PRESS RELEASE

Boulogne-Billancourt, 16 February 2022

2021 Annual Results

Key financial information

- **2021 recurring earnings per share above guidance given in October 2021 at €1.24, up +3% versus 2020**
- **Cash dividend of €1.00 per share to be proposed to shareholders at the Annual General Meeting**
- **New €20 million share buyback programme**
- **Growth in recurring earnings per share[1] of +10% per year expected in 2022 and 2023**

Strong balance sheet

- **Like-for-like increase in the portfolio valuation of +0.7% versus end-2020, to €6.21 billion**
- **EPRA Net Disposal Value per share of €22.99 at end-2021, up +3.0% vs. end-2020**
- **Strengthened financial position, with a loan-to-value ratio[2] of 37.4% at end-December 2021**
- **Confirmation in September by S&P of Carmila's BBB rating, with outlook revised from negative to stable**

2021 trading

- **H2 2021 retailer sales at 97% of H2 2019 level**
- **Dynamic leasing activity in 2021 (1,144 leases signed, up +31% versus 2019)**
- **Positive reversion in 2021 on new leases (+6.3% above rental appraisal values) and renewals (+1.9% above)**
- **Financial occupancy up +60 bps versus end-2020 to 96.3% (back at pre-crisis level)**
- **Improvement in rent collection in second half 2021 (H2 collection rate[3] of 94%)**
- **Net rental income up +7% versus 2020**

New strategic plan: Building Sustainable Growth

- **Carmila's strategic plan is based on three pillars:**
  - **A new vision for Carmila's role as an incubator and omnichannel platform**
  - **Leadership in sustainability**
  - **Investment in new business lines**
- **A new commitment on climate ("net zero" Scopes 1 and 2 emissions by 2030) and BREEAM certification of the portfolio**
- **Creation of the Next Tower business line**
- **Scaling up the expansion of Carmila Retail Development**

[1] At constant scope
[2] Including transfer taxes
[3] As of 10 February 2022

Marie Cheval, Chair and Chief Executive Officer of Carmila commented:

"2021 demonstrated the quality of Carmila's asset portfolio, which is reflected in higher appraisal values at year end. Once lockdowns were lifted, customers came back to Carmila centres and retailer sales rebounded close to 2019 levels. Leasing activity reached a record level in terms of new leases signed.

Carmila is rolling out a strategy based on its new role as an incubator and omnichannel service platform, leadership in sustainability and investment in new business lines. Carmila's financial performance in 2021 was above our expectations, and the Group is now ready to deliver on its new strategic plan and medium-term financial targets."

1. Key financial highlights

	2021	2020	Change	Like-for-like change
Gross rental income (€m)	351,8	349.7	+0.6%	
Net rental income (€m)	289.9	270.8	+7.0%	+1.0%[4]
EBITDA (€m)	238.8	220.2	+8.4%	
Recurring earnings (€m)	178.2	167.6	+6.3%	
Recurring earnings per share (€)	1.24	1.20	+3.3%	

	31 Dec. 2021	31 Dec. 2020	Change	Like-for-like change
Property portfolio valuation (€m)	6,214	6,148	+1.1%	+0.7%
New Potential Yield	6.18%	6.20%	-2 bps	
Loan-to-value (LTV) ratio	37.4%	37.0%	+40bps	
EPRA NDV[5] per share (€)	22.99	22.32	+3.0%	
EPRA NTA[6] per share (€)	24.54	24.72	-0.7%	

[4] Excluding the Covid-19 impact.
[5] Net Disposal Value
[6] Net Tangible Assets

2. Trading

2021 was shaped by continued health restrictions, with stores in Carmila shopping centres closed for an average of 2.2 months versus an average of 3.0 months in 2020.

H2 2021 retailer sales at 97% of H2 2019 level

In the second half of 2021, when all stores were allowed to open, retailer sales in Carmila centres were at 97% of the level in the same period in 2019. For full-year 2021, retailer sales came out at 82% of the 2019 level (106% of the 2020 level), due to the health crisis measures enforced in the first half of the year.

