CEETRUS
with citizens • for citizens

Annual Financial Report

31 December 2020

Contents

PRESENTATION OF CEETRUS

A FEW WORDS FROM THE CEETRUS LEADER

We will all remember 2020 as an extraordinary year, in which the Ceetrus teams have shown exceptional energy and resilience. It was a year of commitment and renewal. Changes to lifestyles, in our approach to consuming as well as to living, generated a rapid need to adjust and transform, to reinvent our sites and co-build new community hubs, with and for the territories. Ceetrus continues to pursue the objectives set out in its corporate vision, transforming existing sites and creating community spaces that foster human connections.

In response to the unprecedented challenges of the past year, Ceetrus has shown itself to be agile and committed to its partners. All over Europe, innovative and useful support initiatives emerged for retailers and residents alike. Unprecedented financial support measures were taken and more than 10,000 negotiations were initiated to facilitate the recovery of our retailers' businesses. New distribution channels are also now in place, such as Drive and Smile in Portugal, Click and Collect in France and the partnership with Too Good To Go.

As well as these initiatives and the substantial efforts made, more than ever before, our strategy for growth has been driven by entrepreneurial spirit, competence and skill.

We have continued to invest and reaffirm our commitments, with the Vialia-Vigo train station construction site in Spain, scheduled to open in 2021, and the construction of housing at La Cloche d'Or in Luxembourg.

In 2021, we will continue our transformation through large-scale projects with triple positive impact, working with and for the territories.

Benoit Lheureux

Ceetrus Leader, in charge of General Management

CEETRUS, A COMMITTED AND RESPONSIBLE COMPANY

Founded in 1976, Ceetrus is a European property player that embarked on a mission in 2016 to become a global real estate development company.

With 297 commercial sites around the world, Ceetrus has built strong partnerships with citizens and territories to create community spaces that include shops, housing, offices and urban infrastructure. By creating sustainable, intelligent and vibrant spaces, Ceetrus' mission is to build or develop the sense of community that will underpin the cities of the future. Its expertise includes the activities of developer, property developer, site manager, investor and innovator.

Corporate Governance

The members
of the Ceetrus Committee of Directors

Benoît Lheureux

CEO, Ceetrus

Hervé Croq

General Manager of Ceetrus France

Matteo Perino

General Manager of Ceetrus Luxembourg

Marco Balducci

General Manager of Ceetrus Italy and Ukraine

Thierry Leconte

General Manager of Ceetrus Russia

Manual Teba

General Manager of Ceetrus Spain

Sévérine Bodard

Chairman of the Board of Directors of Ceetrus Portugal

Ada Walentek

General Manager of Ceetrus Poland

Pascal Steens

General Manager of Ceetrus Hungary

Tatian Diaconu

General Manager of Ceetrus Romania

Benoît Chang

Director of Finance, Performance & Transformation

The members
of the Ceetrus Board of Directors

Antoine Grolin

Chairman of the Ceetrus Board of Directors

François Bertière

Perrine Vidalenche

Virginie Sacchi

Patrice Olivier

SIMPLIFIED ORGANISATIONAL CHART OF THE MAIN COMPANIES

AuchanHolding

CEETRUS
with citizens • for citizens

Western Europe

LUXEMBOURG
- LCO1 — 85%
- Joseph Bech Building Kirchberg — 100%
- Kubik Kirchberg — 100%

ITALY
- Ceetrus Italy — 100%
- Gallerie Commerciali Sardegna — 50%
- Galleria Cinisello — 50%

SPAIN
- Ceetrus Urban Player Spain — 98%

PORTUGAL
- Ceetrus Portugal — 98%
- Allegro Montijo — 98%
- Allegro Sintra — 98%
- Brafero — 98%
- Sintra Retail Park — 98%

France

- Ceetrus SA — 100%
- Ceetrus France — 98%
- Du Petit Menin — 98%
- Grand Fontenay — 61%
- Les Saisons de Meaux — 98%
- Gare du Nord 2024 — 65 %

Eastern Europe

POLAND
- Ceetrus Polska — 99%

RUSSIA
- Ceetrus LLC — 99%

HUNGARY
- Ceetrus Hungary — 99%

ROMANIA
- Ceetrus Romania — 100%
- Coresi Business Park — 100%

UKRAINE
- Ceetrus Ukraine — 100%

CHAIRMAN'S STATEMENT

In Villeneuve d'Ascq, on 5 March 2021

"I certify, to the best of my knowledge, that the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the company and of all the companies included in the consolidation. The management report gives a true and fair view of the business, results and financial situation of the company and all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face. »

Antoine Grolin

Chairman of the Ceetrus Board of Directors

Management report
31 December 2020

KEY FIGURES

10 countries

297
Commercial sites managed

756 million
Visitors in 2020

2.4 million sqm GLA

967 employees

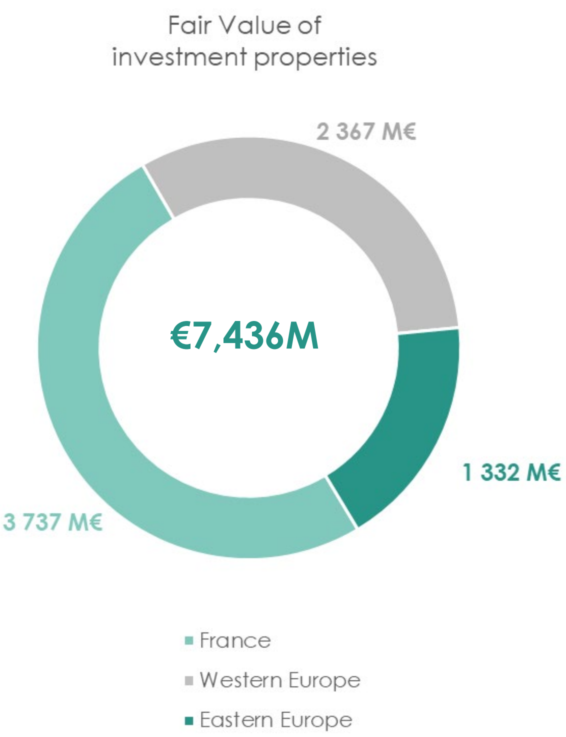
38.7 %
Loan To Value

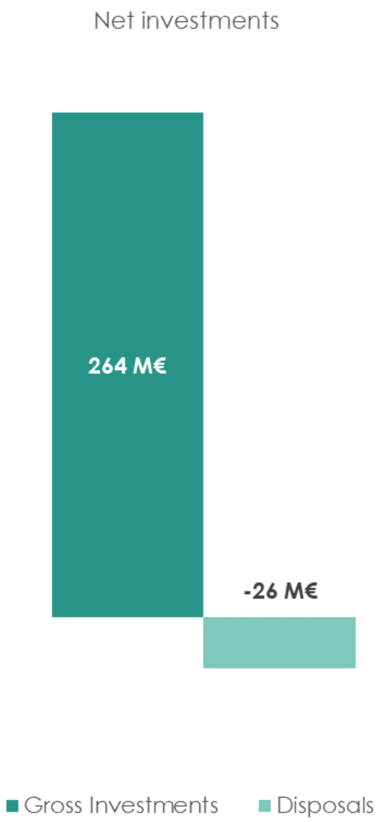
6.7 x
Interest Coverage Ratio

€453M
of gross rental income in 2020 (-20.4%)

€292M
in EBITDA excluding IFRS16 in 2020 (-26.7%)

€3.1 bn
of net financial debt in 2020





Consolidated income statement

in millions of euros	31/12/2020 With Restatements IFRS 16	31/12/2020 Without Restatements IFRS 16	31/12/2019 With Restatements IFRS 16	31/12/2019 Without Restatements IFRS 16
Gross rental income	453.0	453.0	569.2	569.2
Service charge income	130.5	*130.5*	129.2	*129.2*
Service charge expenses	-156.3	*-156.3*	-148.5	*-148.5*
Non-recovered rental expenses	-25.8	-25.8	-19.2	-19.2
Property expenses	-37.9	-66.4	-13.2	-39.3
Net rental income	**389.3**	**360.8**	**536.7**	**510.6**
Income from administrative management and other activities	40.6	40.6	46.3	46.3
Other operating income	2.7	2.7	1.0	1.0
Payroll expenses	-65.3	-65.3	-68.0	-68.0
Other general expenses	-76.8	-78.5	-84.5	-86.0
Gross operating income	**290.5**	**260.3**	**431.6**	**404.0**
Amortization and impairment of intangible assets and PPE	-30.8	-26.1	-24.1	-20.4
Provisions and reversals	4.9	4.9	4.6	4.6
Change in value of investment properties	-869.9	-849.1	-72.0	-54.5
Income from disposals of fixed assets	*29.1*	*29.2*	*113.1*	*113.1*
Net carrying amounts of fixed assets	*-27.6*	*-27.6*	*-110.6*	*-110.6*
Income from disposals	1.5	1.6	2.6	2.6
Goodwill impairment	-71.4	-71.4	0.0	0.0
Operating result	**-675.2**	**-679.9**	**342.7**	**336.3**
Financial income	*7.4*	*7.4*	*4.4*	*4.4*
Financial expenses	*-50.8*	*-51.1*	*-34.0*	*-34.1*
Net cost of financial debt	-43.4	-43.4	-29.6	-29.6
Other financial income	*14.2*	*14.2*	*13.1*	*13.1*
Other financial expenses	*-27.8*	*-17.7*	*-33.4*	*-22.9*
Other financial income and expenses	-13.6	-3.5	-20.3	-9.8
Financial result	**-57.0**	**-46.9**	**-49.9**	**-39.4**
Share of the profit or loss of companies accounted for using the equity method	-22.0	-22.0	5.0	5.1
Tax expenses	143.4	142.0	-103.7	-104.4
NET RESULT OF THE CONSOLIDATED ENTITY	-610.8	-606.8	194.2	197.7
Of which				
Attributable to owners of the parent	-583.2	-579.1	184.1	187.6
Non-controlling interests	-27.7	-27.6	10.1	10.1
EBITDA	322.9	292.3	426.2	398.6

Consolidated balance sheet

ASSETS (*in millions of euros*)	31/12/2020	31/12/2019
Goodwill	134.6	206.1
Other intangible assets	25.2	19.4
Property, plant and equipment (PPE)	52.4	57.4
Investment properties	7,509.7	7,749.3
Shares and investments in companies accounted for using the equity method	329.9	319.5
Non-current derivatives	7.9	6.8
Other non-current financial assets	280.4	268.9
Deferred tax assets	59.5	34.6
NON-CURRENT ASSETS	**8,399.6**	**8,661.9**
Investment properties held for sale	0.0	646.2
Client receivables	168.7	179.0
Current tax receivables	35.2	11.8
Current derivatives	0.2	0.2
Other current financial assets	124.6	130.3
Other current assets	317.6	338.9
Cash and cash equivalents	197.6	146.3
CURRENT ASSETS	**843.9**	**1,452.8**
TOTAL ASSETS	**9,243.5**	**10,114.7**

LIABILITIES (*in millions of euros*)	31/12/2020	31/12/2019
Share capital	635.8	635.8
Additional paid-in capital	840.8	840.8
Consolidated reserves	3,007.1	2,960.3
Consolidated result	- 583.2	184.1
Shareholders' equity - Owners of the parent	3,900.6	4,621.0
Non-controlling interests	124.9	156.6
TOTAL SHAREHOLDERS' EQUITY	**4,025.5**	**4,777.6**
Non-current provisions	3.9	5.6
Non-current loans and borrowings	2,739.1	2,349.4
Non-current rental liabilities	118.0	135.5
Non-current derivatives	33.6	15.4
Other non-current liabilities	188.0	192.5
Deferred tax liabilities	952.2	1,120.7
NON-CURRENT LIABILITIES	**4,034.8**	**3,819.2**
Current provisions	29.3	33.7
Current loans and borrowings	698.1	928.4
Current rental liabilities	18.2	19.2
Current derivatives	0.7	9.2
Trade payables	137.6	144.9
Tax liabilities	4.1	32.5
Other current liabilities	295.2	349.9
CURRENT LIABILITIES	**1,183.2**	**1,517.8**
TOTAL LIABILITIES	**9,243.5**	**10,114.7**

Asset Portfolio on 31 December 2020

Ceetrus is an international property company owned by Auchan Holding since 1976.

Present in 10 countries in Western and Eastern Europe, the company manages nearly 300 sites, listed below.

Auchan Retail, as the owner of all its hypermarket shells, is present in almost all of Ceetrus' shopping centres.

Valued at more than €7.4 billion on 31 December 2020, Ceetrus' portfolio stands out with the diversity of its assets in terms of both size and business (shopping centres, retail parks, offices and hotels).

With the strength of this unique characteristic, Ceetrus has regional networks far superior to those of its peers.

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
France	**Property / Leased asset - 76 sites**			**3 601**	**1 754 443**	
Angoulême	La Couronne	Shopping mall	1990	50	6 571	100%
	La Couronne	Retail park	1990	12	31 277	100%
Annecy	Grand Epagny	Shopping mall	1983	70	12 506	100%
	Annecy	Retail park	1983	4	10 601	100%
Arras	Arras	Shopping mall	1969	27	4 389	100%
	Arras	Retail park	1969	18	15 270	100%
Aubagne	Aubagne	Shopping mall	1980	4	231	100%
	Aubagne	Retail park	1980	26	51 185	100%
Avignon / Montfavet	Avignon Mistral 7	Shopping mall	1974	52	11 930	100%
Barentin	Barentin	Retail park	2009	2	6 113	100%
Bethune	Bethune	Retail park	1985	2	5 159	100%
Beziers	Beziers	Shopping mall	1974	6	948	35%
Bias	Bias	Retail park	1984	1	452	100%
Biganos	Biganos	Shopping mall	1984	15	1 867	100%
Blois	Blois-Vineuil	Shopping mall	1982	51	8 838	100%
Bordeaux Lac	Bordeaux Lac	Shopping mall	1980	112	27 963	100%
	Bordeaux Lac	Retail park	1991	25	91 308	100%
Bouliac	Bouliac	Shopping mall	1981	37	5 051	100%
	Bouliac	Retail park	1981	7	10 834	100%
Boulogne Sur Mer	Côte d'Opale	Shopping mall	1971	48	7 498	100%
	Côte d'Opale	Retail park	1971	11	13 377	100%
Bretigny	Brétigny sur Orge	Shopping mall	1968	90	17 040	100%
	Promenades de Bretigny	Retail park	2019	1	11 880	50%
Caluire	Lyon Caluire	Shopping mall	1994	45	7 058	100%
Cambrai	Cambrai	Retail park	1969	1	5 000	100%
Castres	Castres	Shopping mall	1986	27	2 544	100%
	Castres	Retail park	1998	11	14 228	100%
Cavaillon	Cavaillon	Shopping mall	1982	19	2 319	100%
Chambray	Chambray	Shopping mall	1982	1	1 290	100%
Chasseneuil	Chasseneuil	Shopping mall	1980	35	8 453	100%
	Chasseneuil	Retail park	2015	1	1 636	100%
Chateauroux	Chateauroux	Shopping mall	1980	23	2 996	100%
	Chateauroux	Retail park	2013	1	400	100%
Cherbourg	Cherbourg	Shopping mall	1989	2	31	100%
Clermont Ferrand	Clermont Ferrand Ceetrus	Shopping mall	1997	8	1 892	100%
	Clermont Ferrand Neyrat	Shopping mall	2012	22	2 190	50%
Cognac	Cognac	Shopping mall	1990	35	4 626	100%
	Cognac	Retail park	1990	3	2 805	100%
Croix	Croix	Retail park	2006	1	7 534	100%
Dardilly / Lyon	Porte de Lyon	Shopping mall	1986	33	3 690	100%
	Porte de Lyon	Retail park	2003	2	1 401	100%
Dury	Dury Les Amiens / Amiens	Shopping mall	1970	50	9 183	100%
	Dury Les Amiens / Amiens	Retail park	2000	2	5 898	100%
Englos	Englos Les Géants	Shopping mall	1969	87	17 218	100%
	Englos Les Géants	Retail park	1976	20	91 109	100%
Epinay	L'Ilo - Epinay	Shopping mall	2013	45	11 026	100%
Faches Thumesnil	Fâches Thumesnil	Shopping mall	1994	59	8 734	100%
	Fâches Thumesnil	Retail park	2016	7	21 831	100%
Fontenay	Val de Fontenay	Shopping mall	1973	86	21 348	62%
	Val de Fontenay	Retail park	1973	4	422	62%

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Gien	Gien	Shopping mall	1987	9	1 677	100%
Grande Synthe	Grande Synthe	Shopping mall	1974	33	5 296	100%
	Grande Synthe	Retail park	1974	13	53 667	100%
Grasse	Grasse	Shopping mall	1999	14	1 343	100%
Illkirch	Strasbourg Illkirch	Shopping mall	1970	67	15 909	100%
	Strasbourg Illkirch	Retail park	1970	2	3 180	100%
La Seyne Sur Mer	Côté Seyne	Shopping mall	1973	52	7 224	100%
	Côté Seyne	Retail park	2003	2	1 848	100%
Le Canet	Le Canet	Shopping mall	1972	17	3 298	100%
Le Mans	Le Mans	Shopping mall	1982	73	13 617	100%
	Le Mans	Retail park	1990	20	41 326	100%
Le Pontet	Avignon Nord	Shopping mall	1974	114	23 442	100%
	Avignon Nord	Retail park	1986	29	85 144	100%
Leers	Leers	Shopping mall	1970	52	7 530	100%
	Leers	Retail park	1992	12	19 920	100%
Lesquin	Lesquin	Retail park	1992	2	5 399	100%
Louvroil	Val de Sambre	Shopping mall	1970	81	13 186	100%
	Val de Sambre	Retail park	2016	21	30 929	100%
Luxeuil	Luxeuil	Shopping mall	1977	1	103	100%
Lyon / Saint Priest	Porte des Alpes	Shopping mall	1981	63	12 331	100%
	Porte des Alpes	Retail park	1981	6	19 199	100%
Mantes La Jolie	Mantes	Shopping mall	1975	37	6 322	100%
	Mantes	Retail park	1975	8	5 484	100%
Marseille	Marseille St Loup	Shopping mall	1981	33	4 688	100%
Maurepas	Maurepas - Pariwest	Shopping mall	1980	34	3 687	100%
	Maurepas - Pariwest	Retail park	1980	3	1 133	100%
Mazamet	Mazamet	Shopping mall	1981	10	353	100%
Meaux	Les Saisons De Meaux	Shopping mall	2015	103	29 378	100%
Mont Saint Martin	Pôle Europe Mont St Marti	Shopping mall	2003	85	20 790	100%
	Pôle Europe Mont St Marti	Retail park	2014	3	4 504	100%
Montgeron	Montgeron	Shopping mall	1984	4	10 146	100%
	Montgeron	Retail park	1999	3	102	100%
Montivilliers	La Lézatrde	Shopping mall	1978	43	19 937	100%
Mulhouse	Mulhouse	Shopping mall	1996	37	5 647	100%
Neuilly Sur Marne	Neuilly/Marne	Shopping mall	1972	2	570	100%
Noyelles Godault	Noyelles	Shopping mall	1972	118	28 308	100%
	Noyelles	Retail park	1973	30	57 896	100%
Orleans	Orléans Saint Jean de La	Retail park	2015	11	25 503	100%
	Orléans	Shopping mall	1971	41	18 473	100%
Pau	Pau	Shopping mall	1976	31	3 812	100%
Perigueux	Perigeux - Marsac	Retail park	2003	5	6 157	100%
	Périgueux	Shopping mall	1985	43	5 044	100%
Perpignan	Porte d'Espagne	Shopping mall	1969	59	11 535	100%
	Porte d'Espagne	Retail park	2011	12	61 943	100%
Petite Foret	Petit Forêt	Retail park	1986	15	40 858	100%
	Petite Forêt	Shopping mall	1972	46	8 046	100%
Plaisir	Grand Plaisir	Shopping mall	1975	73	13 337	100%
	Grand Plaisir	Retail park	1975	11	33 216	100%
Poitiers	Poitiers Sud	Shopping mall	2007	63	10 467	100%
Roncq	Roncq	Shopping mall	1970	48	11 307	100%
	Promenade de Flandres	Retail park	2017	57	99 684	100%
Saint Omer	Rives de l'Aa	Shopping mall	1972	57	8 464	58%
	Rives de l'Aa	Retail park	2009	3	15 740	100%
Saint Quentin	Saint Quentin	Shopping mall	1972	47	7 313	100%
	Saint Quentin	Retail park	2013	9	25 963	100%
Schweighouse	Schweighouse	Shopping mall	1981	22	2 794	100%
	Schweighouse	Retail park	1981	1	770	100%
Semecourt	Metz Sémécourt	Shopping mall	1992	79	13 774	100%
	Metz Sémécourt	Retail park	1992	19	73 286	100%
Sète	Les Métairies / Sète	Shopping mall	1998	18	2 072	Leased
Strasbourg	Strasbourg	Shopping mall	1977	46	14 154	100%
Trignac	Trignac	Shopping mall	1982	55	6 816	100%
	Trignac	Retail park	1996	1	11 284	100%
Valence	Porte d'Ardèche	Shopping mall	1973	49	7 294	100%
	Guilherand Grange	Retail park	1973	1	605	100%
Valenciennes	Valenciennes	Shopping mall	1973	10	931	100%
	Valenciennes	Retail park	1998	1	100	100%
Villars	Villars	Shopping mall	1985	55	6 902	100%
	Villars	Retail park	1991	8	22 267	100%
Villebon Sur Yvette	Villebon 2	Shopping mall	1988	50	7 802	100%
Vitry	Vitry	Shopping mall	2004	18	3 067	100%
France	**Management contract - 7 sites**				**34 343**	

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Luxembourg	**Property / Leased asset - 4 sites**			**263**	**69 653**	
Luxembourg	La Cloche d'Or	Shopping mall	2019	163	35 969	85%
Luxembourg	JBBK	Office	2018	22	47 285	100%
Luxembourg	Kubik	Office	2018	8	9 744	100%
Luxembourg	Kirchberg *(géré par Ceetr*	Shopping mall	1996	70	12 624	20%
Luxembourg	**Management contract - 0 sites**					

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Italy	**Property / Leased asset - 31 sites**			**1 157**	**257 249**	
Bergamo	Bergamo	Shopping mall	1976	22	1 871	Leased
Brescia	Brescia S. Anna	Shopping mall	1995	18	4 516	100%
Cagliari	Cagliari Marconi	Shopping mall	1994	46	10 295	50%
	Cagliari Santa Gilla (Fenic	Shopping mall	1992	45	10 347	50%
Casamassima	Casamassima	Shopping mall	1995	103	33 950	100%
Catania	Catania La Rena	Shopping mall	1998	16	3 111	100%
	Misterbianco	Shopping mall	1989	18	1 485	Leased
Cesano	Cesano Boscone Porte di	Shopping mall	2005	62	13 845	Leased
Codogno	Codogno	Shopping mall	1989	18	4 320	Leased
Concesio	Concesio	Shopping mall	1972	18	2 525	Leased
Falconara	Falconara Center	Shopping mall	1992	18	2 204	Leased
Fano	Fanocenter	Shopping mall	1994	46	11 474	100%
Merate	Adda Center	Shopping mall	1976	33	8 202	Leased
Mira	Mira Center	Shopping mall	2000	8	1 041	100%
Modugno	Modugno Gli Ulivi	Shopping mall	2004	24	4 445	100%
Monza	Monza Rondò dei Pini	Shopping mall	2008	57	14 052	Leased
Mugnano	Mugnano	Shopping mall	1992	43	9 445	Leased
Napoli	Neapolis	Shopping mall	2010	70	13 945	100%
Nerviano	Nerviano	Shopping mall	1991	23	2 498	Leased
Olbia	Olbia Mare	Shopping mall	1993	57	11 936	50%
Palermo	Palermo Nuova Citta	Shopping mall	1990	8	895	100%
Piacenza	Belpo (San Rocco al Porto	Shopping mall	1992	64	18 418	100%
Pompei	Porte di Pompei	Shopping mall	1990	18	3 482	100%
Porto Sant'Elpidio	Le Ancore	Shopping mall	1999	1	2 564	Leased
Rescaldina	Rescaldina	Shopping mall	2000	83	19 604	100%
Rivoli	Rivoli	Shopping mall	1986	19	1 448	Leased
Roma	Collatina	Shopping mall	1999	7	375	100%
Sassari	Sassari	Shopping mall	1990	58	16 719	50%
Taranto	Porte Dello Jonio	Shopping mall	1999	77	16 762	100%
Venaria	Venaria	Shopping mall	1982	23	2 361	100%
Vimodrone	Vimodrone	Shopping mall	1989	54	9 114	100%
Italy	**Management contract - 21 sites**			**988**	**407 065**	

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Portugal	**Property / Leased asset - 10 sites**			**702**	**48 035**	
Alfragide	Alegro Alfragide *(géré pa*	Shopping mall	1988	123	19 773	50%
Canidelo	Canidelo	Shopping mall	2009	8	417	Leased
Castelo Branco	Alegro Castelo Branco	Shopping mall	1991	41	7 588	100%
Famalicão	Centro Comercial Jumbo	Shopping mall	1996	31	3 339	100%
Maia	Centro Comercial Jumbo	Shopping mall	1991	36	8 124	100%
Montijo	Forum Montijo	Shopping mall	2003	141	41 537	100%
Santo Tirso	Centro Comercial Pão Ac	Shopping mall	1996	7	670	100%
Setubal	Alegro Setubal *(géré par (*	Shopping mall	2014	116	27 844	50%
Sintra	Centro Comercial Jumbo	Shopping mall	2015	17	749	100%
	Forum Sintra	Shopping mall	2011	161	42 245	100%
	Sintra Retail Park	Retail park	2000	21	20 102	100%
Portugal	**Management contract - 2 sites**			**18**	**1 502**	

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Spain	**Property / Leased asset - 32 sites**			**1 168**	**321 502**	
Alboraya, Valencia	Alcampo Alboraya	Shopping mall	1985	21	2 602	100%
	Retail park Alboraya	Retail park	1985	2	1 163	100%
Alcalá de Henares, Madric	Alcampo La Dehesa	Shopping mall	1991	68	10 854	100%
	Retail park La Dehesa	Retail park	1991	8	55 351	100%
Alcorcón, Madrid	Alcampo Alcorcon	Shopping mall	1994	32	4 293	100%
	Retail park Alcorcon	Retail park	1994	2	434	100%
Burgos, Castilla la Mancha	Alcampo Burgos	Shopping mall	1996	50	8 032	87%
Colmenar Viejo, Madrid	Alcampo Colmenar Viejo	Shopping mall	2007	65	14 740	100%
	Retail park Colmenar Viej	Retail park	2007	8	5 784	100%
Cuenca, Cuenca	Alcampo Cuenca	Shopping mall	1996	15	1 308	100%
	Retail park Cuenca	Retail park	1996	2	450	100%
Ferrol, La Coruña	Alcampo Ferrol	Shopping mall	1986	25	2 363	100%
	Retail park Ferrol	Retail park	1986	2	330	100%
Gijón, Asturias	Alcampo Gijon	Shopping mall	1982	19	1 305	100%
Granada, Granada	Alcampo Granada	Shopping mall	1989	24	3 739	100%
	Retail park Granada	Retail park	1989	3	1 961	100%
La Coruña, La Coruña	Alcampo La Coruña	Shopping mall	1985	15	823	100%
	Retail park La Coruña	Retail park	1985	1	170	100%
Linares, Jaen	Alcampo Linares	Shopping mall	1996	19	1 688	100%
	Retail park Linares	Retail park	1996	2	995	100%
Logroño, La Rioja	Alcampo Logroño	Shopping mall	1989	79	23 291	100%
	Retail park Logroño	Retail park	1989	2	1 170	100%
Madrid, Madrid	Alcampo Pio Xii	Shopping mall	1996	22	1 392	100%
	Retail park Pio Xii	Retail park	1996	2	305	100%
	Alcampo Moratalaz	Shopping mall	1986	24	1 719	100%
	Retail park Moratalaz	Retail park	1986	2	552	100%
	Alcampo Vallecas	Shopping mall	1982	11	420	100%
	Retail park Vallecas	Retail park	1982	2	525	100%
Marraxtí, Islas Baleares	Alcampo Marratxi	Shopping mall	1993	45	6 411	100%
	Retail park Marratxi	Retail park	1993	5	6 941	100%
Motril, Granada	Alcampo Motril	Shopping mall	1998	13	572	100%
	Retail park Motril	Retail park	1998	3	3 998	100%
Nalón, Asturias	Alcampo Nalon	Shopping mall	2003	63	14 256	100%
	Retail park Nalon	Retail park	2003	2	253	100%
Oiartzun, Guipúzcoa	Oiartzun New Units	Shopping mall	1977	1	1 403	100%
Orihuela	Zenia Boulevard *(géré pai*	Shopping mall	2012	160	67 786	50%
Tenerife	Alcampo La Laguna	Shopping mall	1992	54	9 751	100%
Sant Adriá, Barcelona	Alcampo Sant Adria	Shopping mall	2001	34	6 569	100%
Sant Boi, Barcelona	Alcampo Sant Boi	Shopping mall	1997	85	18 365	100%
	Retail park Sant Boi	Retail park	1997	1	330	100%
Sant Quirtze, Barcelona	Alcampo Sant Quirze	Shopping mall	1990	24	1 954	100%
	Retail park Sant Quirze	Retail park	1990	2	221	100%
Sevilla, Sevilla	Alcampo Sevilla	Shopping mall	1990	38	12 087	100%
Telde, Las Palmas	Alcampo Telde	Shopping mall	1997	30	3 246	100%
Utebo, Zaragoza	Alcampo Utebo	Shopping mall	1981	26	2 502	100%
	Retail park Utebo	Retail park	1981	5	6 003	100%
Vigo, Pontevedra	Alcampo Vigo 1	Shopping mall	1981	8	1 039	100%
	Alcampo Vigo 2	Shopping mall	1986	15	1 322	100%
	Hotel Vigo	Hotel	2021	NA	NA	100%
	Retail park Vigo 1	Retail park	1981	1	128	100%
	Retail park Vigo 2	Retail park	1986	2	449	100%
Zaragoza, Zaragoza	Alcampo Los Enlaces Zarc	Shopping mall	1997	24	7 470	100%
	Office Los Enlaces Zarago	Office	2016	1	689	100%
Spain	**Management contract - 0 site**					

