



# ALTAREA, LEADER IN LOW-CARBON URBAN TRANSFORMATION



ANNUAL  
GENERAL MEETING  
JUNE 8, 2023





Flora  
Nanterre

# AGENDA

## Summary agenda & constitution of the bureau

- # 01 - 2022 MANAGEMENT REPORT (*operational & financial performances*)
- # 02 - LEADER IN LOW CARBON URBAN TRANSFORMATION  
(*climate performance*)
- # 03 - STRATEGIC ROADMAP AND OUTLOOKS
- # 04 - FIRST HALF 2023 – BUSINESS UPDATE
- # 05 - SUPERVISORY BOARD'S REPORT
- # 06 - STATUTORY AUDITORS' REPORTS
- # 07 - DIALOGUE WITH SHAREHOLDERS
- # 08 - VOTE ON RESOLUTION

# SUMMARY AGENDA

## ORDINARY GENERAL MEETING

### 2022 ACCOUNTS

- Review and approval of **parent company and consolidated accounts** for the financial year ending 31/12/2022
- **Appropriation of net income and payment of dividend**

### SAY ON PAY

- Approval of the **compensation of corporate officers in 2022**
- Approval of items of **compensation** paid or allocated in respect of the financial year ending 31 December 2022 **to the Management and to the Chairman of the Supervisory Board**
- Approval of the **2023 compensation policy** applicable to corporate officers

### SAY ON CLIMATE

- Opinion on the Company's **Climate Strategy**

### OTHER

- Review and approval of the **agreements and commitments** referred to in Article L. 226-10 of the French Commercial Code
- Authorisation granted to the Management (la Gérance) to **trade in the Company's own shares**

# SUMMARY AGENDA

## EXTRAORDINARY GENERAL MEETING

### FINANCIAL AUTHORISATIONS AND DELEGATIONS OF AUTHORITY

- Authorisation granted to the Management (la Gérance) **to cancel shares held by the Company** following the purchase of its own shares
- Delegations of authority and financial authorisations granted to the Management to **decide to issue shares and/or equity securities, with or without preferential subscription rights**, under different terms and conditions
- Authorisation granted to the Management **to fix the issue price** in the manner determined by the General Meeting subject to **a maximum of 10% of the Company's capital** per year
- Delegation of authority granted to the Management **to increase the number of shares to be issued** in the event of a capital increase, **with or without preferential subscription rights**
- Delegation of authority granted to the Management for the purpose of issuing shares in the Company and/or negotiable securities convertible into shares in the Company **to pay for contributions in kind of equity securities or negotiable securities convertible into shares, up to a maximum of 10% of the share capital**
- **Fixing of general upper limits** for capital increases and issuing of debt securities
- Delegation of authority granted to the Management **to increase the share capital by capitalisation of reserves, profits or share premiums**
- Delegation of authority granted to the Management **for the purpose of issuing shares** and/or equity securities convertible into other equity securities **or conferring a right to the allocation** of debt securities and/or negotiable securities convertible into shares of the Company, **without preferential subscription rights** in favour of the members of **the Group's Company Savings Plan(s)**
- Authorisation granted to the Management **to award free shares**, either existing or to be issued, with preferential subscription rights waived **to employees and/or senior executive officers** of the Company or of affiliated companies
  - Authorisation granted to the Management **to grant stock purchase and/or subscription options in favour of employees and/or executive officers** of the Company or of affiliated companies
  - Delegation of authority granted to the Management **to issue share warrants (BSAs, BSAANes, BSAARs)**, with preferential subscription rights waived in favour of managers, corporate officers and executives employed by the Company and its subsidiaries

### POWERS TO CARRY OUT FORMALITIES



# # 00



## CONSTITUTION OF THE BUREAU

Valhubert  
Paris

# #01



## 2022 MANAGEMENT REPORT

*Operational and financial performance*

Campus de l'ENS  
Cachan



# 2022 RESULTS AND NEW STRATEGIC ROADMAP

## Robust 2022 results

**Excellent operational  
and financial  
performance**

*Operating income +10%  
FFO +4.2%*

**Particularly strong  
financial structure**

*LTV 24.5%*

## New strategic environment

**A new cycle  
for real estate**

*interest rates, inflation,  
decarbonisation*

**Non-completion  
of Primonial deal**

## Adjusted roadmap

**A strategy of  
organic growth**

**Consideration of  
new context**

*real estate cycle,  
decarbonisation*

**A lower risk  
profile**





CAP3000 (Nice)



Avenue83 (Toulon-la-Valette)

## RETAIL: A STRONG RECOVERY

### A positive dynamic

- Tenant's sales **+20% vs 2021**  
*+4% vs 2019*
- Increase of average shopping basket value  
*footfall : 91% of 2019 level*

### Sustained demand from retailers

- 367 leases signed in 2022 (+13%)  
*€33.5m in rents*
- Financial vacancy 2.7%  
*-0.2 pt vs 2021*

### Sharp growth in net rental income

- NRI €193.7m (+19.2%)  
*+15% from normalisation of operations (reliefs, bad debts)*  
*+1.4% from scope effect*  
*+2.8% at constant scope*
- Collection rate 94.6%





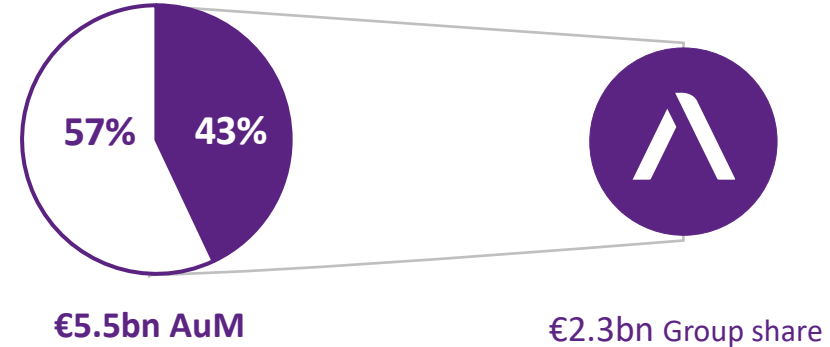
Gare Paris-Montparnasse (Paris)