Footfall in Carmila centres in 2021 averaged 82% of the level observed in 2019 (106% of the 2020 level). Although impacted by the health crisis, this represents a significant outperformance versus the market (12 percentage points higher than the market in France and 4 percentage points higher than the market in Spain[7]), with Carmila centres benefiting from the draw of Carrefour hypermarkets during both the health crisis and on reopening.

Record leasing activity in 2021: 1,144 leases signed, up +31% versus 2019 and up +67% versus 2020

A record number of leases were signed in 2021, for a total minimum guaranteed rent of €56 million, or 16% of the rental base. Reversion was positive on new leases, coming out +6.3% above rental appraisal values on average, and reversion on renewals was a positive +1.9% on average.

This record level of new leases, which includes only long-term leases, was achieved without changing standard lease terms or incentive policy such as fit-out costs or rent-free periods.

Notable leasing transactions in 2021 included:

- New tenants for Carmila: Miniso, Studio Comme J'aime, Crazy Kids, Kraft, Cuisinella, Five Guys, Weaudition and Starbucks
- Market leaders and fast-growing retailers: Kiabi, Cultura, Mango, Action, Normal, Hubside, New Yorker and King Jouet
- New concepts: Le Repaire des Sorciers, Even, Bambino, Hem Concept, Mon Petit Herbier, Maxi Zoo, Crazy Pets, Les Canons and Marquette

As of 31 December 2021, the rental base was up +0.2% versus end-2020 on a like-for-like basis and the financial occupancy rate was +60 bps higher at 96.3%, the same level as at end-2019.

Specifically on short term letting, the pop-up stores business was also very strong in 2021, with revenue growth not only vs. 2020 (+44%) but also vs. 2019 (+32%), despite closure periods and lower footfall in the first half of the year. Revenues in the specialty leasing business increased

[7] Versus the Quantaflow panel for France and Shopper Trak for Spain

by +1% vs. 2020 and were down by only -11% vs. 2019, despite closure periods of 2.2 months on average.

3. Financial results

Improvement in rent collection in second half 2021: collection rate of 94%

Rent collection continued to progressively return to normal in the fourth quarter of the year, resulting in a rent collection rate for the second half of 94%[8]. The collection rate[9] for full-year 2021 was 86% due to health crisis measures enforced in the first half of the year and the delay in the roll out of the government support package in France.

Rent waivers and provisions relating to 2021 rents amounted to 11.6% of billed rents.

Net rental income up +7% versus 2020

Net rental income, including the impact of 2021 rent waivers and provisions relating to the health crisis, rose +7% year on year to €289.9 million. The improvement versus 2020 was mainly attributable to the less pronounced impact of the health crisis in 2021, which increased net rental income by +5.5%. The Covid-19 impact on net rental income in 2021 amounted to €42 million, down from €57 million in 2020. The balance of the improvement (+1.5%) resulted primarily from a +1.0% like-for-like increase in net rental income and a scope effect further to the completion of the Nice Lingostière extension. The indexation effect in like-for-like rental growth amounted to +0.2%.

Gross rental income rose by +0.6% versus 2020, including an IFRS 16 impact in connection with the deferral of rent waivers granted during the health crisis in exchange for longer lease terms (negative €5.5 million impact in 2021 versus a positive €19 million impact in 2020). Rent waivers granted without concessions are deducted from net rental income and are not therefore included in gross rental income.

2021 recurring earnings per share slightly above guidance at €1.24, up +3% versus 2020

Recurring earnings per share for 2021 came out at €1.24, up 3% versus 2020, slightly higher than guided in October 2021, because of better rent collection in the second half of the year. As a reminder, Carmila expected recurring earnings per share to be stable in 2021 versus 2020.

Excluding the impact of IFRS 16, recurring earnings per share increased by +20% versus 2020 at €1.27.

[8] As of 10 February 2022
[9] As of 10 February 2022 (79% in Q1, 79% in Q2, 93% in Q3, 94% in Q4)

Cash dividend of €1.00 per share to be proposed to shareholders at the Annual General Meeting

The Annual General Meeting to be held on 12 May 2022 will be asked to approve a per-share dividend of €1.00 in respect of 2021, to be paid in cash. This corresponds to a payout of 81% of recurring earnings. As a reminder, Carmila's dividend policy for the period 2022 to 2026, as announced to the market in December, is to pay out at least €1.00 per share in cash, with a target payout ratio of 75% of recurring earnings.