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Hungary	**Property / Leased asset - 18 sites**			**686**	**185 263**	
Budakalasz	Budakalasz	Shopping mall	2012	36	3 510	100%
	Budakalasz	Retail park	2012	1	1 160	100%
Budaors	Budaors	Shopping mall	1998	62	6 531	100%
	Budaors	Retail park	2017	1	2 773	100%
Csömör	Csomor	Shopping mall	2002	25	1 495	100%
	Csomor	Retail park	2002	1	1 160	100%
Debrecen	Debrecen	Shopping mall	2012	27	2 993	100%
Dunakeszi	Dunakeszi	Shopping mall	2001	67	9 382	100%
	Dunakeszi	Retail park	2001	3	55 820	100%
Fot	Fot	Shopping mall	2012	50	7 112	100%
Kecskemét	Kecskemét	Shopping mall	2002	35	5 749	100%
	Kecskemét	Retail park	2002	1	3 000	100%
Maglód	Maglod	Shopping mall	2009	48	6 165	100%
	Maglod	Retail park	2009	2	4 624	100%
Miskolc	Miskolc 1	Shopping mall	2008	45	6 223	100%
	Miskolc 2	Shopping mall	2012	31	3 578	100%
	Miskolc	Retail park	2008	3	9 016	100%
Óbuda	Óbuda	Shopping mall	2003	19	692	100%
	Óbuda	Retail park	2006	1	300	100%
Solymár	Solymar	Shopping mall	2005	22	1 936	100%
	Solymar	Retail park	2005	2	5 735	100%
Soroksar	Soroksar	Retail park	2000	6	14 474	100%
	Soroksar	Shopping mall	2000	65	6 087	100%
Szeged	Szeged	Shopping mall	2012	21	3 471	100%
Szekesfehervar	Szekesfehervar	Shopping mall	2001	23	1 443	100%
	Szekesfehervar	Retail park	2005	3	4 452	100%
Szigetszentmiklós	Szigetszentmiklos	Shopping mall	2002	25	1 783	100%
Szolnok	Szolnok	Shopping mall	2012	22	4 883	100%
	Szolnok	Retail park	2019	1	2 545	100%
Torokbalint	Torokbalint	Shopping mall	2012	38	7 170	100%
Hungary	**Management contract - 0 sites**					

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Romania	**Property / Leased asset - 24 sites**			**801**	**222 375**	
Bacau	Bacau	Shopping mall	2014	8	737	Leased
Baia Mare	Baia Mare Gallery	Shopping mall	2015	15	4 725	100%
Brasov	Brasov Vest Gallery	Shopping mall	2014	16	755	100%
	Coresi Gallery	Shopping mall	2015	119	30 800	100%
	Coresi Business Park	Office	2016	101	46 450	100%
	Coresi Retail Park	Retail park	2015	13	13 747	100%
Bucuresti	Berceni Gallery	Shopping mall	2015	15	1 204	100%
	Crangasi Gallery	Shopping mall	2012	25	2 234	100%
	Drumul Taberei Gallery	Shopping mall	2014	74	11 189	100%
	Pallady Gallery	Shopping mall	2015	14	1 956	100%
	Titan	Shopping mall	2006	70	7 133	Leased
	Vitan Gallery	Shopping mall	2014	21	2 674	100%
Cluj	Cluj Gallery	Shopping mall	2015	25	12 833	100%
Constanta	Constanta Gallery	Shopping mall	2015	20	4 246	100%
Craiova	Craiova Gallery	Shopping mall	2014	34	6 655	100%
	Craiova Retail Park	Retail park	2016	1	1 128	100%
Galati	Galati Gallery	Shopping mall	2015	0	19 304	100%
Oradea	Oradea Gallery	Shopping mall	2015	28	5 753	100%
Pitesti	Pitesti	Shopping mall	2007	38	4 787	Leased
	Pitesti Gavana Gallery	Shopping mall	2015	22	9 014	100%
Ploiesti	Ploiesti Gallery	Shopping mall	2015	15	1 868	100%
Satu Mare	Satu Mare Gallery	Shopping mall	2015	34	14 631	100%
Sibiu	Sibiu	Shopping mall	2014	16	884	Leased
Targu Mures	Targu Mures Gallery	Shopping mall	2014	15	4 037	100%
Timisoara	Timisoara Nord Gallery	Shopping mall	2015	31	7 128	100%
	Timisoara Sud Gallery	Shopping mall	2015	31	6 503	100%
Romania	**Management contract - 0 sites**					

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Poland	**Property / Leased asset - 24 sites**			**1 276**	**224 266**	
Bielany	Bielany	Shopping mall	2003	77	22 953	100%
Bielskobiala	Bielskobiala	Shopping mall	2001	43	4 675	100%
	Bielskobiala	Retail park	2001	3	2 572	100%
Bronowice	Galeria Bronowice	Shopping mall	2013	157	34 789	100%
Bydgoszcz	Bydgoszcz	Shopping mall	2001	44	6 032	100%
Czestochowa	Czestochowa	Shopping mall	2001	53	11 752	100%
Gdansk	Gdansk	Shopping mall	1998	69	15 306	100%
Gliwice	Gliwice	Shopping mall	2010	40	6 599	100%
Hetmanska	Hetmanska	Shopping mall	2008	58	11 570	100%
Katowice	Katowice	Shopping mall	2000	27	3 087	100%
	Katowice	Retail park	1905	1	3 400	100%
Kolbaskowo	Kolbaskowo	Shopping mall	2008	40	5 182	100%
Komorniki	Komorniki	Shopping mall	2001	54	5 626	100%
Krasne	Rzeszow/Krasne	Shopping mall	2006	38	6 045	100%
Legnica	Legnica	Shopping mall	2002	41	3 794	100%
Lomianki	Lomianki	Shopping mall	2012	86	16 360	100%
Mikolow	Mikolow	Shopping mall	2000	50	4 990	100%
Modlinska	Modlinska	Shopping mall	1998	19	1 026	100%
Piaseczno	Piaseczno	Shopping mall	1996	52	7 239	100%
Plock	Płock	Shopping mall	2001	29	3 131	100%
	Plock	Retail park	2001	3	2 866	100%
Produkcyjna	Produkcyjna	Shopping mall	2000	53	7 361	100%
Rumia	Port Rumia	Shopping mall	2007	85	21 177	100%
Sosnowiec	Sosnowiec	Shopping mall	1999	44	4 357	100%
Swadzim	Swadzim	Shopping mall	2000	45	6 386	100%
Walbrzych	Walbrzych	Shopping mall	2004	45	4 266	100%
Zory	Zory	Shopping mall	2001	20	1 724	100%
Poland	**Management contract - 0 sites**					

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Russia	**Property / Leased asset - 19 sites**			**881**	**179 766**	
Altufievo	Altufievo	Shopping mall	2005	50	6 741	100%
Andreevka	Andreevka/Zelenograd	Shopping mall	2010	18	997	100%
Ivanovo	Ivanovo	Shopping mall	2009	26	6 264	100%
Izhevsk	Izhevsk	Shopping mall	2011	19	1 416	100%
Lefortovo	Lefortovo	Shopping mall	2009	21	985	100%
Marfino	Marfino	Shopping mall	2003	58	5 141	100%
Moscou	Pushkino	Shopping mall	2019	104	30 106	100%
Mytischi	Mytischi	Shopping mall	2002	41	4 923	100%
Rostov Orbitalnaya	Rostov Orbitalnaya	Shopping mall	2008	26	1 526	100%
Rostov-Gorizont	Rostov-Gorizont	Shopping mall	2009	29	5 713	100%
Ryazanka	Ryazanka	Shopping mall	2006	14	759	100%
Sokolniki	TDK Troika	Shopping mall	2008	106	21 956	100%
Krasnogorsk	Auchan Krasnogorsk	Shopping mall	2004	24	1 689	100%
Moscou	Proletarski	Shopping mall	2017	39	3 834	100%
Tambov	Tambov	Shopping mall	2007	36	13 699	100%
Togliatti	Aquarelle, Togliatti	Shopping mall	2017	51	11 401	100%
Tumen	Auchan Tumen Crystal	Shopping mall	2013	20	955	100%
Volgograd	Volgograd Aquarelle	Shopping mall	2013	181	58 415	100%
	Auchan Volgograd	Shopping mall	2007	18	3 247	100%
Russia	**Management contract - 21 sites**			**412**	**29 456**	

Geographical location	Asset name	Asset type	Year of construction	Number of units	GLA m²	Share %
Ukraine	**Property / Leased asset - 5 sites**			**127**	**20 502**	
Belitchi	Belitchi	Shopping mall	2009	29	1 470	Leased
Chernigivska	Chernigivska	Shopping mall	2014	7	737	Leased
Kiev	Retail Park Petrivka	Retail park	2008	9	10 941	100%
	Petrovka	Shopping mall	2008	31	2 147	Leased
	Rive Gauche 1	Shopping mall	2018	51	5 207	Leased
Ukraine	**Management contract - 3 sites**			**58**	**2 765**	

SIGNIFICANT EVENTS

CHANGES TO THE PROPERTY PORTFOLIO

Ceetrus is present in 10 countries across several business sectors including retail, residential and offices. On 31 December 2020, Ceetrus managed 297 commercial sites, including 220 owned, 22 leased and 55 under a management contract.

	Total	O	L	M
France	83	75	1	7
Western Europe	100	63	13	24
Eastern Europe	114	82	8	24
Total	297	220	22	55

O: Owned; L: Leased; M: Management contract

With a desire to support the changing face of retail and changing lifestyles, Ceetrus continues to reinvent its commercial sites and work with local partners to co-build new community spaces, combining shops, housing, offices, recreational areas and services.

In 2020, the company continued with the renovation, expansion and transformation of community and commercial spaces across Europe.

SIGNIFICANT EVENTS DURING THE PERIOD

Ceetrus in the face of the Covid-19 pandemic

The Covid-19 pandemic started out in China before gradually spreading to all regions of the world. In March 2020, the governments of the different European countries took restrictive measures to contain the spread of the coronavirus.

In all of the ten countries in which Ceetrus is established, with the exception of Hungary, all non-essential shops were required to close between 2 and 3 months depending on the country, for an average duration of 75 days in 2020.

This means that for over 90% of the surface areas leased by Ceetrus, retailers had to cease their activity. In order to allow access to essential shops, Ceetrus managed to keep all of its shopping centres open by reorganising customer traffic flow and putting in place the appropriate health measures.

In mid-March 2020, development sites were stopped for about a month, while we adapted the work organisation. The work of the project design offices and support functions continued thanks to teleworking.

Impacts of the epidemic on the annual financial statements

In a spirit of solidarity and support for our lessees, Ceetrus decided to take various measures:

- Cancel all rent due and invoiced for the period from 15 March to 15 May 2020 for all its lessees in France, with the exception of shops that stayed open by government decision. This decision was announced in a letter sent to all of its lessees in June. No rents or service charges were collected during this period. All credit notes were issued on 24 June by Ceetrus France;
- Postpone or spread out the payment of rents due during the closure period, for retailers that stayed open during the lockdown in France;
- Cancel contributions to the joint marketing fund for the period from 15 March to 15 May 2020, for all lessees in France;
- Monthly rent payments for the third quarter of 2020 for all lessees in France;
- Only invoice variable rents following government decisions in the second half of 2020 in Portugal;
- Offer rent reductions and/or service charge reductions in other countries.

On 28 October 2020, in France, a second lockdown was announced by the government for a period of one month, resulting in another closure of all so-called "non-essential" shops. On 17 December 2020, French Parliament adopted the Finance Act for 2021, including provisions for the tax treatment of rent waivers during the second lockdown granted by lessors to their lessees affected by the closure. Under these provisions, lessors can benefit from a tax credit on all rents waived during the second lockdown, subject to meeting the conditions set in the Finance Act (Article 20 of act no.2020-

1721 of 29 December 2020). In France, Ceetrus granted credit notes on rents for November 2020 for retailers meeting the criteria defined in the 2021 Finance Act in order to benefit from the tax credit.

In accordance with the applicable IFRS standards (IFRS 9 and IFRS 16), Ceetrus decided to recognise the rent reductions granted, immediately, in profit or loss in the financial statements for the year.

The effects of the Covid-19 health crisis were taken into account almost entirely over the period, mainly in the first half, for a total of 117 million euros.

Initiatives and innovations for retailers and residents

- **Ceetrus France**

During the spring 2020 lockdown, 20 sites in France set up Click and Collect solutions under the “Aushopping Drive” brand in shopping centres.

Children who experienced academic difficulties during the crisis were able to access additional support during the summer holidays thanks to the “Aushopping Campus": lesson downloads with QR codes, pupils welcomed for classes in shopping centres with the help of students and teachers. Almost all Ceetrus shopping centres took part in this initiative.

In partnership with Troov, the Aushopping centres deployed a platform dedicated to lost items. The experiment was a success, with nearly 400 objects found in the space of two months.

- **Ceetrus Spain**

Ceetrus Spain set up the “BurGo! Challenge” cooking competition in the Camino de la Plata shopping centre, to promote the talent of Burgos entrepreneurs. The initiative aimed to encourage the inhabitants of Burgos to develop their innovative, creative and entrepreneurial spirit, in perfect harmony with the values of Ceetrus. The lucky winner was given fully equipped premises with six months' free rent and access to the Ceetrus club, where they could benefit from marketing advice.

In order to support lessees and meet customer expectations, online courses were provided to help retailers develop their omni-channel solution and/or improve their knowledge and expertise.

- **Ceetrus Romania**

Aimed at entrepreneurs, a new service for trialling concept stores was set up on the Coresi site, with a small kiosk made available for four months to carry out a trial. This service has had a very positive impact on its image, showing a desire to help local people who wish to become entrepreneurs but who do not always have the necessary resources.

An extensive loyalty campaign was also set up to reward customers who make purchases in the shopping centres. More than 10,000 customers took part. In the space of three weeks, this campaign represented an increase of approximately 2,500 additional customers.

- **Ceetrus Italy**

Ceetrus passed the first round of the “Reinventing Cities Milano” tender with two projects to be carried out in Milan: the redevelopment of the Bovisa district and the “Piazzale Loreto” rehabilitation project focused on sustainability, the creation of green spaces and the promotion of social wealth.

The “Reinventing Cities Milano” project, which is fully in line with Ceetrus' overall mission, aims to help shape the cities of the future by transforming them into community hubs to benefit citizens and foster social ties. The project provides for the alienation of abandoned or degraded sites to be used for environmental and urban regeneration projects, in line with the principles of sustainability and resilience.

Work has also started on a cohabitation project "Co-Housing – Cascina Gerola" in Milan. The aim is to develop housing solutions that promote a collaborative way of life, capable of guaranteeing a better quality of life, through the sharing and optimisation of common areas.

All of the centres have set up a new service to offer drive-through antigen testing in car parks, in collaboration with Meti Group, PreventionSuite by Medispa and ParkinGo. The operation was carried out in agreement with local institutions, a sign of ongoing open and collaborative dialogue. The service is active seven days a week from 7 am to 7 pm.

- **Ceetrus Russia**

A tool for analysing the behaviour of customers connected to shopping sites has been set up. This solution makes it possible to assess the impact of current activities, further customise retailer offers, target the choice of marketing campaigns and, ultimately, increase the conversion rate.

▪ Ceetrus Portugal

A new "Drive & Smile" service has been set up across the entire portfolio of Alegro shopping centres in the Lisbon region, enabling customers to order their desired products by email or phone in any participating store, make payment, schedule collection with the retailer and finally collect their order at the "Drive & Smile" collection point.

▪ StatioNord Project

On Monday 6th July 2020, the Prefect of Ile-de-France issued a building permit for the transformation of the Gare du Nord station.

StatioNord has named Bouygues Bâtiment Ile-de-France as "prospective builder", following a long and very demanding tender process, to carry out the transformation project for Europe's largest train station. The choice of builder is a major milestone, moving the project into its operational phase. Preparatory work began last July and this new stage should make it possible to open a study phase, before kicking off the large-scale work.

The site alone will generate around 450 jobs over four years according to the following provisional schedule:

End of winter: reduction of the bus station to develop its northern section

Spring 2021: start of the main works for constructing the new building (reinforcing the foundations of the train station)

Second half of 2021: start of work to extend the cross-Channel terminal

Late 2022: end of railway-related works (footbridges, extension of the upper ground floor slab) and vertical circulation between over- and underground stations

First half of 2024: commissioning of passenger areas in the new departure hall (before the 2024 Olympic Games)

Late 2024 to early 2025: interior design of upper floors

The operation is managed by a semi-public company with a single operation (SEMOP), whose capital is 34% owned by SNCF Gares & Connexions and 66% by Ceetrus.

Stationord - Gare du Nord project

Acquisitions

- On 13 February 2020, Ceetrus Luxembourg acquired 1,500 m² of offices and car parks near the JBBK and KUBIK offices, in the Kirchberg district.
- On 29 May 2020, Ceetrus Russia acquired the Proletarsky shopping centre previously owned by Auchan Retail Russia.

Disposals

- There were no significant disposals during 2020. Disposals mainly concerned non-strategic land plots in Hungary, Romania and France.

New financing

- The Group has not put in place any new external financing in 2020.
- Ceetrus did not make use of the loan guaranteed by the French government. Ceetrus' financing is provided by external credit lines and financing granted by Auchan Holding.

Other significant events

- In Portugal, the Alegro Alfragide centre was awarded BREEAM In Use certification with rating "Excellent".
- All Ceetrus Portugal sites and headquarters have obtained "COVID Safe" certification.
- In Poland, the master plan for the mixed-use project in Wilanów was established with the aim of obtaining BREEAM In Use certification with "Excellent" rating. Design work has started and the documentation for obtaining the building permit is being prepared.

Comments on 2020

In 2019, Ceetrus benefited from the positive impact of its development projects delivered during the year: the inauguration of two new shopping centres in Russia (Pushkino) and Luxembourg (La Cloche d'Or), and the opening of extensions to existing centres in France (Aushopping Noyelles Godault), Spain (Sant Boi in Barcelona), Romania (Satu Mare) and Italy (Belpo in Piacenza).

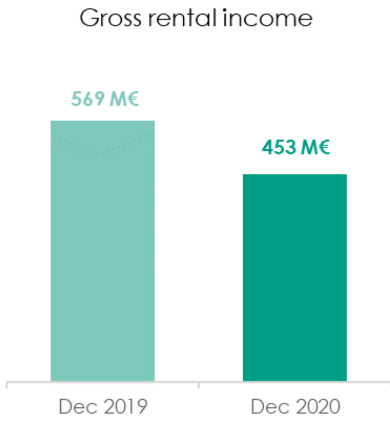
In 2020, Ceetrus was severely affected by the global health crisis. Despite the store closures that affected more than 90% of rental spaces, Ceetrus kept all of its shopping centres open to allow access to essential businesses and shops. Ceetrus' priorities during the first wave of Covid-19 were:

- To guarantee the safety of shopping centres for users, retailers and employees, by managing customer traffic and implementing appropriate health measures;
- To support retailers, financially and operationally during the closure period and in the management of their recovery;
- To launch innovative solutions to prepare stores for reopening, to support and facilitate the retailers' businesses while adapting to changing consumer habits and responding to users' needs in terms of safety: a Click & Collect" solution entitled "Aushopping Drive", transformation of car parks into open-air cinemas;
- To contribute to the management of the crisis in a united and socially responsible way throughout Europe: in France, creation of an inter-brand solidarity fund for small shops in shopping centres, the opening of support areas in shopping centres for women who are victims of domestic violence, and educational support workshops offered to children in partnership with the national "vacances apprenantes" (Learning Holidays) campaign; in Italy, renovation of a pavilion at Sacco hospital in Milan and setting up an intensive care unit in partnership with the city, in less than 60 days ; in Romania, installation of a temporary hospital in partnership with Auchan Retail and Leroy Merlin.

All this was made possible thanks to the outstanding dedication and involvement of the men and women in our company who showed versatility and commitment, with the unwavering support of shareholders.

COMMENTS ON THE OPERATING RESULT

Gross rental income fell by 20.4% compared to 2019. The health crisis has broken a dynamic of more than ten years' continuous revenue growth on a like-for-like basis.



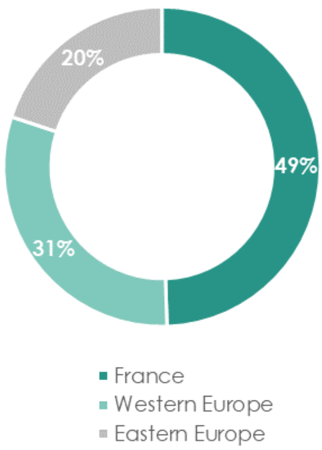
The decline in income covers the various and differing situations between countries. In France, Ceetrus decided to waive two months' rent excluding charges; in other countries, the Group did not invoice all of the rent due to government decisions; or, depending on the local situation, Ceetrus entered into renegotiations directly with the retailers concerned.

The impact is all the more substantial for Ceetrus since it decided to allocate all the effects observed to the 2020 annual result, rather than spreading them over several years as IFRS standards allow. Credit notes for rent due prior to 31 December 2020 may be considered as a partial termination of contractual rights on rent receivables. As such, with reference to paragraph 2.1 (b)(i) of IFRS 9, these credit notes can be immediately recognised in profit or loss as counterpart of rental receivables.

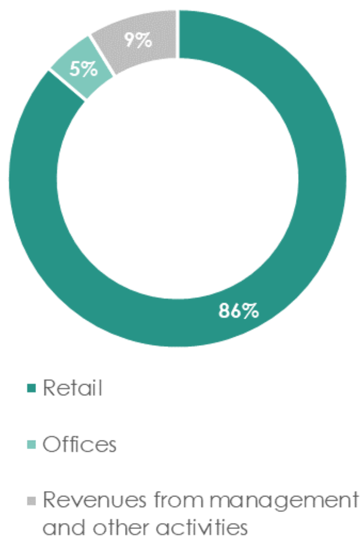
Similarly, EBITDA (excluding IFRS 16 adjustments) is down 26.7% compared to a comparable period. This decline is explained by a significant drop in revenues and a smaller decrease in expenses.

Ceetrus has put in place a plan to reduce all costs. However, because all shopping centres stayed open during the lockdown period to allow access to essential shops, opportunities to reduce costs were limited. Overheads (payroll expenses and other general expenses) fell by 6.8% compared to 31 December 2019. Ceetrus has taken measures on the bonuses and salaries of its staff, with the aim of protecting employment, bearing in mind that activity has remained very intense, often even busier than usual. In addition, only France and Spain have benefited from partial unemployment measures, with no significant effect on payroll expenses at Group level.

Geographical distribution of 2020 gross rental income:



Commercial property remains Ceetrus' core business. In 2020, this activity contributed to 86% of revenues.

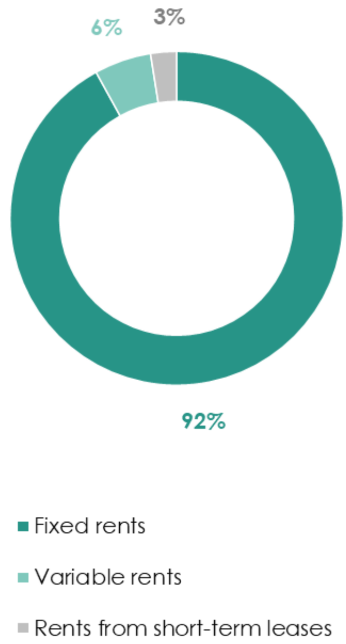


The weighted average of rents per sqm of the shopping centre portfolio by geographic area is as follows:

Shopping Centres	Rents in € per sqm[1]
France	€345/m²
Western Europe	€277/m²
Eastern Europe	€167/m²

[1] Average annual rent (minimum guaranteed rent and variable rent) per asset and per m²

Variable rents and short-term leases represent a total of 9% of gross rental income for 2020.



COMMENTS ON RETAIL ACTIVITY

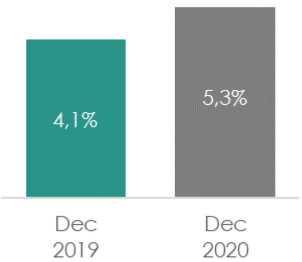
On 31 December 2020, Ceetrus managed 2.4 million sqm GLA of shopping centres:

GLA surface (in millions of sqm)	Total	O	L	M
France	0.6	0.6	-	-
Western Europe	1.1	0.6	0.1	0.4
Eastern Europe	0.7	0.6	-	-
Total	2.4	1.8	0.1	0.5

O: Owned /L: Leased/ M: Management contract

In 2020, Ceetrus welcomed just over 750 million visitors. At the end of December 2020, customer traffic had fallen by an average of 24% in the ten Ceetrus countries. Footfall was clearly affected by the various periods of lockdown and has not yet returned to the pre-crisis level, despite a satisfactory recovery once sites reopened. In addition, highly touristic areas and border areas have been more affected than others. The same trend can be seen in the turnover achieved by retailers, with an observed average decrease of 29% over the year 2020.

Ceetrus' vacancy rate rose from 4.1% to 5.3% in 2020, increasing over the course of the year as a result of the health and economic crisis, which put the most vulnerable retailers in difficulty. The Ceetrus teams have been working daily with retail partners to find the best ways to help them overcome their difficulties.

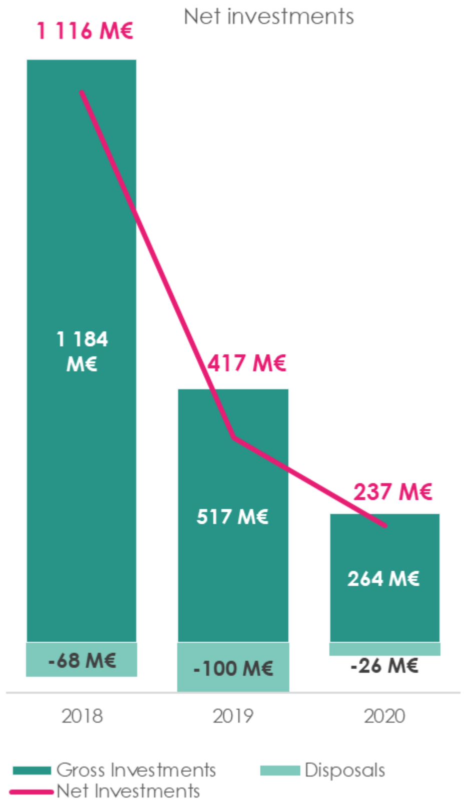


Also related to the economic difficulties encountered by retailer-lessees, customer risk increased during 2020. Non-recoverable debts, bad debt provisions and discounts represented 13.6% of revenue for the period ending 31 December 2020. By recognising customer risks related to unpaid rents in its annual income statement, Ceetrus has chosen a prudent accounting approach, which has had the effect of limiting the increase in client receivables on the balance sheet.

COMMENTS ON INVESTMENTS

During 2020, Ceetrus continued to invest in its emblematic projects such as StatioNord in France, the Vialia-Vigo train station in Spain and the La Cloche d'Or housing project in Luxembourg, but as a precautionary measure, the Group has pushed back its non-priority investments.

As of 31 December 2020, gross investments amounted to €264 million.



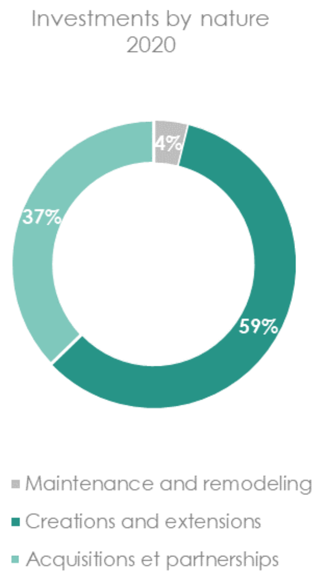
The largest projects currently being created reflect the preponderance of investments in mixed projects. The general pipeline is around 1 billion euros until 2024.

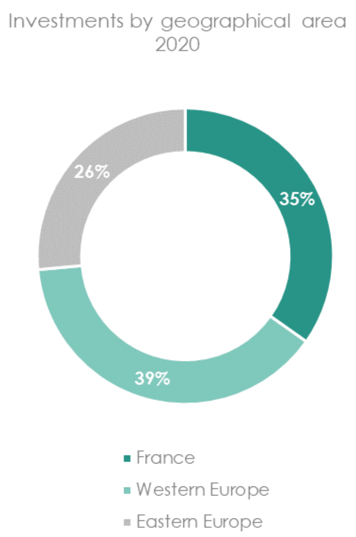
La Cloche d'Or	Luxembourg	Creation	Residential*
Cascina Merlata	Italy	Creation	Shopping Centre
Viala-Vigo Station	Spain	Creation	Shopping centre & Train Station
StatioNord	France	Creation	Shopping Centre & Offices & Train Station
Milanord 2	Italy	Creation	Shopping Centre & Leisure

* Centre delivered in 2019

The dynamic asset management policy remains unchanged: Ceetrus is prepared to sell assets that have reached the end of their value creation plan and which no longer correspond to the mixed-use real estate development strategy. Disposal projects not completed in 2020, due to the Covid-19 crisis, remain part of the 2021 objectives.