NICETOILE (Nice)

# ROLLING OUT A STRATEGY OF ASSET MANAGEMENT

- Assets under management (AuM) in growth  
+3.9% vs 2021  
+1.5% at constant scope



- New contracts won

- NICETOILE  
*12 million visitors per year – 17,300 m<sup>2</sup> GLA - 100 retailers reinforced partnership with Allianz (7 assets in total)*
- Convenience stores  
*4 new contracts (ICV, Aerospace, Bezons, Massy) – 67,400 m<sup>2</sup> GLA*

- Partnership with SCOR for MRM development

- 2 remaining galleries sold to MRM <sup>(1)</sup>
- Paid in cash and MRM shares
- Altarea 2<sup>nd</sup> shareholder (16%) after SCOR (57%)

(1) Flins and Ollioules galleries sold for a total amount of €90.4m.

## RESIDENTIAL



Exclusive (Marseille)



Nicetoria (Nice)

## A YEAR WITH TWO PHASES

### ■ A favourable trend in the first part of the year

- Real estate, a safe heaven by excellence  
*A residential market structurally under-supplied, Interest rate still attractive, real estate as best protection against inflation*  
Efficient offering strategy led by the Group  
*At end-September: building permits granted +46%, commercial launches +20%, Supply +24%, new orders +6%*

### ■ Shift in demand towards year-end

- Desire of buyers affected by economic context  
*Accelerated deterioration in the environment (inflation, geopolitical and macroeconomic tensions) and reduced purchasing power for real estate (high prices, rise in interest rates, usury rates, etc.)*
- Priority given to the management of commitments  
*Voluntary slowdown of land acquisitions, rise in presales ask rates, delays in commercial launches, acceleration of cash-in (notarized sales +7%, out of which Individuals +21%)*
- A visible impact on annual new orders  
*Block sales down 29%, retail performance maintained at +1%*



## BUSINESS PROPERTY



Cyber Campus - Eria (Paris-La Défense)



Unedic (Marseille)

## BUSINESS PROPERTY: A RECORD YEAR OF ACTIVITY

### ■ Mega deals in the Paris region

- Disposal of the 10% remaining stake in Bridge, global headquarters of Orange  
*56,000 m<sup>2</sup> in Issy-les-Moulineaux*
- Delivery of 3 office buildings to CNP Assurances  
*40,900 m<sup>2</sup> in Issy-les-Moulineaux*
- Sale of Campus Cyber to La Française REM  
*26,500 m<sup>2</sup> in Paris-La Défense*
- After a very active year in 2022, Altarea does not anticipate significant contribution from major projects in 2023

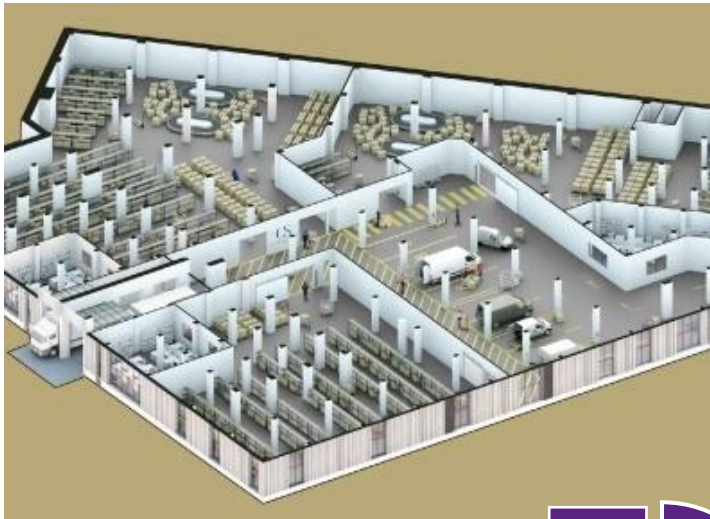
### ■ Strong activity in the Regions

- Signing of PDCs and off-plan sales for 143,000 m<sup>2</sup>  
*Lyon, Toulouse, Marseille, Aix-en-Provence*
- Management of 7 new projects for 170,000 m<sup>2</sup>  
*Aix-en-Provence, Nantes, Angers, Rennes*
- Delivery of several office buildings for 31,000 m<sup>2</sup>  
*Mérignac, Lyon, Aix-en-Provence*

## BUSINESS PROPERTY



Ecoparc Côtière (Lyon)



Manufacture de Reuilly (Paris)

## LOGISTICS: A COMPREHENSIVE SET-UP TO ADDRESS A DYNAMIC MARKET

### Favorable market for asset creators

- Higher demands, shortage of new constructions  
*supply chain reorganisation, administrative complexity*
- Extension of value chain to last mile logistics

### Logistic platforms for retailers and e-commerce players

- A pipeline of 9 projects for 731,000 m<sup>2</sup>
- Kick-off of new project Ecoparc Côtière (Lyon)  
*50,000 m<sup>2</sup> XXL Logistics, 20,000 m<sup>2</sup> activity zone*
- Ongoing sale of Bollène (84)  
*260,000 m<sup>2</sup> spread over 5 buildings*

