

THE FRENCH LISTED PROPERTY COMPANY SPECIALISED IN CITY-CENTRE RETAIL STORES

**Presentation of 2024
activity and results**

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PRESENTATION OF THE SPEAKERS



Jérôme Descamps

*Chairman
of SELECTIRENTE Gestion*



Dany Abi Azar

*CFO
of SELECTIRENTE Gestion*

SUMMARY

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Key figures and highlights

02

Activity and operating performance

03

2024 Results

04

Outlook



RESILIENCE OF SHOPS AND CITY CENTRES



Household consumption:

+0.9%

Estimated for 2025



75%

of French people try to shop in physical stores rather than on the internet**



Retail investment:

€2.5bn

in 2024



64%

of consumers believe that physical shops are an important contact point, even if they buy online from the same retailer**

Major trends favoring local retail in France

- **Food shops transactions** accounted for more than 25% of the volume invested in France during the first semester of 2024. Renewed interest in **short distribution channels** and "consuming local"
- The concept of the "quarter-hour city": traffic flows are at the heart of town centre activity. There are fewer and fewer cars in cities, with the development of soft mobility, and retailers are rolling out their "city" concept (IKEA, Decathlon, Leroy Merlin, Castorama, Boulanger, etc.)
- Return of **foreign retailers** (47 new retailers by 2023) and proliferation of new retailers catering to the needs of the **Y, Z and Silver generations**
- **Dynamic tourist flow** and positive impact of the 2024 Olympic Games (15 million visitors in Paris) for some of the best Parisian locations (vacancies down)
- **Consumption expected to pick up** - backdrop of steady decline in inflation and a recovery in purchasing power

KEY FIGURES AND HIGHLIGHTS

01

KEY FIGURES OF 2024

€576m

Value of assets excluding
transfer duties

94.1%

Average annual financial
occupancy rate

397 Assets
and
510 tenants

€30m

Gross rental income
(Rents : +3.0% on a like-for-like basis)

€6.85/share

IFRS net income
(+117% vs 2023)

€4.9/share

EPRA Earnings
(-9% vs 2023)

€91.3/share

EPRA NDV
(+ 1,1% vs 2023)

€4.6/share

Net Operating Cash Flow
(+ 3,2% vs. 2023)

34.9%

EPRA LTV
(vs 36,9 % at the end of December 2023)

2024 SUMMARY



Return to investment with the acquisition of a commercial premises in Rue de Rivoli



Dynamic and rigorous rental activity in 2024 in terms of relocations and lease renewals



Continuation of the arbitrages programme in 2024, with the disposal of 20 assets for €14m, generating a distributable capital gain of €5m (€1.2/share).



Return to growth in asset value in 2024 (+1.6% on a like-for-like basis), testifying to the quality of the portfolio and asset locations



Financial structure strengthened by €80m refinancing deal



ESG :

- Conversion of €80m refinancing into a Sustainability Linked Loan (SLL)
- First EPRA Bronze award

ACTIVITY AND OPERATING PERFORMANCE

02

ACQUISITION

A HIGH-QUALITY ASSET IN THE HEART OF PARIS

Acquisition (IR): €2.9m

- 200 m² of retail premises
- Rue de Rivoli (1st arrondissement of Paris)
- Leased for 6 years
- An immediate yield of 5.5
- Near to soft mobility solutions

- Ability to seize market opportunities
- Highly selective investment strategy



STRATEGIC DISPOSALS VALUE CREATION & ASSET OPTIMISATION

Since its creation, SELECTIRENTE has demonstrated its strong resilience and ability to create value by selling non-strategic or mature assets at attractive prices to optimise its portfolio.

CREATING VALUE

Results through **capital gains** from the sale of mature assets:

- **Value creation** already achieved and **market value** at the top
- **Proven market liquidity** to optimise asset sale price



