



## Sales 2023: €84.9 million (+3.4%)

- **Confirmed growth in Commercial Property Investment, reflecting the relevance of our strategy**
- **Growth in Property Development driven by residential property**

Sainte-Marie, La Réunion – CBo Territoria (ISIN: FR0010193979 – CBOT), a real estate player in Reunion Island for nearly 20 years, announces today its revenue for the year ending 31 December 2023.

Key numbers	2023	2022	Variation
<b>Gross rental income</b>	<b>25.5</b>	23.6	<b>+8.0%</b>
<i>Of which Commercial property investment (excluding equity affiliates)</i>	<b>22.7</b>	20.5	<b>+10.9%</b>
<i>Of which Residential Properties</i>	1.7	2.2	-21.9%
<i>Of which other revenue</i>	1.0	0.9	+15.3%
<b>Property development revenue</b>	<b>58.1</b>	57.2	<b>+1.5%</b>
<i>Of which Residential Property</i>	54.0	45.5	+18.8%
<i>Of which Commercial Property</i>	4.1	11.8	-65.5%
<b>Other activities</b>	<b>1.3</b>	1.3	+2.7%
<b>Consolidated revenue (in €M)</b>	<b>84.9</b>	82.1	<b>+3.4%</b>
<i>Revenue from commercial properties (share of equity affiliates)</i>	3.7	3.3	+13.2%
<b>Rental revenue from commercial economic properties<sup>1</sup></b>	<b>26.5</b>	<b>23.8</b>	<b>+11.3%</b>

### PROPERTY INVESTMENT

**CBo Territoria, a diversified property investment company** (retail, office, business premises, restaurant and leisure), reported a significant increase in gross rental revenue in 2023. In addition to the mechanical effect of indexation, gross rental revenue growth is driven by strong operating performance across all categories of assets (high occupancy rate of 98%) and the opening at the Combani shopping center, which was opened to the public last October. In addition, growth was further accentuated by a non-recurring effect arising from a significant adjustment of variable rents.

More specifically, **gross rental revenue from economic commercial portfolio** rose by +11.3% to €26.5 million. The increase is broken down into +2.4% scope effect (+€0.6million), +4.0% indexation effect (+€0.9million), +4.9% other effects (for +€1.2million, including €0.9million non-recurring variable rent effect).

**CBo Territoria is carrying on with the divestment of its residential assets**, resulting in a gradual decline in reported gross rental revenue (€1.7 million in 2023 versus €2.2 million in 2022). Factoring in the sale to SHLMR/Action Logement in December 2023 of 135 plots at Beauséjour (Anthurium, Canopée 2 and Venda residences), CBo Territoria controlled only 79 housing units<sup>2</sup> on December 31, 2023 (compared with 215 at the end of 2022), having realized €0.6 million in rental income in 2023. Finally, **other gross rental revenue** (farmland and miscellaneous) increased to €1.0 million in 2023 (from €0.9 million in 2022).

<sup>1</sup> The economic commercial portfolio comprises investment assets (excluding residential and farmland assets) and the share of assets held by the equity method.

<sup>2</sup> Including the Catleya program (55 units), which can be sold starting in late 2026.

## PROPERTY DEVELOPMENT

CBo Territoria is one of Reunion Island's leading residential developers, with an inventory line that caters to all market segments: intermediary rental housing ("Logement Locatif Intermédiaire – LLI") and social rental housing ("Logement Locatif Social – LLS") apartments sold to institutional landlords, home-ownership apartments (also eligible for the Pinel Outre-mer<sup>3</sup> and Girardin Law schemes for individuals and businesses) and building plots.

The Group's residential development activity was strong this year, consistent with the sales outlook for 2021 and 2022. CBo Territoria completed the delivery of 68 lots and moved forward with several programs that are now nearly fully marketed, either as a whole or at retail (395 units were under development at the end of December<sup>4</sup>).

At the same time, the Group, which remains cautious when it comes to commercial launches in the current market, had mixed sales activity across products and client segments:

- **Block sales** rose to €16.9 million (+5.7% compared to 2022), related to the Jardin des Gardénias program sold to SHLMR / Action Logement. The order book includes a €16.4 million project, with construction set to begin in the coming months,
- **Retail sales** to individual clients are down by €12.6 million (-42.9%), returning to their 2021 level (€11.2 million). Indeed, the very strong sales momentum in 2022 (reaching €22.1 million) before the implementation of the degressive Pinel DOM rates on January 1, 2023, and the postponed program launches have depleted the available supply. The year-end backlog (€1.5 million) represents the last available units,
- Finally, **residential building plots sales** plummeted by -37.8% to €11.6 million (for 67 plots). This trend is the result of an unfavorable base effect (record sales in 2022 of €18.7 million, primarily for plots in the most sought-after tourist zone) and illustrates the numerous challenges encountered by potential buyers in developing their real estate projects in 2023 (financing difficulties caused by rising interest rates combined with inflation in construction costs). At €6.2 million, the order backlog at the end of December was half that at the end of 2022. Available supply has consequently risen to €25.0 million (131 plots).

Overall, the **residential backlog** was €29.0 million, compared to €41.9 million at the end of December 2022.

**Residential property revenue** (93% of consolidated property development revenue, compared to 80% in 2022) totaled €54.0 million in 2023, up 18.8% year on year, and were marked by a significant shift in the product/customer mix.

Block sales revenue (intermediate and social housing) increased by 53% to €23.3 million, accounting for 43% of sales (+10 points vs. 2022). Retail sales revenue rose by 66% to €19.1 million in line with the rush on Pinel DOM programs by the end of 2022, and accounted for 35% of residential sales (+10 points). Residential building plot revenue, at €11.6 million, fell 38% after a record year in 2022, when they accounted for 41% of sales (against 22% in 2023) and contributed to a substantial increase in the 2022 development margin.