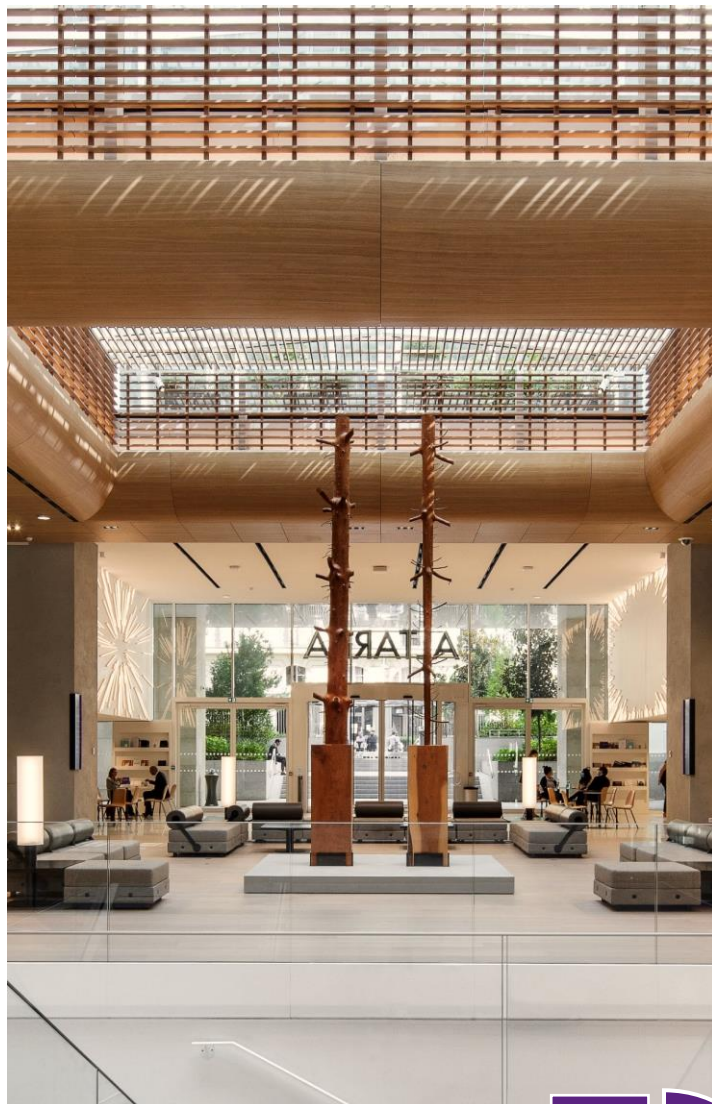
### Last mile logistics

- Manufacture de Reuilly (4,500 m<sup>2</sup> Paris 12<sup>th</sup>)  
*leased to La Belle Vie and sold to AEW in 2022*
- Pipeline under construction  
*comprehensive set-up (Corsalis<sup>(1)</sup> and Altarea Commerce)*

(1) Start-up funded by Altarea.



## FINANCIAL PERFORMANCE



Richelieu (Paris)

## STABLE REVENUE RISING OPERATIONAL INCOME FFO GROWTH IN LINE WITH GUIDANCE

En M€	Retail	Property dvpt	Group <sup>(1)</sup>	
<b>Revenue</b>	241.5	2,771.6	<b>3,013.2</b>	<b>-0.5%</b>
<b>Operating income <sup>(2)</sup></b>	192.6	262.0	<b>446.3</b>	<b>+10.2%</b>
Operating margin	79.8%	9.5%	14.8%	
Financial costs			(60.4)	
Corporate tax			(35.2)	
Non-controlling interest			(75.2)	
<b>FFO Group share</b>			<b>275.4</b>	<b>+4.2%</b>
Changes in value, estimated expenses and transactions cost			51.4	
<b>Net income Groupe Share</b>			<b>326.8</b>	<b>+54.4%</b>

(1) Total Group includes the « Other corporate » and « New businesses » lines of P&L, not shown here.

(2) Corresponds to an EBITDA (net income before minority interests, financial expenses, taxes and excluding changes in value, calculated expenses and transaction costs).

## FINANCIAL PERFORMANCE



Amazing Amazonas (Nantes)

## A STRONG FINANCIAL STRUCTURE



Equity at fair value <sup>(1)</sup>  
€157.1 /share (-0.3%)

Minority equity at fair value  
+€277m in 2022 (mainly from partnerships)

Net debt (bonds and bank loans)  
-€91m over the year

- 2022 average cost of debt: 1.82% secured for 5 years
- Net debt / EBITDA: **3.5x** (-0.6x)
- LTV: **24.5%** (+0.4 pt)
- Optimisation of gross debt in 2022 (bond buy-back)

(1) Going concern NAV (fully diluted).



# #02



## ALTAREA LEADER IN LOW CARBON URBAN TRANSFORMATION *Climate performance*

Amytis  
Angers



# LEADER IN LOW CARBON URBAN TRANSFORMATION

€21.3 bn

potential value

900 projects

4.5 million of m<sup>2</sup>

CONSOLIDATED PIPELINE (1)



(1) This pipeline doesn't include the Group's backlog for an amount of more than €4.0 bn, as of 31/12/2022.

Projects from left to right and from top to bottom: Campus emlyon (Lyon), Domaine des Bas Buisson (Dreux), Albizzia (Lyon), Quartier Montaudran (Toulouse), Grands Moulins Soufflet (Corbeil-Essonnes), Grand hall of gare Paris-Austerlitz (Paris), Data center (Rennes), Logistique Bollène (Bollène), Echos du Bois (Tours), and Paris-Montparnasse (Paris).