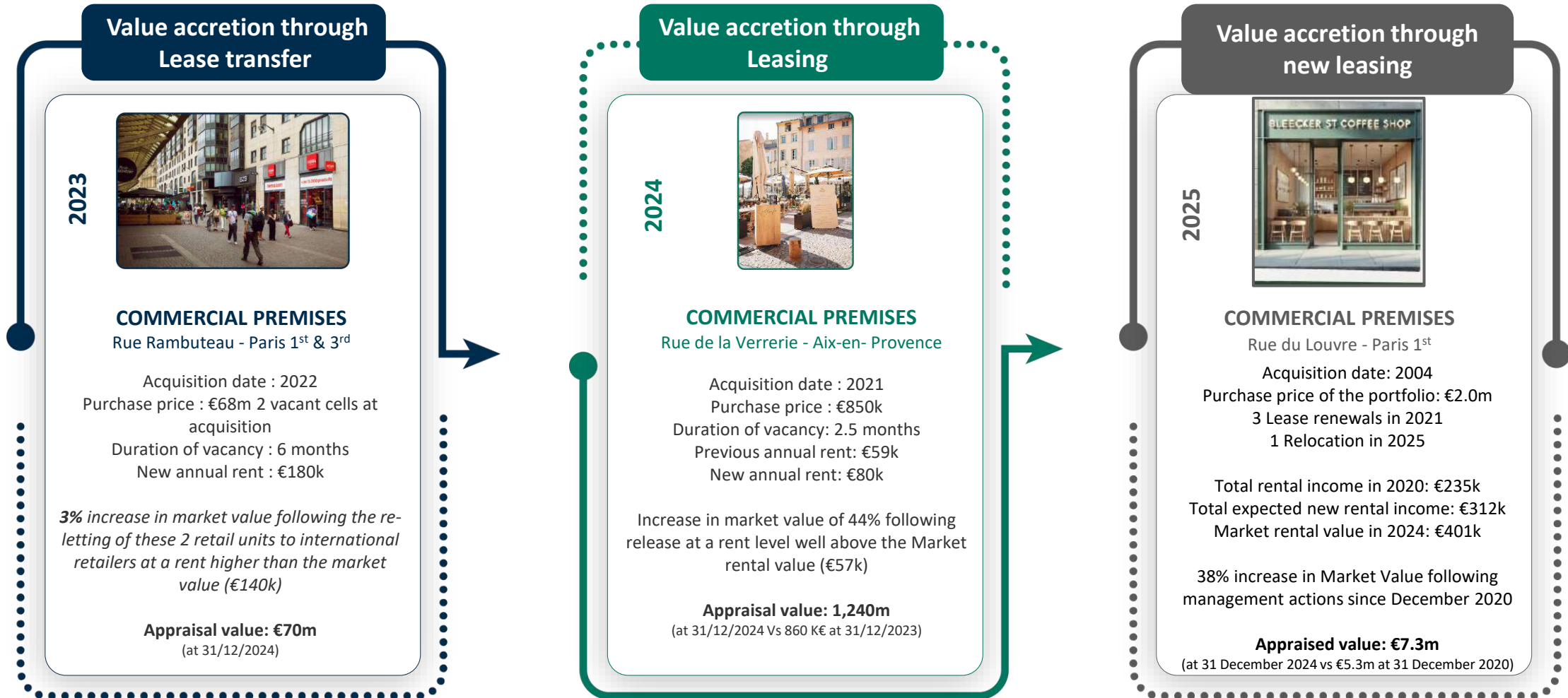
REFOCUSING THE ASSETS

- **Selling assets** that no longer correspond to investment target SELECTIRENTE's
- Protecting against **future vacancies**
- Assets requiring future **capital expenditure**
- Preferably **sold** to a user or a developer

2024 Disposals: 20 assets:

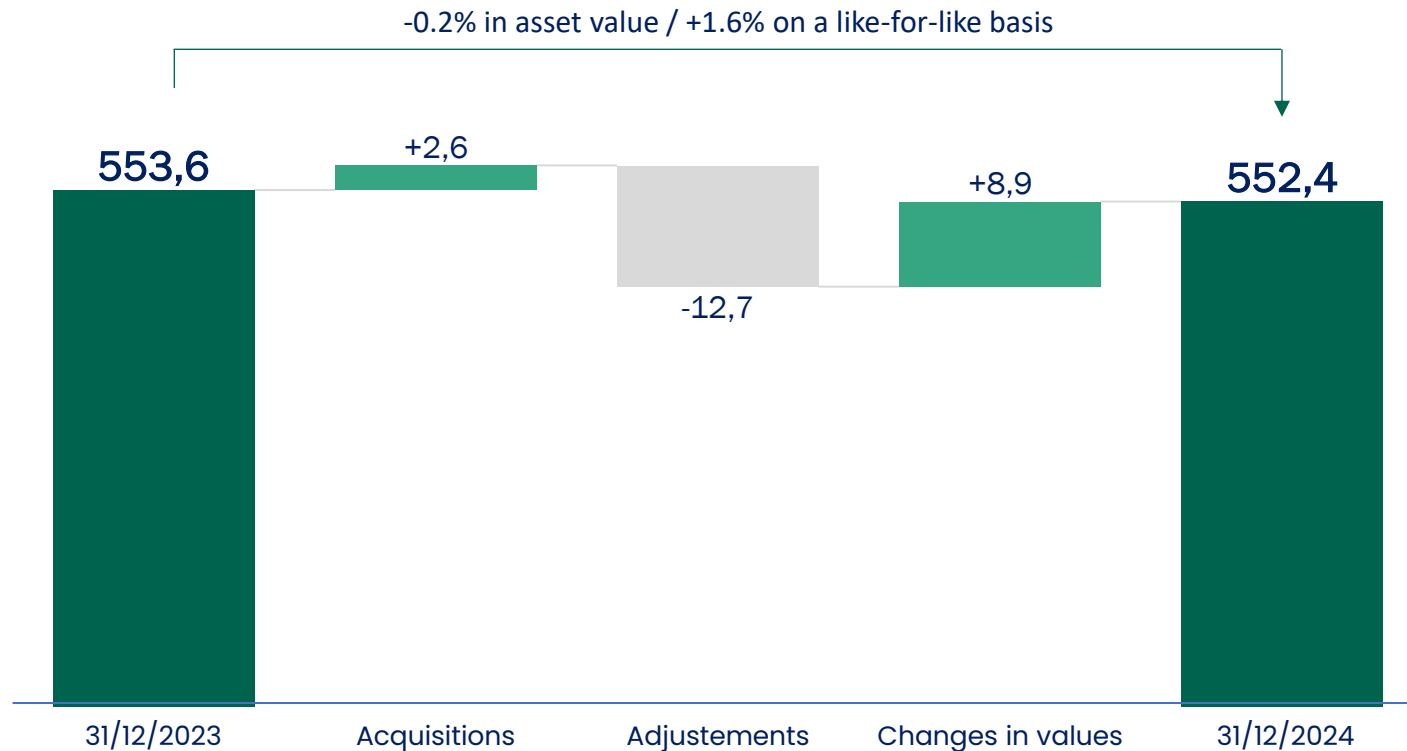
- Sale price excluding duties of **€14.1m**
- Distributable capital gain of **€5.0m (€1.2€/share)**

