

FULL YEAR RESULTS

AS AT DECEMBER 31, 2020

3-pillar strategy showing proven resilience in the context of a global health crisis

At group level, assets under management increased by 9% to reach approximately €2.4bn

- €196m of owned assets (+3% on a like-for-like basis compared to December 31, 2019)
- €2,187m managed on behalf of institutional and retail investors mainly through SCPI¹ and OPPCI² (+10% compared to December 31, 2019)

Solid financial indicators

- **EPRA Net recurring results per share increased by 8%** at €5.40 (€5.02 as at December 31, 2019)
- **EPRA Net Reinstatement Value (NRV) increased by 6%** at €125.1 per share (€117.9 per share as at December 31, 2019)
- **Loan to Value (LTV³) decreased to 25%** (vs. 28% as at December 31, 2019)
- Substantial **liquidity** of more than **€42m** (including an undrawn committed credit line)

The Management Board of PAREF, during the meeting held on February 18, 2021, approved the closing of the annual statutory and consolidated accounts as at December 31, 2020. The review of the results by our auditors is in progress.

“PAREF has continued its transformation, which has borne fruit despite the unprecedented nature of the global health crisis. Innovation, internationalisation, reinforcement of the teams, investments in technology, cost control and a rational investment strategy have been translated into the Group’s financial results: a significant increase in recurring earnings, growing Assets under Management and a decrease in indebtedness.

PAREF has been able to stay the course during the storm, without applying for any public aid, thanks to the unyielding commitment of all our teams. I sincerely thank them for their exemplary determination on daily basis. We will continue our journey in 2021 with a strong confidence in our business model, which has proven itself in 2020.”

Magali Volet – Group CFO

¹ « Sociétés Civiles de Placements Immobiliers » (non-trading real estate investment companies)

² « Organisme de Placement Professionnel Collectif Immobilier » (property investment mutual funds)

³ Loan-to-value (LTV): consolidated net debt divided by the consolidated asset value excluding transfer taxes (LTV at 26% including the shares in Wep Watford)

“2020 has confirmed our belief that PAREF’s strategy, based on a balanced development of three pillars, has enabled a resilient business model that will perform even better when markets recover.

Times ahead will continue to be challenging as the pandemic is having, and will continue to have, a significant impact on economies, real estate markets, tenants, clients, as well as loved ones around the world. It will continue to impact us in the months to come.

Nevertheless, I am confident that PAREF’s business model is robust and resilient and that our strategy will continue to allow us to deliver returns for shareholders.

I would like to extend my thanks to the whole PAREF family for their efforts in delivering satisfactory results in a difficult operating environment.”

Antoine Castro – Group CEO

I - Real-estate activity

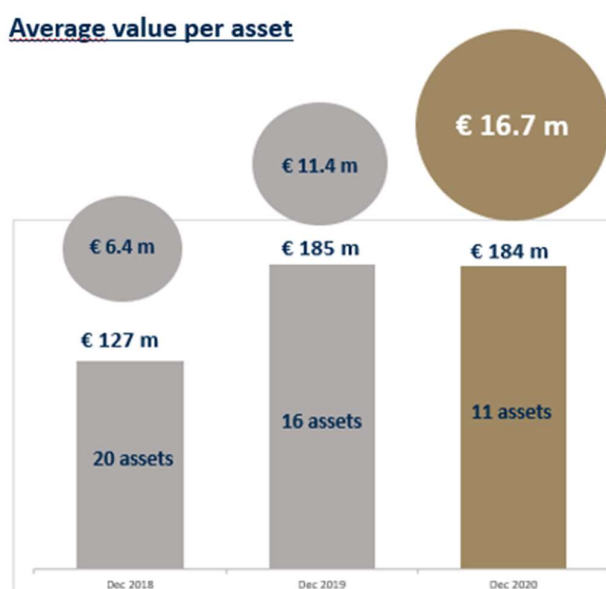
The first pillar of the Group is PAREF, a Euronext listed real estate company with REIT fiscal status. Its owned assets are the driving force of value creation for the Group.

As at Dec 31, 2020, PAREF holds:

- 11 assets directly;
- 2 main subsidiaries, namely PAREF Gestion and PAREF Investment Management, and;
- financial participations in SCPIs and OPPCIs.

- Continuation of the active management strategy

PAREF has maintained its strategy of active management of its portfolio by repositioning it on larger assets mainly located in Greater Paris: **average asset size has almost tripled in the past 2 years**, from €6.4m to €16.7m, **increasing by 45% in 2020 alone**.



5 assets located in Meythet, Saint-Etienne, Saint Maurice, Thyez and Trappes have been disposed for net proceeds of €5.4m, in line with their latest valuation.

- A portfolio refocused on Greater Paris with increasing valuation on a like-for-like basis

The value of PAREF's owned assets⁴ was €196m as at Dec 31, 2020, consisting of investment property for €184m (including the participation in the Gaïa building) and financial participations in funds managed by the Group for €12m.

