Press release *Sainte-Marie, La Réunion, 16 March 2022, 11:00 am*

Full-year results 2021: strong increase in recurring net income for the Property Investment business: up 28.3% at €8.8 million

- Property Investment net income attributable to owners of the parent per share on a diluted basis: €0.22, up 25.5%
- Net income attributable to owners of the parent: €15.7 million, up 10.4% (€0.39 per share on a diluted basis, up 8.8%)
- NAV per share on a diluted basis: € 6.08, up 3.5%
- Strong balance sheet: LTV of 43.8% (down 0.5 point) and €27.6 million held in cash

2022 Outlook: Continuing strategy of investing in commercial properties

- Property Investment: gross rental income growth target of 4%
- Property Development: order book of €34.4 million and backlog of €38.3 million

Presentation of a strategic plan for 2025

- Property Investment: €430 million of economic commercial assets, up 43% from 2021
- Property development: monetization of €50 million of inventory by year-end 2021
- Investment and Development: Investment of €25 million

Proposed dividend payment of €0.24 (up 4.3% from 2021), equivalent to a yield of 6.7% (based on the share price from March 1 to 14, 2022)

« *We have performed well in all our businesses in an international context that remains sensitive, demonstrating the resilience of our diversified business model. Our Property Investment division, our Group's flagship business, recorded significant growth in recurring profitability, demonstrating the relevance of our commercial property portfolio's development.*

We are pleased to announce our 2025 plan, which is supported by a robust order book and pipeline. It underlines our commitment to prioritizing our projects in Reunion Island and Mayotte, regions where we know how to provide value by leveraging our local expertise. We're also announcing that we'll keep diversifying the class of commercial assets we have in order to suit the needs of the territory while also balancing out cyclical effects. This strategy will allow us to continue expanding our property investment business while ensuring a dividend payout of €0.24 or more », says Eric Wuillai, CBo Territoria's Chairman and CEO.

CBo Territoria's Board of Directors met on Friday, 11 March 2022 and approved its consolidated results for 2021.

Audited consolidated financial statements in € millions, under IFRS	2021	2020	Variation
Revenues	**85,7**	**103,6**	**-17,3%**
of which gross rental income from the Property Investment business	***21,7***	***20,8***	***+4,1%***
of which Property Development's revenues	***59,4***	***78,8***	***-24,6%***
Income from operations	**21,8**	**21,6**	**+0,7%**
Fair value adjustments	1,5	(0,6)	NA
Gain/(loss) on disposal of investment properties	1,2	1,5	-19,9%
Other operating income/(expense)	0	(0,1)	NS
Share in income from associates	1,8	2,4	-25,6%
Operating income (including associates)(1)	**26,2**	**24,7**	**+5,8%**
Net interest expense	(5,5)	(5,6)	-1,3%
Income before taxes	**20,7**	**19,2**	**+7,8%**
Income tax expense	(5,0)	(5,0)	-0,3%
Net income	15,6	14,1	+10,7%
Net income attributable to owners of the parent	**15,7**	**14,2**	**+10,4%**
Diluted earnings per share (€)	**0,39**	**0,36**	**+8,8%**

(1) Operating income after share in net income of associates

The audit of the consolidated annual financial statements is currently in process.

Revenues: 4.1% increase in gross rental income for the Property Investment business, driven by commercial real estate, and a return to a normal activity level for the Property Development business after two exceptionally strong years

In 2021, the Property division, CBo Territoria's flagship activity, posted a 4.1% increase in gross rental income to €21.7 million, outperforming the Group's 2% growth forecast by 2 points. This achievement was fueled by the commercial assets, whose gross rental income reached €18.5 million, up 6.3%, due to the success of the shopping centers and the contribution of the new assets. Including the share of gross rental income from associates, gross commercial rents rose by 8.2% to €21.6 million.

In line with the Group's strategy of developing a commercial portfolio and divesting its residential assets, gross revenues from commercial assets, including associates, now account for 87% of total rental income, compared with 85% in 2020 and 80% in 2019.

The Property Development division, which is the financing lever for the Property Investment division, showed current revenues of €59.4 million, down 24.6% (vs. 2020), mainly due to a high basis of comparison in the commercial sector (Leroy Merlin, Actis industrial complex). Revenues from residential buildings remained stable at €31.3 million. It was driven by successful Pinel programs and by the ongoing future state of completion sales to SHLMR/Action Logement under the protocol signed in 2019. At the same time, sales of residential plots remain at a high level, at €14.8 million (down 8.5%) on volumes similar to 2020, a year that enjoyed a significant contribution from a high-end offer.

Results: 25.5% increase in recurring net income attributable to owners of the parent per share on a diluted basis for the Property Investment business and continued high margins for the Property Development business.