ASSET MANAGEMENT A KEY PILLAR OF VALUE CREATION



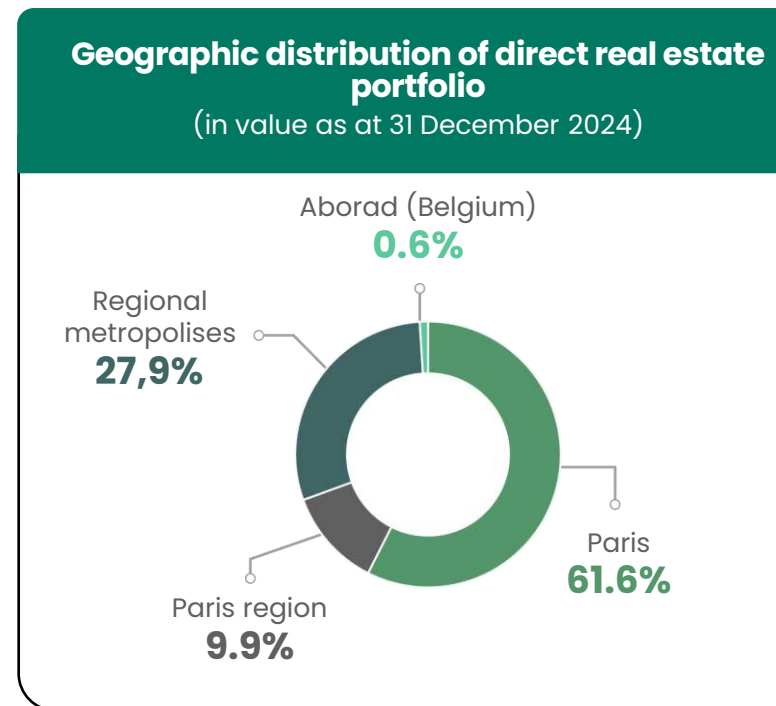
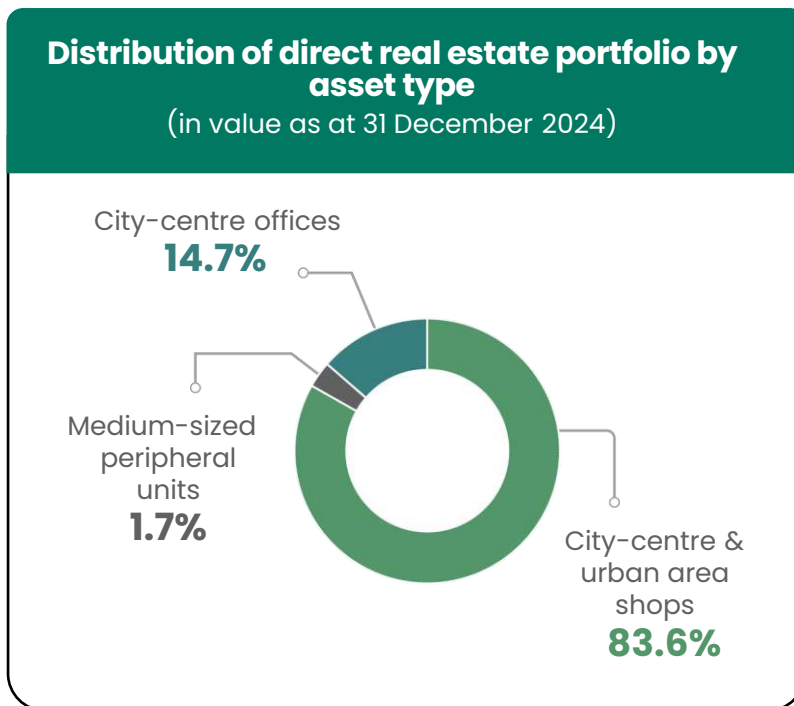
AN INCREASE IN THE VALUE OF ASSETS +1.6% on a like-for-like basis

EVOLUTION IN THE VALUATION OF DIRECT REAL ESTATE ASSETS (€M)