## CLIMATE PERFORMANCE



CAP3000 labeled



Thiais Village

## LOW CARBON RETAIL, A DIFFERENTIATING SKILL FOR ASSET MANAGEMENT

### Trailblazing initiatives

- Decarbonisation trajectory initiated since 2010 *carbon-neutral target by 2030*
- Low carbon strategy deployed across all assets

### Highest standards for assets under management

- Systematic on-boarding of tenant's *green lease, carbon trajectory for tenants*
- Optimisation of energy consumption *90% of centres equipped with BMS/CTM<sup>(1)</sup> average annual consumption < 155 kWep /m<sup>2</sup> GLA*
- 99% low carbon electricity *supply contract of renewable energy*

### Value-creating skills

- Recognised expertise *APG, Allianz, Crédit Agricole Assurances, SCOR...*
- An essential skill within the framework of asset management strategy

(1) BMS: Building Management System, CTM: Centralized Technical Management

## CLIMATE PERFORMANCE



Persea delivered by Woodeum in 2022 (Noisy-le-Grand)



Geothermal energy (Issy Coeur de Ville)

## LOW CARBON HOUSING, AN EXPERTISE OF ALTAREA

### A comprehensive offering

- New housing  
*performance  $\geq$  RE2020 threshold 2025 (average cost+  $\sim$ €100 / m<sup>2</sup>)*
- Rehabilitation of historic buildings
- Timber structure CLT <sup>(1)</sup>

**Woodeum**

**2023: Altarea becomes the sole shareholder of the French leading brand in low carbon solid wood residential property**

### Technical expertises

- Construction materials and methods  
*wood frame<sup>(2)</sup>, low-carbon cement, wood concrete, earth concrete (COB), maxi bricks, load-bearing stones*
- Energy solutions  
*heat pump, geothermal energy, district heating network, wood heating, biomass, building integrated photovoltaics*
- Building sobriety  
*renovation of historic buildings, reuse of materials*
- Adaptation to climate change  
*bioclimatic islands, multi orientation, vegetation and open ground, summer comfort (double flow ventilation, Canadian well,...)*

(1) Cross Laminated Timber.

(2) Wood frame wall and wood building facade.



## CLIMATE PERFORMANCE



Kosmo - Parfums Christian Dior headquarters - Delivered in 2018



Richelieu - Delivered in 2020

## TRANSFORMATION OF EXISTING OFFICE BUILDINGS, A KEY SKILL

### ■ A new era of asset transformation

- New environmental standards  
*tertiary decree, taxonomy*
- A key challenge of value protection  
*in a context of lower requirements on space*
- Critical issues for assets owners

### ■ A unique expertise of Altarea

- Experienced operational teams  
*in the Paris region and other Regions*
- An outstanding *track record*  
*sobriety, recycling, energy performance*

### ■ A skill of value creation

- For our clients  
*as users, investors*
- For Altarea  
*as developer, service provider, asset manager, investor*



Hill Side (Toulouse)

# ALTAREA BEST-IN-CLASS PERFORMANCE OF REAL ESTATE SECTOR IN TAXONOMY

## ■ Taxonomy, new standard for environmental performance reporting

- A universal European standard *easy benchmark between companies in the same sector*
- Consolidated financial statement indicators based
- 6 cumulative criteria analyzed for each project: *energy<sup>(1)</sup>, climate<sup>(2)</sup>, water, circular economy, pollution, biodiversity<sup>(3)</sup>*

## ■ 44% of 2022 revenue aligned

- 70% in Retail activity, 42% in Property development
- 64% « Energy »<sup>(1)</sup> criterion met
- An exemplary approach, trailblazing initiatives

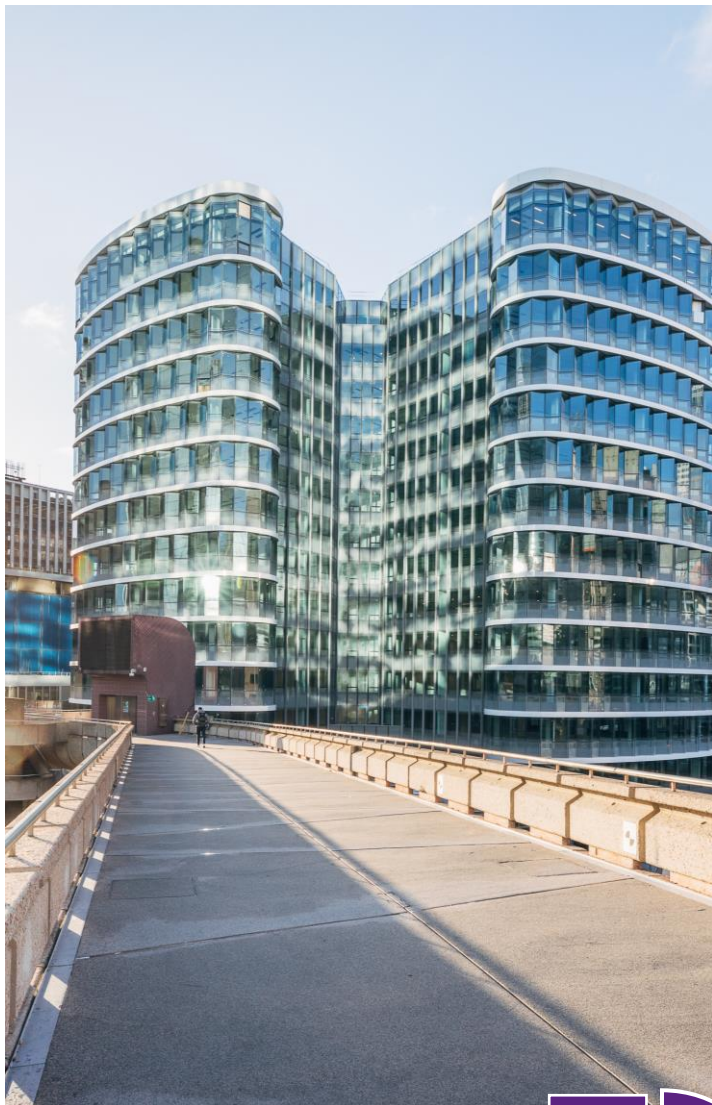
(1) Substantial criterion for mitigation of climate change.

(2) Criterion for adaptation to climate change.

(3) « DNSH » (Do No Significant Harm) criteria.

