels of mutualisation in terms of its rental risk (diversification by number of tenants and by sector of activity in particular). SELECTIRENTE began the year 2020 in a strong financial position based on available cash in excess of €198 million, a debt ratio of 42.5% (debt position net of negative cash), and a lack of financial covenants on its borrowings. SELECTIRENTE is thus well-placed to face the uncertainties linked to the COVID-19 health crisis which should be limited over time.

The Asset Management Company has taken the necessary steps to ensure the ongoing monitoring and support of the real estate investment funds under management and in particular those of SELECTIRENTE. As at the date of writing, it is still too early to determine the impact that the current health situation could have on SELECTIRENTE's activity and results.

10. PROFIT FORECASTS OR ESTIMATES

None.

11. INFORMATION ABOUT THE COMPANY

11.1. Corporate name and commercial name of the Company

The Company's corporate name is SELECTIRENTE.

11.2. Place of registration, registration number and LEI of the Company

The Company is registered in the Trade and Companies Register of Evry under number 414 135 558.

The SIRET code of the Company is 414 135 558 00016.

The APE code of the Company is 6619A.

The Company's LEI number is 969500CVD92TCP4GJR87.

11.3. Date of incorporation and term of the Company

The Company was registered at the Commercial Court of EVRY on 20 October 1997.

The duration of the Company is 99 years, i.e. until 20 October 2096, unless dissolved earlier.

The closing date is 31 December of each year.

11.4. Registered office and legal form of the Company, legislation governing its activities, country in which it is incorporated, website

Registered office: 303 Square des Champs Elysées – Evry-Courcouronnes – 91026 Evry Cedex

Tel: +33 (0)1 69 87 02 00

Fax: +33 (0)1 69 87 02 01

Website: http://www.selectirente.com

The information on the Company's website does not form part of the Universal Registration Document, except where this information is incorporated by reference in the Universal Registration Document.

The Company is a public limited company (*société anonyme*) with a Management Board and a Supervisory Board governed by French law and subject in particular to the provisions of Book II of the French Commercial Code and Decree No. 67-236 of 23 March 1967 on commercial companies.

The company has opted, effective 1 January 2007, for the tax regime for Listed Real Estate Investment Companies (SIIC – French REIT) established by the Finance Law for 2003 (Article 208C of the French General Tax Code) and implemented by Decree No. 2003-645 of 11 July 2003.

Avenue Miromesnil – Paris (8th)

12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

12.1. Administrative, management and supervisory bodies

Composition of the Company's Management Board

Jérôme Grumler, 45

Holder of a DESCF, a master's degree from the Université de PARIS IX Dauphine and a DESS in Financial Engineering from the Université de PARIS I Sorbonne, Jérôme Grumler started his career in a small consulting bank then in 1998 he joined Mazars Group as a financial auditor to become a Manager in the Transaction Support Department (Audit and Corporate Acquisitions Consulting). In June 2005, he joined Sofidy, where he is now Deputy Chief Executive Officer. He is also Chairman of the Management Board of SELECTIRENTE.

His term of office as a member of the Management Board will end on 31 March 2022.

Michael Ricciarelli, 38

Holder of a master's degree in private law and a DESS in International Business Law, Michael Ricciarelli began his career in 2005 in the legal department of Groupama Nord-Est as a legal expert. In 2007, he became Legal Director of Real Estate at CEGIS (Compagnie Européenne de Gestion Immobilière et Services). In 2011, he joined Sofidy as Deputy Director of the Real Estate Department before becoming Director of Retail Property in 2018.

His term of office as a member of the Management Board will end on 31 March 2022.

Composition of the Company's Supervisory Board

At 31 December 2019, the Company's Supervisory Board and its committees are made up as follows:

Mr Pierre Vaquier, Chairman of the Supervisory Board

Business address: Tikehau Capital, 32, Rue de Monceau, 75008 Paris

Appointed Member and Chairman of the Supervisory Board on 5 April 2019, his term of office as Member of the Board will end at the 2025 General Meeting.

He is also Chairman of the Investment Committee and Member of the Audit Committee.

Member of the Royal Institution of Chartered Surveyors (RICS), he has been working with Tikehau Capital since 2017 as part of a partnership designed to accelerate the development of the group's real estate activities.

After graduating from HEC, he worked within the international department of Paribas investment bank for two years. He then moved to New York as Head of Real Estate Investment Activities, before being appointed CEO of Paribas Properties Inc. until 1992, and then Associate at Paribas Asset Management. In 1993, he joined AXA as Director of Development of AXA Real Estate in Paris. He was appointed Chairman and CEO of Colisées Services (AXA group) in 1995. In 1999, he took over as Deputy CEO of AXA Real Assets and became CEO of AXA IM Real Assets in 2007, a position he held until January 2017.

Mr Hubert Martinier

Business address: 15, Boulevard de la Colonne, 73000 Chambéry

Appointed Vice-Chairman of the Supervisory Board on 5 April 2019, his term of office as Member of the Board will end at the 2025 General Meeting. He is the former Chairman of the Supervisory Board.

He is also a Member of the Investment Committee and the Audit Committee.

A graduate of the Institut supérieur de Gestion de Paris and holder of a postgraduate degree in asset management from the Université de Clermont Ferrant, Hubert Martinier began his career at Score Conseils in 1977 as a Management Consultant. He joined Compagnie Générale des Eaux as Treasurer in 1981, where he was responsible for cash flow and investment management. In 1985, he joined the Banque Internationale de Placement (bought in 1989 by Dresdner Bank), initially in the financial engineering department and later at its subsidiary AVIP (life insurance company), where he became Director of Finance, Deputy CEO, member of the Management Board and finally, CEO. In 2005, he founded his own asset management consultancy firm, Hubert Martinier – Patrimoine et Assurance SARL. He also works as juge consulaire (consular judge) at the Chambéry Commercial Court.

Ms Dominique Dudan

Business address: 1, Rue de Condé, 75006 Paris

Appointed Member of the Supervisory Board on 13 June 2018, her term of office as Member of the Board will end at the 2025 General Meeting.

She is also Chairwoman of the Audit Committee.

She is a Fellow of the Royal Institution of Chartered Surveyors (RICS). Between 1996 and 2005, Dominique Dudan held the position of Managing Director of Development for the Accor Hotels & Resorts Group. She then went on to join HSBC Reim as Director of Operations and member of its Management Board, and later BNP Paribas Reim as Deputy CEO and Director of regulated real estate funds. In 2009, she founded her own business, Artio Conseil, while maintaining the position of CEO of Arcole Asset Management. In January 2011, she was appointed Chairwoman of Union Investment Real Estate France, a role she held until July 2015. Since 2015, she has been a Senior Advisor at LBO France Gestion, a Director of Gecina and since 2017, a member of the Supervisory Board of Swiss Life Reim (France). In April 2018, she was appointed Director of the company Mercialys.

Ms Dominique Dudan is also a member of the Observatoire Régional de l'Immobilier d'Entreprise en Ile-de-France (ORIE), of RICS France, the MEDEF tax commission within the Groupement de Professions de Services, the Cercle des Femmes de l'Immobilier and the Ile-de-France Club de l'Immobilier.

The company SOFIDIANE, represented by Ms Sylvie Marques

Business address: 303 Square des Champs Elysées - 91026 Evry-Courcouronnes Cedex

Appointed Member of the Supervisory Board on 9 March 2007, its term of office as Member of the Board will end at the 2024 General Meeting. The company Sofidiane is the investment holding company of Mr Christian Flamarion. Sofidiane is represented by Ms Sylvie Marques, its Deputy Chief Executive Officer.

Sylvie Marques joined Sofidy Group in 2002 as SELECTIRENTE's account manager. She helped set up the accounting and tax rules specific to SELECTIRENTE's SIIC regime for its initial public offering in 2006. In 2012, she became Chief Accounting Officer of Sofidy and led the teams in charge of the general accounting of the Funds and the Management Company; real estate accounting; recovery of the lease receivables of the Funds; and taxation of the Funds, the Shareholders and the Management Company. With this experience, Sylvie Marques was appointed Deputy CEO of SOFIDIANE in 2015.

Mr Philippe Labouret

Business address: Sodes, 41, Avenue Montaigne, 75008 Paris

Appointed Member of the Supervisory Board on 12 June 2012, his term of office as Member of the Board will end at the 2025 General Meeting.

Mr Philippe Labouret dedicated the first twenty years of his professional life to the Government, first as a Naval Officer and then as a Civil Engineer. He then turned his career towards serving local communities facing the problem of desertification in their city centres. In 1981, he created the company Sodes SA, where he acts as Chairman of the Board of Directors. This company manages city-centre shopping areas and specialises in the renovation of underprivileged neighbourhoods.

Mr Frédéric Jariel

Business address: Tikehau Capital, 32, Rue de Monceau, 75008 Paris

Appointed Member of the Supervisory Board on 5 April 2019, his term of office as Member of the Board will end at the 2025 General Meeting.

He is also a Member of the Investment Committee.

Mr Frédéric Jariel is Director of Real Estate Activity at Tikehau Capital, which he joined in 2014. Prior to this, he had worked at Archon Group France, a subsidiary of Goldman Sachs, since 1996. He occupied a variety of European-level positions there for 17 years. Most recently, he was COO for Europe and CEO of the French entity. Frédéric began his career at Coopers & Lybrand as an Auditor.

Ms Cécile Mayer-Levi

Business address: Tikehau Capital, 32, Rue de Monceau, 75008 Paris

Appointed Member of the Supervisory Board on 16 April 2019, her term of office as Member of the Board will end at the 2025 General Meeting.

Cécile Mayer-Levi joined the Private Debt activity of Tikehau Capital in 2013.

After graduating from HEC, Cécile Mayer-Levi began her career at Merrill Lynch Corporate Finance in Paris and New York in 1988. In 1991, she joined Elig, one of France’s pioneers in capital investment. In 2001, she focused on mezzanine investments as Director of Investments at CAPE - Mezzanis (now Omnes). In 2005, she joined ARDIAN (formerly AXA Private Equity) to launch its Mezzanine and later Private Debt activity. She stayed there until she moved to Tikehau Capital in 2013.

She is and has been a non-voting board member on the Supervisory Boards of over fifteen Private Debt companies (including for instance Spie Batignolle, JJA, Marlink, InseecU, Amplitude, Delpharm, Pennel & Flipo, Intech Medical, Alkan, Alkern, Coyote, Odealim, Cisbio, Revima, etc.). Cécile has also chaired the Private Debt Commission of France Invest since 2016 and is a board member of the Alternative Credit Council (ACC).

Mr Louis Molino

Business address: Primonial Reim, 36, Rue de Naples, 75008 Paris

Appointed Member of the Supervisory Board on 13 November 2019, his term of office as Member of the Board will end at the 2025 General Meeting.

After graduating from Toulouse Business School, Louis Molino began his career in private banking (Société Générale Private Banking). He joined the Finance Division of Primonial in 2012 as Financial Controller, and in 2014 the real estate asset management company Primonial REIM as Senior Fund Manager, in charge of funds of funds and mandates.

Ms Marie Sardari

Business address: Tikehau Capital, 32, Rue de Monceau, 75008 Paris

Appointed Member of the Supervisory Board on 13 June 2019, her term of office as Member of the Board will end at the 2025 General Meeting.

With a degree from the École Spéciale des Travaux Publics du Bâtiment et de l’Industrie and a Master’s in Urban Planning from Science Po, Marie Sardari began her career in real estate expertise at the DTZ Group in Paris. She then moved to London to work for Savills Investment Management. She was notably in charge of acquisitions in France and Belgium from 2007 to 2014. In 2015, she joined Tikehau Capital where she holds the position of Executive Director in charge of real estate asset management.

The company PLEIADE, represented by Mr Vincent Fargant

Business address: Pleiade, Avenue Pierre Goubet, 55840, Thierville-sur-Meuse

Appointed Member of the Supervisory Board on 13 June 2019, its term of office as Member of the Board will end at the 2025 General Meeting. The company Pleiade is a Maximo group company. It is represented by its Administrative and Financial Director Mr Vincent Fargant.

With a degree from ENSTA Bretagne, a Master’s in Management and Organisation from the Université Paris IX Dauphine, and an Executive MBA from Dauphine ESG-UQAM, Vincent Fargant began his career in the marine industry, working for Naval Group and ACH. He then joined the Alstom group as Chargé d’affaires. Between 2004 and 2014, he held a number of strategic positions at the engineering company GTT, where he was notably in charge of commercial and contractual relations with a number of Korean and Chinese clients. Since 2014, he has been Administrative and Financial Director for the Maximo Group. He is also a member of the Board of Directors of Pléiade SA.

	Offices held over the past five years (between January 2015 and December 2019)	Current offices held 31 December 2019 to date
Pierre Vaquier	Independent Director of COVIVIO (ended 2018) Chief Executive Officer of AXA Investment Managers (ended January 2017) Independent Director, Member of the COVIVIO Remuneration and Appointments Committee (ended 2018) Director, Member of the Audit Committee and Member of the Investment Committee of Mercialys (listed company) (ended 2015) Chairman of the Board of Directors of: FDV Venture SA (foreign company – ended 2017) AXA REIM SGP SA (ended 2017) FDVII Venture SA (foreign company – ended 2017) AXA Reim Italia SARL (foreign company) Dolmea Real Estate SA Permanent representative of AXA REIM France: AXA Reim SGP SA IPD France SAS AXA Aedificandi SICAV Permanent representative of AXA France Vie, Director: Segece SCS Director: Drouot Pierre SPPICAV (ended 2017) Pierre Croissance SPPICAV (ended 2017) Ugimmo SPPICAV (ended 2017) AXA Selectiv'immo SPPICAV (ended 2017) AXA Real Estate Investment Managers US LLC (foreign company – ended 2017) FDV II Participation Company SA (ended 2017) DV III General Partner SA (ended 2017) DV IV General Partner (ended 2017) FSIF (ended 2017) Ahorro Familiar SA (foreign company – ended 2017) EOIV Management Company (foreign company) European Retail Venture SA (foreign company) FDV II Participation Company SA (foreign company) Chairman of the Remuneration and Appointments Committee: Covivio SA (listed company – until 17 April 2015) Director and Chief Executive Officer: AXA REIM SA (ended 2017) Chairman and -Chief Executive Officer: AXA REIM France SA (ended 2017) Chairman: Colisée Gérance SAS (ended 2017) Member of the Executive Committee: Axa Suduiraut SAS (ended 2017) Vice-Chairman and Member of the Supervisory Board: Logement Français SA (formerly SAPE) (ended 2017) Chairman and Member of the Supervisory Board: AXA Investment Managers Deutschland GmbH (foreign company) (ended 2017) Director and Chairman of the Investment Committee: Carmilla SAS (ended 2017)	Independent Director of Sun Ltd - subsidiary of Ciel Ltd Deputy Chief Executive Officer of Real Asset Investment Managers SAS Member and Chairman of the Supervisory Board of SOFIDY (SAS) Director and Chairman of the Investment Committee of Les Hôtels (Très) Particuliers (SAS) Member and Chairman of the Supervisory Board of Selectirente (SA)
Frédéric Jariel	No offices held	Member of the Supervisory Board of SOFIDY (SA) Member of the Supervisory Board of Selectirente (SA) Manager of Tikehau Real Estate Building Acquisition S.à r.l. (Luxembourg company) Manager of Tikehau Real Estate Opportunity 2018 GP S.à r.l. (Luxembourg company) Chairman of the Board of Directors of Stone Italy S.R.L (Italian company) Chairman of the Board of Directors of Tuttogiglio S.R.L (Italian company) Director of Laughing Rock 1 B.V. (Dutch company) Director of Laughing Rock 2 B.V. (Dutch company) Director of Laughing Rock 3 B.V. (Dutch company)

		Director of Laughing Rock 4 B.V. (Dutch company) Director of Laughing Rock 5 B.V. (Dutch company) Director of Laughing Rock 6 B.V. (Dutch company) Director of Laughing Rock 7 B.V. (Dutch company) Director of Laughing Rock 8 B.V. (Dutch company) Director of Laughing Rock 9 B.V. (Dutch company) Director of Laughing Rock 11 B.V. (Dutch company) Director of Laughing Rock 12 B.V. (Dutch company) Director of Laughing Rock 13 B.V. (Dutch company) Director of Laughing Rock 14 B.V. (Dutch company)
Marie Sardari	No offices held	Member of the Supervisory Board of Selectirente (SA) Director of Bercy Link S.à r.l. (Luxembourg company) Director of Flower Luxco (S.A.) Director of Tikehau Italy Retail Fund 1 GP S.à r.l. (Luxembourg company) Director of Tikehau Italy Retail Fund II G.P. S.à r.l. (Luxembourg company) Director of TRE III Feeder GP S.à r.l. (Luxembourg company) Director of Stone Luxembourg (S.A.) Chair of the Board of Directors of Tuttogiglio S.R.L (Italian company) Director of Rose S.à.r.l. (Luxembourg company)
Cécile Mayer-Lévi	No offices held	Member of the Supervisory Board of Selectirente (SA) Chair of CILEV (SAS) Manager of Tikehau General Partner S.à r.l. (Luxembourg company) Manager of Tikehau General Partner II S.à r.l. (Luxembourg company) Manager of TDL IV S.à r.l. (Luxembourg company) Manager of TDL 4 S.à r.l. (Luxembourg company) Manager of MTDL Investment Sàrl (Luxembourg company) Manager of TSO investment S.à r.l. (Luxembourg company) Manager of TDL 1st Lien Investment Sàrl (Luxembourg company)
Dominique Dudan	Chair of Union Investment Real Estate France SAS (ended 31 July 2015) Co-Manager of SARL Warburg HIH Invest France (ended 31 January 2018) Manager and Liquidator of SCI du Terrier (ended February 2019) Liquidator of SAS les artisans du son (ended October 2019)	Director of Gecina SA Member of the Supervisory Board of Swiss Life Slam SA Director of Mercialys SA Member of the Supervisory Board of Selectirente SA Chair of the Supervisory Board of OPCI Sofidy Pierre Europe SA Chair of Artio Conseil SASU Member of the Supervisory Board of SCPI Pierre Expansion Member of the Supervisory Board of SCPI Altixia Commerce Chair of the Supervisory Board of SCPI Altixia Cadence 12 Manager of SCI du 92 Manager of SARL William's
Sofidiane SAS	Director of GSA Immobilier SA (ended December 2018) Chairman of SAS SOF DI (ended March 2019) Member of the Supervisory Board of SA EIL (ended December 2018) Member of the Supervisory Board of Sofimmo (SA) (ended May 2019)	Member of the Supervisory Board of SOFIDY SAS Chairman of the Supervisory Board of SA ALMA PROPERTY Chairman of SOFIDIANE SAS Chairman of SAS K-FONDS (representing SOFIDIANE)
Sylvie Marques	No offices held	Permanent representative of Sofidiane SAS on the Supervisory Board of Selectirente
Pléiade SA	No offices held	Member of the Supervisory Board of Selectirente
Vincent Fargant	Permanent representative of SAS MO 1 on the Supervisory Board of PAREF (ended July 2017)	Member of the Supervisory Board of Pleiade SA Permanent representative of Pleiade SA on the Supervisory Board of Selectirente

Hubert Martinier	Member of the Supervisory Board of SCPI BTP IMMOBILIER	Member and Vice-Chairman of the Supervisory Board of Selectirente Manager of SARL Hubert Martinier Patrimoine et Assurance Member of the Supervisory Board of SCPI EFIMMO Member of the Supervisory Board of SCPI IMMORENTE Member of the Supervisory Board of SCPI FICOMMERCE Member of the Supervisory Board of SCPI SOFIPRIME Member of the Supervisory Board of SCPI IMMOBILIERE PRIVEE FRANCEPIERRE Chairman of the Supervisory Board of SCPI PIERRE SELECTION Member of the Supervisory Board of SCPI ATOUT PIERRE DIVERSIFICATION Chairman of the Supervisory Board of SCPI GRAND PARIS PIERRE Liquidator of SA GALVANOPLASTIE ET FONDERIE DU CENTRE
Louis Molino	No offices held	Member of the Supervisory Board of Selectirente
Philippe Labouret	Member of the Board of Directors of Sofidy SA (ended December 2018) Member of the Supervisory Board of SCPI Immorente2 (ended May 2015) Chairman of the Supervisory Board of La Centrale de Création Urbaine	In a personal capacity, Mr Labouret is: Member of the Supervisory Board of Selectirente Chairman of the Board of Directors of Sodes SA Member of the Supervisory Board of Sofimmo SA Member of the Supervisory Board of Sélectirente Manager of SARL Presbourg Kléber Immobilier Manager of 27 investment companies: exhaustive list below: SCI PARCHAMP SCI SAINT ANTOINE SCI LA SOURCE SCI MONTMORENCY III SCI DU CENTRE COMMERCIAL LES MERISIERS SCI LES ARCADES SCI DU FORT SCI LE RHONE SCI LES OISEAUX SCI MOISSY CENTRE SCI SAINT CHRISTOPHE SCI LES PRES SCI LES TERRASSES SCI LE LAC SCI LES POUMONS SCI LES CHAMPS HAUTS SCI LE HAMEAU DU CHOZAL SCI FINANCIERE LABOURET SCI MONTROUGE CENTRE SCCV HOCHE CHERIOUX SCCV DU 40 ET 42 PERIER MONTROUGE SCCV MONTROUGE 143 REPUBLIQUE SCCV MONTROUGE 121 REPUBLIQUE SCCV CLAMART 12 ROOSVELT SCCV PARIS 69 EXELMANS SCCV JEANNE ASNIERES SCCV MONTROUGE 17 VICTOR HUGO
		As representative of SA SODES, Manager of the following 7

		companies: SAS KENNEDY VILLEJEAN SCI CENTRE COMMERCIAL LES GAYEULLES SCI LA GRANDE GARENNE D'ANGOULEME SCI LE COQ SCI DU CENTRE COMMERCIAL DESBALS SCI DU CENTRE COMMERCIAL BELLEFONTAINE SCI LA PLAINE DE TRAPPES

The Audit Committee is composed of:

- Ms Dominique Dudan, Chairwoman;
- Mr Pierre Vaquier; and
- Mr Hubert Martinier.

The Investment Committee is composed of:

- Mr Pierre Vaquier, Chairman;
- Mr Frédéric Jariel; and
- Mr Hubert Martinier.

12.2. Amounts of remuneration paid and benefits in kind

See section 20.2.

12.3. Conflicts of interest in the administrative, management and supervisory bodies

Declarations on the positions of the members of the Management Board

Potential conflicts of interest of the members of the Management Board

To the Company's knowledge, there are no potential conflicts of interest between the duties, with respect to the Company, of the members of the Management Board and their private interests.

However, it should be noted that, for the purposes of its business and development, the Company maintains significant relationships with Sofidy, a subsidiary of Tikehau Capital, the Company's largest shareholder as at the filing date of this Universal Registration Document, and with which the Company has entered into the Management Delegation Agreement, the main characteristics of which are described in Chapter 16.

It cannot be ruled out that Sofidy will have to favour its own interests to the detriment of the Company's. Mr Jérôme GRUMLER, Chairman of the Management Board, and Mr Michael RICCIARELLI, member of the Management Board, are also employees of Sofidy in their respective capacity as Deputy Chief Executive Officer and Retail Portfolio Director and are, as such, remunerated by Sofidy.

Sofidy may, under the Management Delegation Agreement and to maximise its short-term remuneration, conduct unreasonable investment programs that may be unfavourable to the Company in the future.

To prevent this type of conflict of interest, the Company has established an Investment Committee (see Section 20.2):

- in charge of studying and giving an opinion to the Management Board on all investment projects, of any nature whatsoever, of an amount exceeding 10% of the Net Asset Value of the Company;
- in charge of studying and giving an opinion to the Management Board on any proposed sale, of any nature whatsoever, of one or more assets of the Company, of an amount exceeding 15% of the Net Asset Value of the Company;
- who will be informed by the Management Board of all direct or indirect investments, all divestments planned or undertaken by the Company, whether or not such projects or commitments are submitted for the approval to the Investment Committee.

It should be further noted that Sofidy is one of the Company's main shareholders and that the shares held constitute a significant part of its equity.

Sofidy is also a Portfolio Management Company approved by the AMF. In addition to SELECTIRENTE, it is the asset management company for SCPI Immorente, Immorente2, Efimmo1, Sofipierre and Sofiprime, SAS Macasa, SA Alma Property, OPCI Sofidy Pierre Europe, OPPCI Sofimmo, SAS FSGS3 and FSGS4, SC UMR Select Retail and Sofidy Convictions Immobilieres, as well as FCP Sofidy Selection 1 and S.YTIC.

As such, potential conflicts of interest relate to i) the risk of favouring a structure in the allocation of an investment project, ii) the risk of favouring a structure as part of a global lease negotiation with tenants common to different structures and iii) the risk of favouring a structure in the context of a divestment program in the form of portfolios of assets comprising assets belonging to different structures.

The measures implemented to prevent these conflicts of interest are detailed in Section 13.7.

Declarations on the positions of the members of the Supervisory Board

Family ties

There are no family ties between the people listed above.

Service agreements between members of the Supervisory Board and the Company that provide for the granting of benefits upon the expiry of such an agreement

The members of the Supervisory Board are not linked to the Company by any service agreements providing for the granting of benefits.

Potential conflicts of interest of the members of the Supervisory Board

The members of the Supervisory Board have declared that no conflict of interest arose over the course of the 2019 financial year between their obligations to SELECTIRENTE and their personal interests or other obligations and that no such conflicts exist as at the date of the Universal Registration Document.

Declarations relating to members of the Supervisory Board

Each member of the Supervisory Board has declared, as per every year, that he/she has not:

- been found guilty of fraud during the past five financial years;
- been associated in their capacity as corporate officer with a bankruptcy, receivership or liquidation during the past five financial years;
- been disqualified from acting as a director during the past five financial years;
- been the subject of incriminations or official public sanctions by statutory or regulatory authorities during the past five financial years.

13. ADMINISTRATIVE AND MANAGEMENT BODY PRACTICES

13.1. Expiry dates of current terms of office

The expiry dates of the terms of office of the members of the Management Board and the Supervisory Board are provided in section 12.1 of the Universal Registration Document.

13.2. Service agreements binding the members of the administrative bodies

None.

13.3. Information on the Audit Committee and Compensation Committee

See section 20.2.

13.4. Corporate governance

The criteria used to establish the independence of the members of the Supervisory Board are presented in section 20.2.

Information on the remuneration paid by the Asset Management Company to its personnel

In accordance with Article 22 of the AIFM Directive, it is specified that the Asset Management Company's remuneration policy with regard to its employees is made up of a fixed component and a variable component. This remuneration is complemented by mandatory (investment) or voluntary (profit-sharing, contribution matching) employee savings schemes.

The variable remuneration policy seeks to align the interests of employees with those of savers/investors in the funds managed (for instance, premiums based on the occupancy rates of funds).

To this end, the variable remuneration policy incorporates the regulatory requirements applicable to employees classed as Identified Personnel within the meaning of the AIFM and UCITS 5 Directives (executive managers, risk takers, etc.), i.e. 20 full-time equivalents in 2019.

The total amount of gross remuneration (excl. social security contributions and employee savings) paid to all personnel of the Asset Management Company was €12,543,767 for the 2019 financial year, for an average number of 149.2 full-time equivalent beneficiaries for the year. This amount is made up of 64.8% fixed remuneration and 35.2% variable remuneration. The amount of gross fixed and variable remuneration paid to Identified Personnel within the meaning of the AIFM and UCITS 5 Directives totals €4,184,470.

13.5. Memorandum and Articles of Association

At the Combined General Meeting of 28 August 2006, the shareholders of the Company adopted the text of the Articles of Association, as amended by the Combined General Meetings of 12 June 2007 and 27 May 2015, a few excerpts of which are reproduced below.

Corporate Purpose (Article 2 of the Articles of Association)

The main purpose of the Company is the acquisition and management of a rental property portfolio, directly or through the acquisition of stakes or interests in any existing or new company.

To that end, the Company may perform any commercial, financial, industrial or civil transactions on tangible and intangible assets that may be directly or indirectly related to the corporate purpose to promote the growth of the Company's assets.

Secondarily, the Company's purpose is property management for third parties.

Rights attached to shares (Articles 10 to 13 of the Articles of Association)

Article 10 – Form, transfer and identification of shares

I. Shares are fully paid-up and in registered or bearer from at the discretion of the shareholder. They must be in registered form until they are fully paid up. They give rise to a registration in an account under the conditions and in the manner provided by the laws or regulations in force.

II. Shares and other securities are freely tradeable. Shares are transferred from account to account according to the terms defined by the laws and regulations in force.

III. Ownership of securities is established by account registration with the Company in accordance with the regulations in force.

If the owner of the securities is not domiciled in France, any intermediary may be registered on behalf of such owner. Such registration may be made in the form of a collective account or in several individual accounts each corresponding to an owner. When it opens its account with either the Company or the authorised financial intermediary account holder, the registered intermediary is required to declare that it is an intermediary holding securities for others, in accordance with the laws and regulations in force.

For the purpose of identifying holders of bearer securities, the Company may request from the central securities depository the information referred to in Article L. 228-2 of the French Commercial Code. Accordingly, the Company is entitled at any time to request, for remuneration at its expense, the name and year of birth or, in the case of a corporate entity, the company name and year of incorporation, nationality and address of the holders of securities that immediately or in the future confer voting rights in its meetings and the quantity of securities held by each of them and, if any, the restrictions applicable to the securities.

In view of the list submitted by the central financial instruments depository, the Company has the right to request under the same conditions, either through that organisation or directly, from the persons appearing on that list that the Company believes could be registered on behalf of third parties, the same information concerning the owners of the securities. These persons are required, if they may act as intermediaries, to disclose the identity of the owners of those securities. The information is provided directly to the authorised financial intermediary account holder, who is responsible for communicating it, as the case may be, to the Company or the central securities depository.

In the case of registered securities granting immediate or future access to the capital, the registered intermediary is required to reveal the identity of the owners of those securities, at the request of the Company or its agent, which may be presented at any time.

As long as the Company believes that some holders whose identities have been communicated to it are acting on behalf of third-party owners of the securities, it is entitled to ask those holders to disclose the identity of the owners of those securities. Once the request is made, the Company may ask any corporate entity that owns its shares and has stakes exceeding 2.5% of the capital or voting rights to make known to it the identity of the persons that directly or indirectly hold more than one third of the capital or voting rights of the corporate entity that owns shares of the Company.

In the event of a breach of the above obligations, the shares or securities granting immediate or future access to the share capital for which those obligations have not been respected shall be deprived of voting rights for any shareholders' meeting that takes place until the date of the registration of the identification and payment of the corresponding dividend shall be deferred until that date.

In addition, in the event that the registered person knowingly disregards these obligations, the court with jurisdiction over the place of the Company's registered office may, at the request of the Company or one or more shareholders holding at least 5% of the capital, order the total or partial deprivation, for a total period not exceeding five years, of the voting rights attached to the shares that are the target of a request for information from the Company and potentially, for the same period, the right to payment of the corresponding dividend.

Article 11 – Rights and obligations attached to shares

I. Each share entitles the holder to a share of profits and company assets proportional to the portion of the capital that it represents. In addition, it gives the right to vote and representation in General Meetings under the conditions set forth by law and in the Articles of Association.

II. Shareholders are liable for the nominal amount of the shares that they own; beyond that, any calls for funds are forbidden. The rights and obligations attached to a share follow it to whomever it passes. As a result, in the event of a sale, the dividends due and unpaid and the dividends due are paid to the assignee. Ownership of a share automatically entails acceptance of the Articles of Association of the Company and the decisions of the General Meeting. The heirs, creditors, assignees or other representatives of a shareholder may not require the affixing of seals on the assets and securities of the Company or ask for their partition or auctioning, or interfere in the acts of the administration thereof. They must, for the exercise of their rights, rely on the balance sheet and the decisions of the General Meeting.

III. The voting rights attached to the shares are proportional to the percentage of the capital they represent *and each share entitles the holder to one vote in the General Shareholders' Meetings, regardless of the duration and method of shareholding.*

Article 12 – Information about the holding of capital. Crossing of thresholds

"Under the provisions of Article L. 225-106 of the French Commercial Code, any individual or legal entity, acting alone or in concert, that comes to own a number of shares representing more than 5%, 10%, 15%, 20%, 25%, 30%, 33 1/3%, 50%, 66 2/3%, 90% or 95% of the existing share capital and/or voting rights of the Company shall inform the Company and the AMF by letter stating, in particular, the share of the capital and voting rights it possesses, no later than the fourth trading day following the day that the investment threshold is crossed. Threshold crossings declared to the AMF shall be made public by the AMF. This information is also transmitted, within the same deadlines and under the same conditions, if the share of the capital falls below the thresholds mentioned above.

If they have not been duly declared, the shares exceeding the fraction that should have been declared in accordance with the legal provisions mentioned above shall be deprived of voting rights for any shareholders' meeting held until the expiry of a period of two years following the date of regularisation of the notification.

In addition, without prejudice to the foregoing, any individual or legal entity, acting alone or in concert, that comes to own, in any way whatsoever, within the meaning of Articles L. 233-7 et seq. of the French Commercial Code, a number of securities representing, immediately or in the future, a fraction equal to 2.5% of the share capital and/or voting rights at the meetings or any multiple of that percentage must inform the Company of the total number of shares it holds by registered letter with acknowledgement of receipt addressed to the registered office no later than the fourth trading day following the day that the investment threshold is crossed, or by any other equivalent means for shareholders or holders of securities resident outside France."

This disclosure obligation applies under the same conditions as those stipulated above whenever the fraction of the share capital and/or voting rights possessed falls below one of the thresholds stated above.

Non-compliance with the foregoing provisions shall be punished, at the request (recorded in the minutes of the General Meeting) of one or more shareholders holding a fraction of at least 5% of the Company's share capital or voting rights, by the deprivation of voting rights for the shares or rights attached thereto exceeding the fraction that should have been declared for any shareholders' meeting to be held until the expiry of a period of two years following the date of regularisation of the notification stated above.

Article 13 – Indivisibility of shares. Bare ownership. Usufruct

I. The shares are indivisible with respect to the Company. Undivided owners of shares are required to be represented with respect to the Company by one of them as the sole owner or by a sole agent; in the event of disagreement, the sole agent is appointed by order of the president of the commercial court ruling in summary proceedings at the request of the more diligent co-owner.

II. Unless otherwise agreed upon by the Company, the usufructuaries of the shares validly represent the bare owners with respect to the Company; however, the right to vote belongs to the bare owner in Extraordinary General Meetings.

Meetings (Articles 26 to 33 of the Articles of Association)

Article 26 – General Meetings

Collective decisions by shareholders are made at General Meetings, which are classified as ordinary, extraordinary or special depending on the nature of the decisions they are called upon to make.

Special meetings bring together the holders of shares of a specified category in the event that they are created for the benefit of specified shareholders, to rule on any modification of the rights of the shares of that category. These meetings are convened and deliberate under the same conditions as Extraordinary General Meetings.

Any duly constituted General Meetings represents all shareholders. The deliberations of General Meetings are binding on all shareholders, even if they are absent, dissident or incapable. For the calculation of the quorum of the various meetings, the shares held by the Company are not taken into account.

Article 27 – Convening and venue of General Meetings

General Meetings are convened either by the Management Board or, failing that, by the Supervisory Board, the Statutory Auditors in emergencies, or by any person authorised for that purpose. General Meetings are held at the registered office or at any other place indicated in the convening notice. The meeting is called under the conditions provided for by law.

Article 28 – Agenda

I. Meeting agendas are decided by the author of the notice of meeting.

II. One or more shareholders representing at least the portion of the share capital determined by law and acting within the legal conditions and deadlines, may request, by registered letter with acknowledgement of receipt, the registration on the meeting agenda of draft resolutions.

II. The meeting cannot deliberate on an item that is not included in the agenda, which cannot be modified on the second notice of meeting. It may, however, in all circumstances, dismiss one or more members of the Supervisory Board and replace them.

Article 29 – Access to meetings - Powers

All shareholders have the right to attend General Meetings and participate in the deliberations, personally or by proxy, in accordance with Articles L. 225-106 et seq. of the French Commercial Code.

The right of shareholders to attend General Meetings is subject to:

- *for holders of registered shares, their registration in the accounts kept by the Company;*
- *for holders of bearer shares, the deposit, at the places indicated in the notice of meeting, of a certificate of participation issued by an authorised intermediary.*

These formalities must be completed within the legal deadlines.

Any shareholder may be represented at any meeting by any individual or corporate entity of his or her choice. He or she may also vote by correspondence by means of a form that he or she can obtain to be sent under the conditions indicated by the notice convening the meeting in accordance with the applicable laws and regulations. In the case of a vote by correspondence, only the forms duly completed and received by the company two (2) business days preceding the meeting at midnight, Paris time, shall be taken into account for the purpose of calculating the quorum.

If the shareholder has already returned to the Company his or her postal vote or proxy or requested an admission card for the Meeting, it may not choose another method of participation in it.

Article 30 – Attendance sheet. Board officers. Minutes

I. At each meeting, an attendance sheet containing the information prescribed by law is kept. The accuracy of the attendance sheet, duly signed by the shareholders present and the proxies and to which the proxies given to each proxy holder are attached, and, where applicable, the postal voting forms, is certified by the Officers of the meeting.

II. Meetings are chaired by the Chairman of the Supervisory Board or, in his or her absence, by a member of the Management Board specially delegated for that purpose or by any other person whom they elect. If the meeting is convened by the Statutory Auditors, the meeting is chaired by one of them. In all cases, in the absence of the person authorised or appointed to chair the meeting, the meeting shall elect its chairman. The duties of the tellers are performed by the two shareholders, present and accepting, with the greatest number of votes, both by themselves and as proxy holders. The Officers thus composed shall appoint a Secretary who may or may not be a shareholder. The Officers are responsible for verifying, certifying and signing the attendance sheet, ensuring the proper conduct of debates, resolving any incidents that may arise, monitoring the votes cast and ensuring their validity, and overseeing the drafting of the minutes.

III. The minutes are drawn up and the copies or extracts of the deliberations are issued and certified in accordance with the law.

Article 31 – Quorum. Voting. Number of votes

I. At Ordinary and Extraordinary General Meetings, the quorum is calculated based on all of the shares comprising the share capital and, in special meetings, based on all shares of the relevant class, excluding shares deprived of voting rights under provisions of the law. In the case of a vote by correspondence, only the forms received by the Company prior to the meeting, in accordance with the conditions and deadlines fixed by decree, shall be taken into account for the purpose of calculating the quorum.

II. The voting rights attached to the shares are proportional to the share capital they represent. At par value, each share of capital or enjoyment is entitled to one vote.

Article 32 - Ordinary General Meetings

I. Ordinary General Meetings are meetings that are called to make all decisions that do not amend the Articles of Association. It meets at least once a year, within the deadlines set forth by the laws and regulations in force, to approve the financial statements of the previous financial year. Its powers include, but are not limited to:

- *approving, amending or rejecting the financial statements submitted to it;*
- *deciding on the distribution and allocation of profits in compliance with the provisions of the Articles of Association;*
- *appointing and dismissing members of the Supervisory Board and the Statutory Auditors;*
- *dismissing the members of the Management Board on the proposal of the Supervisory Board;*
- *approving or rejecting the appointments of members of the Supervisory Board made provisionally by it;*
- *setting the amount of attendance fees allocated to the Supervisory Board;*
- *deciding on the special report of the Statutory Auditors concerning the agreements subject to the prior authorisation of the Supervisory Board.*

II. Ordinary General Meetings may deliberate validly on the first notice of meeting only if the shareholders present, represented or voting by correspondence hold at least one fifth of shares with voting rights. On the second notice of meeting, no quorum is required. It acts by a majority of the votes of the shareholders present or represented, including the shareholders who voted by correspondence.

Article 33 - Extraordinary General Meetings

I. Extraordinary General Meetings have the sole power to amend all provisions of the Articles of Association. However, they cannot increase shareholder commitments, subject to transactions resulting from a share consolidation duly decided and carried out.

II. Extraordinary General Meetings may deliberate validly only if the shareholders present, represented or voting by correspondence hold one fourth (on the first notice of meeting) or one fifth (on the second notice) of shares with voting rights. If the second quorum is not met, the second meeting may be postponed to a date no later than two months from the date on which it was convened. It acts by a two-thirds majority of the votes of the shareholders present or represented, including the shareholders who voted by correspondence.

III. As a legal exception to the foregoing, General Meetings that decide on a capital increase by incorporation of reserves, profits or issue premiums, may decide under the conditions of quorum and majority of Ordinary General Meetings. In addition, in Extraordinary General Meetings called to deliberate on the approval of a contribution in kind or the granting of a particular benefit, the contributor or the beneficiary, whose shares are not taken into account for the calculation of the majority, has no vote, either for him- or herself or as an agent.

IV. If there are several classes of shares, no changes may be made to the rights of the shares of any of those categories, without the affirmative vote of an Extraordinary General Meeting open to all shareholders and, in addition, without an equally affirmative vote of a special meeting open only to the owners of the shares of the category in question. Special meetings are convened and deliberate under the same conditions as Extraordinary General Meetings subject to the special provisions applicable to meetings of holders of non-voting preferred shares.

Changes in capital

The Articles of Association do not provide conditions stricter than the law to change the share capital.

13.6. Significant potential impacts on corporate governance

Not applicable

13.7. Risk management of conflicts of interest between SOFIDY and the other funds managed by SOFIDY

As stated in section 3.1, SOFIDY is a Portfolio Management Company approved by the AMF under number GP 07000042. SOFIDY manages SCPI Immorente, Immorente 2, Efimmo1, Sofipierre, Sofiprime of SELECTIRENTE SA, SAS Macasa, SA Alma Property, OPCI Sofidy Pierre Europe, OPPCI Sofimmo, SC UMR Select Retail and *Sofidy Convictions Immobilières*, as well as FCP *Sofidy Sélection 1* and S.YTIC.

Sofidy and its shareholder Tikehau Capital are also shareholders of SELECTIRENTE of which they hold, with the companies with which they are deemed to act in concert, 52.05% of the share capital at the date of filing of this Universal Registration Document. The performance by Sofidy of the services entrusted to it under the Management Delegation Agreement and other contracts entered into with the various structures it manages (the "Structures") is likely to give rise to conflicts of interest between those Structures.