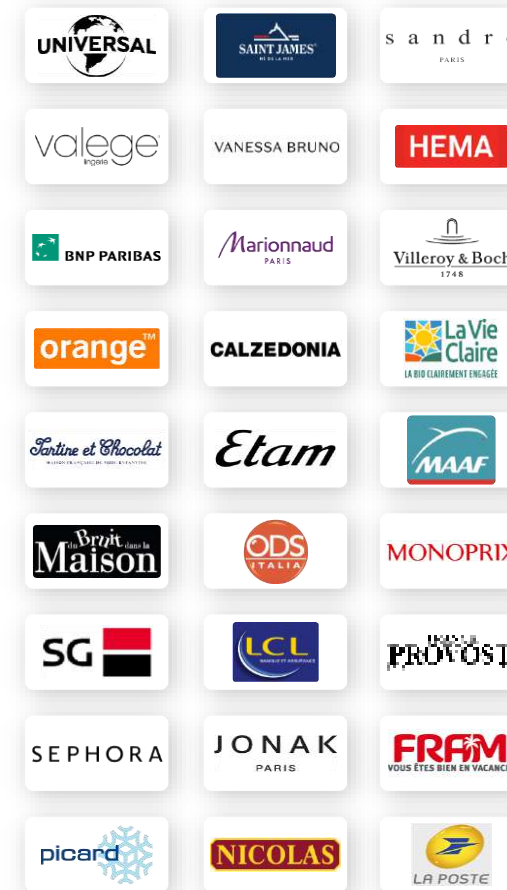
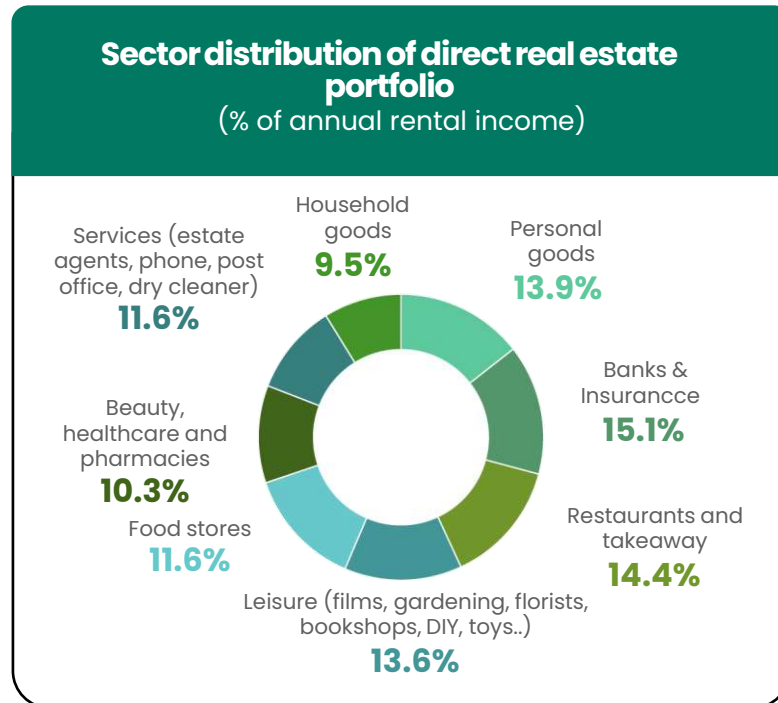
DIVERSIFICATION OF THE PORTFOLIO AT THE END OF DECEMBER 2024

A granular & diversified portfolio of high quality, directly owned properties, with 84% of the portfolio consisting of city-centre retail properties, more than 60% of which are located in Central Paris



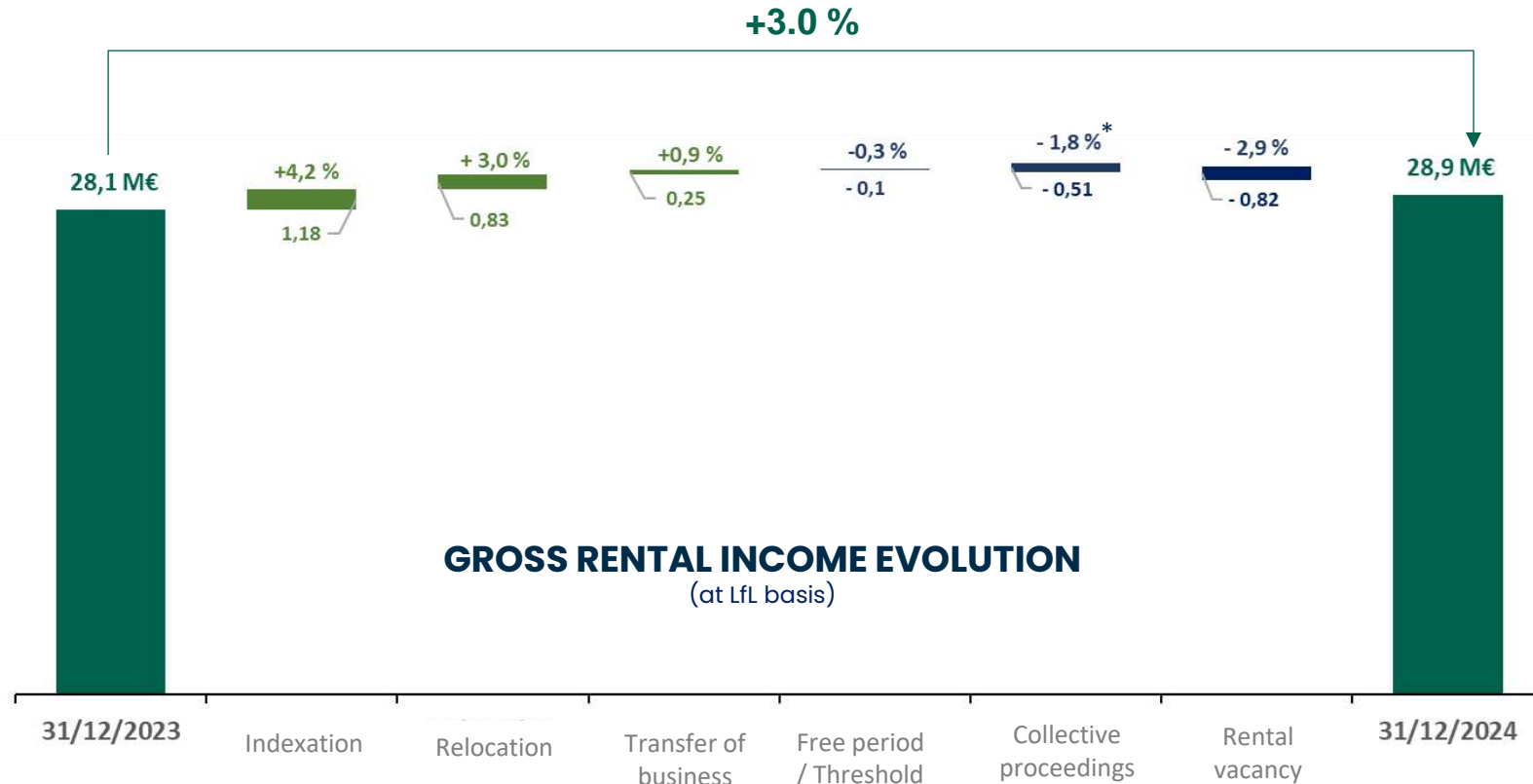
THE GRANULARITY OF THE PORTFOLIO AT THE END OF DECEMBER 2024