In 2021, the Property Development division driven by the growth of the commercial property portfolio (Les Reflets in the Ile-de-France region, Retail Park of Le Port), reported net rental revenues of €21.9 million, up 7.0%. Combined with the reduction in structural costs, Group recurring net revenues rose by 28.3% to €8.8 million. Net revenues attributable to owners of the parent per share on a diluted basis amounted to €0.22, up 25.5%.

Having returned to a regular level of activity, the Property Development division recorded a drop in margin to €11.2 million, down 18.0% (vs. a drop of 24.6% in revenues), weighted by a margin rate of 18.9% driven by the product mix.

Earnings from operations in 2021 amounted to €21.8 million, up 0.7% compared with 2020. This reflects the profitability of the Property and Development divisions and the €0.1 million operating margin on related activities (coworking and leisure), as well as a €0.5 million decrease in structural costs.

Thanks to a €1.5 million increase in fair value linked to the latest commercial assets brought into service as well as the revaluation of agricultural land, and a solid commercial performance from the sale of residential assets, CBo Territoria's Net Profit (Group Share) increased by 10.4% to €15.7 million. Net income attributable to owners of the parent came to €0.39 per share on a diluted basis, showing an increase of 8.8%.

Continuing shift in the focus of the economic portfolio to commercial assets

At December 31, 2021, the economic portfolio was valued at €384.5 million, up 4.0%, compared with €369.7 million at the end of 2020, thanks to the integration of new commercial assets. Commercial assets now make up 78% of the portfolio, compared with 76% of the total at year-end 2020, reflecting the continuing shift to this asset class.

The commercial economic portfolio rose by 6.8% to €300.8 million with the completion of the last retail asset in Le Port Retail Park. It is highly diversified (offices 31%, retail 19%, large grocery stores 18%, shopping malls 15%, local shops 7%, business premises 10%) and its vacancy rate is very low at 3% (down 1 point), reflecting its high-calibre assets. Its gross rate of return came to 7.6%, down 0,1 point.

In 2021, the Group pressed ahead with the active expansion of its commercial portfolio, including :

- Completion of the Port Retail Park, the Group's third largest retail hub, covering 30,700 m2, 52% of which is owned by CBo Territoria: handover and commissioning of the last retail asset (6,100 m2, 100% owned by CBo Territoria, fully marketed);
- The launch of the shopping center in Combani in Mayotte :
  - 1st phase: launch of construction on a 7,900 sq.m. retail asset (investment of €24 million, 73% sold) including a Carrefour supermarket and a Mr.Bricolage store, with the aim of opening in the second half of 2023
  - 2nd phase: acquisition of land (2.8 hectares) to develop a retail park and offices. Lease in Future State of Completion concluded for 1,130 sq.m of offices with an institutional tenant for a start-up in the first half of 2024. Potential for Property Investment and/or Property Development of 5,000 sq.m. of floor space.

At the same time, in accordance with its disposal plan, CBo Territoria has continued to pull out from residential assets with the sale of 32 homes. At year-end 2021, CBo Territoria's built residential portfolio comprised of 287 homes, compared with 319 at year-end 2020, of which 268 will be gradually sold to SHLMR/Action Logement under a framework agreement.

Stronger balance sheet

At December 31, 2021, the LTV excluding fees fell by 0.5 percentage points to 43.8%. Available cash flow remained at a high level at €27.6m while net financial debt fell by 2.1% to €187.2m from €191.2m at year-end 2020. Fixed-rate borrowings accounted for 79% of the total, up from 77% at year-end 2020. The average cost of debt remained stable at 2.8%.

Net asset value of €6.08 per share on a diluted basis (up 3.5%)

At 31 December 2021, NAV rose by 3.9% to €225.2 million, or €6.08 per share on a diluted basis. The share's discount, based on the average share price between 1 and 14 March 2022, stood at 41% to its NAV per share on a diluted basis.

2022 Outlook: Continued shift towards Property Investment

In terms of Property Development, CBo Territoria has announced an objective of 4% growth in annual gross rental income including associates in 2022 thanks to the full-year contribution of the last business in Le Port retail park. In addition to the continued development of the Mayotte commercial center with investments of €27 million, the Group has a pipeline of commercial projects of €25 million on its land holdings. At the same time, the Group will benefit from the sale to SHLMR/Action Logement of 118 homes out of 287 held at year-end 2021.

The outlook for the Property Development business in 2022 is supported by an order book of €34.4 million and a backlog of €38.3 million at year-end 2021. In addition, the Group expects to develop this activity outside its historical land holdings, in Reunion Island and Mayotte.