Gross investments in the year 2020 amounted to 264 million euros and can be broken down as follows:





COMMENTS ON FAIR VALUE

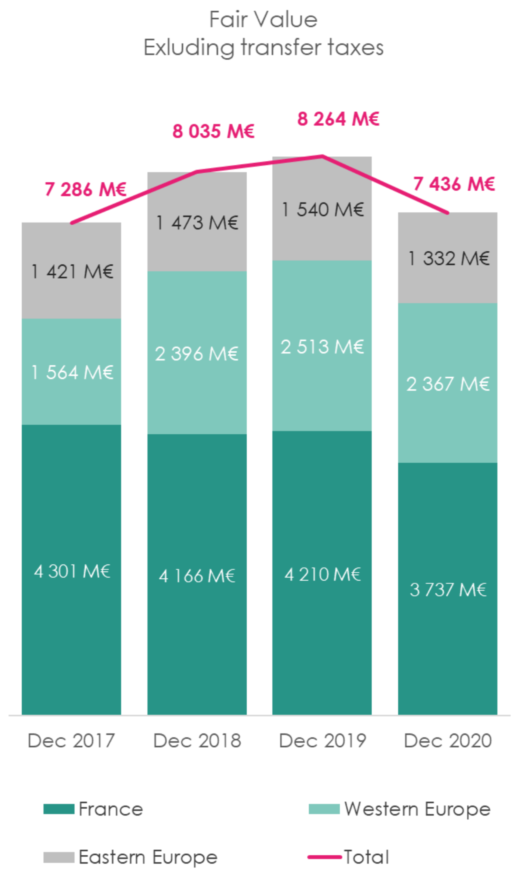
From a portfolio perspective, 2020 was marked by a 10.0% drop in the fair value of assets at current exchange rates.

The fair value of investment properties amounted to 7,436 million euros (excluding transfer taxes), which represents a decrease of 8.4% on a like-for-like basis in comparison with 31 December 2019.

The decrease is mainly attributable to:

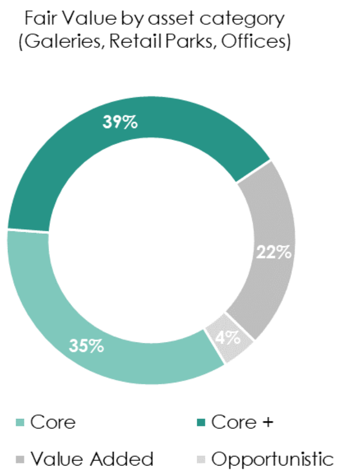
- The effects of the Covid-19 crisis on discount rates, for -5.0%;
- A decrease in rental income, the review of investment budgets and other variations, for -3.4%.

The valuations were carried out in the context of an ongoing health crisis linked to Covid-19 and the reports from the real estate experts contain a clause entitled "material uncertainty in valuation clause". The inclusion of this clause means that the valuations have been determined by the experts in a context of considerable uncertainty due to the health crisis, but does not put into question the fair values thus determined. Ceetrus believes that the fair values determined by the appraisers reasonably reflect the fair value of its assets.



Ceetrus has the special characteristic of having an asset portfolio that is very diversified by its number and its geographical presence while holding 50% of its fair value in France.

Note the ongoing transformation of Ceetrus' portfolio aimed at increasing the weight of Core or Core+[1] mixed-use regional sites. As of 31 December 2020, Core or Core+ assets represented 74% of the portfolio.

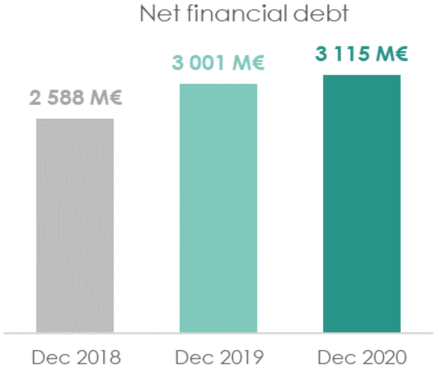


Ceetrus also holds assets in companies consolidated under the equity method. On 31 December 2020, Ceetrus' share of the fair value of investment properties held by companies accounted for under the equity method amounted to 613.1 million euros, compared to 578.3 million euros on 31 December 2019.

[1] Classification according to: geographic location, general asset type, works required, type of leases, level of vacancy, potential for value creation

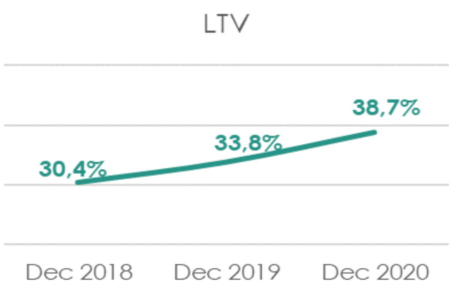
COMMENTS ON THE FINANCIAL SITUATION

Over the course of 2020, the level of net debt increased by 114 million euros. This change is attributable to the drop in cash flows generated during the period of store closure and to the investments made during the period.



On 31 December 2020, the Loan to Value (LTV) ratio stood at 38.7% compared to 33.8% on 31 December 2019. The increase in the ratio is attributable to the decrease in the fair value of the portfolio for 828 million euros and the increase in net debt for 114 million euros.

The change to the LTV ratio remains consistent with the average for the real estate sector.



Calculation of the LTV ratio:

€M	Dec. 2018	Dec. 2019 [2]	Dec. 2020 [2]
Fair value of investment properties [1]	8,035	8,264	7,436
Shares and investments in companies accounted for using the equity method	294	347	330
Other non-current financial assets	174	269	280
Total assets	**8,503**	**8,880**	**8,047**
Gross financial borrowing	2,855	3,278	3,437
Cash and cash equivalents	-159	-146	-198
Other current financial assets	-107	-130	-125
Net debt [3]	**2,588**	**3,001**	**3,115**
LTV	**30.4%**	**33.8%**	**38.7%**

[1] Excluding restatements: spreading of rent free periods, step rents, key money, rents paid in advance and "right-of-use" assets

[2] See additional information in the notes to the financial statements: Investment properties note 4.4, Companies accounted for using the equity method note 5, Other financial assets note 7.2, Financial borrowing note 6.2

[3] Calculated according to bank and bond covenants

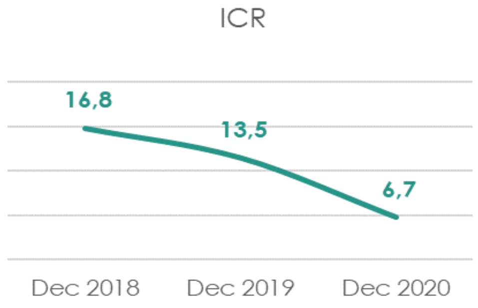
Reconciliation of the fair value of the investment properties used in the calculation of the ratios and the figures presented in the consolidated balance sheet:

€M	Dec. 2018	Dec. 2019	Dec. 2020
Fair value of investment properties [1]	8,012	7,749	7,510
Investment properties held for sale [1]	*n/a*	619	*n/a*
"Right-of-use" assets [1]	*n/a*	-135	-109
Restatement related to spreading [1][2]	23	31	35
Fair value of investment properties excluding restatements	**8,035**	**8,264**	**7,436**

[1] See additional information in the notes to the consolidated financial statements: Investment properties note 4.4

[2] Spreading of free rent periods, step rents, other rent incentives, key money and rents paid in advance

The unfavourable change to the ICR ratio over this financial year is mainly attributable to the drop in EBITDA observed over the year. As a reminder, all of the rent waivers related to the government-mandated closure of shops were charged to income for the year.



Calculation of the ICR:

	Dec. 2018[1]	Dec. 2019	Dec. 2020
EBITDA [2]	364	399	292
Net cost of financial borrowings	-22	-30	-43
ICR	**16.8×**	**13.5×**	**6.7×**

[1] Consolidated income statement
[2] Excluding IFRS 16 restatements

To conclude, Ceetrus' financial situation remains sound despite the effects of the global health crisis. Ceetrus' financing is provided by external credit lines and financing granted by Auchan Holding. The Group did not make use of the loan guaranteed by the French government.

Ceetrus has taken all necessary measures - including a review of its investment budget and the introduction of measures aimed at reducing operating costs - to limit the increase in debt during the year 2020.

COMMENTS ON THE OFFICE ACTIVITY

Ceetrus has offices located in Luxembourg and Romania:

- JBBK in Luxembourg,
- Kubik in Luxembourg,
- Coresi Business Park in Romania.

The office activity contributed 5% of rents for the year 2020.

In accordance with its diversification strategy, Ceetrus has also launched property development operations focused on offices.

Signature of a VEFA (sale in the future state of completion) for the "Wellice" office project

In Villeneuve d'Ascq, in northern France, Ceetrus is building a new office building called "Wellice", with a surface area of over 6,145 sqm across 5 floors, with a green roof and 159 parking spaces.

In line with the economic development strategy being led by the Lille European Metropolis, this building will help to provide new jobs, while contributing to the regeneration of the city centre and the development of tertiary activities. Located on the former site of a car park on a retail site, "Wellice" is part of an urban redevelopment operation. It is remarkable for its high-quality services and its strong environmental approach with BREEAM Very Good, RT 2012 and Well certification.

Construction work began in September 2020 with Ceetrus as project owner, with delivery scheduled for the first half of 2022. The off-plan sales contract (VEFA) was signed in early July 2020 with MiDi 2i, a fund management company for office and retail buildings.

France - Wellice

COMMENTS ON RESIDENTIAL ACTIVITY

Ceetrus is taking part in several residential property development projects in partnership with specialist local companies in the sector:

In Hungary, in 2019, 59 housing units were delivered on the Kecskemét, Boroka Park site near the Auchan shopping centre. 63 additional housing units were built in 2020 with delivery to buyers in 2021. A complementary phase to this project should start in 2022.

Hungary - Boroka Park

In Romania, at the Coresi site, the Avant Garden residential programme is continuing with the delivery of 1,863 apartments by 31 December 2020, out of a total of 2,217 built. A second phase of 2,300 additional homes is planned.

In Luxembourg, 250 apartments spread over two buildings are under construction on the Cloche d'Or site, in response to strong local demand. The homes are now being marketed, with 179 apartments sold on 31 December 2020.

Luxembourg – La Cloche d'Or

In Saint-André-Lez-Lille, France, "Quai 22" is a co-development project (with "SEM Ville Renouvelée" and Linkcity) for a mixed-use neighbourhood spanning 86,000 sqm, eventually comprising 700 housing units. Of these, constructions begin with the "Quai des Lys" residence, made up of 48 apartments and four houses, the first units of which are scheduled to be delivered in the last quarter of 2022.

France- Quai 22

Located in the heart of the European metropolis of Lille, Tourcoing is the third largest city in Hauts-de-France with nearly 100,000 inhabitants. Shaped by its rich industrial past, the town now has an important heritage to promote.

In co-development with Bouygues Immobilier, the green tower of the Quadrilatère des Piscines will include 52 housing units as well as 2,177 sqm of offices and 1,411 sqm of retail space, as well as parking capacity. Work is scheduled to start in the second quarter of 2021, with delivery scheduled for the end of 2022.

France – Quadrilatère des Piscines

In Illkirch, not far from Strasbourg in France, on the site of former disused offices, Ceetrus is co-developing and co-building 170 apartments for first-time home buyers with Bouygues Immobilier and Habitation Morderne: "L'inattendu". Made up of three luxury buildings, "L'inattendu" (The Unexpected) has a contemporary feel underlined by harmonious architectural work. To encourage soft transport and mobility, each building is equipped with a secure and convenient bike room. Car parks will be hidden underground or around the buildings. Work will begin in early 2021, the first deliveries are scheduled for 2023.

France – L'inattendu

OUTLOOK FOR 2021

The Covid-19 global health crisis has accentuated the trends that have influenced the real estate market for the past several years. Ceetrus' development strategy is firmly in line with this transformation, namely the emergence of multi-use community-focused sites and the concept of the "15-minute city".

At the heart of the crisis, Ceetrus' identity, one of innovation and solidarity, really came to the fore. It is a great source of pride for Ceetrus to see the dedication of its teams across Europe in response to this unprecedented crisis.

The initiatives launched during this period reflect the company's ongoing efforts to consolidate its role as a leading player in the market, by promoting a new and exciting vision of the city and new retail, made up of a mix of uses and a positive impact for all.

Ceetrus is more determined than ever to revitalise its existing sites, to support the transformation of retail, and to create new community sites. Maintaining the attractiveness of its sites and limiting the rise in vacancies will be its top priorities for 2021.

Ceetrus has made prudent decisions to protect the business, and especially its cash flow. For example, postponing any non-essential investments and projects to 2021 has enabled the 2020 investment budget to be revised downwards. A cost reduction plan has also been initiated.

In this restrictive global economic environment, Ceetrus now faces several material risks:

- Retailers' ability to ride out the crisis and honour rents,
- An increase in vacancy rates,
- A decline in customer footfall in shopping centres,
- A decline in the fair value of real estate assets,
- Difficulties carrying out disposal operations on the market,
- The potential delay of development projects and delivery delays.

Despite the crisis, the 2020 financial year has demonstrated Ceetrus' desire to meet the expectations of inhabitants in each territory with a mixed-use offer tailored to each of its sites:

- The office activity will continue to expand, in particular with the delivery of workspaces in France;
- Residential development projects launched in France, Luxembourg, Romania and Hungary will provide housing in new neighbourhoods, in particular with the marketing of the second phase of Boroka Park in Hungary;
- Ceetrus will continue to develop its main activity, retail, through future projects that will bring greater diversity to its sites;
- Ceetrus will focus its efforts on iconic development projects, such as StatioNord in France, Milanord 2 in Italy and Viala-Vigo train station in Spain.

The results for 2021 will continue to be affected by the effects of the health crisis. Given the uncertainty about the health and economic situation, Ceetrus considers that no sound forecast of the 2021 results can be reasonably established at this time.

In the short term, Ceetrus' priority remains the sustainable recovery of its activity, and the reopening of sites closed by government decision in France and Portugal by providing the best possible support to its retailers, both operationally and financially.

A comprehensive approach for the transformation of the business model

Ceetrus teams also came together this year to work on the design and implementation of a new business project. On 1st January 2021, a new organisation came into effect to separate property ownership from global property management with the creation of a new mixed-use real estate operator, Nhood (100% owned by Auchan Holding):

- the Ceetrus real estate company remains the owner of existing sites and projects under development;
- Ceetrus staff are joining Nhood, a new mixed-use real estate operator with an expanded services provider role for all AFM brands and companies;
- Nhood's teams will be missioned with the coordination, regeneration and transformation the sites into new community hubs with a positive impact;
- Nhood's assignments are formalised by service delivery mandates missioned by the Ceetrus real estate companies and by other partners (operation-marketing, asset management, development and fund management).

FINANCIAL RISK MANAGEMENT

Ceetrus and the companies in the scope of consolidation are exposed to liquidity, interest rate, credit and currency risks during the normal course of their business.

They use derivative financial instruments to mitigate these risks. The Group has set up an organisation to manage these risks centrally.

On 31 December 2020, these derivatives are recorded on the balance sheet at market value as current and non-current assets and liabilities.

LIQUIDITY RISK

The Group's policy is to have sufficient medium and long-term funding at all times while retaining significant room for manoeuvre. During this financial year, Ceetrus continued to be able to access liquidity on favourable terms, while benefiting from financing granted by Auchan Holding.

Covenants and financial ratios

Ceetrus' ability to raise new debts and to refinance its existing debts with its banking partners or, more generally, to raise funds on the financial markets, depends on many factors, including the rating of Auchan Holding and Ceetrus by rating agencies.

Some of the credit agreements and bond issues concluded between Ceetrus and its banks or bondholders are subject to early repayment clauses, mainly linked to compliance with financial ratios or the occurrence of clearly identified events. Failure to comply with these commitments or obligations could lead to an event of default or a potential event of default, the main consequence of which would be the early repayment of all or part of the outstanding debt. This situation could have an unfavourable impact on the financial situation and the business activity of the Company, and its development.

INTEREST RATE RISK

Ceetrus' borrowings and deposits are mostly made at floating interest rates, mainly based on Euribor. Ceetrus applies a prudent debt management policy by maintaining a limited exposure to interest rate risk. This management involves the subscription of interest rate derivatives whose sole purpose is to reduce Ceetrus' exposure to fluctuations in interest rates. As part of this management, the Group may use different types of financial instruments, including swaps, caps or swaptions.

CREDIT RISK

For Ceetrus and its subsidiaries, credit risk or counterparty risk mainly concerns cash and cash equivalents of the banking institutions at which these cash resources are invested. This may also concern the financial instruments subscribed, when the trading conditions lead these institutions to pay flows to Ceetrus or its subsidiaries. Lastly, the Group is exposed to the risk of default by its lessees.

Regarding investments, without exception, the policy of Ceetrus and companies in the scope of consolidation is to place surpluses with authorised counterparties in amounts and decided by the Financial Committee, according to a score sheet. The Group only uses banks considered to be robust.

In the same way, Ceetrus only works with a list of banks authorised by the Group's Management in relation to financing and interest rate and exchange rate derivative operations. Wherever possible, signed contracts provide for the termination of transactions and the application of a cleared net balance in the event of a change in the initial contractual balance, including the default of the counterparty. In addition, the Group ensures that risk is sufficiently dispersed by working with several leading banking institutions.

The fair value measurement of derivatives carried by Ceetrus and the companies in the scope of consolidation includes a "counterparty risk" component and a "clean credit risk" component for derivatives. The credit risk measurement is determined using standard mathematical models for market participants, taking into account, in particular, historical statistical data. Over the periods presented, the adjustments booked for counterparty risk and own credit risk are not material.

As mentioned elsewhere, trade receivables and other receivables mainly correspond to receivables with regard to lessees. The Group has procedures to ensure the credit quality of clients and third parties before signing contracts with them. The Group believes that it is not significantly exposed to the concentration of credit risk among its lessees, given a diversified exposure across countries and clients. Impairment losses on receivables are generally estimated on an individual basis.

EXCHANGE RATE RISK

The entities making up Ceetrus are exposed to exchange rate risk on internal and external financing denominated in a currency other than the euro (balance sheet exchange rate) as well as on the value of the real estate assets and the rental income of its subsidiaries in foreign currencies (Hungarian forint, Polish zloty, Romanian lei, US dollar, Russian ruble). Internal financing denominated in a currency other than the euro is systematically hedged by means of derivative instruments.

INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

SET UP FOR ALL COMPANIES INCLUDED IN THE CONSOLIDATION SCOPE RELATING TO THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

PROCEDURE FOR THE PRODUCTION OF FINANCIAL STATEMENTS

Management and structure of the Ceetrus SA Finance Department

The Chairman of the Board of Directors relies on the finance department to produce the financial statements. The accounting, consolidation, management control, legal, tax and treasury departments are placed under the direct responsibility of the Chief Financial Officer.

The finance department of Ceetrus, made up of the different divisions mentioned above, has established a timetable:

- monthly closings;
- monthly reporting of cash and management control;
- quarterly, half-yearly and annual closings;
- quarterly, half-yearly and annual consolidation reports;
- development of the plan and objectives.

The management control department produces the analytical information for the purposes of the Group's operational management.

Throughout the company, a CFO and/or a management controller supervises a chief accountant and an accounting team.

The company uses qualified accounting employees that ensures proper accounting and complies with accounting principles. These employees have been trained in the accounting computer tools used.

Accounting computer systems

Accounting transactions and events are either entered directly into standard accounting software or entered in upstream applications (internal or standard software). These entries generate accounting entries that are then automatically discharged or entered manually into standard accounting software. These interfaces or inputs are subject to automatic or manual control procedures.

Standard accounting software is implemented and configured by functional and technical administrators who define the functionalities, accounting framework and financial statements that can be created.

Accounting framework

Ceetrus' consolidated financial statements are prepared in accordance with IFRS (International Financial Reporting Standards, standards published by the International Accounting Standards Board and approved by the European Union on 31 December 2020).

These statements are prepared on the basis of the information provided by the financial departments of the subsidiaries. As such, a reporting and consolidation framework (manual of accounting principles and rules, chart of accounts) has been established. It is regularly updated and can be consulted by the finance departments of the subsidiaries and the statutory auditors.

Procedures for releasing the corporate financial statements and consolidated financial statements

Ceetrus and its subsidiaries release both the corporate financial statements and the consolidated financial statements on a quarterly basis. The 30 June and 31 December statements are subject to a limited review and audit by the Statutory Auditors respectively and are also presented to the Ceetrus Audit Committee. The statements of 31 March and 30 September are sent to the members of the Audit Committee and the Statutory Auditors, but are not subject to an audit or a limited review.

The main steps to follow are:

Regarding the corporate financial statements

Intermediate statements are drawn up using the same valuation and presentation methods as on 31 December. All statements are finalised before the end of the month following the quarter.

Regarding the consolidated financial statements

The consolidation is carried out with the common Hypérion (HFM) computer tool which is used in Ceetrus subsidiaries. It is based on the shared chart of accounts for consolidation, a methodology updated each quarter and a set of accounting rules and methods in line with IFRS International Accounting Standards. The chart of accounts is defined and documented by the Ceetrus consolidation department.

Data is transmitted by the subsidiaries according to a prescribed format, using the unique Hypérion consolidation tool (HFM) which is used to prepare financial information for all phases of consolidation, ensuring the consistency and uniformity of the data that it is comprised of.

The half-year and annual reporting and consolidation process integrates, via this same single tool, the inventory of the information needed to prepare the appendix to Ceetrus' consolidated financial statements.

Pre-closing meetings

The closing process described above is supplemented by pre-closing meetings with the main scopes during June (for the period ending 30 June), during December (for the period ending 31 December). The main managers of the financial department and the financial team of the subsidiary concerned take part in these meetings.

The pre-closing meetings serve to prepare for the accounting period by anticipating the processing of significant events and specific transactions such as acquisitions, disposals, mergers and the identification and estimation of risks.

Accounts closing meetings

The annual and consolidated financial statements are audited and presented to the Audit Committee during the month of February. The half-year consolidated financial statements are audited and presented to the Audit Committee during the month of August.

PROCEDURES WITH AN IMPACT ON ACCOUNTING AND FINANCIAL INFORMATION

Procedures for monitoring fixed assets

A current procedure governs the investment approval rules for any project of a significant amount. Agreement is given on the basis of internal rates of return (IRR) and rates of return on capital employed.

The recoverable value of PPE and intangible assets is tested in accordance with IFRS.

For investment properties, a half-year valuation is carried out by independent experts to determine their fair value. These evaluations are carried out exhaustively for Ceetrus' holdings.

Procedures for monitoring and inventorying benefits granted to employees

The company registers and records all benefits granted to employees. According to the laws and customs of each country, the subsidiary takes part in constituting the pensions of its personnel.

Cash monitoring procedures

Ceetrus' financial debt and financial result reporting consolidates the actual data as well as the 3-month forecast data. Reporting is carried out using the same software used by the consolidation department and the management control department.

This reporting allows the Ceetrus Treasury Department to monitor the evolution of the financial debt and the financial result in relation to the budget. This reporting is communicated to management halfway through each month.

A treasury charter defining precisely the roles and responsibilities of the various entities has been distributed to all subsidiaries.

Legal and tax policies

Legal and tax policies as well as major operations in these domains are regularly presented to the Management Committee and the Board of Directors. The validation of the legal structures is the responsibility of the legal and tax department, in consultation with the finance departments of the subsidiaries and is updated quarterly.

DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES

In each category below, Ceetrus presents the most significant risks, taking into account the negative impact of these risks and the probability of their occurrence.

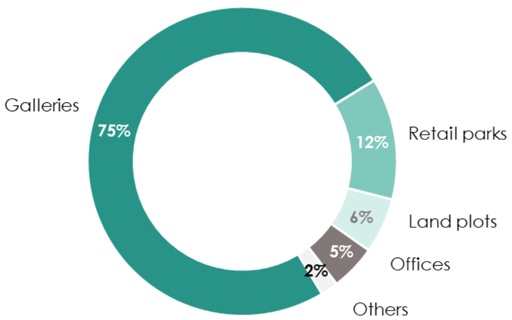
THE COVID-19 PANDEMIC

The consequences of the Covid-19 health crisis is a proven risk that is detailed in the Significant Events on page 18. The pandemic led to the total or partial closure of Ceetrus shopping centres for several weeks. In addition to the short-term effects of this crisis, the consequences of the pandemic have created economic and political uncertainties which could have a negative impact on the business, financial status and operating results of Ceetrus in the longer term. The crisis has weakened the financial situation of the Group's stakeholders and accelerated changes in consumption patterns. The prolongation of this crisis over time and the reduction, or even withdrawal, of government support measures could increase the impact of this crisis on the Group's results.

MACROECONOMIC AND SEGMENT-SPECIFIC RISKS

Ceetrus is exposed to risks linked to unfavourable changes in macroeconomic factors

Ceetrus' property assets include 297 sites as of 31 December 2020, the total value of which is split between different types of assets located in France, Western Europe and Eastern Europe for a total value of approximately 7.4 billion euros:



Ceetrus' development activities and the valuation of its property assets could be affected by a changing political environment as well as by unfavourable changes in the main macroeconomic factors in the countries where it operates, such as the fall in gross domestic product, employment, purchasing power, consumer spending, indices serving as a basis for adjusting rents, rising interest rates and difficulties in obtaining financing from potential buyers.

An unfavourable evolution of the above economic factors could have an impact on Ceetrus' activity, financial situation and results by increasing the following risks:

- reduced ability to rent space;
- a deterioration in the financial situation of lessees, co-owners or partners (joint ventures);
- a decrease in rental income;
- unfavourable movements in the valuation of assets; and
- reduced ability to undertake development activity.

Ceetrus could be adversely affected by the recession and weak growth conditions in its main markets

On 31 December 2020, 50% of the appraised value of Ceetrus' property assets was located in France. The concentration of its assets on French territory means that a significant deterioration in the economic situation would have a greater impact on the results and financial situation of Ceetrus than it would for a property development company whose property portfolio is more widely distributed in Europe or internationally.

In particular, a fall in rents on the French market would lead to a decrease in Ceetrus' rental income in the medium term.

Ceetrus also owns and operates shopping centres in other countries. These countries may present risk profiles different from those of the French market, particularly in terms of economic conditions and regulations. These cumulative risks in other countries could have a negative impact on Ceetrus' activities and financial situation.

Changing consumer habits and purchasing preferences may lead to a drop in consumption at Ceetrus shopping centres

A significant share of Ceetrus' income depends on the ability of lessees to generate and maintain their turnover and thus guarantee rent for the Group. If the Group, or its lessees, cannot respond to changes in consumer behaviour, this could lead to a decrease in rental income and financial results.

Indeed, consumer spending could be increasingly directed towards other sales channels, such as local points of sale and e-commerce. A shift in consumer spending to alternative sales channels could lead to a drop in consumer traffic in Ceetrus' shopping centres. This could translate, among other things, into a decrease in rental income and a fall in demand for retail space. Each of these situations may have a negative impact on its activity, financial situation and operating results.

LEGAL AND REGULATORY RISKS

Regulatory changes could have a negative effect on Ceetrus' revenues or impose higher costs and responsibilities on it

Ceetrus is subject to the regulation of commercial leases in the exercising of its activities. In France, the contractual provisions relating to the duration of the lease, its termination, its nullity, its renewal and the indexation of rents can be qualified as provisions of public order. These provisions could limit the conditions for increasing rents.

In addition, the rent for certain types of leases can only be revised every three years, evictions for non-payment of rent may be subject to long delays, and the validity of leases which include indexation floors may be disputed.

More generally, Ceetrus is subject to a wide range of strict regulations, particularly with regards to environmental laws. For example, under certain environmental laws, owners or operators of property may be held liable for costs and damages resulting from the contamination of soil or water by hazardous substances.

Failure to comply with laws, regulations or standards to which the Group is subject in the different countries in which it operates, may result in significant unforeseen costs for Ceetrus, impair its ability to sell or rent assets or borrow money on acceptable terms.

Corruption and unethical business practices by employees or third parties in the conduct of business could, under certain circumstances, damage Ceetrus' reputation and financial situation.

The property sector is particularly sensitive to a whole series of corrupt practices, insofar as the development of projects requires government authorisations and significant investments in which many property operators are involved. Since Ceetrus operates in countries classified as having high levels of corruption this concerns it even more.

In France, law no. 2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (also known as the "Sapin II law") requires companies to take measures to prevent and identify acts of corruption or insider trading. This law may also result in administrative or criminal sanctions for the group. To ensure Ceetrus' compliance with its legal obligations, the compliance department has deployed an anti-corruption initiative, in particular through the dissemination of a company code of ethics and the implementation of a whistleblower hotline in all countries. This initiative continued in 2020 with the distribution of a self-assessment questionnaire on corruption risk intended for all employees, the conclusions of which will feed into the new corruption risk mapping in 2021 for all countries where Ceetrus operates.

Risks related to regulations regarding urban development, construction, security and operation of shopping centres

Ceetrus' activities are subject to town planning regulations, criteria for obtaining building permits and binding commercial authorisations. These regulations can vary significantly depending on the general orientation of local, regional and national policies. On some of its projects, Ceetrus is exposed to regulatory factors over which the political authorities have a significant influence. In addition to administrative sanctions for non-compliance with these requirements, fines and criminal sanctions may also be imposed, depending on the jurisdiction.

Any regulatory change concerning the organisation or security requirements of establishments open to the public could increase the restrictions or constraints linked to the development of shopping centres and thus limit the opportunities and prospects for Ceetrus. Conversely, any relaxation of commercial zoning regulations could lower the value of property assets.

Valuations of Ceetrus' property portfolio may vary from year to year

Ceetrus has chosen to use the fair value option for its investment properties in accordance with IAS 40. The method for determining the fair value of investment properties is described in Note 4.4 to the 2020 annual consolidated financial statements.

A property valuation process has been put in place to estimate the fair value of investment properties. Two independent property experts are appointed to provide assessments of Ceetrus' investment properties. The property valuation process is carried out by property valuers according to the best knowledge of the market, on the basis of comparable transactions but also of pending transactions not yet finalised but which reflect the appetite of investors to date. However, this estimate requires important judgements to determine the appropriate assumptions, in particular return and discount rates, market rental values, evaluation of the budgets for the work to be carried out and the estimated date of completion (in particular for assets in the development phase). Consequently, the value of the property portfolio is sensitive to increases and decreases in the criteria used by independent valuers.

