



## 2024 annual results

### Strong operational performance underpinned by strengthened financial structure and disciplined management

*Jérôme Descamps, Chairman of SELECTIRENTE Gestion, Manager of SELECTIRENTE, said:*

*“In 2024, SELECTIRENTE once again succeeded in leveraging its solid fundamentals and judicious strategy to maintain a robust financial and operational performance amid a market environment that remains relatively fragile. The consolidated financial structure places the Company in a stronger position to seize market opportunities in order to achieve our long-term development and value creation goals.”*

#### Portfolio and valuation at 31 December 2024:

- Portfolio valuation: €576m (vs €577m at end-2023), up 1.6% on a like-for-like basis
- EPRA NTA NAV: €88.88/share (up 3.3% from €86.06/share at 31 December 2023)

#### Investments and disinvestments during the year:

- Acquisitions: €2.9m
- Disposals: €14.1m (nearly 11% above end-2023 appraisal values), generating a distributable capital gain of €5m (€1.2/share)

#### Growth in 2024 IFRS earnings:

- EPRA Earnings (Recurring net income) of €20.4m, or €4.9/share
- Net operating cash flow up 3.2% to €19.1m, or €4.6/share
- IFRS net income up sharply to €28.6m, or €6.87/share, from €3.17/share in 2023

#### Operating performance:

- Rents up 3% on a like-for-like basis (down slightly by 1.9% to €29.7m overall)
- Average financial occupancy rate of 94.1% in 2024
- 2024 rent collection rate of 94% at end-2024 (95.1% at 11 February 2025)

#### Strengthened financial structure

- EPRA LTV debt ratio: 34.9% (vs 36.9% at 31 December 2023)
- Average residual maturity of more than 4 years (excluding extension options)
- Undrawn bank financing: €25m
- Average cost of debt in 2024: 1.75% (vs 1.93% in 2023)
- Hedged fixed-rate and floating-rate debt: 100%

#### Dividend

- Proposed dividend: €4.10/share, up 2.5% from the dividend paid in 2024, subject to approval by the General Meeting on 27 May 2025



SELECTIRENTE's Supervisory Board met on 13 February 2025 under the chairmanship of Pierre Vaquier and reviewed the IFRS separate and Group financial statements for the year ended 31 December 2024. Audit procedures are in progress.

## IFRS key financial indicators

<i>in € millions</i>	<b>2024</b>	<b>2023</b>	<b>% change</b>
Gross rental income	30,0	30,6	-1,9%
Recurring net income	20,4	22,3	-8,7%
Net operating cash flow	19,1	18,5	+3,2%
IFRS net income	28,6	13,2	+116,7%
<i>(€/share)</i>	<b>2024</b>	<b>2023</b>	<b>% change</b>
NTA NAV	88,88	86,06	+3,3%
NDV NAV	91,30	90,31	+1,1%
Recurring net income	4,89	5,35	-8,6%
Net operating cash flow	4,60	4,45	+3,3%
Dividend	4,10	4,00	+2,5%
<i>%</i>	<b>2024</b>	<b>2023</b>	
LFL change in portfolio	1,6%	-1,0%	
Financial occupancy rate	94,1%	95,6%	
EPRA LTV	34,9%	36,9%	
Average cost of debt	1,75%	1,93%	



## 2024 business review

After the confirmed slowdown in inflation and improvement in purchasing power in 2024, household consumption rose year-on-year but nevertheless remained relatively cautious amid a persistently tight macroeconomic environment. These developments, which are positive on the whole, particularly for specialised retail, open up prospects for strong momentum in 2025.

The confirmed return of tourists, driven in particular by the Olympic Games, is already bringing the crowds back to the streets of Paris and enhancing the attractiveness of French commercial real estate to international investors.

The retail investment market ended 2024 at €2.5 billion, an annual amount down 20% compared to 2023. Retail nevertheless accounts for 20% of volumes invested in commercial real estate, above the ten-year average of 18%. Ground-floor shops and retail parks have fared particularly well, attracting interest among investors.

Overall, the risk premium for retail seems to have been partly restored, as price adjustments stabilise and most retail categories are seeing a return to liquidity.