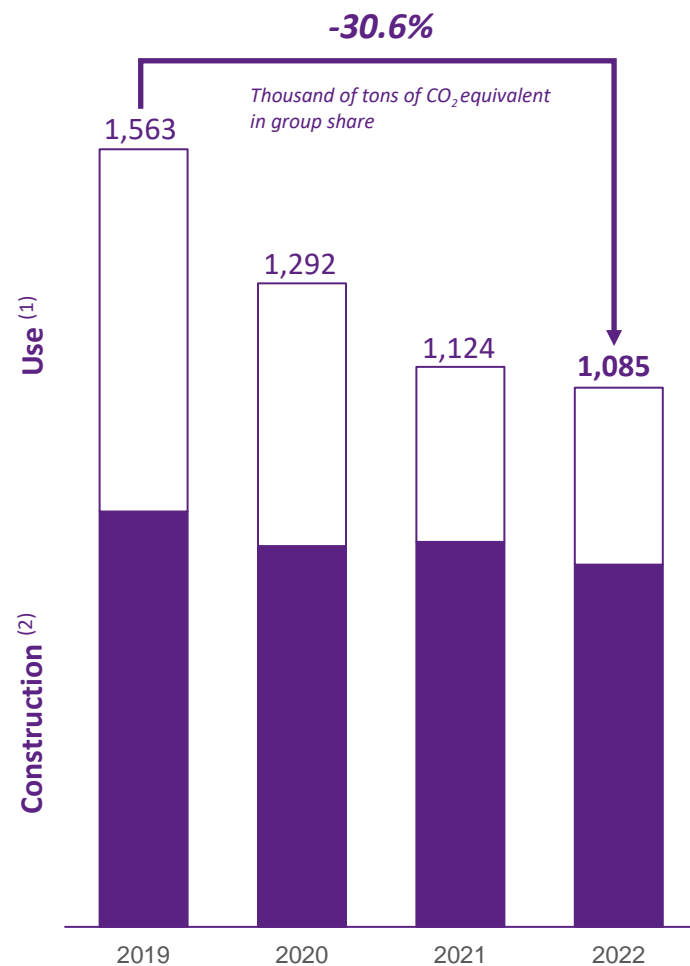


## CLIMATE PERFORMANCE



ERIA (Puteaux)

## CARBON PERFORMANCE LOWER EMISSIONS AND CARBON INTENSITY



### Methodology

Property development: calculate carbon performance at the percentage of completion  
Same principles and data used for accounting

### Carbon performance (scopes 1,2 and 3)

Emissions down by 3.4% vs 2021 (*down by 30.6% vs 2019*)  
Residential representing 84% of total emissions  
Low emission lever from retail REIT

### Carbone intensity

quantity of CO<sub>2</sub> emission to generate one euro of revenue  
360 grams per €, -3.2% vs 2021 (-28.4% vs 2019)

(1) Energy consumed by the occupants of the building, over a period of 50 years.

(2) Materials (including their transport), construction site and equipment, as well as maintenance and recycling, over a period of 50 years.



Grands Moulins de Corbeil Essonnes

# ACCELERATING THE LOW-CARBON TRANSITION

## European taxonomy

- 2022: a satisfactory first year, with disparities by brand to be reduced in the future
- ***Objective: more than half of the revenue aligned, on a constant regulatory basis***

## Decarbonisation

- 2022: the Group has accelerated the deployment of an organisation to manage the achievement of its **carbon intensity reduction targets**
- ***Objective: to decouple value creation and CO<sub>2</sub> emissions***



# #03



## STRATEGIC ROADMAP AND OUTLOOKS

Cité de la  
Gastronomie Paris  
Rungis



Avenue Jean-Moulin (Villeneuve-la-Garenne)

# A STRATEGIC ROADMAP FITTING INTO A NEW CYCLE OF REAL ESTATE

## ■ The end of a cycle (2008-2022)

- Low interest rates allowing to offset the continuous price increase since past 10 years
- The rise in interest rates in 2022 marks the end of this cycle
- An adjustment is more than necessary

## ■ A transition period of 18-24 months

- Year 2023 (and very likely 2024 as well) will represent a downturn for the real estate market
- Coupled with a reduction in prices and volumes
- Market reset

## ■ Our medium-term convictions

- Market recovery at the end of the transition period
- A huge market  
*In residential, low-carbon assets (offices, logistics, retail, etc.)*
- Appetite of the French for real-estate  
*For housing, for savings*





Rue des Pommiers (Neuilly-sur-Marne)

## A MEDIUM-TERM OUTLOOK BASED ON TWO STRATEGIC PRIORITIES

### Low-carbon urban transformation, foundation for growth

- Residential: perform better than the market  
*New territories, multi-brand and multi-product strategy  
Affordable, cost-effective and low-carbon offer*
- Retail: asset management strategy  
*Existing assets, assets to be created or acquired in partnership*
- Business property: offer a full range of products  
*Offices (Paris & Regions): real estate development contrat, off-plan sales, DPM, co-investments / Logistics (XXL platforms, urban logistics)*

### New businesses, growth surplus with limited risk

- Real estate asset management  
*A strong conviction*
- Small-scale data centers  
*sovereign, local and eco-friendly*
- Solar power generation  
*A buoyant, fast-growing market*



KI (Lyon)

## STRATEGIC ROADMAP & OUTLOOKS

**Years 2023 and 2024 will be dedicated to the new cycle adaptation, the low-carbon transition and the new businesses investment**

**Medium-term FFO target: €325m-€375m,  
i.e. +20% to +35% vs 2022**

*taking into consideration the ramp-up in corporate tax, the low-carbon transition and the contribution of new businesses assuming there is no geopolitical, health or macroeconomic crisis*

### **Low carbon transition**

*Taxonomy: more than half of the revenue aligned <sup>(1)</sup>  
reduction in carbon intensity*

### **Limited financial risk**

### **Ability to seize additional opportunities**

*(1) If no change in regulations.*



# # 04



## FIRST HALF 2023 - BUSINESS UPDATE

Cité de la  
Gastronomie Paris  
Rungis



La Fabrique (Romainville)