The granularity & diversification of SELECTIRENTE’s tenants is in the core DNA and investment strategy of the company



RENTAL GROWTH ON A LIKE-FOR-LIKE BASIS

- Rents : +3% on a like-for-like basis
- Gross rental income: €30m, -2%.



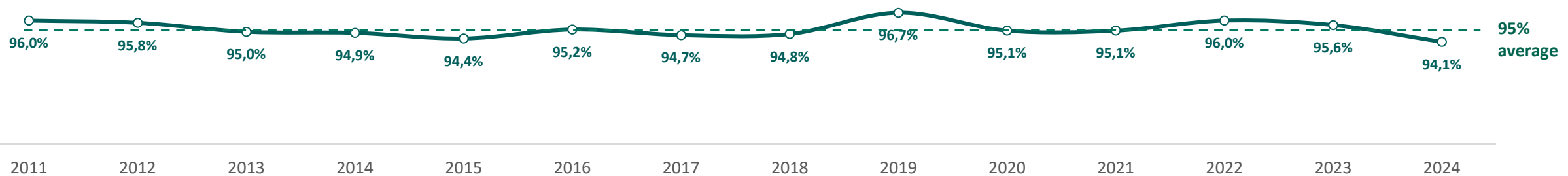
*** Insolvency proceedings:**

- Slight decrease mainly due to the 29 tenants subject to compulsory liquidation in 2023 and 2024, in line with the trend in business insolvencies recorded in France in 2023 and 2024.
- Of these 29 vacant properties, the Company has relet 13 to date, with an increase in the new annual rent of 19% compared with the last annual rent invoiced.

DYNAMIC RENTAL MANAGEMENT EVOLUTION & RESILIENCE



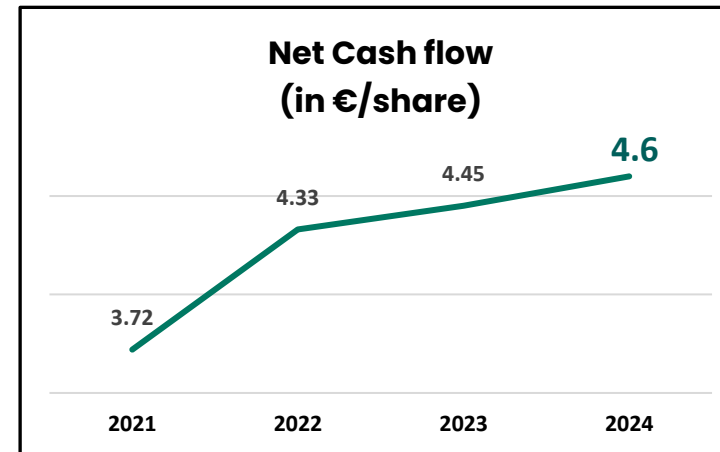
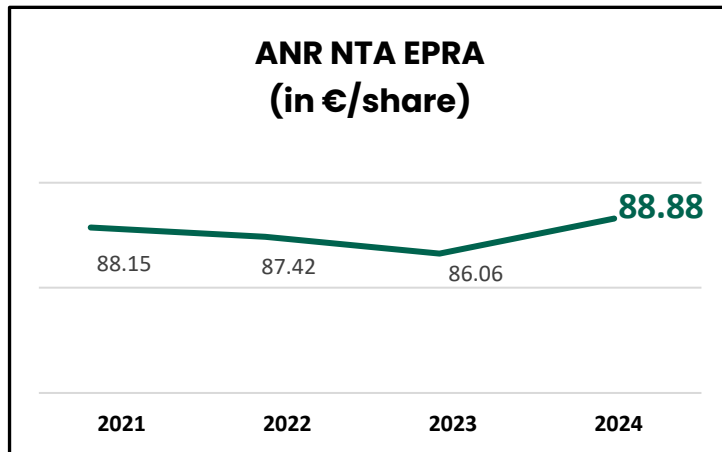
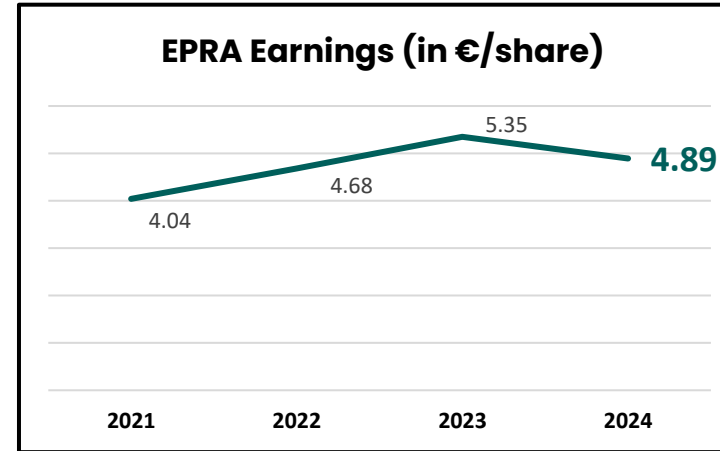
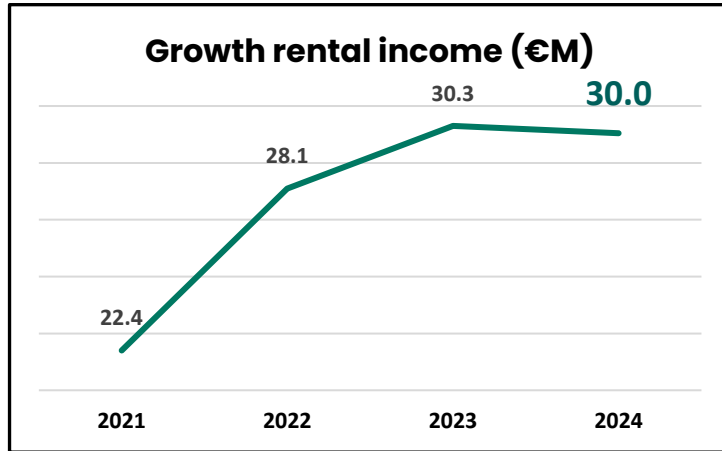
HIGH AND STABLE FINANCIAL OCCUPANCY RATE OVER TIME, GENERATING SUSTAINABLE INCOME