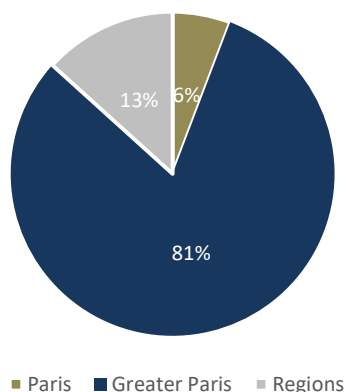
Owned assets ⁵ key figures	2019	2020
Number of assets	16	11
Lettable area (in operation)	111,074 sqm	96,619 sqm
Valuation	€185m	€184m

⁴ Includes interests in companies consolidated under the equity method, of which 50% in Wep Watford (company which owns the Gaïa office in Nanterre, La Défense) and 27.24% in Vivapierre OPPCI.

⁵ Including Gaïa office share. Excluding shares in Vivapierre and the value of PAREF Gestion shares.

As a result of the strategy implemented, the assets are now mostly located in or around Paris:

Geographical breakdown of owned assets



The value of real estate assets owned by PAREF (excluding Gaïa office) was €166.5m, **increasing by 2.8% on a like-for-like basis** and decreasing by 0.5% compared to the end of 2019, due to:

- Disposals of €5.4m (valuation as at December 31, 2019);
- Capitalized expenses of €4.0m in 2020, and;
- Increase in the fair value of investment properties for €0.6m.

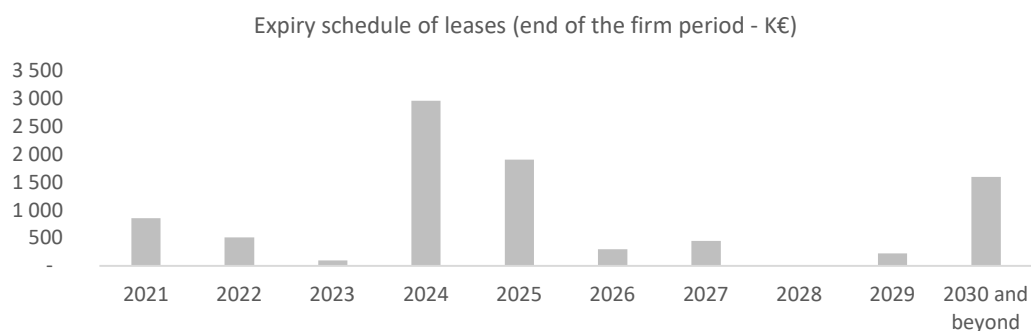
- Proactive rental management

In the context of the health crisis, **4 leases and renewals have been signed** for more than 2,500 sqm in the course of 2020. In February 2020, PAREF notably signed a **new lease on the Gaïa office asset** in Nanterre for a total area of 1,751 sqm with a **9-year firm period**. The occupancy rate of this asset has increased to approximately 64%.

Financial occupancy rate was 81.1% as at December 31, 2020, vs. 86.2% as at December 31, 2019⁶. The decrease is mainly due to the end of the leasing period for tenants at Gentilly and Juvisy-sur-Orge, for which a repositioning is planned to capture the value.

The weighted average unexpired lease term of the owned asset portfolio was 4.9 years at the end of 2020, compared to 4.8 years as at December 31, 2019, thanks to the leasing of the Gaïa office and lease renewals at the Léon Frot asset in Paris.

The owned assets' expiry schedule of rents assets is as follows:



⁶ Including Gaïa office. Excluding Gaïa office, Financial occupancy rate stands at 83.8% as at December 31, 2020, vs 91.7% end of 2019. The financial occupancy rate is computed excluding assets undergoing redevelopment (The Go in Levallois-Perret)

- **Net rental income increasing by 27% despite the health crisis**

The **net rental income of PAREF increased by 27%** to €8.4m in 2020. This increase is explained by:

- the full-year effect of 6 floors in Franklin Tower La Défense acquired in the second half of 2019;
- partially offset by 1) tenant evictions in the asset located in Levallois-Perret as part of the “The Go” redevelopment project, and 2) disposal of assets in 2019 and 2020.

2020 rental income from owned assets (in k€)	2019	2020	<i>Evolution in %</i>
Gross rental income	6,964	8,974	29%
<i>Rental expenses re-invoiced</i>	2,791	3,103	11%
<i>Rental expenses</i>	-3,358	-3,700	10%
Non-recoverable rental expenses	-566	-597	5%
Other income	218	4	-98%
Total net rental income	6,616	8,381	27%

On a like-for-like basis, gross rental income increased by 2.9% in 2020, thanks to a compensation received in relation to the Gentilly asset and the positive impact from the lease renegotiation for assets located in Dax and Saint-Paul-lès-Dax.

The average gross initial yield on these assets was 6.2% vs. 7.0% at the end of 2019⁷.

Thanks to the quality of tenants and the diligent work of our Asset and Property Management teams, **collection rate** of 2020 rents and rental charges **reached approximately 95%**.

⁷ Excluding the asset being restructured (“The Go” in Levallois-Perret) and the Gaïa asset.

II – Asset management on behalf of third parties

The second pillar is PAREF Gestion, the AIFM regulated portfolio management company of the Group.

The third pillar is PAREF Investment Management: the company that operates across the entire value creation chain in the real estate sector, offering institutional investors the benefit of PAREF's integrated services in terms of acquisition, asset management, project management, property management, etc.

