



STRONG GROWTH¹ IN ANNUAL RESULTS FOR 2022

CONTINUATION OF THE STRATEGIC PLAN AND SOLID OUTLOOK

- **Sustained growth in commercial property investment**
 - Net rental income from commercial properties (including equity method) up 8.7% to €22.6 million²
 - Combanki: 1st delivery, 8 000 sqm under construction and successful marketing campaign confirmed
 - Recurring net income up 16.9% to €11.0 million
- **High contribution from Property Development**
 - Development margin of €12.2 million (+8.9%) driven by a high value-added product mix
 - Commercial success of intermediate retail and block programs
 - Contribution of the commercial program delivered to EPSMR in March 2023
- **Continued strategic realignment –Sale of ownership of Outdoor activities**
- **Growth in results, solid financial situation**
 - Stable revenues at €82.1 million
 - Earnings from operations: €26.4 million (+16.1%)
 - Group net income: €16.0 million (+1.5%)
 - Net asset value (NAV): €237.5 million (+5.5%)
 - Net debt reduced by €31 million, cash position high at €35.2 million
 - Sharp drop in LTV (excl. transfer taxes) of 7 points to 36.8% (37.7% excl. valuation of hedging instruments)
 - Proposed stable dividend payment of €0.24 per share³
- **Continuation of the strategy and solid medium-term outlook**
 - 2023 Guideline: slight growth in commercial rental income⁴ of +1%
 - Commercial property pipeline⁵: €106 million of projects under development, including €26m under construction and €26m to be launched within 12 months
 - Property development: strong visibility over 18/24 months with a backlog of €44.6 m at end of 2022

“For nearly 20 years, CBo Territoria has been operating as a developer and planner of Reunion Island’s territory, contributing both to its economic development through the creation of dynamic business and commercial districts and to the establishment of a pleasant living environment for its inhabitants through high quality living areas. This holistic approach is at the core of the DNA of our Group which, as the largest landowner in Reunion Island, also contributes to improving its food self-sufficiency by reducing agricultural wasteland and to generating renewable solar energy. I am proud of the work we have accomplished, and I am pleased to hand over the reins to Géraldine Neyret, who this coming June will be appointed Chief Executive Officer of the Group, which she has been building up alongside me for nearly three years”, said Eric Wuillai, Chairman and CEO of CBo Territoria.

“Over the past three years, in a complex health and economic context, we have pursued our roadmap with confidence as a result of the commitment of all our employees. This year again, we have recorded very good operational and financial results in all our activities and the medium-term development prospects are solid”, adds Géraldine Neyret, Deputy Managing Director of CBo Territoria”.

¹ Following the sale of the Outdoor division in June 2022, these activities are now accounted for by the equity method, effective January 1, 2022. Pro forma information for 2021 (application of the equity method as of January 1, 2021) is presented for revenues, rents, net income, and income from operations to ensure comparable data. Apart from these indicators, annual variations are presented in relation to the published 2021 accounts.

² Including €3.2m from companies accounted for by the equity method (EMS).

³ Subject to a shareholder vote at the General Meeting of June 7, 2023.

⁴ Including EMS. Gross rental income from commercial properties of €23.8m in 2022 (including EMS).

⁵ Projects under construction, projects to be launched in the next 12 months and projects identified on controlled land in the medium term.

The Board of Directors of CBo Territoria (ISIN: FR0010193979 – CBOT), a leading real estate player in La Réunion for nearly 20 years, met on Monday, March 20, 2023, to approve the consolidated financial statements for the year ended December 31, 2022. The audit procedures for the consolidated financial statements are currently underway.

CHANGES IN ECONOMIC PORTFOLIO

CBo Territoria is pursuing its strategy of real estate development in the commercial sector and, as of December 31, 2022, held a diversified⁶ portfolio of commercial properties with solid underlying performances:

- valuation of €300.6 million excluding transfer taxes (81% of total assets) for 133,300 sq.m, stable over a year (€300.8 million at year-end 2021), the delivery of the Combani warehouse and the development of the first Padel Indoor complex on Reunion Island, as well as the integration of the Outdoor assets (+€3.0 million), which offset the rate effect applied by the appraisers (change in fair value down of €5.6 million excluding projects under construction);
- occupancy rate of 98%, vs 97% in 2021, confirming the quality of assets held;
- gross rental income of €23.8 million (including EMS);
- gross yield of 7.4% (vs 7.1% at year-end 2021).