**Revenue arising from commercial property** is limited due to the opportunistic nature of this sector. Sales in 2023 reached €4.1 million (compared to €11.8 million in 2022), indicating the completion of the EPSMR premises supplied last March and the sale of the final remaining commercial plot in the Portail area.

### 2024 Financial calendar

**2023 annual results: Wednesday, March 6, 2024 (after close of trading)** – Presentation/webcast meeting on March 7 at 11:30 a.m. (Paris)

<sup>3</sup> Or Pinel DOM, a tax exemption scheme with rates of 21.5%, 26% and 28.5% in 2023, depending on the rental commitment (6, 9 or 12 years), versus 10.5%, 15% and 17.5% in mainland France. In 2024, the rates will be slightly revised to 20%, 23% and 25% respectively in France's overseas territories. In addition, the ceiling for tax niches in La Réunion is €18,000, compared with €10,000 in mainland France.

<sup>4</sup> Spread over 3 major ZACs: 163 lots on Beauséjour in Sainte-Marie, 147 on Marie Caze in Saint-Paul, 85 on Roche Café in Saint-Leu.

### **About CBo Territoria (FR0010193979, CBOT)**

CBo Territoria has been a major real estate operator in La Réunion for nearly 20 years and has evolved into a multi-regional property developer specializing in tertiary assets (€300.8 million, representing 81% of total assets in value at 30 June 2023). The Group is pursuing its expansion through the exploitation of its land reserves or through land acquisition, as it is involved in the full real estate value chain (property developer, property investor, and real estate company). CBo Territoria can finance its development through its activities as a residential developer (apartment buildings or sale of land plots) and, secondarily, as a service provider, as well as through the planned transfer of its residual residential properties to SHLMR.

CBo Territoria is a real estate investment firm listed on Euronext Paris (compartment "C") that is qualified for the PEA PME finance program (small and medium-sized enterprises).

Responsible and committed to a more sustainable real estate since its inception, CBo Territoria has been in the Top 10 of compartment "C" of the Gaïa-Index for the past 6 years, a French benchmark index of the most virtuous small and medium-sized companies in terms of CSR (Corporate Social Responsibility).

More information on [cboterritoria.com](http://cboterritoria.com)

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## APPENDIX 1 – CONSOLIDATED REVENUE

In €M	2023	2022	Variation
<b>GROSS RENTAL REVENUE</b>	<b>25.5</b>	<b>23.6</b>	<b>+8.0%</b>
Of which <b>Commercial Properties</b> (excluding share equity affiliates)	<b>22.7</b>	<b>20.5</b>	<b>+10.9%</b>
Of which Residential Properties	1.7	2.2	-21.9%
Of which other rental revenue	1.0	0.9	+15.3%
<b>PROPERTY DEVELOPMENT</b>	<b>58.1</b>	<b>57.2</b>	<b>+1.5%</b>
<b>Of which Residential</b>	<b>54.0</b>	<b>45.5</b>	<b>+18.8%</b>
Of which Block sales (Intermediate and Social)	23.3	15.3	+52.6%
Of which Retail Clients (Intermediate – Pinel DOM)	19.1	11.5	+66.0%
Of which Residential building plots	11.6	18.7	-37.8%
<b>Of which Commercial</b>	<b>4.1</b>	<b>11.8</b>	<b>-65.5%</b>
Of which Commercial buildings	3.3	6.8	
Of which sale of commercial Building plots and miscellaneous	0.7	5.0	
<b>OTHER ACTIVITIES</b>	<b>1.3</b>	<b>1.3</b>	<b>+2.7%</b>
<b>CONSOLIDATED REVENUE</b>	<b>84.9</b>	<b>82.1</b>	<b>+3.4%</b>

## APPENDIX 2 – OPERATING INDICATORS RESIDENTIAL PROPERTY DEVELOPMENT

	SALES (OVERALL)			ORDER BOOK at 31/12		
	2023	2022	Chge (%)	2023	2022	Chge (%)
<b>Residential</b>	<b>41.1</b>	<b>56.8</b>	<b>-27.5%</b>	<b>24.1</b>	<b>39.7</b>	<b>-24.7%</b>
Block sales (Intermediate and Social)	16.9	16.0	+5.7%	16.4	<b>16.9</b>	-3.0%
Retail sales (Intermediate–Pinel DOM)	12.6	22.1	-42.9%	1.5	<b>9.9</b>	-79.7%
Residential building plots	11.6	18.7	-37.8%	6.2	<b>12.9</b>	-62.6%

## GLOSSARY

**Other activities:** external services and coworking under the Lizine brand

**Backlog:** Sales of residential and/or commercial properties (excluding residential building plots), excluding VAT, that have not yet been recognized

**Order book (or reservation inventory):** Total number of units under reservation contract not yet regularised, expressed in value (sales price excluding VAT) or volume (in units)

**Companies accounted for under the equity method (share of equity affiliates):** The equity method is an accounting technique that allows the book value of a company's shares held by a parent company to be substituted by the value of the parent company's share in the entity's equity

**Financial occupancy rate:** Ratio between the market rent for leased areas and the rental income for the total area (= actual rent for leased areas + market rent for vacant areas)

**Sales (overall) – Property development:** Total number of unit completed expressed in value (sales price excluding VAT) or volume (in units)

**Residential plots – Property development:** Sales of building plots for residential or commercial property

**Block sales – Property development:** Acquisition of a whole building or a whole real estate program by a single buyer

**Retail Sales – Property Development:** Acquisition of a unit or plot by an individual customer