- Good momentum for portfolios under management

PAREF Gestion

Benefiting from multi-sector expertise for over 30 years, PAREF Gestion continues to develop innovative products while respecting the need for transparency through vehicles with targeted and coherent investments. After the successes of Novapierre Allemagne and Novapierre Allemagne 2, the Group's strong determination for internationalization has resulted in a major step forward:

The launch of Interpierre Central Europe: 1st SCPI in this geographical area

Despite the economic slowdown linked to the COVID-19 health crisis, PAREF Gestion has opened a new territory to its investors. The strategy of this SCPI is to invest in office and logistics real estate mainly in Poland, Czech Republic and Hungary. The AMF visa was obtained in June 2020 and subscriptions were opened at the beginning of September 2020.

Notwithstanding the drop in subscriptions, the ratio of gross-to-net subscription remains stable compared to 2019, demonstrating investors' confidence

PAREF Gestion collected gross subscriptions of €151m from investors on SCPI funds, representing a decrease of 43% compared to 2019 (€267m). This decline is explained by two main factors:

- COVID-19 health crisis that has significantly slowed down the appetite of individual investors for real estate investments;
- a specific significant subscription in 2019 of about €40m linked to the acquisition of a portfolio of nearly €100m for Novapierre 1.

Restated for the extraordinary 2019 subscription on Novapierre 1, the gross subscriptions decreased by 28% year-on-year.

Breakdown of the gross subscriptions:

Type	Funds	Gross subscription in 2019 (€ m)	Gross subscription in 2020 (€ m)	Evolution in %
SCPI	Novapierre Allemagne 2	76	92	22%
	Interpierre France	52	30	-43%
	Novapierre Résidentiel	6	18	188%
	Interpierre Europe Centrale	-	5	n.a
	Novapierre Allemagne	84	5	-94%
	Novapierre Italie	3	1	-53%
	Novapierre 1	47	1	-98%
Total		267	151	-43%

Investments and disposals

PAREF Gestion closed investments of nearly **€178m** for all the SCPI funds under management, notably:

- €54m for Novapierre Allemagne 2 following the creation of the fund in September 2019;
- €44m for Novapierre Allemagne by acquiring a retail asset portfolio;
- €39m for Interpierre France, and;
- €34m for Novapierre Résidentiel.

In the meantime, PAREF Gestion closed disposals for about €15m of which mainly:

- €4m for Novapierre Résidentiel;
- €4m for Novapierre 1;
- €3m for Interpierre France.

Breakdown of the assets under PAREF Gestion management as at December 31, 2020, **increasing by 11%**:

Type	Funds	Strategy	Assets under Management (€ m) Dec 31, 2019	Assets under Management (€ m) Dec 31, 2020	Evolution in %
	Novapierre Allemagne ⁸	Retail	543	616	13%
	Novapierre Résidentiel ⁸	Residential	286	329	15%
	Novapierre 1 ⁸	Retail	254	252	-1%
	Interpierre France ⁸	Office/Logistics	154	184	20%
	Novapierre Allemagne 2 ⁸	Retail	70	158	125%
SCPI	Capiforce Pierre ^{9 (1)}	Diversified	62	-	-100%
	Atlantique Pierre 1 ⁹	Diversified	57	57	-1%
	Cifocoma 2 ⁹	Retail	25	25	1%
	Cifocoma 1 ⁹	Retail	25	24	-1%
	Interpierre Europe Centrale ⁸	Office/Logistics	-	4	n.a
	Novapierre Italie ⁸	Tourism	3	4	34%
Sub-total SCPI			1,477	1,652	12%
OPPCI	Vivapierre ⁹	Hotel resorts	92	86	-6%
Sub-total OPCI			92	86	-6%
Other AIF			24	25	3%
Total			1,593	1,764	11%

(1) Management mandate terminated on December 31, 2020, following the decision of the Shareholders' General meeting in October 2020

PAREF Investment Management

Present in France, Italy and Switzerland, PAREF Investment Management aims to provide institutional investors with the expertise already at the service of PAREF and PAREF Gestion.

The Italian subsidiary of PAREF Investment Management manages the redevelopment project of "The Medelan", a building located in the historic city center of Milan on behalf of the Portuguese insurance company Fidelidade. This mixed-use asset develops ca. 55,000 sqm and will offer the best market standards, particularly from an environmental point of view, with an expected Leed Platinum certificate. The delivery of the project is expected in 2022.

⁸ Open-ended funds

⁹ Close-ended funds

- **Net commissions decreasing by 7% in spite of the health crisis: the decline in net subscription commissions is almost compensated by increasing asset management commissions**

Management commissions increased by 5% year-on-year to €10.1m. The increase is mainly explained by the following:

- +€1m thanks to increasing assets under management
- +€0.9m from the Italian platform
- -€0.8m due to decrease in commissions linked to disposals and investments
- -€0.3m due to the termination of the OPCI 54 Boétie and the hotel assets OPPCI
- -€0.1m due to the impact of the uncollected rents in the context of Covid-19.

Net subscriptions commissions amounted to €2.9m vs €4.4m in 2019.

Indeed, gross subscription commissions totaled €14.2m in 2020, decreasing by 40% compared to 2019 because of the health crisis.

Retro-commissions decreased accordingly to €11.3m, compared to €19.3m in 2019 (-42%), of which:

- A €7m reduction in retro-commissions paid to subscription agents, reflecting the general subscriptions slowdown, and;
- A €1m decrease in fees paid to service providers in Germany due to postponed acquisitions for SCPI Novapierre Allemagne 2.