In order to anticipate and give protection from this type of situation, Sofidy has put in place a system for preventing conflicts of interest that may arise between Structures, during the investment process, the divestment process and rental management stage. This conflict resolution grid, approved in identical terms by the governance bodies of all of the Structures, incorporates the following features:

Investments

Different criteria specific to each Structure enable a series of filters to identify one or more structures likely to be able to acquire a given asset:

- criteria related to the nature of the assets: retail spaces, offices, housing, warehouses/businesses;
- geographical criteria: Paris, Ile-de-France, Other France, Non-France;
- criteria for the size of the investment with respect to the size of the structure;
- legal criteria: option for the structure to acquire or not acquire an asset in the form of shares in a company, in joint ownership, etc.;
- financing criteria: whether or not the Structure can use bank financing, leasing, etc.;
- criteria of sensitivity of the structure to short-term profitability as opposed to long-term risk/reward potential.

After application of the successive filters described above, if this conflict of interest resolution grid does not make it possible to determine unequivocally the Structure affected by the proposed acquisition, the investment will preferably be made by the Structure whose asset in the balance sheet will show the largest [Cash/Total assets] ratio.

Divestment

The different Structures cannot sell each other assets. Barring exceptional cases, it will not be possible to constitute a portfolio of assets to be disposed common to several funds.

Management

In the event of a global lease negotiation with a tenant common to several funds, the interest of each of the funds must be sought.

In the event that the application of the rules above does not help resolve a potential conflict of interest, this shall be submitted to the Head of Compliance and Internal Control of Sofidy which shall inform, as transparently as possible, the governance bodies of the various Structures affected by the decision made by Sofidy.

Remuneration

In September 2015, Sofidy adopted a policy to eliminate "stacks" of commissions (in particular when a fund managed by Sofidy invests in another fund managed by Sofidy or a management company of the group).

14. EMPLOYEES

Since the Company has delegated its management to Sofidy SA, it has no employees.

15. MAJOR SHAREHOLDERS

Changes in share capital and shareholding

At 31 December 2019, the main changes occurring over the course of the financial year in the holding of the share capital were as follows (indicative data, correct to the best knowledge of the issuer):

Shareholders	31.12.17		31.12.18		31.12.19	
	Number of shares	% of share capital and voting rights	Number of shares	% of share capital and voting rights	Number of shares	% of share capital and voting rights
TIKEHAU CAPITAL SCS	-	-	-	-	1 562 937	37,45%
SOFIDY	343 986	22,68%	353 986	22,95%	526 498	12,62%
GSA Immobilier	576	0,04%	576	0,04%	576	0,01%
Sub-total Tikehau Capital	344 562	22,72%	354 562	22,98%	2 090 011	50,08%
SAS SOFIDIANE	89 255	5,89%	89 255	5,79%	32 479	0,78%
SAS MAKEMO CAPITAL	47 030	3,10%	47 030	3,05%	47 030	1,13%
AF & Co	1	0,00%	1	0,00%	1	0,00%
Antoine FLAMARION	1 750	0,12%	1 750	0,11%	1 750	0,04%
Christian FLAMARION	822	0,05%	822	0,05%	822	0,02%
Concert subtotal (1)	*483 420*	*31,87%*	*493 420*	*31,98%*	*2 172 093*	*52,05%*
SCI Primonial Capimmo	5 879	0,39%	103 379	6,70%	753 944	18,07%
Sogecap	-	-	-	-	576 036	13,80%
Lafayette Pierre	316 795	20,89%	219 295	14,21%	-	-
La Mondiale Partenaire	95 750	6,31%	95 590	6,20%	-	-
Petercam	76 428	5,04%	83 682	5,42%	-	-
Other Shareholders <5%	538 359	35,50%	547 389	35,48%	670 865	16,08%
TOTAL	**1 516 631**	**100,00%**	**1 542 755**	**100,00%**	**4 172 938**	**100,00%**

(1) shareholders acting in concert as from 17 December 2018, date of completion of the acquisition of Sofidy by Tikehau Capital.

For information purposes, in accordance with Article L. 225-100-3 of the French Commercial Code:

- there are no statutory restrictions on the exercise of voting rights or transfers of shares;
- there are no securities bearing special control rights;
- there are, to the Company's knowledge, no existing agreements between shareholders that could result in restrictions on transfers of shares or voting rights;
- the members of the Management Board are appointed for a 4-year term by the Supervisory Board and dismissed, where appropriate, by the General Meeting on a recommendation from the Supervisory Board;
- aside from the powers granted by the Articles of Association, the Management Board benefits from the delegations presented in the table appended to this report;
- no compensation shall be paid to members of the Management Board in the event of the early termination of their term of office.

	Number of shares issued	Number of shares after issue	Par value per share	Share premium per share	Subscription price per share	Capital increase (par + premium)	Share capital after issue
			euros	*euros*	*euros*	*euros*	*euros*
6 Oct 2006	238,960	1,221,708	16.00	22.50	38.50	9,199,960	19,547,328
1 Aug 2007	234,160	1,455,868	16.00	31.00	47.00	11,005,520	23,293,888
23 Dec 2008	10,000	1,465,868	16.00	14.49	30.49	304,900	23,453,888
2017	50,763	1,516,631	16.00	47.00	63.00	3,198,069	24,266,096
2018	26,124	1,542,755	16.00	47.00	63.00	1,645,812	24,684,080
2019 – OCEANE	130,183	1,672,938	16.00	47.00	63.00	8,201,529	26,767,008
2019 – Capital increase	2,500,000	4,172,938	16.00	70.8	86.8	217,000,000	66,767,008

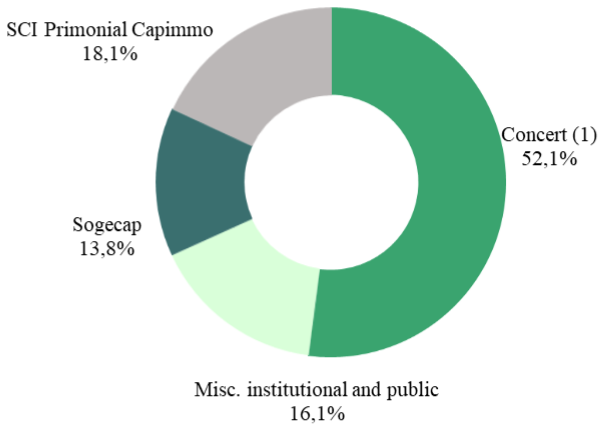
Measures taken by the Company to prevent abusive control

At 31 December 2019, the concert holds 52.05% of the share capital and voting rights of the Company, of which 37.45% is held by Tikehau Capital SCS[1]. Furthermore, Tikehau Capital wholly owns Sofidy, the Asset Management Company of SELECTIRENTE.

Tikehau Capital and the concert therefore have the majority necessary to have an influence over the Company's business. To prevent the abusive control of the Company, the latter has set up a governance structure that notably requires the presence of four independent members within the Supervisory Board and the specialist committees, including the Audit Committee which is chaired by an independent member of the Supervisory Board.

At 31 December 2019, the breakdown of share capital and voting rights was as follows (shareholders holding more than 13.8% of the share capital or voting rights):

Breakdown of SELECTIRENTE's share capital
At 31 December 2019



Securities giving future access to the Company's share capital

The Company issued 224,766 convertible bonds into and/or exchangeable for new or existing shares (OCEANE) on 17 December 2013.

At the date of this Universal Registration Document, 223,712 OCEANE had been converted. These conversions took place through the delivery of 16,645 new shares and 207,070 existing shares.

At 31 December 2019, the number of OCEANE outstanding was 1,054; these bonds were fully repaid upon maturity on 2 January 2020.

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[1] At the date of the Universal Registration Document, Tikehau Capital Advisors hold 36.99% of the share capital and voting rights of Tikehau Capital and 100% of the share capital and voting rights of Tikehau Capital General Partner, the Company's Manager/General Partner. The share capital of Tikehau Capital Advisors is distributed between the managers and founders of Tikehau Capital who together own 65.7% of the share capital and voting rights of Tikehau Capital Advisors and a group of institutional shareholders: Crédit Mutuel Arkéa, FFP, MACSF, Temasek and North Haven Tactical Value (an investment vehicle managed by Morgan Stanley Investment Management), who share the remaining 34.3%. Tikehau Capital Advisors acts in concert with the companies Fakarava Capital, MACSF épargne retraite, Crédit Mutuel Arkéa and Neuflize Vie under the terms of a shareholders agreement entered into on 23 January 2017 for a period of five years. This agreement states that the parties must meet prior to any meeting of the Tikehau Capital Supervisory Board or General Meeting to establish a joint general policy for the Company. This agreement stipulates that the parties must take the necessary steps to ensure that one member of the Supervisory Board is appointed on the proposal of each party holding at least 5% of the share capital of Tikehau Capital. This agreement also set outs the conditions under which the parties acting in concert may request the appointment of a representative on the Supervisory Board. Lastly, this agreement states that each party holding more than 3% of the share capital of Tikehau Capital (on a fully-diluted basis) who wishes to sell all or part of its shares in the Company, must offer the other parties to the agreement the option to acquire the shares for sale at the price set by the transferring party.

Moreover, Tikehau Capital is legally a partnership company limited by shares and governed by Articles 226-1 et seq. of the French Commercial Code, the Manager and General Partner of which is Tikehau Capital General Partner. Under the terms of Article 11 of the Tikehau Capital General Partner Articles of Association, prior to approving certain key decisions regarding Tikehau Capital, in the name and on behalf of Tikehau Capital General Partner acting in its capacity as General Partner and/or Manager of Tikehau Capital, the Chairman and Chief Executive Officer of Tikehau Capital General Partner must obtain prior authorisation from Tikehau Capital Advisors. These decisions are as follows: (i) the appointment (including the duration of the term of office and remuneration) or dismissal of any Manager of Tikehau Capital; (ii) the resignation of Tikehau Capital General Partner as Manager of Tikehau Capital; (iii) the transfer of general partner units of Tikehau Capital; (iv) and any amendment to the Articles of Association of Tikehau Capital (source: Tikehau Capital 2018 Registration Document, p.331).

Double voting rights

At the date of this Universal Registration Document, the Company's Articles of Association do not contain any provisions relating to the granting of specific rights, including double voting rights, to certain shareholders.

Control of the Company

As at the date of this Universal Registration Document, no single shareholder controls the Company.

To the Company's knowledge, there are no provisions whose implementation could, at a later date, have the effect of delaying, deferring or preventing a change of control of the Company.

Treasury shares

The shares held by the Company itself are detailed on page 50 of the Universal Registration Document. These shares are held as part of the liquidity agreement or are intended to be delivered in exchange to satisfy potential OCEANE conversion requests. No other use of the share buyback program has been implemented to date. The renewal of this program will also be submitted to the next General Meeting as the fifteenth resolution.

Crossings of thresholds and declarations of intent

During the 2019 financial year, the following threshold crossings were made known to SELECTIRENTE:

- in September 2019, prior to the launch of the capital increase, SCI Primonial Capimmo exceeded the threshold of 15% of the share capital and voting rights of the Company,
- after the capital increase completed on 16 December 2019, the Société Générale group, through its subsidiaries Sogécap, Antarius, Sogevimmo, Pierre Patrimoine and Sogepierre, exceeded the thresholds of 2.5%, 5%, 7.5%, 10% and 12.5% of the share capital and voting rights of the Company,
- after the capital increase completed on 16 December 2019, the civil society Tangram (managed by Amundi Immobilier) exceeded the threshold of 2.5% of the share capital and voting rights of the Company,
- after the capital increase completed on 16 December 2019, Tikehau Capital indirectly fell below the thresholds of 12.5%, 15%, 17.5% and 20% of the share capital and voting rights in the Company, through the companies Sofidy and *GSA Immobilier* which it controls,
- after the capital increase completed on 16 December 2019, the consortium consisting of Tikehau Capital, Sofidy, GSA Immobilier, Sofidiane, Makemo Capital, AF&Co, and Messrs Antoine Flamarion and Christian Flamarion jointly exceeded the thresholds of 5%, 10%, 15%, 20%, 25% and 30% of the share capital and voting rights of the Company.

16. TRANSACTIONS WITH RELATED PARTIES

Management Delegation Agreement with Sofidy

The Company has signed a Management Delegation Agreement with Sofidy (identified for the purposes of this Universal Registration Document as the "**Management Delegation Agreement**"). The Management Delegation Agreement was originally entered into on 23 October 1997 for an initial term of four years that ended on 23 October 2001 and has since been amended by two addenda dated 14 January 2003 and 2 August 2006.

In accordance with the new Article 5 of the Management Delegation Agreement, it was extended for an indefinite period, unless terminated by one of the parties by registered letter with acknowledgment of receipt received with twelve months' prior notice.

Under the Management Delegation Agreement:

The Company delegates to Sofidy the preparation and implementation of the investment, financing and divestment programs decided by the Company.

For the proper execution of the decisions taken by the competent corporate bodies of the Company, SELECTIRENTE authorises Sofidy to:

- sign, in the name of the Company, any promise to purchase or sell, any deed of purchase or sale, and generally any document necessary for the performance of its mission;
- contract, in the name of the Company, any loan, sign any act loan agreement, in advance, and grand the lending body any mortgage, pledge or security and generally any guarantee necessary for the realisation of a loan.

Under this mission, Sofidy shall cover the corresponding office costs and receive 4% excluding taxes of the purchase price excluding taxes, including costs, of the investments made.

The Company entrusts Sofidy with the administrative and real estate management of the Company and, in particular:

Administrative, financial and accounting management:

- quarterly shareholder and Supervisory Board information, except for shipping costs. This information shall include changes in the share capital, the investments made, the occupancy rate of the premises;
- preparation of meetings of the Supervisory Board and General Meetings, except for the cost of keeping and sending documents;
- preparation and monitoring of Investment Committee meetings;
- bookkeeping;
- cash management;
- monitoring of dividend distributions;

Lease and real estate management:

- ordering and monitoring real estate appraisal campaigns;
- invoicing to and recovery from tenants of rents, occupancy allowances, entry fees, late payment and other interest, rental and other expenses;
- portfolio maintenance visits, followed by co-ownership General Meetings;
- re-lettings of buildings in the portfolio, except for fees to be paid to marketing firms;
- and, more generally, all tasks incumbent on the real estate property administrators, managers and trustees.

As part of this mission, Sofidy shall cover the corresponding office costs and receive 8% before taxes of rental proceeds excluding taxes, entry fees excluding taxes and any net financial income.

The Company is responsible for:

- fees related to the purchase of real estate;
- remuneration of the members of the Supervisory Board;
- the Statutory Auditors fee;
- real estate portfolio expert fees;
- the costs of holding Supervisory Board and General Meetings and the cost of sending documents;
- costs of litigation and proceedings;
- insurance and, in particular, insurance of buildings constituting the portfolio;
- maintenance and building repair costs;
- miscellaneous taxes;
- amount of water, electricity and fuel consumption and, in general, all real estate expenses, fees for trustees and building managers;
- fees to be paid to marketing firms for the re-letting of vacant buildings;
- any one-time or recurring expenses related to the listing and subsequent status of the Company;
- all other expenses that are not part of the direct administration of the Company.

The remuneration referred to in the Management Delegation Agreement therefore provides for a management fee of 8% of rents and net financial income and an investment commission of 4%.

Regarding the management fees:

- the missions covered by the fees are extremely comprehensive and transparent;
- the Company's highly diversified portfolio consists of a large number of rental assets (over 300) that requires a specific and significant workload.

Regarding the investment fees:

- the investment fees are not recurring;
- the investment fees include the financing fees;
- there are no divestment fees.

It was further stated that said Management Delegation Agreement falls within the scope of related-party agreements and was therefore given prior authorisation by the Supervisory Board and a special report by the Statutory Auditors.

Pursuant to Article 5 of the Management Delegation Agreement, the parties have agreed that in the event of termination on the Company's initiative, it will be required to pay Sofidy fair and prior “I” end-of-contract compensation calculated as follows:

$I = R \times (I_1 + I_2)$, with:

$I_1 =$ one year of investment fees excluding tax (4% excluding tax of the investments made), with the calculation of this amount being made on a sliding year prior to the date of the end of this agreement;

$I_2 =$ two years of management fees excluding tax (8% of rent excluding tax, entry rights[1] excluding tax and net financial income) with the calculation of this amount being made on a sliding year prior to the end of this agreement.

R = 1 if the date of end of this agreement is prior to 1 September 2010.

R = 0.5 + 0.5 x [number of days between the end of the said agreement and 1 September 2011] / 365 if the end date of this agreement is between 1 September 2010 and 1 September 2011.

R = 0.5 if the date of the end of this agreement is between 1 September 2011 and 1 September 2014.

R = 0.33 + 0.17 x [number of days between the end of the said agreement and 1 September 2015] / 365 if the end date of this agreement is between 1 September 2014 and 1 September 2015.

R = 0.33 if the date of end of this agreement is after 1 September 2015.

[1] The threshold or “entrance fee” is the amount paid in capital by the tenant to the lessor at the time of its entry into the premises, which remains permanently acquired by the landlord.

Payment of the compensation must be made no later than 15 days after the end date of this agreement, under penalty of the application of late interest at the legal interest rate.

Related-party contracts

Tenant search master terms of reference

GSA Immobilier, a subsidiary of Sofidy, and SELECTIRENTE have created master terms of reference to formalise their relationship for the search for tenants for real estate assets managed by SELECTIRENTE. This contract was signed for a period of one year starting 1 April 2008 and is renewable annually by tacit agreement. It may be terminated by either party at any time by giving one month's notice.

If re-letting takes place, GSA Immobilier will receive fees from the Company corresponding to 15% excluding taxes and charges of the annual rent included in the lease.

There is an outperformance clause in the event that re-letting takes place within three months from the beginning of its mission for a given asset. In this case, the agent will be entitled to additional fees equal to 10% excluding taxes and charges of the annual rent included in the lease, which will be paid by the principal.

Management authorisations

SELECTIRENTE may entrust technical management authorisations to GSA Immobilier and Espace Immobilier Lyonnais, related companies belonging to the Sofidy Group. These authorisations are entered into under market conditions and the amount of fees paid are always declared in the management report.

Special report by the Statutory Auditors on related-party agreements and commitments

The special report by the Statutory Auditors on related-party agreements and commitments appears on pages 140-141 of the Universal Registration Document.

Rue du Cherche Midi – Paris (6th)

17. REGULATORY ENVIRONMENT

In the conduct of its real estate asset holding activity, the Company is required to comply with special or general regulations governing, among other things, commercial leases, urban planning law, public health, the environment, safety and tax rules inherent in its SIIC status.

Commercial lease law

Commercial leases are governed by Decree No. 53-962 of 30 September 1953, which is codified in part in Articles L. 145-1 et seq. of the French Commercial Code, which states that their duration must not be less than nine years. Nevertheless, the lessee has the option to terminate at the end of each triennial period, provided that it gives notification by extrajudicial document at least six months before the end of the current period. The lessor, on the contrary, may not take back the premises at the expiry of each triennial period from the lessee unless it intends to build, reconstruct the existing building or raise it and may request the judicial termination of the lease only in the event of the tenant's breach of its contractual obligations. When the agreement is signed, the parties shall freely determine the initial rent. In the absence of an annual indexing clause stated in the lease, the rent may be revised only every three years to correspond to the rental value, but it may not, barring exceptions, exceed the variation of the quarterly index (ICC or ILC) since the last time the rent was established. Leases usually include an annual indexing clause. The rent is indexed most often on 1 January of each year according to the variation of the National Cost of Construction Index published quarterly by INSEE or ILC.

At the end of the lease, the Company may refuse to renew the lease to the tenant or give notice to the lessee with a renewal offer under new financial terms. For its part, the tenant can request the renewal of its lease under the same conditions. Otherwise, the lease shall continue by tacit agreement under the conditions applicable at the end of the lease.

Following a refusal of renewal issued by the Company, it must pay eviction compensation to the tenant to repair all damage suffered by the evicted tenant, unless it justifies the non-payment of such indemnity by the existence of serious and legitimate reasons. In the event that eviction compensation is due, the Company has a right to rescind, namely the right to reconsider its decision and to propose the renewal of the lease in question. This right to rescind may be exercised, provided that the tenant has not taken prior steps to leave the premises, until the expiry of a period of fifteen days from the date on which the decision determining the eviction compensation has become res judicata. The exercise of this right to rescind is irrevocable and entails the renewal of the lease as from the notification of the tenant of the implementation of such right by bailiff's instrument. Following notification with a renewal offer issued by the Company or a request for renewal by the tenant, the rent may be set amicably between the parties or judicially ordered if there is a lack of agreement between the parties.

In the latter case, the more diligent party must refer the matter to the Departmental Conciliation Commission, before any referral to the District Court (Tribunal de Grande Instance); so that an opinion can be issued on the amount of the rent and a reconciliation of the parties can be attempted. Failing agreement, the matter must be brought within two years from the effective date of the renewal in front of the Tribunal de Grande Instance. The rent of the renewed lease must satisfy two principles: it must correspond to the rental value of the premises and its renewal shall occur in accordance with the so-called "ceiling" rule introduced by Decree No. 53-962 of 30 September 1953. Barring a significant change in certain factors that determine the rental value of the leased premises ("local market factors") and result in a change in the rental value of more than 10%, the rents stated in leases, the duration of which shall not be above nine years, shall be capped and cannot exceed the variation of the ICC index. Nevertheless, this so-called "ceiling" rule excludes offices, "monovalent" premises (premises intended to be used for a single activity due to their particular layout) or leases with an initial term of nine years that, by tacit renewal, had an effective overall duration of more than twelve years. In such a case, the free renegotiation of the rent may be undertaken with the lessees at the end of the contractual term of the lease for the leases of office or monovalent premises and at the end of the lease according to the market conditions in force at the time for leases of more than twelve years. For leases with a duration of more than nine years, rents are also exempt from the ceiling rule and renegotiation thereof may be undertaken with lessees when their leases are renewed, under market conditions. For nine-year leases, the Pinel Act states that the variation of rents resulting from an uncapping is limited to 10% per year.

Moreover, since the publication of the decree implementing the ILC Index, all commercial activities can benefit from the new index. It is calculated and published quarterly by INSEE and 50% of it is based on the consumer price index excluding tobacco and rent, 25% on the cost of construction index (ICC) and 25% on the retail commerce revenue index (ICAVaCAD) published by INSEE. This new index offers an alternative to reference to the quarterly index that measures the cost of construction (ICC), which was used before then to calculate changes in commercial rents.

The scope of the ILC is narrower than the scope of the commercial lease under Article L. 145-1 of the French Commercial Code. It concerns merchant and artisan tenants that conduct commercial activity and are registered with the trade and companies register or the employment repertoire. Excluded from the new scheme are activities performed in buildings for exclusive office use, even if the holder has a commercial lease, activities performed in logistics platforms and industrial activities.

The CLI index now applies to all leases entered into or renewed on or after 1 October 2014.

Commercial planning law

Law No. 73-1193 of 27 December 1973 respecting commerce and trade known as the Royer Law, as amended by Law No. 96-1018 of 15 July 1996, makes the creation and the extension of commercial complexes, consolidation of existing sales areas and changes in business sectors subject to the obtaining of a special authorisation called a “CDAC authorisation” from the name of the body that issues it, the Departmental Commercial Development Commission (Commission Départementale d’Aménagement Commercial). This authorisation applies to projects whose purpose is the creation or extension of a commercial complex with a sales area greater than 1,000 m² or a sales area that will exceed this threshold when the project is completed. This authorisation is a necessary prerequisite for the operation of sales areas in shopping centres. Any operation of unauthorised sales areas is heavily penalised by the French Urban Planning Code (fine and, failing subsequent compliance, destruction of illegal square metres). To the Company's knowledge, there is no dispute or administrative or judicial decision against it or against any of its tenants with respect to commercial planning violations.

Public health law

The Company is required to conduct searches for asbestos and, where applicable, remove asbestos in accordance with Articles R. 1334-14 to R. 1334-29 and R. 1336-2 to R. 1336-5 of the French Public Health Code. Depending on the level of conservation of the asbestos detected, the owner must conduct a periodic check of the level of conservation of the materials, monitor the dust levels in the atmosphere, or contain or remove the asbestos. The proportion of buildings with asbestos held by the Company is very low and does not require any special work in accordance with the regulations in force. No current or future asbestos removal operations have been identified.

The Company is also subject to the regulations in force in the fight against the risks of lead poisoning, for which provisions appear in the French Public Health Code in Articles L. 1334-1 to L. 1334-6 and R. 1334-1 to R. 1334-13. If a diagnostic of the building reveals a risk of lead intoxication or accessibility for the occupants, the prefect shall inform the owner and organise with it the performance of the necessary works.

Environmental law

In cases where the sites owned by the Company are classified by administrative acts in an area covered by a technological risk prevention plan, a plan for the prevention of foreseeable natural risks or are in a seismic zone, the Company is required by Article L. 125-5 of the French Environmental Code and Decree No. 2005-134 of 15 February 2005 to inform the tenants.

Some installations may also be subject to the regulations governing Installations Classified for the Protection of the Environment (ICPE). A classified installation (Law of 19 July 1976) is an installation that may present dangers or disadvantages for the convenience of the neighbourhood, health, safety, public health and the environment. The operator of a classified installation is required to inform the prefect of any significant changes that it plans to make to the classified installation and to provide him or her every ten years with an operating report whose contents are specified by the Decree of 17 July 2000. Moreover, if the classified installation is permanently shut down, its operator must inform the prefect at least one month before the shutdown and must return the site to a state such that it does not manifest any of the dangers or inconveniences referred to in Article L. 511-1 of the French Environmental Code.

The Company is required to comply with water regulations for water use and discharges, including the obligation to treat wastewater in accordance with the provisions of the French Public Health Code and the French General Local Authorities Code, and for the qualitative and quantitative management of rainwater (Water Law of January 1992).

Moreover, in accordance with the so-called RT 2005 and RT 2012 regulations, to Law No. 2009-967 of 3 August 2009 (the so-called Grenelle I Law) and the Law of 13 July 2010 (the so-called Grenelle II Law), sustainable development policy will be based in 2011 on a series of diagnostics and targeted work on the reduction of energy consumption.

Compliance with safety standards

As public establishments, certain buildings and shopping centres are subject to the fire safety standards set out in Articles R. 123-1 to R. 123-55 of the French Construction and Housing Code. Before any public establishment is opened, the building is inspected by the Safety Commission. Once signed off by the Safety Commission, the mayor authorises the opening of the establishment by decree. In addition, periodic inspections are carried out to ensure compliance with safety standards.

Moreover, these business premises are subject to guarding or surveillance requirements as warranted by their size or location. In accordance with Article L. 127-1 of the French Construction and Housing Code, this entails the taking of measures to avoid obvious risks to the safety and tranquillity of the premises. The terms of application of this provision have been specified for commercial premises by Decree No. 97-46 of 15 January 1997 and for parking facilities by Decree No. 97-47 of 15 January 1997.

In addition, the Law of 11 February 2005 for equal rights and opportunities, participation and citizenship of persons with disabilities requires the accessibility of institutions with public access to persons with reduced mobility. Establishments that are non-compliant at 31 December 2014 are required to submit by the end of September 2015 a Scheduled Accessibility Agenda (Ad'Ap) consisting of a compliance commitment accompanied by a schedule of work to be implemented.

Tax law applicable to the Company

Starting 1 January 2007, the Company opted to be subject to the SIIC tax regime referred to in Article 208C of the French General Tax Code. This plan allows SIICs to enjoy an income tax exemption for their rental income and the capital gains they make on property sales or certain investments in real estate companies.

In exchange for this exemption, SIICs are subject to a distribution obligation of:

- at least 95% of their exempt profits from their rental activity, to be distributed before the end of the financial year following their realisation;
- at least 70% of their exempt profits from the sale of real estate or certain investments in real estate companies, to be distributed before the end of the second financial year following the year of their realisation;
- all dividends received from subsidiaries that opted for the special regime, to be redistributed in the financial year following the year of their collection.

The share of income from partnerships with a purpose identical to the SIIC is exempt provided that it is distributed in the proportions and at the times indicated above by distinguishing the share that comes from the rental of buildings, their sale or dividends received from subsidiaries that opted for the special regime.

Failure to comply with the distribution obligation shall result in taxation under ordinary law conditions of the entire profit for the year.

In addition, under the option for the SIIC regime, the Company must pay income tax (exit tax) at the rate of 16.5% based on the difference between the market value of its real estate assets at the day of its option for the SIIC regime and their tax value. This tax may be paid in four instalments on 15 December in the option year and in the following three years. Unrealised gains on other fixed assets are not taxable provided that the company undertakes to calculate the capital gains realised subsequently, on the sale of the fixed assets, according to the tax value that they had at the close of the year preceding the entry into the regime.

In the event of a withdrawal from the SIIC regime within ten years of having opted in, SIICs are required to pay additional income tax on the capital gains that were taxed at the reduced rate equal to the difference between taxation at the corporate tax rate and at the rate of 16.5%.

For the accounting and financial consequences of opting for this regime, see page 47 of the Universal Registration Document.

18. MATERIAL CONTRACTS

The Management Delegation Agreement with Sofidy is presented in section 16 of the Universal Registration Document.

Rue Réaumur – Paris (2nd)

Place Saint Ferdinand – Paris (17th)

19. FINANCIAL INFORMATION CONCERNING THE COMPANY'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS

19.1. Financial statements

Balance sheet as at 31 December 2019

ASSETS *in euros*	Financial year N ended 31/12/2019			Financial year N-1 ended 31/12/18
	GROSS	tisation and depreci provisions	NET	NET
Intangible Assets				
Concession and Patents	521	-	521	1
Start-up costs	-	-	-	-
Other intangible assets	2 012 020	1 022 311	989 709	1 304 274
Property, Plant and Equipment				
Land	89 250 977	-	89 250 977	63 854 052
Construction	187 271 166	42 994 472	144 276 693	101 841 581
Other property, plant and equipment	-	-	-	-
Assets under construction	941 152	-	941 152	326 882
Non-Current Financial Assets				
TIAP*	8 961 349	67 823	8 893 526	8 930 449
Receivables relating to TIAPs	-	-	-	-
Working capital	227 958	-	227 958	193 621
Other financial assets	364 664	-	364 664	398 126
FIXED ASSETS	**289 029 806**	**44 084 606**	**244 945 199**	**176 848 986**
Trade receivables				
Lease receivables	522 824	-	522 824	165 020
Bad debts	1 580 652	1 160 395	420 257	316 503
Customers not yet invoiced	378 179	-	378 179	30 165
Rental expense receivables	992 493	-	992 493	959 791
Other receivables				
Tax receivables	510 761	-	510 761	75 145
Accrued income	161 804	-	161 804	182 074
Other receivables	12 454	-	12 454	7 182
Trade payables - advances and prepaymer	31 738	-	31 738	36 843
Cash				
Marketable securities	0	-	0	-
Cash instruments	70 003 063	-	70 003 063	-
Cash and cash equivalents	128 139 671	-	128 139 671	5 564 880
Prepaid expenses	28 115	-	28 115	4 156
CURRENT ASSETS	**202 361 754**	**1 160 395**	**201 201 358**	**7 341 760**
Bond repayment premium	218	-	218	87 271
GRAND TOTAL	**491 391 777**	**45 245 002**	**446 146 775**	**184 278 017**

Balance sheet as at 31 December 2019 (continued)

LIABILITIES *in euros*	Financial year N ended 31/12/2019	Financial year N-1 ended 31/12/2018
Share capital	66 767 008	24 684 080
Share premiums	202 619 937	20 245 094
Revaluation adjustment	10 515 339	11 005 148
Distributable revaluation adjustment	9 134 512	8 644 703
Legal reserve	2 468 408	2 426 610
Unavailable reserve	-	-
Regulated reserves	-	-
Others reserves	11 905	11 905
Retained earnings	4 126 417	5 279 518
Profit (loss) for the period	8 774 664	4 191 055
Interim dividends	-	- 3 395 821
EQUITY	**304 418 190**	**73 092 291**
Provisions for risks	70 000	70 000
Provisions for contingent liabilities	440 737	407 526
PROVISIONS FOR RISKS AND LIABILITIES	**510 737**	**477 526**
Borrowings		
Convertible bond borrowings	69 077	8 837 032
Borrowings from credit institutions	134 186 972	92 373 976
Other borrowings and financial liabilities	-	-
Security deposit	3 650 197	3 242 388
Liabilities		
Customer credit notes to be issued	57 562	35 481
Credit balances on trade receivables	615 783	744 597
Prepaid rental expenses from trade receivables	983 911	907 533
Trade payables	818 285	339 543
Tax and social security payables	332 208	334 132
Payables on non-current assets	-	-
Other payables	11 664	11 664
Other liabilities	417 257	3 789 982
Prepaid income	74 932	91 873
LIABILITIES	**141 217 849**	**110 708 200**
GRAND TOTAL	**446 146 775**	**184 278 017**

2019 Income statement

In euros	Financial year N, ended 31/12/19	Financial year N-1 ended 31/12/18
Operating income		
Rent	14 210 909	12 954 656
Income from usufruct and investments	864 344	1 125 241
Related income	667 853	292 322
Net revenue	**15 743 107**	**14 372 219**
Rebillable rental expenses	777 547	722 336
Rebillable taxes	848 234	921 229
Commissions and brokerage fees	-	-
Reversal of depreciation, amortisation and provisions and transfe	434 255	772 905
Other income	69 628	4
Total operating revenues	**17 872 771**	**16 788 693**
Real estate expenses		
Non-rebillable rental expenses	283 030	247 007
Rebillable rental expenses	777 547	722 336
Non-rebillable maintenance	72 516	66 052
Taxes, duties and similar payments		
Non-rebillable taxes	184 053	185 222
Rebillable taxes	848 234	921 229
Other taxes	305 497	272 734
Other purchases and external expenses		
Remuneration of the management company	1 174 353	1 072 488
Professional fees	643 724	710 422
Insurance	20 640	28 647
Banking services	77 048	61 018
Other purchases	22 467	21 322
Provisions for liabilities		
Amortisation and depreciation	4 780 797	4 575 319
Provisions for bad debts	369 756	269 873
Provisions for major maintenance	105 727	101 603
Provisions for risks	70 000	70 000
Provisions for Deferred Charges		
Other operating expenses (including bad debt)	150 049	369 820
Total operating expenses	**9 885 437**	**9 695 093**
OPERATING PROFIT (LOSS)	**7 987 333**	**7 093 599**

2019 Income statement (continued)

In euros	Financial year N, ended 31/12/19	Financial year N-1 ended 31/12/18
Financial income		
Income from receivables relating to interests	-	-
Net income from disposals of marketable securities and shares	-	-
Net income from disposals of non-current financial assets	20 456	-
Other interest receivable and similar income	513 504	77 487
Provision reversals and expense transfers	-	-
Total financial income	**533 960**	**77 487**
Financial expenses		
Interest payable and similar expenses	2 204 680	2 405 339
Net expenses from disposals of marketable securities	-	-
Net expenses from disposals of non-current financial assets	26 765	-
Other interest payable and similar expenses	49 691	83 129
Depreciation, amortisation and impairment	72 621	93 523
Total financial expenses	**2 353 757**	**2 581 991**
FINANCIAL INCOME (EXPENSE)	**- 1 819 797**	**- 2 504 504**
RECURRING INCOME/(LOSS) BEFORE TAX	**6 167 537**	**4 589 095**
Non-recurring income		
Non-recurring income on revenue transactions	16 399	23 840
Non-recurring income on capital transactions	6 926 415	3 767 372
Provision reversals and expense transfers	416 743	168 991
Total non-recurring income	**7 359 558**	**3 960 203**
Non-recurring expenses		
Non-recurring expenses on revenue transactions	292 780	495 001
Non-recurring expenses on capital transactions	3 796 187	2 268 069
Depreciation, amortisation and impairment	620 774	1 583 744
Total non-recurring expenses	**4 709 741**	**4 346 814**
NET NON-RECURRING INCOME/(EXPENSE)	**2 649 816**	**- 386 611**
Corporate income tax	42 689	11 430
PROFIT OR LOSS	**8 774 664**	**4 191 055**

19.2. Highlights of the financial year

In December 2019, the Company carried out a €217-million capital increase with an issue price of €86.8 per share. This transaction resulted in the issue of 2,500,000 new shares.

At the date of approval of the Company's financial statements, it is still too early to determine the impact of the COVID-19 health crisis. SELECTIRENTE benefits from strong granularity in terms of its portfolio and high levels of mutualisation in terms of its rental risk (diversification by number of tenants and by sector of activity in particular). SELECTIRENTE began the year 2020 in a strong financial position based on available cash in excess of €198 million and a debt ratio of 42.5% (€64 million net of debt). The Company is thus well-placed to face the uncertainties linked to the current public health crisis which should be limited over time.

19.3. Accounting principles, rules and methods

The annual financial statements as at 31 December 2019 have been drawn up in accordance with the provisions of ruling 2014 - 03 of the Autorité des Normes Comptables related to the General Accounting Charter (Plan Comptable Général), along with the current supplementary rulings as at the date of the preparation of the said annual financial statements. SELECTIRENTE does not prepare consolidated financial statements and does not enter into the scope of application of IFRS.

General accounting conventions were applied in compliance with the principles of prudence in accordance with the following basic assumptions:

- going concern;
- consistent accounting methods;
- separate financial years;

and in accordance with general guidelines for the preparation and presentation of annual financial statements.

The historical cost method has been selected to evaluate accounting items.

Intangible assets

Intangible assets are assessed at their acquisition cost (purchase price including all costs). Temporary usufruct of SCPI shares is amortised on a straight-line basis over the unwinding period.

Property, plant and equipment

Property, plant and equipment are assessed at their acquisition cost (purchase price including all costs).

- <u>Share of land and breakdown by components</u>

Since 1 January 2005 and in accordance with the CRC ruling 2002-10, the Company has recognised its non-current assets according to the component-based method.

From 1 January 2007, SELECTIRENTE decided to change the share of land in the value of newly acquired building ground floors from 20% to 35%. As the allocation by component has remained unchanged since 1 January 2005, as a result, the acquisition cost of property, plant and equipment has been broken down as follows since 1 January 2007:

<table>
<tr><th rowspan="2"></th><th colspan="2">Ground floors *</th><th colspan="2">Peripheral stores</th></tr>
<tr><th>share of total value</th><th>share value of components</th><th>share of total value</th><th>share value of components</th></tr>
<tr><td>Land</td><td>35%</td><td></td><td>20%</td><td></td></tr>
<tr><td>Structure</td><td rowspan="3">65%</td><td>80%</td><td rowspan="3">80%</td><td>75%</td></tr>
<tr><td>Exteriors (roof, façade, etc.)</td><td>15%</td><td>20%</td></tr>
<tr><td>Interior fittings and general installations</td><td>5%</td><td>5%</td></tr>
</table>

* This column is the distribution applied to the entire property on Cours de l'Intendance in Bordeaux.

- Revaluation of non-current assets as part of the adoption of the SIIC tax regime effective from 1 January 2007

SELECTIRENTE has opted for the SIIC tax regime effective from 1 January 2007. As part of this option and in compliance with the option offered, the Company conducted a revaluation of its property, plant and equipment and non-current financial assets.

Amortisation and depreciation periods from 1 January 2007

For buildings, the Company decided to depreciate each of the items reassessed as at 1 January 2007 on the basis of the original durations. These durations are those selected when the components were implemented on 1 January 2005 with the exception of the depreciation period of the ground floor structure item which changed from 40 to 60 years from 1 January 2007. This change complies with the position of the Fédération des Sociétés Immobilières et Foncières and practices observed at the main commercial leasehold and/or Parisian leasehold companies.

The depreciation methods have been as follows since 1 January 2007:

	Ground floors (*)		Peripheral stores	
Components	**Method**	**Duration**	**Method**	**Duration**
Structure	Straight-line	60 years	Straight-line	30 years
Exteriors (roof, façade, etc.)	Straight-line	15 years	Straight-line	15 years
Interior fittings and general installations	Straight-line	10 years	Straight-line	10 years

* This column is the one applied to the entire property on Cours de l'Intendance in Bordeaux.

- Impairment

The Company's assets are subject to independent assessments every year. These assessments are entrusted each year to Cushman & Wakefield for the entire portfolio (whereas Crédit Foncier Expertise assessed 85% of the portfolio the previous financial year).

The work conducted by the experts comprises:

- an appraisal conducted when a building enters the portfolio;
- an annual appraisal update;
- a five-year review.

At 31 December 2019, only the most recent acquisition of the financial year, completed on 16 December 2019, had not been subject to an appraisal or appraisal update.

The assessment methods used by Cushman & Wakefield are based on the net income and future potential income capitalisation method.

An impairment test is conducted if there is an indication of impairment impacting a given real estate asset (contraction of net cash flows generated, deterioration, decrease in appraisal value, or significant decrease in market value, etc.). This leads, if required, to the recognition of an impairment provision if the current value of the concerned asset (corresponding to an assessment by the Asset Management Company notably based on the external evaluators' reports) is significantly less than the net book value (excluding the share of unamortised costs and rights). For the 2019 financial year, reversals of provisions were made for a total of €412,653 and new provisions were made for a total of €535,309.

Non-current financial assets

Non-current financial assets are recognised at their acquisition cost including costs. If there is an indication of impairment, a provision for impairment is made if the current value of the concerned assets is lower than its net book value excluding acquisition costs. With regard to the 2019 financial year, new provisions were made for a total provision of €67,823 at 31 December 2019.

Receivables

Receivables are valued at their nominal amount. They are subject to a case-by-case assessment if the rent or expenses have been unpaid for six months, with this analysis leading to the recognition of an impairment provision according to the incurred risk (receivables excluding tax less security deposits excluding tax).

Capital increase/share premium costs

Capital increase costs (€753,604) are recognised by deducting their amount net of tax from the issue premium.

Bond repayment premium

The repayment premium for the convertible bond issued in December 2013 is amortised on a straight-line basis over the loan duration.

19.4. Notes on balance sheet items

Intangible assets

They exclusively comprise temporary usufructs on SCPI shares for which the list is provided in the portfolio composition tables.

Property, plant and equipment

They comprise buildings that make up the rental real estate portfolio which the list is provided in the portfolio composition tables.

Non-current financial assets

Non-current financial assets mainly concern SCPI and OPCI shares acquired outright and a 48% investment in SARL Rose (indirect investment in a shopping mall in Italy). The list is provided in paragraph "Long-term portfolio investment securities".