The valuation of Ceetrus' assets may therefore be subject to significant variations which could have an impact on its financial situation.

OPERATIONAL RISKS

The level of footfall at Ceetrus shopping centres relies on the presence and attractiveness of the Auchan Group hypermarkets

Ceetrus benefits from the presence, and therefore from the image and reputation, of the Auchan Group's hypermarkets for the vast majority of the shopping centres it operates. The presence of these hypermarkets under the Auchan Group brand is a major factor in the attractiveness of adjoining shopping centres and contributes significantly to visitor footfall, which benefits all of Ceetrus' retailer-lessees.

A loss of attractiveness of the Auchan brand would probably have a significant negative effect on the footfall at Ceetrus shopping centres and on the activity of its lessees and therefore, on total rental income and on Ceetrus' financial situation.

Ceetrus is exposed to risks linked to the renovation, restructuring and expansion projects of its shopping centres

As part of its strategy to renovate and develop its property portfolio, Ceetrus is carrying projects to renovate, restructure and expand its assets.

These projects are subject to a number of risks, including the following:

- the administrative authorisations requested by Ceetrus and required to carry out the renovations and extensions could be delayed or refused;

- Ceetrus may not obtain financing for its projects under satisfactory conditions;

- rental income could be lower than initially budgeted or expected. The pre-letting contracts signed may not be honoured with their initial conditions and Ceetrus may encounter difficulties in renting spaces which have not been rented in the pre-letting phase;

- the cost of renovating the assets could prove to be higher than the initial valuations. The renovation phases could be longer than expected and technical difficulties or delays in their execution could arise due to the complexity of certain projects.

In addition, if Ceetrus intends to continue offering a high-quality experience to meet the expectations of its lessees and customers, this requires regular expenses and investments. Any prolonged and significant dissatisfaction of its customers could affect Ceetrus' reputation and attractiveness for the retail brands currently present. These sources of dissatisfaction could also lead to a drop in site footfall, and therefore have a significant negative effect on Ceetrus' activities and financial situation.

Ceetrus is exposed to crisis situations that can affect its activities in an unpredictable way (terrorist attacks, natural disasters, blocking of sites, health risks, etc.)

Terrorist attacks, strikes, health crises and associated preventive measures could lead to a decrease in visitor footfall or even the closure of Ceetrus shopping centres. More generally, these events can create economic and political uncertainties which could have a negative impact on Ceetrus' activity, financial situation and operating results. Shopping centres could also be affected by natural disasters such as floods and fires, which could make the sites inaccessible or call for major reconstruction. Such events, in particular if Ceetrus' insurance policies did not cover all the related damage, could have a significant negative effect on Ceetrus.

Ceetrus is exposed to risks related to information systems

Ceetrus uses a certain number of information systems which play an essential role in the conduct of its activities, such as for rent invoicing and financial and accounting management. Any failure, interruption, compromise of information systems or loss of data could lead to failures or interruptions in Ceetrus' activities, generating significant costs for the recovery of data.

Ceetrus could be held responsible if the measures put in place to prevent such attacks were deemed insufficient.

Ceetrus may not be able to attract and retain key employees

Ceetrus relies on the commitment and expertise of its leaders. The Group's management is made up of experienced executives and employees, chosen for their proven skills and expertise in the management of the property businesses.

Ceetrus' management team has significant experience in the sector. The success of Ceetrus depends in part on the part played by this team. Losing members from Ceetrus' management could have a negative impact on its ability to develop and implement an effective business plan. In addition, Ceetrus may not be able to find suitable replacements. A loss of key employees from the Group could also lead to losses of technical or specific skills, which could slow down or modify certain activities or projects. Any failure by Ceetrus to retain highly qualified personnel or to attract and train new employees could reduce the effectiveness of its organisation and its ability to fulfil its strategy.

ANTI-CORRUPTION SYSTEM

Ceetrus has deployed an anti-corruption system which is an extension of the Auchan Holding Ethics Charter and the implementation of the program resulting from the law known as the Sapin II law.

Ceetrus has continued to coordinate and strengthen its anti-corruption programme. For example, a code of ethics for partners has already been distributed to lessees, and will be extended to all Ceetrus partners. It is a useful addition to the Ethics Charter and the code of ethics for employees, which have already been distributed.

The visibility of the ethics and whistleblowing platform, which provides advice and answers on ethics-related issues, as well as a means to report situations that appear contrary to our codes, has been strengthened, resulting in an increase in reports and their processing. The site is now also mentioned on the Ceetrus institutional site and the ethical guidelines are also attached.

The "corruption risk" section of the risk mapping is regularly updated, and a complete overhaul of the corruption risk mapping was launched in 2020. The aim of this extremely ambitious project was to get 100% of employees in 100% of the countries to take part in a self-assessment on key anti-corruption themes: analysis of the risks of active and passive corruption, conflicts of interest, and related offences such as the risks of money laundering, fraud and hidden financing. Comprised of more than 200 questions, the self-assessment made it possible to ascertain the existing levels of control and action plans by country, business line and theme, in connection with our stakeholders and our activities. At the end of this self-diagnosis, a phase of interviews with the most exposed employees will be used to compile a risk map during the 2021 financial year and to guide the remediation and mitigation plans.

Ceetrus sent all its employees in all countries an online self-assessment game to identify areas for improvement on four major subjects, including corruption.

Training was provided for the most exposed individuals, focused on legal, asset management and marketing activities, and members of the Management Committees. The employee ethics code was presented to the Board.

Corporate social responsibility (CSR)

Prior information

Publication log of Ceetrus extra-financial data

Since 2013, Ceetrus has communicated its qualitative and quantitative extra-financial information in the Auchan Holding universal registration document. Over the years, this regulatory declaration has become a means for the Group to assess its performance on topics which were then only secondary: the environment, social and societal.

CSR strategy

The Group has had a written sustainable development policy since the end of 2008. This initial approach, though very broad and poorly integrated at the time, has evolved over the years to become more operational and linked to the company's strategy as a whole. As such, in 2017 the Group brought together its employees and partners to consolidate its objectives and write a clear, quantified and integrated CSR strategy: "Carbon - Territories +". The Group is committed to carrying out projects with and for inhabitants by creating lively, sustainable and innovative spaces that have a positive impact on the planet.

Ceetrus aims to become a socially responsible company. Since 2019, it has carried out an annual carbon assessment of its activities in each of its ten countries of operation in order to better identify its impacts and prioritise its actions. In 2020, Ceetrus' total direct and indirect emissions amounted to around 400,000 tonnes of CO_2 equivalent.

The certification of its projects and buildings with international certifications such as BREEAM is an integral part of this strategy, providing a guarantee of the overall environmental performance of projects and buildings: low environmental impact design, reduced carbon emissions, sustainable and resilient design, climate change adaptation, ecological value and biodiversity protection.

Today, Ceetrus sites and projects are committed to:

- reducing their carbon impact to a "1.5° target" by 2030;
- having a positive impact on biodiversity
- encouraging transition towards more sustainable patterns of consumption ;

Today, Ceetrus sites and projects:

- engage communities and local players by giving them spaces;
- encourage socially responsible action by enabling clients to become “change makers”, through information sharing and targeted events;
- stimulate the economy and the influence of the territory by supporting the region's retailers and entrepreneurs and the promotion of local jobs.

By 2030, Ceetrus' target is for 100% of its sites to have a positive impact: that is to say a space available for citizens, a process of co-construction, educational events, and support for local employment.

Reducing the group's carbon impact

As a player committed to responsible resource management, Ceetrus France works on a daily basis to reduce the energy consumption of its centres by setting up specific monitoring of said consumption by a French Energy Manager. This cooperation has enabled the implementation of targeted actions: building insulation, switch to LED lighting, free cooling, and more. Between 2014 and 2019, these actions led to a 22% reduction in energy consumption.

In 2020, despite the Covid-19 pandemic, Ceetrus continued to deploy its actions, in particular with the international roll-out of Energy Management which will continue in 2021. The Group has reduced its consumption by 7% in one year, but these figures are not representative. By causing the temporary closure of more than 90% of the surface area of shopping centres during the successive lockdown periods, the Covid-19 pandemic has had an abnormal impact on energy consumption. The same goes for other environmental data such as the quantities of waste to be treated, the number of community/CSR events carried out, etc.

In 2020, 42% of the total energy consumed by Ceetrus came from renewable sources, thanks to the Guarantees of Origin obtained for electricity. These purchases of energy from renewable sources help avoid the purchase of electricity of carbon origin, which is the majority in the energy mix of several of the Group's countries of operation.

Ceetrus, as owner of many properties, has been involved for several years in the production of photovoltaic energy on its roofs and parking lots. In 2020, the Group produced more than 8,000 Mwh of electricity, the equivalent of the annual consumption of 200,000 households.

In a bid to encourage retailers in its shopping malls to take the environment into account, Ceetrus France has implemented an environmental charter for them to use. This charter, attached to all its leases since 2012, covers:

- Energy management
- Water management
- Control of corporate waste
- The environmental quality of interior fittings
- An environmental charter for construction sites

To improve the accessibility of its sites and projects, and reduce its carbon impact linked to transport and mobility, Ceetrus is committed to making its sites and urban development projects accessible by public transport and bike by 2030. Today, 92% of Ceetrus sites have a public transport solution within 300 metres. 45% of the sites have set up secure bicycle parking spaces. The challenge now is to ensure that bicycle travel on the site and its surroundings is safe and that each urban site has cycle lanes.

Improving biodiversity on the Group's assets

Ceetrus is committed to taking into account, protecting and developing biodiversity on its sites and projects. With this in mind, a standard "green space" contract has been drawn up for companies in charge of the maintenance of green spaces. The contract requires companies to:

- Prohibit the use of plant protection products
- Protect local ecosystems through the use of local species

47% of French sites have now adopted this standard contract.

19% of sites have carried out a study of their biodiversity with an ecologist. These studies, associated with action plans, make it possible and will continue to make it possible to protect and increase the biodiversity of these sites in years to come.

For three years now, Ceetrus has been a partner of the LPO (League for the Protection of Birds) in France. The Group provides funding to the LPO to support it in its endeavours, as well as working to set up biodiversity refuges on three of its sites.

Ceetrus continues to implement various local actions: raising awareness of biodiversity among customers in shopping malls, collecting waste in the natural environment, setting up urban agriculture projects such as the Caluire urban rooftop garden, which produces more than 3 tonnes of fruit, vegetables and aromatic plants.

Ceetrus is also the main partner of the Eco-City project, a national project for the promotion of sustainable urban development in Poland,

In order to limit urban sprawl and its negative consequences, Ceetrus prioritises the reclassification of land and the densification of its sites by providing a mix of uses such as housing or offices. This mixed use allows residents to limit their daily travel, for greater convenience and a significant reduction in the carbon impacts linked to mobility.

In Saint-André-lez-Lille, in the North of France, Ceetrus France is participating in the redevelopment of 60 ha of industrial wasteland in partnership with regional operators. Ultimately, a new 10-hectare living area called "Quai 22" will combine 700 homes (3 blocks), 15,000 sqm of space dedicated to residences with a targeted population, 10,000 sqm of offices, 6,500 sqm of retail space, 6,000 sqm of areas dedicated to services, activities and leisure and a 3,000 sqm hotel. The first deliveries are scheduled for the end of 2022.

Encouraging transition towards more sustainable patterns of consumption

32 French shopping centres are partners of Too Good To Go. The company allows retailers in shopping centres to fight against food waste thanks to an app that allows citizens to acquire unsold items at a lower price. Since the start of the partnership in 2019, more than 595,000 baskets have been saved, for an equivalent of more than 1,487 tonnes of CO2 emissions avoided. Roll-out to other countries continues in 2021.

Ceetrus offers sustainable solutions in its shopping centres

Ceetrus is currently home to 59 companies offering second-hand products and 254 stores dedicated to repairing objects in its shopping malls such as an Emmaüs charity shop in Grand Plaisir, an Ikos pop-up store in Bordeaux Lac, and a recycling service in Meaux. The arrival of these new retailers follows an initial trial on the Roncq site in France with the "Bouquinerie du Sart", a social enterprise offering to collect free books, CDs, DVDs, video games and vinyl records to give them a second life, and employing people rejoining working life. Today the "Bouquinerie du Sart" has given way to another retailer that gives a second life to books: the "Bouquinerie des Flandres".

Initiatives and launches in 2020

In addition to carrying out its annual carbon assessment and implementing various actions, in 2020 the Group launched an analysis of the physical risks associated with climate change on its assets. The aim is to improve the adaptability of its buildings to current changes and to anticipate risks during future projects.

SOCIAL AND SOCIETAL INFORMATION

Making people a priority

Ceetrus has a strong cultural DNA, and places the individual at the heart of its actions. Each member of the team plays an active role in their future. Employee shareholding helps build individual assets, by linking personal savings to the company's growth. The focus on listening to and working with stakeholders shines through in all of the company's employees. Ceetrus offers a working environment and management approach based on autonomy and individual responsibility. Decisions are made as locally as possible.

Engaging communities and local players

In 2020, Ceetrus set up 308 workshops for the co-development of projects and consultation of its stakeholders, with the aim of building a territory for and with inhabitants. In total, more than 2,500 people were consulted.

Encouraging socially responsible action

More than 7,000 community events have taken place in the shopping centres before and during the pandemic, taking all appropriate health measures.

These events and activities are divided into three categories:

- Environmental events to raise awareness of the environmental issues of our time and sustainable consumption.
- Community events aimed at integration and solidarity such as job-dating, awareness-raising on disabilities, tutoring, cultural activities, charity collections, and more.
- Health and safety events aimed at making customers aware of the dangers of consuming alcohol, tobacco and narcotics, and the consequences of poor nutrition on health, as well as road safety awareness and first aid training.

In France, Ceetrus has set up Aushopping Campus, tutoring young people in 50 of its centres throughout the summer.

Taking action and providing support in the face of Covid-19

Ceetrus implemented numerous actions throughout 2020 to support its regions and inhabitants in the face of Covid-19.

In Italy, a 3 million euro donation was made to a hospital for the construction of a new modern and fully equipped intensive care unit. Psychological support from professionals was offered for free to the region's inhabitants, in particular those suffering from loneliness.

In France, retailers' rents were cancelled during the first lockdown. An inter-retailer support fund was also set up, to help small businesses and artisans in the shopping centres. An increase in domestic violence was observed during the lockdown, so Ceetrus offered charities access to the empty units in its centres, to discreetly receive potential victims. At least fifteen French sites offered spaces to analysis laboratories to carry out testing for Covid-19 and to compensate for the lack of testing space in certain regions.

Other notable actions were carried out in other countries. In Spain, donations of hand sanitiser gel were made to hospitals. In Hungary, EKGs were donated to local hospitals lacking equipment. In Ukraine, food and essential items were donated to the elderly. In Luxembourg, €24,000 was collected for disadvantaged children. In Poland, numerous donations were made to local hospitals for the purchase of automatic blood pressure monitors, specialised scales for bed-bound patients, non-contact thermometers, essential items, masks, gloves, and more. In Romania, €150,000 was donated to various charities working against social inequality.

Ceetrus Foundation for the Social Entrepreneur

The Foundation for Social Entrepreneurship supports social entrepreneurs in over 90 cities across the French territory. It helps hundreds of projects to get off the ground, create jobs and provide new services. True to its values, Ceetrus aspires to become the first incubator for social innovations in its regions.

Created in 2009 under the aegis of the Fondation de France, with the aim of making a lasting contribution to the development of social entrepreneurship, the foundation celebrated its 10th anniversary in 2020. As it embarks on another decade, it wanted to re-examine its positioning in light of the past ten years and the writing of the company's vision. Consequently, with the support of consultant KIMSO and after a social impact assessment, it has redefined its purpose:

- The Ceetrus Foundation, led by its employees, supports and accompanies social entrepreneurs who meet the social needs identified in the territories where Ceetrus operates, to improve the lives of the people living there.
- It acts as a connection and a catalyst between Ceetrus employees, project leaders, and the inhabitants who live and work in these territories.
- It further increases its impact by allowing successful initiatives to grow at local level before rolling them out to the territories where Ceetrus operates.

In 2020, it supported 12 projects for a total amount of €142,500. It has subsidised several projects in the field of social and professional integration, such as the support given to the charity Sport dans la Ville for the deployment of its Entrepreneurs dans la Ville initiative in Hauts-de-France. Under the scheme, sixteen young people from priority areas of the city were given the opportunity to overcome any economic, social and cultural barriers to entrepreneurship to pursue their startup projects. The young people selected were given four months' training certified by EM Lyon and were hosted by the Université Catholique de Lille, before joining the Sport dans la Ville business incubator for a 20-month period.

Ethics

For Ceetrus, its ethical commitments and compliance with regulations are based on two benchmarks: the employee code of ethics published in June 2019, and the partner code of ethics, published in October 2019.

Ceetrus also encourages its partners to control and use the certification systems for SMEs and the ISO 14001 standard. Audits can be performed to verify compliance. This commitment goes beyond Ceetrus' co-contractors and applies to the entire sub-lease or supply chain.

IFRS

Consolidated Financial Statements

December 31st, 2020

CEETRUS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS *(in millions of euros)*	Notes	31/12/2020	31/12/2019	31/12/2018
Goodwill	4.1	134,6	206,1	206,1
Other intangible assets	4.2	25,2	19,4	19,8
Property, plant and equipment (PPE)	4.3	52,4	57,4	57,9
Investment properties	4.4	7 509,7	7 749,3	8 012,3
Shares and investments in companies accounted for using the equity method	5	329,9	319,5	293,9
Non-current derivatives	6.3	7,9	6,8	9,1
Other non-current financial assets	7.2	280,4	268,9	174,4
Deferred tax assets	9.2	59,5	34,6	24,0
NON-CURRENT ASSETS		**8 399,6**	**8 661,9**	**8 797,4**
Investments held for sale	4.4	0,0	646,2	-
Client receivables	7.1	168,7	179,0	138.6
Current tax receivables	9.2	35,2	11,8	0.3
Current derivatives	6.3	0,2	0,2	4.9
Other current financial assets	7.2	124,6	130,3	107.0
Other current assets		317,6	338,9	318.2
Cash and cash equivalents	6.2	197,6	146,3	159.2
CURRENT ASSETS		**843,9**	**1 452,8**	**728.2**
TOTAL ASSETS		**9 243,5**	**10 114,7**	**9,525.6**

SHAREHOLDERS' EQUITY AND LIABILITIES (in millions of euros)	Notes	31/12/2020	31/12/2019	31/12/2018
Share capital	14.1	635,8	635,8	635.8
Additional paid-in capital		840,8	840,8	840.8
Consolidated reserves		3 007,1	2 960,3	3,121.9
Consolidated result		- 583,2	184,1	119.3
Shareholders' equity - Owners of the parent		**3 900,6**	**4 621,0**	**4,717.8**
Non-controlling interests		124,9	156,6	167.1
TOTAL SHAREHOLDERS' EQUITY		**4 025,5**	**4 777,6**	**4,884.9**
Non-current provisions	10	3,9	5,6	4.4
Non-current loans and borrowings	6.2	2 739,1	2 349,4	1,586.0
Non-current lease liabilities	7.3	118,0	135,5	-
Non-current derivatives	6.3	33,6	15,4	10.8
Other non-current liabilities		188,0	192,5	145.6
Deferred tax liabilities	9.2	952,2	1 120,7	1,102.2
NON-CURRENT LIABILITIES		**4 034,8**	**3 819,2**	**2,848.9**
Current provisions	10	29,3	33,7	25.4
Current loans and borrowings	6.2	698,1	928,4	1,268.8
Current lease liabilities	7.3	18,2	19,2	-
Current derivatives	6.3	0,7	9,2	2.2
Trade payables		137,6	144,9	153.0
Tax liabilities		4,1	32,5	10.6
Other current liabilities		295,2	349,9	331.8
CURRENT LIABILITIES		**1 183,2**	**1 517,8**	**1,791.8**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**9 243,5**	**10 114,7**	**9,525.6**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in millions of euros	Notes	31/12/2020	31/12/2019
Gross rental income		453,0	569,2
Service charge income		130,5	129,2
Service charge expenses		*-156,3*	*-148,5*
Non-recovered rental expenses		-25,8	-19,2
Property expenses		-37,9	-13,2
Net rental income	8.1	**389,3**	**536,7**
Revenues from administrative management and other activities	8.2	40,6	46,3
Other operating income		2,7	1,0
Payroll expenses	11	-65,3	-68,0
Other general expenses	8.3	-76,8	-84,5
Gross operating income		**290,5**	**431,6**
Amortization and impairment of intangible assets and PPE	4	-30,8	-24,1
Provisions and reversals	10	4,9	4,6
Change in value of investment properties	4.4	-869,9	-72,0
Proceeds from disposal of fixed assets		*29,1*	*113,1*
Carrying value of fixed assets		*-27,6*	*-110,6*
Income from disposal of fixed assets		1,5	2,6
Goodwill impairment	4.1	-71,4	0,0
Operating result		**-675,2**	**342,7**
Financial income		*7,4*	*4,4*
Financial expenses		*-50,8*	*-34,0*
Net cost of financial debt		-43,4	-29,6
Other financial income		*14,2*	*13,1*
Other financial expense		*-27,8*	*-33,4*
Other financial income and expense		-13,6	-20,3
Financial result	6.1	**-57,0**	**-49,9**
Share of the profit or loss of companies accounted for using the equity method	5	-22,0	5,0
Income tax expenses	9.3	143,4	-103,7
NET RESULT OF THE CONSOLIDATED ENTITY		-610,8	194,2
Of which			
Attributable to owners of the parent		-583,2	184,1
Non-controlling interests		-27,7	10,1
NET RESULT PER SHARE - Attributable to owners of the parent			
Undiluted	14.3	-18,35	5,79
Diluted	14.3	-18,35	5,79

in millions of euros	31/12/2020	31/12/2019
Net result of the consolidated entity	-610,8	194,2
Other comprehensive income which can be recycled through profit and loss	**-144,6**	**18,3**
of which cash flow hedges	-17,9	-10,5
of which revaluation of financial assets	-29,9	
of which foreign currency translation gains and losses	-106,2	25,0
of which tax effects	9,4	3,8
Other comprehensive income which cannot be recycled through profit and loss	**1,2**	**0,4**
of which employee benefits (including actuarial gains and losses)	1,8	-0,1
of which tax effects	-0,6	0,4
NET COMPREHENSIVE INCOME OF THE CONSOLIDATED ENTITY	-754,3	212,8
Of which		
Attributable to owners of the parent	-725,2	203,3
Non-controlling interests	-29,1	9,5

CONSOLIDATED STATEMENT OF CASH FLOWS

in millions of euros	Notes	31/12/2020	31/12/2019
OPERATING ACTIVITIES			
Net result of the consolidated entity		**-610,8**	**194,2**
Allowances for amortization, provisions and impairment		99,2	30,2
Change in value of investment properties		869,9	72,0
Change in value of financial instruments		-5,4	0,0
Share of the profit or loss of companies accounted for using the equity method	5.1	22,0	-5,0
Dividends received from companies accounted for using the equity method		0,0	-2,9
Income from disposals, net taxes		-1,5	8,5
Cash flows from operations after cost of financial debt net of taxes		**373,4**	**296,9**
Net cost of financial debt	6.1	43,4	40,1
Income tax expenses (including deferred taxes)		-143,4	103,7
Cash flows from operations after cost of financial debt net of taxes		**273,4**	**440,7**
Taxes collected/paid		-34,8	-93,1
Changes in working capital requirement (operating activities)		-53,6	-36,8
of which property development stocks		*-1,2*	*-0,3*
of which trade receivables		*9,4*	*-40,5*
of which other receivables		*-37,7*	*-43,0*
of which trade payables		*22,8*	*-9,5*
of which other debts		*-47,2*	*58,2*
Net Cash flows from operating activities		**184,9**	**312,9**
INVESTMENT ACTIVITIES			
Intangible assets, property plant and equipment and investment properties		*-189,0*	*-229,5*
Acquisitions of fixed assets	4.4.1	-203,9	-316,9
Disposals of fixed assets		14,9	87,4
Consolidated securities		*2,8*	*2,9*
Acquisitions of consolidated securities (including cash acquired)		0,0	-0,1
Disposals of consolidated securities (including transferred cash)		2,8	3,0
Non-consolidated securities (including investments accounted for using the equity method)		*-59,5*	*-161,8*
Acquisitions and financing of non-consolidated securities	5.1	-59,5	-161,8
Disposals of non-consolidated securities		0,1	0,0
Dividends received from unconsolidated companies	5.1	2,3	9,4
Net cash flows from investment activities		**-243,5**	**-379,9**
FINANCING ACTIVITIES			
Capital increase		0,0	0,0
Buybacks, disposals and other movements of treasury shares and share capital decrease		-6,8	-10,5
Dividends paid during the financial year		-2,8	-327,8
New loans and financial borrowings (and premium paid hedging instruments)	6.2.1	70,9	1 565,3
Repayment of loans, financial borrowings and hedging instruments	6.2.1	-39,0	-486,3
Repayment of lease liabilities[1]		-20,9	-18,3
Net financial interest paid		-48,1	-42,3
Change in financial receivables		-6,4	11,5
Change in current accounts	6.2.1	125,1	-638,1
Other movements related to financing operations		31,0	-6,4
Net cash flow from financing activities		**103,0**	**47,1**
CHANGES IN CASH AND CASH EQUIVALENTS		43,2	-15,0
Net Cash and Cash equivalents at opening		140,7	155,7
Effects of exchange rate differences on Cash and Cash equivalents		-1,2	5,1
Net Cash and Cash equivalents at closing		183,9	140,7
of which Cash and Cash equivalents		*197,6*	*146,3*
of which Bank overdrafts (excluding accrued interests)		*-13,7*	*-5,6*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

						Shareholders' equity		
in millions of euros	Share capital	Additional paid-in capital	Treasury shares	Cash flow hedge reserves, translation reserves and actuarial gains and losses	Consolidated reserves and result	Attributable to owners of the parent	Non-controlling interests	TOTAL
December 31st, 2018	**635,8**	**840,8**	**-0,2**	**-77,7**	**3 319,1**	**4 717,8**	**167,1**	**4 884,8**
Net result for the year					184,1	184,1	10,1	194,2
Foreign currency translation differences				24,8		24,8	0,2	25,0
Actuarial gains and losses					0,4	0,4		0,4
Gains and losses on cash flow hedging				-6,7	0,8	-5,9	-0,6	-6,5
Net comprehensive income of the period	**635,8**	**840,8**	**-0,2**	**-59,6**	**3504,3**	**4921,1**	**176,8**	**5097,9**
Capital increases								
Capital decreases								
Treasury share transactions								
Dividend distributions					-321,7	-321,7	-6,1	-327,8
Changes in scope					13,3	13,3	-13,3	0,0
Variations in put options granted to non-controlling interests					3,9	3,9		3,9
Other variations					4,4	4,4	-0,6	3,8
December 31st, 2019	**635,8**	**840,8**	**-0,2**	**-59,6**	**3 204,1**	**4 621,0**	**156,7**	**4 777,7**
Net result for the year					-583,2	-583,2	-27,7	-610,8
Foreign currency translation differences				-104,7		-104,7	-1,5	-106,2
Actuarial gains and losses				1,2		1,2		1,2
Gains and losses on cash flow hedging				-14,0		-14,0	0,1	-13,9
Revaluation of financial assets				-24,5		-24,5		-24,5
Net comprehensive income of the period	**635,8**	**840,8**	**-0,2**	**-201,6**	**2 621,0**	**3 895,8**	**127,7**	**4 023,4**
Capital increases								
Capital decreases								
Treasury share transactions								
Dividend distributions							-3,7	-3,7
Changes in scope					-0,9	-0,9	0,9	0,0
Variations in put options granted to non-controlling interests					3,0	3,0		3,0
Other variations				2,0	0,7	2,8	0,1	2,8
December 31st, 2020	**635,8**	**840,8**	**-0,2**	**-199,6**	**2 623,7**	**3 900,6**	**124,9**	**4 025,5**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

NOTE 1 - DESCRIPTION OF THE GROUP AND MAIN EVENTS

1.1 DESCRIPTION OF THE GROUP

Ceetrus SA, the holding company in the scope of consolidation, is a company incorporated under French law, whose registered office is located at 18 rue Denis Papin 59650 VILLENEUVE D'ASCQ. Ceetrus is a subsidiary of Auchan Holding.

Founded in 1976 as a property development subsidiary of Auchan Holding, Immochan has been undergoing a transformation project since 2016 to become a global property development operator. The company changed its name in June 2018 and became Ceetrus, moving from a mainly commercial property business to a mixed property developer.

An urban designer that listens to the needs of the regions, it creates diverse living spaces : shopping centres, housing, offices, major urban infrastructures, etc. Its skills extend to the professions of redeveloper-developer, property manager, investor and innovator. Having based its expertise on its ability to bring customers and brands together, Ceetrus now wants to achieve this for inhabitants and the town or city. The company is accelerating its development by investing in new areas of activity around its core business: neighbourhood redevelopment, construction of housing, offices, service industry and leisure properties.

Ceetrus SA and the companies included in the scope of consolidation manage assets in 10 countries on 31st December 2020.

Ceetrus SA is controlled by Auchan Holding SA.

1.2 MAIN EVENTS

Covid-19 Impacts

Rent concessions

Originated from China, Covid-19 pandemic had progressively spread around the world. From mid-march 2020, European governments have implemented restrictive measures to contain the propagation of Covid-19. In all ten countries where Ceetrus is implemented, all stores have closed for a period between two to three months apart from the 'essentials' stores.

In solidarity and support to the tenants, Ceetrus decided to take some measures:

- Waivers for all rents due and invoiced for the period from the 15th of march to the 15th of May 2020 for all tenants in France expect for the stores that remained opened. No rentals have been debited for that period.

- Waivers for the contribution to the Marketing common fund for the period from period from the 15th of march to the 15th of May 2020 for all tenants in France.

- Waivers for all rents in Poland following the governmental measures for the first lockdown.