Commissions (in €k)	2019	2020	Evolution en %
Management commissions	9,650	10,117	5%
Subscription commissions	23,708	14,174	-40%
Retro-commissions	-19,312	-11,288	-42%
Net commissions	14,045	13,002	-7%

Reinforced human resources with an experienced team

PAREF Group has also succeeded in attracting new talents and experienced managers in 2020, of which notably:

- Magali Volet, appointed Group CFO in August 2020;
- Matthieu Navarre, who joined in February 2020 as Commercial Director at PAREF Gestion;
- Sophie Bourguignon, acting as Fund Management Director of PAREF Gestion since October 2020.

Reinforced by these experienced profiles in the real estate industry to support all our activities, the Group will be able to accelerate the deployment of its strategy.

III – 2020 Results and EPRA earnings

Consolidated P&L

Detailed consolidated P&L (in €k)	2019	2020	Evolution in %
Gross rental income	6,964	8,974	29%
Reinvoiced rental expenses, taxes and insurance	2,791	3,103	11%
Rental expenses, taxes and insurance	-3,358	-3,700	10%
Non-recoverable rental expenses	-566	-597	5%
Other income	218	4	-98%
Net rental income	6,616	8,381	27%
Revenues on commissions	33,358	24,291	-27%
-of which management commissions	9,650	10,117	5%
-of which subscription commissions	23,708	14,174	-40%
Retro-commissions	-19,312	-11,288	-42%
Net revenues on commissions	14,045	13,002	-7%
General expenses	-11,415	-11,548	1%
Depreciation and amortization	-428	-571	33%
Current operating result	8,818	9,264	5%
Variation of fair value on investment properties	3,241	567	-82%
Result on disposals of investment properties	2,744	-18	n.a.
Operating result	14,803	9,814	-34%
Financial products	67	31	-54%
Financial expenses	-2,063	-1,408	-32%
Net financial expenses	-1,996	-1,377	-31%
Other expenses and incomes on financial assets	319	211	-34%
Fair-value adjustments of financial instruments	294	-	-100%
Results of companies consolidated under the equity-method	1,579	342	-78%
Result before tax	15,000	8,990	-40%
Income tax	-1,526	-840	-45%
Net result	13,474	8,150	-40%
Non-controlling interests	-	-	n.a.
Net result (owners of the parent)	13,474	8,150	-40%
Average number of shares (non-diluted)	1,442,099	1,480,927	
Net result / share (owners of the parent)	9.34	5.50	-41%
Average number of shares (diluted)	1,448,027	1,483,407	
Net result / share (owners of the parent diluted)	9.30	5.49	-41%

PAREF Group generated **recurring net results** of €8.0m, **increasing by 11%**. Consolidated net results was €8.2m as at December 31, 2020, decreasing by 40% compared to 2019. This performance is mainly explained by the following:

- Net rental income increased by 27% to €8.4m, thanks to the full-year integration of the 6 Franklin Tower floors acquired mid-2019;
- Net commissions of €13.0m, decreasing by 7% mainly because of the decline in subscription commissions linked to COVID-19, partially compensated by the increase in asset management commissions on the back of growing assets under management;
- Broadly stable general expenses of €11.5 m (+1% year-on-year), with the reinforcement of our teams

being offset by a strict cost control over other expenses;

- Amortization and depreciation increasing by 33% to €0.6m, mainly due to investments made to upgrade IT systems and tools;
- €0.6m increase in the fair value of investment properties thanks to hotel assets in Dax and Saint-Paul-lès-Dax assets;
- Net financial expenses of €1.4m in 2020, down 31% vs. €2.0m in 2019, due to the full-year effect of the refinancing of the Group in February 2019 and the related early repayment compensation of €0.5m;
- Net income from companies consolidated under the equity method amount of €0.3m vs. €1.6m in 2019, decreasing by 78%. This drop is mainly due to the negative variation in fair value and refinancing costs of Vivapierre assets.

EPRA Earnings up 11% compared to 2019

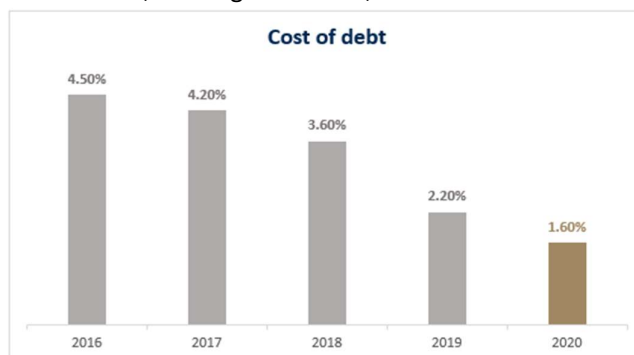
In k€	2019	2020	Evolution in %
Earnings per IFRS income statement	13,474	8,150	-40%
Adjustments			
(i) Change in fair-value of investment properties	-3,241	-567	-82%
(ii) Profits or losses on disposal of investment properties and other interests	-2,744	18	n.a.
(iii) Profits or losses on disposal of financial assets available for sale	-	-	
(iv) Tax on profits or losses on disposals	-	-	
(v) Negative goodwill / goodwill impairment	-	-	
(vi) Changes in fair value of financial instruments and associated close-out costs	179	-	-100%
(vii) Acquisition costs on share deals and non-controlling joint-venture	-	-	
(viii) Deferred tax in respect of the adjustments above	-	-	
(ix) Adjustments (i) to (viii) above in respect of companies consolidated under equity method	-433	399	n.a.
(x) Non-controlling interests in respect of the above	-	-	
EPRA Earnings	7,235	7,999	11%
Average number of shares (diluted)	1,442,099	1,480,927	
EPRA Earnings per share (diluted)	5.02€	5.40€	8%

IV - Financial resources

The **gross debt** of Group PAREF is **down 18%** to €64m as at December 31, 2020 vs. €78m as at December 31, 2019.

