



MRM Newsletter

Shareholders, investors, analysts



2022 key figures

Portfolio
€244.9m
 +51%

Annualised net rents
€15.1m
 +62%

EPRA NDV
€139.0m
 +49%
 relative to 2021 EPRA NDV adjusted for
 dividend payout to shareholders

Find the full press release and 2022
 annual results presentation in the Finance
 section of MRM's website:
www.mrminvest.com

Dear readers, dear shareholders,



At the end of 2022, MRM reached new heights with the acquisition of two shopping centres from Altarea representing a total of over 13,000 sqm. This move marks a major change of dimension for the company, increasing the value of the portfolio by more than 50% and the annualised net rents by more than 60%.

A balance was reached between debt and equity to finance the €90 million investment, enabling us to keep our debt ratio fully under control. And while we have been able to count on the support of our majority shareholder SCOR SE to subscribe to the newly issued shares, the financing arrangement has also enabled us to welcome Altarea as a shareholder, attesting to its confidence in our ability to create value.

Meanwhile, our historical portfolio delivered a strong operating performance in 2022. The retailers letting our properties generated higher revenues than in 2019, we enjoyed brisk letting activity and, as at 1 January 2023, the amount of annualised net rents corresponding to this portfolio was up 3% year-on-year.

In 2023, the full effect of the acquisitions of the Flins and Ollioules shopping centres will be reflected in our revenues and operating profitability, thanks to better absorption of fixed costs. We will also be able to apply to a larger retail portfolio our active retailer rotation strategy and our expertise in enhancing the value of properties, either by improving our occupancy rates or by devising and implementing investment programmes.

With the contribution from these newly acquired shopping centres, we are now aiming for annualised net rents of over €16 million by 2025. This target is established at constant scope: we will indeed continue to look into any acquisition opportunities and potential asset sales with the aim of dynamically managing our asset portfolio to combine yield generation and value creation potential.

Our commitment to the environment is also one of our priorities. We are continuing to implement our ESG and Climate action plans, focusing at this stage on issues relating to climate change. We also recently voluntarily published our first Non-Financial Performance Statement to report on our progress and achievements in relation to our path to an efficient and low carbon energy mix by 2030.

We intend to apply these main priorities in working on our asset portfolio, while also remaining agile in addressing changes in consumer habits and retailers' needs. We are confident about the future and propose increasing the total amount paid to MRM shareholders in respect of 2022 by 50%, leaving the dividend unchanged at €1.8 per share.

Thank you for your loyalty to us,

François Matray
 Chief Executive Officer

Contents

- 2 Highlights
- 3 2022 results
- 4 Shareholders

Structural acquisition is the main event of the year

MRM saw a change of dimension at the end of 2022 with the acquisition of two shopping centres from Altarea.

- Two successful properties combining yields and potential for value creation
- Located in Flins and Ollioules, respectively in the Yvelines and the Var departments
- Two leading shopping centres in their catchment area with a Carrefour hypermarket as food anchor
- Acquired from Altarea for €90.4m (including transfer taxes)
- Included in the portfolio and consolidated in MRM's financial statements as of 16 November 2022
- Increase in the total value of MRM's portfolio of more than 50% and increase in annualised net rents of more than 60%
- €50m financed by means of two capital increases subscribed by SCOR SE and Altarea (€25m each)
- Remainder financed by a €42m bank loan
- Financing arrangement to keep the level of debt under control

Flins regional shopping centre



Carrefour Ollioules shopping centre

In the press

BUSINESS IMMO

Five months later, MRM is “once again visible on the market”

06/04/2023

There's a before. And an after. “Too small” to really count, with a portfolio of €163m, the property company...

La Correspondance de L'ENSEIGNE

27/03/2023

(...)An idea is always worth considering. It seems that the sale to MRM of Altarea's Flins and Ollioules shopping malls is now inspiring other property companies, and not the little ones (...)

For more details: read the MRM Newsletter of December 2022

Solid performance for the historical portfolio

Retailers' revenues 3% higher than in 2019

This strong performance is thanks to retailers' revenue growth of 2% from spaces of over 500 sqm and 5% from shops of less than 500 sqm.

Leases signed in 2022 represent 9.4% of the historical rental base

13 leases were signed in 2022, representing rents of €0.9 million and a total floor area of 4,900 sqm.

The average reversion rate relative to market rental values was +1%.

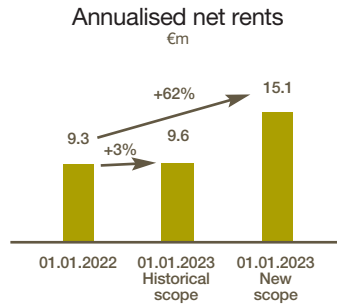
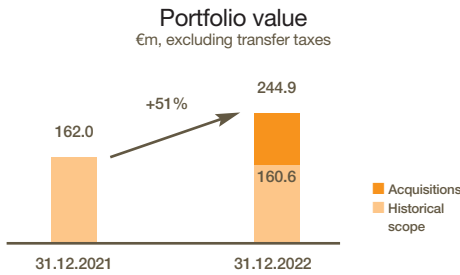
Stable occupancy rates

The strong rental activity of the historical portfolio and the addition of the Flins and Ollioules shopping centres had a positive effect on occupancy rates. However, this was completely offset by the vacating of three units occupied by Camaïeu, which has gone into liquidation. Overall, both physical and financial occupancy rates remained stable relative to 31 December 2021 at 90% and 88% respectively.