During the financial period, CBo Territoria sold 72 residential plots (17 plots for sale and 55 plots in blocks sold at the end of the year to SHLMR/Action Logement). At year-end 2022, the Group holds 215 residential plots that will be sold in the medium term.

The Group's total economic assets⁷ are valued at €373.0 million excluding transfer duties, stable compared to year-end 2021, excluding housing disposals. It now consists of 81% of tertiary assets. The total value of the assets excluding transfer taxes (including current commercial projects) will amount to €388.1 million at year-end 2022.

2022 FINANCIAL PERFORMANCE

Growing performance of the commercial real estate business and recurring net income (up by 16.9%)

In 2022, gross rental income from economic commercial property portfolio increased by 9.1% to €23.8m (including €3.3m from EMS). The gross rental income of the portfolio (excluding EMS) grew by 9.7%. The increase includes +5.3% for the scope effect (mainly linked to the full-year effect of the Port retail park delivered in 2021), +1.8% for indexation, +2.6% for the effect of the commercial dynamics and the end of franchises. Net commercial rental income increased by +8.7% to €22.6 million (+9.6%, excluding EMS of €3.2 million).

Recurring net income (Group share) increased by 16.9% to €11.0 million over the year, thanks to tight control of structural costs.

Strong increase in the Property Development margin driven by the Residential product mix

Property development revenues came to €57.2 million in 2022, down slightly (-3.7%). Some 79% of the business is residential, driven by sales of building plots on the tourist coast, which explains the increase in the property development margin for the year. The momentum of new retail and block residential programs has been maintained in a nevertheless more difficult economic environment thanks to the quality of the assets developed and the tax measures in force. Commercial property development, an opportunistic activity, amounted to €11.8 million this year (-11.6%).

Overall, the change in the product mix shows a high margin rate of 21.4% (+2.5 points compared with 2021), i.e., a development margin of €12.2 million, up 8.9%.

Earnings from operations up by 16,1% and Net income Group share up by 1.5%

The operating income increased by 16,1% to €26.4 million euros at the end of December 2022, driven by the growth of the two business lines and a sound control of structural costs.

After factoring in capital gains on the disposal of residential assets and land (+€1.0 million), income from the sale and revaluation of shares in the Outdoor business (+€1.0 million) and a change in fair value of -€4.5 million (compared with +€1.5 million in 2021), Group net income came to €16.0 million, up +1.5% over the year, or €0.45 per share (compared with €0.44 in 2021).

⁶ The economic commercial assets comprise investment assets (excluding residential and real estate assets) and the share of assets held by the equity method.

⁷ The total economic assets include the assets held by CBo Territoria at 100% (commercial, property investments and residential), as well as the share of commercial assets held in co-ownership.

Net Asset Value: €237.5m (+5.5% vs. year-end 2021)

On December 31, 2022, the Net Asset Value was €237.5m, compared with €225.2m at the end of December 2021 (+5.5%). The annual increase of €12.3 million is explained by the strong results over the period, the positive impact of the mark-to-market of hedging instruments (€4.3 million after deferred tax) covering the €8.6 million dividend payment for 2021. On a per share basis, NAV increased by 5.5% to €6.63 over 12 months.

Strong balance sheet and cash position - Recommended dividend for 2022 stable at €0.24/share

In 2022, the Group has carried out the repayment of debt amounting to €34.1 million, including the repurchase of approximately 745,000 ORNANE bonds for €3.6 million (€4.87 per bond). The remaining amount to be repaid on the ORNANE bonds maturing in July 2024 now amounts to €26.4 million. Following these transactions, the Group's gross financial debt (bank and bond) will thus amount to €195.4 million at the end of 2022.