Statement of non-current assets as at 31 December 2019

NON-CURRENT ASSETS *in euros*	31/12/2018	Increase		Decrease		31/12/2019
	Values Gross	Free revaluation as at 1/1/2007	Acquisitions, inceptions and contributions	Reclassifications. .	Disposals, removed from service	Values gross
Intangible assets						
Start-up costs	-	-	-	-	-	-
Concession and Patents	1	-	520	-	-	521
Other intangible assets	2 387 589	-	-	-	375 569	2 012 020
TOTAL	**2 387 590**	**-**	**520**	**-**	**375 569**	**2 012 541**
Property, plant and equipment						
Land	63 854 052	-	26 615 929	-	1 219 003	89 250 977
Construction	142 785 951	-	49 668 921	-	5 183 706	187 271 166
Other property, plant and equipment	-	-	-	-	-	-
Property, plant and equipment in	326 882	-	4 221 782	3 607 512	-	941 152
TOTAL	**206 966 885**	**-**	**80 506 631**	**3 607 512**	**6 402 710**	**277 463 295**
Non-current financial assets						
TIAP*	8 988 114	-	-	-	26 765	8 961 349
Receivables related to TIAPs*	-	-	-	-	-	-
Working capital	193 621	-	49 014	-	14 678	227 958
Other financial assets	398 126	-	94 668	-	128 130	364 664
TOTAL	**9 579 861**	**-**	**143 682**	**-**	**169 573**	**9 553 971**
GRAND TOTAL	**218 934 336**	**-**	**80 650 834**	**3 607 512**	**6 947 851**	**289 029 806**

* long-term portfolio investment securities.

Non-current assets in progress comprise reservation deposits paid on the signature of sales agreements with the aim of acquiring assets, as well as work in progress at the end of the financial year.

Long-term portfolio investment securities

SELECTIRENTE's long-term portfolio investment securities are broken down as follows as at 31 December 2019:

In euros	Number of securities held	Share capital (nominal)	Share of capital held by SOFIDY	Book value of securities held	Revenue of the last financial year ended (2019)	Net result of the last financial year ended (2019)
SCPI shares						
SCPI IMMORENTE	3 773	1 496 118 216	0,04%	1 047 678	214 816 013 (1)	139 434 091
SCPI EFIMMO 1	738	908 276 456	0,01%	136 161	111 961 076 (1)	60 354 338
SCPI SOFIPIERRE	1 294	28 925 752	0,68%	533 514	8 991 566 (1)	4 987 159
SCPI CIFOCOMA 2	373	6 809 112	0,84%	167 801	*n.c.*	*n.c.*
SCPI SELECT INVEST 1	147	376 165 341	0,01%	84 756	*n.c.*	*n.c.*
SCPI FICOMMERCE	820	465 559 461	0,03%	165 024	*n.c.*	*n.c.*
SCPI ATLANTIQUE PIERRE 1	663	35 026 749	0,29%	202 389	*n.c.*	*n.c.*
SCPI NOVAPIEERE	2 530	103 954 560	0,58%	1 047 002	*n.c.*	*n.c.*
SCPI ACTIPIERRE 2	100	49 936 718	0,03%	26 196	*n.c.*	*n.c.*
SCPI FONCIA PIERRE RENDEMENT	2 300	176 975 200	0,52%	1 983 721	*n.c.*	*n.c.*
SCPI BUROBOUTIC	1 465	218 116 650	0,10%	367 107	*n.c.*	*n.c.*
Other securities held						
SPPICAV TIKEHAU RETAIL PROPERTIES III	200	179 296 990	1,14%	2 000 000	16 276 720	14 913 893
SARL ROSE	6 000	12 500	48,00%	1 200 000	213 372	183 851
TOTAL				**8 961 349**		

(1) Income from real estate activity.

As SELECTIRENTE only owns minority investments that it does not control either exclusively or jointly, the Company is not required to prepare consolidated financial statements.

Statement of amortisation, depreciation and provisions as at 31 December 2019

AMORTISATION AND DEPRECIATION *in euros*	**31/12/2018**	**Increase Amortisation**	**Decrease Reversals**	**31/12/2019**
Intangible assets				
Start-up costs	-	-	-	-
Concession and Patents	-	-	-	-
Other intangible assets	1 083 314	314 565	375 569	1 022 311
TOTAL	**1 083 314**	**314 565**	**375 569**	**1 022 311**
Property, plant and equipment				
Construction	38 277 464	4 466 232	2 597 823	40 145 873
Other property, plant and equipment	-	-	-	-
TOTAL	**38 277 464**	**4 466 232**	**2 597 823**	**40 145 873**
Non-current financial assets				
TIAP *	-	-	-	-
Receivables related to TIAPs *	-	-	-	-
Working capital	-	-	-	-
Other financial assets	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**
GRAND TOTAL	**39 360 778**	**4 780 797**	**2 973 392**	**41 168 183**

* long-term portfolio investment securities.

PROVISIONS *in euros*	**31/12/2018**	**Increase Amortisation**	**Decrease Reversals**	**31/12/2019**
Provisions for impairment				
On intangible assets	-	-	-	-
On property, plant and equipment	2 666 906	598 437	416 743	2 848 599
On non-current financial assets	57 666	10 158	-	67 823
On client receivables	1 070 814	369 756	280 174	1 160 395
On other receivables	0	-	-	0
TOTAL	**3 795 386**	**978 350**	**696 917**	**4 076 819**

Provisions for property, plant and equipment of €2,848,599 can be broken down into:

- €152,410 in provisions for the impairment of components for which replacement or renewal work has been identified and already committed or where this work will take place during the following financial year;
- €2,696,190 in provisions for the impairment of assets for which impairment indicators have been identified. Recognised impairment is calculated from the difference between the net book value excluding acquisition costs and the appraisal value excluding rights. They are broken down into:
    - €424,453 for two peripheral stores in Puygouzon (81);
    - €417,725 for an asset located rue Léon Gambetta in Lille (59);
    - €352,809 for two stores located rue Georges Clémenceau in Vichy (03);
    - €261,306 for a shop located chaussée d'Alsemberg in Brussels (Belgium);
    - €206,961 for a shop in Anvers (Belgium);
    - €171,587 for a shop located rue de Vaugirard in Paris (15th);
    - €125,010 for a shop located rue Saint-Aubin in Angers (49);
    - €115,072 for an asset located rue de la République in Saint Chamond (42);
    - €111,415 for a shop located Grande Rue in Sens (89);
    - €104,354 for a city-centre store located avenue Louis Mony in Troyes (10);
    - €100,258 for an asset located Statiestraat 38a & 40 in Mol (Belgium);
    - €75,569 for a store in Les Andelys (27);
    - €66,925 for a city-centre store located place Charles Lepère in Auxerre (89);
    - €65,786 for a store in Alba-la-Romaine (07);
    - €59,325 for a shop located rue des ponts in Aillant sur Tholon (89);
    - €37,636 for a store in Anost (71).

Provisions for client receivables correspond to the provisions for doubtful receivables.

Provisions for non-current financial assets correspond to provisions for asset impairment on SCPI shares.

Statement of receivables as at 31 December 2019

In euros	Gross Amount	Due within one year	Due in over one year
Receivables from fixed assets			
Working capital	227 958	-	227 958
Receivables from current assets			
Customers	522 824	522 824	-
Doubtful and disputed trade	1 580 652	1 580 652	-
Other trade receivables (advances /	992 493	992 493	-
Customers not yet invoiced	378 179	378 179	-
State: Corporate income tax	11 525	11 525	-
State: Value added tax	497 659	497 659	-
State: Other taxes, duties and	1 577	1 577	-
Group and associates	-	-	-
Other receivables	44 192	44 192	-
Accrued income	161 804	161 804	-
Prepaid expenses	28 115	28 115	-
TOTAL	**4 446 978**	**4 219 020**	**227 958**

Statement of changes in equity

in euros	Situation as at 31/12/2018	Change in the share capital	Appropriation of n-1 earnings	Other movements	Situation as at 31/12/2019
Share capital	24 684 080	42 082 928			66 767 008
Share premiums	20 245 094	182 374 843			202 619 937
Revaluation adjustment	11 005 148			- 489 809	10 515 339
Distributable revaluation adjustment	8 644 703			489 809	9 134 512
Legal reserve	2 426 610		41 798		2 468 408
Unavailable reserve	-				-
Others reserves	11 905				11 905
Retained earnings	5 279 518		- 1 153 101		4 126 417
Interim dividends	- 3 395 821			3 395 821	-
Profit (loss) for the financial year	4 191 055,10		- 4 191 055	8 774 664	8 774 664
Equity	**73 092 291**	**224 457 771**	**- 5 302 358**	**12 170 485**	**304 418 190**
Dividends paid (1)			5 302 358	- 3 415 968	

(1) Less dividends on treasury shares.

Share capital

As at 31 December 2019, SELECTIRENTE's share capital amounted to €66,767,008 comprising 4,172,938 shares with a par value of €16 each.

Revaluation adjustments

As part of the option for the SIIC tax regime, SELECTIRENTE decided to conduct a revaluation of the property, plant and equipment and the non-current financial assets in its balance sheet. In accordance with the opinion no. 2003-C of 11 June 2003 from the Conseil National de la Comptabilité (National Accounting Council), the revaluation adjustment was recorded in shareholders' equity at the start of the 2007 financial year for a gross amount of €23,611,731 from which is deducted the capital gains tax (€3,895,936) due in the context of the option for the SIIC tax regime.

It is also stipulated that the revaluation adjustment recorded in the non-distributable revaluation reserve may be transferred to a distributable reserve item when the asset that generated the difference is sold, as well as each year for the share of impairment corresponding to the revaluation adjustment. The Company proposes, in this way, to transfer €310,001.73 from the "Revaluation adjustment" item to a distributable reserve item (see resolution 2 from the next General Meeting). If this resolution is approved, the balance of the "Revaluation adjustment" item would be as follows:

Gross valuation adjustment	23 611 731
Capital gains tax	-3 895 936
- Transfer related to 2017 disposals	-1 532 894
- Transfer related to 2017 valuation adjustment amortisation	-215 966
Non-distributable valuation adjustment at 31 December 2017*	**11 005 148**
- Transfer related to 2018 disposals	-235 041
- Transfer related to 2018 valuation adjustment amortisation	-254 768
Non-distributable valuation adjustment at 31 December 2018*	**10 515 339**
- Transfer related to 2019 disposals	0
- Transfer related to 2019 valuation adjustment amortisation	-310 002
Non-distributable valuation adjustment at 31 December 2019*	**10 205 337**

**(after allocation in the event of approval of Resolution No. 2 of the next General Meeting)*

Provisions for risks and contingent liabilities

PROVISIONS *in euros*	**31/12/2018**	**Increase Amortisation**	**Decrease Reversals**	**31/12/2019**
Provisions for risks and liabilities				
Provisions for major maintenance	407 526	105 727	72 516	440 737
Other provisions for risks and liabilities	70 000	70 000	70 000	70 000
TOTAL	**477 526**	**175 727**	**142 516**	**510 737**

Provisions for major maintenance correspond to a multi-year works plan for rendering specific to city-centre retail assets. A provision of €105,727 was made in this respect during the financial year and €72,516 were reversed as they had been consumed.

Provisions for risks and liabilities were made in 2019 to cover the risk of SELECTIRENTE and its tenant (fast-food chain) being taken to court for odour pollution caused by a lack of extraction and the faulty airtightness of the ceiling in the commercial space by the owner of office premises located above a commercial space on Rue de Réaumur in Paris (4th). They are asking for approximately €100 thousand in compensation for rental losses and €10 thousand in costs. Legal proceedings are ongoing and the Company has made a provision of €70 thousand in its financial statements as at 31 December 2019.

A €70,000 provision made in the financial statements as at 31 December 2018 to cover a court order against the tenant of a shop in Andelys (27) following a leak in the roof was reversed in full during the 2019 financial year. These proceedings were subject to a first judgement in favour of SELECTIRENTE then a judgement on appeal in January 2019 finally ordering the Company to pay the tenant €90 thousand in damages and €5 thousand in costs and ordering the tenant to pay SELECTIRENTE €6 thousand in unpaid rent and charges.

Statement of debts as at 31 December 2019

In euros	Amount gross	At one year at the most	from 1 to 5 years old	Over 5 years old
Financial liabilities on convertible bonds	69 077	69 077		
Other bond issues				
Borrowings and debts / credit institutions				
- ≤2 years originally				
- >2 years originally	134 186 972	11 895 323	42 618 471	79 673 179
Miscellaneous financial liabilities	3 650 197	-	-	3 650 197
(security deposit from tenants)				
Trade payables and related accounts	818 285	818 285		
Personnel and related accounts				
Social Security and social organisations				
State: Corporate income tax	-	-		
State: Value added tax	288 690	288 690		
State: Guaranteed bonds				
State: Other taxes and duties	43 518	43 518		
Payables on non-current assets				
Groups and associates	-	-		
Other liabilities	2 086 177	2 086 177		
Prepaid income	74 932	74 932		
TOTAL	**141 217 849**	**15 276 002**	**42 618 471**	**83 323 376**

Changes in treasury shares

As part of the liquidity contract, the following changes in treasury shares were made:

in euros	Number of shares	Gross carrying amount	Provision	Net book value	Capital gains or losses
Treasury shares held as at 31/12/2018	3 420	242 319			57 195
Purchases during the financial year	713	58 517			
Sales during the financial year	414	29 479			6 672
Treasury shares held as at 31/12/2019	**3 719**	**271 357**		**271 357**	**63 867**
Cash balance		**93 305**		**93 305**	
Total liquidity account		**364 663**	-	**364 663**	

SELECTIRENTE also acquired treasury shares (outside of the liquidity contract) to be held and subsequently used as an exchange to meet any requests for conversion of bonds into shares (following the issue of OCEANE on 17 December 2013). All 662 shares held in this respect as at 31 December 2018 were exchanged during the 2019 financial year:

in euros	Number of shares	Gross carrying amount	Provision	Net book value	Capital gains or losses
Treasury shares held as at 31/12/2018	662	40 136			
Purchases during the financial year					
Conversions during the financial year	662	40 136			1 445
Treasury shares held as at 31/12/2019	-	-	-	-	**1 445**

19.5. Notes on the income statement

Revenue

Revenue for the 2019 financial year amounted to €15,743,107. It comprises:

- rents for €14,210,909 or 90.3% of revenue;
- additional income for €667,853 or 4.2% of revenue;
- dividends received in respect of SCPI and OCPI fully owned shares or temporary usufruct from SCPI shares amounting to €864,344 or 5.5%.

97.6% of SELECTIRENTE's revenue was generated in France and the remainder in Belgium.

Real estate expenses

Real estate expenses comprise:

- recoverable expenses with a counterparty in income for €777,547;
- non-recoverable rental expenses on tenants (or vacant premises) for €283,030;
- non-recoverable asset maintenance expenses on tenants (including vacant premises) for €72,516.

Taxes, duties and similar payments

These comprise:

- rebillable taxes with a counterparty in income for €848,234;
- non-rebillable land taxes for €184,053;
- the territorial economic contribution (CET) for €176,457;
- non-recoverable VAT for €81,274;
- contributions on rental income (CRL) for €18,746;
- taxes on commercial wasteland for €9,521.

Other purchases and external expenses

In accordance with the Management Delegation Agreement of 23 October 1997 and its riders, the Asset Management Company, Sofidy, receives a management commission of 8% excluding tax on rental income excluding tax, entry rights excluding tax and net financial income. This expense was recognised in the 2019 financial statements for €1,174,353.

Excluding the management commission received by the Asset Management Company, this item mainly comprises:

- miscellaneous fees (notably including re-leasing fees) for €222,663;
- real estate appraisal fees for €190,979;
- depositary fees for €41,757;
- Statutory Auditors' fees for €66,847;
- costs for proceedings and litigation for €118,796;
- repayment of overpayments as part of acquisitions for €4,818;
- bank expenses for €77,048;
- insurance premiums for €20,640.

Financial income (expense)

Financial income (€533,960) mainly corresponds to income of €510,442 recognised at the time of the conversion of 130,842 OCEANE during the financial year. Financial expenses amounted to €2,353,757, mainly corresponding to bank loan interest and the OCEANE for €2,204,680 and the amortisation of the OCEANE repayment premium for €72,621.

Net non-recurring income/(expense)

The Company recognises in net non-recurring income/(expense) asset disposal operations, costs and penalties related to asset refinancing operations or divestments, gains or losses on the treasury share portfolio and any asset impairment.

Net non-recurring income/(expense) for the financial year amounted to +€2,649,816, mainly comprising:

- income from the disposal of real estate assets: +€3,130,228
- indemnities received as part of litigation proceedings with tenants: +€4,115
- gain/loss on the buyback and conversion of treasury shares: +€8,117
- net allocation to provisions for depreciation of real estate assets: -€204,030
- expenses related to asset refinancing: -€209,287
- exceptional fees incurred by the Company as part of the public tender offer filed by Tikehau Capital: -€81,992
- other exceptional items (fines, receipt of receivables previously written off, etc.): €2,667

Breakdown of corporate income tax

in euros	**Accounting result before tax**	**Tax base**	**Tax payable**	**Net result**
Recurring				
- exempt/subject to 95% distribution obligation	6 023 007			6 023 007
- not exempt	150 074	119 733	43 434	106 640
Non-recurring				
- exempt/subject to 60% distribution obligation	3 130 228			3 130 228
- exempt/subject to 95% distribution obligation	- 483 295			- 483 295
- not exempt	- 2 661	- 2 661	- 745	- 1 916
SUB-TOTAL	**8 817 353**	**17 072**	**42 689**	**8 774 664**
Capital increase costs (1)		- 35 389	- 9 909	
TOTAL	**8 817 353**	**81 683**	**32 780**	**8 774 664**

(1) Recognised as shareholders' equity under "share premium" but tax-deductible for the share allocated to the taxed sector.

Earnings per share

In euros	**2019**	**2018**	**2017**
Net result	**8 774 664**	**4 191 055**	**5 970 048**
OCEANE interest	2 291	290 831	348 434
Other effects related to the conversion of OCEANE	-429 611	10 757	-3 737
Net result after conversion of OCEANE	**8 347 344**	**4 492 643**	**6 314 744**
Average number of non-treasury shares	1 655 739	1 546 307	1 496 646
Average number of shares underlying OCEANE	103 360	124 136	175 654
Number of diluted non-treasury shares	**1 759 100**	**1 670 443**	**1 672 300**
Net result per diluted share	**4,75**	**2,69**	**3,78**

19.6. Off-balance sheet commitments as at 31 December 2019

Sales agreements signed

At 31 December 2019, the Company also committed (firm offers or promises) to new acquisitions of city-centre shops, notably in Paris (4th, 10th, 14th and 18th), in Clermont-Ferrand (63) and in Menton (06) for the approximate sum of €12.7 million.

Commitments and mortgages

According to the terms of the loan contracts signed with BECM (Crédit Mutuel Group), BNP Paribas, Crédit Agricole Ile-de-France, Crédit du Nord, Crédit Foncier de France, Société Générale, BPI France and HSBC, securities (mortgages or lenders' liens) were granted on the financed assets. At 31 December 2019, only the following real estate assets do not have mortgages or lenders' liens: 244 avenue Denis Cordonnier in Douai (59).

According to the terms of a contract signed with Palatine Bank, 738 shares of the SCPI Efimmo1, 1,294 shares of the SCPI Sofipierre, 3,773 shares of the SCPI Immorente, 1,465 shares of the SCPI Buroboutic, 1,200 shares of the SCPI Foncia Pierre Rendement and 2,530 shares of the SCPI Novapierre have been pledged.

Derivatives

SELECTIRENTE hedges part of its variable-rate bank borrowings by swap contracts perfectly linked to borrowings with the following characteristics:

Nominal	Remaining notional amount at 31/12/2019	Duration	Rate paid	Rate received
€830,000 amortisable	110 667 €	15 years from 17/10/2006 to 18/10/2021	4,00%	Euribor 3 months
€1,200,000 amortisable	160 000 €	15 years from 25/10/2006 to 25/10/2021	4,07%	Euribor 3 months

SELECTIRENTE also subscribed a variable-rate loan for an initial amount of €1,500,000 amortisable over 15 years (from December 2007) including its own hedging: a loan with a variable rate (Euribor 3 months + 0.685%) capped at 5.29% with a floor of 4.29%.

Other commitments

As part of the rider to the management delegation agreement between the Company and Sofidy signed on 2 August 2006, the Company has committed to paying an indemnity in the event of termination at its own request. As at 31 December 2019, this commitment corresponds to 33% of the amount of one year's investment commissions and to 66% of the amount of one year's management fees.

19.7. Other information

The Statutory Auditors' fees

In respect of 2019, the fees due to RSM Paris amounted to €66,847.

19.8. Cash flow statement

In euros	2017	2018	2019
Profit (loss) for the financial year	5 970 048	4 191 055	8 774 664
Net depreciation, amortisation and impairment	4 997 169	5 701 482	4 682 736
Gains or losses on disposals net of taxes	-2 535 064	-1 499 303	-3 123 919
Cash flow	**8 432 153**	**8 393 235**	**10 333 481**
Change in working capital requirement	**461 253**	**597 730**	**-918 706**
Tax on revaluation of non-current assets			
Net cash flow generated by activity	**8 893 406**	**8 990 964**	**9 414 775**
Acquisition of intangible assets	-543 978		-520
Acquisition of property, plant and equipment	-2 991 749	-12 464 150	-76 284 849
Acquisition of financial assets			
Disposal of property, plant and equipment net of fees and taxes	7 099 203	3 740 266	6 911 414
Disposal of financial assets net of fees and taxes			20 456
Other changes in non-current assets	-332 802	399 274	-580 807
Cash flow from investments	**3 230 675**	**-8 324 610**	**-69 934 307**
Change in share capital and share premium			216 256 305
Dividends paid to shareholders	-4 244 846	-4 840 669	-5 302 358
Issue of OCEANEs			
New loans contracted	12 720 000	14 745 000	56 635 000
Loan repayments	-11 466 535	-11 789 939	-14 827 617
Repayments of convertible bonds			-43 029
Changes in security deposits	-168 328	181 985	373 472
Other financial changes	-3 009 271	-19 848	5 613
Net cash flow related to financing	**-6 168 980**	**-1 723 470**	**253 097 386**
Change in cash flow	**5 955 099**	**-1 057 117**	**192 577 855**
Cash and cash equivalents at the beginning of the period	666 898	6 621 997	5 564 880
Cash flow at the end of the period	6 621 997	5 564 880	198 142 733
Change in cash flow	**5 955 099**	**-1 057 117**	**192 577 854**

19.9. Statement of assets as at 31 December 2019

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
NANTERRE	92000	4, place Gabriel Péri	Body Boost FR	34	15/12/97	48,784	14,766	66,091	92,440
PARIS	75011	124, bd Richard Lenoir	C2S Immobilier	54	18/12/97	44,210	13,456	59,973	76,907
BREST	29200	275, route de Gouesnou	La Halle	930	30/03/98	533,572	134,976	695,290	752,189
LE MANS	72000	24/30, rue Roger de La Fresnaye	SARL Phoenix d'Or	869	30/03/98	396,367	108,606	525,172	648,545
PARIS	75016	47, rue d'Auteuil	HSBC France	135	26/06/98	434,480	105,459	565,986	885,880
PARIS	75116	152, ave Victor Hugo	L'Enfance Heureuse	64	02/10/98	106,714	35,597	149,177	161,769
PARIS	75020	39, rue des Pyrenées	BISTROT DE L'AVENIR	66	06/10/98	60,980	21,254	86,201	100,143
PARIS	75018	40, rue Damremont	TICEA SOGIVA	21 83	15/10/98	93,450	24,357	123,490	131,309
PARIS	75017	8, rue de Tocqueville	Mr Deschamps Jean-Christophe	67	13/01/99	99,092	15,698	120,327	166,673
PARIS	75009	44, rue Notre Dame de Lorette	SASU Label Form	84	01/04/99	213,429	29,522	254,671	366,267
PARIS	75009	47, rue des Martyrs	Point Smoke Martyrs Au verger fleuri	24 29	22/06/99	144,827	23,276	176,211	192,583
PARIS	75009	17, rue du Fg Montmartre	Pharmacie Teboul Gazeres	141	06/07/99	150,925	25,430	184,862	203,442
BOURG EN BRESSE	1000	20 avenue Pablo Picasso	AGORA TOLLENS Mr Cottin Yves	543 264	13/12/99	259,163	33,134	303,989	292,833
DOUAI	59500	244 avenue Denis Cordonnier	Alami Distribution	554	21/12/99	152,449	28,398	188,081	326,526
PARIS	75009	59 bis and 61 rue Jean-Baptiste Pigalle	LPCR Groupe	140	18/04/00	243,918	25,616	280,316	331,242
ASNIERES	92600	47 avenue de la Marne	UNG Fleuriste	84	25/07/00	96,043	14,044	114,490	154,066
FONTENAY SOUS BOIS	94120	10 place du Général Leclerc	BRED BRED - Parking Ben Ayad Jamel (pressing) BRED - Parking	141 - 37 -	19/09/00	184,698	16,735	209,491	212,277
BIDART	64210	avenue de Bayonne	AGORA TOLLENS SAS Maison Dufau Ameublement Vacant	1,118 672	29/09/00	686,021	88,122	805,109	675,454

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
PARIS	75012	6 rue de Lyon	Les Monnaies de Lyon Vacant	57 -	03/10/00	125,770	11,502	143,840	181,028
PARIS	75017	67 rue de Levis	Rodier	40	16/10/00	91,469	13,783	109,462	123,253
PARIS	75017	17 rue Jouffroy d'Abbans	Beauté Sublime	51	20/10/00	100,616	14,078	120,181	154,066
DOURDAN	91410	60 rue de Chartres	BNP Paribas	176	27/10/00	237,569	17,970	265,761	286,404
CREIL	60100	Quartier République	ADECCO	119	27/10/00	143,302	12,592	162,130	161,769
VERSAILLES	78000	6 place Hoche/10 rue Hoche	Live Us Coiffure MF	41 5	13/12/00	137,204	17,743	161,145	178,462
LES ULIS	91940	6 avenue du Cap Horn	LEADER PRICE	1,571	19/12/00	1,198,249	77,608	1,326,892	1,060,924
PARIS	75011	36 rue Sedaine	Expansium A & R	81 73	20/12/00	274,408	31,475	318,119	323,601
PARIS	75014	181 rue d'Alésia	Ongles Mai Esthétiques	30	21/12/00	114,337	12,457	131,866	130,956
PARIS	75008	27/29 rue de Penthièvre	Mr Faure Pierre Marie	29	11/01/01	121,959	20,058	147,697	169,473
PARIS	75013	187 bis rue de Tolbiac	Val Optique NGUYEN HONG DIEP	22 37	12/01/01	106,714	18,532	131,238	142,511
BOIS COLOMBES	92270	13/25 rue des Bourguignons	HSBC France SAINBIOSIS	155 138	15/01/01	564,061	37,291	625,406	693,298
PARIS	75018	13 rue de Trétaigne/17 rue Duc	SCM CENTRE DE TRETAIGNE	185	20/02/01	167,694	23,408	200,244	196,434
PARIS	75015	109-111 rue Lecourbe / 84 rue Cambronne	SCHAPIRA (Ste Exact) Club Méditerranée SA	18 51	11/04/01	156,260	13,123	177,486	227,896
PUTEAUX	92800	109 rue Jean Jaurès/26 rue Collin	Hair Rayan	61	23/04/01	167,694	15,551	190,575	200,286
PARIS	75016	41 rue de la Fontaine	Murat Distribution	318	31/05/01	503,082	35,034	559,641	623,968
PARIS	75001	5 rue du Marché St Honoré	WK ACCESSOIRES	36	06/06/01	175,316	23,437	206,704	200,286
PARIS	75017	81 avenue de Clichy	Paris Bangladesh Commerce	94	27/06/01	259,163	34,026	304,916	308,132
PONTOISE	95300	9 rue de l'Hôtel de Ville	PPC Pontoise	69	01/08/01	50,308	6,254	59,268	65,478
RUEIL MALMAISON	92500	7/9 rue Paul Vaillant Couturier	RECRE ACTION	75	01/08/01	117,386	14,201	136,850	160,957
PARIS	75005	8 boulevard Saint Marcel	LAM	43	14/09/01	114,337	14,577	134,070	130,956
PARIS	75017	13 rue des Acacias	SARL Hongli Informatique	65	19/09/01	190,561	22,038	221,103	242,654
PARIS	75013	46 boulevard Arago	IZNAGUEN LHASSAN BALMAR Nghe Christophe	79 49 17	12/10/01	167,694	21,746	198,503	215,693

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
PARIS	75020	11/13 rue Ménilmontant	Bazar	214	23/11/01	155,498	21,678	185,652	209,653
PARIS	75020	68/70 rue Belgrand	SASU LA TMAXERIE	42	27/11/01	106,714	24,670	136,640	146,363
PARIS	75017	25 rue Bayen/9 avenue Niel	Guy Degrennes	146	30/11/01	1,029,031	65,143	1,137,941	1,079,873
PARIS	75010	61 rue de Lancry	Andyco	92	26/12/01	137,204	24,135	167,793	194,621
PARIS	75016	47 rue Erlanger	Fernand	166	28/12/01	198,184	33,208	242,462	269,616
ORLEANS	45100	rue Anthelme Brillat Savarin	DNB CTA Fleury KARLCAP I JEANS	220 500 508	20/03/02	853,715	81,932	973,073	816,148
PAVILLONS SOUS BOIS	93320	place de la Gare de Gargan	HAOUA (Hair salon)	48	01/10/02	121,868	7,660	134,709	123,253
PAVILLONS SOUS BOIS	93320	boulevard Roy - avenue de Chanzy	Label JDG Pharmacie de Chanzy Multiple shops	82 101 19	01/10/02	559,541	31,426	614,606	662,484
SAINT OUEN L'AUMONE	95310	13 rue du Général Leclerc	CAISSE D'EPARGNE SABARI EXOTIC	152 86	30/10/02	321,667	24,578	362,810	340,274
PORTET SUR GARONNE	31120	14 allée Pablo Picasso	KILOUTOU	1,115	16/12/02	925,000	60,267	1,024,678	774,683
QUETIGNY	21800	15 boulevard du Grand Marché	KILOUTOU	617	16/12/02	535,000	35,262	593,073	454,931
SAINT BRICE SOUS FORET	95350	rue du Luat. Lieudit "rue de Paris"	KILOUTOU	1,266	16/12/02	825,000	53,931	914,088	723,333
PARIS	75009	43 rue de Provence	Wei Xiang Ju	66	19/12/02	120,511	10,726	137,515	120,685
ASNIERES SUR SEINE	92600	190 rue des Bourguignons	Park Télécom	34	04/02/03	97,000	11,518	112,858	83,372
PARIS	75009	14 rue Notre Dame de Lorette	LA MIROITERIE DE LA VICTOIRE	55	04/02/03	61,000	7,385	71,120	77,033
PARIS	75001	144/146 rue Saint Honoré	JB Immobilier S.A.S HELMUT NEWCAKE	18 34	04/02/03	349,000	37,213	401,662	423,682
PARIS	75016	23 rue d'Auteuil	Le Jardin des 2 frères	56	04/02/03	133,000	17,278	157,467	154,066
BOULOGNE-BILLANCOURT	92100	1 rue Heinrich/252 bd Jean Jaurès	Picard Surgelés	147	23/06/03	396,368	33,246	446,799	372,686

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
AUCH	32000	58 avenue des Pyrénées	Picard Surgelés	335	15/07/03	400,000	10,578	427,001	263,827
PARIS	75005	70 boulevard Saint Marcel	BHI IMMOBILIER	33	23/07/03	144,065	20,394	172,327	150,214
LEVALLOIS PERRET	92300	53 rue Marius Aufan	IMPACT LEVALLOIS NEUILLY	65	01/08/03	225,000	22,096	256,979	190,105
LEVALLOIS PERRET	92300	2 bis rue Camille Pelletan	BERCAL	31	01/08/03	83,850	9,264	96,838	84,736
LA ROCHELLE	17000	51 rue des Merciers	Société Nouvelle La Maille Souple (PETIT BATEAU)	135	12/08/03	370,000	25,838	411,671	403,512
PARIS	75008	59 boulevard de Courcelles	SAS Jolon	95	09/09/03	390,000	26,692	433,360	400,572
PARIS	75017	28 place Saint Ferdinand	Eury La Maison Sarl Bio Frais CM 555	75 182 38 28	17/09/03	1,160,000	80,500	1,290,120	1,209,419
DORLISHEIM	67120	rue Mercure	Picard Surgelés	327	19/09/03	564,510	17,163	604,939	364,868
PARIS	75008	8 rue de Marignan	S.A.S MERCI JEROME MARIGNAN	55	15/12/03	390,000	38,503	445,643	423,682
LE RAINCY	93340	122 avenue de la Résistance	SOFRADOM Crédit Lyonnais	58 149	06/02/04	443,000	47,158	509,765	452,282
NANTERRE	92000	13-14 place Gabriel Peri	Manature	100	11/03/04	217,535	17,371	244,302	206,309
PARIS	75019	129 avenue Simon Bolivar	Crédit Lyonnais O'NET PRESSING	148 68	11/03/04	515,134	35,738	572,907	477,765
BEAUVAIS	60000	rue Henri Becquerel ZAC de Ther	Vacant	800	14/05/04	965,000	105,375	1,113,190	600,704
ARGENTEUIL	95100	108 rue Paul Vaillant Couturier	Association S.J.T	318	29/07/04	265,000	37,950	315,068	323,539
PARIS	75010	196 rue Saint-Maur	Universal Rags Co	26	30/07/04	70,000	6,500	80,160	58,788
PARIS	75001	44 rue du Louvre	Dehillerin Dehillerin Société R.G.E Elmo Alan Copies	362 36 167 74 63	20/08/04	1,980,000	152,344	2,217,638	1,878,964
PARIS	75008	5/7 rue Laborde	SARL New Lase La procure Thaï Spa Saint Lazare SCM Kiné Laborde	32 67 99 50	20/08/04	915,000	70,381	1,024,796	1,061,377

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
			Permis Saint Lazare Alhilali & Ait Warabe	71 70					
EPINAY SUR ORGE	91360	140 bis Grande rue	SAS Sky	267	21/10/04	138,000	19,438	164,970	122,986
LONGJUMEAU	91160	66 - 72 rue François Mitterrand	Rosie Nails & Coiff	62	01/07/05	362,000	27,050	404,612	284,392
			Viva 91	92					
ASNIERES	92600	82-90 boulevard Voltaire	Picard Surgelés	216	28/07/05	378,648	33,202	428,324	298,919
FLEURY LES AUBRAY	45400	rue André Desseaux	PLATEFORME DU BATIMENT “POINT P” CBS Outdoor	4,000 -	03/08/05	3,716,000	118,588	3,987,972	2,166,676
PARIS	75010	96 rue Maubeuge	Groupe JTI	60	13/09/05	290,000	46,318	352,407	246,555
PARIS	75010	138 rue du Faubourg Poissonnière	POLYDIS	230	27/09/05	420,000	56,319	495,371	346,836
PARIS	75011	31 boulevard Richard Lenoir	ABTO	123	29/11/05	457,347	56,432	534,330	379,054
VAULX-EN-VELIN	69120	7 rue des frères lumière	MédiaPost	4,372	04/01/06	3,500,000	221,219	3,870,068	2,343,994
PARIS	75008	38 rue Laborde	SAS Snacko	43	05/01/06	275,000	21,010	310,171	229,485
MAUREPAS	78310	5 allée d’Auxois	Ebene Coiffure	32	28/04/06	63,421	8,983	75,868	53,721
CORBEIL ESSONNES	91100	12, 14 rue de l’Arche	Groupe Morgan Services	87	09/05/06	258,000	19,963	291,261	104,320
CORBEIL ESSONNES	91100	63 rue Saint Spire	63 Brocante Saint Spire (S.A.R.L.)	51	09/05/06	52,000	5,247	59,986	42,500
EPINAY SUR SEINE	93800	44 rue de Paris	Gapalanaelle	74	10/05/06	170,000	12,900	191,650	135,791
PARIS	75008	8 rue de Courcelles	FOUGEROLLE ASSOCIES	89	23/06/06	370,000	24,900	410,696	307,020
PARIS	75015	366 rue de Vaugirard	Passion Running	284	26/06/06	1,100,000	129,900	1,279,096	932,097
MAISON ALFORT	94700	99 avenue du Gal Leclerc	TRANSPORT LOGISTIQUE INTERIM	63	29/06/06	155,000	10,995	172,635	122,640
ARPAJON	91290	9 rue Gambetta	Sushis & Thai Mr Arfaoui and Mr Casimiro (SAS 187 Barbershop) BOSPHORE	32 68 98	30/06/06	1,380,000	146,951	1,588,029	1,133,273

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
			SARL Affaire Gambetta Ateliers MTS AG DEVELOPPEMENT FBAS	61 34 68 58					
ARPAJON	91290	9 rue Gambetta	SAE Spice Village Chez Manu	53 83 52					
ARPAJON	91290	1 rue de Victor Hugo	Mr Boussouar Brahim (SAS Food Thaï)	46	30/06/06	93,737	10,149	108,042	76,757
ARPAJON	91290	18 rue Gambetta	Goldina coiffure	28	30/06/06	66,263	7,174	76,374	54,259
PARIS	75006	33 rue Saint-André des Arts	L'univers de Léo	65	28/07/06	600,000	78,280	710,729	505,643
FONTAINEBLEAU	77300	10 rue Aristide Briand	CAFPI	144	28/07/06	405,000	26,800	452,457	321,914
CORBEIL ESSONNES	91100	9 rue du Grand Pignon	Andréa Sarl	39	14/09/06	66,000	11,905	81,632	60,977
VERSAILLES	78000	25-27 rue Hoche	Cyrillus	155	18/09/06	680,000	68,600	778,544	555,427
CORBEIL ESSONNES	91100	2 rue des Rosiers	Euro gaz	39	22/09/06	85,000	15,005	104,789	74,774
CORBEIL ESSONNES	91100	32 rue Saint Spire	vacant	40	22/09/06	80,000	14,655	99,183	86,340
PARIS	75009	68 rue Lafayette	SAS Picto	82	26/09/06	400,000	62,280	484,395	345,721
MANOSQUE	4100	230 b av de la Liberation	Maaf Assurances	158	28/09/06	287,200	14,360	313,622	223,861
PARIS	75018	111 rue du Mt Cenis	JMS Distribution	375	29/09/06	700,000	77,200	808,288	576,978
PARIS	75018	57 rue Ordener	Mr Khan Badal Riajur Rahaman	41	17/10/06	270,000	32,684	317,165	226,614
PARIS	75011	7-9 rue Charonne	Mision Misericordia	50	17/10/06	410,000	49,298	477,670	342,210
PARIS	75010	255 rue du fg St Martin	FAUBOURG EXOTIQUE Mr Masud (PARIS Bangla)	38 45	17/10/06	370,000	44,197	434,013	310,101
PARIS	75017	30 rue Brochant	Beauty Relax	73	25/10/06	330,000	44,382	392,292	283,078
NAMUR BELGIQUE	5000	254 chaussée Louvain	MAXI TOYS	1,000	25/10/06	1,500,000	215,388	1,797,452	1,021,262
PARIS	75004	rue du roi de Sicile	Dufour Wang	97	27/10/06	400,000	59,198	481,166	346,091
SAINT QUENTIN	2100	9-11-13 rue de la Sellerie	Eurodif	2,010	08/11/06	2,713,046	210,900	3,040,904	2,252,251
PARIS	75002	108 rue Réaumur	OBER STR'EAT	51	26/12/06	2,300,000	296,306	2,700,158	2,005,743

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
			ELC Sarl SAS Sub-Hana Liife Fermentoo	72 65 69 58					
PARIS	75007	21 avenue de la Motte Picquet	SARL Macinfo	23	27/12/06	200,000	30,844	241,888	173,468
VANNES	56000	ZAC de Kerlann	Cie Européenne de Chaussure	1,369	16/01/07	1,830,000	212,283	2,123,974	1,194,938
LE RAINCY	93340	14, avenue de La Résistance	Aln Trois Sun Capital	413 132	09/02/07	1,940,000	186,500	2,211,560	1,707,216
PARIS	75001	55, rue des Petits Champs	THE ALLEY	45	05/03/07	330,000	39,961	387,660	299,641
PARIS	75116	14, avenue de Versailles	S.A.R.L. JPGH RESTAURATION	110	13/03/07	500,000	61,000	583,440	451,163
GRATENTOUR	31150	6 rue Léo Ferré	SOCIETE MAISON CHAZALON	243	05/04/07	275,000	32,400	319,696	248,662
PARIS	75016	142 avenue de Versailles	HONGYUN	57	27/04/07	210,000	14,860	235,617	182,639
LILLE	59000	253 rue Léon Gambetta	Vacant Lakis Food	383 493	04/06/07	1,580,000	188,350	1,839,084	1,487,242
PUYGOUZON	81990	5 rue Pasteur	Vacant Vacant	563 512	19/07/07	1,050,000	87,740	1,183,250	921,278
PARIS	75010	17 rue Château Landon	W.I.C	39	27/07/07	172,083	994	180,000	140,208
PARIS	75012	12 rue d'Aligre	SAS La petite affaire	32	27/07/07	103,302	597	108,055	84,168
PARIS	75016	115 rue Lauriston	Pressing Poincare	59	27/07/07	166,962	989	175,986	137,081
PARIS	75017	110 rue des Dames	SARL Ikuzo Les Studios Villiers	63 256	27/07/07	856,049	4,946	895,435	698,379
AILLANT SUR THOLON	89110	14 rue des Ponts	Vacant	309	27/07/07	266,488	1,540	278,749	217,127
PARIS	75007	56 rue Saint Dominique	Crédit Lyonnais	197	27/07/07	1,392,686	8,240	1,467,946	1,158,543
PARIS	75007	114 rue Saint Dominique	Pharmacie Paris Eiffel	117	27/07/07	541,912	3,132	566,846	441,534
COURBEVOIE	92400	83 rue de Bezons	Société Générale	164	27/07/07	846,983	5,013	892,756	695,396
COURBEVOIE	92400	1 bis avenue Marceau	Marceau 9201	315	27/07/07	954,654	5,529	998,591	777,834
PARIS	75007	74 rue Saint Dominique	L'OREAL PRODUITS LUXE FRANCE	26	27/07/07	234,939	1,358	245,749	191,422
TOULOUSE	31000	1 rue Maury	Phrakou	76	07/12/07	129,000	15,490	151,402	118,769
DIJON	21000	17 rue de la Liberté	SARL Bio C'Bon Dijon Liberté	2,069	12/12/07	2,227,500	222,400	2,547,896	2,127,291

