*Press release* *Sainte-Marie, 18 August 2021, 8.45 pm*

# H1 2021 revenue of €36.4 million (down 3.9%): mix more favourable to recurring income

- **Property Investment: €11.0 million, up 5.1%, growing contribution of high-yield commercial properties**
- **Property Development: €23.0 million, down 10.2%, back, as forecast, to a recurring level of business with a higher-value product mix**

| Consolidated figures in € millions<br>Unaudited IFRS figures | 2021 | 2020 | % Chg. |
|---|---|---|---|
| **First-half revenue** | **36.4** | **37.8** | **-3.9%** |
| *of which Gross rental income*<br>*of which Property Development sales*<br>*of which Revenue from ancillary activities* | *11.0*<br>*23.0*<br>*2.3* | *10.5*<br>*25.7*<br>*1.7* | *+5.1%*<br>*-10.2%*<br>*+36.7%* |

## Covid-19 situation in La Réunion during H1 2021

Non-essential stores in La Réunion's shopping centres with a surface area of over 10,000 m$^2$ were closed for six weeks to address the pandemic situation. In addition, a curfew and travel restrictions were introduced affecting restaurants and certain types of store. These various measures had an impact on a limited number of the Group's tenants.

## Property Investment: 5.1% increase in gross rental income driven by commercial properties

| Property Investment<br>Consolidated figures in € millions | 2021 revenue | 2020 revenue | % Chg. |
|---|---|---|---|
| **Gross rental income** | **11.0** | **10.5** | **+5.1%** |
| *of which Commercial Properties* | *9.2* | *8.7* | *+5.7%* |
| *of which Residential Properties* | *1.3* | *1.4* | *-3.7%* |
| *of which Other* | *0.5* | *0.4* | *+25.5%* |

During the first half of 2021, Property Investment, CBo Territoria's main business, posted growth of 5.1% in its gross rental income.

Gross rental income from **commercial assets** rose 5.7% to €9.2 million. The main factors driving this performance were the strong results at food stores and the contribution made by the offices acquired during late 2020 in the Ile-de-France (Paris) region, as well as the Covid-19-related rent-free periods granted in H1 2020. This income stream accounted for 84% of total rental income versus 83% in H1 2020.

At 30 June 2021, CBo Territoria owned 94,200 m$^2$ of commercial properties with an occupancy rate of 96%, which reflects the high calibre of its rental offering.

The proportion of gross income contributed by commercial assets held by **associates** (accounted for under the equity method) rose 41.1% to €1.6 million with the strong performance of the E. Leclerc hypermarket in Saint-Joseph and the opening in late 2020 of the 3,500 m$^2$ R'Déco store in the Le Port Retail Park.

**Residential assets**, an asset class from which the Group is withdrawing, recorded a 3.7% decline in gross rental income to €1.3 million. This trend reflected the sale of properties once they no longer qualified for any tax incentives. In particular, SHLMR/Action Logement has agreed to buy progressively existing properties held in CBo Territoria's portfolio and its new social and intermediate-rent housing programmes.

Following the block sale of 17 homes in the first half of 2021, CBo Territoria's existing residential portfolio consisted of 302 homes at 30 June 2021, down from 319 at 31 December 2020.

## Property Development: Back to a normal level of business

| Property Development<br>Consolidated figures in € millions | 2021 revenue | 2020 revenue | % Chg. |
|---|---|---|---|
| **Property Development: properties** | **14.9** | **17.7** | **-15.8%** |
| *of which Private Residential* | *8.2* | *6.1* | *+33.6%* |
| *of which Social Housing* | *2.6* | *2.1* | *+20.6%* |
| *of which Commercial* | *4.2* | *9.5* | *-56.0%* |
| **Property Development: building plots** | **8.1** | **7.9** | **+2.2%** |
| *of which Sales of residential plots* | *4.6* | *5.4* | *-15.2%* |
| *of which Sales of commercial plots and miscellaneous* | *3.6* | *2.6* | *+38.8%* |
| **Total Property Development** | **23.0** | **25.7** | **-10.2%** |

After a two-year spike powered by commercial properties (off-plan sale of the largest Leroy Merlin store in La Réunion) and sale of highly sought-after residential land plots, Property Development revenue was back at a normal level of €23.0 million in the first half of 2021 (down 10.2% relative to H1 2020).

- First-half **Residential Property Development** revenue rose 33.6% to €8.2 million with the launch of construction work on the sales agreed in H2 2020. The total area of reserved building plots was 21 homes at end-June 2021 (versus 35 at end-June 2020 excluding the block sales of 76 homes to SHLMR/Action Logement) pending the sale of two new Pinel tax incentive-based programmes consisting of 67 homes, and an off-plan block sale of two residential developments consisting of 132 homes.

- **Social housing**, a mature market segment, reported a 20.6% increase in its H1 2021 revenue to €2.6 million. The Group is currently in negotiations to sell a 30 home programme on an off-plan basis.
- Revenue from **Commercial Property Development,** an opportunistic and non-recurring business, totalled €4.2 million in 2020, down 56.0% as a result of a high base for comparison in 2020 (completion and delivery of La Réunion's largest Leroy Merlin store). On 30 June, CBo Territoria sealed an off-plan agreement with EPSMR to build a 3,100m$^2$ office property.
- Revenue from **building plots**, a high-margin business, rose 2.2% to €8.1 million. This increase was driven by sales of **commercial and miscellaneous building plots**, which rose 38.8% to €3.6 million (Actis business park), while sales of **residential plots** totalled €4.6 million (down 15.2%) reflecting very high-end sales in H1 2020. At 30 June 2021, with the sale of the Actis programme completed, the total area of reserved commercial building plots was 12,800 m$^2$ versus 42,800 m$^2$ at end-June 2020, with 107 reserved residential building plots (versus 92 at end-June 2020).

## 36.7% increase in revenue from ancillary activities

The ancillary activities reported an increase of 36.7% in their H1 2021 revenue to €2.3 million given the favourable base of comparison (reflecting the impact of the first lockdown in H1 2020) and also the enthusiasm among La Reunion's population during the Covid-19 period for outdoor pursuits such as golf.

## Next financial publication

Half year results 2021: Wednesday, 15 September 2021 (before market open)

### *About CBo Territoria*

CBo Territoria is a leading player in Property Investment, Property Development and Urban Development in La Réunion and Mayotte, France. Its shares are listed on Euronext C (FR0010193979, CBOT), and can be held within PEA PME tax-efficient equity savings plans.
It owns 2,950 hectares of land and intends to become primarily a multi-regional specialist in Commercial Property Investment, with growth funded partly by profits from its Property Development division.

*www.cboterritoria.com*

**CONTACTS**

| Investor relations | Press relations - Paris | Press Relations - La Réunion |
|---|---|---|
| Caroline Clapier<br>Chief Financial Officer<br>direction@cboterritoria.com | dmorin@capvalue.fr | Nathalie Cassam Sulliman<br>ncassam@cboterritoria.com |