After taking into account hedging instruments, 85% of the financial debt bears interest at a fixed rate. The average cost of financial debt was 2.9% (compared with 2.8% on December 31, 2021) with a stable maturity of 8 years and 1 month. At the end of December 2022, CBo Territoria had €35.2 million in available cash (+€7.6 million vs. the end of 2021) due to significant receipts of property development payments and the implementation of the planned fixed-rate financing (€11.2 million), providing the Group with financial leeway to pursue its strategy.

The LTV ratio excluding transfer taxes thus stood at 36.8%, down 7 points over the year. Leaving aside the valuation of hedging instruments (€3.9 million of financial assets), it stood at 37.7%.

Confident in its prospects, CBo Territoria will recommend to the General Meeting of June 7, 2023, the payment of a stable dividend of €0.24 per share, guaranteeing the maintenance of a "balanced" distribution between financing the development of the Property Investment Company and shareholders' compensation.

SOLID MEDIUM-TERM OUTLOOK AND 2023 GUIDANCE

For 2023, the Group's objective is to increase gross commercial rental income (including EMS) by 1%, pending the upcoming deliveries of Combani at the end of 2023, which will contribute as of 2024.

In the medium term, CBo Territoria intends to further develop its portfolio thanks to its secure development model and its control of the entire real estate value chain, which offers solid prospects:

- the pipeline⁸ of commercial projects under development represents an investment of €106 million, of which €26 million is currently under construction in Combani (Ylang Ylang shopping center marketed at 88% of potential rental income to date and an office building leased to Pôle Emploi) and €26 million of which construction is expected to be launched within 12 months;
- in the Property Development business, visibility over the next 18 to 24 months is excellent, with a backlog of €44.6 million at the end of December 2022 (of which €41.9 million in residential), an order book of €40.1 million (of which €39.7 million in residential), and a residential offer for sale of €20.5 million. In addition, the Group has a medium-term development potential of 1,000 lots (residential units and land held for sale) on secured land.

A detailed presentation of this press release will be available online at 11:30 a.m. on March 22 on Cboterritoria.com in the Finance/Financial Documents section.

2023 Financial calendar

- General meeting: Wednesday, June 7, 2023
- Results for the first half of 2023: Tuesday, September 12, 2023 (after market hours)

This calendar is provided as an indication, it is likely to be modified if required.

About CBo Territoria (FR0010193979, CBOT)

CBo Territoria, a leading real estate player in Reunion Island for nearly 20 years, has shifted into a multi-regional real estate company specialized in commercial assets (€300.6 million as of December 2022, i.e., 81% of its portfolio). The Group, which operates across the entire property value chain (land and property developer and investment property), is developing thanks to its land reserves but also by acquiring land to be developed. CBo Territoria finances its growth strategy through development activities (either residential or tertiary) and, through the scheduled sale of its residual residential assets to the social and intermediate housing landlord SHLMR. CBo Territoria is a property investment company listed on Euronext Paris (compartment C) that is eligible for the PEA PME scheme.

⁸ Projects under construction, projects to be launched in the next 12 months and projects identified on controlled land in the medium term.

Since its inception, CBo Territoria has been a responsible and committed company to more sustainable real estate, ranking in the Top 10 of compartment C of the Gaïa-Index for the past six years, a French benchmark index of the most virtuous small and medium-sized companies in terms of CSR (Corporate Social Responsibility).