- Invoice variable rents only for the second semester 2020 following a governmental decision in Portugal.

- Reliefs granted for rents and /or charges payments to other countries.

On the 28th of October 2020, le French government has declared a second lockdown for a period of one month resulting to the closure of all 'non-essentials' stores.

On the 17th of December 2020, the French Parliament has adopted a Budget Law for 2021, including the tax treatment for the rent concessions for the second lockdown granted by the landlords to the tenants impacted by the stores closure. The landlord can benefit from a tax credit for all rent concessions granted during the second lockdown, subject to receiving all information required from the tenants. Ceetrus France has granted rent concessions to the tenants meeting the Budget law criteria for the month of November 2020 to benefit the tax credit.

The total impact for the rent reliefs granted from the Group amounted to 109M€ for the year 2020. Those credits could be considered as partial lease liability contract right extinguishment on the rents receivables. The Group applied the paraph 2.1 (b)(i) from IFRS 9 standard and has accounted for immediately in profit and loss against the rent receivables.

Some contracts have been renegotiated with the tenants changing consequently the rental contract as per IFRS 16. The renegotiation amounted to 6,7M€ and are spread over the residual period of the tenancy.

Investments properties fair value measurement as at 31st December 2020

The Ceetrus' property portfolio is measured twice a year by external appraisers.

All investment properties have been valued as at 31st December 2020 in the context of the Covid-19 pandemic. To reflect the impact of

Covid-19 on the appraisals values, the appraisers have included a "material valuation uncertainty clause" in their reports. The inclusion of the material valuation uncertainty clause does not mean their valuation cannot be relied upon. The Group considers that fair value estimated by appraisers reflect reasonably the fair value of the property portfolio.

The methodology applied in the consolidated financial statements as at 31 December 2020 remains unchanged. However the assumptions have changed in order to take into account the increase of discount rates and exit yields, the decrease of indexation rates and estimated rental values, as well as the possibility of longer lease renewal periods.

Russia – Shopping Centre Acquisition

On 29 May 2020, Ceetrus Russia acquired the Proletarsky shopping centre from Auchan Retail Russia.

Luxembourg – Office Acquisition

On 13 February 2020, Perf 8 acquired offices near the JBBK and KUBIK office buildings.

Luxembourg – Assets Held for Sale

Due to the Heath Crisis, the Group has withdrawn from a project to sell a group of properties in Luxembourg. A new project is under review for its design and area.

The main changes in the scope of consolidation on 31st December June 2020 and their impact on the consolidated financial statements are described in Note 2.2.

1.3 POST BALANCE SHEET EVENTS

As the global pandemic and the health crisis is still ongoing as of beginning 2021, to date the Group is not in a position to measure the impact on 2021 et will follow the matter during the financial year 2021.

NOTE 2 - GENERAL ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

2.1 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1.1 Statement of conformity

The consolidated financial statements of Ceetrus SA are established in accordance with international accounting standards as approved by the European Union on 31 December 2020 which include IAS (International Accounting Standards), IFRS (International Financial Reporting Standards) and their interpretations published by the IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Standards Interpretations Committee). These documents are available for consultation on the website of the EU Commission at :

https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_fr).

These financial statements are the first to take into account the IFRS 16 standard. The changes in accounting policies that have had significant impacts are described in note 2.1.2.

2.1.2 Applied framework

The following accounting policies have been applied for the consolidated financial statements on 31 December 2020 are in line with those used for the financial statements on 31 December 2019, except for the regulatory changes that are applicable since 1 January 2020.

The IASB (IFRIC) Interpretations Committee Agenda Decision of 26 November 2019

The consequences of the IASB (IFRIC) Interpretations Committee Agenda Decision of 26 November 2019 have been finalized in the second half of 2020 and so have been incorporated into the consolidated financial statements at 31 December 2020.

This IFRIC decision is likely to modify the application of IFRS 16 as it stipulates:

- on the one hand, that consistency must be ensured between the lease terms selected as part of IFRS 16 and the depreciation of fittings on the sites in question;
- on the other hand, that the enforceable term of the contracts must be examined from an economic viewpoint rather than a strictly legal one.

The methodology used by Ceetrus SA and its subsidiaries to apply IFRS 16 has been therefore modified as per the stipulations above.

On one hand, for an economic point of view, the end date of the tenancy agreements with an automatic renewal have been reviewed to take into consideration the economic benefits for both parties (Lessor and Lessee) to continue the contract and consequently to avoid that the end date to take into consideration is not just limited to the length of the notice.

On the other hand, the analysis of the leased properties has highlighted that some properties had an irrevocable investment. As per the IFRIC agenda decision above, the end date of the tenancy agreement should be considered, taking into consideration the investments, an indicator of willingness from the tenant to continue the contract and an obstacle to the termination of the contract. After the analysis above, the Group decided to extend the estimated end date of the lease contact.

The consequences of the new end date estimation has no impact in the Group accounts.

Other standards, amendments and mandatory application interpretation as per the 1st of January 2020

- Amendments to IAS 1 and IAS 8 – Definition of Material
- Amendments to IFRS 3 – definition of a Business
- Amendments and clarification to the Conceptual Framework to the references made to the framework in IFRS standards
- Amendments to IFRS 16 – Rent concession responding to the Covid-19 pandemic.

These amendments did not impact the consolidated financial statements.

- Amendments to IFRS 9, IAS 39 and IFRS 7 – with the scope of the Interest rate benchmark reform.

Since January 1st, 2020 Ceetrus Group implemented the Phase 1 amendments related to the IFRS 9, IAS 39, and IFRS 7 published by IASB in September 2019 concerning the reference interest rate (IBOR rate). These amendments allow the Group to avoid taking into account the uncertainties related to the future of the reference rate on the assessment of the Hedging relation efficiency and/or on the appraisal of the high probability of the cash-flow covered allowing to maintain of the existing and future Hedging relation until the implementation of the new reference rate. The implementation of this amendment does not impact the Group accounts as of January 1st, 2020 and allow to maintain the hedge accounting on the financial instruments indexed such as EURIBOR. The interest rate derivatives affected by the amendment are the derivatives qualified as Cash Flow Hedge on interest rate and are communicated in the note of the consolidated financial statements as of 31st December 2020.

The amendments related to the 'Phase 2' are mandatory as per January 1st 2021. The Group believed that the future impacts will not be significant and therefore did not apply Phase 2 by anticipation for the 2020 financial statements.

2.1.3 Use of estimates and judgements

The preparation of the consolidated financial statements requires Management to exercise its judgement, make estimates and formulate assumptions that may affect the carrying amount of certain assets, liabilities, income and expenses as well as the information given in the notes.

In the preparation of the consolidated financial statements, significant judgements made by Management in the application of accounting policies and principal estimates include the following:

- The valuation of tangible and intangible assets as well as investment property with the help of independent experts (see note 4);
- The valuation of provisions and evaluation of employee benefits and liabilities (see note 11 of 2020);
- The valuation of deferred tax assets including those relating to tax loss carry-forwards (see note 9)
- Fair value valuation of identifiable assets and liabilities in business combinations (see note 2.2);
- Fair value of financial assets excluding derivative instruments (see note 6);

These estimates are based on a going concern assumption and are based on past experience and other factors that are considered reasonable in light of the circumstances and information available at inception. Estimates may be revised if the circumstances on which they were based change or because of new information. Actual values could be different from estimated values.

Finally, in application of the principle of relevance and in particular the concept of materiality that results from it, only the information considered useful for the users' understanding of the consolidated financial statements is presented.

2.1.4 Foreign currency transactions

Ceetrus' functional currency and the presentation currency of the consolidated financial statements are Euros.

Conversion of financial statements of foreign companies

Since Ceetrus does not have a subsidiary operating in hyperinflation economies, the financial statements of all foreign companies whose functional currency is different from the Euro are converted into Euros by applying the following method:

- Balance sheet items, with the exception of shareholders' equity, which are maintained at historical rates, are converted at the exchange rate prevailing on the balance sheet date;
- Income statement items are converted at the average exchange rate for the period;
- The flows are converted at the average exchange rate of the period.

The translation differences resulting from the application of this method are recognised under "Exchange differences" in other comprehensive income in the consolidated statement of comprehensive income and are recognised in the income statement upon the transfer of the net investment.

Accounting for foreign currency transactions

Transactions denominated in foreign currencies are converted into Euros at the exchange rate applicable on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies, hedged or unhedged, are converted into Euros at the exchange rate applicable at the end of the financial year; the resulting exchange rate differences are recognised in the result of the period.

Non-monetary assets and liabilities denominated in foreign currencies which are measured at fair value are converted at the exchange rate on the date that fair value was determined.

2.1.5 Presentation of financial information

The amounts shown in the consolidated financial statements are rounded to the nearest million Euros and include individually rounded figures. Mathematical calculations on the basis of rounded elements may differ from the aggregates or subtotals displayed.

Statement of financial position

Assets and liabilities included in the normal business cycle are classified as current elements. Other assets and liabilities are classified as current or non-current items depending on whether their expected date of recovery or settlement occurs within 12 months from the accounting date.

Cash flow statement

The cash flow statement is prepared in accordance with IAS 7, according to the indirect method using the net result of the consolidated entity and is broken down into three categories:

- Cash flow from operating activities (including taxes);
- Cash flow from investment activities;
- Cash flow from to financing activities.

Eliminated transactions in the consolidation financial statements

About fully consolidated entities, all internal transactions and positions are eliminated on consolidation. About equity method entities, only internal margins and dividends are eliminated up to the Group's share of interest. The list of the main entities included in the consolidation scope is presented in note 15.

2.2 CONSOLIDATION SCOPE AND METHODS

2.2.1 Principles and methods of consolidation

A subsidiary is an entity controlled by the Group. The Group controls a subsidiary when it is exposed or is entitled to variable returns because of its relationship with the entity and has the ability to influence these returns because of the power it holds over it.

Non-controlling interests represent the portion of interest that is not attributable directly or indirectly to the Group. They are presented on a separate line of shareholders' equity "Non-controlling interests" and in the result of the consolidated entity "Non-controlling interests".

Companies in which Ceetrus exercises either joint control or has significant direct or indirect influence over management and financial policy without having control are accounted for using the equity method. Ceetrus' share of the profits or losses of the companies accounted for using the equity method is recognised in the income statement on the line "Share of the result of companies accounted for using the equity method". If Ceetrus' share of the losses of an associate is equal to or greater than its stake in it, Ceetrus, in its consolidated accounts, will no longer recognise its share of losses unless it has a legal or implicit obligation or has to make payments on behalf of the associate.

Closing date

The consolidation is carried out on the basis of the accounts signed off on December 31st for all entities included in the scope of consolidation. The consolidated financial statements include the accounts of companies acquired with effect from the takeover date control and those of the companies disposed of until the date control is lost.

Transactions eliminated in the consolidated financial statements

For fully consolidated companies (FC), all internal transactions and positions are completely eliminated in consolidation. For companies accounted for using the equity method, only internal margins and dividends are eliminated up to the Group's share of interest.

The list of the main companies included in the scope of consolidation is presented in note 15.

2.2.2 Business combinations (IFRS 3)

In the case of an acquisition transaction, an analysis is conducted to determine whether it relates to a business combination or the acquisition of an isolated asset.

The acquisition of securities of legal entities, holding one or more investment properties as their main asset, is accounted for according to the principles described below;

- If the acquired group of assets does not meet the definition of a "business" then the transaction is recognised as an asset acquisition. The acquisition price is then allocated to individual identifiable assets and liabilities based on their fair values at the acquisition date;
- If the group of assets acquired fulfils the definition of a "business" then the transaction is booked as a business combination according to the acquisition method, in accordance with IFRS 3 with effect from the takeover date.

In the latter case, pursuant to the acquisition method, all identifiable elements of assets acquired and liabilities assumed are measured and recognised at fair value on the takeover date (with some exceptions provided for in the standard). The amount transferred in return (acquisition cost) is measured at the fair value of the assets transferred, shareholders' equity issued and liabilities incurred on the date of the exchange. Costs directly related to business combinations are recorded as expenses for the period.

Goodwill corresponds to:

- the fair value of the amount transferred in return;
- plus the amount booked for any non-controlling stake in the acquired business (measured at its fair value or up to its share of net identifiable assets - option exercised on a case-by-case basis);
- less the net amount booked (generally at fair value) for identifiable assets acquired and liabilities assumed;
- if the business combination is achieved in stages, the fair value of any previously held stake in the acquired company.

The Goodwill can corresponds to a tax gain to recognize following a property ownership structure that generate fiscal optimization.

When the difference is negative, a profit with regard to the acquisition on favourable terms is booked immediately in the income statement.

Goodwill is determined on the takeover date of the acquired entity and is not subject to any subsequent adjustment beyond the measurement period. Subsequent changes in the shares of interest in a subsidiary that do not result in a loss of control are booked directly in the group's shareholders' equity.

In the case of an acquisition in stages, the share previously held by Ceetrus and its subsidiaries is remeasured at fair value. The difference between the fair value and the net carrying amount of the stake is recorded in the income statement when one of the stages leads to a takeover. Upon the loss of control of a subsidiary, the share, if any, retained directly or indirectly by Ceetrus, is remeasured at its fair value in the income statement.

The *goodwill* related to an associate accounted for using the equity method is booked under "Shares and investments companies accounted for using the equity method".

In the case of negative *goodwill*, it is immediately recorded in the income statement.

In its financial statements, Ceetrus has a period of 12 months from the takeover date to refine the initial assessments of identifiable assets and liabilities, of the amount transferred in return and the non-controlling interests provided that the elements used to adjust these amounts correspond to new information brought to the attention of the acquirer and originating from facts and circumstances prior to the acquisition date.

The purchase price adjustments are included in the acquisition cost for their fair value on the takeover date, even if they are contingent and in return for shareholders' equity or debt (depending on the method of settlement). During the measuring period, subsequent revisions to these price additions are recorded as *goodwill* when they relate to facts and circumstances that existed at the time of the acquisition ; beyond that, purchase price adjustments are recorded through the income statement, unless they are offset by an equity instrument.

2.2.3 Changes in scope on 31 December 2020

in number of companies	31/12/2019	Acquisitions	Creations	Disposals	Absorption, Dissolution, Deconsolidation	Change of consolidation method	31/12/2020
Subsidiaries in FC	105	3	17		-4		121
Equity method	34	1	1		-1		35
TOTAL	**139**	4	**18**	**0**	**-6**	**0**	**156**

Significant changes in the scope of consolidation on 31 December 2020 are:

Alliages et Territoires 2 – Mergers

On May 11, 2020, "Alliages et Territoires 2" entity has transferred all its assets and liabilities to its parent entity "Alliages et Territoires".

Nhood

Creation of a new organization, Nhood (New mixed Real Estate Operator) with 10 subsidiaries. As part of this creation, 3 companies have been acquired and 17 have been created as per the 31st of December 2020.

NOTE 3 - OPERATING SEGMENTS

Accounting principles

In application of IFRS 8 *Operating segments*, the operating segments are determined on the basis of the information made available to Management (Principal Operational Decision Maker) to evaluate the performance and activity of the entity constituted by Ceetrus and its subsidiaries and the different segments that make it up.

An operating segment is a component of the scope of consolidation that engages in activities from which it may derive revenue or incur expenses, including revenues and expenses related to transactions with other components.

Ceetrus is organised, for management requirements, by site. A site groups together a set of property assets (shopping centres, offices, housing, leisure, etc.) within a defined geographical area. Management monitors operational result and makes strategic decisions about each site separately. Given that no site information monitored by management exceeds the quantitative thresholds in accordance with IFRS 8, the segments presented correspond to a grouping of sites by geographical area. This grouping corresponds to a set of sites with similar characteristics from an economic, regulatory and environmental point of view.

These operating segments are structured as follows:

- **France**;
- **Western Europe** which includes Italy, Spain, Portugal and Luxembourg;
- **Eastern Europe** which includes Poland, Russia, Ukraine, Romania and Hungary

A "**Holding and other activities**" column includes in particular the holding companies as well as the company in charge of financing and monitoring the Treasury on behalf of the Group.

3.1 INCOME STATEMENT BY OPERATING SEGMENTS

31/12/2020 in millions of euros	France	Western Europe	Eastern Europe	Holdings and other activities	GROUP TOTAL 31/12/2020
Net rental income	**187,0**	**118,3**	**83,9**	**0,1**	**389,3**
Revenues from administrative management and other activities	8,9	26,3	5,5	0,0	40,6
Gross operating income	149,8	94,1	64,8	-18,2	290,5
Operating result	**-360,1**	**-230,0**	**-63,1**	**-22,1**	**-675,2**
Financial result					-57,0
Share of result of companies accounted for using the equity method					-22,0
Income tax expenses					143,4
NET RESULT OF THE CONSOLIDATED ENTITY					-610,8

31/12/2019 in millions of euros	France	Western Europe	Eastern Europe	Holdings and other activities	GROUP TOTAL 31/12/2019
Net rental income	**253,2**	**161,1**	**114,5**	**-0,1**	**536,7**
Revenues from administrative management and other activities	11,9	27,9	6,5	0,0	46,3
Gross operating income	198,6	147,8	91,2	-6,0	431,6
Operating result	**181,1**	**122,1**	**47,3**	**-7,7**	**342,7**
Financial result					-49,9
Share of result of companies accounted for using the equity method					5,0
Income tax expenses					-103,7
NET RESULT OF THE CONSOLIDATED ENTITY					194,2

3.2 SIMPLIFIED BALANCE SHEET BY OPERATING SEGMENTS

31/12/2020 ASSETS *(in millions of euros)*	France	Western Europe	Eastern Europe	Holdings and others	GROUP TOTAL 31/12/2020
Goodwill	13,1	121,1	0,4	-	134,6
PPE and intangible assets[1]	51,1	8,6	8,1	9,8	77,6
Investment properties[1]	3 708,0	2 434,4	1 367,3	-	7 509,7
Shares and investments in companies accounted for using the equity method	47,1	262,0	11,4	9,4	329,9
Other non-current assets	4,2	183,5	17,2	142,9	347,8
Other current assets	331,0	306,2	124,3	82,4	843,9
TOTAL ASSETS	4 154,5	3 315,8	1 528,7	244,6	9 243,5

[1] *Including « righ off use »*

31/12/2019 ASSETS *(in millions of euros)*	France	Western Europe	Eastern Europe	Holdings and others	GROUP TOTAL 31/12/2019
Goodwill	14,4	191,3	0,4	-	206,1
PPE and intangible assets[1]	54,5	6,7	8,4	7,2	76,8
Investment properties[1]	4 184,4	1 986,0	1 578,9	-	7 749,3
Shares and investments in companies accounted for using the equity method	48,8	254,0	10,4	6,3	319,5
Other non-current assets	7,7	207,2	10,8	84,6	310,3
Other current assets	323,5	947,6	141,1	40,6	1 452,8
TOTAL ASSETS	4 633,3	3 592,7	1 749,9	138,7	10 114,7

[1] *Including « righ off use »*

NOTE 4 - INVESTMENT PROPERTIES, PPE AND INTANGIBLE ASSETS, GOODWILL

4.1 GOODWILL

Accounting principles

The determination of *goodwill* resulting from business combinations is described in note 2.2.2. *Goodwill* is not amortized but rather reviewed annually at the end of the financial year using an impairment test and when events or circumstances indicate that a write-down is likely to occur. For this test, fixed assets are grouped into Cash-Generating Units (CGUs). For Ceetrus, CGUs correspond to the smallest group of assets whose continuous use generates cash flows largely independent of the cash flows generated by other groups of assets.

Goodwill from business combinations is allocated to CGUs or groups of CGUs that can benefit from the synergies of business combinations. On this basis, Ceetrus' *goodwill* is tested at the level of each country.

Significant losses in value are recorded on the line "*Goodwill impairment*" of the income statement.

In the case of *goodwill* being generated by the recognition of a deferred tax liability for the revaluation at fair value of an investment property, the deferred tax liability is deducted from the carrying amount of *goodwill* for the purposes of the impairment tests carried out on the cash-generating unit (CGU).

Goodwill impairment

IAS 36 standard defines the procedures that a company must apply to ensure that the net book value of its tangible fixed assets, including rights of use assets, intangible assets including goodwill, does not exceed its recoverable value, that is, the amount that will be recovered through their use or sale.

The recoverable amount of an asset is defined as the highest between its fair value less costs to sell and its value in use. Fair value less costs to sell is the amount that can be obtained from the sale of an asset in an orderly transaction between market participants on the valuation date, minus exit costs. Value in use is the present value of estimated and expected future cash flows from the continued use of an asset and its disposal at the end of its useful life.

For property, plant and equipment (including right-of-use) and intangible assets (including goodwill), the recoverable value is tested as soon as there are any indications impairment. This test is also carried out once a year (in practice as of 31 December 31 take into account the seasonality of the activity) for assets with an indefinite lifespan.

Cash flows after tax are estimated on the basis of updated 3-year plans for the past year. Beyond that, the flows are extrapolated for 6 years by applying a constant growth rate over a period which corresponds to the estimated useful life of the tangible asset. For the tests relating to the assets of a country (including goodwill), the flows are therefore estimated over a period of 9 years with taking into account a terminal value, calculated from the updating to infinity of the Grade 9 data. Perpetual growth rates are determined based on data from the International Monetary Fund.

The flows are discounted at the weighted average cost of capital after tax, plus a risk premium specific to each country.

For this test, fixed assets are grouped into cash generating units (CGUs). CGUs are sets of assets whose continued use generates cash inflows which are largely independent of the cash inflows generated by other groups of assets. Ceetrus has defined the shopping centre as a CGU. An impairment loss is recognized as soon as the carrying amount of the asset or CGU to which it belongs exceeds its recoverable amount. Goodwill is tested by country and by activity, and the assets of the CGU group then include tangible and intangible assets, goodwill related to the country and the activity and its working capital requirement.

Concerning the Goodwill generated from the recognition of a differed tax liability from the revaluation of the fair value from an investment property, the decrease of this value bringing the deferred tax liability down lead to the depreciation of this Goodwill.

in millions of euros	31/12/2019	Business combination	Disposal	Impairment	Other changes (1)	31/12/2020
Gross value	217,0	0,0	0,0		0,0	217,0
Impairment	-10,9	0,0	0,0	-71,4	0,0	-82,4
NET VALUE	**206,1**	**0,0**	**0,0**	**-71,4**	**0,0**	**134,6**

(1) *including translation differences and transfers from one post to another*

TheGoodwill impairment is mainly related to Ceetrus France and Ceetrus Italy.

in millions of euros	31/12/2018	Business combination	Disposal	Impairment	Other changes (1)	31/12/2019
Gross value	217,5	0,0	-0,5		0,0	217,0
Impairment	-11,4	0,0	0,5	0,0	0,0	-10,9
VALEUR NETTE	**206,1**	**0,0**	**0,0**	**0,0**	**0,0**	**206,1**

(1) *écarts de conversion et virements poste à poste*

in millions d'euros	31/12/2019	31/12/2020
France	14,4	13,1
Europe de l'Ouest	191,3	121,1
Europe de l'Est	0,4	0,4
Holdings et autres activités	0,0	0,0
VALEUR NETTE	**206,1**	**134,6**

4.2 INTANGIBLE ASSETS (EXCLUDING GOODWILL)

Accounting principles

An intangible asset is identifiable if it is separable from the acquired entity or if it results from legal or contractual rights. Other intangible assets mainly consist of software acquired or developed internally.

Intangible assets acquired separately from companies within the scope of consolidation are booked at cost and those acquired through business combinations at their fair value. In accordance with the provisions of IAS 38, intangible assets with indefinite useful lives are not amortized and are subject to a review of their valuation if events that may call their value into question occur, and in all cases at least once a year. When their recoverable value is lower than their net carrying amount, an impairment is recorded.

Other intangible assets, classified as intangible assets with finite lives, are amortized on a straight-line basis over periods corresponding to their expected useful lives. Thus, licences and computer software acquired and software developed internally, which fulfil all the criteria imposed by the IAS 38 standard, are capitalized and amortized over a useful life of 3 years. As an exception, ERP type software, which are very structuring for the business and whose functional and technical architecture has a longer probable useful life, are amortized over 5 years. These fixed assets are subject to impairment tests in a potential loss of value is indicated.

in millions of euros	31/12/2019	Acquisitions and investments	Disposals, decommissioning	Changes in scope	Amortization/ Impairment	Reclassification and other changes [1]	31/12/2020
Gross value	71,2	14,0	-31,1	0,0		11,3	65,4
Amortization and impairment	-51,7	0,0	31,1	0,0	-19,1	-0,3	-40,2
NET VALUE	**19,5**	**14,0**	**0,0**	**0,0**	**-19,1**	**11,0**	**25,2**

[1] *including translation differences and transfers from one post to another*

in millions of euros	31/12/2018	Acquisitions and investments	Disposals, decommissioning	Changes in scope	Amortization/ Impairment	Reclassification and other changes [1]	31/12/2019
Gross value	60.6	4.6	-4.6	0.0		10.4	71.2
Amortization and impairment	-40.8	0.0	4.6	0.0	-15.6	0.0	-51.7
NET VALUE	**19.8**	**4.6**	**-0.0**	**0.0**	**-15.6**	**10.4**	**19.5**

[1] *including translation differences and transfers from one post to another*

The intangible assets item mainly consists of acquired software, software licences, and internally developed software.

Investments on 2020 are mainly attributable to Ceetrus France and concern IT department investments.

The write-offs are mainly attributable Ceetrus France and concern the software totally depreciated for 30,8M€.

The reclassification concerns the commissioning of software developments.

4.3 PROPERTY, PLANT AND EQUIPMENT (PPE)

Accounting principles

In accordance with IAS 16, Property, plant and equipment are measured at historical cost less accumulated amortization and any impairment losses. Amortization is calculated using the component method, based on the useful life of the asset. Amortization is thus calculated according to the following durations:

- Constructions (structural work): 30 years
- Roof waterproofing, sanitation and flooring: 20 years
- Fixtures and fittings: 6 and 2/3 years and 8 years
- Technical installations, equipment and tools: 3 to 10 years
- Other fixed assets: 3 to 5 years

Property, plant and equipment include operating assets (sites occupied by the group when the group owns them) such as equipment and other office equipment.

In application of IFRS 16, property, plant and equipment also include "right-of-use" assets, which correspond to the remaining payments for the lease of operating assets (mainly offices), vehicle rental contracts and other office equipment and materials.

The "right of use" asset is initially valued at cost and then amortized on a straight-line basis over the estimated duration of the contract. The value of the asset can also be adjusted to take account of certain revaluations of the lease liabilities and, where applicable, reduced by any impairment losses, in accordance with IAS 36.

The Group has chosen not to recognize "right of use" assets for short-term lease contracts whose duration is less than 12 months and the lease of low-value assets. The Group recognizes the rental charges linked to these lease contracts as expenses.

in millions of euros	31/12/2019	Acquisitions and investments	Disposals, decommissioning	Changes in scope	Amortization/ Impairment	Reclassification and other changes [1]	31/12/2020
Land, buildings and fixtures	31,1	7,2	-1,6			-5,2	31,5
Materials and other fixed assets	14,9	3,7	-9,1			0,8	10,2
Property, plant and equipment in progress (WIP)	41,9	3,1	-0,0			-14,9	30,2
Right-of-use PPE	17,8	11,8	-1,1			-6,2	22,3
Gross value	**105,7**	**25,8**	**-11,8**	**0,0**	**0,0**	**-25,5**	**94,2**
Amortization and impairment of land, buildings and fixtures	-19,9		1,6		-1,2	0,4	-19,0
Amortization and impairment of materials and other fixed assets	-9,8		9,0		-5,9	0,0	-6,6
Impairment of PPE in progress	-15,5				-0,1	3,6	-12,0
Amortization and impairment of right-of-use PPE	-3,2				-4,6	3,6	-4,3
Amortization and impairment	**-48,4**		**10,6**	**0,0**	**-11,8**	**7,6**	**-41,9**
NET VALUE	**57,4**	**25,8**	**-1,2**	**0,0**	**-11,8**	**-17,7**	**52,4**

[1] *including translation differences and transfers from one post to another*

The increase in land, building and fixtures relates mainly to Ceetrus Polska for 5,3M€.

The increase in Right of Use originates mainly from Ceetrus SA for 4,1M€.

The property, plant and equipment in progress has decreased by 15,5M€ following the commissioning of some intangible assets at Ceetrus France.

in millions of euros	31/12/2018	Acquisitions and investments	Disposals, decommissioning	Changes in scope	Amortization/ Impairment	Reclassification and other changes [1]	31/12/2019
Land, buildings and fixtures	29.8	1.4	-1.5	-0.0		1.4	31.1
Materials and other fixed assets	12.8	0.5	-0.2	0.0		1.8	14.9
Property, plant and equipment in progress (WIP)	53.2		-1.8	-0.0		-22.4	41.9
Right-of-use PPE						19.6	17.8
Gross value	**95.9**	**13.0**	**-1.2**	**-0.0**		**0.4**	**105.7**
Amortization and impairment of land, buildings and fixtures	-17.6		03	0.0	-2.3	-0.3	-19.9
Amortization and impairment of materials and other fixed assets	-7.8		0.2	0.0	-2.1	-0.1	-9..8
Impairment of PPE in progress	-12.6				**-0.5**	**-2.4**	**-15.5**
Amortization and impairment of right-of-use PPE			0.5		-3.7	0.0	-3.2
Amortization and impairment	**-38.0**		**0.9**	**-0.0**	**-8.6**	**-2.8**	**-48.4**
NET VALUE	**57.9**	**5.7**	**-2.6**	**0.0**	**-8.6**	**-2.4**	**57.4**

[1] *including translation differences and transfers from one post to another*

The increase in tangible assets under construction in 2018 mainly concerns Ceetrus France for €4.6 million.

PPE in progress decreased by €22.9 million following the commissioning of intangible assets for €9.6 million and reclassification as investment property of €12 million in Ceetrus France.