2025 Strategy

CBo Territoria has unveiled its development plan for 2025. It is characterized by:

- Leveraging all of the Group's expertise as a full-service provider
- Organic development and acquisitions, focused on Reunion Island and Mayotte, to leverage local expertise and create value
- Diversification of the type of future assets (tourism, serviced residences, logistics) in order to balance out cyclical effects
- Increasing the land reserve through acquisitions and developing new building land (40 hectares for tourism)

Drawing on these areas of development, the Group's objective for 2025 is as follows:

- Property Investment: €430 million of economic commercial assets, up 43% from €301 million in 2021
- Property Development: monetization of €50 million of inventories at year-end 2021 in order to generate financing capacity for the Property Investment business
- Property Investment and Development: €25 million in investments to create future growth drivers

Proposed dividend up 4.3% to €0.24 per share

CBo Territoria, confident in its prospects, will propose to the Shareholders' Meeting on June 8, 2022, that a dividend of €0.24 per share be paid, up 4.3 percent from 2020.The ex-dividend date is proposed to be Tuesday, June 14, 2022, with the dividend payment on Thursday, June 16. This is subject to the approval of the Shareholders' Meeting.

This dividend payment would represent a yield of 6.7% based on the average share price of €3.59 between 1 and 14 March 2021

Next financial publication

First-half 2022 revenue: Wednesday 17 August 2022 (after market close)

About CBo Territoria

Leading property developer and planner in Reunion Island and Mayotte, CBo Territoria is a real estate operator listed on Euronext C (FR0010193979, CBOT), and eligible for the PEA PME (Leveraged Share Savings Plan for the SME).
The Group has been in the Top 10 (compartment C) of the Gaïa Index for 5 years for its ESG approach and relies on best practices for its governance.
Owner of 2950 hectares, the Group aims mostly to become a multi-regional Tertiary Property company, whose development is co-funded by its promotional activity.

www.cboterritoria.com

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GLOSSARY

NAV - Net Asset Value: calculated based on consolidated equity, including unrealised capital gains and losses on the property portfolio. The property portfolio is measured at market value by means of an independent appraisal.
NAV per share: Net asset value per share excluding shares held in treasury
Diluted NAV per share: Net asset value per share reflecting the maximum number of shares that may be issued as a result of outstanding dilutive instruments
CFO – Cash flow from operations: All internal sources of funds generated by the activities of a business that can be used for funding purposes
Cash generated by operating activities: change in the cash position of a business resulting from the operating cash flows generated by its main activities
Average cost of borrowing = ratio of the amount of interest paid over the year, before capitalisation, to its average debt outstanding over the period
ICR – Interest Coverage Ratio: coverage of the cost of borrowing by net rental income
Deferred tax: Deferred tax is a means of recognising tax arising from a business profit generated during the period in respect of the operations of a business that may in the future incur a tax liability or tax saving that is not recognised under the current tax method.
Yield property: all existing property assets generating steady rental income
Investment property: existing yield properties (commercial + residential) + Investment land (excluding land held as inventory or for development)
Fair Value: this method of measuring assets is recommended by the IFRS international accounting standards and is applied in the consolidated financial statements.
It is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date"
Property Investment's net rental income = Property Investment operating margin: Rental income net of direct property expenses reflecting allowances to provisions for doubtful receivables
LTV - Loan To Value: Amount of outstanding bank debt net of investment assets and cash/market value of Investment Properties excluding transfer taxes + net carrying amount of operational properties other than head office + inventories and outstandings (consolidated value).

Property Development operating margin: revenues less cost of sales, sales and marketing costs and allowances to provisions
Recurring net income: IFRS net income from ordinary and recurring activities
Associates: company accounted for under the equity method. Equity accounting is an accounting technique whereby the carrying amount of shares held in an entity by its parent company is replaced by a measurement of the portion that the parent company owns in the equity of that entity.
ORNANE - Bond redeemable in cash and in new or existing shares. Convertible bond, the principal amount of which is repaid in cash at maturity and, if the conversion option is in-the-money, the difference between share price and the conversion threshold may be redeemed in the issuer's shares.
Economic portfolio: investment assets and share in assets held by associates
Net income attributable to owners of the parent: net income attributable to owners of the parent is the share of net income payable to the Group's owners. Also known as net income, Group share.
Income from operations: development margins + Rental income net of property expenses - net management expenses +/- Income from ancillary activities.
Operating income: Income from operations + fair value adjustments + gains/(losses) on investment properties + other operating income and expenses + share in income of associates
Stock options: stock options at a given exercise price
Financial vacancy rate: ratio between the market rent of vacant space and rental income from the total space (actual rental income from space rented + market rent of vacant space)
Cash flow statement: shows how cash was generated and how the cash position changed during a financial year or a given period.