2024 RESULTS

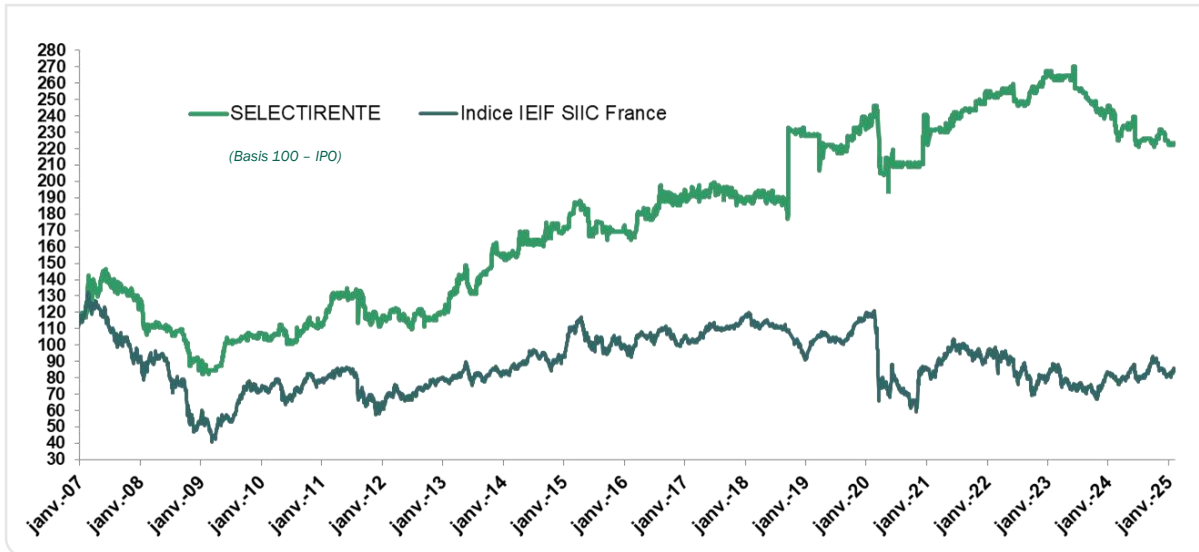
03

REGULAR GROWTH IN KEY PERFORMANCE KPIS



CREATION OF VALUE FOR SHAREHOLDERS

Outperformance of the stock compared to its benchmark



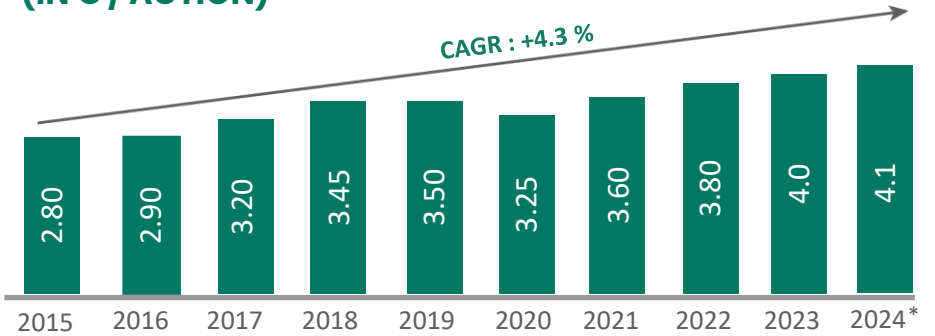
MARKET CAPITALISATION ~ 350 M€ (December 2024)