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
MANOSQUE	4100	230 b av de la liberation	SARL El harbi ZEEMAN TEXTIELSUPERS	407 377	13/12/07	1,265,472	58,919	1,377,367	818,784
PARIS	75008	29 rue de Turin	AFM Group	32	21/12/07	215,000	25,565	250,188	196,407
LES ANDELYS	27700	37 place Nicolas Poussin	Andelys Distribution	1,361	15/01/08	1,180,000	139,240	1,376,428	939,668
TOULON	83000	7 rue Berthelot	SPI Toulon Centre	48	08/04/08	250,000	34,940	298,572	235,740
ALBERTVILLE	73200	8 rue Gambetta	Vacant Mme Nissa El Abbassi	81 113	02/06/08	260,000	33,600	305,344	241,783
LYON	69009	6 rue Sergent Berthet	Crédit Agricole	163	13/06/08	725,000	54,905	811,101	642,630
MONTARGIS	45200	34 rue Dorée	Commcentre Nord	129	30/06/08	350,000	48,300	414,232	328,485
PARIS	75015	201 rue de la Convention	La Caféerie EQ	31	05/08/08	385,000	29,550	431,132	342,530
CORBEIL ESSONNES	91100	8 rue Saint Spire	SARL Diamant Styl' SARL Diamant Styl' L-Vous Finance	27 34 31	05/09/08 05/09/08 05/09/08	235,000	34,600	282,498	224,805
CORBEIL ESSONNES	91100	39 rue Saint Spire	Ms ZIMMERMANN	53	25/09/08	145,000	11,200	162,448	129,407
TROYES	10000	31 rue Louis Mony	Vacant	51	29/09/08	200,000	31,500	240,760	191,830
PARIS	75011	196 boulevard Voltaire	Naturalia	213	03/11/08	1,100,000	99,000	1,246,960	995,348
TOULOUSE	31000	43 rue des Filatiers	Brial Family By Anthony	77	19/11/08	335,000	49,685	403,088	322,020
NICE	6000	53 rue Beaumont	Sensasnice	231	24/11/08	470,063	48,758	543,641	434,418
AIX EN PROVENCE	13100	13 rue Matheron	Ponsin Anne	19	15/12/08	102,000	14,300	121,864	97,486
GRENOBLE	38000	15 rue Jean Jacques Rousseau	Librairie Arthaud	652	30/12/08	622,170	44,927	693,781	555,428
GRENOBLE	38000	16 rue Jean Jacques Rousseau	Librairie Arthaud	356	30/12/08	327,830	23,673	365,563	292,663
PARIS	75009	3 rue de Provence	La Poketerie	49	06/01/09	310,000	42,238	369,089	295,593
BOURGES	18000	89 rue Mirebeau	Boutiques Voyages	45	12/02/09	140,000	17,490	163,790	131,426
PARIS	75017	25 bis rue Jouffroy d'Abbans	Vive la gourmandise	58	28/05/09	139,000	27,200	174,151	141,402
PARIS	75011	31 boulevard Voltaire	CSE Assurance Optique Duroc	34 61	03/07/09	777,000	57,183	874,090	706,500
PARIS	75011	55/57 rue de la Roquette	Jean 3 Flags	43 104	03/07/09	550,000	40,617	614,242	496,473
PARIS	75015	11 rue Beaugrenelle	SAS Hanzan	123	16/07/09	375,000	51,200	443,248	358,687

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
PARIS	75017	17 rue Guersant	BL Discount	66	30/07/09	566,000	63,070	659,165	533,522
			Lok Siam	145					
			Maya créations	45					
PARIS	75002	112 rue Réaumur	Nelkin	96	12/08/09	350,000	43,850	409,604	341,259
PARIS	75015	69 rue du Commerce	Degrif des Stocks	121	14/10/09	490,000	59,649	575,944	467,983
CHÂTEAU-RENARD	45220	83 rue des Peupliers - Le Pré Chapon	Chatenard	1,319	01/12/09	1,087,510	5,599	1,136,833	739,772
ALBA LA ROMAINE	7400	Place de la Poste - Place du Bassin	Distribution Casino	424	01/12/09	242,227	1,222	253,186	206,231
SANCERRE	18300	8 rue des Trois Piliers	Vacant	330	01/12/09	124,533	719	130,262	106,104
SEMUR EN AUXOIS	21140	32 place Notre Dame	EURL Le petit jassim	257	01/12/09	157,960	741	165,049	134,440
LA VERPILLERE	38290	2 rue de la République	Distribution Casino	345	01/12/09	242,880	1,222	253,866	206,785
ANOST	71550	Le Bourg	Distribution Casino	333	01/12/09	153,373	738	160,276	130,551
LA TOUR DU PIN	38110	rue Pierre Vincendon	Distribution Casino	1,676	01/12/09	1,468,765	7,548	1,535,366	1,250,622
MARSEILLE	13007	27-29 avenue Pasteur	Distribution Casino	230	01/12/09	235,507	1,217	246,193	200,535
SAINT JEAN BONNEFONDS	42650	place de la République	Distribution Casino	221	01/12/09	125,360	719	131,123	106,805
BOULOGNE SUR MER	62200	20-26 boulevard de Clocheville	Distribution Casino	491	01/12/09	764,727	3,901	799,373	658,614
			Cary Alain	159					
			Vacant	602					
BUSSY SAINT GEORGES	77600	14 avenue Charles de Gaulle	Crédit Agricole	131	26/03/10	360,000	47,350	423,644	347,418
PARIS	75009	3 boulevard Rochechouart	Randa Mariage	128	21/05/10	825,243	85,378	947,045	783,385
			Crédit Lyonnais	67					
PARIS	75004	2 rue Ferdinand Duval	Dragon	85	21/05/10	872,423	90,271	1,001,202	823,885
			Parisienne-grassoise de parfum	80					
PARIS	75003	1 rue Commines	JLO Turenne	61	21/05/10	1,019,417	105,205	1,169,608	962,465
			Harmony Paris	71					
ASNIERES SUR SEINE	92600	31-33 Grande Rue Charles de Gaulle	Elexia	112	21/05/10	1,116,505	114,269	1,280,005	1,053,310
			Eyelove	53					
PARIS	75017	99 boulevard Gouvion Saint	Senco Pereire	645	11/06/10	2,890,000	223,300	3,237,832	2,667,828

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
		Cyr	JC Decaux						
PARIS	75011	119 boulevard Voltaire	HSBC France Luma	97 12	05/08/10	613,600	44,500	684,424	577,432
BOURGES	18000	5 boulevard Clémenceau	Picard Surgelés	519	14/10/10	500,000	32,900	554,216	460,145
ANTWERPEN	2000	8 Jezusstraat	Delal	137	03/11/10	770,000	82,124	892,890	908,990
CHÂTEAU GONTIER	53200	62 avenue Carnot	BNP Paribas	100	25/01/11	375,000	42,302	437,266	365,318
SAINT CHAMOND	42400	71 rue de la République	Vacant	204	10/03/11	400,000	44,610	462,394	387,338
LA LOUVIERE	7100	rue Albert 1er	Thomas Cook	90	13/05/11	440,000	59,217	523,100	439,879
AUXERRE	89000	11 place Charles Lepère	EMANON	589	20/06/11	400,000	50,250	468,260	441,247
PARIS	75017	81 avenue de Wagram	Ms Raynaud and Ms Teixeira (E.S and Co)	127	24/06/11	750,000	73,050	855,972	736,524
PARIS	75001	78 rue Jean Jacques Rousseau	Impérial Classic Diffusion	33	22/07/11	486,000	53,068	564,857	476,988
MORTSEL	2640	60-62 Mechelsesteenweg	Deutche Bank	883	05/08/11	1,802,293	382,823	2,289,652	1,915,927
PARIS	75004	19 rue des Deux Ponts	Mario Super Ramen	137	06/10/11	850,000	100,100	988,104	856,053
NEUILLY SUR SEINE	92200	102, 106 & 110 av A.Peretti 5-11 & 15/17 av Sainte Foy	BNP Paribas La Dolce Vita CG Neuilly Bidault Buffard Pharmacie Jardin de Neuilly La Carrefour Papeterie Librairie (Lamartine) Como Wagram	656 86 125 154 119 278 147	12/12/11	9,020,000	607,200	10,087,765	8,591,305
MOL	2400	Statiestraat 38a et 40	Proximus (Belgacom N.V) Vacant	240 380	28/09/12	1,120,000	157,105	1,338,202	1,159,287
DREUX	28100	7, Rue de Parisis	LA Poste	341	04/12/12	890,000	115,450	1,045,668	921,564
SENS	89100	101, Grande Rue	Griffon	61	07/01/13	300,000	29,450	342,628	298,561
PARIS	75012	27 Ter Boulevard Diderot	Chez Valentino	65	11/01/13	490,000	36,550	547,612	477,291
PARIS	75012	140 Avenue Daumesnil	SARL Atelier d'Artistes	94	05/06/13	575,000	63,700	664,248	586,857
Brussels	1180	Chaussée d'Alsemberg, 749	Mr Idrizaj Ersin	106	14/10/13	490,000	83,966	601,424	532,569

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
LE MANS	72000	39 Rue des Minimes/ 9 Place Aristide Briand	CRCAM Anjou Maine	53	17/12/13	380,000	52,470	453,159	426,345
			SARL Beauty 72	92					
			Erick GAUME	50					
DREUX	28100	10 Grande Rue Maurice Viollette	SAS Stock J - JENNYFER	111	19/12/13	620,000	70,400	718,016	638,203
PARIS	75008	86 Avenue Miromesnil	QUADRIFOGLIO	145	20/12/13	1,800,000	122,030	2,013,980	1,798,946
LYON	69002	27 Rue de Brest	Comptoir des cotonniers	170	10/01/14	712,000	52,410	794,986	707,500
Brussels	1180	Chaussée d'Alsemberg, 839	Vacant	90	30/01/14	630,000	108,891	774,358	689,924
BLOIS	41000	25/27 Rue Denis Papin	SEPHORA	576	21/02/14	2,350,000	328,200	2,785,328	2,484,713
			Tiger Stores France 4	389					
ROUEN	76000	70, Rue du gros horloge	Calzedonia	122	27/02/14	1,600,000	191,750	1,863,420	1,662,869
ARRAS	62000	32, Rue Ernestale	Du Côté des Grands	84	28/02/14	300,000	41,050	354,692	316,536
PARIS	75017	34 avenue des Ternes	SANDRO	281	27/02/14	5,085,000	26,500	5,315,960	4,747,066
MARSEILLE	13006	66 Rue de Rome	PAUL 67	102	03/03/14	410,000	50,280	482,373	434,623
DIJON	21000	27 Rue de la Liberté	Mister Minit	93	20/03/14	460,000	57,600	538,304	480,939
BREST	29275	70 Rue de Siam	ARMAND THIERY	821	26/03/14	1,650,000	161,909	1,884,385	1,684,145
DIEPPE	76200	84/86 Grande Rue	ETAM Lingerie	141	26/03/14	400,000	43,465	461,203	412,194
LAVAL	53000	41 Rue du Général de Gaulle	SEPHORA	395	26/03/14	1,000,000	100,318	1,144,331	1,022,731
VICHY	3200	12 Rue Georges Clémenceau	SEPHORA	824	26/03/14	3,192,000	308,021	3,640,021	3,253,222
			PROMOD	228					
			Vacant	197					
AVIGNON	84000	1, Rue Henri Fabre	SAS LE COMPTOIR NIKKEI	86	28/03/14	235,000	41,400	287,456	262,632
TOULOUSE	31000	11 Place Wilson / 39 Rue Lafayette	Nocibe France Distribution	274	10/04/14	3,053,000	270,780	3,456,731	3,092,025
NANTES	44000	8 Rue de la Barillerie	SARL Maestro	37	11/04/14	570,000	62,550	657,852	588,478
PARIS	75015	15 Rue Violet	Hong Chang Uhy	28	24/04/14	232,000	32,000	274,560	245,786
PARIS	75015	65 Rue de la convention	SARL Escarcel	44	18/06/14	515,000	62,320	605,031	543,303
PARIS	75017	3 Rue Rennequin	SARL Le Grenier Rennequin	39	23/06/14	250,000	32,700	294,008	264,086
PARIS	75017	87 Avenue de Clichy	La Princesse	43	03/07/14	550,000	66,550	646,144	580,711
ARLES	13200	45 Rue de la République	Mathieu Daniel	49	03/07/14	170,000	16,050	194,980	175,235
VERSAILLES	78000	5 Rue du Gal Leclerc	Société Générale	101	17/07/14	820,000	94,250	950,820	880,514

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
			Comptoir de l'or	55					
AMIENS	80000	23-25 Place René Goblet	Roulier Patrick	320	28/07/14	370,000	61,380	452,086	406,875
PARIS	75008	101 Boulevard Hausmann	SAS Custom Apparel	119	30/07/14	990,000	111,150	1,145,196	1,591,556
PARIS	75008	101 Boulevard Hausmann	Hôtelière du 99	84	12/12/14	480,000	53,000	554,320	
PARIS	75006	10 Rue du Cherche Midi	Vacant	106	31/07/14	2,300,000	153,700	2,551,848	2,297,034
ANTIBES	6600	15 Bld Albert 1er	JCM Investissement	67	28/08/14	380,000	32,200	428,688	386,487
SAINT GERMAIN EN LAYE	78100	29 et 31 rue de Pologne	Zaza	69	21/10/14	800,000	96,750	932,620	843,352
PARIS	75007	22 Rue de Grenelle	SAS Ami Paris	70	20/10/14	874,000	86,820	999,253	903,557
PARIS	75011	147 Boulevard Voltaire	SARL De toutes les couleurs	99	21/10/14	500,000	61,444	583,901	528,012
PARIS	75014	14 avenue Jean Moulin	Yilin	44	21/10/14	300,000	38,006	351,526	317,879
PARIS	75012	251 avenue Daumesnil	SARL Vinocep	49	27/11/14	355,000	41,300	412,152	373,471
PARIS	75001	9 rue Jean Jacques Rousseau	Mr Larroze Jean-Pierre	32	17/12/14	210,000	30,550	252,096	228,692
PARIS	75017	46 av Niel et 45 rue Rennequin	SAS Le Bonhomme de Bois Distribution	123	24/03/15	631,000	48,500	706,680	644,530
AVIGNON	84000	1 Place Portail Matheron	Performance Immobilier	94	27/03/15	215,000	32,935	259,836	237,023
PARIS	75018	25 rue Lambert	SARL Le Gabin	53	18/06/15	387,000	29,400	436,387	399,902
PARIS	75012	32 rue du Faubourg Saint Antoine	Maisons du Monde	275	29/12/15	3,050,000	316,519	3,501,180	3,242,727
THONON	74200	9 avenue du Général De Gaulle	Maisons du Monde	1,043	29/12/15	1,690,000	188,618	1,953,763	1,809,538
VENDOME	41100	71-73 rue du Change	Maisons du Monde	199	29/12/15	260,000	74,200	347,568	321,911
SAINTES	17100	42 bis cours National -1 rue du Bois d’Amour	Maisons du Monde	611	29/12/15	1,500,000	124,331	1,689,304	1,564,601
ANGERS	49000	12 rue Saint-Aubin	SARL NATEA	119	23/12/15	658,000	81,689	769,276	719,016
ANGERS	49000	7-13 rue Saint-Aubin et 4bis-6 rue Corneille	J.S.M	131	23/12/15	471,000	58,471	550,650	509,835
TOULOUSE	31000	45 rue des Tourneurs	Bijoux d’hier et d’aujourd’hui	32	10/12/15	1,000,000	127,218	1,172,307	1,084,645
			Mr and Mrs Gautrand	50					
			Mrs Rabiller Sandrine	81					
			Mr Vives Stéphan	28					
AVIGNON	84000	51 rue Carnot-24 rue de la Croix	Mr and Mrs Allain Bernard et Elizabeth	165	06/02/17	170,000	24,603	202,387	191,573

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
AVIGNON	84000	1 rue de l'Oriflamme-25 rue de la Croix	Boulangeries B.G.	71	06/02/17	190,000	27,497	226,197	214,110
PARIS	75014	90 rue Didot	Société G5	25	19/05/17	280,000	39,500	334,836	318,668
AVIGNON	84000	7 rue des Marchands-10 rue Favart	MPI Sports	44	08/09/17	375,000	31,600	422,864	404,835
PARIS	75013	115 avenue d'Italie-35 rue Caillaux	SDV	52	09/10/17	560,000	69,700	654,888	627,990
CLERMONT FERRAND	63000	11 rue du 11 Novembre	V2M	109	19/10/17	220,000	19,840	249,434	239,315
LYON	69005	5 rue Gadagne-2 rue Saint Jean	Rayane and Co Rayane and Co Rayane and Co Rayane and Co	187 - - -	26/12/17	365,000	30,125	414,091	398,713
ISSY LES MOULINEAUX	92130	36/36 bis rue Ernest Renan	SAS Purple Coiffure	64	29/01/18	392,000	59,900	469,976	453,329
PARIS	75002	31 bd de bonne nouvelle	SAS Mac & Ice	86	27/02/18	1,750,000	239,271	2,072,505	2,002,128
PARIS	75002	31 bd de bonne nouvelle	SAS RS Optic	25					
PARIS	75009	29 rue du Fbg Montmartre	SARL ATELIER DU CUISTO	84	08/03/18	700,000	95,105	826,909	799,205
PARIS	75006	21 rue des grands Augustins	Le gout de Taiwan	25	31/05/18	350,000	32,050	397,332	385,704
PARIS	75016	23 rue des belles feuilles	SARL STIM	56	27/06/18	375,000	56,250	451,950	439,339
PARIS	75014	7 rue Brezin	SARL Prest'Alliance	67	25/07/18	650,000	55,443	733,661	714,226
PARIS	75010	65 rue du Faubourg du Temple	Mr Moujahed Chafik	157	25/07/18	530,000	45,207	598,215	582,369
PARIS	75017	89 avenue des Ternes	Aroma	44	17/09/18	255,000	34,653	301,239	294,080
PARIS	75005	135 boulevard Saint-Michel	MHX Housse	73	17/09/18	695,000	94,447	821,025	801,513
MONTPELLIER	34000	47 Grand rue Jean Moulin	SHOESHOE	32	24/10/18	250,000	21,750	282,620	276,431
PARIS	75017	PARIS	OFFICE DEPOT	496	07/11/18	4,200,000	540,950	4,930,588	4,826,099
PARIS	75003	28 RUE RAMBUTEAU	FONCIA TRANSACTION FRANCE	31	18/01/19	750,000	64,020	846,581	831,716

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
LYON	69003	54 COURS DE LA LIBERTE	DECOR HEYTENS FRANCE	109	28/02/19	430,000	60,520	510,141	502,239
CLERMONT FERRAND	63000	2 RUE JEAN ROCHON	LES CHOCOLATS BERNARD DUFOUX	93	12/03/19	200,000	15,700	224,328	220,989
LYON	69008	60 AVENUE DES FRERES LUMIERES	Mr Isaac BENICHOU	54	23/04/19	220,000	17,854	247,368	244,210
ROUEN	76000	35, Rue du Gros Horloge	M&L Distribution	281	02/04/19	1,100,000	129,814	1,279,006	1,261,324
PARIS	75016	100 rue Chardon Lagache	Harmonie chez soi	134	30/07/19	908,000	117,700	1,066,728	1,058,385
PARIS	75012	254 avenue Daumesnil	LMLD	71	29/07/19	477,000	60,500	559,000	555,197
BORDEAUX	33000	28,30 cours de l'Intendance/8-8 bis rue de Grassi	Société Générale	3,232	14/10/19	24,400,000	1,894,824	27,346,617	27,237,610
PARIS	75001	10 rue du Mont Thabor	Les studios du château	52	25/10/19	493,421	42,005	556,843	554,933
PARIS	75001	24 quai du Louvre	MJ Crêpes	94	25/10/19	1,559,807	129,763	1,757,152	1,751,123
PARIS	75016	95 rue de Longchamp	Cinquante (Atelson)	122	25/10/19	1,168,860	96,377	1,315,846	1,311,332
PARIS	75005	5 rue St Jacques	Parwiz Jomakhan	109	25/10/19	1,309,211	107,661	1,473,546	1,468,491
PARIS	75016	146 rue de la Pompe	Beauty Story L'Atelier du regard	78 45	25/10/19	1,085,526	89,611	1,222,143	1,217,950
PARIS	75004	16 rue de Rivoli	Elha	63	25/10/19	1,224,781	100,789	1,378,593	1,373,863
PARIS	75005	36 rue Mouffetard	Mr Asis	22	25/10/19	317,982	29,826	361,720	360,479
PARIS	75007	1-3 place du Palais Bourbon	Brasserie Le Bourbon	197	25/10/19	2,211,623	182,100	2,489,471	2,480,930
PARIS	75016	80 avenue Paul Doumer	Bonton	181	25/10/19	4,166,667	337,420	4,684,251	4,668,178
PARIS	75008	66 boulevard Malesherbes	Grezophi	137	25/10/19	1,537,281	125,934	1,729,744	1,723,809
PARIS	75017	26 rue Poncelet	Déco Poncelet	66	25/10/19	1,359,649	111,642	1,530,143	1,524,893
PARIS	75008	27 boulevard Malesherbes	Stones Services of France	409	25/10/19	4,385,965	355,048	4,930,654	4,913,736
PARIS	75007	12 place Joffre	Cantegrill	265	25/10/19	2,115,132	174,361	2,381,072	2,372,903
PARIS	75017	21 rue Poncelet	GH Real Estate & Consultancy Fabrizio	70 85	25/10/19	1,370,614	112,603	1,542,546	1,537,253
PARIS	75008	44 avenue Georges V	La boutique des caviars	154	25/10/19	3,486,842	284,624	3,922,325	3,908,867
PARIS	75015	77 rue de la Convention	Toyotomi	99	25/10/19	427,632	71,831	519,441	915,413
PARIS	75015	75 rue de la Convention	Bazar and Cook	104	25/10/19	383,772		399,123	

City	Postcode	Address	Tenants	Surface area m²	Date of purchase	Purchase price excluding costs	Purchase costs	Cost price of the acquisition	Net carrying amount as at 31/12/2019
PARIS	75015	79 rue de la Convention	Arsum	101	25/10/19	679,825	57,046	766,346	763,717
PARIS	75016	140 rue de la Pompe	M.P.MELIYI (Body Care Select)	50	25/10/19	606,360	51,136	683,796	681,450
PARIS	75009	52, rue des Martyrs - 2 square Trudaine	Bred	178	25/10/19	1,514,254	124,105	1,703,894	1,698,048
PARIS	75010	139 avenue Parmentier	Ria	66	25/10/19	1,156,798	95,409	1,302,296	1,297,827
PARIS	75017	2 rue Gustave Doré	Churrascaria O Argoselo	60	25/10/19	368,421	33,907	418,421	416,986
PARIS	75018	67 rue Caulaincourt	Cabinet Fredelion	40	25/10/19	555,921	47,054	627,094	624,943
PARIS	75012	56 boulevard Picpus	Vacant	159	25/10/19	1,422,149	116,691	1,600,394	1,594,903
PARIS	75001	31 rue du Jour - 11 rue Montmartre	Vacant	65	25/10/19	1,206,140	98,985	1,357,330	1,352,673
PARIS	75015	83 rue de la Convention	Pressing du XVe	59	25/10/19	1,611,842	131,954	1,813,548	1,807,326
			Librairie l'Instant	67					
			Vapocalypse	60					
PARIS	75005	52 rue St Louis en l'Ile	Vacant	30	25/10/19	773,026	64,467	870,992	868,004
LYON	69004	17 place de la Croix-rousse	N'Guyen Van Tuan	77	16/12/19	558,800	44,100	627,016	626,573
			Librairie Monnier	77					
TOTAL						**233,985,051**	**21,264,642**	**265,792,371**	**236,376,270**

NB: The cost price of the acquisitions is presented including the investment commission (4%) and excluding the revaluation that took place on 1 January 2007. The net book values are presented excluding provisions for depreciation on property, plant and equipment.

INTANGIBLE ASSETS AND INVESTMENTS	Number of securities held			Purchase price excluding costs	Purchase costs paid	4% commission	Cost price	Gross value reassessed at 01/01/2007
SCPI EFIMMO	Temporary usufruct of	5,231	shares	296 162	7 103	449	303 715	303 715
SCPI FONCIA PIERRE RENDEMENT	Temporary usufruct of	81	shares	21 685	-	1 037	22 722	22 722
SCPI IMMORENTE	Temporary usufruct of	18,352	shares	1 443 975	13 463	22 560	1 479 998	1 479 998
SCPI SOFIPIERRE	Temporary usufruct of	988	shares	148 878	2 382	2 373	153 633	153 633
SCPI IMMORENTE 2	Temporary usufruct of	393	shares	14 970	462	-	15 432	15 432
SCPI FICOMMERCE	Temporary usufruct of	285	shares	6 195	310	312	6 817	6 817
SCPI PFO2	Temporary usufruct of	322	shares	18 362	918	925	20 205	20 205
SCPI PLACEMENT PIERRE	Temporary usufruct of	285	shares	3 574	179	180	3 933	3 933
REFINANCING COSTS	Temporary usufruct of		shares	-	5 310	254	5 564	5 564
Total intangible assets				**1 953 801**	**30 127**	**28 091**	**2 012 019**	**2 012 019**
NOVAPIERRE		2,530	shares	999 200	-	47 802	1 047 002	1 047 002
SCPI ACTIPIERRE 2		100	shares	25 000	-	1 196	26 196	26 196
SCPI ATLANTIQUE PIERRE 1		663	shares	193 149	-	9 240	202 389	202 389
SCPI BUROBOUTIC		1,465	shares	350 347	-	16 761	367 107	367 107
SCPI CIFOCOMA 2		373	shares	160 140	-	7 661	167 801	167 801
SCPI FICOMMERCE		820	shares	157 490	-	7 534	165 024	165 024
SCPI EFIMMO		738	shares	84 381	3 541	4 217	92 138	136 161
SCPI FONCIA PIERRE RENDEMENT		2,300	shares	1 893 000	-	90 721	1 983 721	1 983 721
SCPI IMMORENTE		3,773	shares	999 845	-	47 833	1 047 678	1 047 678
SCPI SELECTINVEST 1		147	shares	47 931	4 354	2 522	54 807	84 756
SCPI SOFIPIERRE		1,294	shares	413 913	3 332	19 961	437 206	533 514
SPPICAV TIKEHAU RETAIL PROPERTIES III		200	shares	2 000 000	-	-	2 000 000	2 000 000
SARL ROSE		6,000	shares	1 200 000	-	-	1 200 000	1 200 000
Total TIAP				**8 524 395**	**11 227**	**255 448**	**8 791 070**	**8 961 350**
GRAND TOTAL				**10 478 196**	**41 354**	**283 539**	**10 803 090**	**10 973 369**

20. GENERAL MEETING

20.1. Report by the Management Board on the resolutions proposed to the General Meeting

Fifth resolution
(Approval of the components of total compensation and benefits in kind paid or allocated to the Chairman of the Supervisory Board during the financial year ended 31 December 2019)

The Management Board proposes that the Ordinary General Meeting *approves the components of total compensation and benefits in kind paid or allocated to the Chairman of the Management Board during the financial year ended 31 December 2019.*

Sixth resolution
(Approval of the components of total compensation and benefits in kind paid or allocated in respect to the Chairman of the Management Board during the financial year ended 31 December 2019)

The Management Board proposes that the Ordinary General Meeting *approves the components of total compensation and benefits in kind paid or allocated to the Chairman of the Management Board during the financial year ended 31 December 2019.*

Seventh resolution
(Approval of the components of total compensation and benefits in kind paid or allocated to the second Member of the Management Board during the financial year ended 31 December 2019)

The Management Board proposes that the Ordinary General Meeting *approves the components of total compensation and benefits in kind paid or allocated to the second Member of the Management Board during the financial year ended 31 December 2019.*

Eighth resolution
(Approval of the information relating to the compensation of all corporate officers indicated in Article L. 225-37-3 I of the French Commercial Code)

The Management Board proposes that the Ordinary General Meeting, having reviewed the Supervisory Board's report on corporate governance stipulated in Article L. 225-68 of the French Commercial Code, approves, in application of Article L. 225-100 II of the French Commercial Code, the information stipulated in Article L. 225-37-3 I of the French Commercial Code, as presented in the report on corporate governance under the heading "Approval of the components of compensation and benefits in kind paid or allocated to the Supervisory Board", presented in section 20.2 of the Universal Registration Document.

Ninth resolution
(Approval of the compensation policy for the members of the Supervisory Board and its Chairman)

The Management Board proposes that the Ordinary General Meeting, having reviewed the Supervisory Board's report on corporate governance stipulated in Article L. 225-68 of the French Commercial Code, approves the *compensation policy for members of the Supervisory Board and its Chairman,* as presented in the report on corporate governance under the heading "Principles and criteria for setting the compensation policy for the members of the Supervisory Board", and presented in section 20.2. of the Universal Registration Document.

Tenth resolution
(Approval of the compensation policy for the members of the Management Board and its Chairman)

The Management Board proposes that the Ordinary General Meeting, having reviewed the Supervisory Board's report on corporate governance stipulated in Article L. 225-68 of the French Commercial Code, approves *the compensation policy for members of the Management Board and its Chairman,* as presented in the report on corporate governance under the heading "Principles and criteria for setting the compensation policy for the members of the Management Board", and presented in section 20.2. of the Universal Registration Document.

Eleventh resolution - *Ordinary General Meeting*
(Ratification of the temporary appointment of Mr Louis Molino as member of the Supervisory Board as a replacement for Mr Geoffroy Renard)

Following the resignation of Mr Geoffroy Renard, the Supervisory Board, at its meeting of 13 November 2019, appointed on a temporary basis Mr Louis Molino as member of the Supervisory Board for the remaining term of office of Mr Geoffroy Renard, i.e. until the end of the General Meeting convened to approve the financial statements for the 2024 financial year.

The Management Board proposes that the General Meeting ratifies this appointment.

After graduating from Toulouse Business School, Louis Molino began his career in private banking (Société Générale Private Banking). He joined the Finance Division of Primonial in 2012 as Financial Controller, and in 2014 the real estate asset management company Primonial REIM as Senior Fund Manager, in charge of funds of funds and mandates.

Twelfth resolution *- Ordinary General Meeting*
(Ratification of the temporary appointment of SCI Primonial Capimmo as member of the Supervisory Board as a replacement for Mr Louis Molino)

Following the resignation of Mr Louis Molino, the Supervisory Board, at its meeting of 3 April 2020, appointed on a temporary basis SCI Primonial Capimmo as member of the Supervisory Board for the remaining term of office of Mr Louis Molino, i.e. until the end of the General Meeting convened to approve the financial statements for the 2024 financial year.

The company SCI Primonial Capimmo is represented on the Board by Mr Louis Molino.

The Management Board proposes that the General Meeting ratifies this appointment.

Thirteenth resolution *- Ordinary General Meeting*
(Appointment of the company SOGECAP as member of the Supervisory Board)

The Management Board proposes that the General Meeting appoints the company SOGECAP as member of the Supervisory Board for a period of six years until the Annual Ordinary General Meeting convened to approve the financial statements for the 2025 financial year.

The company SOGECAP is represented on the Board by Mr Eric Joseph.

Société Générale Assurances is at the heart of the Société Générale group's development strategy, in synergy with all of the retail banking, private banking and financial service business lines. At the same time, Société Générale Assurances continues to expand its distribution model by developing partnership agreements with players outside of the Group.
With a presence in France through SOGECAP, Antarius, Sogessur and Oradéa Vie, and in nine foreign countries, Société Générale Assurances offers a comprehensive range of products and services to meet the savings life insurance, retirement savings and personal and property protection needs of individual, professional and business customers. Drawing on the expertise of its 2,800 employees, Société Générale Assurances combines financial robustness, dynamic innovation and a sustainable growth strategy to serve as a trusted partner to its customers. Sogecap is rated A- by Standard & Poor's.

Mr Eric Joseph, Head of Investment at SOGECAP since 2004, has since 2002 held the same positions at BNPP Assurances and Crédit Agricole Assurances, for all asset classes.
Prior to this, he was a Quantitative Engineer for JP Morgan (Paris trading room), specialising in derivatives.
He has Engineering Degrees from ENST Paris and CPE Lyon, and an MBA from IAE Paris.

Fourteenth resolution *- Ordinary General* Meeting
(Appointment of Ms Nathalie de Mortemart as member of the Supervisory Board)

The Management Board proposes that the General Meeting appoints Ms Nathalie de Mortemart as member of the Supervisory Board for a period of six years until the Annual Ordinary General Meeting convened to approve the financial statements for the 2025 financial year.

Ms Nathalie de Mortemart is a graduate of ENS Ulm, IEP de Paris and has a postgraduate degree (DEA) in General Private Law from Université Paris 2 Panthéon-Assas. She began her career in 2005 as a lawyer at Cleary Gottlieb Steen & Hamilton in Paris and New York where she spent ten years working in corporate law and capital market operations. In 2015, she joined the Secretary General and Legal Affairs Department of BPCE.
Since 2018, she has been Head of Corporate Legal Affairs at the Tikehau Capital group.

Fifteenth resolution - *Ordinary General Meeting*
(Authorisation to be granted to the Management Board to trade in the Company's shares)

The Management Board proposes to renew the provisions of the twentieth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting authorises the Management Board to have the Company purchase its own shares in accordance with the conditions set out in the AMF General Regulations. The purpose of this authorisation is to enable the Company to ensure the liquidity and market activity of its own shares as part of a liquidity contract, to buy shares to be retained and later exchanged or used as payment for potential external growth transactions, to deliver shares upon the exercise of rights attached to securities granting entitlement by repayment, conversion, exchange, presentation of a warrant or via any other means, to the allocation of Company shares.

This authorisation would be granted for a period of 18 months from the date of the General Meeting.

Sixteenth resolution - *Extraordinary General Meeting*
(Delegation of authority to be granted to the Management Board to decide the issue of shares and/or securities – with preferential subscription rights – giving access to the share capital of the Company or granting entitlement to the allocation of debt securities)

The Management Board proposes to renew the provisions of the twenty-first resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting delegates to the Management Board its authority to decide the issue of shares and/or securities – with preferential subscription rights – giving access to the share capital of the Company or granting entitlement to the allocation of debt securities. The maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation would be set at €50,000,000. The nominal amount of issues of debt securities that may be carried out immediately and/or in the future on the basis of this delegation must not exceed €300,000,000. The amounts set out in this delegation would be deducted from the total cap specified in the twenty-sixth resolution.

The duration of validity of the delegation of authority described in this resolution would be set at 26 months, starting from the date of the General Meeting.

Seventeenth resolution - *Extraordinary General Meeting*
(Delegation of authority to be granted to the Management Board to decide the issue of shares and/or securities – without preferential subscription rights and by public offer – giving access to the share capital of the Company or granting entitlement to the allocation of debt securities)

The Management Board proposes to renew the provisions of the twenty-second resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting delegates to the Management Board its authority to decide to issue shares and/or securities – without preferential subscription rights – giving access to the share capital of the Company or granting entitlement to the allocation of debt securities by public offer and in accordance with the following terms and conditions:

- the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation would be set at €40,000,000;
- the nominal amount of issues of debt securities that may be carried out immediately and/or in the future on the basis of this delegation must not exceed €300,000,000;
- the amounts set out in this delegation would be deducted from the total cap specified in the twenty-sixth resolution;
- the issue price of the shares or securities that may be issued must be such that the Company receives, for every share created or allocated, independently of any compensation of any form, interest, share premium or redemption premium, a sum at least equal to the minimum price specified by legal and regulatory provisions applicable on the day of the issue (i.e. currently the weighted average market prices of the three trading sessions preceding the start of the public offer under the meaning of Regulation (EU) 2017/1129 of 14 June 2017, where necessary reduced by a maximum discount of 10%).

The duration of validity of the delegation of authority described in this resolution would be set at 26 months, starting from the date of the General Meeting.

Eighteenth resolution - *Extraordinary General Meeting*
(Authorisation to be granted to the Management Board to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights)

The Management Board proposes to renew the provisions of the twenty-third resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting authorises the Management Board to decide to increase the number of securities to be issued in the event of a Company capital increase with or without preferential subscription rights, at the same price as that used for the initial issue, within the time limits and subject to the limitations set out in the applicable regulations. The nominal amount of capital increases would be deducted (i) from the specific cap detailed in the resolution on the basis of which the initial issue would have been carried out and (ii) from the total cap set out in the twenty-sixth resolution.

This authorisation would be granted for a period of 26 months from the date of the General Meeting.

Nineteenth resolution - *Extraordinary General Meeting*
(Delegation of authority to be granted to the Management Board to decide to increase the share capital through the capitalisation of premiums, reserves, profits or other sums that may be capitalised)

The Management Board proposes to renew the provisions of the twenty-fourth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting delegates to the Management Board its authority to decide to increase the share capital, on one or more occasions, in the proportions and at the times it sees fit, through the capitalisation of premiums, reserves, profits or other sums that may be legally and statutorily capitalised, in the form of the allocation of bonus shares or an increase in the par value of existing shares or a combination of the two. The maximum nominal amount of capital increases likely to be carried out in this respect must not exceed €50,000,000.

The duration of validity of the delegation of authority described in this resolution would be set at 26 months, starting from the date of the General Meeting.

Twentieth resolution - *Extraordinary General Meeting*
(Authorisation to be granted to the Management Board to grant stock subscription and/or purchase options without preferential subscription rights)

The Management Board proposes to renew the provisions of the twenty-fifth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It is proposed that the General Meeting authorise the Management Board to decide to grant, within the context of the provisions of Articles L. 225-177 to L. 225-186-1 of the French Commercial Code, once or more than once, in favour of the members of staff that it shall determine among the employees and, where applicable, the corporate officers of the Company and related companies or groups in accordance with the conditions set out in Article L. 225-180 of said Code, options granting entitlement to the subscription of new Company shares to be issued as part of its capital increase, as well as options granting entitlement to the purchase of Company shares from share buybacks carried out by the Company in accordance with conditions set out by law. The stock subscription and purchase options granted may not grant entitlement to a total number of shares exceeding 3% of the share capital as at the date of the Management Board's decision, it being specified that the nominal amount of capital increases carried out pursuant to this delegation shall not be deducted from the total cap set out in the twenty-sixth resolution. The price to be paid upon the exercise of stock subscription or purchase options shall be set by the Management Board on the day on which the options are granted. In the case of subscription options being granted, this price must not be lower than 80% of the average listed trading price of the Company shares on the Euronext Paris market over the twenty trading sessions preceding the day on which the subscription options are granted. In the case of purchase options being granted, this price must not be lower than or equal to the amount stated above, or lower than 80% of the average purchase price of shares held by the Company pursuant to Articles L. 225-208 and L. 225-209 of the French Commercial Code. If the Company were to carry out one of the transactions described in Article L. 225-181 of the French Commercial Code, the Management Board shall, under the conditions provided for by current regulations, take the necessary steps to protect the interests of the beneficiaries, including, where applicable, by adjusting the number of shares that may be obtained through the exercise of options granted to beneficiaries to reflect the impact of this transaction.

This authorisation would be granted for a period of 38 months from the date of the General Meeting.

Twenty-first resolution – *Extraordinary General Meeting*
(Authorisation to be granted to the Management Board to allocate free existing or new shares)

The Management Board proposes to renew the provisions of the twenty-sixth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting authorises the Management Board to allocate, once or more than once, free existing or new Company shares in favour of beneficiaries designated by the Management Board from among the paid employees and/or corporate officers of the Company and of related companies or economic interest groups within the meaning of Article L. 225-197-2 of the French Commercial Code. The total number of shares granted must not exceed 3% of the share capital of the Company as at the date of the Management Board's decision, it being specified that the nominal amount of capital increases carried out pursuant to this delegation shall not be deducted from the total cap set out in the twenty-sixth resolution.

This authorisation would be granted for a period of 38 months from the date of the General Meeting.

Twenty-second resolution - *Extraordinary General Meeting*
(Authorisation to be granted to the Management Board to reduce the share capital by cancelling treasury shares)

The Management Board proposes to renew the provisions of the twenty-seventh resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting authorises the Management Board to reduce the share capital, on one or more occasions, in the proportions and at the times it shall determine, by cancelling any quantity of treasury shares subject to the limits authorised by law.

This authorisation would be granted for a period of 18 months from the date of the General Meeting.

Twenty-third resolution - *Extraordinary General Meeting*
(Delegation of authority to be granted to the Management Board to decide the issue of ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or securities giving access to equity securities to be issued by the Company – with removal of preferential subscription rights – by private placement referred to in I of Article L. 411-2 of the French Monetary and Financial Code)

The Management Board proposes to renew the provisions of the twenty-eighth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

The Management Board proposes that the General Meeting delegates to the Management Board its authority to decide to issue shares and/or equity securities giving access to other equity securities or granting entitlement to the allocation of debt securities (with the exception of preference shares) and/or securities giving access to equity securities to be issued (with the exception of preference shares) – without preferential subscription rights – by private placement as described in paragraph I of Article L. 411-2 of the French Monetary and Financial Code, in accordance with the following conditions:

- the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation would be set at €40,000,000, it being specified that this amount would be capped in accordance with the law at 20% of the share capital per year;
- the nominal amount of issues of debt securities that may be carried out immediately or in the future on the basis of this delegation must not exceed €300,000,000;
- the amounts set out in this delegation would be deducted from the total cap specified in the twenty-sixth resolution;
- the amount that returns, or should return, to the Company for each of the ordinary shares issued pursuant to this delegation, after taking into account, in the event of the issue of autonomous share subscription warrants, the issue price of said warrants, shall be at least equal to the minimum required by the legal and regulatory provisions applicable at the time of the implementation of this delegation by the Management Board;
- the Management Board can implement this delegation at any time.

The duration of validity of the delegation of authority described in this resolution would be set at 26 months, starting from the date of the General Meeting.

Twenty-fourth resolution - *Extraordinary General Meeting*
(Delegation of authority to be granted to the Management Board to decide the issue of ordinary shares and/or securities giving access to the share capital, up to a limit of 10% of the share capital in order to compensate contributions in kind of equity securities or securities giving access to the share capital, without preferential subscription rights)

The Management Board proposes to renew the provisions of the twenty-ninth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

The Management Board proposes that the General Meeting authorises the Management Board to carry out, on the basis of the report by the capital contribution auditor (*commisssaire aux apports*), the issue of shares or securities giving access to the share capital as compensation for contributions in kind granted to the Company and made up of equity securities or other securities giving access to the share capital.

It proposes that the General Meeting should decide that the total nominal amount of shares likely to be issued pursuant to this delegation should not exceed 10% of the share capital on the day of the General Meeting, it being specified that the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation shall be deducted from the total cap set out in the twenty-sixth resolution.

The Management Board may implement this delegation of authority at any time.

The duration of validity of the delegation of authority described in this resolution would be set at 26 months, starting from the date of the General Meeting.