Against this backdrop, SELECTIRENTE continued to practice dynamic and rigorous portfolio management and reaffirmed the merits of its strategy of investing in local city-centre retail premises located in major cities, whose resilience and diversification potential were proven once again.

The Company also successfully completed an €80 million refinancing transaction in July 2024, converted into a sustainability-linked loan (SSL) at the end of October, which enabled it to consolidate its financial structure while strengthening its commitments to sustainable development. Bolstered by this new financial structure, SELECTIRENTE still boasts robust long-term fundamentals.

SELECTIRENTE reaffirms its confidence regarding local shops and their diversification potential, particularly at times of macroeconomic disruption. The Company believes that the increased commitment of consumers to local shops, combined with positive changes in consumer trends and urban travel patterns favouring soft mobility, are all advantages that have led to the recognition of local retail premises as sustainable, secure and profitable investments.

Bolstered by its strong financial structure, SELECTIRENTE still boasts robust long-term fundamentals:

- **quality locations:** nearly 62% of assets located in Paris, 10% in the western Paris region and 18% in five of France's largest provincial cities;
- **reasonable rents** compared to market rental values;
- **strong portfolio granularity** (397 assets) reflecting **solid pooling of rental risk** (510 leases);
- **limited debt** (EPRA LTV of 34.9%), at 31 December 2024, available cash of nearly €7 million after the €10 million partial repayment of the RCF in 2024, and an undrawn bank line of credit worth €25 million;
- **disciplined and responsive management** by a **recognised and experienced team**.



## Like-for-like portfolio growth

### Growth in independent appraisal values

At 31 December 2024, SELECTIRENTE's revalued portfolio stood at €576 million<sup>(1)</sup> excluding transfer duties, compared to €577 million at 31 December 2023.

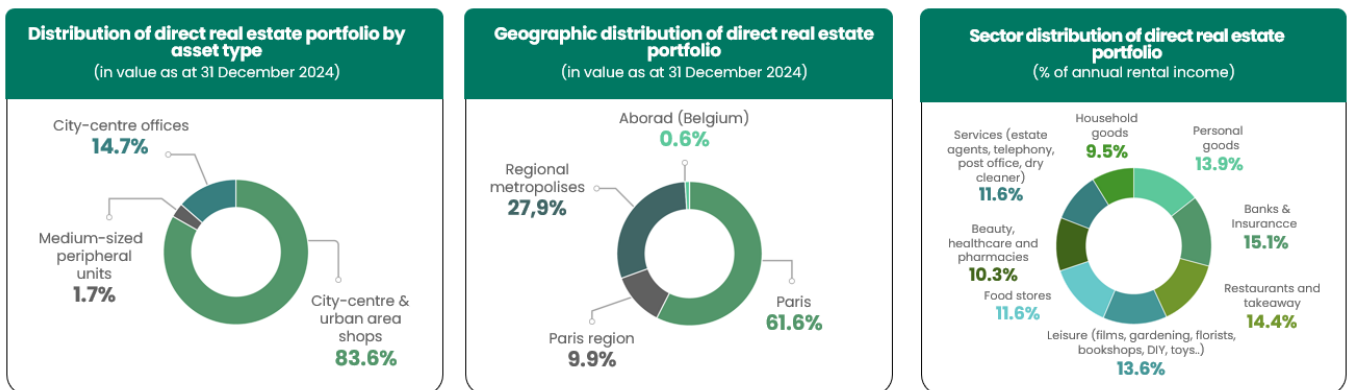
At 31 December 2024, given the quality of its locations, the Company recorded growth in the valuation of its directly held real estate assets at a time of change in the interest rate regime. Accordingly, appraisal values posted year-on-year **growth of 1.6% on a like-for-like basis**.

In detail, the values of city-centre retail premises, which comprise 84% of the Company's total portfolio, rose 1.0% year-on-year on a like-for-like basis, while office values rose 1.8%. In geographical terms, appraisal values rose 1.2% in Paris, 1.2% in the Paris region and 2.5% in the provinces, altogether accounting for over 99% of the total portfolio. Meanwhile, assets located in Belgium (0.6% of the same total) rose 2.4%.