## FURTHER DETERIORATION OF THE ENVIRONMENT IN THE FIRST HALF OF 2023

### ■ Financing issues for Individuals

- Increase in interest rates  
*> 4% including insurance, usury rate 4.68%*
- Decline in new housing loans  
*down 39.2% yoy*

### ■ The real estate adjustment phase has begun

- Fall in new orders in Residential development  
*down 34.3% in Q1 2023 vs Q1 2022 (source FPI)*
- The office market faces a dual crisis  
*Structural (teleworking, decarbonisation), cyclical (values)*
- Logistics, a product that remains scarce  
*Rise in capitalisation rates partly offset by indexation*
- Proven resilience in retail  
*For well-located and well-managed assets*





La Fabrique (Romainville)

## RESIDENTIAL DEVELOPMENT FIRST SET OF GOVERNMENT MEASURES

### ■ Cyclical measures that reflect a growing awareness from the government

- Improving access to credit for Individuals  
*usury rate, prudential HCSF<sup>(1)</sup> rules, Zero percent loan extension*
- Housing purchase programme  
*47,000 units by CDC Habitat and Action Logement*
- Encourage administrative unblocking  
*Temporary review of zoning (A B C), administrative obstacles*

### ■ Structural measures to be implemented within an appropriate regulatory framework

- Extending the scope of Intermediate Social Housing (LLI)
- Major urban transformation projects  
*brownfield, State-owned land, urban mix*
- Promoting energy-efficient renovation of existing housing units and placing them on the rental market for the long-term
- A first step...

# ALTAREA ADAPTATION TO THE NEW CYCLE



To get through this phase of **adaptation to the new cycle**, Altarea can rely on its strengths: a diversified business model, operational agility, **solid financial structure** and experienced management team, while continuing to invest in high-potential new businesses and retaining significant manoeuvre.

Altarea is convinced that this period will only be temporary and that this change of cycle will enable the most capitalised players to make the best of it, provided they remain **highly disciplined**.





La Fabrique (Romainville)

## RESIDENTIAL: ADJUSTING SUPPLY TO DEMAND, SPEEDING UP THE LOW-CARBON STRATEGY

- **Cleaning out the offer designed in the previous cycle**

  - Adapt prices to customers' solvency  
*Support measures, targeted price cuts*
  - Sell off the vast majority of units concerned by the end of 2023
  - Prioritise balance sheet strength over short-term results
- **Develop a next-generation offering**

  - Systematic review of the property portfolio  
*design, commercial strategy, cost price, price renegotiations of lands under option*
  - An affordable, low-carbon and cost-effective offering  
*Gradual ramp-up of launches*
- **A multi-brand organisation to address different market**

  - Cogedim   
*Depth of offering, national presence*
  - Merger project  / **Woodeum**  
*Creating the leader in low-carbon property development*
  - Histoire & Patrimoine   
*Strengthening traditional skills*  
*Support the energy saving renovation of older buildings*

## RESIDENTIAL : SPEEDING UP THE LOW-CARBON STRATEGY



■ **Change of scale  
by creating the French  
leading low-carbon  
developer:  
a plan to merge  
Woodeum – Pitch Immo**

- Capitalize on the leading position taken by Woodeum in low-carbon construction in property development sector, with the innovative approach and expertise of its teams
- Accelerate the deployment of low-carbon construction due to the strength, the regional proximity and the solid reputation of Pitch Immo and its teams
- Demonstrate our capability of being profitable as 100% low-carbon developer while providing satisfaction to institutional investors, local elected officials, customers due to the double expertise of Woodeum and Pitch's teams
- Target: 3 000 units / year in short-term;  
5 000 unit / year in medium-term





Joia Meridia (Nice)

## BUSINESS PROPERTY AND RETAIL

### Business property, limited exposure

- Minimise risk exposure to Business property
- Active monitoring on inner Paris market
- No contribution to 2023 results  
*as a result of the lack of exposure*

### Logistics, pursuit of strategic plan

- XXL platform  
*Deliver the pipeline*
- Bollène  
*XXL platform of 260 000m<sup>2</sup> divided into 5 buildings*
- Urban logistics  
*Build up a portfolio of projects*

### Retail, resilience et recurring flow

- Carry on the asset management policy  
*existing assets, assets to be created or to be acquired in partnership*
- Take advantage of the resilience and recurring flow to  
go through the 2023 – 2024 period



Bridge (Issy-les-Moulineaux)

## NEW BUSINESSES: ASSET MANAGEMENT

### Altarea Investment Managers (Alta IM)

- AMF approval granted on April 14th for the creation of an asset management company
- Team set up internally and strengthened by external experienced professionals
- Products dedicated to general public under development  
*on “new cycle” real estate products without pre-crisis backlog nor financing*

### Launch of a Real Estate Credit platform in partnership with Tikehau

- €1bn of equity  
*€200m fund injection from both sponsors*
- Mezzanine debt, junior debt, whole loan debt
- Provide financing to a large range of property types  
*office, retail, industrial, residential, logistic and hospitality*
- A partnership relying on complementary expertise in real estate and private credit





Photovoltaic infrastructure



Data Center - NDC - Val de Reuil

# NEW BUSINESSES: SOLAR ENERGY & DATA CENTERS

## Setting up a pipeline of photovoltaic infrastructure

- Team set up, being strengthened
- Tactical acquisitions in the pipe  
*accelerating the internalisation of operational know-how*
- Various infrastructure types  
*shopping centre shadings, large office and warehouse roofs, anthropized sites, agrivoltaics*
- Aim to develop more than 1 GWc  
*400 MWc projects identified, of which 100 MWc already secured*

## Data Center, Infrastructure for the city of tomorrow

- Fast growing market  
*relocating data storage on national territory (sovereignty)*
- Product shortage, especially for eco-friendly data centers  
*auto energy generation and recycling into the urban heating network, ...*
- Pipeline of about 10 small-scale sites  
*and some large-scale projects*



Richelieu (Paris)

## ROADMAP, SITUATION TO DATE

Altarea has one of the **strongest financial structure in the French real estate sector**. The Group has enough resources to **get through this phase of adaptation** to the new cycle and to **continue investing** in high-potential new activities, while preserving **significant financial flexibility**. This strategy will require **great discipline**, particularly in Residential, which will have an impact on its 2023 results.