Twenty-fifth resolution - *Extraordinary General Meeting*
(Delegation of authority to be granted to the Management Board to decide the issue of ordinary shares and/or securities giving access to other equity securities or granting entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued by the Company – without preferential subscription rights – in the event of a tender offer initiated by the Company)

The Management Board proposes to renew the provisions of the thirtieth resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting delegates to the Management Board its authority to decide to issue shares and/or securities giving access to the share capital of the Company or granting entitlement to the allocation of debt securities – without preferential subscription rights – as compensation for securities contributed to any public offer comprising an exchange component, initiated by the Company and in accordance with the following terms and conditions:

- the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation would be set at €40,000,000;
- the nominal amount of issues of debt securities that may be carried out immediately and/or in the future on the basis of this delegation must not exceed €300,000,000;
- the amounts set out in this delegation would be deducted from the total cap specified in the twenty-sixth resolution.

The duration of validity of the delegation of authority described in this resolution would be set at 26 months, starting from the date of the General Meeting.

Twenty-sixth resolution - *Extraordinary General Meeting*
(Total cap of capital increases)

The Management Board proposes to renew the provisions of the thirty-first resolution approved at the General Meeting of 13 June 2019 by cancelling and replacing this resolution as follows.

It proposes that the General Meeting:

- sets the total cap of capital increases that may result, immediately or in the future, from the issue(s) of ordinary shares, carried out pursuant to the delegations and authorisations granted to the Management Board by the General Meeting at a total maximum nominal amount of €50,000,000;
- sets at €300,000,000 the total maximum nominal amount of securities representing debt securities likely to be issued pursuant to the delegations and authorisations granted to the Management Board by this General Meeting.

Twenty-seventh resolution - *Extraordinary General Meeting*
(Changes to the Articles of Association)

The Management Board proposes that the Company's Articles of Association be amended by removing Article 18 relating to the obligation incumbent on each member of the Supervisory Board to own a Company share.

20.2. Report by the Supervisory Board on corporate governance

To the Shareholders,

This report has been prepared by the Supervisory Board in application of Article L. 225-68 of the French Commercial Code. This report includes the information, if applicable adapted to companies with Supervisory Boards, referred to in Articles L. 225-37-3 to L. 225-37-5, and notably the information on corporate governance, information on the compensation of executive managers and corporate officers, information on the capital structure and items that may have an impact in the event of a public offer.

Governance

1. Composition of the Supervisory Board, preparation and organisation of the Supervisory Board's work

At 31 December 2019, the Supervisory Board comprises ten members appointed by the Ordinary General Meeting. The Board selects a Chairman and Vice-Chairman from its members.

It currently comprises:

- Mr Pierre Vaquier, Chairman of the Board and Chairman of the Investment Committee;
- Mr Hubert Martinier, Vice-Chairman;
- Ms Dominique Dudan, Chairwomen of the Audit Committee;
- Mr Frédéric Jariel;
- Mr Philippe Labouret;
- Ms Cécile Mayer-Levi;
- Mr Louis Molino;
- Ms Marie Sardari;
- PLEIADE, represented by Mr Vincent Fargant;
- SOFIDIANE, represented by Ms Sylvie Marques.

The Supervisory Board met five times in 2019, on 5 April, 16 April, 13 June, 16 September, 13 November and once in 2020 to review the Company's position, its management and the financial statements for the year and to conduct all required diligence. The entire Supervisory Board was kept regularly informed by SOFIDY of the acquisitions carried out or in progress, their financing, the divestment conducted and the rental situation.

On 29 August 2013, the Board adopted Internal Rules, in order notably to set a charter and allow participation in Board meetings by telephone conferencing.

A Board member is defined as independent "when he or she has no relationship of any kind with the Company, its Group or its Management that might compromise the independence of his or her judgement".

2. Reference to a corporate governance code

SELECTIRENTE does not refer to a corporate governance code drafted by representative company organisations such as the AFEP-MEDEF or MiddleNext codes. Discussions are currently underway on this matter.

The criteria selected to define the independence of the Supervisory Board members are as follows:

(i) not to be an employee or corporate officer of the Company, an employee or director controlling, alone or in concert, the Company under the meaning of article 233-3 of the French Commercial Code and not have been so in the last five years;
(ii) not to be a corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or a corporate officer of the Company (currently or within the last five years) holds a directorship;
(iii) not to be a customer, supplier, investment banker, commercial banker that is significant for the Company or for which the Company represents a significant share of business;
(iv) not to have close family ties with a corporate officer;
(v) not to have been a legal or contractual auditor of the Company in the last five years;
(vi) not to have been a member of the Company Board for over twelve years at the date on which his/her current term of office was granted;
(vii) not to receive or have received additional significant compensation from the Company outside of directors' fees, including participation in any form of share options or any form of performance-related compensation.

Members of the Supervisory Board directly or indirectly representing significant shareholders of the Company, may be considered to be independent if these shareholders do not control the Company under the meaning of Article L. 233-3 of the French Commercial Code. However, when a member of the Supervisory Board represents a Company shareholder, directly or indirectly holding over 10% of the share capital or voting rights in the Company or representing a company holding such an investment, the quality of independence will be assessed taking into account the composition of the Company's share capital and the existence of a potential conflict of interest.

With regard to the criteria used by the Company to define the independence of the members of the Supervisory Board described hereinafter, the members of the Supervisory Board of the Company that can be classed as independent are as follows:

- Mr Louis Molino;
- PLEIADE, represented by Mr Vincent Fargant;
- Ms Dominique Dudan; and
- Mr Philippe Labouret.

The criteria selected to define the independence of the Supervisory Board members are as follows:

- not to be an employee or corporate officer of the Company, an employee or director controlling, alone or in concert, the Company under the meaning of Article 233-3 of the French Commercial Code and not have been so in the last five years;
- not to be a corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or a corporate officer of the Company (currently or within the last five years) holds a directorship;
- not to be a customer, supplier, investment banker, commercial banker that is significant for the Company or for which the Company represents a significant share of business;
- not to have close family ties with a corporate officer;
- not to have been a legal or contractual auditor of the Company in the last five years;
- not to have been a member of the Company Board for over twelve years at the date on which his/her current term of office was granted;
- not to receive or have received additional significant compensation from the Company outside of directors' fees, including participation in any form of share options or any form of performance-related compensation.

Members of the Supervisory Board directly or indirectly representing significant shareholders of the Company, may be considered to be independent if these shareholders do not control the Company under the meaning of Article L. 233-3 of the French Commercial Code. However, when a member of the Supervisory Board represents a Company shareholder, directly or indirectly holding over 10% of the share capital or voting rights in the Company or representing a company holding such an investment, the quality of independence will be assessed taking into account the composition of the Company's share capital and the existence of a potential conflict of interest.

Given the Company's size, the type and specific features of its business, the absence of employees and the outsourcing of a significant share of the administration and management tasks, which are entrusted to Sofidy through the Management Delegation Agreement, it was decided not to set up other committees in addition to the Investment Committee and Audit Committee, for which the functioning is described in Section 12.3 below within the Supervisory Board.
The Company complies in matters of corporate governance with the legal obligations laid down in the context of the so-called NRE Law and elsewhere.
The Company does not refer to a corporate governance code drafted by representative company organisations such as the AFEP-MEDEF or MiddleNext codes. Discussions are currently underway on this matter.

Corporate governance

a) Asset Management Company

SELECTIRENTE is a public limited company with a Management Board and Supervisory Board, the management of which is delegated to the company SOFIDY in accordance with the terms of a Management Delegation Agreement. SOFIDY is an SCPI Asset Management Company and a real estate investment fund manager approved by the AMF. Since 10 July 2007, it has been approved by the AMF as a Portfolio Management Company under the number GP 07000042 and has been compliant with the AIFM Directive since 18 July 2014.

b) Supervisory Board

The Supervisory Board has the task of undertaking permanent control of the management of the Company operated by the Asset Management Company. In this respect, it may carry out at any time of the year all checks and controls it deems appropriate and request all documents that it deems useful to accomplish its task.

c) Investment Committee

To assist it in its duties, the Supervisory Board decided in 2006 to establish an Investment Committee. It has three members:

- Mr Pierre Vaquier, Chairman;
- Mr Frédéric Jariel;
- Mr Hubert Martinier.

The committee's tasks are to:

- prepare and present to the Management Board an opinion on all investment projects, of any nature whatsoever, of an amount exceeding 10% of the value of the Company's portfolio;
- prepare and present to the Management Board an opinion on all disposal projects, of any nature whatsoever, of an amount exceeding 15% of the value of the Company's portfolio.

The Investment Committee is also periodically informed by SOFIDY of all direct and indirect investments and all expected and ongoing divestment proceedings. The Board members are regularly informed of this committee's work and opinions. Scheduled to take place on the same dates as each Supervisory Board meeting, if there is a matter to be debated, the Investment Committee met in July 2019 and in February 2020. Given the spread of investments, the Investment Committee has, to date, never had to rule on an acquisition project that represented over 10% of the value of its portfolio.

d) Audit Committee

Moreover, the Supervisory Board established on 1 September 2010, an Audit Committee. It has three members:

- Ms Dominique Dudan, Chairwoman;
- Mr Pierre Vaquier, Member;
- Mr Hubert Martinier, Member.

This committee is responsible for:

- monitoring the process for the preparation of financial information;
- monitoring the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures;
- issuing a recommendation on the appointment or renewal of the Statutory Auditors;
- monitoring and legal audit of the financial statements by the Statutory Auditors;
- monitoring of compliance with the independence conditions of the Statutory Auditors;
- approving services other than audits entrusted to the Statutory Auditors;
- reporting on its tasks or the difficulties encountered to the Supervisory Board.

The Audit Committee is governed by Internal Rules that were updated on 30 March 2018 by the Supervisory Board, in order to comply with the latest legal provisions defining its functioning and tasks.

It met on 5 April and 16 September 2019, as well as on 17 February and 3 April 2020 to review the financial information for the 2019 financial year, in the presence of the Chairman of the Management Board and the Statutory Auditors. The Statutory Auditors' report confirmed the confidence that we may have in the Management Board and Asset Management Company's risk management.

Given the Company's size, the type and specific features of its business, the absence of employees and the outsourcing of a significant share of the administration and management tasks, which are entrusted to SOFIDY through the Management Delegation Agreement, it was decided not to set up other committees in addition to the Investment Committee and Audit Committee, for which the functioning is described above.

Terms of office and remuneration of members of the Management Board and Supervisory Board

Terms of office of members of the Management Board

NAME	TITLE	Age	Date of 1st appointment	Date of expiry of terms of office	OTHER OFFICES AND FUNCTIONS
Jérôme Grumler	Chairman of the Management Board	45 years old	Appointment to the Management Board by the Supervisory Board on 31 March 2006 Chairman of the Management Board by the Supervisory Board on 28 May 2013 Renewal of term on the Management Board by the Supervisory Board on 31 March 2014 Renewal of term on the Management Board by the Supervisory Board on 30 March 2018	31/03/2022	Representative of SOFIDY as director of GSA Immobilier Member of the Supervisory Board of SA EIL Chairman of FSGS 3 SAS and FSGS 4 SAS Deputy Chief Executive Officer of SOFIDY
Michael Ricciarelli	Member of the Management Board	38 years old	Appointment to the Management Board by the Supervisory Board on 30 March 2018	31/03/2022	Member of the Supervisory Board of SA EIL

The Management Board – Compensation and benefits in kind

Principles and criteria for determining the remuneration policy of Management Board members

In application of Article L. 225-82-2 II of the French Commercial Code, the compensation policy for members of the Management Board is subject to approval by the General Meeting under its tenth resolution (Mr Jérôme Grumler, Chairman of the Management Board and Mr Michael Ricciarelli, Member of the Management Board).

The members of the Management Board do not receive any fixed, variable or exceptional compensation benefits in kind or share-based compensation from the Company.

They do not receive any other compensation from the Company with respect to their terms of office.

The members of the Management Board do not have employment contracts and do not benefit from:

- any components of compensation, indemnities or benefits due or likely to become due in the event of the termination or a change in function, or subsequent thereto, nor any conditional rights granted in respect of retirement commitments;
- any conditional commitments or rights;
- any commitments relating to the granting of a non-competition payment.

The compensation policy for members of the Management Board does not provide for any deviation from its application in the event of exceptional circumstances.

It is recalled that the members of the Management Board are employees of Sofidy, itself SELECTIRENTE's Asset Management Company pursuant to a comprehensive Management Delegation Agreement signed between both companies. This agreement is presented each year in the Universal Registration Document. It notably provides for a management commission in compensation for the management of the Company's real estate portfolio which amounted to €1,174,353 in respect of the 2019 financial year, €1,072,488 in respect of the 2018 financial year, €1,084,213 in respect of the 2017 financial year and €1,118,857 in respect of the 2016 financial year. It also provides for an investment commission in compensation for the task of preparing the execution of the investment programs, which amounted to €2,924,827 in respect of the 2019 financial year, €463,995 in respect of the 2018 financial year, €101,832 in respect of the 2017 financial year and €0 in respect of the 2016 financial year.

The Management Board and Asset Management Company are regularly assessed by the Supervisory Board on their ability to i) develop SELECTIRENTE's share performance and create value for shareholders, and ii) develop the Company's core business. Performance is notably measured by the dividend amount and by the increase in the Net Asset Value (NAV) per share, with the NAV changing significantly according to the rental values of the managed portfolio, in addition to economic and market factors. The Management Board regularly reports to the Supervisory Board on the actions taken in terms of releasing, renewal and disposal/break up of leases which enable rental values to increase.

Approval of the components of compensation and benefits in kind paid or allocated to the Management Board

As for the previous three financial years, Mr Jérôme Grumler and Mr Michael Ricciarelli, Members of the Management Board, did not receive and were not allocated any direct or indirect remuneration in 2019 in respect of their functions within SELECTIRENTE's Management Board. The meeting attendance rate of members of the Management Board to 31 December 2019 is 96.7%.

In application of Article L. 225-100 III of the French Commercial Code, the components comprising the total compensation and benefits in kind paid or allocated to the Management Board are subject to approval by the General Meeting under its sixth resolution (Mr Jérôme Grumler, Chairman of the Management Board) and seventh resolution (Mr Michael Ricciarelli, Member of the Management Board).

The Supervisory Board – Compensation and benefits in kind

The table of terms of office of the Supervisory Board is presented in section 12.1 of the Universal Registration Document.

Supervisory Board – Compensation and benefits in kind

Principles and criteria for determining the compensation policy of Supervisory Board members

In application of Article L. 225-82-2 II of the French Commercial Code, the compensation policy for members of the Supervisory Board is subject to approval by the General Meeting under its ninth resolution.

The compensation of Supervisory Board members is solely comprised of a lump sum paid annually by SELECTIRENTE for which the amount was set at €60,000 by the General Meeting of 13 June 2019.

The rules for the distribution of the compensation allocated to the Supervisory Board was set by the Supervisory Board on 16 September 2019.

Prior to this decision being made, it is recalled that the members of the Supervisory Board associated with the Tikehau Capital group are subject to an internal rule of no compensation with regard to the functions or terms of office held within the group.

Furthermore, only the non-Tikehau Capital group members of the Board shall receive compensation, set in accordance with the criteria of effective presence on the Board, responsibility linked to the Chairmanship of the Board or specialised Committees, as well as their capacity as members of these specialised Committees.

The distribution of the compensation allocated to the Supervisory Board is split equally between the members likely to be entitled thereto, pro rata to their effective attendance in person or via telephone conferencing (an "attendance fee"), it being specified that the Chairman of the Board and the Chairs of the various Committees shall receive a double attendance fee and the members of the specialised Committees shall receive an attendance fee multiplied by 1.5.

The members of the Supervisory Board do not receive any other compensation from the Company with respect to their terms of office.

They have not entered into any employment contract or service agreement with the Company.

Approval of the components of compensation and benefits in kind paid or allocated to the Supervisory Board

Mr Pierre Vaquier did not receive any attendance fees in respect of his role as Chairman of the Supervisory Board, Chairman of the Investment Committee and Member of the Audit Committee of SELECTIRENTE in 2019.

In application of Article L. 225-100 of the French Commercial Code, the components comprising the total compensation and benefits in kind paid or allocated to Mr Pierre Vaquier, Chairman of the Supervisory Board, are subject to approval by the General Meeting under its fifth resolution.

Details of the compensation allocated to the members of the Supervisory Board and Investment Committee in 2019 can be found in the table below:

Members of the Supervisory Board	**2017**	**2018**	**2019**
Mr Vaquier (Chairman)	n.a.	n.a.	0 €
Mr Martinier (Vice-Chairman)	17 778 €	15 111 €	11 613 €
Ms Dudan	n.a.	2 286 €	9 677 €
SOFIDIANE	6 667 €	4 000 €	9 677 €
Mr Labouret	0 €	1 714 €	7 742 €
Mr Jariel	n.a.	n.a.	0 €
Ms Mayer-Levi	n.a.	n.a.	0 €
Mr Molino	n.a.	n.a.	1 935 €
Ms Sardari	n.a.	n.a.	0 €
Pleiade	n.a.	n.a.	5 806 €
Mr Charon	9 444 €	7 302 €	0 €
La Mondiale Partenaire	0 €	3 429 €	0 €
AF&Co	0 €	1 714 €	0 €
Ms Duhamel	1 667 €	n.a.	n.a.
Sub-Total	**35 556 €**	**35 556 €**	**46 451 €**
Members of the Investment Committee	**2017**	**2018**	**2019**
Mr Vaquier (Chairman)	n.a.	n.a.	0 €
Mr Martinier	2 540 €	2 222 €	2 903 €
Mr Jariel	n.a.	n.a.	0 €
Mr Charon	1 905 €	2 222 €	0 €
Sub-Total	**4 444 €**	**4 444 €**	**2 903 €**
Members of the Audit Committee	**2017**	**2018**	**2019**
Ms Dudan (Chairperson)	n.a.	n.a.	7 742 €
Mr Vaquier	n.a.	n.a.	0 €
Mr Martinier	n.a.	n.a.	2 903 €
Sub-Total	**0 €**	**0 €**	**10 645 €**
TOTAL	**40 000 €**	**40 000 €**	**60 000 €**

The attendance rate for the members of the Supervisory Board at meetings since 1 January 2019 is 84%.

Related-party agreements

1. Terms and conditions for the participation of shareholders in General Meetings

In accordance with current regulations, no specific terms and conditions related to the participation of shareholders at General Meetings must be reported. For further information, please refer to Article 29 of the Articles of Association, which can be found in paragraph 13.5 of the “Additional general information” in this Universal Registration Document.

2. The agreements made directly or through a third party between, on the one hand, one of the corporate officers or one of the shareholders holding a fraction of voting rights over 10% in a company and, on the other hand, another company in which the former owns directly or indirectly over half of the share capital, with the exception of agreements concerning current operations signed under normal conditions (L. 225-37-4 2°). With regard to related-party agreements, only the Management Delegation Agreement entered into between Sélectirente and Sofidy signed in 1997 and subject to two amendments in January 2003 and August 2006 described in Chapter 16 of the Universal Registration Document, is mentioned.

SELECTIRENTE does not own any subsidiaries at over 50%.

3. Assessment procedure for recurring agreements entered into under normal conditions

In application of Article L.225-87 of the French Commercial Code (as amended by the Pacte Law), the Supervisory Board, at its meeting of 3 April 2020, adopted a procedure to distinguish related-party agreements from agreements pertaining to recurring operations and entered into under normal conditions and to facilitate the Company's compliance with new legal requirements (the "Procedure").

Under the terms of the Procedure, the Supervisory Board regularly assesses, on a case-by-case basis, the recurring nature and normal conditions of the operations to which the agreements entered into pertain. Persons directly or indirectly involved in any of these agreements must not participate in the assessment thereof.

4. Delegations relating to capital increase

In application of Article L. 225-82-2 of the French Commercial Code, we indicate that the Combined General Meeting of 13 June 2019 granted to the Management Board the following delegations and authorisations to issue shares and other securities:

Resolution	Purpose of the resolution	Maximum amount	Term of authorisation	Use in 2019
21st of AGM of 13 June 2019	Issue of shares and/or securities – with preferential subscription rights - giving access to the share capital of the Company or granting entitlement to the allocation of debt securities	€50,000,000 for the nominal amount of the capital increases(1) €300,000,000 for debt securities(2)	26 months from 13 June 2019	
22nd of AGM of 13 June 2019	Issue of shares and/or securities – without preferential subscription rights and by public offer - giving access to the share capital of the Company or granting entitlement to the allocation of debt securities	€40,000,000 for the nominal amount of the capital increases(1) €300,000,000 for debt securities(2)	26 months from 13 June 2019	€40,000,000 for the nominal amount of the capital increases
23rd of AGM of 13 June 2019	Increase in the number of shares to be issued in the event of a capital increase with or without preferential subscription rights	To a limit of: - specific ceiling stated in the resolution based on which the initial issue was made; and - and total ceiling (1)	26 months from 13 June 2019	
24th of AGM of 13 June 2019	Increase of the capital of the Company by incorporation of reserves, bonuses, profits or other	€50,000,000 for the nominal amount of the capital increases(1)	26 months from 13 June 2019	

25th of AGM of 13 June 2019	Grant of subscription and/or purchase option for shares with waiver of preferential subscription rights	3.0% of the Company's share capital at the day of the decision to allocate	38 months from 13 June 2019	
26th of AGM of 13 June 2019	Bonus share grants (existing or future shares)	3.0% of the Company's share capital at the day of the decision to allocate	38 months from 13 June 2019	
27th of AGM of 13 June 2019	Reduction of capital through cancellation of treasury shares	10% of capital per 24-month period	18 months from 13 June 2019	
28th of AGM of 13 June 2019	Issue of shares and/or securities – without preferential subscription rights and by private placement - giving access to the share capital of the Company or granting entitlement to the allocation of debt securities	€40,000,000 for the nominal amount of the capital increases(1) €300,000,000 for debt securities(2)	26 months from 13 June 2019	
29th of AGM of 13 June 2019	Issuance of ordinary shares and/or securities giving access to the share capital in order to compensate contributions in kind of equity securities or securities giving access to the share capital, with waiver of preferential subscription right	10% of share capital at 13 June 2019(1)	26 months from 13 June 2019	
30th of AGM of 13 June 2019	Issue of shares and/or equity securities giving access to other equity securities or the allocation of debt and/or other securities giving access to Company equity securities to be issued – without preferential subscription rights - in the event of a public offer initiated by the Company	€40,000,000 for the nominal amount of the capital increases(1) €300,000,000 for debt securities(2)	26 months from 13 June 2019	

(1) The maximum cumulative nominal amount of the capital increases that may be realised, immediately and/or in the future, under this resolution is deducted from the amount of the overall cap of €50,000,000.

(2) The maximum cumulative nominal amount of the debt security issues that may be realised, immediately and/or in the future, under this resolution is deducted from the amount of the overall cap of €300,000,000.

5. Disclosure of information relating to factors that could have an impact in the event of a public tender offer

a) Share capital structure

These elements are detailed in section 15 of this Universal Registration Document.

b) Statutory restrictions on the exercise of voting rights and the transfer of shares or clauses in agreements brought to the Company's knowledge

None.

c) Significant investments and treasury shares (direct or indirect investments in the share capital of the company of which it is aware pursuant to Articles L. 233-7 and L. 233-12)

These elements are detailed in section 15 of this Universal Registration Document.

d) List of holders of any securities bearing special control rights and their description

None.

e) Control mechanisms provided in any employee shareholding system, when control rights are not exercised by the latter.

None.

f) Agreements between shareholders, to the Company's knowledge, that could result in restrictions on transfers of shares or voting rights

None.

g) Rules applicable to the appointment or replacement of members of the Supervisory Board or Management Board and the amendment of the Company's Articles of Association

These elements are detailed in section 13 of this Universal Registration Document.

h) Powers of the Supervisory Board or Management Board, specifically the issue or buyback of shares

These elements are detailed in the section "Delegations relating to capital increases" above, as well as paragraph 20.1 of this Universal Registration Document.

i) Agreements signed by the Company that are amended or terminated in the event of a change of control of the Company, with the exception of those agreements whose disclosure would seriously harm its interests (except in the event of a legal obligation to disclose)

The contracts for certain bank loans include an early repayment clause in the event of a change in the Asset Management Company.

j) Agreements providing for indemnities for the members of the Supervisory Board or Management Board or employees, if they resign or are dismissed without real or serious grounds or if their employment ends due to a public tender offer

None.

6. Procedure for the review of recurring agreements entered into under normal conditions

This procedure (the "Procedure") was adopted by the Supervisory Board (the "Board") of SELECTIRENTE SA (the "Company") at its meeting of 3 April 2020 after review by the Audit and Risks Committee at its meeting of 3 April 2020.

This Procedure has been developed to meet the requirements set out in Article L.225-87 of the French Commercial Code which reiterate the wording of the Pacte Law[11] that "*in companies whose shares are admitted for trading on a regulated market, the Supervisory Board must establish a procedure that enables the regular assessment of whether agreements pertaining to recurring operations and entered into under normal conditions are compliant with these conditions. Persons directly or indirectly involved in any of these agreements must not participate in the assessment thereof*".

The Procedure recalls the definitions used to distinguish between agreements pertaining to recurring operations and entered into under normal conditions ("free agreements") and related-party agreements (A).

It also defines the role of each body involved in the assessment of free agreements, the terms and conditions and frequency of such assessments (B).

A. <u>Definition of free agreements and related-party agreements</u>

a) Related-party agreements

Under the terms of Article L. 225-86 of the French Commercial Code, a related-party agreement means any agreement entered into, directly or through an intermediary, between the Company on one hand, and on the other hand:

- one of the members of the Management Board;
- one of the members of its Supervisory Board;
- one of its shareholders holding more than 10% of voting rights or, if a shareholding company, the company controlling it within the meaning of Article L. 233-3 of the French Commercial Code;
- a company if one of the Managers or members of the Management Board or Supervisory Board of the Company is the owner, partner with unlimited liability, manager, director, member of the Supervisory Board or, generally speaking, manager of the company.

Article L. 225-86 of the French Commercial Code also covers agreements in which one of the aforementioned persons is indirectly interested.

A person indirectly interested in an agreement to which it is not party is, according to the definition proposed by the AMF in its Recommendation 2012-05[12] one "*who, due to the links it has with the parties and the powers it has to influence their conduct, gains or is likely to gain from the agreement*".

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[11] Law no. 2019-486 of 22 May 2019, known as the "Pacte Law".

[12] AMF Recommendation 2012-05 "General Shareholders' Meetings of listed companies" adopted on 2 July 2012 and amended on 5 October 2018.

b) Free agreements

Intra-group agreements entered into between the Company and one of its directly or indirectly wholly-owned subsidiaries, less the minimum number of shares required to meet legal requirements, are excluded from the procedure for related-party agreements.[13]

The same applies to agreements relating to (i) recurring operations and (ii) entered into under normal conditions.[14]

(i) Recurring operations

According to the CNCC Guide,[15] recurring operations are those that the Company usually carries out as part of its business activities. The assessment of the recurring nature of the agreement is made objectively. Repetition is a presumption of recurrence but is not the only determining factor.

In this context, the following are taken into consideration:

- the fact that the operation is identical to other operations already carried out by the Company and falling within its ordinary activities;
- the circumstances surrounding the conclusion of the agreement, namely its legal significance, economic consequences and its duration;
- standard practices for companies in a similar position.

An exhaustive list of the recurring operations of SELECTIRENTE (the "Company") cannot be prepared as these operations concern the agreements necessary to its business activities but may also include the following:

- mandate agreements to search for tenants;
- lease agreements with tenants;
- agreements with technical service providers to carry out work at the premises;
- management mandate agreements for security and/or caretaking at the premises;
- …..

The above list is not exhaustive and has been prepared on the basis of agreements regularly entered into by the Company.

(ii) Normal conditions

A ministerial response defines an agreement entered into under normal conditions as one having the "*same conditions as that which [a company] usually practises in its relations with third parties*".[16]

The CNCC Guide states that agreements are entered into under normal conditions if these conditions are usually granted by the Company or practised generally in the same sector of activity or similar types of agreement. It specifies that conditions shall mean the clauses of the agreement such as those relating to the purpose, price, payment terms and guarantees granted.

To assess this "normal" nature, it is possible to refer to a market price, to the standard conditions applied within the Group, or to market standards.

Recurring nature and normal conditions are cumulative criteria and in the absence of one or the other, the agreement must be subjected to the procedure for related-party agreements.

The assessment of the recurring nature and normal conditions of an agreement is reviewed at the time of any amendment, renewal, extension or termination of a free agreement such that an agreement previously deemed free and thus excluded from the procedure for related-party agreements may be reclassified as a related-party agreement and therefore subject to the procedure for related-party agreements.

B. <u>Competent bodies, terms and conditions and frequency of the review</u>

a) Internal Committee of the Asset Management Company in charge of the assessment

An internal committee of the Asset Management Company, comprising the Secretary General, the Group's Head of Legal Affairs and the Deputy Financial Officer, is responsible for the assessment of free agreements.

Every year, this internal committee reviews all of the free agreements entered into during the preceding financial year or previous financial years but the execution of which has continued during the preceding financial year to confirm that they still meet this classification based on the information provided by the contracting operational

[13] Article L.225-87 of the French Commercial Code.
[14] Article L.225-87 of the French Commercial Code.
[15] Guide by the Compagnie Nationale des Commissaires aux Comptes on related-party and recurring agreements, from February 2014.
[16] Response from the Ministry for Justice to Mr Valbrun, OJ déb. A.N., 31 March 1977, p. 1 398 CNCC Bulletin no. 25, March 1977, p. 102.

departments.

It may, if it wishes, consult with the Statutory Auditors.

Once a year, it produces a report summarising its conclusions and highlighting any free agreements that no longer meet this classification~~.~~ A summary of its conclusions is sent to the Board.

b) Role of the Board

The Board takes note of the conclusions presented in the report by the internal committee of the Asset Management Company.
The Board rules upon any potential reclassification of a free agreement as a related-party agreement and vice versa.
People directly or indirectly involved may not participate in any stage of the process of this reclassification. People directly or indirectly involved must refrain from taking part in any debates or voting relating to the review of any potential reclassification by the Board.

The Board annually assesses the implementation of the Procedure, updates it in line with any legal and regulatory changes and adopts any amendments that it considers apt to reinforce its effectiveness.

c) Publication

The Procedure and the results of its implementation are described each year in the report on corporate governance (included in the Universal Registration Document made public and published on the Company's website).

20.3. Report of the Supervisory Board

To the Shareholders,

Your Supervisory Board presents to the General Shareholders' Meeting its comments on the annual financial statements approved by the Management Board, as well as on the management report submitted to the General Meeting.

We hereby inform you that the financial statements for the 2019 financial year ended 31 December 2019 and the management report were presented to the Supervisory Board within the timeframe provided for by the legal and regulatory provisions.

Your Supervisory Board met four times after the approval of the 2018 financial statements, on 16 April, 13 June, 16 September, and 13 November 2019, to review the course of the 2019 financial year, SELECTIRENTE's position, its management and the financial statements for the financial year.

SELECTIRENTE successfully completed a capital increase in December 2019 for €217 million. This fund raising enables the Company to envisage an ambitious investment program as part of the strategy implemented primarily targeting high quality city-centre retail real estate, along with a more opportunistic and value creating strategy focusing on the metropolisation phenomenon. This transaction also enabled the Company to broaden its shareholder base with the entry of several new investors into the share capital.

Following this fund raising and several block disposals, the investment of Tikehau Capital and the shareholders in which it acts in concert was taken to 52.05% of the capital and voting rights in the Company, enabling the Company to comply with the SIIC tax status.

Our Company's Portfolio

In 2019, our Company carried out a significant investment program of €73.1 million with the acquisition of nine city-centre stores, a portfolio of 31 stores in Paris and a mixed-use real estate project (retail on the ground floor and offices on the upper floors) in Bordeaux (33). The acquisitions mainly concerned assets located within Paris itself (60%) and in the "golden triangle" in Bordeaux (36 %). The preferred assets are quality locations, rented during the purchase, at levels of rent that SOFIDY considers to be preferably lower than market values. These new investments benefit from long-term value creation potential due to their conservative rents compared with market values.

Divestments with regard to assets that no longer meet the current investment criteria were also carried out, for an overall disposal price of €6,926 thousand, generating a total gain over the financial year of €3,130 thousand. These disposals mainly concerned the sale of a peripheral store in Alfortville, of 6,420 m², rented to "La Plateforme du bâtiment" for €6,700 thousand.

At constant scope, the appraisal values are generally up by +4.7% year-on-year with particularly significant increases in Paris (+8.0%) and the Paris area (+4.7%).

The EPRA NNNAV per share amounts to €89.52 compared to €88.81 at end 2018, a slight increase of +0.8% which can be assessed notably by taking the capital increase of €217 million carried out in December 2019 on the basis of an issue price of €86.80 per share into consideration.

Financial occupancy rate

The average annual financial occupancy rate for the real estate portfolio increased by +1.9 points to 96.7% compared to 94.8% in 2018.

Debt and the loan-to-value ratio

New mortgage loans were contracted during the financial year of €42.6 million for the 2019 acquisitions and €14.0 million as part of a refinancing operation. A corporate credit of €25 million was set up in October 2019 and repaid in December after the capital increase.

Taking into account these new loans and the effect of the amortisation of the oldest loans, the average cost of mortgage debt decreased to 2.14% compared to 2.43% in 2018.

The ratio of bank borrowings to the revalued portfolio went from 37.9% at end 2018 to 42.5% at end 2019. Nevertheless, the ratio of bank borrowings less cash compared to the revalued portfolio is negative at -20.3%.

During the financial year, SELECTIRENTE received conversion requests for 130,842 OCEANE. At 31 December 2019, the number of OCEANE bonds outstanding was 1,054; these bonds were fully repaid at their maturity on 2 January 2020.

2019 Results

SELECTIRENTE recognised gross rental income of €15,743 thousand in 2019, up by 9.5% compared to the previous financial year. This strong increase is mainly due to the major investment program carried out in 2019 and the significant improvement to occupancy rates. At constant scope, restated rent increased by +2.8% compared to the previous financial year.

Recurring income/(expense) before tax increased by +33.8% compared to the previous financial year supported by the good control of real estate and operating expenses, the actions undertaken to reduce the cost of debt in a still favourable interest rate context, and the effect of the conversion of OCEANE during the financial year.

The net result for the year was €8,775 thousand, up +109.4% compared to the previous financial year taking into account the divestments during the financial year that generated a significant gain of €3,130 thousand in income.

The Management Board proposes the payment to shareholders of a dividend of €3.50 per share, up +1.4% compared to last year (€3.45). This distribution complies with the obligation to distribute at least 95% of recurring income and 70% from capital gains.

This increase in distribution is in line with SELECTIRENTE's policy over a number of years.

Resolutions presented in Ordinary and Extraordinary General Meetings

Moreover, as part of SELECTIRENTE's development, you are asked to update all of the authorisations granted to the Management Board to increase the Company's share capital by different means.

Given the above, we do not have any additional matters to report with regard to the Management Board's management report or the financial statements for the financial year ended 31 December 2019, and we ask that you approve all of the resolutions proposed by the Management Board.

Chairman of the Supervisory Board
Pierre VAQUIER

20.4. Additional report to the Management Board on the capital increase with waiver of preferential subscription rights

To the Shareholders,

In accordance with the provisions of Articles L. 225-129-5 and R. 225-116 of the French Commercial Code, we hereby inform you that the Management Board used the delegations of authority granted by the twenty-second and twenty-third resolutions of the Combined General Meeting of the Company's shareholders of 13 June 2019 (the "General Meeting"), in order to carry out a capital increase through the issue of new shares by way of a public offer with waiver of preferential subscription rights and with a priority period.

The net income from the capital increase will allow us:

- firstly, to cover the share of equity relating to the financing of the recent acquisitions in Bordeaux and Paris by repaying the corporate credit of €25 million set up in October 2019 for a duration of 12 months in advance; and
- for the balance sheet, to provide the Company with financial resources with a view to directly or indirectly acquiring new, mainly retail, real estate assets, as part of the strategy developed, whilst retaining a corporate loan-to-value ratio of around 40%.

The capital increase also enables the Company to broaden its shareholder base, and, if applicable, improve the share liquidity. Moreover, after this transaction, the investment of Tikehau Capital and the shareholders in which it acts in concert was taken under the threshold of 60% of the capital and voting rights required for the Company to retain the SIIC tax regime.

This capital increase was subject to a prospectus approved by the *Autorité des Marchés Financiers* on 3 December 2019 under the number 19-556, comprising (i) the Company's Universal Registration Document recorded with the *Autorité des Marchés Financiers* ("AMF") on 3 December 2019 under the number D.19-0989 and (ii) a securities note (including the summary of the Prospectus) (the "Prospectus").

I. Legal framework for the capital increase

a. General Shareholders' Meeting of 13 June 2019

The General Meeting, under the terms of its twenty-second resolution, delegated to the Management Board its authority to decide the issue – without preferential subscription rights – of shares and/or securities giving access to the Company's share capital or giving the rights to the allocation of debt securities, on one or more occasions, both in France and abroad, in the amounts and at the times it shall determine, by way of a public offer, through the issue of shares or securities governed by Articles L. 225-149 et seq. and L. 228-91 et seq. of the French Commercial Code, it being specified that the subscription of the shares and securities may be carried out either in cash, or through compensation for debt, and that are excluded all issues of preference shares and securities giving access by any means, immediately or in the future, to preference shares.

The maximum nominal amount of share capital increases likely to be carried out pursuant to this delegation is set at €40,000,000.

The General Meeting also, under the terms of its twenty-third resolution, authorised the Management Board with the option of subdelegation under legal conditions, to decide to increase the number of securities to be issued in the event of a Company capital increase with or without preferential subscription rights, at the same price as that used for the initial issue, within the time limits and subject to the limitations set out in the applicable regulations.

b. Management Board's decision of 2 December 2019

Through its decision on 2 December 2019, the Management Board, using the authority delegated by the General Meeting under its twenty-second resolution, decided to carry out a capital increase, by way of a public offer, with waiver of preferential subscription rights and with a priority period, of a total nominal amount of €35,023,056 (the "Capital Increase"), through the issue of 2,188,941 Company shares each with a par value of €16 (the "New Shares").

c. Management Board's decision of 16 December 2019

Through its decision on 16 December 2019, the Management Board, using the authority delegated by the General Meeting under its twenty-second resolution, noted that the results of the Capital Increase subscription period, ended on 16 December 2019, showed a total subscription amount of €220,736,651.20 (including the share premium) (it being specified that the subscription orders as part of the priority period, the public offer and the institutional placement respectively represented €116,515,285.60 , €222,815.60 and €103,998,550), or 2,543,048 New Shares at the subscription price of €86.80, representing over three-quarters of the initial Capital Increase amount.

Via the same decision, the Management Board decided, as a result, and pursuant to the possibility granted to it in application of Article L. 225-135-1 of the French Commercial Code and the twenty-third resolution of the General Meeting, to increase the Capital Increase amount, with waiver of preferential subscription rights, in order to cover over-allotments, for a nominal amount of €4,976,944, through the issue of a 311,059 Company shares each with a par value of €16 (i.e. a total amount of €26,999,921.20 (share premium of €22,022,977.20 included, or €70.80 per share)).

d. Management Board's decision of 18 December 2019

Upon the presentation of the fund depositary certificate issued by Société Générale Securities Services, the Management Board, through its decision of 18 December 2019, acknowledged the definitive completion of the Capital Increase for a total amount of €217,000,000 representing the total payments in cash, including the share premium, made by the subscribers to the Capital Increase, for a nominal amount of €40,000,000 with a share premium of €177,000,000.

Through this same decision, the Management Board noted that the Company's share capital had increased from €26,746,992 to €66,746,992.

II. MAIN CHARACTERISTICS OF THE CAPITAL INCREASE

The main characteristics of the Capital Increase are as follows:

- **Number of New Shares issued**: 2,500,000.
- **Subscription Price**: €86.80 per New Share, including €16 in par value and €70.80 in share premium, fully paid up in cash at the time of the subscription.
- **Nominal amount of the Capital Increase**: €40,000,000.
- **Total gross amount of the Capital Increase**: €217,000,000, including the share premium.
- **Total share premium**: €177,000,000.
- **Estimated net proceeds from the Capital Increase**: approximately €216 million.
- **Waiver of preferential subscription rights and priority period**: under the terms of the twenty-second resolution of the General Meeting, shareholders expressly waived their preferential subscription rights. Under the priority period, the subscription to New Shares was reserved, as a priority, to the Company's shareholders registered on their share accounts after the accounting day of 3 December 2019 that could subscribe to the Capital Increase by right in proportion to the amount of their shares in the Company's share capital, it being specified that subscription by right was not provided for during the priority period.
- **Subscription Conditions**: the exercise period for the priority period was open from 4 December 2019 to 12 December 2019 inclusive, it being specified that the subscription orders were irrevocable; all subscriptions were received up to 16 December 2019 inclusive by Société Générale Securities Services.
- **Number of New Shares subscribed under the priority period** (**by right**): 1,342,342 New Shares.
- **Number of New Shares subscribed as part of the public offer and institutional placement**: 1,157,658 New Shares.
- **Public offer period**: from 4 December 2019 to 12 December 2019 inclusive.
- **Subscription period for institutional placements**: from 4 December 2019 to 16 December 2019 inclusive.
- **Settlement-delivery**: 18 December 2019.
- **Date of dividend rights for the New Shares**: the New Shares carry immediate dividend rights, and give the right, from their issue, to all distributions decided by the Company from that date; they are subject to all statutory provisions, are considered as existing shares of the same category and carry the same rights from their creation.
- **Listing of the New Shares**: on the regulated market of Euronext Paris from their issue on 18 December 2019, on the same listing line as the existing shares and under the same ISIN code FR0004175842.

- **Countries in which the offer was open to the public**: the offer was open (i) to the public only in France and (ii) to investors qualified in France as part of an institutional placement.