At the end of December 2024, the average yield resulting from these independent appraisals (including transfer duties) was 5.2% on the entire portfolio, stable compared with the end of 2023. The yield stands at 5.3% for city-centre retail premises (including an average of 4.9% for Parisian premises, 5.8% in the Paris region and 5.8% in major provincial cities), 6.3% for medium-sized peripheral units (now comprising only 1.7% of the total portfolio value) and 4.9% for offices.

### A directly held real estate portfolio comprising 84% city-centre retail premises and 62% assets located in Paris

The value of SELECTIRENTE's direct real estate assets, consisting of 397 rental units covering a total area of over 96,000 m<sup>2</sup> and 510 leases, amounted to €552 million (excluding transfer duties) at 31 December 2024, mainly consisting of city-centre retail premises in Paris and the surrounding region. This portfolio breaks down as follows:



<sup>(1)</sup> The revalued portfolio at 31 December 2024 (€575.9 million) comprised directly held real estate assets valued at €552.4 million (appraisal values excluding transfer duties) and indirect property investments consisting of shares in SCPI and OPCI real estate investment companies, SCPI share usufructs and shares in the listed property company Vastned Retail NV totalling €23.5 million.



## Disciplined operating activity in 2024

### Investments in 2024 – Selectivity

Keen to preserve its solid financial position, SELECTIRENTE continued to pursue a rigorous and selective investment policy.

As such, in 2024 the Company purchased a 200 m<sup>2</sup> commercial property located at 98 Rue de Rivoli in Paris (1<sup>st</sup> district) at a cost price of €2.9 million with an immediate yield of 5.5%. The store is ideally located at the centre of a historic Parisian district, heavily pedestrianised and undergoing extensive commercial revival.

### Strategic refocusing disinvestments generating significant distributable capital gains

In 2024, SELECTIRENTE pursued its objective of strategically refocusing the portfolio (assets no longer corresponding to its investment target) by disposing of 20 assets, mainly located in small to medium-sized provincial cities, for a total net sale price of €14 million, **more than 11% above end-2023 appraisal values**, generating a **distributable capital gain of €5 million**.

At 31 December 2024, the Company was also in the process of selling five assets located in Maurepas (78), Albertville (73), Levallois-Perret (92), Lyon (69) and Bidart (64) for a total net sale price of €4.1 million.

### Rental activity: rising rents on a like-for-like basis and a high average financial occupancy rate

SELECTIRENTE's gross rental income came to €30 million in 2024, down slightly by 1.9% on the previous year. On a like-for-like basis, rents alone rose by over 3%, boosted by rent indexation (up 4.2%), re-letting and lease renewals (up 3.0%) and business asset disposals (up 0.9%) and curbed by vacancies (down 2.9%) and insolvency proceedings (judicial liquidation) (down 1.8%).

(€000)	2024	2023	% change
Gross rental income	29 711	30 316	-2,0%
Related income	329	314	4,7%
<b>Gross rental income</b>	<b>30 040</b>	<b>30 630</b>	<b>-1,9%</b>

In 2024, rental management transactions (re-letting, renewals and lease assignments involving a change of business) concerned 43 commercial premises (vs 44 in 2023), 41 of which made it possible to guarantee new rents on the French portfolio, resulting in a 1.7% increase in rents (from €2,617k to €2,661k; two other assets in Belgium were re-let, resulting in an overall decrease in rents from €187k to €100k, mainly concentrated on one asset previously leased to a small-town bank.

**The financial occupancy rate remains high, averaging 94.1% in 2024** (vs 95.6% in 2023) and 94.4% in Q4 2024 (vs 93.4% in Q3 2024). As a result, following the various management transactions (re-letting, renewal, etc.) conducted in Q4 2024, the number of vacant SELECTIRENTE assets has decreased, resulting in an increase in the Company's financial occupancy rate over the period. The decrease over the full year is mainly due to payment defaults by independent tenants. In this respect, out of the 29 assets left vacant following judicial liquidation procedures ordered in 2023 and 2024, the Company has already re-let 13, subject to a 19% increase in annual rent compared to the last invoiced annual rent.