4.4 INVESTMENT PROPERTIES

Accounting principles

Investment properties (excluding "right-of-use" assets)

An investment property is a property held by an owner for the purposes of earning rent or capital appreciation, or both. Investment properties also include properties that are under construction or developed for future use as investment property. Shopping centres, business parks and land plots held by the group are therefore accounted for as investment properties.

Investment properties, entered on a separate line of assets in the consolidated balance sheet, are initially measured at cost, including the purchase price, the various transaction costs (including non-recoverable taxes, transfer taxes, fees, commissions and legal fees), the costs directly attributable to putting the investment property to the Management's intended use of and, where applicable, the costs of eviction and borrowing costs.

Ceetrus has opted, in accordance with the option offered by IAS 40, for the fair value accounting of its investment properties. After initial recognition, investment properties are recorded at their fair value, as defined by IFRS 13. Fair value corresponds to the price at which a transfer could be made between knowledgeable, willing parties in an arm's length transaction. The value used in the consolidated financial statements is the value excluding transfer taxes.

The income statement thus records the change in fair value of each property over the year, determined as follows:

Market value y - (market value y - 1 + increase in investment property in period y).

Increases in investment properties consist of capital expenditures, eviction costs, capitalized financial interest and other development costs (certain internal employee expenses and directly attributable identified costs can be capitalized during construction or restructuring phases).

Investment properties under construction are also measured at fair value if this can be reliably determined. When this is not the case, investment properties under construction are measured at cost less impairments, until fair value can be determined reliably. This is done by taking into consideration, among other things, the degree of progress in obtaining administrative, construction and commercial authorisations.

In the event of restructuring for future and ongoing use as an investment property, the asset continues to be recognised as an investment property.

For investment properties measured at cost, an impairment test is carried out as soon as there is an indication of impairment. When this type of indication exists, if the recoverable value is lower than the carrying amount, an impairment is recorded.

In the event of a disposal, the capital gain on disposal is determined by the difference between the income from disposal net of transaction costs and the net carrying amount of the asset. It is stipulated that when an asset is disposed of, the balance of the receivable arising from the spreading of the rent incentives granted to the lessees (mainly rent free periods and step rents) is fully recorded and booked as "Income from disposal of fixed assets". The same treatment is applied to the debts resulting from spreading of key money collected.

In accordance with IAS 40, when determining the fair value of an investment property, the Group should not recognise separate assets and liabilities twice. The fair values provided by property appraisers are analysed and corrected if they take into account elements recognised elsewhere in the balance sheet. In practice the following items are restated:

- the effects of spreading rent free periods and step rents granted to lessees;
- the effects of spreading key money received by the Group;
- the effects of prepaid rents in the context of operating leases.

When the lessor cancels a current lease, he pays eviction indemnities to the lessee. This is booked as a cost of the fixed asset if its payment modifies the performance level of the asset (new lease at higher financial conditions, in case of recovery of the premises for extension works or transfer of former lessees to a new site). In other cases, eviction indemnities are booked as expenses.

Right-of-use of investment properties

In some cases, the Group enters into a lease contract of real estate which falls into the investment property category according to IAS 40. In this case, according to IFRS 16, the Group recognizes a "right of use" asset in the "investment properties " on the balance sheet.

The "right-of-use" asset is initially valued at cost (initial amount of lease liability plus all costs incurred, minus lease incentives received) and then amortized on a straight-line basis over the estimated duration of the contract. The value of the asset can also be adjusted to take account of certain revaluations of the lease liabilities and, where applicable, reduced by any impairment losses, in accordance with IAS 36.

The Group has chosen not to recognize "right of use" assets for short-term lease contracts whose duration is less than 12 months and the lease of low-value assets. The Group recognizes the rental charges linked to these lease contracts as expenses.

Investment property held for sale

Assets held for sale are classified as non-current asset held for sale if the asset or group of assets is available for immediate sale and if its sale is highly probable within a period not exceeding one year. These assets are then presented on the line "Investments held for sale" on the balance sheet. Liabilities relating to this asset or group of assets are presented, if applicable, on a separate line in liabilities.

To meet this qualification, the group must have signed a binding promise to sell without any unusual conditions precedent. At the transfer date, the asset (or group of assets) held for sale is measured on the basis of fair value.

Evaluation of the fair value of investment properties

A property appraisal process has been put in place to estimate the fair value of investment properties. Two independent property appraisers are involved and divide up the valuation of the investment properties of the entire group. This assignment was entrusted to Jones Lang Lasalle & CBRE, after a tender selection process, for a period of three years. Appraisals are carried out according to professional standards, and in particular: the Property valuation charter for France, TEGoVA (The European Group of Valuers' Association) published in the Blue Book, and the Red Book Standards of the Royal Institution of Chartered Surveyors (RICS). These various texts govern, in particular, the qualification of the appraisers, the ethical principles as well as the valuation methodologies. The appraisers are remunerated on a fixed rate basis according to the number of lots and the complexity of the assets valued. The remuneration is completely independent from the valuation of the assets.

Investment properties are mainly valued by appraisers using the discounted cash flow method (or DCF). This method involves projecting the future income generated during the potential holding period and then determining the sale price at the end of the period using an exit rate on revenue in the year of the disposal. Future revenues are then discounted at the value date using a discount rate reflecting the perceived level of risk.

This exercise is conducted according to the best market knowledge by the appraisers, based on comparable transactions but also ongoing transactions not yet finalised but that reflect the appetite of investors to date. However, this estimate requires significant judgements to determine the appropriate assumptions, including rates of return and discount, market leasing values, evaluation of budgets for the work to be completed and the estimated date of completion (particularly for assets in the development phase) and any accompanying measures with benefits to be granted to lessees. Specific information such as the nature of each property and/or its location is also taken into account. Given the estimated nature of this type of valuation, the income from disposal of certain assets may differ from the valuations carried out.

Land plots and properties under development (if they meet the criteria defined above) are also valued at fair value. The methods used by the appraisers mainly include the developer's balance sheet method and/or the discounting of cash flows complemented in certain situations by the comparison method. The developer's balance sheet method consists of drawing up the project's financial balance sheet according to the approach of a property developer to whom the land would be offered. Using the selling price of the building at delivery, the expert deducts all the costs to be incurred, construction costs, fees and margin, financial expenses as well as the amount that could be assigned to land charges. For buildings under development, the remaining work costs to be paid and the carrying cost are deducted from the estimated selling price of the building to determine the fair value. In principle, projects under development are valued on the basis of an identified project.

For each survey, the assessments made by the independent property appraisers are reviewed by Ceetrus teams. During this review, Ceetrus ensures the consistency of the methods used to evaluate investment properties by the panel of experts. In addition, the process includes discussions on the assumptions made by the appraisers and the results of the valuations.

Except in particular cases, the principle used is that the Ceetrus-owned properties are subject to an appraisal, with the exception of:

- properties held for sale, under a promise to sell at the closing date or for which an offer has been received and which are valued on the basis of the proposed price less estimated selling costs.
- properties acquired less than six months before the half-yearly or annual closing date, which are valued at their acquisition cost.

The values communicated by the appraisers are inclusive and exclusive of transfer taxes, with the values exclusive of transfer taxes being determined after deduction of any legal fees and transfer costs calculated by the appraisers.

Fair value measurements of investment properties are considered as a whole to be included in Level 3 as defined by IFRS 13, notwithstanding the consideration of certain observable level 2 data (see note 6.5 for definition). When using a valuation technique based on data of different levels, the fair value level is then constrained by the lowest level. Ceetrus has not identified an optimal use of an asset different from its current use.

Valuation methods

Assessment of the fair value of properties on 31st December 2019 and 31st December 2020

On 31st December 2019 and 31st December 2020, Ceetrus had expert valuations carried out by independent property valuers for all property assets in France and abroad and used these values for the fair value accounting of investment properties on that date.

4.4.1 Investment properties

in millions of euros	Investment properties at fair value	Investment properties at cost	Right-of-use investment properties	TOTAL Investment properties
ON 31 DECEMBER 2018	**7,839.7**	**172.6**	**-**	**8,012.3**
Entries into scope				-
Investments	337.3		15.8	353.1
Disposals and exits from scope	-96.3	-11.4		-107.7
Reclassifications and other changes	-527.4	-79.3	136.4	-470.3
Exchange rate differences	28.0	5.1	0.7	33.7
Change in fair value	-54.5		-17.5	-72.0
ON 31 DECEMBER 2019	**7 526.8**	**87.0**	**135.4**	**7 749.3**
Entries into scope				
Investments	168,4		-2,8	165,6
Disposals and exits from scope	-8,8	-1,4	0,3	-9,8
Reclassifications and other changes	589,1	35,2	0,0	624,3
Exchange rate differences	-145,9	-0,6	-3,2	-149,7
Change in fair value	-849,1		-20,3	-869,9
ON 31 DECEMBER 2020	**7 280,5**	**120,3**	**108,9**	**7 509,7**

Change during the period

The main investments during this period concern:

- Acquisition of galleries and offices in Russia and Luxembourg for €47,1 million;
- Renovations and extensions of shopping centres and retail parks for €11 million in France;

- Development works and extensions in Spain and Romania for €49,2 million.
- Acquisition of land reserves in Poland for €11 million

The disposals relate mainly to lands in Hungary, Romania and France.

The reclassification and other changes relate mainly to Luxembourg. The assets held for sale have been reclassified as investment property.

in millions of euros	31/12/2020	31/12/2019
Investment property at fair value	7 315,5	7 546,8
Investment property at cost	120,3	87,0
INVESTMENT PROPERTIES BEFORE RESTATEMENTS	**7 435,8**	**7 633,9**
Right-of-use investment properties	108,9	135,4
Restatement related to spreadings[1]	-35,0	-20,0
TOTAL INVESTMENT PROPERTIES	**7 509,7**	**7 749,3**

[1] *spreading of rent-free periods, step rents, key money and rents paid in advance*

The following table presents the main assumptions used in the assessment of the fair value of the Group's investment properties as of 31 December 2020 :

Shopping centres (weighted average)	Rents in €/sqm[1]	Discount rate (%)[2]	Exit yield (%)[3]
France	345 €/m²	7,15 %	5,75 %
Western Europe	277 €/m²	8,11 %	6,75 %
Eastern Europe	167 €/m²	11,07 %	9,12 %

[1] Average annual rent (minimum guaranteed rent and variable rent) per asset and per sqm

[2] *Rate used to discount future cash flows*

[3] *Exit yield used to capitalize revenues of the exit year in order to calculate the terminal value of the asset*

Sensitivity of fair values

An increase in rates of return or discount rates would result in a decrease in the total value of investment property, and vice versa.

An increase in rents would increase the fair value of investment properties and vice versa.

4.4.2 Investments held for sale

The assets presented under Asset Held for Sale as of 31st of December 2019 have been reclassified as investment property as of 31st of December 2020..

in millions of 'euros	31/12/2020	31/12/2019
Investment property at fair value held for sale	-	612,5
Investment property at cost held for sale	-	17,6
Shares and investments in companies accounted for using the equity method held for sale	-	27,5
INVESTMENTS HELD FOR SALE BEFORE RESTATEMENT	**0,0**	**657,6**
Restatement related to spreadings[1]	-	-11,4
TOTAL INVESTMENTS HELD FOR SALE	**0,0**	**646,2**

[1] *spreading of rent-free periods, step rents, key money and rents paid in advance*

NOTE 5 - SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING EQUITY METHOD

5.1 EVOLUTION OF SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The changes in the value of shares and investments in companies valued by the equity method can be explained as follows:

In millions of euros	Group share
DECEMBER 31, 2019	**319,5**
Net result of the year [1]	-22,0
Dividends received	-4,1
Capital increases and reductions	12,5
Changes in scope	0,4
Other changes [2]	23,7
DECEMBER 31, 2020	**329,9**

[1] including change in fair value of investment properties
[2] including translation differences

The item "Increases and decreases in capital" is mainly composed of the capital increase in Galleria Cinisello, Neutripromo and Huis for €12,5 million.

On 31 December 2020, 36 companies were accounted for using the equity method, compared with 34 companies on 31 December 2019.

The main companies accounted for using the equity method are:

		Control %		Equity value	
Country	**Companies**	**31/12/2020**	**31/12/2019**	**31/12/2020**	**31/12/2019**
France					
	Immaucom - SA	20,00%	20,00%	39,7	39,0
	Gare du Nord 2024 - SA	66,00%	66,00%	3,2	3,2
Spain					
	C.C Zenia, Sociedad Limitada	50,00%	50,00%	63,4	73,6
Luxembourg					
	Galerie Commerciale de Kirchberg - SA	20,00%	20,00%	25,4	0,0
Portugal					
	Alegro Alfragide - SA	50,00%	50,00%	36,7	41,6
	Alegro de Setubal - SA	50,00%	50,00%	19,1	23,4
	Neutripromo - SA	50,00%	50,00%	2,9	3,0
Italy					
	Galleria Cinisello - SRL	50,00%	50,00%	76,0	81,7
	Patrimonio Real Estate - SPA	49,99%	49,99%	21,6	21,2
	Others			41,9	32,7
Total value of shares and investments in companies accounted for using the equity method				**329,9**	**319,5**

5.2 SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

The main balance sheet and income statement positions for companies accounted for using the equity method are presented in the table below.

Information relating to companies accounted for using the equity method is presented in total because they are all subsidiaries with the same activities and with the same risk and return characteristics.

in millions of euros	31/12/2020 100%	31/12/2020 Group Share	31/12/2019 100%	31/12/2019 Group share
BALANCE SHEET				
Property, plant and equipment (PPE)	53,9	27,1	11,9	6,6
Investment properties	1 369,7	613,1	1 312,9	577,3
Other non-current assets	91,7	18,8	121,5	33,7
Other current assets	466,5	199,0	441,2	188,2
NON-CURRENT AND CURRENT ASSETS	**1 981,8**	**858,0**	**1 887,6**	**805,8**
Group financial debts (current and non-current)	269,2	145,5	129,2	68,8
External financial debts (current and non-current)	590,5	267,5	558,5	254,9
Other non-current liabilities	90,5	18,9	250,9	65,8
Other current liabilities	193,3	96,1	192,0	96,9
NON-CURRENT AND CURRENT LIABILITIES	**1 143,5**	**528,0**	**1 130,6**	**486,4**
NET ASSETS	**838,3**	**329,9**	**756,9**	**319,5**
INCOME STATEMENT				
Gross operating income	46,7	21,0	52,0	22,8
Amortizations, impairments and provisions	0,3	-0,3	-11,4	-6,2
Change in value of investment properties	-78,2	-34,0	31,7	13,4
Income from disposal	0,0	0,0	-0,1	-0,0
Other income and expenses	-2,9	-1,4	-19,6	-17
Financial result	-19,9	-14,1	-6,7	-3,7
Income tax expenses	15,5	6,8	-9,2	-3,8
NET RESULT	**-38,4**	**-22,0**	**35,8**	**5,0**

NOTE 6 - FINANCING AND FINANCIAL INSTRUMENTS

6.1 FINANCIAL RESULT

Accounting principles

The net cost of financial debt consists of interest on financial debts and borrowings including the effect of spreading of set-up or issuance costs (under the effective interest rate method), income from loans or receivables related to equity investments, income from the sale of marketable securities and the impact of interest rate swaps in the context of interest rate hedging transactions. It also includes the interest expense attached to any lease financing contracts.

Borrowing costs related to acquisition and construction operations

In accordance with IAS 23, borrowing costs directly attributable to the acquisition or construction of qualifying assets are included in the cost of the corresponding assets. When a loan is not directly affected, Ceetrus uses the group's average cost of financing applied to the average outstanding amount for work carried out.

Income and expenses of a financial nature that are not part of the “net cost of financial debt” presented on line "other financial income and expenses", include dividends received from non-consolidated companies, disposal result of non-cash financial assets and any discount or currency effects.

in millions of euros	31/12/2020	31/12/2019
Interest expenses on financial debts	-47,7	-31,8
Interest income and expenses on derivatives	-3,1	-2,2
Financial expenses	**-50,8**	**-34,0**
Interest income from cash and cash equivalents	0,0	0,0
Financial income on advances granted to non-consolidated entities	7,4	4,4
Financial income	**7,4**	**4,4**
Net cost of financial debt	**-43,4**	**-29,6**
Other financial income and expenses including:	-13,6	-20,3
Income from guarantee commissions	3,9	3,9
Income from financing commissions	10,2	9,2
Income/Expenses on Cross Currency Swaps	-10,7	-9,9
Financial expenses - IFRS 16	-10,1	-10,5
Other financial income/expenses	-6,9	-13,1
FINANCIAL RESULT	**-57,0**	**-49,9**

Financial result 2020

As a result of the diversification of Ceetrus' financial resources, the "interest expenses on financial debts" item was composed of interest expenses to related companies in Auchan Holding for €16.6 million and €31.2 million to external counterparties.

"Other financial income and expenses" consist of financial expenses of €10.7 million corresponding mainly to hedging transactions implemented (cross-currency swaps and foreign exchange As a result of the diversification of Ceetrus' financial resources, the "interest expenses on financial debts" item was composed in 2019 of interest expenses to other companies in Auchan Holding for €8.3 million and €23.4 million to external counterparties.

swaps) on foreign currency financing issued by Ceetrus Finance to property companies outside the Euro zone, €3.9 million of financial income related to counter guarantee Granato on Ceetrus Italy with Auchan Holding’s treasury central financing. In addition, €10.1 million of financial expenses are linked to the application of IFRS 16.

Financial result 2019

"Other financial income and expenses" consist of financial expenses of €9.9 million corresponding mainly to hedging transactions implemented (cross-currency swaps and foreign exchange swaps) on foreign currency financing issued by Ceetrus Finance to property companies outside the Euro zone and €9.2 million of financial income related to financing of companies accounted for using the equity method. In addition, €10.5 million of financial expenses are linked to the application of IFRS 16.

6.2 NET FINANCIAL DEBT

Accounting principles

The net financial debt of Ceetrus consists of current and non-current loans and borrowings, accrued interest on these items, less net cash position of bank overdrafts and loans and advances granted to non-consolidated interests (mainly companies accounted for using the equity method).

6.2.1 Changes in net financial debt

Change in net financial debt between December 31st, 2019 and December 31st, 2020

in millions of euros	31/12/2019	Cash movement	Fair value through P&L	Fair value through OCI [1]	Changes in the scope of consolidation	Other changes	Exchange rate differences	31/12/2020
Loans and borrowings	**3 277,8**	**165,5**	**-**	**-**	**-**	**0,0**	**-6,2**	**3 437,1**
non-current	*2 349,4*	*-15,2*	-	-	-	*405,4*	*-0,5*	*2 739,1*
current	*928,4*	*180,7*	-	-	-	*-405,4*	*-5,7*	*698,0*
Group cash advances	-42,1	2,2	-	-	-	14,4	0,7	-24,9
Cash and cash equivalents	-146,3	-54,1	-	-	-	-	2,9	-197,6
Derivative assets and liabilities	17,6	-	-5,4	14,0	-	-	-	26,1
NET FINANCIAL DEBT	**3 106,9**	**113,6**	**-5,4**	**14,0**	**-**	**14,4**	**-2,7**	**3 240,8**

[1] other comprehensive income

The change in the item "Loans and borrowings" is mainly related to the increase of Auchan Holding financing.

Change in net financial debt between December 31st, 2018 and December 31st, 2019

in millions of euros	31/12/2018	Cash movement	Fair value through P&L	Fair value through OCI [1]	Changes in the scope of consolidation	Other changes	Exchange rate differences	31/12/2019
Loans and borrowings	**2,854.8**	**438.5**			**0.0**	**-17.9**	**2.4**	**3 277.8**
non-current	1,585.8	939.1				-175.3	-0.3	2 349.4
current	1,269.0	-500.7			0.0	157.4	2.7	928.4
Group cash advances	-73.5	-1.3				33.2	-0.5	-42.1
Cash and cash equivalents	-159.2	14.7			-0.1	-0.0	-2.0	-146.3
Derivative assets and liabilities	-1.0	-1.0	8.8	10.8		0.1		17.6
NET FINANCIAL DEBT	**2,621.1**	**451.0**	**8.8**	**10.8**	**-0.1**	**15.4**	**-0.1**	**3 106.9**

[1] other comprehensive income

The change in the item "Loans and borrowings" is mainly related to the issuing of a Green Bond by Ceetrus S.A for €300 million, the increase of financing in Luxembourg for €46 million and a new bilateral agreement with banks for €80 million.

6.2.2 Components of financial debt

Accounting principles

Financial debts mainly consist of loans and advances granted by Auchan Holding to Ceetrus and its subsidiaries, bank loans and bank overdrafts. These interest-bearing elements are initially recognised at fair value less directly attributable transaction costs.

After initial recognition, loans are recognized at amortized cost using the "effective interest rate method", which incorporates an actuarial amortization of premiums and issuing costs.

Finance lease agreements, which transfer to the Group almost all the risks and rewards of ownership of the leased asset, are recognised in the balance sheet at the beginning of the lease period at the fair value of the leased asset, or, if this is lower, at the discounted value of the minimum lease payments.

Lease expenses are divided between financial expenses and amortization of the loan. Future payments under the terms of finance lease agreements are recorded in the Group's balance sheet as financial liabilities.

Breakdown of loans and financial debts

in millions of euros	31/12/2020	31/12/2019
Bonds and private placements	357,3	358,0
Loans and borrowings with credit institutions	1 015,8	938,3
Loans and borrowings with related parties [(1)]	1 365,0	1 050,0
Other financial borrowings	1,0	3,1
Non-current loans and borrowings	**2 739,1**	**2 349,4**
Loans and borrowings with credit institutions	100,2	200,5
Loans and borrowings with related parties [(1)]	136,5	402,3
Current accounts with related parties [(1)]	440,9	315,1
Other financial borrowings	6,7	4,8
Bank overdrafts	13,7	5,6
Current loans and borrowings	**698,0**	**928,4**
GROSS FINANCIAL DEBT	**3 437,1**	**3 277,8**

[(1)] *mainly covers current accounts and advances granted by Auchan Holding*

In 2020, the Group has no new external financing.

Gross financial debt - Payment schedule by interest rate type

in millions of euros	Balance sheet value 31/12/2020	CURRENT Less than one year	NON-CURRENT From 1 to 5 years	NON-CURRENT More than 5 years
Bonds and private placements	357,3	-	57,3	300,0
Loans and borrowings with credit institutions	135,0	-	135,0	-
Loans and borrowings with related parties (1)	1,5	1,5	-	-
Other financial borrowings	7,7	6,7	1,0	-
Commercial papers	0,0	0,0	-	-
Fixed rate debt	**501,5**	**8,2**	**193,3**	**300,0**
Bonds and private placements	-	-	-	-
Loans and borrowings with credit institutions	981,0	100,2	734,8	146,0
Loans and borrowings with related parties (1)	1 500,0	135,0	1 365,0	-
Current accounts with related parties (1)	440,9	440,9	-	-
Borrowings on financial lease contracts	-	-	-	-
Other financial borrowings	-	-	-	-
Bank overdrafts	13,7	13,7	-	-
Variable rate debt	**2 935,6**	**689,8**	**2 099,8**	**146,0**
GROSS FINANCIAL DEBT	**3 437,1**	**698,0**	**2 293,1**	**446,0**

in millions of euros	Balance sheet value 31/12/2019	CURRENT Less than one year	NON-CURRENT From 1 to 5 years	NON-CURRENT More than 5 years
Bonds and private placements	358.0	-	-	358.0
Loans and borrowings with credit institutions	135.0	-	11.0	124.0
Loans and borrowings with related parties (1)	2.4	2.4	-	-
Other financial borrowings	8.0	5.9		2.1
Commercial papers	0.0	-	-	-
Fixed rate debt	**503.3**	**8.2**	**11.0**	**484.1**
Bonds and private placements	-	-	-	-
Loans and borrowings with credit institutions	1,003.8	203.4	760.3	40.1
Loans and borrowings with related parties (1)	1,450.0	400.0	824.0	226.0
Current accounts with related parties (1)	315.1	315.1	-	-
Borrowings on financial lease contracts	-	-		
Other financial borrowings	-	-	-	-
Bank overdrafts	5.6	5.6	-	-
Variable rate debt	**2,774.5**	**924.1**	**1,584.3**	**266.1**
GROSS FINANCIAL DEBT	**3,277.8**	**934.3**	**1,595.3**	**748.1**

Main characteristics of loans and financial debts

Borrowing company	Date of issue	Maturity date	Rate	Type	Amount at the start	Nominal value 31/12/2019	Nominal value 31/12/2020
Ceetrus SA	Dec-18	Dec-25	3.000%	Euro PP	60,0	60,0	60,0
Ceetrus S.A	Nov.-19	Nov.-26	2.750%	Greenbond	300,0	300,0	300,0
Bonds and private placements					**60.0**	**60.0**	**360.0**
Gallerie Commerciali Sardegna	Dec-16	Dec-21	Euribor + Margin	Loan	118,0	102,8	97,2
SCI Petit Menin	Sept-16	Sept-23	Euribor + Margin	Loan	60,0	46,1	46,1
LCO1	Nov-18	Nov-26	Euribor + Margin	Loan	168,0	166,7	165,9
Ceetrus SA	Jul-18	Jul-23	Euribor + Margin	Loan	500,0	500,0	500,0
Ceetrus SA	Jun-19	Jun-22	Euribor + Margin	Loan	80,0	80,0	80,0
Ceetrus Russia	Jun-19	Jun-24	Key Rate + Margin	Credit line	21,4	21,4	16,4
Coresi Business Park	Jul-19	Jun-24	Euribor + Margin	Loan	31,0	29,8	29,2
Glorirequinte, Brafero, Multi 25, Forum Montijo	Dec-18	Dec-25	2.350%	Loan	135,0	135,0	135,0
Glorirequinte, Brafero, Multi 25, Forum Montijo	Dec-18	Dec-25	Euribor + Margin	Loan	45,0	45,0	45,0
Other							2,2
Loans and borrowings with credit institutions					**1 170.5**	**1 134.3**	**1 134,5**

The maturity dates correspond to the maturity dates of the loans and credit lines. Draws on credit lines are generally made over a period of 3 months and are renewed.

Maturity	Borrowing company	Nominal value 31/12/2019	Nominal value 31/12/2020
less than 1 year	Holding	400,0	135,0
	France	-	-
	Western Europe excl. France	-	-
	Central and Eastern Europe	-	-
1 year and +	Holding	1 050,0	1 365,0
	France	-	-
	Western Europe excl. France	-	-
	Central and Eastern Europe	-	-
Loans and borrowings with related parties		**1 450.0**	**1 500,0**

Loans and financial debts from related parties bear interest based on the currency concerned plus a margin between 0.50% and 1.21%.

Cash and cash equivalents

Accounting principles

Cash and cash equivalents include cash, current bank accounts, deposits and UCITS with maturities of 3 months or less from the date of acquisition which are subject to an insignificant risk of value change and that are used by the Group in the management of short-term commitments.

In accordance with IFRS 9, UCITS are booked at fair value through the income statement to the extent that their contractual terms give rise to cash flows that are not solely reflective of repayments of the principal and interest payments on the principal.

in millions of euros	31/12/2020	31/12/2019
Marketable securities, term deposits	3,3	1,6
Cash	194,2	144,7
CASH AND CASH EQUIVALENTS	**197,6**	**146,3**
Bank overdrafts	13,7	5,6
NET CASH	**183,9**	**140,7**

6.3 FINANCIAL RISK MANAGEMENT AND DERIVATIVES

Accounting principles

The Group has adopted the new IFRS 9 hedge accounting model which requires it to ensure that its hedging relationships are consistent with its objectives and risk management strategy, and to adopt a more qualitative approach to assessing its hedging.

In the case of cash flow hedging and net investment hedging relationships, derivatives are measured and booked at fair value on the balance sheet and their changes are recorded in shareholders' equity.

Hedge accounting is applicable if the following three criteria are met:

1. the hedging instruments and the hedged elements constituting the hedging relationship are all eligible for this relationship;
2. a formal designation and structured documentation of the hedging relationship, as well as the objective and strategy of setting up the hedge, are formally established at the start of the hedging relationship;
3. the hedging relationship meets all of the following effectiveness criteria:

- there is an economic link between the hedged item and the hedging instrument;
- the effect of credit risk is not the dominant factor in the value changes that result from this economic relationship; and
- the hedging ratio between the hedged item and the hedging instrument is appropriate

Most of the derivatives used by Ceetrus are eligible for hedge accounting.

For derivatives eligible for hedge accounting, recognition as hedging instruments reduces the volatility of the income related to the change in value of the derivatives concerned.

There are 3 models of hedge accounting according to IFRS 9: the fair value hedge, the cash flow hedge and the net investment hedge.

- For derivatives documented as hedges of assets or liabilities recorded in the balance sheet (fair value hedge), hedge accounting allows the recognition in the income statement of the change in the fair value of the derivative; this is offset by the impact of the change in fair value of the hedged item as a result of the hedged risk. These two valuations offset each other in the same columns in the income statement and neutralise each other perfectly if the hedging is totally effective.
- For derivatives that are documented as highly probable cash flow hedges, changes in the value of the derivative are recognised in "Other comprehensive income" (cash flow hedge reserve) for the effective part of the hedge. These reserves are recycled in the income statement when the hedged transaction impacts the result or are included in the non-financial asset or liability when this is recognised in the balance sheet. Changes in value of the portion deemed ineffective are booked in the income statement.
- For derivatives documented as net investment hedges, the change in value of the hedging instruments is recorded in “Other comprehensive income”, the objective of these hedges being to neutralise the change in the value in euros of a part of the net assets of subsidiaries in foreign currencies.

Most of the derivatives used by Ceetrus are eligible for hedge accounting. For derivatives documented as cash flow hedges, changes in the value of the derivative are recorded in "Other comprehensive income" for the effective part. These reserves can be reclassified to the income statement symmetrically to the hedged item. Changes in value corresponding to the ineffective part of the hedging relationship are booked through the income statement within changes in value of financial instruments.

For derivative financial instruments that are not documented as hedge accounting instruments, changes in fair value are booked in financial result as changes in the value of financial instruments, excluding the cost of net debt.