New €20 million share buyback programme

A €20 million share buyback programme will be launched soon, in order to take advantage of the current discount to net asset value.

Growth in recurring earnings per share[10] of +10% per year expected in 2022 and 2023

Rent collection is expected to continue to improve in the coming quarters, while gross rental income is expected to increase. As a result. Carmila's recurring earnings per share is expected to grow by +10% per year in both 2022 and 2023 at constant scope[11].

Like-for-like increase in the portfolio valuation of +0.7% versus end-2020

As of 31 December 2021, the gross asset value of the portfolio, including transfer taxes, stood at €6.21 billion, up +1.1% versus end-2020. On a like-for-like basis the value of the portfolio increased by +0.7%, the rise being entirely attributable to the improvement in the rental base. At 6.18%, the portfolio capitalisation rate (net potential yield) was down -2bps year on year, decreasing for the first time since 2017. The solid rental base, dynamic leasing activity and lower vacancy rate all attest to the quality of Carmila's assets at year-end 2021.

EPRA Net Disposal Value per share of €22.99 at end-2021, up +3.0% vs. end-2020

Carmila's EPRA Net Disposal Value (NDV) per share was €22.99, up +3.0% vs. end 2020. The improvement in the EPRA NDV can be explained by higher appraisal values (positive €0.07 impact), recurring earnings for the period (positive €1.24 impact), the 2020 dividend (negative €1.00 impact), the dilutive effect of the scrip portion of the dividend, partially offset by share buybacks and subsequent cancellation of €8 million worth of shares (negative €0.19 impact), changes in the fair value of financial instruments (positive €0.49 impact), and other effects (positive €0.07 impact).

EPRA Net Tangible Assets (NTA) per share was €24.54, down slightly (-0.7%) compared to the end of 2020. This indicator is not adjusted for the change in fair value of financial instruments.

[10] At constant scope
[11] Based on the assumption that all stores in Carmila centres remain fully open throughout 2022 and 2023.

Strengthened financial position: loan-to-value ratio[12] at end-2021 at 37.4%

Carmila's financial position was strengthened in 2021 through several transactions:

- On 25 March 2021, Carmila issued a €300 million bond maturing in April 2029 and paying a coupon of 1.625%.
- During the year, Carmila partially reimbursed a bank loan falling due in June 2024 in the amount of €300 million.
- In 2021, Carmila also signed a new €810 million sustainability-linked revolving credit facility, in two tranches maturing in 2025 and 2027, including two one-year extension options. The facility replaced an existing €759 million revolving credit facility maturing in 2024, and includes two sustainability criteria designed to support Carmila's ambitious CSR strategy.

At end-2021 Carmila's gross debt stood at €2,561 million, with no major borrowings falling due before the second half of 2023, €238 million in cash and cash equivalents and liquidity of €1,048 million, including the revolving credit facility.

At end-2021, the average maturity of Carmila's debt was 4.3 years (versus 4.5 years at end-2020). Carmila's financial position is solid, with a loan-to-value ratio (LTV) of 37.4%. The -200 bps decrease in the LTV ratio versus end-June 2021 was driven by the reduction in net debt over the period resulting from the improved collection rate as well as from the increase in the gross asset value of the portfolio.

At 31 December 2021, the net-debt-to-EBITDA ratio stood at 9.7x, versus 10.3x one year earlier.

The interest coverage ratio at 31 December 2021 stood at 3.9x, unchanged on one year earlier.

On 14 September 2021, S&P confirmed Carmila's BBB rating and revised its outlook from negative to stable.

4. Building Sustainable Growth

New strategic plan: Building Sustainable Growth

Carmila presented its 2022-2026 Strategic and Financial Plan at a Capital Markets Day in Paris on 7 December 2021. It is Carmila's response to structural changes in retail, which have gathered pace with the Covid crisis. The plan is based on three pillars:

- A new vision for the role of Carmila as an incubator and an omnichannel platform for retailers
- Leadership in sustainability, notably through a new generation of development projects based on mixed-use and a commitment to reach "net zero" by 2030
- Investment in new business lines: digital infrastructure and new retail concepts

[12] Net debt over value of the asset portfolio, including transfer taxes.