SELECTIRENTE - Euronext Paris Compartment B

MNEMO – SELER

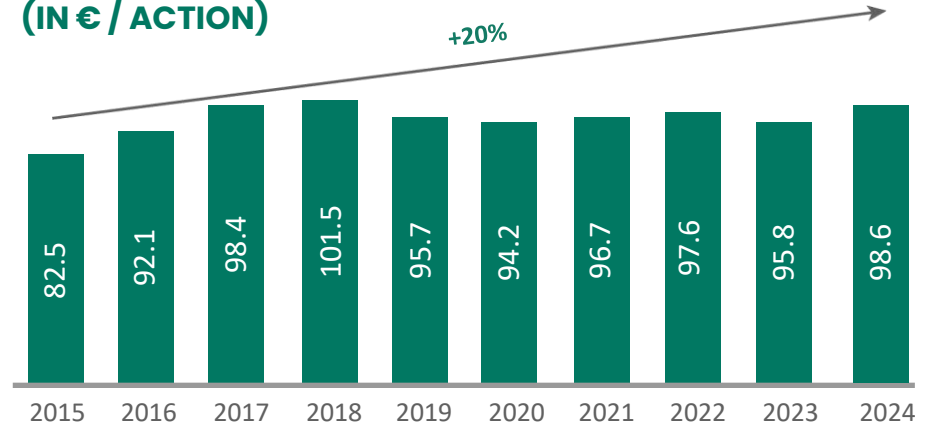
ISIN – FR0004175842

CHANGE IN DIVIDEND (IN € / ACTION)



*Subject to approval by the AGM on May 27, 2025

CHANGE IN EPRA NRV (IN € / ACTION)



[Past performance is not a reliable indicator of future performance]

STRENGTHENING OF THE FINANCIAL STRUCTURE



STRUCTURING OPERATION TO ACCELERATE THE COMPANY'S GROWTH



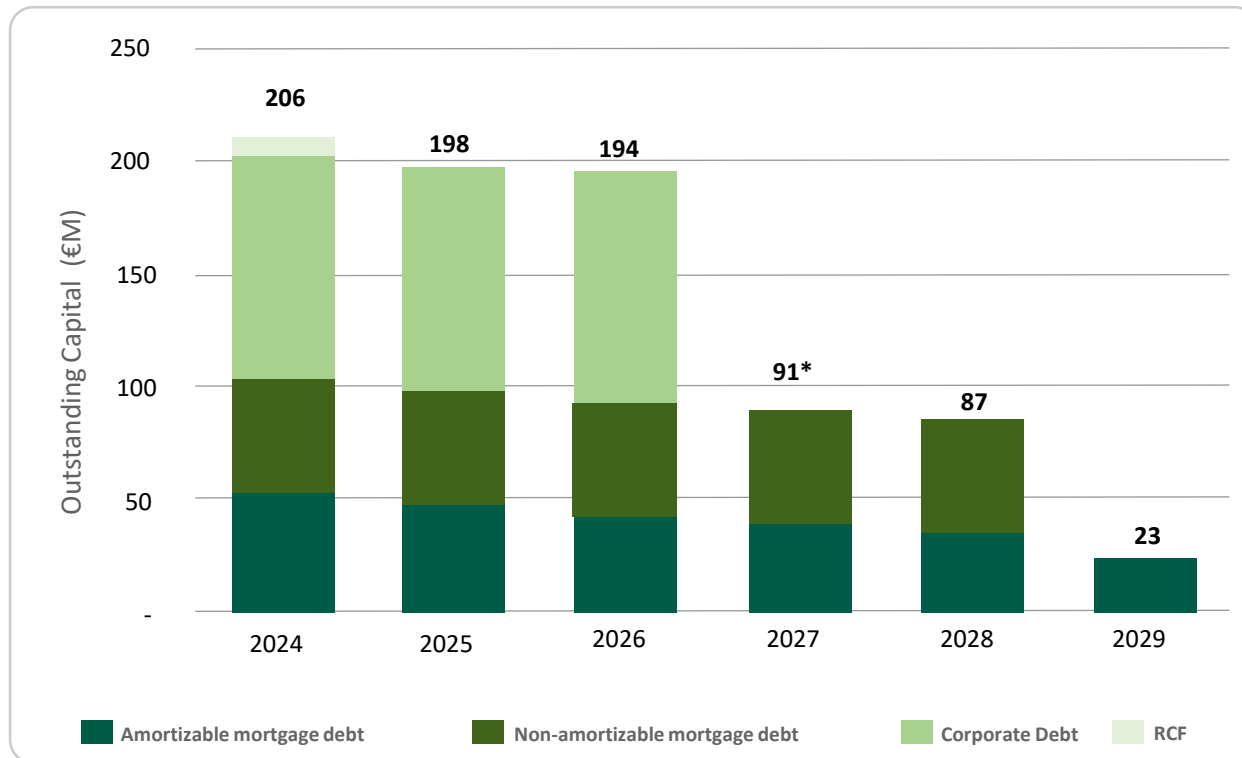
In July 2024, **80 M€ refinancing** with the same historical banking partners

- A €50m 5-year term corporate mortgage loan with two one-year extension options;
- A new 3-year RCF of €30m, with a one-year extension option, to finance the Company's growth, in particular through opportunistic acquisitions.