**In 2023, FFO should decline sharply** due to the lack of mega projects in Business property<sup>(1)</sup>, a very low contribution of Residential to the results of the Group<sup>(2)</sup> and investments in new businesses.

**This decline will be particularly visible in the first half** due to the traditional seasonality of Residential, amplified this year by the near absence of land acquisitions since the beginning of the year.

**Our market is huge and Altarea is confidently pursuing** its roadmap and reiterating its medium-term FFO targets, with a balanced contribution from Retail, Property development and new activities.

(1) Offices accounted for the bulk of the €79.3 million contribution from Business property to the Group's FFO in 2022.

(2) Residential had contributed €106.9 million to the Group's FFO in 2022.





## DIVIDEND POLICY

### ■ In 2023 <sup>(1)</sup>

- **€10 per share (+2,6%) with the option of partial conversion into shares**
- Options between:
  - 100%** paid in cash
  - 50%** paid in shares (with a subscription price of €95.81) and **50%** paid in cash

*Alain Taravella's family group <sup>(2)</sup> has informed the Company that it intends to subscribe to all of its rights within the limits of “excès de vitesse” regulations, thereby reiterating its confidence in Altarea's ability to create value over the long term.*

### ■ For the subsequent years <sup>(3)</sup>

- **Dividend payout of 75% FFO**
- **A minimum dividend of €10 per share**
- **Option of partial conversion into shares:**
  - 100% paid in cash
  - 50% paid in shares <sup>(4)</sup> and 50% paid in cash

<sup>(1)</sup> Related to 2022 fiscal year and subjected to the approval by shareholders at the ongoing General Meeting.

<sup>(2)</sup> Through Altagroupe and its subsidiaries.

<sup>(3)</sup> Subjected to the approval by shareholders at the General Meeting related to the subsequent fiscal years, and assuming there is no geopolitical, health or macroeconomic crisis.

<sup>(4)</sup> With a 10% discount to the average opening share price of the 20 trading days preceding the General Meeting and after the deduction of the dividend value.

# # 05



## SUPERVISORY BOARD'S REPORT

*Quai St Pierre  
Toulouse (31)*



# 2022 COMPANY ACCOUNTS

## Annual Financial statements

Revenue	€13.0 m
Operating income	- €8,3 m
Net Financial income	€131,1 m
Net Exceptional income	€88,5 m
<b>Net income</b>	<b>€205,1 m</b>

**Company accounts**

## Consolidated Financial statements

Revenue	€3,013.2 m	<b>-0.5%</b>
Funds from operations (FFO) Group share	€275,4 m	<b>+4.2%</b>
<b>Net income, Group share</b>	<b>€326,8 m</b>	<b>+54.4%</b>

**Absence of comments**

# APPROPRIATION OF 2022 RESULTS – SETTING OF THE DIVIDEND<sup>(1)</sup>

<b>Dividend per share</b>	<b>€10.00</b>
<i>Number of shares</i>	<i>20,375,804</i>
General Partner dividend	€203,758,040.00
General Partner - bonus dividend (1.5%)	€3,056,370.60
<b>Global dividend 2022</b>	<b>€206,814,410.60</b>
o/w accounting profit	€205,119,058.41
o/w allocation to legal reserve (5% of profit)	-€2,433,011.88
o/w withdrawal from the “issue premium” account	€4,128,364.07

<sup>(1)</sup> The amounts presented above are determined on a total number of shares that will be adjusted by the Management, based on the number of the treasury shares on the ex-dividend date, on the June 12, 2023 – Treasury shares are not eligible for dividend.



# PROPOSED DIVIDEND FOR FISCAL YEAR 2022

## PAYMENT OPTIONS AND DATES

**Terms of payment:** Full payment in cash  
or 50% payment in cash and 50% in shares

### Payment in shares option

<b>Terms</b>	Average opening share price of the 20 trading days preceding the General Meeting	€117.56
	10% discount	€(11.76)
	Dividend	€(10.00)
	<b>Subscription price</b>	<b>€95.81</b>
<b>Key dates</b>	Ex-dividend date	June 12
	Beginning of the subscription period for the payment of the dividend in shares	June 14
	End of the subscription period	June 23
	<b>Payment in cash / Delivery of the new shares</b>	<b>July 4</b>

# PROVISIONAL DIVIDEND TAXES <sup>(1)</sup>

## Taxes

- ▶ €5.59 (55.9%): distribution of « tax-free income»
- ▶ €4.31 (43.1%): distribution of « taxable income»
- ▶ €0.10 (1.0%): repayment of premium on shares

**€10.00**

**per share**

+0.25€/s vs 2021



# SAY-ON-PAY ON THE COMPENSATION OF CORPORATE OFFICERS

## PRINCIPLES

### Ex post vote for 2022

#### 3 resolutions on the compensation of corporate officers:

- for all corporate officers (5th resolution)
- for the Management (6th resolution)
- for the Chairman of the Supervisory Board (7th resolution)

### Ex ante vote for 2023

#### 1 overall resolution on the remuneration policy for corporate officers (8th resolution)

- Persons concerned: Management, members of the Supervisory Board and Chairman of the Supervisory Board

#### NOTA:

- *The resolutions relate to the information contained in the Supervisory Board's report on corporate governance presented in the 2022 Universal Registration Document.*
- *Leading role of the Remuneration Committee and the Supervisory Board in determining the compensation policy and compensation components for corporate officers.*

# COMPENSATION PAID OR ALLOCATED IN 2022

MANAGEMENT: ALTAFI 2 (*Alain Taravella*)