In addition to the financial targets that have already been set out in this press release, the strategic plan also includes the following targets:

- New growth initiatives are expected to contribute an incremental €30 million to recurring earnings by 2026
- The disposal of €200 million of assets by year-end 2023, with a portion of the proceeds to be used for share buybacks
- A commitment to maintain a solid balance sheet and a target (LTV) ratio of 40% over the 2022-2026 period

An incubator and omnichannel platform for retailers

Carmila is accelerating the adaptation of its core business through a new approach to working with retailers. To meet changing customer expectations, Carmila centres are acting as incubators for new brands, concepts and pop-up stores, with an offering based on modestly priced rents (€257 per sq.m. at end-2021). Carmila is also stepping up the development of its service platform for retailers with a particular focus on omnichannel, by combining them in the Carmila Services Hub, which was launched in 2021. Through partnerships with an ecosystem of start-ups, Carmila is also enhancing its service offering to retailers at every stage of the customer experience. These initiatives will support the omnichannel development of centres and retailers.

The new approach will generate an additional annual contribution to recurring earnings of €10 million by 2026.

As part of this strategy, Carmila carried out several initiatives in 2021, including:

- bolstering its online presence by developing a geo-located customer database of 4.1 million opt-in contacts in France, Spain and Italy;
- continuing to develop interactions with its customer community by partnering with a network of 263 local influencers, publishing over 16,000 posts;
- maintaining a high level of visibility for Carmila shopping centres on social media, including TikTok.

Carmila is also accompanying the changing the face of retail with quick commerce and live shopping pilot projects:

- In partnership with the startup MADEINLIVE, organising its first live shopping events for customers on social media;
- teaming up with Glovo in Spain to develop a premium 30-minute delivery service for stores at five shopping centres;
- piloting a purchasing tool in Spain that connects customers via WhatsApp with a personal shopper.

Lastly, in June 2021, Carmila launched the "DNVB Ready" competition aiming to identify innovative concepts with a mostly online presence, and develop them in its centres. Carmila is committed to helping the four winners of its DNVB Ready competition roll out their brand in its shopping centres. Flotte, Le Beau Thé, Baya and Bandit will be supported in setting up their own store, a sales corner in the Marquette concept store or a pop-up store. The competition's success attests that brands first developed online see the value of having a physical presence in shopping centres.

A new climate commitment ("net zero" on Scopes 1 and 2 emissions by 2030) and BREEAM certification for the entire portfolio

Carmila is targeting "net zero" Scopes 1 and 2 carbon emissions by 2030, by which time it will have cut emissions by 90% versus 2019 through reducing energy consumption and transitioning to renewable energy for its centres. The remaining 10% of emissions will be offset, in keeping with the recommendations of the Science Based Targets initiative (SBTi), through the financing of the environmental transition of local farms in partnership with TerraTerre. Carmila will also continue to reduce its Scope 3 emissions, with the aim of becoming fully carbon neutral by 2040.

At the end of 2021, Carmila's Scopes 1 and 2 greenhouse gas emissions were 10% lower than in 2019, due notably to a 15% reduction in energy consumption compared to 2019.

In 2021, Carmila's BREEAM In-Use certification rate stood at 93.4% of the portfolio by value, with 57% of sites rated Very Good.

A leader in the sustainable transformation of local regions

As part of its new strategy, Carmila's development pipeline has been completely revamped with a new focus on mixed-use projects and environmental excellence. The five major extension projects (Toulouse Labège, Antibes, Orléans Place d'Arc, Barcelona – Tarrassa and Montesson), representing €550 million of investments for a yield of 6.6%, consist of brownfield retail developments that also include housing, public parks, office space and renewable energy infrastructure.

Work on these five projects will start with Montesson in 2023. This €150 million project, which was approved by the national commercial development authority (CNAC) in 2021, will be financed by asset rotation.

In 2021, Carmila opened the extension of the Nice Lingostière shopping centre. The extension was a commercial success, with 100% of space leased to tenants at opening and new stores for key accounts such as Cultura and H&M.