- **Subscription commitments**: section 5.2.2 of the securities note indicates in particular that at the Prospectus date, the Company has subscription commitments of a total of €209 million, representing 110% of the initial Capital Increase amount (excluding an extension clause), of which:

  - Tikehau Capital SCA committed to placing an order under the priority period for €69,303,203 as well as an additional order as part of an institutional placement for €13,433,081 (the "Additional Order") and Sofidy committed to placing an order under the priority period for €14,311,584. The Additional Order is intended, in the event of the exercise of the extension clause, to maintain a holding of the Tikehau Capital sub-total (comprising Tikehau Capital SCA, Sofidy and GSA Immobilier) of over half of the Company's share capital and voting rights;

  - SCI Primonial Capimmo irrevocably committed to placing an order under the priority period allowing it to maintain its current investment (i.e. 17.26% of the share capital) as well as an additional order as part of the institutional placement of 4% of the total Capital Increase;

  - Sogecap (on its own behalf or on behalf of certain subsidiaries) irrevocably committed to investing €50 million;

  - SC Tangram (managed by Amundi Immobilier) irrevocably committed to investing €15 million;

  - Clay Asset Management irrevocably committed to investing €2,963,000;

  - Foncière CEptentrion (Caisse d'Epargne Hauts de France) irrevocably committed to investing €3 million; and

  - Sighs Wood Investissements - 4 irrevocably committed to investing €999,936.

- **Guarantee**: the Capital Increase was not subject to any guarantee contracts.

- **Company lock-up commitment**: 180 calendar days from the settlement-delivery, i.e. 18 December 2019, subject to certain exceptions.

- **Investor holding commitment**: under the subscription commitments indicated above, the investors irrevocably committed for a period of 180 calendar days from the settlement-delivery, i.e. 18 December 2019, not to (i) carry out any direct or indirect transfers of the New Shares, notably by way of an offer, disposal or promise of disposal, temporary transfer or exchange, (ii) complete any transactions with an equivalent economic effect or (iii) publicly announce their intentions to carry out such a transaction.

III. IMPACT ON THE HOLDERS OF EQUITY SECURITIES AND SECURITIES GIVING ACCESS TO THE SHARE CAPITAL

a. Impact of the Capital Increase on the share of the Company's equity per share

For information purposes, based on the Company's share capital as at 30 September 2019 and a number of 1,671,687 shares making up the Company's share capital at the Prospectus date, i.e. 3 December 2019, the equity per share, before and after the Capital Increase, is as follows (after deduction of legal and administrative costs and the total compensation of financial intermediaries (excluding the impact of any tax savings)):

	Shareholders' equity per share at 30 September 2019 (in euros)	
	Non-diluted basis	**Diluted basis(1)**
Before the issue of the New Shares from the Capital Increase	44.08	44.01
After the issue of the 2,500,000 New Shares from the Capital Increase	69.48	69.43

(1) In the event of the full conversion of the 2,771 bonds with conversion and/or exchange options to new and/or existing shares (OCEANE) issued by the Company on 17 December 2013, maturing on 1 January 2020, for which the conversion right has not been exercised to the Company's knowledge.

b. Amount and percentage of the dilution resulting immediately from the Capital Increase

For information purposes, the impact of the Capital Increase on the investment in the share capital of a shareholder holding 1% of the Company's share capital prior to the Capital Increase (calculations based on a number of 1,671,687 shares making up the Company's share capital as at the Prospectus date) and who has not subscribed to any New Shares is as follows:

	Shareholder's investment (as a %)	
	Non-diluted basis	**Diluted basis(1)**
Before the issue of the New Shares from the Capital Increase	1.00	1.00
After the issue of the 2,500,000 New Shares from the Capital Increase	0.40	0.40

(1) In the event of the full conversion of the 2,771 bonds with conversion and/or exchange options to new and/or existing shares (OCEANE) issued by the Company on 17 December 2013, maturing on 1 January 2020, for which the conversion right has not been exercised to the Company's knowledge.

c. Theoretical impact of the issue on the stock market value of the SELECTIRENTE share

The theoretical impact of the issue of the New Shares on the stock market value of the SELECTIRENTE share is -0.30% (non-diluted basis).

It was calculated based on:

- a share price of €87.24 per SELECTIRENTE share equal to the average share price weighted by the volumes of the twenty trading sessions prior to 4 December 2019, for the calculation of the Company's stock market capitalisation before the issue of the New Shares;

- the issue of 2,500,000 New Shares each with a par value of €16;

- gross proceeds from the issue of around €217,000,000.

	Non-diluted basis	Diluted basis(1)
Number of Company shares before the issue of New Shares	1,667,502	1,670,273
Average price of the SELECTIRENTE share before the issue of the New Shares	87.24	87.24
Stock market value of the Company before the issue of the New Shares	€145,469,314.36	€145,711,050.49
Number of New Shares issued	2,500,000	2,500,000
Total number of Company shares after the issue of the New Shares	4,167,502	4,170,273
Gross proceeds from the issue of the New Shares	€217,000,000	€217,000,000
Theoretical stock market value of the Company after the issue of the New Shares	€362,469,314.36	€362,711,050.49
Theoretical value of a Company share after the issue of the New Shares	€86.98	€86.98
Theoretical impact of the issue of the New Shares	-0.30%	-0.30%

(1) In the event of the full conversion of the 2,771 bonds with conversion and/or exchange options to new and/or existing shares (OCEANE) issued by the Company on 17 December 2013, maturing on 1 January 2020, for which the conversion right has not been exercised to the Company's knowledge.

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This supplementary report will be made available to shareholders at the Company's registered office and will be reported to shareholders during the next General Meeting, in accordance with current legal and regulatory provisions.

The Management Board

20.5. Statutory Auditors' reports

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS
Year ended 31 December 2019

To the Annual General Meeting of SELECTIRENTE,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of SELECTIRENTE for the year ended 31 December 2019. These financial statements were approved by the Management Board on 17 March 2020 based on the elements available at that date, in an evolving context related to the Covid-19 health crisis.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2018 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 or in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes).

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

The appreciations thus given are based on our audit of the annual financial statements taken as a whole, approved under the conditions recalled above, and the formulation of our opinion expressed above. We do not express an opinion on the components of these annual financial statements taken separately.

1) Valuation of the real estate portfolio

Identified risk

As at 31 December 2019, the tangible assets represented a net value of €234.5 million compared to a total balance sheet of €446.1 million.

As indicated in note "Accounting principles, rules and methods" in the notes to the paragraph "Tangible assets", these assets are recognised at acquisition cost including all costs and if applicable, depreciated according to the lifetime of the determined components. At closing, an impairment test is carried out if there is an impairment indicator affecting a real estate asset. An independent appraisal opinion is notably used as a benchmark to estimate a market value for these real estate assets. If the market value is significantly lower than the net book value, a provision for impairment is recognised for the amount of the difference.

The assessment of the fair value of a real estate asset is a complex estimation operation that requires in-depth knowledge of the real estate market, the type of each property and is based on significant judgement to determine the appropriate assumptions, notably the yield and discount rates, the market rental values and the valuation of work to be carried out.

We have considered that the appraisal and the risk of impairment of tangible assets as a key audit matter due to the significant nature of this item with regard to the annual financial statements and the significant level of judgement and estimation applied by management.

Our response

Our work consisted in:

- Obtaining the real estate appraisal reports and checking that the total portfolio has been subject to an appraisal opinion (excluding exceptions provided for by the Company's procedures);
- Checking the qualifications and certifications of the independent external appraiser in the appraisal reports;
- Reviewing the appraisal reports and assessing the appropriate nature of the assumptions, data and methodologies on which the valuations are based. For a selection of investment properties defined based on quantitative (value or change in value) and qualitative (rental challenges, restructuring) criteria. We assessed the appropriate nature of the assumptions selected by corroborating them with the Company's management data (rental status, work budgets);
- Interviewing the real estate expert in order to rationalise the overall portfolio assessment and the appraisal value for assets with the most significant or atypical changes;
- Comparing the definitive values with the values used in the financial statements;
- Checking that the paragraph “Tangible assets” in the note "Accounting principles, rules and methods” in the notes provides appropriate information.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by law.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management Board's Management Report approved on 17 March 2020 and in the other documents with respect to the financial position and the financial statements provided to the Shareholders. The Management team has indicated to us that a communication on the subsequent events and the elements known after the closing date of the financial statements with regard to the effects of the Covid-19 crisis will be made to the General Meeting called to approve the financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-4 of the French Commercial Code (Code de commerce).

Report on Corporate Governance

We attest that the Supervisory Board's Report on Corporate Governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (Code de commerce) relating to compensation and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of SELECTIRENTE by your Combined Annual General Meeting held on 7 June 2017 for RSM Paris.

At 31 December 2019, RSM Paris was in its third year of uninterrupted term.

Responsibilities of Management and those charged with governance for the annual financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Management Board.

Responsibilities of the Statutory Auditors for the audit of the annual financial statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit and furthermore:

- it identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;

- it obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- it evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;

- it assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of its audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- it evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence and the related safeguards.

Paris, 24 April 2020

The Statutory Auditor

RSM Paris

Statutory Auditors
Member of the Compagnie Régionale de Paris

Martine Leconte
Partner

SPECIAL REPORTS OF THE STATUTORY AUDITORS ON REGULATED AGREEMENTS AND COMMITMENTS
Year ended 31 December 2019

To the Annual General Meeting of SELECTIRENTE,

In our capacity as your company's Statutory Auditors, we hereby present our report on regulated agreements and commitments.
It is our responsibility to report to shareholders, based on information provided to us, on the main terms, conditions and reasons underlying company's interest of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments.
Under the provisions of Article R. 225-58 of the French Commercial Code, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.
Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-58 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the General Shareholders' Meeting.
We have performed those procedures which we considered necessary in accordance with professional practices guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS AND COMMITMENTS SUBMITTED TO THE APPROVAL OF THE GENERAL MEETING

Agreements and commitments authorised during the financial year just ended

We inform you that we have not been informed of any agreements or commitments authorised during the financial year just ended to be submitted for the approval of the General Shareholders' Meeting in application of the provisions of Article L. 225-88 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE GENERAL MEETING

Agreements and commitments approved in prior years where the implementation continued during the financial year just-ended

In accordance with Article R. 225-57 of the French Commercial Code, we were informed that the performance of the following agreements and commitments, approved by the General Meeting in previous years, continued during the year.

Agreement with SOFIDY S.A., shareholder of SELECTIRENTE S.A.

The management of your Company's portfolio as well as the preparation and execution of the investment programs were delegated to SOFIDY S.A. under the terms of a Management Delegation Agreement signed on 23 October 1997 and amended by rider no. 1 on 14 January 2003 and no. 2 on 2 August 2006.

For the execution of these services, your Company pays SOFIDY S.A.:

- a commission of 4% excluding tax of the purchase price excluding tax, including costs, of the investments made;
- management fees of 8% excluding tax, based on the amount of rental income excluding tax, entry rights excluding tax and any net financial income.

- In execution of the rider no. 2, your Company must pay a fair and prior indemnity "I" in the event of termination at its own request, calculated as follows:

  $I = R \times (I_1 + I_2)$, with:

  I_1= One year of investment fees excluding tax (4% excluding tax of the investments made), with the calculation of this amount being made on a sliding year prior to the date of the end of this agreement.

  I_2 = Two years of management fees excluding tax (8% of rent excluding tax, entry rights excluding tax and net financial income) with the calculation of this amount being made on a sliding year prior to the end of this agreement.

R = 1 if the date of end of this agreement is prior to 1 September 2010.

R = 0.5 + 0.5 x [number of days between the end of the said agreement and 1 September 2011] / 365 if the date of the end of the said agreement is between 1 September 2010 and 1 September 2011.

R = 0.5 if the date of the end of the said agreement is between 1 September 2011 and 1 September 2011 and 1 September 2014.

R = 0.33 + 0.17 x [number of days between the end of the said agreement and 1 September 2015] / 365 if the date of the end of the said agreement is between 1 September 2014 and 1 September 2015.

R = 0.33 if the date of end of this agreement is after 1 September 2015.

Your Company recognised the following amounts in respect of the 2019 financial year:

- €2,924,827 excluding tax in respect of the investment commission;
- €1,174,353 excluding tax in respect of management fees.

Paris, 24 April 2020

The Statutory Auditors

RSM Paris

Statutory Auditors
Member of the Compagnie Régionale de Paris

Martine Leconte

Partner

STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND MISCELLANEOUS SECURITIES WITH/WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS

Combined General Meeting of 10 June 2020 Resolutions no. 16, 17, 18, 23, 24, 25 and 26

To the General Meeting of SELECTIRENTE,

As the Statutory Auditors for your Company and in execution of the task provided for by Articles L. 228-92, L.225-135 et seq. of the French Commercial Code, we hereby present our report on the proposals for delegations to the Management Board of the authority to decide different issues of shares and/or securities, which are operations that you are asked to approve.

Your Management Board proposes, based on its report, to delegate to it, with the option of subdelegation, for a duration of 26 months, the authority to decide the following operations and to set the definitive conditions of these issues:

- the issue, with preferential subscription rights, of ordinary shares and/or securities giving access to the share capital of the Company and/or granting entitlement to the allocation of debt securities (sixteenth resolution);
- the issue, without preferential subscription rights by way of a public offering, of ordinary shares and/or securities giving access to the share capital of the Company and/or granting entitlement to the allocation of debt securities (seventeenth resolution);
- the issue, without preferential subscription rights by way of offerings referred to in II of Article L. 411-2 of the French Monetary and Financial Code and up to a ceiling of 20% of the share capital per year, of ordinary shares and/or equity securities giving access to other securities or granting entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued in the Company (twenty-third resolution);
- the issue of ordinary shares or securities giving access to the Company's share capital, in order to compensate contributions in kind granted to the Company of equity securities or securities giving access to the share capital (twenty-fourth resolution), up to a cap of 10% of the share capital;
- the issue, in the event of a tender offer initiated by your Company, of ordinary shares and/or equity securities giving access to other equity securities granting entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued by the Company (twenty-fifth resolution).

The nominal amount of capital increases that may be carried out immediately or in the future may not exceed in respect of the:

- sixteenth resolution: €50,000,000;
- seventeenth and twenty-fifth resolutions: €40,000,000;
- twenty-third resolution: €40,000,000 up to the cap of 20% of the share capital per year;
- twenty-fourth resolution: 10% of the share capital at the day of this General Meeting;

it being specified that the overall amount of capital increases that may be carried out immediately or in the future, pursuant to the delegations granted in respect of this General Meeting may not exceed the total cap of €50,000,000 (twenty-sixth resolution).

The caps applicable to the sixteenth and seventeenth resolutions take into account the additional number of securities to be created as part of the implementation of the delegations under the conditions provided for by Article L. 225-135-1 of the French Commercial Code, if you adopt the eighteenth resolution.

The nominal amount of issues of debt securities that may be carried out immediately or in the future may not exceed in respect of the:

- sixteenth, seventeenth, twenty-third and twenty-fifth resolutions: €300,000,000;

it being specified that the overall amount of issues of debt securities that may be carried out immediately or in the future, pursuant to the delegations granted in respect of this General Meeting may not exceed the total cap of €300,000,000 (twenty-sixth resolution).

The Management Board is responsible for preparing a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. It is our responsibility to give our opinion on the fairness of the data drawn from the financial statements, the proposal to waive preferential subscription rights and certain other information with regard to these operations provided in this report.

We have performed those procedures which we considered necessary in accordance with professional practices guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) for this type of engagement. These procedures consisted of checking the content of the Management Board's report on these operations and the procedures for calculating the issue price of the equity securities to be issued.

Subject to the subsequent examination of the conditions for these issues to be decided, we have no matters to report on the procedures for calculating the issue price of the equity securities to be issued given in the Management Board's report in respect of the seventeenth and twenty-third resolutions.

Moreover, as this report does not stipulate the procedures for calculating the issue price of the equity securities to be issued as part of the implementation of the sixteenth, twenty-fourth and twenty-fifth resolutions, we cannot provide our opinion on the choice of calculation factors for this issue price.

As the definitive conditions under which the issues would be carried out have not been set, we will not provide an opinion on these, and, as a result on the proposal to waive the preferential subscription rights made to you under the seventeenth and twenty-third resolutions.

In accordance with Article R. 225-116 of the French Commercial Code, we will provide an additional report, if applicable, when these delegations are used by your Management Board in the event of the issues of securities giving access to the share capital and/or granting entitlement to debt securities and in the event of the issues of shares with waiver of preferential subscription rights.

Paris, 24 April 2020

The Statutory Auditors

RSM Paris

Statutory Auditors
Member of the Compagnie Régionale de Paris

Martine Leconte

Partner

ON THE AUTHORISATION TO ALLOCATE SHARE SUBSCRIPTION AND/OR PURCHASE OPTIONS
Combined General Meeting of 10 June 2020 - Resolution no. 20

To the Annual General Meeting of SELECTIRENTE,

As the Statutory Auditors for your Company and in execution of the task provided for by Articles L. 225-177 and R. 225-144 of the French Commercial Code, we hereby present our report on the authorisation for the allocation of share subscription and/or purchase options for the benefit of certain employees that the Management Board shall select amongst the employees possibly along with the corporate officers of the Company and companies or groups related to it under the meaning of Article L. 225-180 of the French Commercial Code, up to a limit of 3% of the total number of shares on the day of the Management Board’s decision, which are operations that you are asked to approve.

Your Management Board proposes, based on its report, to authorise it for a duration of 38 months to allocate share subscription and/or purchase options.

The overall nominal amount of capital increases resulting from the exercise of the share subscription options granted will not be deducted from the cap of total nominal amounts set by the twenty-sixth resolution.

The Management Board is responsible for preparing a report on the reasons for opening share subscription and/or purchase options and the procedures proposed for setting the subscription and/or purchase price. It is our responsibility to provide our opinion on the procedures proposed for setting the share subscription and/or purchase price.

We have performed those procedures which we considered necessary in accordance with professional practices guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) for this type of engagement. These procedures notably consisted of checking that the procedures proposed for setting the share subscription and/or purchase price are stipulated in the Management Board’s report and that they comply with the provisions provided for by the legal and regulatory texts.

We have no matters to report on the procedures proposed for setting the share subscription and/or purchase price.

Paris, 24 April 2020

The Statutory Auditors

RSM Paris

Statutory Auditors
Member of the Compagnie Régionale de Paris

Martine Leconte
Partner

STATUTORY AUDITORS' REPORT ON THE AUTHORISATION TO GRANT FREE EXISTING SHARES OR SHARES TO BE ISSUED

Combined General Meeting of 10 June 2020 - Resolution no. 21

To the General Meeting of SELECTIRENTE,

As the Statutory Auditors for your Company and in execution of the task provided for by Article L. 225-197-1 of the French Commercial Code, we hereby present our report on the proposed authorisation for the allocation of free existing shares or shares to be issued for the benefit of certain employees (or certain categories of employees) and/or corporate officers (or certain corporate officers), both of the Company and companies or groups related to it under the meaning of Article L. 225-197-2 of the French Commercial Code, that will be designated by the Management Board, which is an operation that you are asked to approve.

The total number of shares that may be allocated in respect of this authorisation may not exceed 3% of the Company's share capital on the day of the Management Board's decision.

The overall nominal amount of capital increases that may be carried out as a result of the issue of free share allocations would not be deducted from the cap of total nominal amounts set by the twenty-sixth resolution.

Your Management Board proposes, based on its report, to authorise it for a duration of 38 months to allocate free existing shares or shares to be issued.

The Management Board is responsible for preparing a report on this operation that it wishes to be able to carry out. It is our responsibility to report, if applicable, on matters related to the information provided to you about the envisaged operation.

We have performed those procedures which we considered necessary in accordance with professional practices guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) for this type of engagement. These procedures notably consisted of checking that the envisaged procedures provided in the Management Board's report come under the framework of the provisions provided by law.

We have no matters to report as to the information provided in the Management Board's report on the envisaged operation to authorise the allocation of bonus shares.

Paris, 24 April 2020

The Statutory Auditors

RSM Paris

Statutory Auditors
Member of the Compagnie Régionale de Paris

Martine Leconte

Partner

STATUTORY AUDITORS' REPORT ON THE CAPITAL DECREASE

Combined General Meeting of 10 June 2020 - Resolution no. 22

To the Annual General Meeting of SELECTIRENTE,

As the Statutory Auditors for your Company and in execution of the task provided for by Article L. 225-209 of the French Commercial Code in the event of a reduction in share capital through the cancellation of purchased shares, we have prepared this report to inform you of our assessment of the causes and conditions for the envisaged share capital reduction.

Your Management Board proposes that you delegate to it, for a duration of 18 months from the day of this General Shareholders' Meeting, full powers to cancel, up to a limit of 10% of the share capital per 24-month period, the shares purchased in respect of the implementation of a purchase authorisation by your Company of its own shares as part of the provisions of the article indicated above.

We have performed those procedures which we considered necessary in accordance with professional practices guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) for this type of engagement. These procedures consist of assessing whether the causes and conditions for the envisaged share capital reduction, which would not impede shareholder equality, are fair.

We have no matters to report on the causes and conditions of the envisaged share capital reduction.

Paris, 24 April 2020

The Statutory Auditors

RSM Paris

Statutory Auditors
Member of the Compagnie Régionale de Paris

Martine Leconte

Partner

20.6. Draft Resolutions

ORDINARY GENERAL SHAREHOLDERS' MEETING

FIRST RESOLUTION

(Approval of the reports and financial statements for the 2019 financial year)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having heard the reading of the Management Board, Supervisory Board and Statutory Auditors' reports on the financial statements for the financial year ended 31 December 2019, as well as the reading of the report by the Chairman of the Supervisory Board on the internal control procedures and the Statutory Auditors' report on this document, approves the financial statements for the said financial year as presented, as well as the transactions reflected in these statements or summarised in these reports.

These financial statements show a net profit of €8,774,664.05.

The General Meeting notes that no amounts have been recognised in respect of non-deductible tax expenses as described in Article 39-4 of the French General Tax Code during the financial year ended 31 December 2019.

The General Meeting definitively and without reserves approves the management of the Management Board and SOFIDY for the financial year just ended.

SECOND RESOLUTION

(Allocation of the revaluation adjustment, net result and distribution)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, resolves to transfer the sum of €310,001.73 from the item "Revaluation adjustment" to a "Distributable reserves" item. This amount corresponds to the additional impairment during the financial year relating to the revaluation.

The General Shareholders' Meeting resolves to allocate the net result for the financial year ended 31 December 2019 as follows:

Distributable profit:	
Profit for the financial year	+ €8,774,664.05
Retained earnings	+€4,126,416.69
Distributable profit (excluding distributable reserves)	+€12,901,080.74
Distributable reserves:	
Share premium	+€202,619,937.32
Distributable revaluation adjustment	+€9,134,511.99
Other reserves	+€11,904.63
Distributable reserves	+€211,766,353.94
Appropriation:	
Allocation to the legal reserve	-€438,733.20
Distribution of a dividend per share of €3.50	
representing a maximum amount of	-€14,605,283.00
including deduction from distributable profit:	*-€12,462,347.54*
including deduction from the "Distributable revaluation adjustment" item	*-€2,142,935.46*
Balance allocated to retained earnings	€0.00

As a result, the General Meeting set the dividend at €3.50 per share. This dividend will be paid after the General Meeting.

In order to take into account, at the time of the dividend payment, the treasury shares held by the Company which, in accordance with law, do not open the rights to this distribution, the overall amount of the dividend that is not paid due to the holding of such shares shall be allocated to retained earnings.

For individual shareholders resident in France for tax purposes, the dividends received are subject to a Single Fixed Contribution (PFU) of 30% (12.8% in respect of income tax and 17.2% in respect of social security contributions). The mandatory non-discharging fixed contribution of 12.8% is received as an interim payment, which may be applied against the income tax due (PFU or, optionally, progressive scale) in respect to the year of dividend payment. Tax payers whose reference fiscal income for the penultimate year does not exceed a certain threshold may be exempt, on their request, from the payment of the mandatory fixed contribution of 12.8%.

Moreover, the General Shareholders' Meeting notes that in respect of the last three financial years, the dividends distributed were as follows:

Financial Year	Dividend per share (€)
2016	2.90
2017	3.20
2018	3.45

THIRD RESOLUTION

(Approval of the Statutory Auditors' special report on agreements referred to in Article L. 225-86 of the French Commercial Code)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Statutory Auditors' special report on agreements referred to in Article L. 225-86 of the French Commercial Code, approves the said report.

FOURTH RESOLUTION

(Approval of the Management Delegation Agreement)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Statutory Auditors' special report on agreements referred to in Article L. 225-86 of the French Commercial Code, approves the Management Delegation Agreement presented in it.

FIFTH RESOLUTION

(Approval of the components of total compensation and benefits in kind paid or allocated to the Chairman of the Supervisory Board in respect of his term during the financial year ended 31 December 2019)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, approves, in application of Article L. 225-100 of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits in kind paid or allocated to Mr Pierre Vaquier in respect of his term as Chairman of the Supervisory Board, as these components are presented in the report referred to in Article L. 225-68 of the French Commercial Code under the heading "Compensation allocated to members of the Supervisory Board and the Audit and Investment Committees in 2019".

SIXTH RESOLUTION

(Approval of the components of total compensation and benefits in kind paid or allocated in respect of his term as Chairman of the Management Board during the financial year ended 31 December 2019)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, approves, in application of Article L. 225-100 of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits in kind paid or allocated to Mr Jérôme Grumler in respect of his term as Chairman of the Management Board, as these components are presented in the report referred to in Article L. 225-68 of the French Commercial Code under the heading "Terms and compensation of executive managers".

SEVENTH RESOLUTION

(Approval of the components of total compensation and benefits in kind paid or allocated in respect of his term as second Member of the Management Board during the financial year ended 31 December 2019)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, approves, in application of Article L. 225-100 of the French Commercial Code, the fixed, variable and exceptional components of the total compensation and benefits in kind paid or allocated to Mr Michael Ricciarelli in respect of his term as second Member of the Management Board, as these components are presented in the report referred to in Article L. 225-68 of the French Commercial Code under the heading "Terms and compensation of executive managers".

EIGHTH RESOLUTION

(Approval of the information relating to the compensation of all corporate officers indicated in article L. 225-37-3 of the French Commercial Code)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance stipulated in Article L. 225-68 of the French Commercial Code, approves, in application of Article L. 225-100 II of the French Commercial Code, the information stipulated in I of Article L. 225-37-3 of the French Commercial Code, as presented in the report referred to in Article L. 225-68 of the French Commercial Code under the heading “Approval of the components of compensation and benefits in kind paid or allocated to the Supervisory Board" that can be found in Section 20.2 of the Universal Registration Document.

NINTH RESOLUTION

(Approval of the compensation policy for the members of the Supervisory Board and its Chairman)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance stipulated in Article L. 225-68 of the French Commercial Code, approves, in application of Article L. 225-82-2 II of the French Commercial Code, the compensation policy for the members of the Supervisory Board and its Chairman as presented in the report referred to in Article L. 225-68 of the French Commercial Code under the heading “Principles and criteria for setting the compensation policy for the members of the Supervisory Board" that can be found in Section 20.2 of the Universal Registration Document.

TENTH RESOLUTION

(Approval of the compensation policy for the members of the Management Board and its Chairman)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Supervisory Board's report on corporate governance stipulated in Article L. 225-68 of the French Commercial Code, approves, in application of Article L. 225-82-2 II of the French Commercial Code, the compensation policy for the members of the Management Board and its Chairman as presented in the report referred to in Article L. 225-68 of the French Commercial Code under the heading “Principles and criteria for setting the compensation policy for the members of the Management Board" that can be found in Section 20.2 of the Universal Registration Document.

ELEVENTH RESOLUTION

(Ratification of the temporary appointment of Mr Louis Molino as a member of the Supervisory Board as a replacement for Mr Geoffroy Renard)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, resolves to ratify the temporary appointment by the Board at its meeting of 13 November 2019, of Mr Louis Molino as a member of the Supervisory Board, for the remaining term of office of Mr Geoffroy Renard, who resigned. Its term of office will end after the annual Ordinary General Shareholders’ Meeting convened to approve the financial statements for the 2024 financial year.

TWELFTH RESOLUTION

(Ratification of the temporary appointment of SCI Primonial Capimmo as a member of the Supervisory Board as a replacement for Mr Louis Molino)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, resolves to ratify the temporary appointment by the Board at its meeting of 3 April 2020, of SCI Primonial Capimmo as a member of the Supervisory Board, for the remaining term of office of Mr Louis Molino, who resigned. Its term of office will end after the annual Ordinary General Shareholders’ Meeting convened to approve the financial statements for the 2024 financial year.

THIRTEENTH RESOLUTION

(Appointment of the company SOGECAP as a member of the Supervisory Board)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, resolves to appoint the company SOGECAP as a member of the Supervisory Board for a term of six years. Its term of office will end after the annual Ordinary General Meeting convened to approve the financial statements for the 2025 financial year.

FOURTEENTH RESOLUTION

(Appointment of Ms Nathalie de Mortemart as a member of the Supervisory Board)

The General Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, resolves to appoint Ms Nathalie de Mortemart as a member of the Supervisory Board for a term of six years. Its term of office will end after the annual Ordinary General Meeting convened to approve the financial statements for the 2025 financial year.

FIFTEENTH RESOLUTION

(Authorisation to be granted to the Management Board to make transactions on the Company's shares)

The General Shareholders' Meeting, deliberating under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Management Board's report in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code, European Union (EU) ruling no. 596/2014 of 16 April 2014 and the delegated ruling 2016/1052 of 8 March 2016, authorises the Management Board to buy Company shares in compliance with the conditions defined by the Authorité des marchés financiers (AMF) General Regulation.

This authorisation aims notably to allow the Company to:

— ensure the liquidity and stimulate the market in the Company's shares through an investment services provider acting with full independence as part of a liquidity contract;

— buy shares for the purpose of holding and subsequently delivering them in exchange or as a payment in connection with any acquisition, merger, spin-of or contribution transactions, in accordance with market practices recognised by the AMF;

— deliver shares upon the exercise of rights attached to securities giving access to the allocation of Company shares through redemption, conversion, exchange, presentation of a warrant or in any other manner;

— (i) grant share purchase options to employees and corporate officers of the Company and/or its Group within the framework of Article L. 225-179 et seq. of the French Commercial Code, (ii) allocate bonus shares to them within the framework of Article L. 225-197-1 et seq. of the French Commercial Code, or (iii) propose the acquisition of shares under the conditions stipulated in Articles L. 3332-1 et seq. of the French Labour Code, in accordance with Article L. 225-209 of the French Commercial Code;

— cancel all or part of the shares purchased, subject to approval of the twenty-second resolution of this General Meeting;

— implement all market practices that may be admitted by the AMF, and more generally, carry out all compliant transactions.

The purchase of Company shares may cover a number of shares such that:

— the number of shares purchased by the Company during the term of the buyback program does not exceed 10% of the shares comprising the Company's share capital, subject to compliance with the provisions of Article 3-3° of the Delegated Regulation 2016/1052 of 8 March 2016. The considered share capital shall be adjusted according to the transactions affecting it subsequent to this General Shareholders' Meeting;

— the number of shares held by the Company at any time may not exceed 10% of the shares comprising the Company's share capital.

Shares may be acquired, divested or transferred (i) at any time (including during tender offer periods) within the provisions of the AMF's General Regulation on "negative windows" and (ii) through any means, including on the regulated markets or over the counter, including through the acquisition or divestment of blocks (without limiting the portion of the buyback program that may be conducted through this means) or through the use of options or other forward financial instruments traded on a regulated market or over the counter or through the issue of securities giving access through conversion, exchange, redemption, exercise of a warrant, or through any other means to Company shares held by the latter.

The share purchase price within the framework of this authorisation may not exceed, excluding acquisition costs, the limits provided by Article 3-2° of the Delegated Regulation 2016/1052 of 8 March 2016 and in any case €120.

The General Shareholders' Meeting notes that the number of shares acquired by the Company for the purpose of holding and subsequently delivering them in payment or exchange in connection with any acquisition, merger, spin-off or contribution transactions may not exceed 5% of its share capital.

The General Shareholders' Meeting delegates to the Management Board, in the event of a change in the share's par value, a capital increase through the incorporation of reserves, the award of bonus shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital, the power to adjust the aforementioned purchase price based on a multiplication coefficient equal to the ratio between the number of shares comprising the share capital before the concerned transaction and this number after the said transaction, to reflect the impact of such operations on the share's value.

The General Shareholders' Meeting grants full powers to the Management Board, with the option of subdelegation, to decide and carry out the implementation of this authorisation, in order to clarify, if required, the terms and to approve the conditions and prepare a description of the program, with the option of subdelegation, to carry out the buyback program and notably to place any market orders, sign any agreements, for the purpose of keeping records of share purchases and sales, make all declarations to the AMF and any other substitute authority, complete all formalities and generally do whatever is necessary.

The General Shareholders' Meeting sets the duration of validity of the authorisation under this resolution at 18 months from the day of this General Meeting. This authorisation cancels from this day the authorisation granted to the Management Board during the Combined General Meeting of 13 June 2019.

SIXTEENTH RESOLUTION

(Delegation of authority to be granted to the Management Board to decide the issue of shares and/or securities – with preferential subscription rights – giving access to the share capital of the Company or granting entitlement to the allocation of debt securities).

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report and in accordance with the provisions of the French Commercial Code and notably its Articles L. 225-129, L. 225-129-2 and L. 228-92:

1. delegates to the Management Board its authority to decide the issue – with preferential subscription rights – of shares and/or securities giving access to the Company's share capital or giving the rights to the allocation of debt securities, on one or more occasions, both in France and abroad, in the amounts and at the times it shall determine, through the issue of shares or securities giving access to the share capital or giving the rights to the allocation of debt securities referred to and governed by Articles L. 225-149 et seq. and L. 228-91 et seq. of the French Commercial Code, it being specified that the subscription of the shares and securities may be carried out either in cash, or through compensation for debt, and that are excluded all issues of preference shares and securities giving access by any means, immediately or in the future, to preference share;

2. resolves, in the event of the use by the Management Board of this delegation, that:

— the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation is set at €50,000,000 or its counter value in currency or in composite monetary units;

— the nominal amount of issues of debt securities that may be carried out immediately and/or in the future on the basis of this delegation must not exceed €300,000,000 or its counter value in currency or in composite monetary units;

— the amounts indicated in this delegation shall be deducted from the total cap set in the twenty-sixth resolution of this General Meeting;

— to these caps shall be added, if applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, if applicable with contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital;

3. in the event of the use by the Management Board of this delegation:

— resolves that the issue(s) shall preferably be reserved for the shareholders that may subscribe to shares by right in proportion to the number of shares that they then possess;

— acknowledges that the Management Board has the option of introducing a reducible subscription right;

— acknowledges and resolves, as required, that in the event of the issue of shares or securities giving access to the share capital or giving the rights to the allocation of debt securities, if these subscriptions in proportion to the existing shareholdings and, if applicable, through a reducible subscription right, have not absorbed the issue, the Management Board may use, under the conditions provided by law and in the order that it shall determine, one and/or other of the following options:

- limit the issue to the amount of subscriptions, if applicable within the limits provided by regulations,
- freely distribute all or part of the shares or securities giving access to the share capital, for which the issue has been decided but which have not been subscribed,
- offer to the public all or part of the unsubscribed shares or securities giving access to the share capital, in France or abroad;

— acknowledges that this delegation entails the waiver by shareholders, for the benefit of the bearers of securities issued giving access to the Company's equity, of their preferential subscription right to the shares to which the securities may give rise;

4. resolves that the Management Board shall have full powers, with the option of subdelegation under legal conditions, to implement this delegation, and notably to:

— decide the capital increase and determine the securities to be issued;

— decide the amount of the capital increase, the issue price and the amount of premium which may, if applicable, be requested at the issue;

— determine the dates and terms and conditions of the capital increase, the type, the number, the characteristics of the securities to be created, decide, moreover, in the case of bonds or other debt securities, whether or not they are subordinated (and, if applicable, their subordination rank in accordance with the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate (notably fixed or variable, zero coupon or indexed interest rate), their duration (fixed or indeterminate) and the other issue (including whether to grant them guarantees and security) and amortisation modalities (including repayment by delivery of Company assets), if applicable, these securities could be attached to warrants giving the right to the allocation, acquisition or subscription of bonds or other securities representing debt or take the form of complex bonds under the meaning conferred by the stock market authorities (for example, due to their repayment or compensation modalities or other rights such as indexing, option possibility); amend, during the lifetime of the concerned securities, the modalities indicated above, in compliance with the applicable formalities;

— determine the procedure for paying up the shares or securities to be issued;

— set, if applicable, the modalities for the exercise of the rights attached to the shares or to the securities to be issued, and notably, set the date, even retroactive, from which the new shares shall be entitled to dividends, set the exercise modalities for the rights, if applicable to the conversion, exchange, repayment, including by delivery of Company assets such as shares or securities already issued by the Company, as well as all other conditions and modalities for completing the capital increase;

— set the terms and conditions under which the Company would have, if applicable, the option to purchase or exchange on the stock market, at any time or during set times, the securities issued or to be issued immediately or in the future, for the purpose of cancelling or not cancelling them, taking into account the applicable legislative and regulatory provisions;

— provide for the option of suspending the exercise of the rights attached to these securities in compliance with legal and regulatory provisions;

— at its own initiative, charge the expenses of the capital increase against the amount of the relevant premiums and deduct from such amount the necessary amounts to take the legal reserve to one-tenth of the new share capital after each capital increase;

— set and carry out all adjustments in order to take into account the impact of the operations on the Company's share capital, notably in the event of a change in the share's par value, a capital increase through the incorporation of reserves, the award of bonus shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital and set the terms and conditions under which shall be assured, if applicable, the preservation of the rights of holders of securities giving access to the share capital;

— record the completion of each capital increase and make the corresponding amendments to the Articles of Association;

— in general, enter into all agreements, notably to achieve the completion of the envisaged issues, take all measures and carry out all useful formalities for the issue, trading and financial service of the securities issued pursuant to this delegation and the exercise of the attached rights;

5. resolves that the Management Board may implement this delegation at any time;

6. sets at 26 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This delegation cancels with effect from this day any unused portion of any previous delegation with the same purpose.

SEVENTEENTH RESOLUTION

(Delegation of authority to be granted to the Management Board to decide the issue of shares and/or securities – without preferential subscription rights and by public offer – giving access to the share capital of the Company or granting entitlement to the allocation of debt securities).

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report and in accordance with the provisions of the French Commercial Code and notably its Articles L. 225-129-2, L. 225-135, L. 225-136 and L. 228-92:

1. delegates to the Management Board its authority to decide the issue – without preferential subscription rights – of shares and/or securities giving access to the Company's share capital or giving the rights to the allocation of debt

securities, on one or more occasions, both in France and abroad, in the amounts and at the times it shall determine, by way of a public offer, through the issue of shares or securities giving access to the share capital or giving the rights to the allocation of debt securities governed by Articles L. 225-149 et seq. and L. 228-91 et seq. of the French Commercial Code, it being specified that the subscription of the shares and securities may be carried out either in cash, or through compensation for debt, and that are excluded all issues of preference shares and securities giving access by any means, immediately or in the future, to preference shares;

2. resolves, in the event of the use by the Management Board of this delegation, that:

— the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation is set at €40,000,000 or its counter value in currency or in composite monetary units;

— the nominal amount of issues of debt securities that may be carried out immediately and/or in the future on the basis of this delegation must not exceed €300,000,000 or its counter value in currency or in composite monetary units;

— the amounts indicated in this delegation shall be deducted from the total cap set in the twenty-sixth resolution of this General Meeting;

— to these caps shall be added, if applicable, the nominal value of the shares to be issued in order to preserve, in the event of new financial operations, the rights of holders of securities giving access to the Company's share capital;

3. resolves to waive the preferential subscription right of shareholders to the securities under this resolution, leaving, however, to the Management Board, in application of Article L. 225-135, 2nd paragraph of the French Commercial Code, the option of granting shareholders, during a timeframe and according to the modalities that it shall set in compliance with the applicable provisions for all or part of the issue carried out, a priority subscription period that does not give rise to the creation of negotiable rights and that must be exercised in proportion to the share of capital for each shareholder and that may be completed by a reducible subscription right, it being specified that at the expiry of the priority period, if the subscriptions have not absorbed the entire issue, the Management Board may use, in the order that it shall determine, all or part of the options provided by the provisions of Article L. 225-134 of the French Commercial Code;

4. acknowledges that if the subscriptions, including, if applicable those from shareholders, have not absorbed the entire issue, the Management Board may limit the amount of the operation to the amount of subscriptions received if this reaches at least three-quarters of the decided issue;

5. acknowledges that this delegation entails the express waiver by shareholders, for the benefit of the bearers of securities giving access to the Company's share capital, of their preferential subscription right to the shares to which these securities may give the right;

6. resolves that the issue price of the shares or securities that may be issued pursuant to this resolution must be such that the Company receives, for every share created or allocated, independently from any remuneration of any form, interest, share premium or redemption premium, a sum at least equal to the minimum price specified by legal and regulatory provisions applicable on the day of the issue (i.e. currently the weighted average market prices of the three trading sessions preceding the start of the public offer under the meaning of (EU) regulation no. 2017/1129 of 14 June 2017, where necessary reduced by a maximum discount of 10%);

7. resolves that the Management Board shall have full powers, with the option of subdelegation under legal conditions, to implement this delegation, and notably to:

— decide the capital increase and determine the securities to be issued;

— decide the amount of the capital increase, the issue price and the amount of premium which may, if applicable, be requested at the issue;

— determine the dates and terms and conditions of the issue, the type, the number, the characteristics of the securities to be created; decide, moreover, in the case of bonds or other debt securities, whether or not they are subordinated (and, if applicable, their subordination rank in accordance with the provisions of Article L. 228-97 of the French Commercial Code), set their interest rate (notably fixed or variable, zero coupon or indexed interest rate), their duration (fixed or indeterminate) and the other issue (including whether to grant them guarantees and security) and amortisation modalities (including repayment by delivery of Company assets); if applicable, these securities could be attached to warrants giving the right to the allocation, acquisition or subscription of bonds or other securities representing debt or take the form of complex bonds under the meaning conferred by the stock market authorities (for example, due to their repayment or remuneration modalities or other rights such as indexing, option possibility); amend, during the lifetime of the concerned securities, the modalities indicated above, in compliance with the applicable formalities;

— determine the procedure for paying up the shares or securities to be issued;

— set, if applicable, the modalities for the exercise of the rights attached to the shares or to the securities giving access to the share capital to be issued, and notably, set the date, even retroactive, from which the new shares shall be entitled to dividends, set the exercise modalities for the rights, if applicable to the conversion, exchange, repayment, including by delivery of Company assets such as shares or securities already issued by the Company, as well as all other conditions and modalities for completing the capital increase;

— set the terms and conditions under which the Company would have, if applicable, the option to purchase or exchange on the stock market, at any time or during set times, the securities issued or to be issued immediately or in the future, for the purpose of cancelling or not cancelling them, taking into account the applicable legislative and regulatory provisions;

— provide for the option of suspending the exercise of the rights attached to these securities in compliance with legal and regulatory provisions;

— at its own initiative, charge the expenses of the capital increases against the amount of the relevant premiums and deduct from such amount the necessary amounts to take the legal reserve to one-tenth of the new share capital after each capital increase;

— set and carry out all adjustments in order to take into account the impact of the operations on the Company's share capital, notably in the event of a change in the share's par value, a capital increase through the incorporation of reserves, the award of bonus shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital and set the terms and conditions under which shall be assured, if applicable, the preservation of the rights of holders of securities giving access to the share capital;

— record the completion of each capital increase and make the corresponding amendments to the Articles of Association;

— in general, enter into all agreements, notably to achieve the completion of the envisaged issues, take all measures and carry out all useful formalities for the issue, trading and financial service of the securities issued pursuant to this delegation and the exercise of the attached rights;

8. resolves that the Management Board may implement this delegation at any time;

9. sets at 26 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This delegation cancels with effect from this day any unused portion of any previous delegation with the same purpose.