## 2024 financial performance

Growth in net income and net operating cash flow, up 117% and 3% respectively

### Condensed statement of comprehensive income under IFRS

(€000)	2024	2023	% change
Gross rental income	29 711	30 316	-2%
Related income	329	314	+5%
Rebilled rental expenses	5 560	5 740	-3%
Rental expenses and property taxes	(8 202)	(7 056)	+16%
<b>Net rental income</b>	<b>27 399</b>	<b>29 315</b>	<b>-7%</b>
Management fees and other overheads	(3 267)	(3 495)	-7%
Change in the value of investment properties	7 534	(7 757)	-197%
Net gain/loss on disposal of investment properties	1 089	645	+69%
Impairment of customer receivables	(825)	(617)	+34%
Other income and expenses	(79)	(642)	-88%
<b>Operating profit</b>	<b>31 852</b>	<b>17 447</b>	<b>+83%</b>
Dividends	2 860	2 256	+27%
Financial income	765	571	+34%
Financial expenses	(6 088)	(6 425)	-5%
Change in value of financial assets/instruments and gains/losses on disposal of financial assets	(194)	(120)	+61%
<b>Net financial income (expense)</b>	<b>(2 657)</b>	<b>(3 719)</b>	<b>-29%</b>
<b>Profit (loss) before tax</b>	<b>29 194</b>	<b>13 728</b>	<b>+113%</b>
Corporate income tax	(597)	(532)	+12%
<b>Net income</b>	<b>28 598</b>	<b>13 196</b>	<b>+117%</b>
<b>Recurring net income</b>	<b>20 370</b>	<b>22 303</b>	<b>-9%</b>
<b>Net operating cash flow</b>	<b>19 147</b>	<b>18 548</b>	<b>+3%</b>

IFRS net income rose sharply to €28.6 million under the combined effect of the increase in direct real estate portfolio appraisal values (up 1.6% like-for-like), capital gains on the disposal of investment properties, growth in dividends received and financial income, and tight control of management fees and financial expenses.

EPRA Earnings, also known as IFRS recurring net income, restated for changes in the value of investment properties and financial assets as well as gains and losses on asset disposals, amounted to €20.4 million (€4.9/share vs €5.35/share in 2023). The decrease is mainly due to the decrease in net rental income (Gross rents decreased by 2%, linked to asset disposals carried out in 2023 and 2024, and an increase in net rental charges (recharged to tenants) due to the temporary rise in vacancy rates), partly offset by the improvement (decrease) in net financial expense.



## Summary of EPRA performance indicators

EPRA KPI	31/12/2024		31/12/2023	
	in € millions	€/share	in € millions	€/share
EPRA earnings	20,4	4,89	22,3	5,35
EPRA NRV	410,7	98,64	399,3	95,84
EPRA NTA	370,1	88,88	358,5	86,06
EPRA NDV	380,1	91,30	376,3	90,31
Net initial yield	5,1%		5,1%	
Net initial yield excluding rent concessions	5,1%		5,1%	
Vacancy rate	3,8%		4,1%	
Cost ratio (including vacancy costs)	20,3%		16,0%	
Cost ratio (excluding vacancy costs)	18,9%		15,4%	
EPRA LTV	34,9%		36,9%	

EPRA NDV NAV per share increased to €91.30 at 31 December 2024, compared to €90.31 at the end of 2023. EPRA NTA NAV per share also increased, to €88.88 at 31 December 2024 compared to €86.06 at the end of 2023.

### Strengthened financial structure

SELECTIRENTE continued its deleveraging policy in 2024. In anticipation of the February 2025 maturity of the revolving credit facility (RCF) contracted in February 2022, on 12 July 2024 SELECTIRENTE successfully concluded a €80 million refinancing transaction through the establishment of two new credit facilities:

- a €50 million corporate mortgage loan, repayable on maturity in five years and subject to two one-year extension options,
- a new three-year €30 million RCF, subject to a single one-year extension option, intended to finance growth, primarily through opportunistic acquisitions.

This refinancing arrangement, which represented 35% of total debt at 30 June 2024, allowed SELECTIRENTE to extend its overall debt maturity by more than four years from the end of 2024, thereby allowing the Company to consolidate its financial structure and dispose of available liquidity in excess of €30 million, with no other major debt repayments due until 2027. At 31 December 2024, SELECTIRENTE had drawn only €5 million under the new RCF, thereby retaining €25 million in additional drawing capacity.