- **Debt maturity** extended to more than 4 years by the end of 2024
- New financial resources to take advantage of opportunities to **acquire assets** in Paris and other major French cities
- **Consolidation of the financial structure** in line with investment requirements

OUTSTANDING DEBTS POST-REFINANCING

Evolution of the outstanding capital by year and by type of debt



* Without taking into account the +1 year RCF extension option

As at December 31, 2024

- EPRA LTV : 34,9 %
- Average residual maturity : ~4 years
- Share of debt at fixed / floating rate : 100%
- Average 2024 cost of debt : 1.75 %
- **No significant debt maturities until 2027**
- Cash and cash equivalents : ~7 M€
- Undrawn bank financing : 25 M€

On October 30, 2024, SELECTIRENTE successfully converted the two €80 million refinancing lines into a “Sustainable Linked Loan” comprising three sustainable performance targets (climate, energy reduction and data collection) over the term of the two credit lines

SLL & ESG KPIs

- SELECTIRENTE has strengthened **its commitment to sustainable development** by transforming two lines of credit into **Sustainability-Linked Loans (SLL)**.
- These loans incorporate **ESG objectives** linked to **three extra-financial performance criteria** that can affect bank margins



KPI #1

Climate

Adapting assets to climate change



2031 Objective

80% of assets under management will receive a study of their exposure to climate change, as well as a personalized action plan.



KPI #2

Energy

Reducing the primary energy consumption of assets



2031 Objective

Achieve an average primary energy consumption ratio of 239 kWhPE/sqm/year.



KPI #3

Data collection

Increase data collection on asset energy performance



2031 Objective

Significantly increase the collection of energy consumption data from tenants, with 98% of assets under management covered by an up-to-date energy performance certificate (EPC) and 35% of asset area covered by actual data collection.

Margin adjustment mechanism

Depending on the achievement of annual targets on 3 ESG KPIs, the margin of this new refinancing will be impacted annually, up or down, following validation by an I.T.O.

ESG COMMITMENTS

SELECTIRENTE has been strongly committed to developing and implementing a rigorous ESG policy for several years. The 12 measurable and quantifiable objectives, taken by SELECTIRENTE, have been reached as for 2023.

*



SOCIAL

Working towards the development of dynamic urban centres

- + 97% of assets under management at the end of 2023 are local shops

Participating in the diversification of local shops for activities that contribute to society

- By reaching 50% of the number of assets whose activity is contributing or particularly contributing to the society
- In 2023, 57% of the leases signed involved retail tenants specialized in activities that contribute to society

Continuing to invest in assets close to environmentally friendly mobility solutions

- In 2023, 99,6% of the assets are located within 500 meters of public transport and/or access to soft mobility and/or electric vehicle charging stations



ENVIRONMENT

Monitoring and reducing the GHG emissions and energy consumption of its assets

- A 2023 carbon footprint covering the 3 emission scopes: 20 kgCO²eq/sqm
- Energy intensity of SELECTIRENTE's portfolio in 2023: 275 kWhEF/sqm.

Analyzing the climate risks of assets to improve their resilience

- Climate risks analyzed on 100% of assets, at acquisition AND annually on existing assets

Working to improve the quality of waste sorting and sustainable water management

- In 2023, an eco-guide was attached to 100% of new leases and lease renewals signed



GOVERNANCE

Integrating ESG issues into investment and tenant selection

- Exclusion policy implemented since 2022 for 100% of tenants during the selection phase
- ESG analysis on 100% of assets during preinvestment phase (11 criteria) but also in the acquisition phase (45 criteria)

Integrating stakeholders into its ESG approach

- ESG Risks cartography conducted in January 2023 and updated as from 2024.

Integrating ESG issues into HR processes

- 100% of employees with a part of variable remuneration indexed to ESG criteria.

Maintaining a policy of taking ESG risks into account

- Climate risks were analysed for 100% of assets acquired and 100% of existing assets.
- 100% of employees with a part of variable remuneration indexed to ESG criteria

OUTLOOK

04

2025 OUTLOOK

Pursuing the wise and selective growth dynamic...

- By capitalising on :
 - its resilient asset base, with strong cash flow generation and positive valuation trends
 - its solid investment fundamentals and its strengthened financial structure
 - its goal to reach critical size
- By broadening SELECTIRENTE visibility toward French and international investors
- By maintaining a **proactive distribution** so that shareholders can benefit from value creation
- By intensifying ESG practices to become a leading ESG model in listed real estate

....and keeping the value creation strategy

- through disciplined and rigorous property management based on the expertise and track record of the operational teams (property and asset management)
- by using the dynamics of increasing densification of large metropolises and the attractiveness of some central cities in their region or particularly touristy ones
- by strengthening SELECTIRENTE's position in Paris and the main French metropolises and then developing investments in Europe
- through regular asset rotation to maximise return to shareholders
- providing the financial resources to seize investment opportunities and pursue growth

..... in order to establish SELECTIRENTE as THE UNIQUE listed property company for convenient shops in Europe

SELECTIRENTE

Manager and General Partner : **SELECTIRENTE**
GESTION



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