The average **cost of drawn debt** of the Group was **reduced to 1.6%** as at December 31, 2020, versus 2.2% at end 2019, thanks to the full-year effect of the refinancing of the Group in February 2019.

The evolution of the cost of drawn debt, starting from 2016, is as follows:



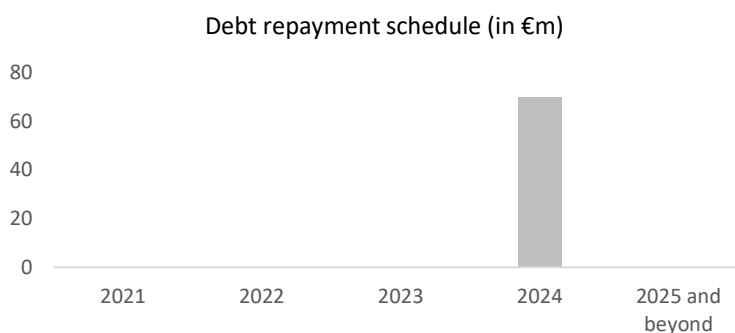
The **average debt maturity** is **3.1** years as at December 31, 2020 (vs. 4.4 years at the end of 2019).

The drawn debt is **fully hedged**, limiting its sensitivity to interest rate fluctuations.

Financial ratios are solid:

	Dec 31, 2019	Dec 31, 2020	Covenant
LTV ¹⁰	28%	25%	<50%
ICR ¹¹	7.8x	6.8x	>2.5x
DSF ¹²	18%	0%	<30%
Consolidated asset value ¹³	€217m	€230m	>€125m

Debt repayment schedule:



The Group has **liquidity of €42m** as at December 31, 2020, of which cash and cash equivalent of €7m, in accordance with the regulatory requirement of a minimum amount to be held by PAREF Gestion, and €35m available via a committed credit line.

¹⁰ Loan-to-value: consolidated net debt divided by the consolidated asset value excluding transfer taxes.

¹¹ ICR : EBITDA divided by consolidated financial expenses excluding penalties on debt early repayment.

¹² DSF : secured financial debt divided by the consolidated asset value (including the value of PAREF Gestion's shares).

¹³ Including the value of PAREF Gestion

V - Assets under Management

The value of the Assets under the Management of PAREF Investment Management and PAREF Gestion **increased by +9% and reached almost €2.4bn.**

In k€	Dec 31, 2019	Dec 31, 2020	Evolution in %
1 – Management for owned assets			
PAREF owned assets	167,450	166,550	-1%
PAREF participations ¹⁴	29,322	29,728	1%
Total Asset of PAREF	196,772	196,278	-0.3%
2 – Management for retail and institutional third parties			
Novapierre Allemagne	543,273	616,247	13%
Novapierre Résidentiel	285,639	329,021	15%
Novapierre 1	254,027	251,653	-1%
Interpierre France	153,559	184,132	20%
Novapierre Allemagne 2	70,047	157,546	125%
Capiforce Pierre	61,879	-	
Atlantique Pierre 1	57,051	56,644	-1%
Cifocoma 2	24,801	25,007	1%
Cifocoma 1	24,558	24,329	-1%
Interpierre Europe Centrale		4,153	n.a.
Novapierre Italie	2,620	3,504	34%
Vivapierre	91,780	86,400	-6%
Other assets managed on behalf of third parties ⁽²⁾	417,380	448,360	7%
Total Assets under Management for third parties	1,986,614	2,186,996	10%
Adjustments ⁽³⁾	-10,762	-10,942	2%
3 – TOTAL Asset under Management	2,172,624	2,372,332	9%

(1) Management mandate terminated on December 31, 2020, following the decision of the Shareholders' General meeting in October 2020

(2) Including Foncière Sélection Régions and The Medelan asset under the management of PAREF Investment Italy

(3) Part of PAREF portfolio is managed through OPPCI (Vivapierre) by PAREF Gestion

¹⁴ Including shares in companies consolidated under the equity method (50% in Wep Watford owning the Gaïa building in Nanterre, La Défense), and 27.24% in Vivapierre OPPCI. Excludes PAREF Gestion shares

VI – EPRA Net Asset Value

EPRA Net Reinstatement Value (NRV) increased by 6% to reach €125.1 per share respectively, as at December 31 2020, compared to €117.9 per share as at December 31, 2019.

The evolution is mainly explained by the **2020 net results** contribution and the **positive variation of the valuation of PAREF Gestion (+52%** vs. December 31, 2019), which has been performed by an **independent expert** since June 30, 2020.