Starting out on a new pathway

As the acquisitions were finalised in mid-November 2022, they had a relatively marginal impact on rental income and net operating cash flow, both of which increased. However, they led to a sharp rise in the rental base at the end of 2022, allowing MRM to aim for annualised net rents of over €16 million by 2025 on the basis of the current portfolio.

Growth of the portfolio



Marine Pattin
Chief Financial Officer

“In 2023, we will benefit from the full effect of the two shopping centres acquired on our net rental income, as well as improvement in our operating profitability thanks to better absorption of fixed costs.”

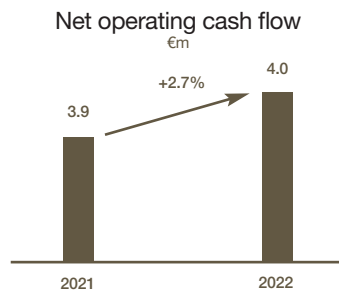
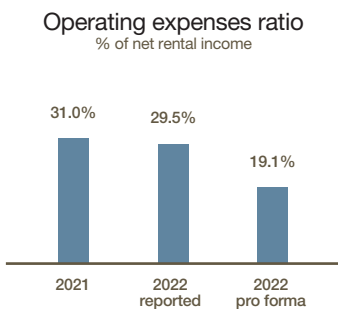
Improvement in operational leverage and cash flow generation

EBITDA (up 5.4% at €5.8 million) increased thanks to growth in net rental income (up 2.4% at €8.1 million) and the favourable unwinding of Covid related rent write-off agreements, resulting in the reversal of provisions set aside during previous years. The ratio of operating expenses to net rental income improved slightly relatively to 2021.

Over the full year, additional rental income from the two shopping centres acquired at the end of 2022 will allow for better absorption of operating expenses (see 2022 pro forma figures below).

The change in the net cost of debt (up from €1.2 million in 2021 to €1.8 million in 2022) is due to the new loan taken out to finance the acquisition of the Flins and Ollioules shopping centres, as well as the increase in the average cost of debt relating to changes in interest rates. Net operating cash flow continues to progress.

Over the full year, the lower operating expenses ratio will be partly offset by the increase in financial expenses relating to the new loan and higher interest rates.



Revenues for the 1st quarter of 2023

The increase in gross rental income relative to the first quarter of 2022 reflects MRM's change of dimension as a result of the acquisition.

+62.3%
+3.6%
like-for-like

MRM's first Non-Financial Performance Statement



Damien Chiaffi
Head of Real Estate and CSR

“By voluntarily publishing its first Non-Financial Performance Statement for 2022, MRM has decided to make public its management of its non-financial commitments to all of its stakeholders.”

In keeping with MRM's decision to give priority initially to issues relating to climate change, the first Non-Financial Performance Statement enables it to set out targets in relation to its aim of achieving an efficient and low-carbon energy mix by 2030.

Energy efficiency

-25%

Reduction in final energy consumption¹ by floor area in 2022 relative to past levels

Decarbonation

Commitments aligned with the trajectory of the Paris Agreements for limiting global warming to +1.5°C.

-33%

Reduction in greenhouse gas emissions by floor area in 2022 relative to past levels

General shareholders' meeting

Combined general shareholders' meeting on Wednesday 7 June 2023 at 10:00am at the Company's head office, 5 avenue Kléber, 75016 Paris

The convening notice was published in the BALO on 3 May 2023 and the meeting notice on 22 May 2023.

The meeting notice, postal or proxy voting form and all documents to be presented at the meeting are available on the MRM website at: www.mrminvest.com, in the Finance section under Shareholders/General meetings.

Dividend payout to shareholders and reappointment of Board members

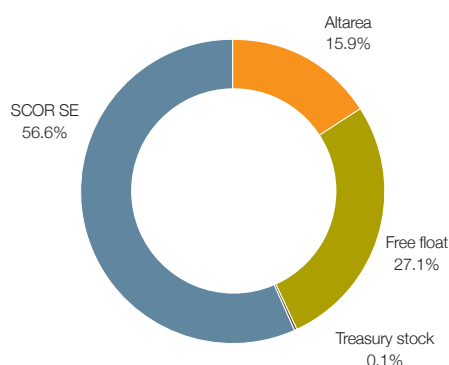
After approving the full-year financial statements, shareholders will be asked to express their opinion on:

- Payout premiums in an amount of €1.80 per share in respect of 2022, similar to that paid in respect of 2021. This would correspond to a total payout of €5.8 million compared with €3.9 million last year;
- The reappointment of the two independent directors.

Composition of the Board of Directors

- François de Varenne, Chairman of the Board of Directors and director;
- SCOR SE, director, represented by Karina Lelièvre;
- Altarea, director, represented by Rodrigo Clare;
- Brigitte Gauthier-Darcet, independent director;
- Valérie Ohannessian, independent director;
- Karine Trébaticky, director.

Shareholding structure as at 31.12.2022



About MRM

MRM is a listed real estate investment company that owns and manages a portfolio of retail properties across several regions of France. Its majority shareholder is SCOR SE, which owns 56.63% of share capital. MRM is listed in Compartment C of Euronext Paris (ISIN: FR00140085W6 — Bloomberg code: MRM:FP — Reuters code: MRM.PA). MRM opted for SIIC status on 1 January 2008.

Next publications:

27 July 2023
First half 2023 results

9 November 2023
Third quarter 2023
financial information

MRM share information

Ticker: MRM / ISIN code FR00140085W6
Market: EURONEXT PARIS - Compartment C
Included in the IEIF SIIC France index
Type: Ordinary shares – Daily double fixing

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Press releases can be downloaded from the Finance section of the website.

For more information, visit the website: www.mrminvest.com

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