EIGHTEENTH RESOLUTION

(Authorisation to be granted to the Management Board to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights).

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code:

1. authorises the Management Board with the option of subdelegation under legal conditions, to decide to increase the number of securities to be issued in the event of a Company capital increase with or without preferential subscription rights, at the same price as that used for the initial issue, within the time limits and subject to the limitations set out in the applicable regulations;

2. resolves that the nominal amount of capital increases carried out pursuant to this resolution would be deducted (i) from the specific cap detailed in the resolution on the basis of which the initial issue would be carried out and (ii) from the amount of the total cap set out in the twenty-sixth resolution of this General Meeting;

3. resolves that the Management Board may implement this authorisation at any time;

4. sets at 26 months the duration of validity of this authorisation, starting from the day of this General Shareholders' Meeting.

This authorisation cancels with effect from this day any unused portion of any previous authorisation with the same purpose.

NINETEENTH RESOLUTION

(Delegation of authority to be granted to the Management Board to decide to increase the share capital through the capitalisation of premiums, reserves, profits or other sums that may be capitalised).

The General Meeting, deliberating under the quorum and majority requirements provided by Article L. 225-98 of the French Commercial Code for Extraordinary General Meetings, having reviewed the Management Board's report and in accordance with the provisions of Articles L. 225-129, L. 225-129-2 and L. 225-130 of the French Commercial Code:

1. delegates to the Management Board its authority to decide to increase the share capital, on one or more occasions, in the proportions and at the times it sees fit, through the capitalisation of premiums, reserves, profits or other sums that may be legally and statutorily capitalised, in the form of the allocation of bonus shares or an increase in the par value of existing shares or a combination of the two. The maximum nominal amount of capital increases that may be carried out in this respect must not exceed €50,000,000;

2. If the Management Board uses this delegation, it shall have full powers, with the option of subdelegation under legal conditions, to implement this delegation, and notably to:

— set the amount and type of amounts to be capitalised, set the number of new shares to be issued and/or the amount by which the nominal amount of existing shares comprising the share capital shall be increased, set the date, even retroactive, from which the new shares shall be entitled to dividends or from which the increase in the nominal amount shall take place;

— decide, in the event of the distribution of bonus shares, that the rights forming odd lots shall be neither tradeable nor assignable and that the corresponding shares shall be sold; the amounts received from the disposal shall be allocated to the bearers of the rights under the conditions provided by the law and regulations;

— carry out all adjustments in order to take into account the impact of the operations on the Company's share capital, notably in the event of a change in the share's par value, a capital increase through the incorporation of reserves, the award of bonus shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital and set the terms and conditions under which shall be assured, if applicable, the preservation of the rights of holders of securities giving access to the share capital;

— deduct from one or several available reserve items the amounts required to take the legal reserve to one-tenth of the new share capital after each increase;

— record the completion of each capital increase and make the corresponding amendments to the Articles of Association;

— in general, enter into all agreements, take all measures and carry out all useful formalities for the issue, trading and financial service of the securities issued pursuant to this delegation and the exercise of the attached rights;

3. sets at 26 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This delegation cancels with effect from this day any unused portion of any previous delegation with the same purpose.

TWENTIETH RESOLUTION

(Authorisation to be granted to the Management Board to grant stock subscription and/or purchase options without preferential subscription rights).

The General Shareholders' Meeting, deliberating under the quorum and majority requirements required for Extraordinary General Shareholders' Meetings, having reviewed the Management Board report and the Statutory Auditors' special report:

1. authorises the Management Board, within the context of the provisions of Articles L. 225-177 to L. 225-186-1 of the French Commercial Code, on one or more occasions, in favour of the members of staff that it shall determine among the employees and, where applicable, the corporate officers of the Company and related companies or groups in accordance with the conditions set out in Article L. 225-180 of said Code, options granting entitlement to the subscription of new Company shares to be issued as part of its capital increase, as well as options granting entitlement to the purchase of Company shares from share buybacks carried out by the Company in accordance with conditions set out by law;

2. resolves that the stock subscription and purchase options granted pursuant to this authorisation may not grant entitlement to a total number of shares exceeding 3% of the share capital as at the date of the Management Board's decision, it being specified that the nominal amount of capital increases resulting from the exercise of share subscription options granted pursuant to this delegation shall not be deducted from the total cap set out in the twenty-sixth resolution of this General Meeting;

3. resolves that the strike price of share subscription or purchase options shall be set by the Management Board on the day on which the options are granted; resolves that (i) in the case of subscription options, this price may be no lower than 80% of the average of the initial quoted prices of the Company's shares on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the subscription options are granted; and (ii) in the case of share purchase options, this price may be no lower than either the value stated in (i) above, nor 80% of the average

purchase price of shares held by the Company under Articles L. 225-208 and L. 225-209 of the French Commercial Code. If the Company were to carry out one of the transactions set out in Article L. 225-181 of the French Commercial Code, the Management Board shall, under the conditions provided for by current regulations, take the necessary measures to protect the interests of beneficiaries, including, where applicable, by adjusting the number of shares that may be obtained through the exercise of options granted to beneficiaries to reflect the impact of this transaction;

4. acknowledges that this delegation entails the express waiver by shareholders, for the benefit of the beneficiaries of subscription options, of their preferential subscription rights to the shares that will be issued as and when the subscription options are exercised. The capital increase resulting from the exercise of the subscription options will be definitively completed by the sole fact of declaring the exercise of the option supported by the subscription forms and the payments that may be carried out in cash or by compensation with Company receivables;

5. as a result, the General Shareholders' Meeting grants full powers to the Management Board, to implement this authorisation with the effect notably to:

— approve the list of beneficiaries of options and the number of options allocated to each one, it being specified that the beneficiaries contribute by their action to the Company's development and results;

— set the dates on which the options shall be granted;

— set the terms and conditions for the options, and notably:

- the duration of validity of the options, it being understood that the options must be exercised within a maximum time period of ten years from the day on which they are granted, with the exception of contrary legal or regulatory provisions,

- the date(s) or exercise period(s) of the options, it being understood that the Management Board may (a) bring forward the dates or periods of the options, (b) extend the exercisability of the options, or (c) amend the dates or periods during which shares obtained by exercise of options may not be transferred or converted into bearer shares,

- lock-up clauses covering all or part of the shares resulting from the exercise of the options, although the lock-up period may not exceed three years from the date on which the options were exercised,

- if applicable, limit, suspend, restrict or prohibit the exercise of the options or the sale or conversion into bearer form of the shares obtained through the exercise of the options, during certain periods or from certain events; its decision may cover all or part of the options or shares or concern all or part of the beneficiaries,

- set the date, even retroactive, on which the new shares resulting from the exercise of subscription options shall be entitled to dividends;

6. resolves that the Management Board shall also have, with the option of subdelegation under legal conditions, full powers to record the capital increases corresponding to the amount of shares that shall effectively be subscribed through the exercise of the subscription options, carry out the corresponding amendment to the Articles of Association, and deduct, on its own initiative, if it deems necessary, the capital increase costs from the corresponding amount of premiums and deduct from this amount the necessary amounts to take the legal reserve to one tenth of the new share capital after each increase, and carry out all necessary formalities for the trading of the issued securities, all declarations to all organisations and take all other necessary measures;

7. sets at 38 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This authorisation cancels with effect from this day any unused portion of any previous authorisation with the same purpose.

TWENTY-FIRST RESOLUTION

(Authorisation to be granted to the Management Board to allocate free existing or new shares).

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report, and in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code:

1. authorises the Management Board to carry out, on one or more occasions, for the benefit of the beneficiaries indicated in section 2. below, free allocations of existing or new shares in the Company;

2. resolves that the beneficiaries of the shares that will be designated by the Management Board, may be from among the paid employees (or certain categories of them) and/or corporate officers (or certain of them) both of the Company and of related company and economic interest groups within the meaning of Article L. 225-197-2 of the French Commercial Code;

3. resolves that the Management Board shall determine the identity of the beneficiaries of the allocations and the conditions and, if applicable, the allocation criteria for the shares, it being stipulated that the beneficiaries contribute by their action to the Company's development and results;

4. resolves that the total number of bonus shares that may be allocated pursuant to this authorisation may not exceed 3% of the Company's share capital on the day of the Management Board's decision;

5. resolves that the amount of capital increases carried out as a result of the issue of bonus shares would not be deducted from the cap set by the twenty-sixth resolution of this General Meeting;

6. resolves that the allocation of shares to their beneficiaries shall only be definitive after a vesting period with a duration no less than the period required by the legal provisions applicable on the day of the allocation decision (to date, one year);

7. resolves that the beneficiaries must hold their bonus shares for a holding period with a duration no less than the period required by the legal provisions applicable on the day of the allocation decision (to date, one year); however, this holding requirement may be removed by the Management Board for bonus shares for which the vesting period has been set for a duration of at least two years;

8. acknowledges and resolves, as required, that the Management Board has the power to modify the number of shares allocated, up to the cap referred to in the 4th paragraph above, in application of operations on the share capital decided by the Extraordinary General Shareholders' Meeting;

9. grants full powers to the Management Board to implement this authorisation and notably to:

— set the dates on which the free share allocations shall take place;

— set the allocation conditions (notably presence and performance), define the vesting and holding periods for the allocated shares applicable to each allocation subject to the minimum periods defined by this resolution;

— if applicable, carry out during the vesting period, adjustments to the number of shares related to any operations on the Company's share capital in order to preserve the rights of the beneficiaries to the bonus shares;

— more generally, with the option of subdelegation under legal conditions, to sign all agreements, prepare all documents, carry out all necessary formalities and declarations to organisations, record the capital increases resulting from the issue of new shares as part of this authorisation, amend the Articles of Association accordingly, and more generally, take all necessary measures;

10. acknowledges and resolves, if required, that this delegation entails the waiver by shareholders, for the benefit of the beneficiaries of bonus shares, of the part of the reserves which, if required, shall be used in the event of the issue of new shares;

11. acknowledges and resolves, if required, that this authorisation entails the waiver by shareholders, for the benefit of the beneficiaries of the ordinary shares to be issued, of their preferential subscription right to the ordinary shares that shall be issued as and when the shares are definitively allocated, and to all rights to the free ordinary shares allocated based on this authorisation;

12. sets at 38 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This authorisation cancels with effect from this day any unused portion of any previous authorisation with the same purpose.

TWENTY-SECOND RESOLUTION

(Authorisation to be granted to the Management Board to reduce the share capital by cancelling treasury shares).

The General Shareholders' Meeting, deliberating under the quorum and majority requirements required for Extraordinary General Shareholders' Meetings, having reviewed the Management Board report and the Statutory Auditors' special report on capital reductions, authorises the Management Board to reduce the share capital, on one or more occasions, in the amounts and at the times it shall determine, by the cancellation of any quantity of treasury shares that it shall determine subject to the limits authorised by law.

The maximum number of shares that may be cancelled by the Company pursuant to this authorisation, during a 24-month period, is 10% of the shares comprising the Company's share capital, it being recalled that this limit applies to an amount of the Company's share capital that shall, if applicable, be adjusted to take into account transactions affecting the share capital subsequent to this General Shareholders' Meeting.

The General Shareholders' Meeting grants full powers to the Management Board, with the option of subdelegation, to carry out the share capital cancellation and reduction transactions that may be carried out pursuant to this authorisation, amend the Articles of Association accordingly and carry out all formalities.

This authorisation is granted for a duration of 18 months from the day of this General Shareholders' Meeting.

This authorisation cancels with effect from this day any unused portion of any previous authorisation with the same purpose.

TWENTY-THIRD RESOLUTION

(Delegation of authority to be granted to the Management Board to decide the issue of ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or securities giving access to equity securities to be issued by the Company – with removal of preferential subscription rights – by way of an offer referred to in Article L. 411-2, paragraph 1 of the French Monetary and Financial Code)

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report and in accordance with the provisions of the French Commercial Code and notably its Articles L. 225-129, L. 225-129-2, L. 225-135, L. 225-136 and L. 228-92:

1. delegates to the Management Board its authority to issue, on one or more occasions, in France and abroad, in the amounts and at the times it shall determine, on the French and/or international market, through an offer referred to in Article L. 411-2, paragraph 1 of the French Monetary and Financial Code, notably to qualified investors or a restricted circle of investors under the meaning of the said article, either in euros, or in foreign currencies or any other monetary unit established based on a group of currencies:

— ordinary shares; and/or

— equity securities giving access to other equity securities or giving the right to the allocation of debt securities (with the exclusion of preference shares); and/or

— securities giving access to equity securities to be issued (with the exclusion of preference shares);

2. resolves, in the event of the use by the Management Board of this delegation, that:

— the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation may not exceed €40,000,000 or its counter value in currency or in composite monetary units at the date of the issue decision; It is also stipulated that in the event of an offer referred to in paragraph 1 of article L. 411-2 of the French Monetary and Financial Code this amount shall be limited, in accordance with the law, to 20% of the share capital per year;

— the maximum nominal amount of issue of debt securities likely to be carried out immediately or in the future pursuant to this delegation may not exceed €300,000,000 or its counter value in currency or in composite monetary units at the date of the issue decision;

— the amounts indicated in this delegation shall be deducted from the total cap set in the twenty-sixth resolution of this General Meeting;

— to these caps shall be added, if applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, if applicable with contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital;

3. resolves to remove preferential subscription rights for shareholders to the ordinary shares and securities giving access to equity and/or debt securities under this resolution;

4. acknowledges that the decision to issue securities giving access to the share capital and/or debt securities entails the waiver by shareholders, for the benefit of the bearers of the said securities, of their preferential subscription right to the equity securities to which these securities may give rise;

5. resolves that the amount that returns, or should return, to the Company for each of the ordinary shares issued as part of this delegation, after taking into account, in the event of the issue of autonomous share subscription warrants, of the issue price of the said warrants, shall be at least equal to the minimum required by the legal and regulatory provisions applicable at the time when the Management Board implements this delegation;

6. resolves that the Management Board shall have, subject to the limits set above, with the option of subdelegation under legal conditions, the powers required notably to set the conditions of the issue(s), if applicable, record the completion of the resulting capital increases, carry out the corresponding amendment to the Articles of Association, deduct, on its own initiative, the capital increase costs from the corresponding amount of premiums and deduct from this amount the necessary amounts to take the legal reserve to one tenth of the new share capital after each increase, and more generally take all other necessary measures;

7. resolves that the Management Board may implement this delegation at any time;

8. sets at 26 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This delegation cancels with effect from this day any unused portion of any previous delegation with the same purpose.

TWENTY-FOURTH RESOLUTION

(Delegation of authority to be granted to the Management Board to decide the issue of ordinary shares and/or securities giving access to equity, up to a limit of 10% of the share capital in order to compensate contributions in kind of equity securities or securities giving access to equity, without preferential subscription rights).

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report and in accordance with Articles L. 225-147 and L. 228-92 of the French Commercial Code:

1. delegates to the Management Board its authority to carry out, upon the report by the Contributions Auditor, the issue of ordinary shares or securities giving access to equity for the purpose of compensating contributions in kind granted to the Company and comprising equity securities or securities giving access to the share capital when the provisions of Article L. 225-148 of the French Commercial Code do not apply;

2. resolves that the overall nominal amount of ordinary shares likely to be issued pursuant to this delegation may not exceed 10% of the share capital on the day of this General Meeting, not taking into account the nominal value of the ordinary shares to be issued to preserve the rights of bearers of securities giving access to the Company's equity, it being stated that the maximum nominal amount of the capital increases likely to be carried out immediately or in the future pursuant to this delegation shall be deducted from the total cap set in the twenty-sixth resolution of this General Meeting;

3. notes that the Company's shareholders shall not have preferential subscription rights to the ordinary shares and/or securities giving access to the share capital that shall be issued pursuant to this delegation, as the latter are exclusively intended to compensate contributions in kind of securities made to the Company and that the decision to issue securities giving access to the share capital shall entail waiver by shareholders of their preferential subscription right to the equity securities to which these securities give the rights;

4. delegates to the Management Board, with the option of subdelegation under legal conditions, full powers to approve the assessment of the contributions, to decide the resulting capital increase, to record the completion, to deduct, if applicable from the contribution premium all costs and rights related to the capital increase, to carry out the corresponding amendment to the Articles of Association and to take all other necessary measures;

5. resolves that the Management Board may implement this delegation at any time;
6. sets at 26 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This delegation cancels with effect from this day any unused portion of any previous delegation with the same purpose.

TWENTY-FIFTH RESOLUTION

(Delegation of authority to be granted to the Management Board to decide the issue of ordinary shares and/or securities giving access to other equity securities or giving rights to the allocation of debt securities and/or securities giving access to equity securities to be issued by the Company – with removal of preferential subscription rights – in the event of a tender offer initiated by the Company).

The General Meeting, deliberating under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the Management Board's report and the Statutory Auditors' special report, and ruling in accordance with the provisions of Articles L. 225-129 to L. 225-129-6, L. 225-148 and L. 228-92 of the French Commercial Code:

1. delegates to the Management Board its authority to decide, on one or more occasions, in the amounts and at the times it shall determine, both in France and abroad, the issue of ordinary Company shares and/or securities governed by Articles L. 228-92, 1st paragraph, and L. 228-93, 1st and 3rd paragraphs, of the French Commercial Code, giving access immediately or in the future, at any time or at a set date, by subscription, conversion, exchange, repayment, presentation of a warrant or in any other way, to shares in the Company, or giving right to the allocation of debt securities, in compensation for securities brought to any public tender including an exchange component, initiated by the Company on the securities of a company for which shares are admitted for trading on one of the markets referred to in Article L. 225-148 of the French Commercial Code;

2. resolves to waive, for the benefit of bearers of these securities, the preferential subscription rights of shareholders to these shares and/or securities to be issued in respect of this delegation;

3. resolves that:

— the maximum nominal amount of capital increases likely to be carried out immediately or in the future pursuant to this delegation is set at €40,000,000 or its counter value in currency or in composite monetary units;

— the maximum nominal amount of issues of debt securities likely to be carried out immediately or in the future pursuant to this delegation may not exceed €300,000,000 or its counter value in currency or in composite monetary units;

— the amounts indicated in this delegation shall be deducted from the total cap set in the twenty-sixth resolution of this General Meeting;

— to these caps shall be added, if applicable, the nominal value of the ordinary shares to be issued in order to preserve, in accordance with the law and, if applicable with contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital;

4. acknowledges that this delegation entails the waiver by shareholders, for the benefit of the bearers of securities issued giving access to the Company's equity, of their preferential subscription right to the shares to which the securities may give rise;

5. grants to the Management Board, with the option of subdelegation under legal conditions, full powers to implement this delegation, and notably:

— set the exchange parities as well as, if applicable, the amount of the cash payment to be made, and to recognise the number of securities contributed to the exchange;

— set the dates, issue conditions, notably the price and date of entitlement which may be retroactive, of the new ordinary shares and/or, if applicable, the securities giving access immediately and/or in the future to ordinary Company shares;

— determine and carry out all adjustments to take into account the impact of transactions in the Company's equity and set all other terms and conditions to allow the preservation, if applicable, of the rights of bearers of securities giving access to the Company's share capital or beneficiaries or share options or purchase options or free share allocations;

— and generally take all useful measures and enter into all agreements to ensure the successful conclusion of the authorised transaction, record the resulting capital increase(s) and amend the Articles of Association accordingly;

6. sets at 26 months the duration of validity of this delegation, starting from the day of this General Shareholders' Meeting.

This delegation cancels with effect from this day any unused portion of any previous delegation with the same purpose.

TWENTY-SIXTH RESOLUTION

(Total cap of capital increases)

The General Shareholders' Meeting, deliberating under the quorum and majority requirements required for Extraordinary General Shareholders' Meetings, having reviewed the Management Board report and the Statutory Auditors' special report, and in accordance with the provisions of the French Commercial Code:

1. sets the total cap of capital increases that may result, immediately or in the future, from all of the issues of ordinary shares, carried out pursuant to the delegations and authorisations granted to the Management Board by this General Shareholders' Meeting to a total maximum nominal amount of €50,000,000, not taking into account the number of shares to be issued, if applicable, in respect of adjustments conducted, in accordance with the law and the applicable contractual provisions, to preserve the rights of holders of securities giving access to equity;

2. sets at €300,000,000 the total maximum overall nominal amount of securities representing debt securities likely to be issued pursuant to the delegations and authorisations granted to the Management Board by this General Shareholders' Meeting.

TWENTY-SEVENTH RESOLUTION

(Changes to the Articles of Association)

The General Meeting, deliberating under the quorum and majority requirements required for Extraordinary General Meetings, and having reviewed the Management Board and Supervisory Board reports, resolves to delete Article 18 of the Articles of Association on the obligation for each member of the Supervisory Board to own one Company share.

TWENTY-EIGHTH RESOLUTION

Powers to perform legal formalities

The General Shareholders' Meeting deliberating with the quorum and majority conditions required for Ordinary General Shareholders' Meetings, grants full powers to the bearer of an original copy, a copy or an excerpt of the minutes of this Meeting to perform any legal formalities of filing and announcements.

21. STATUTORY AUDITORS

21.1. Main Statutory Auditors

RSM Paris.

Martine Leconte, Partner

26 rue Cambacérès

75008 Paris

First appointment: June 2017

End of term: 2023 GSM deciding on the 2022 financial statements

21.2. Potential changes

None.

22. DOCUMENTS AVAILABLE

Throughout the validity of the Universal Registration Document, the following documents (or copies of these documents) may be reviewed:

- the memorandum and Articles of Association of the Company;
- all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request, part of which is included or referred to in the Registration Document;
- pursuant to article 19 of (EU) regulation no. 2017/1129 of the European Parliament and Council of 14 June 2017, the annual financial statements relating to the financial year ended 31 December 2018 and the Statutory Auditors' report on the financial statements for that financial year can be found in the 2018 Registration Document filed with the AMF on 25 April 2019;
- pursuant to article 19 of (EU) regulation no. 2017/1129 of the European Parliament and Council of 14 June 2017, the annual financial statements relating to the financial year ended 31 December 2017 and the Statutory Auditors' report on the financial statements for that financial year can be found in the 2017 Registration Document filed with the AMF on 26 April 2018;
- the interim financial statements for the period ended 30 June 2017 appearing in the half-year financial report communicated to the public;
- the interim financial statements for the period ended 30 June 2018 appearing in the half-year financial report communicated to the public;
- the interim financial statements for the period ended 30 June 2019 appearing in the half-year financial report communicated to the public;
- the full appraisal report by Cushman & Wakefield for the assessment campaign of 31 December 2019 including the introductory presentation and notes is available on request.

The above documents can be consulted on physical media at the Company's registered office at 303 Square des Champs Elysees, 91026 Evry Cedex, France.

23. PERSONS RESPONSIBLE, THIRD-PARTY INFORMATION, EXPERT REPORTS AND APPROVAL FROM THE COMPETENT AUTHORITY

23.1. Person responsible for the Universal Registration Document

Mr Jérôme Grumler,

Chairman of the Management Board

SELECTIRENTE

303 square des Champs Elysées

91026 Evry Cedex, France

23.2. Statement by the person responsible for the Universal Registration Document

“I hereby declare, after having taken all reasonable care to ensure that such is the case, that the information contained in this Universal Registration Document is, to my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I certify, to the best of my knowledge, that the financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the Company's assets, financial position and results, and the Management Report, for which a cross-reference table can be found on page 192 of this Universal Registration Document, presents a true picture of the evolution of the Company's business, results and financial position, as well as a description of the principal risks and uncertainties it faces."

Evry-Courcouronnes, 28 April 2020

Mr Jérôme Grumler,

Chairman of the Management Board

SELECTIRENTE

Deputy Chief Executif Officer

SOFIDY, Asset Management Company of SELECTIRENTE

23.3. Statement or report by the expert, information concerning the expert and declaration of consent

Independent expert

SELECTIRENTE entrusts the valuation of its entire property portfolio to the independent expert, Cushman & Wakefield: This is done according to the rules contained in the RICS Appraisal and Valuation Manual, published by the Royal Institution of Chartered Surveyors (the Red Book) in January 2008, and the rules in force in France as defined in the Real Estate Valuation Charter of Expertise.

The calculation of the Net Asset Value as at 31 December 2019, which is reported on page 46 of this Universal Registration Document, is based on the valuations of this expert, whose report was issued in March 2020. It complies with the recommendations of CESR (Committee of European Securities Regulators) dated February 2005.

The assets held were valued on the basis of their "market value" or "fair value", i.e. "the estimated value at which an asset should be exchanged at the date of the valuation between a motivated buyer and seller, in an over-the-counter transaction where the parties act knowingly, prudently and without restrictions".

The work conducted by the expert comprises the full valuation of SELECTIRENTE's entire portfolio.

The assessment methods selected by Cushman & Wakefield are based on "the assessments and periodic updates conducted using the net income and future potential income capitalisation method". For that reason, the following definitions are used: "the capitalisation rate expresses as a percentage the ratio between the annual rent of the building and its market value, excluding acquisition costs", "the property yield rate expresses the ratio existing between the income of the building and the capital invested by the purchaser. This capital corresponds both to the purchase price paid to the seller, as well as to the acquisition costs represented by the transfer taxes, the notary fees and the related costs".

Based on the values as at 31 December 2019, the rounded net value of the ground floors in city centre buildings amounts to €267,798,000 excluding transfer duties. The rounded net value of the appraised peripheral stores amounted to €27,807,000 excluding transfer duties and of offices to €9,550,000. Only one store acquired on 16 December 2019 was not appraised.

Cushman & Wakefield's appraisal report as at 31 December 2019 can be found below.

Summary appraisal report

CUSHMAN & WAKEFIELD

PRIVATE & CONFIDENTIAL
www.cushmanwakefield.com

Overview & Methodology

SOFIDY

Valuation campaign as at 31 December 2019

SIIC Selectirente
289 commercial assets
France/Belgium

Date of value: 31 December 2019
Date of edition: 5 March 2020

Our ref: **CW2-19/171**

Cushman & Wakefield Valuation France
Tour Opus 12
77, Esplanade du Général de Gaulle
92081 Paris La Défense Cedex

Contents

SOFIDY
303, square des Champs Elysées
91026 Evry Cedex
France

Name: Patrice Roux
Email: patrice.c.roux@cushwake.com
Tel: +33 (0)1 41 02 71 74
Ref no.: CW2-19/171

To the attention of: Ms Nathalie Rouillon Puteaux, 5 March 2020

Requested by/Customer:	SOFIDY
Assets:	SIIC Selectirente – France/Belgium
Valuation date:	**31 December 2019**
Purpose:	Half-yearly valuation of SIIC Selectirente

1 Mission, Valuation

1.1 Mission

Purpose of mission

SOFIDY, represented by Ms Nathalie Rouillon, Appraisal and Reporting Manager, asked us to valuate the SIIC Selectirente property portfolio as at 31 December 2019.

This valuation is occurring for accounting and financial reporting purposes as part of the semi-annual evaluation campaign for listed property companies.

We have already valuated part of the assets comprising SIIC Selectirente's portfolio during the valuation campaign of 31 December 2018, and all assets (excluding new acquisitions) during the valuation campaign of 30 June 2019.

In accordance with our customer's instructions, we conducted either an appraisal with a visit, or a half-yearly document update.

As regards assets concerned by document-based updates, we did not implement all of the procedures normally required for appraisals. Our appraisal, therefore, was based on the elements in our possession, assuming that Crédit Foncier Expertise (for part of the assets) or Cushman & Wakefield Valuation France (for the assets subject to an appraisal with visit on 30 June 2019) had benefited from sufficient access to the appraised assets. Thus, we assumed that there were no changes in the physical, administrative or legal nature of the properties or their environment.

Values to be determined

We were asked to determine the **fair market value for the announced occupation of properties**.

Date of valuation

We were asked to determine the values as at **31 December 2019**.

Independence – Conflict of interest

We have not identified any conflicts of interest regarding the mission that you have entrusted to us.

Limitation of use and right of disclosure

Our report is prepared solely for the operation mentioned above. It may not be used for other purposes or be disclosed to third parties, without the prior authorisation of Cushman & Wakefield Valuation France.

Election of domicile

Our liability may be incurred only before the French courts.

1.2 Visits

Refer to valuation reports in the appendices.

As part of this valuation, we found that all items that may affect the value of the properties have not changed significantly since our previous visits (unless otherwise noted) or those made by Crédit Foncier Expertise.

1.3 Documents provided

Refer to valuation reports in the appendices.

We believe that the information provided to us is complete and correct. We will assume that all information that may affect the value of the properties has been provided to us and is up to date.

1.4 Taxation

Cushman & Wakefield Valuation France cannot be held liable for the application of tax conditions different from the ones used in these valuations.

1.5 Comments on estimated values

The values determined at the end of this mission and mentioned in the summary table (Appendix) were established based solely on the documents in our possession. They therefore assume that all items that may have an influence on our estimate have been submitted to us.

The values determined also assume that the properties are in compliance with all laws and regulations in force, with respect to the environment (pollution or harmful substances such as lead, radon or asbestos), urban planning, taxation and the operation of their equipment.

The contents of this Document are strictly confidential. Its distribution and use are limited to the scope of the mission mentioned above and in accordance with the Appraisal Agreement between Cushman & Wakefield Valuation France and the Customer. It may not be, in whole or in part, disclosed or quoted orally to third parties, or mentioned in any other document, circular or statement intended for publication without the written consent of Cushman & Wakefield Valuation France as to the form and circumstances under which it may appear. In certain circumstances, such as a valuation based on confidential information or an improper inspection, any disclosure or publication of this Document may be prohibited and this paragraph amended.

1.6 IFRS 13

IFRS 13 ("International Financial Reporting Standards") was approved by EU Regulation no. 1255/2012 of 11 December 2012. IFRS 13 applies to IFRS that require or allow Fair Value appraisals or the disclosure of information on Fair Value, with exceptions that are not presented here.

Hereafter, we provide the definition of Fair Value, however this does not substitute for the full reading of the standard and is not sufficiently comprehensive to allow for its correct application.

We considered that all Fair Values for Selectirente's assets are of level 3 due to the contamination of non-observable data used in our appraisals.

1.7 Valuation

The properties are described in Section 2 – Description of Portfolio of this Report and our market analysis is detailed in Section 4 – Market Study. The valuations presented below cannot be read separately from the other sections of this Report.

The Appendices of this Report contain information concerning the real estate and the details of our calculations. They may also include various plans, maps and photographs. Any plan, map or photograph included in this Report or its Appendices is for identification purposes only.

Market value

Given the assumptions and comments made in this Report and its Appendices, we arbitrate the Market Value of SIIC Selectirente's properties as at **31 December 2019** as follows:

€304,597,000 excluding purchasing costs

(Three hundred and four million, five hundred and ninety-seven thousand euros excluding purchasing costs)

The value mentioned above was established based solely on the documents in our possession. It therefore assumes that all items that may have an influence on our estimate have been submitted to us. If a new significant item affecting the technical, legal or tax characteristics of the property should occur, our valuation should be reviewed and the value of the property may be modified. The value determined also assumes that the properties are in compliance with all laws and regulations in force, with respect to the environment (pollution or harmful substances such as lead, radon or asbestos), urban planning, taxation and the operation of their equipment.

The contents of this Report are strictly confidential. Its distribution and use are limited to the scope of the mission mentioned above, in accordance with the Appraisal Agreement mentioned in the section "Purpose of mission". It may not be, in whole or in part, disclosed or quoted orally to third parties, or mentioned in any other document, circular or statement intended for publication without the written consent of Cushman & Wakefield Valuation France as to the form and circumstances under which it may appear. In certain circumstances, such as a valuation based on confidential information or an improper inspection, any disclosure or publication of this Report may be prohibited and this paragraph amended.

Should you require any information that you may find useful concerning this Report, Ms, please do not hesitate to contact us.

Patrice Roux, MRICS, REV

International Partner

Valuation & Advisory France

Cushman & Wakefield Valuation France

2 Description of portfolio

2.1 Scope of study

We have valuated the following assets:

Portfolio of REIT Selectirente					Weighted area Sqm	Type of mission as of 31 December 219
GAGI	Country	City	Postal Code	Address		
432	France	Nanterre	92000	4, place Gabriel Péri	34	Desktop valuation
433	France	Paris	75011	124, boulevard Richard Lenoir	45	Desktop valuation
435	France	Brest	29200	275, route de Gouesnou	930	Desktop valuation
436	France	Le Mans	72000	24-30, rue Roger de la Fresnaye	869	Desktop valuation
437	France	Paris	75016	47, rue d'Auteuil	115	Desktop valuation
438	France	Paris	75016	152, avenue Victor Hugo	48	Desktop valuation
439	France	Paris	75020	39, rue des Pyrénées	49	Desktop valuation
440	France	Paris	75018	40, rue Damrémont	87	Desktop valuation
443	France	Paris	75017	8 rue de Tocqueville	49	Desktop valuation
445	France	Paris	75009	44 rue Notre-Dame de Lorette	75	Desktop valuation
446	France	Paris	75009	47, rue des Martyrs	53	Desktop valuation
447	France	Paris	75009	17, rue du Faubourg Montmartre	53	Desktop valuation
451	France	Bourg-en-Bresse	1000	20, avenue Pablo Picasso	808	Desktop valuation
453	France	Douai	59500	244, avenue Denis Cordonnier	464	Desktop valuation
455	France	Paris	75009	59 Bis-61, rue Jean-Baptiste Pigalle	111	Desktop valuation
458	France	Asnières-sur-Seine	92600	47, avenue de la Marne	54	Desktop valuation
460	France	Fontenay-sous-Bois	94120	10 place du Général Leclerc	160	Desktop valuation
461	France	Bidart	64210	Quartier Agoretta	2140	Desktop valuation
462	France	Paris	75012	6, rue de Lyon	35	Desktop valuation
463	France	Paris	75017	67, rue de Levis	40	Desktop valuation
464	France	Paris	75017	17, rue Jouffroy d'Abbans	46	Desktop valuation
466	France	Dourdan	91410	60, rue de Chartres	129	Desktop valuation
467	France	Creil	60100	Quartier République	100	Desktop valuation
468	France	Versailles	78000	6, place Hoche	44	Desktop valuation
469	France	Les Ulis	91940	6, avenue du Cap Horn	1571	Desktop valuation
470	France	Paris	75011	36, rue Sedaine	113	Desktop valuation
471	France	Paris	75014	181, rue d'Alésia	26	Desktop valuation
472	France	Bois-Colombes	92270	13-25, rue des Bourguignons	257	Desktop valuation
473	France	Paris	75008	27-29, rue de Penthièvre	30	Desktop valuation
474	France	Paris	75013	187 Bis, rue de Tolbiac	45	Desktop valuation
475	France	Paris	75018	13, rue de Trétaigne	107	Desktop valuation
477	France	Paris	75015	109-111, rue Lecourbe	66	Desktop valuation
478	France	Puteaux	92800	109, rue Jean Jaurès	50	Desktop valuation
479	France	Paris	75016	41, rue La Fontaine	191	Desktop valuation
480	France	Paris	75001	5, rue du Marché Saint-Honoré	32	Desktop valuation
481	France	Paris	75017	81, avenue de Clichy	65	Desktop valuation
482	France	Rueil-Malmaison	92500	7-9, rue Paul Vaillant Couturier	56	Desktop valuation
483	France	Pontoise	95300	9, rue de l'Hotel de Ville	55	Desktop valuation
484	France	Paris	75005	8, boulevard Saint-Marcel	42	Desktop valuation
485	France	Paris	75017	1, rue du Colonel Moll	54	Desktop valuation
487	France	Paris	75013	46, boulevard Arago	121	Desktop valuation
491	France	Paris	75017	9, avenue Niel	127	Desktop valuation
492	France	Paris	75020	68-70, rue Belgrand	38	Desktop valuation
493	France	Paris	75020	11-13, rue Menilmontant	121	Desktop valuation
494	France	Paris	75016	47, rue Erlanger	101	Desktop valuation
495	France	Paris	75010	61, rue de Lancry	73	Desktop valuation
499	France	Orléans	45100	Rue Anthelme Brillat Savarin	1228	Desktop valuation
502	France	Les Pavillons-sous-Bois	93320	Boulevard Roy	186	Desktop valuation
503	France	Les Pavillons-sous-Bois	93320	Place de la Gare de Gargan	45	Desktop valuation
504	France	Saint-Ouen-l'Aumône	95310	13, rue du Général Leclerc	166	Desktop valuation
505	France	Saint-Brice-sous-Forêt	95350	Rue du Luat	1266	Desktop valuation
506	France	Quétigny	21800	15, boulevard du Grand Marché	617	Desktop valuation

Portfolio of REIT Selectirente					Weighted area Sqm	Type of mission as of 31 December 219
GAGI	Country	City	Postal Code	Address		
508	France	Portet-sur-Garonne	31120	14, allée Pablo Picasso	1115	Desktop valuation
509	France	Paris	75009	43, rue de Provence	57	Desktop valuation
521	France	Paris	75016	23, rue d'Auteil	53	Desktop valuation
522	France	Paris	75009	14, rue Notre-Dame de Lorette	36	Desktop valuation
523	France	Asnières-sur-Seine	92600	190, rue des Bourguignons	28	Desktop valuation
524	France	Paris	75001	144-146, rue Saint-Honoré	60	Desktop valuation
546	France	Boulogne-Billancourt	92100	1, rue Heinrich	126	Desktop valuation
549	France	Auch	32000	58, avenue des Pyrénées	335	Desktop valuation
553	France	Paris	75005	70, boulevard Saint-Marcel	32	Desktop valuation
555	France	La Rochelle	17000	51, rue des Merciers	101	Desktop valuation
559	France	Levallois-Perret	92300	53, rue Marius Aufan	63	Desktop valuation
560	France	Levallois-Perret	92300	2 Bis, rue Camille Pelletan	23	Desktop valuation
563	France	Paris	75008	59, boulevard de Courcelles	78	Desktop valuation
565	France	Paris	75017	28, place Saint-Ferdinand	271	Desktop valuation
566	France	Dorlisheim	67120	Rue Mercure	327	Desktop valuation
581	France	Paris	75008	8, rue de Marignan	39	Desktop valuation
599	France	Le Raincy	93340	122, avenue de la Résistance	113	Desktop valuation
606	France	Nanterre	92000	13-14, place Gabriel Péri	90	Desktop valuation
607	France	Paris	75019	129, avenue Simon Bolivar	153	Desktop valuation
619	France	Beauvais	60000	Rue Henri Becquerel	800	Desktop valuation
644	France	Argenteuil	95100	108, rue Paul Vaillant Couturier	318	Desktop valuation
645	France	Paris	75010	196, rue Saint-Maur	29	Desktop valuation
651	France	Paris	75008	5-7, rue Laborde	256	Desktop valuation
652	France	Paris	75001	44, rue du Louvre	520	Desktop valuation
662	France	Epinay-sur-Orge	91360	140 Bis, Grande Rue	152	Desktop valuation
763	France	Longjumeau	91160	66-72, rue François Mitterrand	118	Desktop valuation
783	France	Asnières-sur-Seine	92600	86-92, boulevard Voltaire	163	Desktop valuation
784	France	Fleury-lès-Aubray	45400	Rue André Desseaux	4000	Desktop valuation
790	France	Paris	75010	96, rue de Maubeuge	46	Desktop valuation
803	France	Paris	75010	138, rue du Faubourg Poissonnière	136	Desktop valuation
814	France	Paris	75011	31, boulevard Richar Lenoir	126	Desktop valuation
824	France	Vaulx-en-Velin	69120	7, rue des Frères Lumières	4372	Desktop valuation
825	France	Paris	75008	38, rue Laborde	52	Desktop valuation
838	France	Maurepas	78310	5-7, allée d'Auxois	31	Desktop valuation
839	France	Corbeil-Essonnes	91100	39-41, rue Saint-Spire	74	Desktop valuation
840	France	Corbeil-Essonnes	91100	63, rue Saint-Spire	45	Desktop valuation
841	France	Epinay-sur-Seine	93800	44, rue de Paris	58	Desktop valuation
848	France	Paris	75008	8, rue de Courcelles	52	Desktop valuation
851	France	Paris	75015	366, rue de Vaugirard	125	Desktop valuation
852	France	Maisons-Alfort	94700	99, avenue du Général Leclerc	55	Desktop valuation
853	France	Arpajon	91290	9-18, rue Gambetta	538	Desktop valuation
859	France	Arpajon	91290	1, rue Victor Hugo	37	Desktop valuation
860	France	Arpajon	91290	18, rue Gambetta	28	Desktop valuation
870	France	Paris	75006	33, rue Saint-André des Arts	48	Desktop valuation
871	France	Fontainbleau	77300	10, rue Aristide Briand	103	Desktop valuation
873	France	Corbeil-Essonnes	91100	9, rue du Grand Pignon	31	Desktop valuation
874	France	Versailles	78000	25-27, rue Hoche	88	Desktop valuation
877	France	Corbeil-Essonnes	91100	2, rue des Rosiers	36	Desktop valuation
878	France	Corbeil-Essonnes	91100	32, rue Saint-Spire	35	Desktop valuation
880	France	Manosque	4100	230, avenue de la Libération	158	Desktop valuation
882	France	Paris	75009	68, rue Lafayette	57	Desktop valuation
883	France	Paris	75018	111, rue du Mont-Cenis	249	Desktop valuation
889	France	Paris	75018	57, rue Ordener	35	Desktop valuation
890	France	Paris	75011	7-9, rue de Charonne	39	Desktop valuation
891	France	Paris	75010	255, rue du Faubourg Saint-Martin	75	Desktop valuation
892	France	Paris	75017	30, rue Brochant	47	Desktop valuation
894	France	Paris	75004	4, rue du Roi de Sicile	73	Desktop valuation
895	Belgique	Namur	5000	254, Chaussée de Louvain	1000	Desktop valuation
932	France	Saint-Quentin	2100	9-13, rue de la Sellerie	745	Desktop valuation
939	France	Paris	75002	108, rue Réaumur	183	Desktop valuation
940	France	Paris	75007	21, avenue de la Motte-Picquet	27	Desktop valuation