EPRA Net Reinstatement Value (NRV) - in k€	Dec 31, 2019	Dec 31, 2020	Evolution in %
IFRS Equity attributable to shareholders	132,459	137,805	4%
<i>Including / Excluding :</i>			
Hybrid instruments	-	-	-
Diluted NAV	132,459	137,805	4%
<i>Including :</i>			
Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)	-	-	-
Revaluation of other non-current investments (PAREF Gestion) ¹⁵	24,484	37,105	52%
Revaluation of tenant leases held as finance leases	-	-	-
Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	156,943	174,910	11%
<i>Excluding :</i>			
Differed tax in relation to fair value gains of IP	-	-	n.a.
Fair value of financial instruments	407	944	132%
Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	n.a.	n.a.	
Intangibles as per the IFRS balance sheet	n.a.	n.a.	
<i>Including :</i>			
Fair value of debt	n.a.	n.a.	
Revaluation of intangible to fair value	-	-	-
Real estate transfer tax	12,819	12,736	-1%
NAV	170,169	188,590	+11%
Fully diluted number of shares	1,443,779	1,507,460	
NAV per share	117.9	125.1	6%

¹⁵ PAREF Gestion valuation was performed by a qualified external expert for the first time on June 30, 2020.

EPRA NAV indicators are based on the IFRS-consolidated value of equity (fair value accounting) and the mark-to-market value of debt and financial instruments, as per EPRA's Best Practices Recommendations.

New-format EPRA NAV metrics as at December 31, 2020:

Dec 31, 2020 In k€	EPRA NRV (Net Reinstatement Value)	EPRA NTA (Net Tangible Assets)	EPRA NDV (Net Disposal Value)
IFRS Equity attributable to shareholders	137,805	137,805	137,805
<i>Including / Excluding :</i>			
Hybrid instruments	-	-	-
Diluted NAV	137,805	137,805	137,805
<i>Including :</i>			
Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)	-	-	-
Revaluation of other non-current investments (PAREF Gestion) ¹⁶	37,105	37,105	37,105
Revaluation of tenant leases held as finance leases	-	-	-
Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	174,910	174,910	174,910
<i>Excluding :</i>			
Differed tax in relation to fair value gains of IP	-	-	n.a
Fair value of financial instruments	944	944	-
Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	n.a	-	n.a
Intangibles as per the IFRS balance sheet	n.a	-716	n.a
<i>Including :</i>			
Fair value of debt	n.a	n.a	230
Revaluation of intangible to fair value	-	n.a	-
Real estate transfer tax	12,736	12,736	n.a
NAV	188,590	187,874	175,140
Fully diluted number of shares	1,507,460	1,507,460	1,507,460
NAV per share	125.1	124.6	116,2

¹⁶ PAREF Gestion valuation was performed by a qualified external expert for the first time on June 30, 2020.

As a reference, old-format EPRA NAV metrics are as follows:

	Dec 31, 2019	Dec 31, 2020	Evolution in %
NAV per the financial statements	132.5	137.8	4%
Fair value of financial instruments	0.4	0.9	132%
Revaluation of intangible and operating assets (PAREF Gestion) ¹⁷	24.5	37.1	52%
Other	-	-	
EPRA NAV (in €M)	157.4	175.9	12%
EPRA NAV per share (in €)	109.0	116.7	7%
Fair value of financial instruments	-0.4	-0.9	132%
Fair value of debt	-0.3	0.2	n.a
Deferred taxes	-0.7	-1.1	56%
EPRA NNNAV (in M€)	155.9	174.1	12%
EPRA NNNAV per share (in €)	108.0	115.5	7%
Deferred taxes	0.7	1.1	56%
Estimated transfer taxes	12.8	12.7	-1%
Going concern NAV (in M€)	169.4	187.9	11%
Going concern NAV / per share (in €)	117.3	124.6	6%

Table of transition for EPRA NAV from old format to new indicators:

Dec 31, 2020 - In €	EPRA NRV	EPRA NTA	EPRA NDV
NAV per share (old format)	116.7	116.7	116.7
Transfer taxes	8.4	8.4	
Goodwill			
Intangible assets		-0.5	
Fair value of financial instruments and debts			-0.5
NAV per share	125.1	124.6	116.2

VII – Distribution

PAREF, proud of its values, will keep on contributing to national solidarity as recommended by the Government

PAREF did not apply to any public aid in 2020 and our teams remain fully committed. Notwithstanding the 2020 performance of the Group, PAREF will propose to reduce its dividend to €2.30 per share for the fiscal year 2020, abiding by the SIIC regime distribution rules. This proposition of distribution to be paid in cash will be submitted for the approval of shareholders at the Annual General Meeting to be held on May 20th, 2021. This initiative will also reinforce the financial robustness of the Group.

VIII - Post-closing events

None

¹⁷ PAREF Gestion valuation was performed by a qualified external expert for the first time on June 30, 2020.

IX – Strategy and perspectives

PAREF Group continues to base its development in France and internationally on:

- Gradual growth in the value of investment properties owned by PAREF with a proactive approach: asset management of the existing portfolio, asset rotation and targeted investments, repositioning towards assets of significant size and mainly located in the Greater Paris region;
- Rational development of the asset management activities on behalf of retail investors by 1) increasing assets under management of existing products, and 2) creating new products;
- Acceleration of institutional asset management in France and in Europe.