Derivatives whose maturity is greater than one year are presented in the balance sheet as non-current assets or liabilities. Other derivatives are classified as current assets or liabilities. For derivatives, the accounting date is the transaction date.

Derivatives: fair value

in millions of euros	Fair value 31/12/19	Acquisitions/Subscriptions	Change in the scope of consolidation	Fair value change through P&L	Fair value change through OCI [1]	Other / Reclassification	Fair value 31/12/2020
Interest Rate Swaps - Payer	-15,7			-	-14,5		-30,2
Swaptions	0,0			-	-		0,0
CAP	0,1			-0,5	0,5		0,1
Tunnels							-
Currency Swaps	-						-
Instruments qualified for hedge accounting	**-15,6**	**-**	**-**	**-0,5**	**-14,0**	**-**	**-30,1**
Interest Rate Swaps - Payer	-			-1,3			-1,3
Swaptions	-						-
CAP	-						-
Tunnels	0,0			-0,1			-0,1
Currency Swaps	-2,0			7,3			5,3
Instruments not qualified for hedge accounting	**-2,0**	**-**	**-**	**5,9**	**-**	**-**	**3,9**
TOTAL DERIVATIVES	**-17,6**	**-**	**-**	**5,4**	**-14,0**	**-**	**-26,1**

[1] *other comprehensive income*

Derivatives: notional amounts by maturity

Portfolio breakdown as of December 31st, 2020 - Interest rate risk hedging

in millions of euros	Less than one year	From 1 to 5 years	More than 5 years	TOTAL
Interest Rate Swaps - Payer	97,2	1 061,0	776,0	1 934,2
Swaptions	-	-	-	-
CAP	-	400,0	-	400,0
Tunnels	-	-	-	-
Instruments qualified for hedge accounting	**97,2**	**1 461,0**	**776,0**	**2 334,2**
Interest Rate Swaps - Payer	-	72,6	-	72,6
Swaptions	-	-	-	-
CAP	-	-	-	-
Tunnels	21,9	-	-	21,9
Instruments not qualified for hedge accounting	**21,9**	**72,6**	**-**	**94,5**
TOTAL DERIVATIVES	**119,1**	**1 533,6**	**776,0**	**2 428,7**

The table below includes derivatives with a starting date "forward" for a nominal value of €650 million.

Portfolio breakdown as of December 31st, 2019 - Interest rate risk hedging

in millions of euros	Less than one year	From 1 to 5 years	More than 5 years	TOTAL
Interest Rate Swaps - Payer	-	1 163,8	376,0	1 539,8
Swaptions	300,0	-	-	300,0
CAP	514,5	250,0	-	764,5
Tunnels	-	-	-	-
Instruments qualified for hedge accounting	**814,5**	**1 413,8**	**376,0**	**2 604,3**
Interest Rate Swaps - Payer	-	-	-	-
Swaptions	-	-	-	-
CAP	-	-	-	-
Tunnels	-	28,6	-	28,6
Instruments not qualified for hedge accounting	**-**	**28,6**	**-**	**28,6**
TOTAL DERIVATIVES	**814,5**	**1 442,4**	**376,0**	**2 632,9**

Portfolio detail on December 31st, 2020 - Foreign exchange risk hedging

On December 31st, 2020

in millions of euros	HUF	PLN	RON	RUB	USD
Intercompany financing	36,3	92,4	96,5	68,5	-
Gross balance sheet exposure	**36,3**	**92,4**	**96,5**	**68,5**	**-**
Currency swaps	(36,3)	(92,4)	(96,5)	(68,5)	-
NET EXPOSURE	-	-	-	-	-

On December 31st, 2019

in millions of euros	HUF	PLN	RON	RUB	USD
Intercompany financing	52,9	127,1	85,7	60,0	-
Gross balance sheet exposure	**52,9**	**127,1**	**85,7**	**60,0**	**-**
Currency swaps	(52,9)	(127,1)	(85,7)	(60,0)	-
NET EXPOSURE	-	-	-	-	-

6.4 FINANCIAL RISK MANAGEMENT

Ceetrus and the companies in the scope of consolidation are exposed to liquidity, interest rate, credit and currency risks during the normal course of their business.

They use derivative financial instruments to mitigate these risks. The Group has set up an organisation to manage these risks centrally.

On 30 June 2020, these derivatives are recorded on the balance sheet at market value in current and non-current assets and liabilities. Market risk management is controlled and monitored by a specialised committee that meets at least twice a year. General Management is represented in this body, which is responsible for assessing compliance with the hedging policy and therefore the level of the hedges put in place, their adequacy to the underlying financial instruments and the quality of the various counterparties.

6.4.1 Liquidity risk

The Group's policy is to permanently dispose of sufficient medium and long-term financing while having a significant margin for manoeuvre. During this financial year, the Group continued to access liquidity under favourable conditions, while benefiting from financing granted by Auchan Holding.

Covenants and financial ratios

Loans contracted by Ceetrus may be subject to covenants based on financial ratios, the main ones of which are presented below. In particular, the LTV ratio (Loan to Value) expresses the ratio of net financial debt to the fair value of investment properties. The hedging ratio of financial expenses expresses the ratio of EBITDA to the cost of financial debt. Generally, the contracts subscribed to also include a limitation of the securities granted to other lenders. Depending on the case, these ratios can be assessed differently at Group level, at the level of the company that contracts the loan or at the level of the investment properties. The ratios presented below are respected as of 30 June 2020.

In addition, certain financing lines may include a change of control clause, which may entail a repayment obligation in the event of Auchan Holding's loss of control of Ceetrus. Generally, the contracts have crossed default clauses.

		Covenants	31/12/2020
Bank LTV	Maximum	< 50%	Respected
ICR	Minimum	>2	Respected
Debts guaranteed by real securities	Maximum	< 20%	Respected

Establishment of covenants from 2018

Exposure to liquidity risk

The remaining maturities of the financial liabilities are analysed as follows (including interest payments).

in millions of euros	Balance sheet value 31/12/2020	Expected cash flow			
		Total	< 1 an	1 à 5 ans	> 5 ans
Bonds and private placements	357,3	417,8	10,1	100,2	307,6
Loans and borrowings with credit institutions	1 116,0	1 173,4	119,4	905,5	148,5
Loans and borrowings with related parties	1 501,5	1 557,8	152,9	1 404,9	-
Current accounts with related parties	440,9	440,9	440,9	-	-
Lease liabilities	2,0	2,0	2,0	-	-
Other financial borrowings	5,7	5,7	5,7	-	-
Bank overdrafts	13,7	13,7	13,7	-	-
Trade payables	137,6	137,6	137,6	-	-
Current tax debts	4,1	4,1	4,1	-	-
TOTAL FINANCIAL LIABILITIES: EXCLUDING DERIVATIVES	**3 578,9**	**3 753,0**	**886,4**	**2 410,6**	**456,0**
Current derivatives	0,7	0,7	0,7	-	-
Non-current derivatives	33,6	33,6	9,8	20,6	3,2
TOTAL FINANCIAL LIABILITIES: DERIVATIVES	**34,3**	**34,3**	**10,5**	**20,6**	**3,2**

6.4.2 Interest rate risk

The resulting changes in financial markets and interest rates expose the Group to a possible increase in the cost of financing and refinancing.

In this context, the Group applies a policy of prudent management of its debt by maintaining a limited exposure to interest rate risk. This management involves the subscription of interest rate derivatives whose sole purpose is to reduce the Group's exposure to interest rate fluctuations on its debt with a strict objective of hedging (notwithstanding the possibility that certain transactions, particularly macro-hedges, are not eligible for hedge accounting as defined by IFRS). As part of this management, the Group may use different types of instruments, including swaps, caps or swaptions.

The Group determines the existence of an economic link between the hedging instrument and the hedged instrument according to the reference interest rates, the durations for which they are established, the dates of determination, the maturity date, as well as notional or nominal amounts. It uses a hypothetical derivative to determine whether the designated derivative in each hedging relationship is expected to be effective in offsetting changes in the cash flows of the hedged item.

The main sources of inefficiency in these hedging relationships are:

- The effect of the credit risk of the counterparty and the Group on the fair value of the swaps, which is not reflected in the change in fair value of the hedged cash flows attributable to changes in interest rates; and
- Differences in repricing dates between swaps and loans.

in millions of euros	31/12/2020	31/12/2019
Financial assets		
Fixed rate	197,6	146,3
Floating rate	24,9	42,1
Financial liabilities		
Fixed rate	(501,6)	(503,3)
Floating rate	(2 935,6)	(2 774,5)
NET EXPOSURE BEFORE HEDGING		
FIXED RATE	(304,0)	(357,0)
FLOATING RATE	(2 910,7)	(2 732,4)
Interest rate hedging instruments		
Fixed rate	-	-
Floating rate	(1 778,7)	(1 867,9)
NET EXPOSURE AFTER HEDGING		
FIXED RATE	(304,0)	(357,0)
FLOATING RATE	(1 132,0)	(864,5)

Sensitivity analysis

The cash flow sensitivity analysis for variable rate instruments was determined taking into account all variable flows of non-derivative instruments and derivative instruments. The analysis is prepared on the assumption that the amount of financial debts and derivatives on 30 June remains constant over a year. For the purposes of this analysis, all other variables, especially exchange rates, are assumed to remain constant. Ceetrus has modified the curve of the Euro and other currencies at -1.0%/+1.0%.

Impact on the profit and loss and shareholders' equity

A 1.0% rise in the interest rate curve would result in:

On the basis of the financial position on 31 December 2020, a decrease in the cost of debt of €22.9 million until the maturity of the loans, including €8.5 million until 31 December 2021. Shareholders' equity would be impacted upwards by €62,1 million.

A 1.0% drop in the interest rate curve would result in:

On the basis of the financial position on 31 December 2020, an increase in the cost of debt of €56,1 million until the maturity of the loans, including €6.1 million until 31 December 2021. Shareholders' equity would be impacted downwards by €54,8 million.

6.4.3 Credit risk

For Ceetrus and its subsidiaries, credit risk or counterparty risk mainly concerns cash and cash equivalents of the banking institutions at which these cash resources are invested. This may also concern the financial instruments subscribed, when the trading conditions lead these institutions to pay flows to Ceetrus or its subsidiaries. Lastly, the Group is exposed to the risk of default by its lessees.

Regarding investments, with some exceptions, the policy of Ceetrus and companies in the scope of consolidation is to place surpluses with authorised counterparties in amounts and decided by the Financial Committee, according to a score sheet. The Group only uses banks considered to be robust, giving preference to institutions with a minimum rating of A-.

In the same way, Ceetrus only works with a list of banks authorised by the Group's Management in relation to financing and interest rate and exchange rate derivative operations. Wherever possible, signed contracts provide for the termination of transactions and the application of a cleared net balance in the event of a change in the initial contractual balance, including the default of the counterparty. In addition, the Group ensures that risk is sufficiently dispersed by working with several leading banking institutions.

The fair value measurement of derivatives carried by Ceetrus and the companies in the scope of consolidation includes a "counterparty risk" component and a "clean credit risk" component for derivatives. The credit risk measurement is determined using standard mathematical models for market participants, taking into account, in particular, historical statistical data. Over the periods presented, the adjustments booked for counterparty risk and own credit risk are not material.

As mentioned elsewhere, trade receivables and other receivables mainly correspond to receivables with regard to lessees. The Group has procedures to ensure the credit quality of clients and third parties before signing contracts with them. The Group believes that it is not significantly exposed to the concentration of credit risk among its lessees, given a diversified exposure across countries and clients. Impairment losses on receivables are generally estimated on an individual basis. Losses on leases are historically low, since the existence of deposits ensures proper management of any outstanding payments. The risk related to the rent recovery is followed up with specific caution this year due to the health crisis linked to Covid-19.

6.4.4 Exchange rate risk

The entity made up of Ceetrus and its subsidiaries is exposed to exchange rate risk on internal and external financing denominated in a currency other than the Euro (balance sheet exchange rate) as well as on the value of property assets and lease income of its subsidiaries in currencies. The hedged currencies are the Hungarian forint, the Polish zloty, the Romanian leu, the US dollar and the Russian rouble. Although these transactions are carried out for hedging purposes, they are not documented in the hedge as a natural compensation is recognised in profit and loss by the symmetrical effect of the revaluation of derivatives and intra-group financing.

In addition, given the organisation of the Group, the subsidiaries are instructed to pay the expenses incurred using revenues generated in the corresponding currency to limit volatility effects and exposure to the currency concerned.

6.5 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Hierarchy of fair values

Financial assets and liabilities are treated and presented in the financial statements in accordance with IAS 39, IAS 32, IFRS 7, IFRS 13 and IFRS9.

IFRS 13 defines fair value levels and distinguishes 3 categories based on valuation methods.

Level 1: financial instruments quoted in an active market

Level 2: financial instruments measured at fair value using valuation techniques based on observable market parameters

Level 3: financial instruments of which all or part of the fair value is not based on observable parameters.

The carrying amount of trade receivables, trade payables and other current assets and liabilities is considered a reasonable approximation of their fair value given their short-term nature.

The following tables present the financial assets and liabilities booked at fair value by fair value levels as defined by the applicable IFRS standard:

in millions of euros	**IFRS 9 category**	**Carrying amount/Fair Value 31/12/2020**	**Level 1**	**Level 2**	**Level 3**
CURRENT AND NON-CURRENT ASSETS					
Receivables	Amortized cost	168,7		168,7	
Derivatives	Fair value through P&L or OCI[1]	8,2		8,2	
Other financial assets	Fair value through OCI[1]	103,9		103,9	
Other financial assets	Amortized cost	301,1		301,1	
Cash equivalents	Fair value through P&L	197,6		197,6	
CURRENT AND NON-CURRENT LIABILITIES					
Bonds and private placements	Amortized cost	357,3		357,3	
Loans and debts with credit institutions	Amortized cost	1 116,0		1 116,0	
Loans, debts and current accounts with related parties	Amortized cost	1 942,4		1 942,4	
Derivatives	Fair value through P&L or OCI[1]	34,3		34,3	
Trade payables	Amortized cost	137,6		137,6	
Other financial debts	Amortized cost	7,7		7,7	
Bank overdrafts	Amortized cost	13,7		13,7	

[1] Other comprehensive income

in millions of euros	**IFRS 9 category**	**Carrying amount/Fair Value 31/12/2019**	**Level 1**	**Level 2**	**Level 3**
CURRENT AND NON-CURRENT ASSETS					
Receivables	Amortized cost	179,0		179,0	
Derivatives	Fair value through P&L or OCI[1]	7,1		7,1	
Other financial assets	Fair value through OCI[1]	132,5		132,5	
Other financial assets	Amortized cost	266,7		266,7	
Cash equivalents	Fair value through P&L	146,3		146,3	
CURRENT AND NON-CURRENT LIABILITIES					
Bonds and private placements	Amortized cost	358,0		358,0	
Loans and debts with credit institutions	Amortized cost	1 138,8		1 138,8	
Loans, debts and current accounts with related parties	Amortized cost	1 767,4		1 767,4	
Derivatives	Fair value through P&L or OCI[1]	24,6		24,6	
Trade payables	Amortized cost	144,9		144,9	
Other financial debts	Amortized cost	8,0		8,0	
Bank overdrafts	Amortized cost	5,6		5,6	

NOTE 7 - OTHER BALANCE SHEET ITEMS

7.1 CLIENT RECEIVABLES AND OTHER RECEIVABLES

Accounting principles

Client receivables and other receivables are valued at their nominal value (considered to be a reasonable approximation of their fair value and amortized cost) less any impairment calculated in accordance with the terms of IFRS 9, in accordance with a model of expected losses.

In the context of accounting property development contracts using the percentage-of-completion method, contract assets are booked when the revenues booked on a percentage-of-completion basis exceed the amount invoiced or which the Group is entitled to invoice. Contract liabilities are booked when the invoiced amount or that which the Group has the right to invoice is higher than the revenue booked on a percentage-of-completion basis.

in millions of euros	31/12/2019	Changes during the year	Changes in scope	Other changes	31/12/2020
Gross value	214,4	19,5	0,0	-1,2	232,7
Impairment	35,4	28,9	0,0	-0,3	64,0
NET VALUE	**179,0**	**-9,4**	**0,0**	**-0,9**	**168,7**

in millions of euros	31/12/2018	Changes during the year	Changes in scope	Other changes	31/12/2019
Gross value	175,6	38,9	0,0	-0,1	214,4
Impairment	37,0	-1,6	0,0	0,1	35,4
NET VALUE	**138,6**	**40,5**	**0,0**	**-0,1**	**179,0**

7.2 OTHER FINANCIAL ASSETS

in millions of euros **Asset balance sheet item**	**IFRS 9 category**	31/12/2019	Changes during the year	Changes in scope	Other changes	31/12/2020
Equity and other securities	Non-consolidated securities at fair value	135,8	-0,5	0,0	-29,6	105,7
Loans and receivables issued by the company	Amortized cost	133,1	42,2	0,0	-0,6	174,7
NON-CURRENT FINANCIAL ASSETS		**268,9**	**268,9**	**41,7**	**0,0**	**-30,2**
Current financial receivables	Amortized cost	88,2	12,2	0,0	-0,7	99,8
Short-term loans and receivables issued by the company	Amortized cost	42,1	-2,2	0,0	-15,0	24,9
CURRENT FINANCIAL ASSETS		**130,3**	**130,3**	**10,0**	**0,0**	**-15,7**

in millions of euros **Asset balance sheet item**	**IFRS 9 category**	31/12/2018	Changes during the year	Changes in scope	Other changes	31/12/2019
Equity and other securities	Non-consolidated securities at fair value	136,3	-0,6	0,0	0,1	135,8
Loans and receivables issued by the company	Amortized cost	38,1	94,6	0,0	0,4	133,1
NON-CURRENT FINANCIAL ASSETS		**268,9**	**174,4**	**94,0**	**0,0**	**0,5**
Current financial receivables	Amortized cost	33,5	1,7	0,0	53,0	88,2
Short-term loans and receivables issued by the company	Amortized cost	73,5	1,3	0,0	-32,7	42,1
CURRENT FINANCIAL ASSETS		**130,3**	**107,0**	**3,0**	**0,0**	**20,3**

7.3 LEASE LIABILITIES

Accounting principles

In application of IFRS 16, the Group recognizes a lease liability at the commencement date of the lease.

The lease liability is initially measured at the discounted value of the rents that are due, but not yet paid at the commencement date. For discounting purposes, the Group uses the incremental borrowing rate that would be obtained for a duration equivalent to that of the estimated rental period.

The lease liability is then increased by the interest expense minus the rent amounts paid.

The lease liability is revalued in the event of a change in future rents resulting from a change in indexation or discount rate or if the Group changes its assessment of the rental period in case of a significant event, in accordance with IFRS 16.

When the lease liability is revalued, an adjustment is made to the carrying amount of the right-of-use asset or the adjustment is recognized in the income statement if the amount of the right-of-use asset has been reduced to zero.

in millions of euros	31/12/2019	Changes during the year	Changes in the scope of consolidation	Other changes	Exchange rate differences	31/12/2020
Non-current lease liabilities	135,5	2,7	0,0	-16,8	-3,4	118,0
Current lease liabilities	19,2	-17,7	0,0	16,8	-0,2	18,2
LEASE LIABILITIES	**154,8**	**-15,0**	**0,0**	**0,0**	**-3,6**	**136,2**

in millions of euros	31/12/2018	Changes during the year	Changes in the scope of consolidation	Other changes	Exchange rate differences	31/12/2019
Non-current lease liabilities	0,0	21,2	0,0	113,6	0,7	135,5
Current lease liabilities	0,0	-12,6	0,0	31,8	0,0	19,2
LEASE LIABILITIES	**0,0**	**8,6**	**0,0**	**145,4**	**0,7**	**154,8**

7.4 TAX LIABILITIES

in millions of euros	31/12/2019	Changes during the year	Changes in scope	Other changes	Exchange rate differences	31/12/2020
Tax liabilities	32,5	-28,2	0,0	-0,1	0,0	4,1
NET VALUE	**32,5**	**-28,2**	**0,0**	**-0,1**	**0,0**	**4,1**

in millions of euros	31/12/2018	Changes during the year	Changes in scope	Other changes	Exchange rate differences	31/12/2019
Tax liabilities	10,6	21,2	0,0	0,7	0,0	32.5
NET VALUE	**10,6**	**21,2**	**0,0**	**0,7**	**0,0**	**32.5**

7.5 TRADE PAYABLES

in millions of euros	31/12/2019	Changes during the year	Changes in scope	Other changes	Exchange rate differences	31/12/2020
Trade payables	144,9	-0,5	0,0	0,2	-7,0	137,6
NET VALUE	**144,9**	**-0,5**	**0,0**	**0,2**	**-7,0**	**137,6**

in millions of euros	31/12/2018	Changes during the year	Changes in scope	Other changes	Exchange rate differences	31/12/2019
Trade payables	153.1	-8.2	-2.6	0.0	2.7	144.9
NET VALUE	**153.1**	**-8.2**	**-2.6**	**0.0**	**2.7**	**144.9**

NOTE 8 - GROSS OPERATING INCOME

8.1 NET RENTAL INCOME

Accounting principles

IFRS 16 "Leases" replaces IAS 17 from 1 January 2019. The standard has no significant impact on the treatment of lease contracts by the lessor.

Leases in which the Group is a lessor correspond to operating leases in accordance with IFRS 16. The leasing of investment properties held by the Group generates leasing revenues; the invoiced amounts are booked on a straight-line basis over the lease term.

Net rental income

Net rental income corresponds to the difference between gross rental income and related expenses. These expenses directly attributable to the assets include property taxes and leasing expenses not re-invoiced to lessees, as well as expenses on buildings that are not recoverable by nature. These expenses do not include expenses booked by the Group as "Other general expenses" and "Payroll expenses". On the other hand, they include lease expenses or fees for investment properties for which the group does not own the land or the building.

Treatment of rent-free periods, step rents and other rent incentives

In application of IFRS 16, rent-free periods, step rents and other lease incentives granted to lessees are spread in a linear basis. The reference period used for the spreading is the first firm period of the lease plus reasonably certain renewal periods.

Key money

In accordance with IFRS 16, the financial consequences of all the provisions defined in a lease contract are spread, from the availability of the premises, over the fixed term of the lease taking into account reasonably certain renewals. This is the case with any key money payments collected.

Minimum guaranteed rent and variable rent

In some leases, the rent corresponds to a percentage of the turnover realized by the lessee. The rate applied differs according to the activity and results from negotiations between the lessee and the lessor. This rent cannot generally be less than a minimum guaranteed rent. The accounting rules do not differ from those of fixed rents.

Assets received as collateral

Entities within the scope of consolidation receive security deposits for real estate properties that they lease. The historical value of these deposits is a good estimate of the fair value and subsequent amortized cost of the security deposits. It is kept by the lessor until the departure of the lessee.

Non-recovered rental expenses

According to IFRS 15, revenue is recognized when control of goods or services is transferred to a client for the amount that the company expects to receive. Since rental income is excluded from the scope of IFRS 15, only rental charges re-invoiced to lessees and income from management, administration and other activities are recognized in accordance with IFRS 15.

The Group acts on its own account as the owner of the building (and not as an agent) and reinvoices charges to lessees based on the contractual clauses of commercial leases. The Group is identified responsible to provide services and is able to determine the price of the services provided. Consequently, the income and expenses related to the re-invoicing of rental expenses are presented on separate lines of the income statement.

Detail of non-recovered rental expenses

in millions of euros	31/12/2020	31/12/2019
Service charge income	130,5	129,2
Service charge expense	-156,3	-148,5
NON-RECOVERED RENTAL EXPENSES	**-25,8**	**-19,2**

8.2 REVENUES FROM ADMINISTRATIVE MANAGEMENT AND OTHER ACTIVITIES

These revenues essentially include the fees related to the services provided under property management contracts. They can also, at the margin, represent turnover on divers other activities, drawn, for example, from the developing digital activities or catering at some shopping centres. Revenue from services is booked in the period during which the service is provided.

8.3 OTHER GENERAL EXPENSES

Structural costs consist mainly of head office costs, operating expenses of the company and maintenance expenses and costs related to non-capitalized projects.

NOTE 9 - INCOME TAXES

9.1 CURRENT TAX EXPENSE

The current tax expense is determined on the basis of the applicable provisions (and in particular the approved or quasi-approved tax rates) in each country where the Group's subsidiaries are established for the period to which the results relate to.

9.2 TAX ASSETS AND LIABILITIES

Accounting principles

Deferred taxes are booked in order to record the tax on all temporary differences between the tax base of assets and liabilities and their carrying amount, with the exception of temporary differences related to the initial recognition of non-tax-deductible *goodwill*, the initial recognition of an asset or liability outside business combinations that does not affect either accounting profit or taxable profit, and stakes in subsidiaries, joint ventures or associates insofar as the group is able to control the reversal date of the temporary differences and it is likely that they will not be reversed in the foreseeable future.

Current and deferred taxes are calculated at the tax rates adopted or virtually adopted at the closing date of the consolidated accounts. They are booked in the income statement unless they relate to business combinations, elements booked directly in shareholders' equity or in other comprehensive income.

Deferred tax assets and liabilities are offset when an enforceable legal right of compensation exists and when these fall under the same tax authority. They are not discounted and are classified in the balance sheet as non-current assets and liabilities. Tax losses and other temporary differences give rise to the recognition of a deferred tax asset only when their allocation to future tax benefits is likely within a reasonable period taking into account the reversal of taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rate expected to apply in the period in which the asset is realized and the liability settled. The valuation of the deferred tax must reflect the tax consequences that would result from the way the Group expects, on the closing date, to collect or settle the carrying amount of its assets and liabilities. For these purposes, the assumption that the carrying amount of investment properties measured at fair value will be settled through a sale has not been refuted.

CVAE [Contribution on the Added Value of Companies] and CFE [Companies' Real Estate Tax]

Examination of the accounting treatment of this tax in France under IFRS leads to separate recognition of these two contributions:

- the CFE, the amount of which depends on property rental values, is booked in operating expenses;
- in accordance with IAS 12, the CVAE has been classified as an income tax and is booked as such. This also leads to deferred taxes being booked in relation to temporary differences. The deferred tax expense is presented on the line "Tax expense". In addition, the total amount of the current and deferred expense related to the CVAE is presented on this same line.

A deferred tax liability is recorded on the basis of the net value of the depreciable assets of the entities subject to CVAE, the impairment allowances not being allowed as a deduction from the added value on which the CVAE is based.

Acquisitions of fixed assets made outside of business combinations benefit, as of 2010, from the exemption provided for by IAS 12 for the initial recognition of a deferred tax asset or liability. In addition, a deferred tax asset is booked on impairment of current assets.

Non recognised deferred taxes

Deferred tax assets for €74.2 million on 31 December 2020 (€60.5 million on 31 December 2019) relating to tax loss carry-forwards, tax credits and other temporary differences are not booked because their recovery is not deemed probable under the terms of IAS 12.

in millions of euros	31/12/2019	Recorded through P&L	Recorded through OCI	Reclassifications and others [(1)]	Changes in scope	31/12/2020
Fixed assets	1 105,0	-151,4	0,0	-10,1	0,0	943,4
Tax losses carried forward	-8,9	-13,1	0,0	2,3	0,0	-19,7
Other	-10,0	-12,8	-8,8	0,3	0,0	-31,3
DEFERRED TAX ASSETS/LIABILITIES	**1 086,1**	**-177,2**	**-8,8**	**-7,5**	**0,0**	**892,7**

[(1)] *including translation differences*

9.3 INCOME TAX EXPENSES

in millions of euros	31/12/2020	31/12/2019
Expenses/Income		
Current tax	-37,7	-81,3
Adjustments to current taxes and tax adjustments related to previous years	3,3	-3,2
Current tax on other operating income and expenses	0,6	-8,7
Current tax	**-33,8**	**-93,3**
Variation of temporary differences	169,9	-11,3
Impact of rate changes	-5,9	-1,0
Deferred tax on losses carried forward	6,7	3,9
Deferred tax on other operating income and expenses	6,5	-2,1
Deferred tax	**177,2**	**-10,5**
TAX EXPENSES	**143,4**	**-103,7**

Effective tax rate (TEI)

The difference between the level of tax resulting from the application of the theoretical tax rate in France and the amount of tax actually recorded during the year is broken down as follows:

in millions of euros	31/12/2020	TEI 31/12/2020	31/12/2019	TEI 31/12/2019
Net result of companies before tax	-732,2		292,2	
Theoretical rate (current French rate)	*32,02%*		*34,43%*	
Theoretical tax expenses	**-234,5**	**32,02%**	**100,83**	**34,43%**
Difference of rates between parent companies and subsidiaries	19,2	-2,63%	-9,5	-3,24%
Difference of deferred tax rate at opening	1,8	-0,25%	4,1	1,41%
Tax reduction, tax credits and taxes at reduced rates	0,0	0,00%	-0,5	-0,18%
Non-recognised tax losses in the financial year	15,7	-2,15%	10,4	3,54%
Use of non-recognised losses carried forwards	-2,6	0,35%	-3,4	-1,15%
Activation of previous losses	0,0	0,00%	0,0	0,00%
Tax adjustments and adjustments of previous years	0,6	-0,08%	-0,5	-0,18%
Contribution on the added value of companies (CVAE)	0,9	-0,12%	2,0	0,69%
Permanent differences/Non-booked deferred taxes	55,4	-7,56%	0,3	0,10%
Actual tax expense	**-143,4**	**19,58%**	**103,7**	**35,42%**
TAX EXPENSES	**-143,4**	**19,58%**	**103,7**	**35,42%**

NOTE 10 - PROVISIONS AND CONTINGENT LIABILITIES

10.1 PROVISIONS

Accounting principles

In accordance with IAS 37, provisions are booked when, at the end of the financial year, Ceetrus SA or one of its subsidiaries has an obligation with respect to a third party that results from a past event and for which it is probable or certain that it will cause an outflow of resources for the benefit of this third party, representative of economic benefits and the amount of which can be reliably estimated. This obligation may be legal, regulatory or contractual. These provisions are estimated according to their type taking into account the most probable assumptions.