Portfolio of REIT Selectirente					Weighted area Sqm	Type of mission as of 31 December 219
GAGI	Country	City	Postal Code	Address		
949	France	**Vannes**	56000	Zone Commercial de Kerlann	**1369**	Desktop valuation
992	France	**Le Raincy**	93340	14, avenue de la Résistance	**409**	Desktop valuation
996	France	**Paris**	75001	55, rue des Petits Champs	**39**	Desktop valuation
1000	France	**Paris**	75016	14, avenue de Versailles	**79**	Desktop valuation
1004	France	**Gratentour**	31150	6, rue Léo Ferré	**243**	Desktop valuation
1012	France	**Paris**	75016	142, avenue de Versailles	**43**	Desktop valuation
1026	France	**Lille**	59000	253, rue Léon Gambetta	**686**	Desktop valuation
1045	France	**Puygouzon**	81990	5, rue Pasteur	**1075**	Desktop valuation
1049	France	**Paris**	75007	74, rue Saint-Dominique	**30**	Desktop valuation
1050	France	**Paris**	75010	17, rue Château Landon	**39**	Desktop valuation
1051	France	**Paris**	75012	12, rue d'Aligre	**32**	Desktop valuation
1052	France	**Paris**	75016	115, rue Lauriston	**43**	Desktop valuation
1053	France	**Paris**	75017	110, rue des Dames	**325**	Desktop valuation
1054	France	**Aillant-sur-Tholon**	89110	14, rue des Ponts	**153**	Desktop valuation
1055	France	**Paris**	75007	56, rue Saint-Dominique	**124**	Desktop valuation
1056	France	**Paris**	75007	114, rue Saint-Dominique	**69**	Desktop valuation
1057	France	**Courbevoie**	92400	83, rue de Bezons	**127**	Desktop valuation
1058	France	**Courbevoie**	92400	1 Bis, avenue Marceau	**185**	Desktop valuation
1108	France	**Toulouse**	31000	1, rue Maury	**64**	Desktop valuation
1109	France	**Dijon**	21000	17, rue de la Liberté	**937**	Desktop valuation
1115	France	**Manosque**	4100	230 B, avenue de la Libération	**800**	Desktop valuation
1116	France	**Paris**	75008	29, rue de Turin	**29**	Desktop valuation
1132	France	**Les Andelys**	27700	37, place Nicolas Poussin	**766**	Desktop valuation
1137	France	**Toulon**	83000	7, rue Berthelot	**58**	Desktop valuation
1143	France	**Albertville**	73200	8, rue Gambetta	**122**	Desktop valuation
1145	France	**Lyon**	69009	6, rue Sergent Michel Berthet	**163**	Desktop valuation
1149	France	**Montargis**	45200	34, rue Dorée	**80**	Desktop valuation
1154	France	**Paris**	75015	201, rue de la Convention	**33**	Desktop valuation
1155	France	**Corbeil-Essonnes**	91100	8, rue Saint-Spire	**76**	Desktop valuation
1158	France	**Corbeil-Essonnes**	91100	39-41, rue Saint-Spire	**47**	Desktop valuation
1159	France	**Troyes**	10000	31, rue Louis Mony	**44**	Desktop valuation
1163	France	**Paris**	75011	196, boulevard Voltaire	**131**	Desktop valuation
1168	France	**Toulouse**	31000	43-45, rue des Filatiers	**42**	Desktop valuation
1170	France	**Nice**	6000	53, rue Beaumont	**104**	Desktop valuation
1250	France	**Aix-en-Provence**	13100	13, rue Matheron	**22**	Desktop valuation
1253	France	**Grenoble**	38000	1, place Grenette	**244**	Desktop valuation
1254	France	**Grenoble**	38000	16, rue Jean-Jacques Rousseau	**223**	Desktop valuation
1258	France	**Paris**	75009	3, rue de Provence	**43**	Desktop valuation
1261	France	**Bourges**	18000	89, rue Mirebeau	**37**	Desktop valuation
1270	France	**Paris**	75017	36 Bis, rue Jouffroy	**43**	Desktop valuation
1273	France	**Paris**	75011	31, boulevard Voltaire	**111**	Desktop valuation
1274	France	**Paris**	75011	55-57, rue de la Roquette	**156**	Desktop valuation
1292	France	**Paris**	75015	11, rue Beaugrenelle	**97**	Desktop valuation
1293	France	**Paris**	75017	17, rue Guersant	**147**	Desktop valuation
1294	France	**Paris**	75002	112, rue Réaumur	**88**	Desktop valuation
1299	France	**Paris**	75015	67-69, rue du Commerce	**60**	Desktop valuation
1305	France	**Semur-en-Auxois**	21140	32, place Notre-Dame	**163**	Desktop valuation
1306	France	**La Verpillière**	38290	2, rue de la République	**185**	Desktop valuation
1307	France	**Anost**	71550	Le Bourg	**163**	Desktop valuation
1308	France	**La Tour-du-Pin**	38110	Rue Pierre Vincendon	**1676**	Desktop valuation
1316	France	**Châteaurenard**	45220	83, rue des Peupliers	**1319**	Desktop valuation
1320	France	**Alba-la-Romaine**	7400	Place de la Poste	**279**	Desktop valuation
1321	France	**Sancerre**	18300	8, rue des 3 Piliers	**147**	Desktop valuation
1325	France	**Marseille**	13007	27-29, rue Pasteur	**179**	Desktop valuation
1328	France	**Saint-Jean-Bonnefonds**	42320	Place de la République	**120**	Desktop valuation
1333	France	**Boulogne-sur-Mer**	62200	22-26, boulevard de Clocheville	**955**	Desktop valuation
1362	France	**Bussy-Saint-Georges**	77600	2, rue Aristide Maillol	**114**	Desktop valuation
1370	France	**Paris**	75009	3, boulevard Rochechouart	**112**	Desktop valuation
1371	France	**Paris**	75004	2-4, rue Ferdinand Duval	**115**	Desktop valuation
1372	France	**Paris**	75003	92, rue de Turenne	**116**	Desktop valuation
1373	France	**Asnières-sur-Seine**	92600	31-33, Grande Rue Charles de Gaulle	**113**	Desktop valuation

Portfolio of REIT Selectirente					Weighted area Sqm	Type of mission as of 31 December 219
GAGI	Country	City	Postal Code	Address		
1381	France	Paris	75017	236-236 Bis, boulevard Pereire	309	Desktop valuation
1418	France	Paris	75011	119, boulevard Voltaire	95	Desktop valuation
1426	France	Bourges	18000	5, boulevard Clémenceau	306	Desktop valuation
1439	Belgique	Antwerpen	2000	Jezusstraat 8	131	Desktop valuation
1501	France	Château-Gontier	53200	62, avenue Carnot	120	Desktop valuation
1511	France	Saint-Chamond	42400	71, rue de la République	192	Desktop valuation
1544	Belgique	La Louvière	7100	50, rue Albert 1er	70	Desktop valuation
1560	France	Paris	75017	81, avenue de Wagram	72	Desktop valuation
1561	France	Auxerre	89000	11, place Charles Lepère	173	Desktop valuation
1568	France	Paris	75001	78, rue Jean-Jacques Rousseau	42	Desktop valuation
1574	Belgique	Mortsel	2640	Mechelsesteeweg 60-62	525	Desktop valuation
1592	France	Paris	75004	19, rue des Ponts	64	Desktop valuation
1608	France	Neuilly-sur-Seine	92200	102, avenue Achille Peretti	863	Desktop valuation
1706	Belgique	Mol	2400	Statiestraat 38 A-40	395	Desktop valuation
1721	France	Dreux	28100	7, rue de Parisis	245	Desktop valuation
1746	France	Sens	89100	101, Grande Rue	57	Desktop valuation
1747	France	Paris	75012	27 Ter, boulevard Diderot	48	Desktop valuation
1786	France	Paris	75012	140, avenue Daumesnil	74	Desktop valuation
1815	Belgique	Bruxelles	1180	Chaussée d'Alsemberg 749	60	Desktop valuation
1831	France	Le Mans	72000	39, rue des Minimes	115	Desktop valuation
1834	France	Dreux	28100	10, Grande Rue Maurice Viollette	81	Desktop valuation
1835	France	Paris	75008	86, avenue de Miromesnil	119	Desktop valuation
1844	France	Lyon	69002	27, rue de Brest	118	Desktop valuation
1847	Belgique	Bruxelles	1180	Chaussée d'Alsemberg 839	59	Desktop valuation
1851	France	Blois	41000	25-27, rue Denis Papin	432	Desktop valuation
1852	France	Rouen	76000	70, rue du Gros Horloge	53	Desktop valuation
1853	France	Arras	62000	32, rue Ernestale	61	Desktop valuation
1856	France	Paris	75017	34, rue des Ternes	217	Desktop valuation
1859	France	Marseille	13006	66, rue de Rome	93	Desktop valuation
1864	France	Laval	53000	41, rue du Général de Gaulle	197	Desktop valuation
1868	France	Vichy	3200	12, rue Georges Clémenceau	563	Desktop valuation
1872	France	Dieppe	76200	84-8,6 Grande rue	89	Desktop valuation
1877	France	Brest	29275	70, rue de Siam	491	Desktop valuation
1879	France	Dijon	21000	27, rue de la Liberté	57	Desktop valuation
1881	France	Avignon	84000	1, rue Henri Fabre	74	Desktop valuation
1888	France	Toulouse	31000	11, place Wilson	145	Desktop valuation
1892	France	Nantes	44000	8, rue de la Barillerie	28	Desktop valuation
1903	France	Paris	75015	15, rue Violet	28	Desktop valuation
1912	France	Paris	75015	65, rue de la Convention	44	Desktop valuation
1916	France	Paris	75017	3, rue Rennequin	31	Desktop valuation
1918	France	Paris	75017	87, avenue de Clichy	61	Desktop valuation
1922	France	Arles	13200	45, rue de la Rébuplique	40	Desktop valuation
1933	France	Amiens	80000	23-25, place René Goblet	126	Desktop valuation
1934	France	Versailles	78000	5, rue du Général Leclerc	101	Desktop valuation
1935	France	Paris	75008	101, boulevard Haussmann	118	Desktop valuation
1940	France	Paris	75006	10, rue du Cherche Midi	62	Desktop valuation
1948	France	Antibes	6600	15, boulevard Albert 1er	65	Desktop valuation
1965	France	Saint-Germain-en-Laye	78100	29-31, rue de Pologne	55	Desktop valuation
1966	France	Paris	75007	22, rue de Grenelle	49	Desktop valuation
1969	France	Paris	75011	147, boulevard Voltaire	65	Desktop valuation
1977	France	Paris	75014	14, avenue Jean Moulin	26	Desktop valuation
1986	France	Paris	75012	251, avenue Daumesnil	42	Desktop valuation
1990	France	Paris	75001	9, rue Jean-Jacques Rousseau	22	Desktop valuation
2016	France	Paris	75017	46, avenue Niel	88	Desktop valuation
2021	France	Avignon	84000	Rue Portail Matheron	75	Desktop valuation
2043	France	Paris	75018	25, rue Lambert	42	Desktop valuation
2132	France	Paris	75012	32, rue du Faubourg Saint-Antoine	134	Desktop valuation
2133	France	Thonon-lès-Bains	74200	9, avenue du Général de Gaulle	744	Desktop valuation
2134	France	Vendôme	41100	71-73, rue du Change	124	Desktop valuation
2135	France	Saintes	17100	44, cours National	326	Desktop valuation
2139	France	Angers	49000	12, rue Saint-Aubin	80	Desktop valuation

Portfolio of REIT Selectirente					Weighted area Sqm	Type of mission as of 31 December 219
GAGI	Country	City	Postal Code	Address		
2140	France	Angers	49000	7-13, rue Saint-Aubin	77	Desktop valuation
2144	France	Toulouse	31000	45, rue des Tourneurs	178	Desktop valuation
2264	France	Avignon	84000	24, rue de la Croix	109	Desktop valuation
2265	France	Avignon	84000	25, rue de la Croix	64	Desktop valuation
2307	France	Paris	75014	90, rue Didot	22	Desktop valuation
2366	France	Avignon	84000	7, rue des Marchands	50	Desktop valuation
2384	France	Paris	75013	115, avenue d'Italie	54	Desktop valuation
2385	France	Clermont-Ferrand	63000	11, rue du 11 Novembre	63	Desktop valuation
2398	France	Lyon	69005	2, rue Saint-Jean	160	Desktop valuation
2406	France	Issy-les-Moulineaux	92130	36-36 Bis, rue Ernest Renan	63	Desktop valuation
2410	France	Paris	75002	31, boulevard de Bonne-Nouvelle	84	Desktop valuation
2414	France	Paris	75009	29, rue du Faubourg Montmartre	52	Desktop valuation
2440	France	Paris	75006	21, rue des Grands Augustins	25	Desktop valuation
2444	France	Paris	75016	23, rue des Belles Feuilles	36	Desktop valuation
2455	France	Paris	75014	7, rue Brezin	54	Desktop valuation
2456	France	Paris	75010	65, rue du Faubourg du Temple	74	Desktop valuation
2461	France	Paris	75017	89, avenue des Ternes	31	Desktop valuation
2462	France	Paris	75005	135, boulevard Saint-Michel	58	Desktop valuation
2466	France	Montpellier	34000	47, Grande Rue Jean Moulin	26	Desktop valuation
2469	France	Paris	75017	44, avenue de la Grande Armée	225	Desktop valuation
2479	France	Paris	75003	28, rue Rambuteau	27	Desktop valuation
2483	France	Lyon	69003	54, cours de la Liberté	86	Desktop valuation
2485	France	Clermont-Ferrand	63000	2, rue Jean Rochon	57	Desktop valuation
2486	France	Rouen	76000	35, rue du Gros Horloge	93	Desktop valuation
2488	France	Lyon	69008	60, avenue des Frères Lumières	31	Desktop valuation
2513	France	Paris	75016	100, rue Chardon Lagache	87	Valuation with inspection
2515	France	Paris	75012	254, avenue Daumesnil	49	Valuation with inspection
2527	France	Bordeaux	33000	28-30, cours de l'Intendance	2345	Valuation with inspection
2530	France	Paris	75001	10, rue du Mont Thabor	33	Valuation with inspection
2531	France	Paris	75001	24, quai du Louvre	46	Valuation with inspection
2532	France	Paris	75016	95, rue de Longchamp	76	Valuation with inspection
2533	France	Paris	75005	5, rue Saint-Jacques	51	Valuation with inspection
2534	France	Paris	75016	146, rue de la Pompe	87	Valuation with inspection
2535	France	Paris	75004	16, rue de Rivoli	61	Valuation with inspection
2537	France	Paris	75005	36, rue Mouffetard	16	Valuation with inspection
2538	France	Paris	75007	1-3, place du Palais Bourbon	117	Valuation with inspection
2539	France	Paris	75016	80, avenue Paul Doumer	153	Valuation with inspection
2541	France	Paris	75008	66, boulevard Marlesherbes	84	Valuation with inspection
2542	France	Paris	75017	26, rue Poncelet	56	Valuation with inspection
2543	France	Paris	75008	27, boulevard Malesherbes	199	Valuation with inspection
2544	France	Paris	75007	12, place Joffre	174	Valuation with inspection
2545	France	Paris	75017	21, rue Poncelet	93	Valuation with inspection
2546	France	Paris	75016	44, avenue Georges V/ 1, rue Vernet	87	Valuation with inspection
2549	France	Paris	75015	75-77, rue de la Convention	140	Valuation with inspection
2550	France	Paris	75015	79, rue de la Convention	71	Valuation with inspection
2551	France	Paris	75016	140, rue de la Pompe	40	Valuation with inspection
2559	France	Paris	75001	31, rue du Jour	49	Valuation with inspection
2590	France	Paris	75004	52, rue Saint-Louis en L'Ile	26	Valuation with inspection
2555	France	Paris	75010	139, avenue Parmentier	57	Valuation with inspection
2558	France	Paris	75012	56, boulevard de Picpus	159	Valuation with inspection
2554	France	Paris	75009	2, Square Trudaine/52, rue des Martyrs	101	Valuation with inspection
2589	France	Paris	75015	83, rue de la Convention	150	Valuation with inspection
2556	France	Paris	75017	2, rue Gustave Doré	36	Valuation with inspection
2557	France	Paris	75018	67, rue Caulaincourt	37	Valuation with inspection
TOTAL					63 096	

2.2 Technical and environmental audit

We are not aware of any technical audit or environmental report regarding the assets designated above. We have therefore assumed in the context of our study that there is no item that may affect the use and valuation of the 289 assets that constitute the SIIC Selectirente portfolio.

2.3 CDAC and ERP regulations

We have not received any information concerning the property situation with regard to the Departmental Commission for Commercial Development (CDAC) and/or the laws respecting Public Establishments (ERPs). We have therefore assumed that the current operation of each asset is in line with the standards and regulations in force.

2.4 Condition of surface areas

The surface areas taken into account come mainly from the various leases submitted, rental statements provided, reports by Crédit Foncier Expertise or information collected during our visits. They must be considered subject to a survey by an Expert Surveyor. We have assumed in our valuations that they are useful surfaces. In our valuations, we have used them as they are. However, if a modification of these surface areas were to be noted during the preparation of a surface area report by an Expert Surveyor, the value of the assets in question should be reviewed and could be modified.

Furthermore, in accordance with our customer's request, for assets subject to a document update, the weighted surface areas selected are from the reports prepared by Crédit Foncier Expertise. Therefore, we do not guarantee these appraisals.

2.5 Legal situation

Generally speaking, no title deeds have been submitted to us. In the absence of such document, and unless otherwise indicated as may sometimes appear in commercial leases or presentation files, we found that the assets concerned were held in full ownership or that they did not suffer any penalising easement that might affect their valuation or use.

2.6 Rental analysis

Rental situation

To establish the rental situation of each asset as at 31 December 2019, we considered the various items that were submitted to us, namely leases, riders, requests for vacations or renewals, rental status, etc.

Recoverable and non-recoverable expenses

We did not receive an operating statement containing the level of recoverable or non-recoverable expenses per tenant. However, data relating to the level of non-recoverable charges have, on occasion, been disclosed to us.

Since the level of recoverable and non-recoverable expenses has an impact on the value of the properties, if the assumptions that we used for the valuation were to be modified, the value of each real estate asset concerned should be reviewed.

2.7 Urban planning

Refer to valuation reports in the appendices.

Subject to the issuance of urban planning certificates, we will assume that all of the information provided is accurate and that the urban planning departments have not omitted any items that might affect our valuation.

3 Definitions of values

Fair value

“Fair value is the price that would be received to sell an asset or pay to transfer a liability in an orderly transaction between market participants on the valuation date.

An entity should measure the fair value of an asset or liability using assumptions that market participants would use to price the asset or liability, assuming that market participants act in their best economic interest.

- An entity must determine all of the following:
- the specific asset or liability undergoing valuation;
- for a non-financial asset, the “highest and best use”;
- the market in which a normal transaction would take place (main market or the most advantageous market).

The highest and best use of a non-financial asset is determined by taking into account its current or alternative use by market participants that would maximise the value that is physically possible, legally permissible and financially feasible, taking into account the costs of reconversion.

Highest and best use is determined from the point of view of market participants, even if the entity anticipates a different use. However, the entity's current use of a non-financial asset is assumed to be the highest and best use, unless the market or other factors suggest that market participants could maximise the value of the asset by using it differently.

An entity shall use valuation techniques that are appropriate to the circumstances and for which data are available in sufficient quantity to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs”.

Prioritisation of fair value

The fair value of assets must be prioritised according to the parameters used, not according to the valuation methods:

- “Level 1 data: unadjusted listing (price) available on the valuation date in active markets for identical goods;
- Level 2 data: observable (developed using market data such as information published about actual transactions that reflects the assumptions that market participants would use to set a price), directly or indirectly, not part of level 1;
- Level 3 data: unobservable”.

When, for the same method, the parameters have different levels, the fair value is categorised as the least significant categorised parameter (contamination of parameters).

This prioritisation makes it possible to calibrate the financial communication for each asset class. For Level 2 and 3 fair values, the entity shall provide descriptions of the measurement methods and parameters.

More specifically, regarding Level 3 fair values, the entity must disclose the following items:

- quantitative information on significant unobservable parameters;
- justification of any transfers from one level to another;
- description of valuation processes;

- narrative description of sensitivities.

Market value

"The market value is the sum of money estimated against which a property is exchanged, on the valuation date, between a willing buyer and a willing seller in a balanced transaction, after proper marketing, in which both of the parties have acted with full knowledge, cautiously and without pressure.

As a consequence, the valuation of the market value is made under the following conditions:

- the free will of the seller and the buyer (willing buyer and seller);
- the provision of a reasonable period of time for negotiation, taking into account the nature of the asset and the market situation, (after proper marketing);
- the property has been offered for sale under the usual market conditions, without reservations, with adequate resources;
- the absence of a personal convenience factor and the concept of balance in the negotiation (arms-length transaction)".

For most situations, this Market Value also corresponds to the Fair Value under IFRS.

Market rental value

"The market rental value corresponds to the amount for which a property could reasonably be rented at the time of the appraisal. It is analysed as the annual financial consideration for the use of real estate under a lease agreement".

"The market rental value corresponds to the amount that should be obtained from a tenant so that it can possess the use of a property under usual conditions of occupation for the relevant category of buildings, if the following conditions are deemed to be met:

- the free will of the owner and the tenant;
- entry into an agreement under normal conditions with regard to the practices in force on the relevant real estate market;
- the provision of a reasonable time for negotiation prior to the signing of the lease;
- prior presentation of the property at market conditions, without reservation, with adequate marketing rents;
- the absence of a personal convenience factor;
- a balanced and independent relationship between lessee and lessor".

In accordance with the Barthès de Ruyter Report, the assets studied will be valued using two methods, at least one of which shall be chosen from among them: "by direct comparison" or "by income".

4 Market Analysis

4.1 Economic environment

Never change a winning recipe

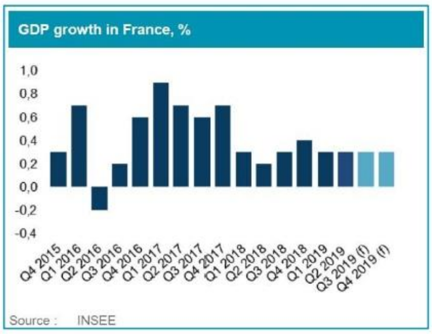
Resilience: the French exception

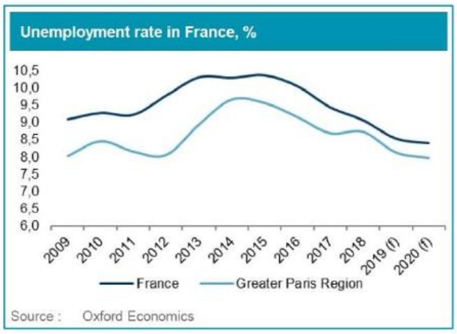
In France, Q2 ended with growth in perfect alignment with the forecast results for Q1 (+0.3%). This is also the forecast by economists for Q3 and Q4 with estimated growth at the end of the year of 1.3%, mainly due to domestic demand. This is an honourable performance if we take into account the deterioration in economic conditions on a European level, starting with Italy and especially Germany where it is hard to maintain competitiveness, particularly in the industrial sector.

The French economy is supported by a sustained robust business climate which has remained at its level of last June (106.2). Consumer morale has risen to a level unseen for 20 months with gradual but very constant growth (index 104). This success takes place in an international environment affected by numerous uncertainties including the still nebulous outcome of Brexit and the acceleration of tensions between China and the USA with their repercussions on international trade. French foreign trade (+0.1% and 0% over the first two quarters) could be adversely affected by this situation with a slowdown in exports up to now driven by aeronautical and naval deliveries. Notwithstanding a certain return to confidence for French households, savings are a safe investment that generate a surplus which has increased since the start of the year (15.1% of savings rate compared to 13.8% in 2017). This mattress could support consumption for which growth since the start of the year has been at around +0.3% per quarter. For the moment, consumption is stimulated by managed inflation and the increase in purchasing power made possible by the various measures implemented at the start of the year (exceptional bonus, decrease in housing tax, etc.).

Lower unemployment figures

Paid job creations continued their positive momentum, although at a more moderate pace in Q2 (+0.2% vs. +0.4% in Q1), with a less visible effect from supported employment than previously. This slight slowdown, reflected across all business activities, contributed, however, to bringing the unemployment rate down by 0.2 points in Q2 to 8.2% in June, the lowest level for 10 years. INSEE forecasts a rate of 8.3% at the end of the year thanks to the net creation of over 250,000 jobs by end 2019. Despite this, France remains behind the euro zone (-1.6 points since mid 2017) for which the unemployment rate is estimated at 7.6% for 2019.





4.2 Market and brands barometer

A place in the sun

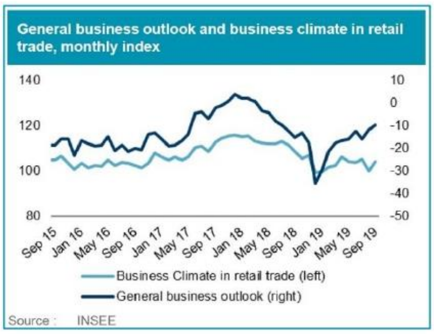
An endless summer

The signs of a return to confidence seen during the 1st half year were confirmed during the summer. Company directors once again showed optimism with a general business prospects index that remains negative but that has improved to its level of summer 2018 (-9.8). The retail business climate has also improved after a slight slowdown during August. This momentum depends on whether the social movements resume in September: transport strikes and the potential return of the Gilets Jaunes (Yellow Vest) movement will condition the mood and outlook for the end of the year. However, the gains appear to have already benefited consumer revenue. The decreases in social contributions and the partial exemption from housing tax have enabled the most vulnerable households to release some pressure. This gain in purchasing power contributed to supporting the growth in the consumption of certain items over the last 12 months (+3.8% in household equipment, +1% in durable goods), despite an overall consumption at end August down by -0.8% year-on-year.

A breath of fresh air in city centres

The return to optimism was reflected in the revenue of specialist retailers, which has improved since May according to the figures published by PROCOS. Consumers have reconciled themselves with city centre stores, which are the main beneficiaries of this upturn, supported by favourable summer weather (+2.9% in July and +3.6% in August). Conversely, the outskirts lost 2 points in August, mainly hampered by shopping centres (-1.4% in August). The CNCC announces an increase in performance since May with growth in the cumulative index over 8 months of 0.7%. It also confirms the good performance of the city centres.

Whilst sales in predominantly food retailers have been mainly stable since the start of the year (+0.2%), the performance of small stores followed a more erratic trajectory, notably during the summer months with a positive cumulative performance of +1.9% between January and August. Various sectors that have been relatively adversely affected up to now such as clothing and games/toys showed signs of recovery between June and August (respectively +5.2% and +4.7%). These glimmers of hope take place at a time when a number of store brands have revised their development strategies downwards, even arbitrating radically in order to maintain their larger-scale profit levels.



4.3 City centres

At the heart of the retail business

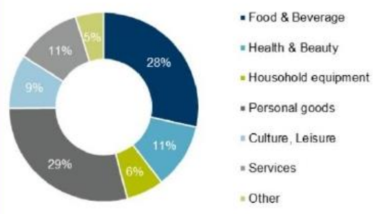
Eternal city centres

The recovery in traffic noted during the summer period has not calmed the concerns of retail players, on the brand side, for lessors and for local authorities. Whilst a number of initiatives are being implemented within mid-sized province cities, identified by the "Action Coeur de Ville" plan, we will need to wait to see the effects, given the diversity of local issues and the electoral calendar over the next few months. Whilst awaiting the tangible results for the regional market, the rental activity for city centre retail over the last nine months has been concentrated in the Ile-de-France region (63%) including 57% for the capital, above the average of the last five years (51%). Personal equipment (clothing, shoes and jewellery) took over from Food & Beverage thanks to changes in the Parisian market in this sector, notably in the Marais district which continues to move upmarket. With the arrival of VEJA rue du Poitou, Aristocrazy rue des Francs-Bourgois and Deckers/UGG rue Vieille du Temple, the "premium / trendy" combination in the district is now well established. This momentum has also reinforced the weight of the Right Bank in the Parisian market which concentrated 80% of the year's transactions at end September. Movements are expected on the rue de Rivoli, with various portions experiencing different destinies, starting with the "La Samaritaine" sector which should emerge by 2020. With the opening of the large DFS store and the "Cheval Blanc" hotel, this landscaped and partly pedestrianised island will impose itself as a new retail hub generating an upmarket movement in the sector, forming a new strategic triangle with the Forum des Halles and the Marais district.

Elasticity of values

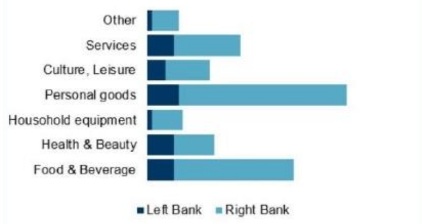
The difference is growing within the market for city centre retail, which is strongly determined by changes in demand and their repercussions on rental values. The most attractive roads in Paris and the regional metropolitan areas (no. 1 roads and luxury roads) are still sought after, whereas demand is declining for secondary roads. It is also dictated by surface size; the "boutique" format, i.e. surface areas less than 600 m² are still sought after by brands that continue their development strategies. Conversely, the attractiveness of "medium and large surface areas" has tended to decline, leading to downward movements in rental values for this type of surface area.

High street openings in % by activity, France (Q1-Q3 2019)



Source : Cushman & Wakefield

Parisian openings by activity, Q1-Q3 2019



Source : Cushman & Wakefield

4.4 Investment market

A market that regains its spark

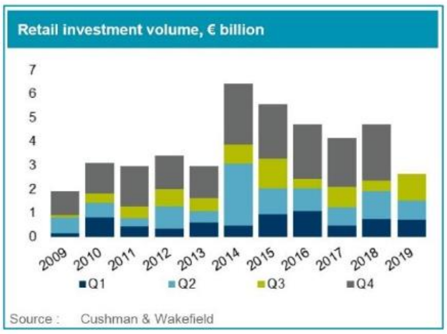
Satisfaction

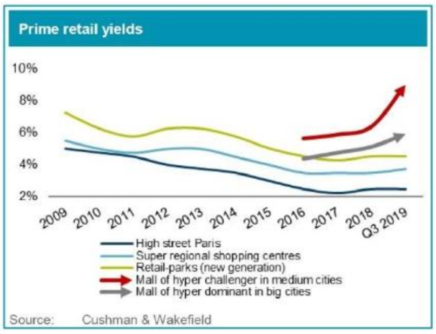
Hopes that weren't in vain… After a sluggish 1st half year, the 3rd quarter was up to expectations and gave new life to the retail investment market, with apologies to "retail bashers". Thus, over €2.6 billion had been invested in retail at end September, over 10% higher than the volume for the same period in 2018! Thanks to this excellent 3rd quarter, the share of retail in the ordinary real estate market regained one point at 13% of the total volume invested at end September. This performance is partly due to the return of large volumes over €100 million with 6 transactions compared to 5 at end September 2018. This volume pack is relatively well spread between non-specialist mainly food asset portfolios (Casino/Fortress portfolio, Monoprix portfolio acquired by Mata Capital), city centre assets (avenue Montaigne) and shopping centres with the completion of the acquisition of the "Passage du Havre" in Paris by AXA IM-RA.

The latest transactions confirm the supremacy of city centre assets which concentrate over half of the investments in volume at end September with €1.3 billion (64% in Ile-de-France). Avenue Montaigne returned to the front of the stage and recorded three major transactions totalling almost 15% of the investments over the period. Mainly food assets take 2nd place (21% of the amount invested) thanks to the continued divestment operations by Casino Group, taking the share of the portfolios to 53% (45% in 2018). The return of large volumes, combined with a number of transactions down by -20% year-on-year, mechanically increased the unit amount which went over the threshold of €20 million per transaction.

A target of shopping centres

Despite a relative improvement in the economic situation over the last few months, the upwards adjustments to rates of return continued in shopping centres, and particularly hypermarket shopping centres, under the combined effect of a slowdown in revenue and a continued vacancy for this type of centre. This is also the case for city centre assets located on secondary roads whereas prime and notably "luxury" roads continue to resist this dilation phenomenon, as seen in the transactions recently observed in the market. Recent transactions and those expected before the end of the year once again highlight this increasing revaluation adjustment between "core" assets and "opportunistic" products.





5 Valuation methodology

In accordance with the Barthès de Ruyter Report, the assets studied were valued using the yield and comparison methods.

Income capitalisation method

This approach is generally used to value buildings likely to be placed on the investment market.

It consists of applying a yield to a potential or rental income.

The yield is estimated by comparison with the market and is based mainly on the intended use and location of the estimated properties (industrial premises, warehouses, offices, etc.).

The value thus obtained includes transfer duties. The amount of duties must be deducted to obtain a net market value for the seller.

Comparison method

This consists of comparing the property being appraised to transactions made on assets that are equivalent or whose characteristics are the closest in nature and location at a date as close as possible to the date of the appraisal.

6 Assumptions and definitions

6.1 Scope of our involvement

Surface areas

We conduct our appraisals based on the land and building surface areas as described in the information and documents provided to us (subject to verification and certification by an Expert Surveyor). We do not perform any tests if this service is not included in our engagement letter.

Equipment

We do not carry out any tests of operations, wear and tear or conformity to the standards of "buildings by destination", nor any tests involving electrical, electronic, heating or other equipment, or pipes.

We take into account the information collected and assume that all equipment is in satisfactory working order. In addition, we assume that all equipment includes the electronic devices necessary for their own operation.

Title deeds

Our mission does not include the examination of title deeds or the control of compliance of existing buildings with Building Permit laws.

Our conclusions therefore assume that the property conforms to the laws and regulations in force.

Rental situations

In the case of buildings that are leased to third parties, we base our study on the rental situation provided to us and assume that no subsequent agreement has resulted in a change in the amounts collected for rent or ancillary charges.

Undisclosed information

It is our Customer's responsibility to provide us with all relevant information necessary for our valuation.

If, for example, no real or incidental rights granted to a third party or easements or hidden defects that may disturb the enjoyment of the estimated buildings are reported to us, we presume that they do not exist.

Urban planning

During physical inspections, we carry out surveys of urban planning data concerning the properties to be appraised when this information seems necessary to us and when it is not provided by our Customer. This urban planning data statement is not a certification of urban planning data and when this information has a strong impact on the value of the property, we advise our customers to have it validated by a professional (lawyer, architect, notary, etc.).

Environmental issues

Our mission does not include a technical component concerning land and buildings, as we assume that they are in compliance with the regulations in force, in particular those concerning pollution or environmental protection, and that they do not contain any substance (such as asbestos) that presents a danger in that area.

Sustainable development

The latest developments in sustainable development are strong (pressure from public opinion, changing regulations and awareness of market players) and could change values in the future.

Our valuations to date may not take into account future market assessments as well as regulatory changes.

Use by us of the data or documents submitted by our Customer

Our involvement consists in recording in these data or documents the information relevant to our valuation. We do not conduct a full reading of the documents submitted, let alone an audit of those documents, which is the responsibility of other professionals.

Changes in law

Our valuations do not include any anticipations of laws or regulations that are not of an official and definitive nature, even if we can assume that there is a consensus on the changes in such laws or regulations. This rule applies in particular to environmental legislation.

Accounting data

In particular, we do not control or test some of the accounting data given to us, for example as part of the valuation of a hotel, leisure residence or retirement home.

Taxation

The reform of 11 March 2010, which amended the conditions for being subject to the VAT regime, makes application thereof in the context of real estate disposals subject to commitments or options taken by the parties.

Regarding potential options and commitments, they are not known until the transaction has been made. Consequently, without precise knowledge of all of these parameters, we conducted this appraisal by situating ourselves conventionally in the most probable case, and implicitly positing certain assumptions.

Cushman & Wakefield Valuation France cannot be held liable for the application of tax conditions different from the ones used in this appraisal.

Pinel Act

The recently adopted Pinel Act modified the principles of recoverability of works, charges and taxes. In our valuation, we made assumptions to estimate the net income generated by the property to be valued. Nevertheless, to date, there are still many uncertainties about the impact and the consideration of this new regulation by the market. Please note the fact that these uncertainties could have an impact on values.

We advise you to contact a specialised lawyer to better understand the uncertainties related to the interpretation of this new regulation.

6.2 Definitions of main values

Market value

"The market value is the sum of money estimated against which a property is exchanged, on the valuation date, between a willing buyer and a willing seller in a balanced transaction, after proper marketing, in which both of the parties have acted with full knowledge, cautiously and without pressure.

As a consequence, the valuation of the market value is made under the following conditions:

• the free will of the seller and the buyer (willing buyer and seller);

• the provision of a reasonable period of time for negotiation, taking into account the nature of the asset and the market situation (after proper marketing);

• the property has been offered for sale under the usual market conditions, without reservations, with adequate resources;

• the absence of a personal convenience factor and the concept of balance in the negotiation (arms-length transaction)".

For most situations, this Market Value also corresponds to the Fair Value under IFRS.

Rental value

"The market rental value corresponds to the amount for which a property could reasonably be rented at the time of the appraisal. It is analysed as the annual financial consideration for the use of real estate under a lease agreement".

"The market rental value corresponds to the amount that should be obtained from a tenant so that it can possess the use of a property under usual conditions of occupation for the relevant category of buildings, if the following conditions are deemed to be met:

• the free will of the owner and the tenant;

• entry into an agreement under normal conditions with regard to the practices in force on the relevant real estate market;

• the provision of a reasonable time for negotiation prior to the signing of the lease;

• prior presentation of the property at market conditions, without reservation, with adequate marketing rents;

• the absence of a personal convenience factor;

• a balanced and independent relationship between lessee and lessor".

23.4. Statement related to third-party information

This information has been faithfully reproduced and, as far as the Company is aware and in a position to ensure it in the light of the data provided by the real estate experts, no fact has been omitted that would make the information reproduced inaccurate or misleading.

The Company declares that all valuations of the real estate assets come from the experts except as mentioned on page 46 of this Universal Registration Document.

23.5. Approval from the competent authority

This Universal Registration Document was filed on 28 April 2020 with the AMF, as the competent authority pursuant to Regulation (EU) 2017/1129 of 14 June 2017, without prior approval pursuant to Article 9 of said regulation.

SELECTIRENTE's Universal Registration Document may be used for the purpose of a public offer of securities or the admission of securities to trading on a regulated market if it is supplemented by a securities note, and if applicable, a summary and all amendments made to the Universal Registration Document. The set of documents is approved by the AMF pursuant to (EU) regulation no. 2017/1129.

Avenue de la Grande Armée – Paris (17th)

24. CROSS-REFERENCE TABLES

24.1. Cross-reference table for the Universal Registration Document

The information is available at the following site: http://www.selectirente.com/informations-reglementees/.

The following cross-reference table identifies the main headings required by appendices 1 and 2 of the Delegated Regulation in accordance with the layout of the Universal Registration Document.

Information that is not applicable to the Company is indicated as "n.a.".

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24.2. Cross-reference table of the annual financial report

The Universal Registration Document includes all of the components of the annual financial report referred to in Articles L. 451-1-2 I of the French Monetary and Financial Code and 222-3 of the AMF General Regulation.

The following cross-reference table refers to extracts from the Universal Registration Document corresponding to the different headings of the annual financial report.

Information that is not applicable to the Company is indicated as "n.a.".

	Annual Financial Report	**Universal Registration Document**	
		Chapter/Section	**Page(s)**
1	Parent company financial statements	19.1	80-83
2	Consolidated financial statements	n.a.	n.a.
3	Statutory Auditors' report on the parent company financial statements	20.5	136-146
4	Statutory Auditors' report on the consolidated financial statements	n.a.	n.a.
5	Management report including as a minimum the information referred to in articles L. 225-100-1 I, L. 225-100-1 II, L. 225-211 paragraph 2	Refer to the cross-reference table for the Management Report below	
6	Statement by the person responsible for the annual financial report	23.2	164

24.3. Cross-reference table of the Management Report

The Universal Registration Document includes all of the components of the Management Report referred to in articles L. 225-100 et seq. and L. 232-1 of the French Commercial Code as well as the corporate governance report pursuant to articles L. 225-37 et seq. of the French Commercial Code.

The following cross-reference table refers to extracts from the Universal Registration Document corresponding to the different headings of the Management Report.

Information that is not applicable to the Company is indicated as "n.a.".

Management Report		Universal Registration Document	
		Chapter/Section	Page(s)
I.	**The Company's business**		
1.	Company's position during the past financial year (Article L. 232-1, French Commercial Code)	3.2/3.3/6	11-14/29-41
2.	Future strategy and outlook (Art. L. 232-1, French Commercial Code)	3.1	10-11
3.	Subsequent events (Art. L. 232-1, French Commercial Code)	n.a.	n.a.
4.	Report on the business and results of subsidiaries (Art. L. 233-6, French Commercial Code)	6	29-41
5.	Existing branches (Art. L. 232-1, French Commercial Code)	n.a.	n.a.
6.	Objective and comprehensive analysis of the change in the Group's business, results and financial position (Art. L. 225-100-1, paragraph 1 and L. 233-6, French Commercial Code)	3/6	10-14/29-41
7.	Key indicators of financial performance (Art. L. 225-100-1, paragraph 2, French Commercial Code)	19	80-111
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9.	Stakes acquired or takeovers occurring within companies whose registered offices are in France (Art. L. 233-6, French Commercial Code)	n.a.	n.a.
10.	Name of companies controlled and share of the capital that they hold (Art. L. 233-13, French Commercial Code)	4.3	16
11.	Notice of holdings of over 10% of the share capital in another company by cross shareholdings/investments (R. 233-19 French Commercial Code)	6.3	34-35
12.	Research and development activities (L. 232-1, French Commercial Code)	7.3.4	48
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III.	**Corporate governance report (Art. L. 225-37 et seq., French Commercial Code)**		
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2.	Structure of the annual compensation received by the executive corporate officers	12.2/20.2	62/121-123
3.	Components of compensation, indemnities or benefits due or likely to be payable in the event of the takeover, termination or change of function or subsequent to the exercise of this for the benefit of executive corporate officers	12.2/20.2	62/121-123
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SELECTIRENTE

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