Carmila also completed a major restructuring project at Calais Coquelles, Cité Europe, including the opening of a new Primark store in January 2021, as well as another 20 significant restructuring projects for a total GLA of 24,000 sq.m. and generating €3 million of additional rent for Carmila.

Mixed-use projects

In partnership with Carrefour, Carmila has identified several sites suitable for big-bang mixed use transformation projects that will completely change shopping centres' presence in the city. These currently 100% retail sites will become new neighbourhoods, with homes, offices, local services and green spaces.

In 2021 Carmila and Carrefour continued to prepare two projects at Sartrouville and Nantes, in partnership with Altarea. Work will start on the first projects from 2025, with delivery from 2030.

Creation of the Next Tower business line

Carmila is developing a new business line by investing in digital infrastructure through its subsidiary Next Tower.

Next Tower is aiming to develop a total of 470 sites by 2026 in France and Spain. In 2026, Next Tower will deliver an annual contribution of €10 million to Carmila's recurring earnings, with assets worth an estimated €180 million and €50 million in value created.

At 31 December 2021, Next Tower operated 71 sites with a shared rental rate[13] of 1.2, annualised rent of €905 thousand, and an estimated value of €13 million.

Scaling up the expansion of Carmila Retail Development

Carmila Retail Development (CRD) makes early-stage venture capital investments to test new concepts and scale them up rapidly once they have demonstrated that they can be successful in shopping centres.

By 2026, CRD is targeting a portfolio of 20 brands, representing more than 700 stores in both Carmila and third-party centres.

CRD will become a new business line consisting of a €40-million portfolio of minority venture capital investments in new retail concepts. It is targeting an annual contribution to Carmila recurring earnings of €10 million by 2026.

At end-2021, CRD had 12 partnerships, five of which were signed in the year. These partner retail brands represent a total of 235 stores (112 in Carmila centres), including 81 stores opened over the year (35 in Carmila centres).

Additional information

The presentation of Carmila's 2021 annual results will be broadcast live on 17 February 2022 at 2:00 p.m. (CET) on Carmila's website (www.carmila.com).

The presentation in English is available on the Carmila website at:

[13] Average number of antennae per tower

https://www.carmila.com/en/finance/financial-presentation/

A replay of the webcast will then be available online later that day.

A document containing the 2021 consolidated financial statements and detailed business commentary for 2021 is available on the Carmila website at:

https://www.carmila.com/en/finance/financial-press-releases/

The audit procedures on the consolidated financial statements have been completed and the audit report is being issued.

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INVESTOR AGENDA

17 February 2022: Investor and Analyst Meeting
21 April 2022 (after market close): First-quarter 2022 Financial Information
12 May 2022: Annual General Meeting

ABOUT CARMILA

As the third-largest listed owner of commercial property in continental Europe, Carmila was founded by Carrefour and large institutional investors in order to transform and enhance the value of shopping centres adjoining Carrefour hypermarkets in France, Spain and Italy. At 31 December 2021, its portfolio was valued at €6.21 billion, comprising 214 shopping centres, all leaders in their catchment areas.

Carmila is listed on Euronext-Paris Compartment A under the symbol CARM. It benefits from the tax regime for French real estate investment trusts ("SIIC").

Carmila became part of the FTSE EPRA/NAREIT Global Real Estate (EMEA Region) indices on 18 September 2017.
Carmila became part of the Euronext CAC Small, CAC Mid & Small and CAC All-tradable indices on 24 September 2018.

Important notice

Some of the statements contained in this document are not historical facts but rather statements of future expectations, estimates and other forward-looking statements based on management's beliefs. These statements reflect such views and assumptions prevailing as of the date of the statements and involve known and unknown risks and uncertainties that could cause future results, performance or events to differ materially from those expressed or implied in such statements. Please refer to the most recent Universal Registration Document filed in French by Carmila with the *Autorité des marchés financiers* for additional information in relation to such factors, risks and uncertainties. Carmila has no intention and is under no obligation to update or review the forward-looking statements referred to above. Consequently, Carmila accepts no liability for any consequences arising from the use of any of the above statements.

This press release and the presentation of Carmila's 2021 annual results are available on Carmila's Finance webpage:
https://www.carmila.com/en/finance/