X - Financial agenda

April 27, 2021: Financial information as at March 31, 2021

May 20, 2021: Annual General Meeting of shareholders

About PAREF Group

PAREF operates in two major complementary areas: (i) investments owned by SIIC PAREF primarily in commercial real estate in the Paris region (€0.2 bn asset as at December 31, 2020) and (ii) Management on behalf of third parties via PAREF Gestion (€1.8 bn funds under management as at December 31, 2020), an AMF-certified management company, and via PAREF Investment Management (€0.4 bn as at December 31, 2020).

PAREF is a company listed on Euronext Paris, Compartment C, under ISIN FR00110263202 – Ticker PAR.

More information on www.paref.com

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APPENDIX

EPRA Net Tangible Assets (NTA) as at Dec 31, 2020

EPRA Net Tangible Assets (NTA) - in k€	Dec 31, 2019	Dec 31, 2020	Evolution in %
IFRS Equity attributable to shareholders	132,459	137,805	4%
<i>Including / Excluding :</i>			
Hybrid instruments	-	-	-
Diluted NAV	132,459	137,805	4%
<i>Including :</i>			
Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)	-	-	-
Revaluation of other non-current investments (PAREF Gestion) ¹⁸	24,484	37,105	52%
Revaluation of tenant leases held as finance leases	-	-	-
Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	156,943	174,910	11%
<i>Excluding :</i>			
Differed tax in relation to fair value gains of IP	-	-	n.a.
Fair value of financial instruments	407	944	132%
Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	-	-	-
Intangibles as per the IFRS balance sheet	-339	-716	111%
<i>Including :</i>			
Fair value of debt	n.a.	n.a.	-
Revaluation of intangible to fair value	-	-	-
Real estate transfer tax	12,819	12,736	-1%
NAV	169,803	187,874	+11%
Fully diluted number of shares	1,443,779	1,507,460	
NAV per share	117.6	124.6	6%

¹⁸ PAREF Gestion valuation was performed by a qualified external expert for the first time on June 30, 2020.

EPRA Net Disposal Value (NDV) as at Dec 31, 2020

EPRA Net Disposal Value (NDV) - in k€	Dec 31, 2019	Dec 31, 2020	Evolution in %
IFRS Equity attributable to shareholders	132,459	137,805	4%
<i>Including / Excluding :</i>			
Hybrid instruments	-	-	-
Diluted NAV	132,459	137,805	4%
<i>Including :</i>			
Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)	-	-	-
Revaluation of other non-current investments (PAREF Gestion) ¹⁹	24,484	37,105	52%
Revaluation of tenant leases held as finance leases	-	-	-
Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	156,943	174,910	11%
<i>Excluding :</i>			
Differed tax in relation to fair value gains of IP	n.a.	n.a.	
Fair value of financial instruments	n.a.	n.a.	
Goodwill as a result of deferred tax	-	-	-
Goodwill as per the IFRS balance sheet	-	-	-
Intangibles as per the IFRS balance sheet	n.a.	n.a.	
<i>Including :</i>			
Fair value of debt	-346	230	n.a.
Revaluation of intangible to fair value	n.a.	n.a.	
Real estate transfer tax	n.a.	n.a.	
NAV	156,597	175,140	+12%
Fully diluted number of shares	1,443,779	1,507,460	
NAV per share	108.5	116.2	7%

¹⁹ PAREF Gestion valuation was performed by a qualified external expert for the first time on June 30, 2020.

Other EPRA indicators

- EPRA Vacancy rate

In k€	Dec 31, 2019	Dec 31, 2020	Evolution in %
Estimated rental value of vacant space ⁽¹⁾	1,420	1,974	
Estimated rental value of the whole portfolio ⁽¹⁾	10,824	10,189	
EPRA Vacancy Rate	13.1%	19.4%	+6.3 pts

(1) Including the participation in Gaïa office, excluding shares in OPPCI Vivapierre. Excluding Gaïa, EPRA vacancy rate stands at 16.9% as at December 31, 2020 vs. 7.7% as at December 31, 2019.

- EPRA Net Initial Yield (NIY) and 'topped-up' NIY

In %	Dec 31, 2019	Dec 31, 2020	Evolution in %
PAREF Net yield	6.15%	6.40%	+0.24pts
Impact of estimated duties and costs	-0.4%	-0.5%	+0.02pts
Impact of changes in scope	-0.1%	-0.04%	+0.09pts
EPRA Net initial yield ⁽¹⁾	5.59%	5.90%	+0.31pts
Excluding lease incentives	0.2%	0.30%	+0.08pts
EPRA "Topped-Up" Net initial yield ⁽²⁾	5.82%	6.22%	+0.4pts

(1) The EPRA Net Initial Yield rate is defined as the annualized rental income, net of property operation expenses, after deducting rent adjustments, divided by the value of the portfolio, including duties.

(2) The EPRA 'topped-up' Net Initial Yield rate is defined as the annualized rental income, net of property operating expenses, excluding lease incentives, divided by the value of the portfolio, including taxes.

- Capital expenditure

En K€	Dec 31, 2019	Dec 31, 2020
Acquisition	66,812	-
Development ⁽¹⁾	1,441	3,194
Portfolio on a like-for-like basis ⁽²⁾	713	788
Other ⁽³⁾	820	1,204
Total	69,786	5,186

(1) Including investment related to "The Go" project of the asset located in Levallois-Perret

(2) Including mainly investment on resort complex in Dax and the 6 floors in the Franklin Tower

(3) Including eviction indemnities, rent adjustments and capitalized financial costs relating to "The Go" project

- EPRA cost ratios

The ratio below is computed based on PAREF Group owned assets perimeter (including companies consolidated under the equity method).