More information on cboterritoria.com



Gaïa-Index

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APPENDICES

PROFIT AND LOSS ACCOUNT (IFRS)

Following the sale of 40% of the three operating companies in the Outdoor division to Ilop Réunion in June 2022 and the establishment of joint control, the Outdoor division is now accounted for under the equity method in the consolidated financial statements 2022, with effect from January 1, 2022. The results of these activities, which primarily consists of revenues (€4.0 million in 2022), personnel costs and operating expenses, will now be presented in the income statement line item "Income from companies accounted for under the equity method", making it easier to understand the results of the Property Investment and Development divisions. For comparison purposes, "pro forma" 2021 information (application of the equity treatment as of January 1, 2021) is presented for revenues, rents, net income and income from operations.

| | 2021 published | 2021 proforma | 2022 published |
|---|-------------------|------------------|-------------------|
| Sales | 85.7 | 82.6 | 82.1 |
| Income from operations | 21.8 | 21.4 | 26.4 |
| Change in fair value of Investment Properties (IP) | 1.5 | | (4.5) |
| Capital gain on disposals | 1.2 | | 1.0 |
| Other operating income and expenses | 0.0 | | 1.0 |
| Share of profit of companies accounted for under the equity method | 1.8 | | 1.9 |
| Operating income after companies accounted for under the equity method | 26.2 | | 25.7 |
| Cost of net financial debt | (5.5) | | (4.6) |
| Income tax expense | (5.0) | | (4.8) |
| Net income | 15.6 | | 16.3 |
| Net income (Group share) | 15.7 | | 16.0 |
| Net income per diluted share (€) | 0.44 | | 0.45 |
| Weighted number of diluted shares | 35,810,560 | | 35,819,066 |

CHANGES IN PORTFOLIO (EXCLUDING TRANSFER TAXES)

| | In €m |
|--|--------------|
| Total economic assets as of December 31, 2021 | 390.5 |
| Built assets under construction | (6.0) |
| Economic assets as of December 31, 2021 | 384.5 |
| Perimeter effect (including Outdoor) | 6.3 |
| Disposal of housing units | (11.8) |
| Change in fair value ¹ | (5.9) |
| Economic assets as of December 31, 2022 | 373.0 |
| Built assets under construction | 15.1 |
| Total economic assets as of December 31, 2022 | 388.1 |

1. Including €(5.6) million change in fair value from the economic portfolio excluding EMS.

BALANCE SHEET (IFRS)

| ASSETS in €m | 31.12.2022 | 31.12.2021 |
|---|--------------|--------------|
| Non-current assets | 351.0 | 348.6 |
| Investment properties | 327.4 | 328.0 |
| Investment properties in progress | 12.5 | 10.0 |
| Other financial assets | 4.3 | 0.1 |
| Other non-current assets | 6.7 | 10.6 |
| Current assets | 146.8 | 147.9 |
| Inventories and work in progress | 71.8 | 69.3 |
| Investment properties held for sale | 19.4 | 21.0 |
| Trade and other receivables | 20.3 | 30.1 |
| Cash and cash equivalents | 35.2 | 27.6 |
| LIABILITIES in €m | | |
| Shareholders' equity | 237.6 | 224.9 |
| Group | 237.5 | 225.2 |
| Minority interests | 0.1 | (0.2) |
| Non-current liabilities | 210.4 | 226.0 |
| Financial debts at long- and medium-term | 174.1 | 191.3 |
| Deferred tax liabilities | 35.5 | 32.2 |
| Other non-current liabilities | 0.8 | 2.5 |
| Current liabilities | 49.8 | 45.6 |
| Current financial debts (including bonds) | 21.3 | 23.6 |
| Trade and other payables | 28.5 | 22.0 |
| Total Balance sheet | 497.8 | 496.5 |

LOAN-TO-VALUE (LTV)

| In €m | 31.12.2022 | 31.12.2021 |
|---|----------------|--------------|
| Investment property | 327.4 | 328.0 |
| Investment property held for sale | + 19.4 | 21.0 |
| Operating property excluding headquarters | + 6.0 | 9.7 |
| Inventories / development | + 71.8 | 69.1 |
| Total Assets (A) | = 424.7 | 427.8 |
| Medium- and long-term debts | 174.1 | 191.3 |
| Short-term debts | + 21.3 | 23.6 |
| Other financial assets (hedging instruments effect) | - 3.9 | 0.1 |
| Available cash and cash equivalents | - 35.2 | 27.6 |
| Total Liabilities (B) | = 156.3 | 187.2 |
| LTV Excluding transfer taxes (B/A) | 36.8% | 43.8% |