<i>In € thousands</i>	2018	2019	2020	2021	2022
<b>Fixed compensation</b>	<b>2,721</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>1,800</b>
o/w Altareit	628	1,000	1,000	1,000	900
o/w Altarea	2,093	1,000	1,000	1,000	900
<b>Variable compensation (financial criteria)</b>	<b>3,115</b>	<b>849</b>	<b>0</b>	<b>708</b>	<b>321</b>
o/w Altareit (Net income)	-	-	-	197	216
o/w Altarea (FFO)	3,115	849	0	511	105
<b>Variable compensation (extra-financial criteria)</b>	<b>-</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>700</b>
o/w Altareit	-	-	-	-	350
o/w Altarea (GRESB 5*)	-	500	500	500	350
<b>TOTAL COMPENSATION</b>	<b>5,836</b>	<b>3,349</b>	<b>2,500</b>	<b>3,208</b>	<b>2,821</b>

1 **Waiver of 100% of variable remuneration** linked to FFO/share for 2020

2 **Introduction of a extra-financial criterion for Altareit**

*Ex post vote*

**12% reduction in total compensation in 2022 despite strong growth in Altarea's FFO and Altareit's net income**

**Reduction in variable compensation based on financial criteria, due to 3 changes in the scope of consolidation:**

- Impact of the dilution resulting from the capital increase at the end of 2021
- Revalued FFO/share ceilings for 2022 (+€0.50)
- Changes in value which strongly benefit the Group's net income, mainly concerning Altarea (not for Altareit)



# COMPENSATION PAID IN 2022 TO OTHER CORPORATE OFFICERS

## SUPERVISORY BOARD

 **Annual envelop of €620,000 unchanged**

Supervisory Board (SB)			Effective amounts 2022
	Annual envelop	<b>€620,000</b> <i>(unchanged)</i>	<b>€571,000</b>
	SB members	<b>€3,000</b> / by effective attendance to SB meeting <i>(unchanged)</i>	€201,000
		Compensation for one-off assignments	€120,000
	Chairman of the SB	<b>€250,000 / year</b> payable on a monthly basis <i>(unchanged)</i>	€250,000

# COMPENSATION POLICY FOR THE FINANCIAL YEAR 2023

(EX ANTE) - MANAGEMENT: ALTAFI 2 (Alain Taravella)

	ALTAREA	ALTAREIT																
Fixed compensation	€900,000	€900,000	> Envelopes unchanged															
Variable compensation <i>Financial criteria</i>	<div>Number of shares<sup>(1)</sup></div> <div><div>If FFO &gt; 13.0 €/share: 1.5% x (FFO – 13.0)</div><div>x</div><div>If FFO &gt; 15.5 €/share: 3.0% x (FFO – 15.5)</div><div>+</div></div>	<div>1.5% x (net income – €60m)</div> <div>If Net income &gt; €60m</div>	> Thresholds unchanged															
Variable compensation <i>Extra-financial criteria</i>	<div>€ 350,000 max. based on qualitative criteria</div> <div><table><tr><td>Climate</td><td>50%</td><td><b>Taxonomy:</b> Alignment rate of consolidated Group revenue (%)</td></tr><tr><td>Climate</td><td>50%</td><td><b>Carbon intensity:</b> grams of CO<sub>2</sub> emission per € of revenue</td></tr></table></div>	Climate	50%	<b>Taxonomy:</b> Alignment rate of consolidated Group revenue (%)	Climate	50%	<b>Carbon intensity:</b> grams of CO <sub>2</sub> emission per € of revenue	<div>€ 350,000 max. based on qualitative criteria</div> <div><table><tr><td>Climate</td><td>50%</td><td>Rolling out the decarbonisation strategy to property development</td></tr><tr><td>HR</td><td>25%</td><td>Team management quality</td></tr><tr><td>HR</td><td>25%</td><td>Quality of « social dialogue »</td></tr></table></div>	Climate	50%	Rolling out the decarbonisation strategy to property development	HR	25%	Team management quality	HR	25%	Quality of « social dialogue »	<div>&gt; Envelopes unchanged</div> <div>&gt; New Altarea quality criteria:</div> <div><ul style="list-style-type: none"><li>• Aligned with the company's climate objectives</li><li>• Consistent with profit-sharing agreements and medium-term bonuses for senior executives</li><li>• Reduced to 2021 ceiling (consistent with actual scope)</li></ul></div>
Climate	50%	<b>Taxonomy:</b> Alignment rate of consolidated Group revenue (%)																
Climate	50%	<b>Carbon intensity:</b> grams of CO <sub>2</sub> emission per € of revenue																
Climate	50%	Rolling out the decarbonisation strategy to property development																
HR	25%	Team management quality																
HR	25%	Quality of « social dialogue »																
TOTAL COMPENSATION 2023	Reduced to €3,500,000 (compared with €4,000,000 for 2022)																	

Reminder: compensation paid in the form of fees

# COMPENSATION POLICY FOR THE FINANCIAL YEAR 2023

## SUPERVISORY BOARD

 *Annual envelop of €620,000 maintained*

Supervisory Board (SB)	Annual envelop	€620,000 <i>(unchanged)</i>
	SB members	€3,000 / by effective attendance to SB meeting <i>(unchanged)</i> Compensation for one-off assignments
	Chairman of the SB	€250,000 / year payable on a monthly basis <i>(unchanged)</i>



# AUTHORISATIONS AND DELEGATIONS OF AUTHORITY TO THE MANAGEMENT SUBMITTED TO THE GENERAL MEETING

**Authorisations to increase  
or reduce the share capital**

**Absence of comments**

# # 06



## STATUTORY AUDITORS' REPORTS

Gare Paris Austerlitz



# #07



## DIALOGUE WITH SHAREHOLDERS

Grands Moulins  
(Corbeil-Essonnes)



# #08



## VOTE ON RESOLUTION

Bridge