In k€	Dec 31, 2019	Dec 31, 2020	Evolution in %
Include:			
(i) General expenses	-1,690	-1,709	+7%
(ii) Costs related to properties	-169	0	-100
(iii) Net service charge costs/fees	-3,189	-3,700	16%
(iv) Management fees less actual/estimated profit element	0	0	
(v) Other operating income/recharges intended to cover overhead expenses	0	0	
(vi) Share of general expenses of companies consolidated under equity method	-567	-343	-39%
Exclude:			
(vii) Depreciation and amortization			
(viii) Ground rent costs	1,732	1,119	-35%
(ix) Service charge costs recovered through rents but not separately invoiced	1,059	1,984	84%
EPRA Costs (including direct vacancy costs) (A)	-2,823	-2,649	-6%
(x) Less: Direct vacancy costs (unrecoverable rent costs)	568	888	+56%
EPRA Costs (excluding direct vacancy costs) (B)	-2,255	-1,761	-22%
(xi) Gross Rental Income less ground rent costs	8,651	9,996	16%
(xii) Less: service charge costs included in Gross Rental Income	-2,084	-1,619	-22%
(xiii) Add: share of Gross Rental Income less ground rent costs of companies consolidated under equity method	2,026	2,290	13%
Gross Rental Income	8,593	10,667	24%
EPRA Cost Ratio (including direct vacancy costs) (A/C)	32.9%	24.8%	-8pts
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	27.3%	16.5%	-11pts

Consolidated balance sheet

Balance Sheet - Assets (in €k)	Dec 31, 2019	Dec 31, 2020
Non-current assets		
Investment properties	162,950	167,754
Intangible assets	339	716
Other property, plant and equipment	2,612	2,052
Financial assets	10,662	12,387
Shares and investments in companies under the equity method	13,664	13,836
Financial assets held for sale	1,160	1,299
Differed tax assets	15	6
Total non-current assets	191,402	198,050
Current assets		
Stocks	-	-
Trade receivables and related	16,807	16,270
Other receivables	98	189
Financial instruments	-	-
Cash and cash equivalents	16,357	7,325
Total current assets	33,262	23,783
Properties and shares held for sale	4,750	-
TOTAL ASSET	229,414	221,833
Balance Sheet - Liabilities (in €k)	Dec 31, 2019	Dec 31, 2020
Equity		
Share capital	36,106	37,755
Additional paid-in capital	39,983	42,193
Fair-value through equity	59	70
Fair-value evolution of financial instruments	-407	-944
Consolidated reserved	43,246	50,581
Consolidated net result	13,474	8,150
Shareholder equity	132,459	137,805
Minority interest	-	-
Total Equity	132,459	137,805
Liability		
Non-current liabilities		
Non-current financial debt	78,473	65,803
Non-current taxes due & other employee-related liabilities	55	-
Non-current provisions	260	269
Total non-current liabilities	78,788	66,072
Current liabilities		
Current financial debt	1,096	435
Current financial instruments	407	944
Trade payables and related	7,111	4,684
Current taxes due & other employee-related liabilities	7,095	7,196
Other current liabilities	2,457	4,697
Total current liabilities	18,167	17,956
TOTAL LIABILITIES	229,414	221,833

Cash flow statement

CASH-FLOW STATEMENT (in €k)	Dec 31, 2019	Dec 31, 2020
Operating cash-flow		
Net result	13,474	8,150
Depreciation and amortization	105	571
Valuation movements on assets	-3,241	-567
Valuation movements on financial instruments	-309	-
Valuation on financial assets held for sale	15	-
Tax	1,526	840
Result on disposals	-2,744	18
Results of companies consolidated under the equity method	-1,579	-342
Cash-flow from operating activities after net financial items and taxes	7,246	8,669
Net financial expenses	1,996	1,377
Tax paid	-2,966	-1,010
Cash-flow from operating activities before net financial items and taxes	6,276	9,036
Other variations in working capital	-614	653
Net cash-flow from operating activities	5,662	9,689
Investment cash-flow		
Acquisition of tangible assets	-69,865	-4,937
Acquisition of other assets	11	-537
Assets disposal	19,400	5,432
Acquisition of financial assets	-2,231	-1,910
Financial assets disposal	-	-
Financial products received	67	31
Change in perimeter	583	-
Cash-flow from investments	-52,034	-1,920
Financing cash-flow		
Self-detention shares	13	-148
Variation in capital	126	-62
Variation in bank loans	70,000	-
Variation in other financial debt	-	-
Repayment of financial lease	-2,927	-8,810
Repayment of bank loan	-24,276	-5,000
Costs of loan issuance	-1,224	-
Variation on bank overdraft	-101	-
Financial expenses paid	-1,768	-926
Dividend paid to shareholders and minorities	-5,552	-1,855
Cash-flow from financial activities	34,292	-16,801
Increase/ Decrease in cash	-12,080	-9,032
Cash & cash equivalent at opening	28,437	16,357
Cash & cash equivalent at closing	16,357	7,325