In order to fully hedge against changes in interest rates on this refinancing, SELECTIRENTE has subscribed to three new interest rate hedging instruments with deferred effect from 4 February 2025 (when the current hedges expire).

On 30 October 2024, SELECTIRENTE converted this €80 million refinancing arrangement into a sustainability-linked loan (SLL), thereby strengthening its sustainable development commitments. This first sustainable financing arrangement incorporates three non-financial performance criteria (climate, energy and data collection) that can impact bank margins, subject to changes in these criteria at 31 December every year. The criteria will be audited by an independent third-party body with reference to the annual sustainable performance objectives defined with the Company's banking partners:

- Adaptation of assets to climate change,
- Reduction in primary energy consumption of assets,
- Increased data collection related to asset energy performance.



As a result, at end-2024 SELECTIRENTE's bank debt amounted to €204 million, down from €220 million at end-2023 and characterised by:

- 25% fixed-rate mortgage debt and 75% fully hedged floating-rate corporate debt;
- an EPRA LTV debt ratio of 34.9%;
- average annual cost of debt of 1.75%;
- an average residual maturity of over 4 years and average duration of 3.5 years (excluding extension options).

## **2.5% increase in dividend per share**

In view of the Company's 2024 performance, SELECTIRENTE's Supervisory Board will propose a 2024 dividend of **€4.10 per share** at the next General Meeting on 27 May 2025, **up 2.5%** compared to last year (€4.0 per share).

## **Post balance sheet events**

Since January 1, 2025, SELECTIRENTE has been engaged in the acquisition of a highly well-located asset in Paris for an acquisition cost of nearly €1.6 million. The company continues its asset disposals, with commitments to sell amounting to €5.8 million to date, and has repaid €5 million of its RCF, thus maintaining a drawing capacity of €30 million. .

## **Outlook for 2025**

While macroeconomic and geopolitical uncertainties will likely continue to impact the economy and financial markets, SELECTIRENTE intends to 1) prioritise seizing opportunities in an environment conducive to real estate investment, 2) continue its disinvestment policy as part of its strategy of refocusing the portfolio and optimising rental income, 3) enhance its visibility among French and international investors and 4) step up its ESG action plan.

While strengthening its presence in Paris, the Paris region and other major French cities, the Company will continue to pursue a dynamic and sustainable rental management policy by identifying opportunities for long-term value creation.

## **2025 financial calendar:**

**06/05/2025 (after close of trading): Q1 2025 business and revenue**

**27/05/2025: Annual General Meeting**

**24/07/2025 (after close of trading): H1 2025 business and results**

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## About SELECTIRENTE

Founded in 1997 at the initiative of SOFIDY and real estate professionals, SELECTIRENTE was listed in 2006 and opted for the SIIC (French REIT) regime on 1 January 2007. SELECTIRENTE is one of the few real estate companies specialising in local retail premises.

SELECTIRENTE is managed by SELECTIRENTE GESTION, manager and general partner, which in turn relies on the know-how and skills of service provider SOFIDY (part of the Tikehau Capital Group's real estate business) in the fields of asset management, property management and the execution of investment, disinvestment and financing programmes.

With a property portfolio valued at nearly €580 million, over 60% of which is located in Paris, the Company's strategic objective is to develop and increase the value of its city-centre retail assets in the most dynamic French and European cities.

Listed on: Euronext Paris Compartment B (SELER) – ISIN: FR0004175842

More information: [www.selectirente.com](http://www.selectirente.com)

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## Appendices to the 2024 business and results press release

- IFRS financial statements for FY 2024 (under audit)
  - o Statement of financial position (simplified)

Assets (€000)	31 December 2024	31 December 2023
Investment properties	548,316	552,931
Intangible assets	1	1
Portfolio securities	22,988	22,754
Other non-current assets	1,264	931
Deferred tax assets	271	239
<b>Non-current assets</b>	<b>572,839</b>	<b>576,856</b>
Trade receivables and related accounts	9,122	7,566
Tax and other receivables	1,508	4,405
Cash and cash equivalents	6,851	9,116
Fair value of interest rate hedging instruments - portion at less than one year	3,847	9,309
Non-current assets held for sale	4,118	665
<b>Current assets</b>	<b>25,446</b>	<b>31,061</b>
<b>TOTAL ASSETS</b>	<b>598,285</b>	<b>607,917</b>
Liabilities (€000)	31 December 2024	31 December 2023
Share capital	66,767	66,767
Premiums	202,712	202,717
Reserves	71,735	77,116
Other comprehensive income	3,602	7,916
Net income	28,598	13,196
<b>Equity</b>	<b>373,414</b>	<b>367,711</b>
Loans	196,590	213,838
Deferred tax liabilities		165
Security deposits	7,394	7,318
Provisions	720	720
<b>Non-current liabilities</b>	<b>204,704</b>	<b>222,041</b>
Loans	7,841	4,564
Trade and other payables	11,439	12,819
Current tax and social security payables	886	781
<b>Current liabilities</b>	<b>20,166</b>	<b>18,165</b>
<b>Total liabilities</b>	<b>224,870</b>	<b>240,206</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>598,285</b>	<b>607,917</b>



## - IFRS statement of cash flows

(€000)	2024	2023	Change
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income	28 598	13 196	+117%
Elimination of non-cash or non-operating income and expenses			
- Changes in fair value of investment properties	(7 534)	7 757	N/A
- Gains/losses on disposal of investment properties	(1 089)	(645)	+69%
- Provisions and impairment	235	868	-73%
- Reclassification of interest and other financial income (expense)	2 657	3 719	-29%
- Current and deferred tax expense	597	533	+12%
<b>Cash flow before tax and working capital</b>	<b>23 463</b>	<b>25 429</b>	<b>-8%</b>
Taxes paid	(993)	(559)	+78%
Change in operating working capital requirement	716	2 407*	-70%
<b>Net cash flow from operating activities</b>	<b>23 185</b>	<b>27 277</b>	<b>-15%</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisitions of investment properties	(4 588)	(4 083)	+12%
Other changes in non-current assets	(448)	0	N/A
Acquisitions of portfolio securities and other financial assets	0	439	-100%
Disposals of investment properties	13 806	21 000	-34%
Disposals of portfolio securities and other financial assets	165	849	-81%
<b>Net cash from investing activities (B)</b>	<b>8 771</b>	<b>18 205</b>	<b>-52%</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends received	2 877	2 368	+21%
Dividends paid	(18 323)	(17 432)	+5%
Purchases/sales of treasury shares	(220)	(371)*	-41%
New loans	53 533	0	N/A
Loan repayments	(68 987)	(35 039)	N/A
Interest received	401	514	-22%
Interest paid	(3 723)	(6 836)	-46%
Change in security deposits and working capital	56	55	N/A
<b>Net cash from financing activities (C)</b>	<b>(34 385)</b>	<b>(56 740)</b>	<b>-39%</b>
<b>Change in net cash and cash equivalents (A + B + C)</b>	<b>(2 430)</b>	<b>(11 258)</b>	<b>-78%</b>
Cash and cash equivalents at 1 January	9 116	20 374	-55%
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>6 686</b>	<b>9 116</b>	<b>-27%</b>

\* reclassification of purchases/sales of treasury shares under the liquidity contract



## - Methodological notes

### Reappraised portfolio value

The reappraised value (excluding transfer duties) of the Company's portfolio is based on the following:

- the direct real estate portfolio is recognised at its 31 December 2024 appraisal value, as issued by an independent real estate appraiser, or at its acquisition cost excluding transfer duties and fees for acquisitions after 15 December 2024,
- indirect real estate investments, consisting of:
  - fully-owned SCPI shares recorded at their withdrawal value or market value as at 31 December 2024,
  - OPCI shares recorded at their most recent net asset value as at 31 December 2024,
  - Rose shares recorded at their most recent net asset value, and
  - Vastned Retail N.V. shares recorded at their stock market price at 31 December 2024.

### Net operating cash flow

Net operating cash flow corresponds to IFRS net income for the financial year restated for changes in the fair value of investment properties, gains/losses on disposal of investment properties and indirect real estate assets, the IFRS reclassification of certain financial items, current and deferred tax charges and change in operating working capital requirement.