Provisions in the normal business cycle and the share of other provisions at less than one year are classified as current liabilities. Provisions that do not meet these criteria are classified as non-current liabilities.

10.1.1 Non-current provisions

in millions of euros	Provisions for litigation	Provisions for employee benefits	Other provisions	TOTAL
TOTAL AT 31/12/2018	**1,1**	**2,7**	**0,6**	**4,4**
Provisions	0,0	1,4	0,0	1,4
Reversals of used provisions	0,0	-0,1	0,0	-0,1
Reversals of non-used provisions	0,0	0,0	0,0	0,0
Actuarial differences booked through other comprehensive income	0,0	0,0	0,0	0,0
Reclassifications and other changes [1]	0,2	-0,3	0,0	-0,2
TOTAL AT 31/12/2019	**1,1**	**4,2**	**0,4**	**5,6**
Provisions	0,0	1,5	0,0	1,5
Reversals of used provisions	-0,8	-0,4	-0,2	-1,5
Reversals of non-used provisions	-0,1	0,0	0,0	-0,1
Actuarial differences booked through other comprehensive income	0,0	-1,8	0,0	-1,8
Reclassifications and other changes [1]	0,0	0,0	0,0	0,0
TOTAL AT 31/12/2020	**0,2**	**3,5**	**0,2**	**3,9**

[1] *including the effects of changes in scope*

10.1.2 Current provisions

in millions of euros	Provisions for litigation	Provisions for employee benefits	Other provisions	TOTAL
TOTAL AT 31/12/2018	**5,2**	**0,0**	**20,2**	**25,4**
Provisions [(1)]	1,0		1,4	2,4
Reversals of used provisions	-0,6		-1,1	-1,6
Reversals of non-used provisions	-3,5		-0,8	-4,2
Actuarial differences booked through other comprehensive income	0,0		0,0	0,0
Reclassifications and other changes [(2)]	0,8		10,9	11,7
TOTAL AT 31/12/2019	**2,9**	**0,0**	**30,7**	**33,7**
Provisions [(1)]	0,5		0,5	1,0
Reversals of used provisions	-0,6		-2,4	-3,0
Reversals of non-used provisions	-0,4		-2,4	-2,8
Actuarial differences booked through other comprehensive income	0,0		0,0	0,0
Reclassifications and other changes [(2)]	-0,2		0,8	0,6
TOTAL AT 31/12/2020	**2,2**	**0,0**	**27,1**	**29,4**

[(1)] including the effects of changes in scope
[(2)] mainly concerns the effects of changes in scope, and the cancellation of the reclassification of negative equity-accounted securities for France

10.2 CONTINGENT LIABILITIES

The companies in the scope of consolidation are involved in a number of lawsuits or litigation in the normal course of operations, including litigation with the tax authorities. The resulting expenses, deemed as probable by Ceetrus and/or its subsidiaries and their experts, have been the subject of provisions. Contingent liabilities are not booked and information in the appendix is given unless the amounts at stake can reasonably be estimated to be low. To the best of the knowledge of Ceetrus and its subsidiaries, no other exceptional event or litigation exists that is likely to significantly affect the activity, results, assets or financial position of Ceetrus and/or its subsidiaries that has not been the subject of provisions deemed necessary at the end of the financial year.

NOTE 11 - PAYROLL EXPENSES AND EMPLOYEE BENEFITS

11.1 PAYROLL EXPENSES

in millions of euros	31/12/2020	31/12/2019
Employee remuneration including social security contributions	-61,1	-62,0
Employee profit-sharing and incentives	-2,7	-4,6
CICE (Tax credit for competitiveness and employment)	0,0	0,0
Employee benefits and share-based payments	-1,5	-1,4
NET AMOUNT IN THE STATEMENT OF COMPREHENSIVE INCOME	**-65,3**	**-68,0**

Number of employees	31/12/2020	31/12/2019
France	310	318
Western Europe	266	245
Eastern Europe	285	282
Holdings and other activities	106	109
TOTAL GROUPE	**967**	**954**

The average number of employees on a "full time equivalent" basis in the Group is 967 in 2020, compared with 954 in 2019.

11.2 EMPLOYEE BENEFITS

Accounting principles

In accordance with IAS19 - *Employee benefits*, all entities within the scope of consolidation identify and record all the benefits granted to employees. Thus, Ceetrus and its subsidiaries, according to the laws and practices of each country, are involved in constituting the pensions of its employees.

Depending on country-specific rules and practices, company employees benefit from long-term or post-employment benefits.

These additional benefits take the form of either defined contribution plans or defined benefit plans.

Defined contribution plans

Defined contribution plans are characterised by periodic contributions to external bodies that provide them with administrative and financial management. These contributions are recorded as expenses when they are incurred.

Defined contributions amount to €3.0 million in 2019 (€2.9 million in 2018).

Defined benefit plans

Commitments arising from defined benefit plans are determined using the projected credit unit method. Valuations, carried out by external actuaries, take place each year for the largest plans and at regular intervals for other plans. The actuarial assumptions used to determine the commitments vary according to the specific characteristics of each company (turnover rate, salary increase) and according to the conditions prevailing in the country in which the plan is based (discount rate, inflation).

Plans can be either financed, with their assets then managed separately and independently from those of the group, or non-financed.

For non-financed defined benefit plans, the liability booked in the balance sheet corresponds to the present value of the obligations. The cost of past services, which is the change in an obligation as a result of a plan amendment or curtailment, is booked immediately as an expense on the date of the change.

For financed defined benefit plans, the shortfall or excess of the fair value of the assets over the present value of the obligations is booked as a liability or as an asset in the balance sheet. However, a surplus of assets can only be booked in the balance sheet to the extent that it represents future economic advantages that are actually available to Ceetrus and/or one of its subsidiaries. If such a surplus of assets is not available or does not represent future economic advantages, the amount of assets booked in the balance sheet is capped.

Revaluations of the net liability with regard to the benefits defined include actuarial gains and losses, the return from the plan assets (excluding the amounts included in the calculation of net interest on the net liability) and the change in the effect of the cap on assets (excluding amounts included in the calculation of net interest on net liabilities, where appropriate). In the consolidated accounts, Ceetrus books these immediately in "Other comprehensive income" and all other expenses for defined benefit plans are recorded in the income statement as payroll expenses.

The expense booked in the income statement for the defined benefit plans includes the cost of services provided during the year (booked as employee expenses), net finance cost (booked in other financial income and expenses) and the cost of past services from the year. In the consolidated accounts, Ceetrus and its subsidiaries determine the net interest expense on the net defined benefit liability for the period, applying the discount rate used at the beginning of the year to measure the net liability obligation.

Defined benefit plans mainly concern retirement benefits in France (IFC) and severance benefits in Italy (TFR).

In France, the plans are financed; the assets are managed by the AG2R La Mondiale Group, a French insurance mutual, rated A-. AG2R La Mondiale has set up a dual system to protect its customers from counterparty risk. Firstly, by isolating the retirement part in Arial Assurance, a dedicated insurance subsidiary, and, secondly, by granting Arial Assurance the collateral of the securities held within the general assets of La Mondiale to the level of the commitments.

The commitments of companies included in the scope of consolidation in Italy mainly concern legal end-of-career indemnities, known as "TFR" (Trattemento di Fine Rapporto). This plan was the subject of a major reform in 2007: since that date, the employer has been obliged to pay a releasing contribution to an independent pension fund; the commitment that remains for Ceetrus' subsidiaries in Italy therefore only concerns rights acquired before that date.

Provisions (non-current and current) for employee benefits amount to €4.1 million on 31 December 2019 (compared with €2.7 million on 31 December, 2018), for post-employment benefits.

The main actuarial assumptions used to estimate the obligations are as follows:

	31/12/2020		31/12/2019		31/12/2018	
Actuarial assumptions	France	Italy	France	Italy	France	Italy
Discount rate on January 1	kin	1,80 %	1,80 %	1,80 %	1,80 %	1,80 %
Discount rate on December 31	0,60 %	1,10 %	1,80 %	1,80 %	1,80 %	0,60 %
Expected salary increase rate	2,00 %	2,00 %	3,00 %	2,00 %	3,00 %	2,00 %

In France and Italy, the discount rate was defined on the basis of the main AA-rated bond benchmarks with a duration equivalent to that of existing commitments.

The salary rate increase assumptions correspond, for each country, to the sum of inflation assumptions and forecasts of individual increases. The assumption adopted at the end of 2020 is an increase in inflation of 2% in France (on 31 December 2019, 2%).

The assumptions about mortality and employee turnover take into account the economic conditions specific to each country or company within the scope of consolidation.

Sensitivity to hypotheses

Lowering the discount rate by 30 base points would increase the value of the obligation by 2,8% in France and by 4% in Italy (impact in other comprehensive income).

The change in the present value of the defined benefit obligation is as follows:

Variation (in millions of euros)	31/12/2020	31/12/2019	31/12/2018
Updated value of the obligation on January 1st	**5,8**	**5,2**	**5,0**
Financial cost	0,1	0,1	0,1
Cost of services provided	0,4	0,3	0,5
Cost of past services	1,1	1,0	2,1
Reductions liquidations	0,0	0,0	-2,1
Services paid	-0,3	-0,0	-0,0
Actuarial gains and losses	-0,9	-0,8	-0,4
Exchange rate differences	0,0	-0,0	-0,0
Other	0,0	0,0	0,1
Changes in scope	0,0	0,0	0,0
UPDATED VALUE OF THE OBLIGATION ON DECEMBER 31	**6,1**	**5,9**	**5,2**
of which financed commitments	**5,9**	**5,4**	**4,7**

The estimate of the contributions to be paid in respect of 2020 amounts to €0.198 million euros.

The change in the fair value of defined benefit plan assets is as follows:

in millions of euros	31/12/2020	31/12/2019	31/12/2018
Fair value of assets on January 1st	1,8	2,5	2,5
Expected returns on assets	0,0	0,0	0,0
Contributions paid	0,0	0,0	0,0
Services paid	0,0	0,0	0,0
Actuarial gains and losses	0,8	-0,8	-0,0
FAIR VALUE OF ASSETS ON JANUARY 1	**2,6**	**1,8**	**2,5**

The breakdown of the assets of defined benefit plans in France by broad categories is as follows:

in millions of euros	2020	2019
Assets in euros	60%	59 %
Fonds Club 3	39%	40 %
Shares	1%	1 %

Assets in euros are invested mainly in government bonds or quality issuers (83%), in international shares (10 %) as well as office real estate (7 %).

In the context of the financial management of its end-of-career indemnity contract, the Group has used asset-backed management in euros with a floor rate guarantee for general and capital assets for the Fonds Club 3, and units of share accounts valued at fair value. Gross returns attributed for 2020 have been fixed at 2.95% for euro. The expected gross floor rate for the year 2021 is 0.50%.

The reconciliation of balance sheet data with the actuarial obligation of defined benefit plans is broken down as follows:

	2020	2019		
Actuarial assumptions	TOTAL	TOTAL	Of which France	Of which Italy
Updated value of obligations	6,1	5,9	5,4	0,5
Fair value of assets	-2,6	-1,8	-1,8	0,0
Deficit / (Excess)	3,5	4,1	3,6	0,5
NET LIABILITIES RECOGNISED IN THE BALANCE SHEET	**3,5**	**4,1**	**3,6**	**0,5**

The net provision booked in the balance sheet has changed as follows:

in millions of euros	2020	2019
Provision on balance sheet on January 1st	4,2	2,7
Actuarial differences booked in other comprehensive income	-1,7	-0,1
of which actuarial differences on plan liabilities	-0,9	-0,8
of which actuarial differences on plan assets	-0,8	0,8
of which return on plan assets	0,0	-0,0
Net expenses	1,6	1,4
Contributions paid	0,0	0,0
Services paid	-0,3	-0,0
Other	-0,3	0,1
Changes in the scope of consolidation	0,0	0,0
BALANCE SHEET PROVISION ON DECEMBER 31 2019	**3,5**	**4,2**

Expenses booked as defined benefit plans are broken down as follows:

in millions of euros	2020	2019
Cost of services provided	0,4	0,3
Net financial cost	0,1	0,1
Cost of past services	1,1	1,0
Reductions, liquidations	0,0	0,0
TOTAL EXPENSES BOOKED	**1,6**	**1,4**
of which employee expenses	1,6	1,4
of which other financial income and expenses	0,0	0,0

11.3 SHARE-BASED PAYMENTS

Accounting principles

In return for the services provided, the Group has granted certain employees share purchase option plans, free share plans or long-term profit-sharing plans settled in cash.

Share purchase option plans and free share plans

In accordance with IFRS 2 - Share-based payments. an employee expense is booked in respect of these benefits. This expense is spread over the period during which the beneficiaries acquire the rights. The counterpart of the employee expense is recognised in shareholders' equity.

The amount of this expense is determined as follows:

- determination of the fair value of the options at the closing date through the application of a valuation model;
- application of a probability coefficient according to the specific conditions of presence.

The fair value of the options corresponds to the fair value of the services provided by the beneficiaries. It is equivalent to the value of a call determined by the application of the binomial model on the basis of the following elements:

- remaining term of the option;
- strike price of the option;
- interest rate (risk-free interest rate);
- annual valuation of the security by a panel of independent experts;
- historical volatility observed.

The value of the underlying asset has been used by including the impact of the dividends paid.

Free share plans are subject to a presence condition and sometimes to a performance condition. This performance condition is based on the annualized average change in Auchan Holding's equity, Ceetrus' parent company. The valuation of Auchan Holding's equity is carried out each year by a panel of independent experts.

In order to be a definitive beneficiary of all or part of the free shares granted, the performance condition must first reach a minimum threshold. When the minimum threshold is reached, the step change, established in percentages of the average annualized change over the period of acquisition of the rights, determines the number of shares definitely awarded.

The valuation of the services provided by the beneficiaries of free share plans is carried out using an extension of the Black and Scholes model (Merton formula).

Long term profit-sharing plans

Auchan Holding has set up two types of long-term profit-sharing plans for some employees, including those of Ceetrus:

- long-term profit-sharing on a condition of presence;
- long-term profit-sharing on a condition of presence and performance.

Long-term profit-sharing, settled in cash, gives rise to the recognition of an employee expense spread over the period of acquisition of the rights in return for a debt.

The fair value of the plans, with a duration of 4 years, corresponds to the fair value of the services provided by the beneficiaries. It is valued on the assignment date by an independent actuary and reviewed annually, using separate mathematical models:

- long-term profit-sharing on a condition of presence: application of the binomial model integrating a probability coefficient according to the specific conditions of presence;
- long-term profit-sharing on a condition of presence and performance: application of a Black & Scholes model (Merton formula). The performance condition is a function of the annual change in the value of a scope whose profit each beneficiary is sharing, taking into account a profit-sharing "floor" and "ceiling". The valuation of the reference scope is carried out each year by a panel of independent experts.

11.3.1 Share option purchase plans granted by Auchan Holding

	2020		2019	
	Weighted average price (in €)	Number of options	Weighted average price (in €)	Number of options
Options at the beginning of the financial year	-	-	408,04	2 157
Correction of the number of options [1]	-	-	-	-
Options granted during the financial year	-	-	-	-
Options exercised during the financial year	-	-	-	-
Options cancelled or lost	-	-	-	-
Options expired	-	-	408,04	-2 157
Options at the end of the financial year	-	-	0	0
Price range	-		0	
Weighted average contractual life	-		-	
Options that can be exercised at the end of the financial year	-	-	-	-

[1] Adjustment of the number of options following the completion of Shareholders' equity transactions

	Plan granted during the year				
	2020	2019	2018	2017	2016
Fair value of options	-	NA	NA	NA	NA
Share price (value 2018)	-	NA	NA	NA	NA
Strike price	-	NA	NA	NA	NA
Expected volatility	-	NA	NA	NA	NA
Residual life of the option	-	NA	NA	NA	NA
Expected dividends	-	NA	NA	NA	NA
Risk free interest rate	-	NA	NA	NA	NA
Type of model	-	NA	NA	NA	NA

11.3.2 Free allocation plans by Auchan Holding

Change in the number of free shares

	2020 Number of shares
Free shares at the beginning of the financial year	3 177
Correction of the number of free shares [1]	
Free shares granted during the financial year	
Free shares discounted during the financial year	
Free shares cancelled or lost	3 177
Free shares at the end of the financial year	0

[1] Adjustment of the number of options following the completion of Shareholders' equity transactions

11.3.3 Long-term profit-sharing plans

Since 2012, most share-based payment plans take place through long-term profit-sharing plans, which have been settled in cash and no longer in the form of shares.

From 2015 onwards, profit-sharing plans with a condition of presence were replaced by "value-creation remuneration" whose characteristics are defined below.

Profit-sharing plans

Plan name	Condition	Plan	Date set up	Underlying asset	Date of assignment	Duration
RCV*	Presence	2017/2021	01/10/2017	Value of each reference scope by a panel of independent experts	30/04/2021	43 months
RCV*	Presence	2018/2022	01/10/2022	Value of each reference scope by a panel of independent experts	30/04/2021	43 months

** RCV: Rémunération création de valeur (Value Creation Remuneration)*

The performance conditions are a function of the annual change in the value of a scope whose profit each beneficiary is sharing. A profit-sharing "floor" and "ceiling" has been defined.

Impact on shareholders' equity and the income statement of share-based payments (employee expenses)

For ILT (long-term profit-sharing) and RCV (Value Creation Remuneration) plans:

- the amount in shareholders' equity on 31 December 2020 totalled €0.3 million (excluding social security contributions);
- the expenses relating to the plans set out above are not significant (excluding social security contributions).

NOTE 12 - RELATED PARTIES

12.1 MAIN TRANSACTIONS

The main transactions carried out with related parties are those carried out:

- with the member companies of Auchan Holding. They relate in particular to financing transactions (presented at Ceetrus level as external financing), any leases granted to Auchan Holding's brands, service provision agreements and a set of contractual relations with the same counterparties. Property development transactions may also be concluded with these counterparties (generally in the form of CPIs or VEFA contracts), and in this context the Group generally undertakes to deliver buildings or sales areas within shopping centres or business parks. Finally, acquisitions or disposals of assets or portfolios of property assets may be concluded between Ceetrus and Auchan Holding, particularly with a view to streamlining Auchan Holding's property management, with Ceetrus being responsible for any property not directly operated by Auchan Holding.
- with companies accounted for under the equity method. These are mainly loans, current account advances and interest paid or received in this context, as well as the fees received by Ceetrus in the framework of the assignments entrusted to it, mainly for the lease and facility management of shopping centres held by these companies accounted for under the equity method.

Service agreement with Auchan Holding

The Company has entered into a service agreement with Auchan Holding, the purpose of which is to organise, particularly in certain countries, the supply to Ceetrus SA or its subsidiaries of services representative of the support functions necessary for its operation, in particular in administrative, accounting and IT domains.

In this context, Ceetrus or its subsidiaries paid an amount of €4.9 million in 31 December 2020 (compared to €8.9 million on 31 December 2019).

Property management agreement with Auchan Holding

Ceetrus is currently responsible for, on behalf of Auchan Holding and mainly on the sites jointly operated by Auchan Holding and Ceetrus, the lease management and facility management of the surfaces held by Auchan Holding.

Ceetrus received a fee of €0,4 million for this mission on 31 December 2020 (compared to €1.7 million on 31 December 2019).

Loans and current account advances with Auchan Holding

Ceetrus has entered into various loan agreements and current account advances with Auchan Holding. These agreements are concluded under normal conditions. The principal amounts of these loans and current account advances are presented in note 6.2.

Acquisition and sale of assets or portfolios of investment properties. Property development operations.

Various acquisition transactions have been concluded with Auchan Holding companies. These transactions may concern either acquisitions of assets or direct sales, or acquisition or disposal transactions via securities transactions. These transactions may be paid in cash or through capital transactions.

Positions and exchanges with related parties

in millions of euros	31/12/2020	31/12/2019
Income and expenses		
With Auchan Holding		
Rents paid to Auchan Holding	11,0	22,4
Property management fees received by Ceetrus	0,4	1,7
Service fees paid to Auchan Holding	4,9	8,9
Income from disposal with Auchan Holding	-1,6	5,5
Net financial expenses of loans. current accounts and advances	13,7	9,1
Payroll expenses	1,4	2,6
Miscellaneous costs	5,7	9,5
With Equity Method companies		
Financial income from loans and current accounts	0,3	0,8
Property management fees received by Ceetrus	1,7	2,4
Miscellaneous costs	0,0	-0,2
Assets and Liabilities		
With Auchan Holding		
Assets		
Trade receivables	6,3	10,7
Other receivables	42,5	17,6
Loans and current accounts granted	17,8	34,3
Liabilities		
Loans and current accounts received	1 929,9	1 743,8
Trade payables	21,6	26,4
Other debts	11,5	34,2
With Equity Method companies		
Assets		
Loans and current accounts granted to EM companies	251,3	198,7
Receivables	16,5	19,3
Liabilities		
Loans and current accounts received	1,5	2,3
Other debts	0,0	0,1

12.2 REMUNERATION OF CORPORATE OFFICERS

A limited company under French law, Ceetrus SA opted for the structure with a Board of Directors. On December 31st, 2019, its board comprised six members including the chairman and two independents administrators. The remuneration shown below is that of the corporate officers as defined by IAS 24, which for the Group correspond to the board of directors and the members of the management committee.

in millions of euros	2020	2019
Short-term benefits (Salaries, bonuses, etc.)	1,5	2,2
Share-based payments	0,0	0,2
Attendance fees	0,2	0,1
TOTAL	**1,7**	**2,5**

NOTE 13 - OFF BALANCE SHEET COMMITMENTS

13.1 OFF-BALANCE SHEET COMMITMENTS GIVEN AND RECEIVED

in millions of euros	31/12/2020	31/12/2019
Off-balance sheet commitments related to operating activities	***14,2***	***6,7***
Land and buildings purchase options	*14,2*	*6,7*
Purchases conditional on future fixed assets	*0,0*	*0,0*
Off balance sheet commitments related to financing	***900,0***	***915,8***
Off balance sheet commitments received related to financing	*0,0*	*0,0*
Off balance sheet commitments given related to financing	*399,1*	*399,4*
Debts with guarantees	*501,0*	*516,4*
Off balance sheet commitments related to scope	***16,2***	***16,9***
Firm commitments to purchase securities	*0,0*	*0,0*
Share purchase options	*16,2*	*16,9*

Commitments related to the scope of consolidation

Ceetrus Luxembourg has share purchase option commitments with respect to the minority interests held in one of its subsidiaries.

Commitments related to financing

The off-balance sheet commitments are mainly composed of undrawn credit lines.

Commitments related to operational activities

The Group may, as part of its real estate activity (especially housing), have to sign contracts of reservations (or promises of sale) with its clients, whose regularization is subject to the lifting or not of conditions precedent. In addition, the constitution of the land portfolio in this same activity can lead to the signature of purchase commitments on the targeted land, promises which can themselves be subject to the fulfilment of conditions precedent.

13.2 Minimum rent to be paid and received

In millions of euros	2020	2019
Minimum rents to receive		
Less than one year	343,2	357 ,0
Between 1 and 5 years	1 021,7	1 085,1
More than 5 years	702,9	885 6
TOTAL	**2 067,8**	**2 327,7**

The rents presented above correspond to the minimum rents to be received over the firm term of the leases, or to be paid under simple leasing contracts. For variable rents, the minimum guaranteed rent is used.

NOTE 14 - OTHER INFORMATION

14.1 CAPITAL

	Number of ordinary shares	SHARE CAPITAL *in millions of euros*
SHARE CAPITAL 31/12/2020	31,790,080	**635.8**

The capital of Ceetrus SA is 99.99% owned by Auchan Holding.

14.2 DIVIDEND DISTRIBUTIONS

The General Assembly of Shareholders held on 18 May 2020 decided not to distribute any dividend.

14.3 NET RESULT PER SHARE

Net result per share is determined by dividing net result for the period attributable to common shareholders by the weighted average number of outstanding ordinary shares excluding treasury shares during the period.

Diluted net result per share is calculated by dividing net result for the period attributable to ordinary shareholders by the weighted average number of outstanding ordinary shares excluding treasury shares during the period adjusted for the effects of dilutive options.

Calculation of the weighted average number of shares

	31/12/2020	31/12/2019
Number of shares in circulation on January 1	31 790 080	31 790 080
Weighted average of capital increases		
Weighted average of capital redemptions		
Weighted average number of shares in circulation (excluding treasury shares) used to calculate basic earnings per share	**31 790 080**	**31 790 080**
Weighted average number of shares in circulation (excluding treasury shares) used to calculate diluted earnings per share	**31 790 080**	**31 790 080**

Calculation of earnings per share

Net earnings per share of the consolidated entity	31/12/2020	31/12/2019
Weighted average number of shares in circulation:	31 790 080	31 790 080
Net result of the consolidated entity - attributable to owners of the parent (in € million)	-583,2	184,1
Per share (in €)	*-18,35*	*5,79*
Diluted earnings per share	**31/12/2020**	**31/12/2019**
Weighted average number of shares in circulation:	31 790 080	31 790 080
Net result of the consolidated entity - attributable to owners of the parent (in € million)	-583,2	184,1
Per share (in €)	*-18,35*	*5,79*

14.4 AUDIT FEES

The following table shows the amount, excluding taxes, of the fees (excluding disbursements) paid by Ceetrus SA and its fully consolidated subsidiaries to statutory auditors:

in millions of euros	KPMG 2020	PWC 2020	TOTAL 2020
Certification. examination of individual and consolidated accounts			
Issuer	0,1	0,3	**0,4**
Fully consolidated subsidiaries	0,3	0,5	**0,8**
Services other than certification of accounts			
Issuer	0,0	0,0	**0,0**
Fully consolidated subsidiaries	0,0	0,0	**0,0**
TOTAL	**0,4**	**0,8**	1,2

Services other than the certification of accounts include fees for work required by law, including authorisation to grant free shares, capital reductions, as well as certificates and procedures agreed.

NOTE 15 - CONSOLIDATION SCOPE

List of the main companies included in the scope of consolidation:

		% of share		% control		Consolidation method [1]	
Country	**Companies**	**12/2020**	**12/2019**	**12/2020**	**12/2019**	**12/2020**	**12/2019**
France							
	Ceetrus - SA	100,00	**100,00**	100,00	**100,00**	FC	**FC**
	Ceetrus France -SA	98,50	**98,40**	98,50	**98,40**	FC	**FC**
	Du Petit Menin - SCI	98,50	**98,40**	100,00	**100,00**	FC	**FC**
	Grand Fontenay - SCI	61,19	**61,12**	62,12	**62,12**	FC	**FC**
	Gare du Nord 2024 - SA	65,01	**64,94**	66,00	**66,00**	EM	**EM**
	Immaucom - SA	20,00	**20,00**	20,00	**20,00**	EM	**EM**
	Les Saisons de Meaux - SASU	98,50	**98,40**	100,00	**100,00**	FC	**FC**
Belgium							
	Ceetrus Finance - SA	100,00	**100,00**	100,00	**100,00**	FC	**FC**
Spain							
	C.C Zenia. Sociedad Limitada - LLC	48,50	**48,92**	50,00	**50,00**	EM	**EM**
	Ceetrus Urban Player Spain - S.A.U - SA	97,00	**97,84**	100,00	**100,00**	FC	**FC**
Hungary							
	Ceetrus Hungary - KFT	98,72	**98,72**	98,72	**98,72**	FC	**FC**
Italy							
	Galleria Cinisello - SRL	50,00	**50,00**	50,00	**50,00**	EM	**EM**
	Ceetrus Italy – SPA	100,00	**100,00**	100,00	**100,00**	FC	**FC**
	Patrimonio Real Estate - SPA	49,99	**49,99**	49,99	**49,99**	EM	**EM**
	Gallerie Commerciali Sardegna - SRL	50,23	**50,23**	50,23	**50,23**	FC	**FC**
Luxembourg							
	Galerie Commerciale de Kirchberg - SA	20,00	**20,00**	20,00	**20,00**	EM	**EM**
	Joseph Bech Building Kirchberg S.N.C	100,00	**100,00**	100,00	**100,00**	FC	**FC**
	Kubik Kirchberg - SA	100,00	**100,00**	100,00	**100,00**	FC	**FC**
	LCO1 - SA	85,00	**85,00**	85,00	**85,00**	FC	**FC**
Poland							
	Ceetrus Polska - sp z.o.o.	99,49	**99,49**	99,49	**99,49**	FC	**FC**
Portugal							
	Alegro Alfragide - SA	49,30	**49,31**	50,00	**50,00**	EM	**EM**
	Alegro de Setubal - SA	49,30	**49,31**	50,00	**50,00**	EM	**EM**
	Brafero - SA	98,24	**98,29**	100,00	**100,00**	FC	**FC**
	Ceetrus Portugal - SA	98,24	**98,29**	100,00	**100,00**	FC	**FC**
	Alegro Montijo - SA	98,24	**98,29**	100,00	**100,00**	FC	**FC**
	Alegro Sintra - SA	98,24	**98,29**	100,00	**100,00**	FC	**FC**
	Neutripromo - SA	49,12	**49,14**	50,00	**50,00**	EM	**EM**
	Sintra Retail Park - SA	98,24	**98,29**	100,00	**100,00**	FC	**FC**
Romania							
	Ceetrus Romania - LLC	100,00	**100,00**	100,00	**100,00**	FC	**FC**
	Coresi Business Park - SA	100,00	**100,00**	100,00	**100,00**	FC	**FC**
Russia							
	Ceetrus LLC - SARL	98,79	**99,25**	100,00	**100,00**	FC	**FC**
Ukraine							
	Ceetrus Ukraine - LLC	100,00	**100,00**	100,00	**100,00**	FC	**FC**

[1] FC: Full Consolidation; EM: Equity Method

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

NEW IMMO HOLDING
(FORMALY KNOWN AS CEETRUS)
STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2020

To annual general meeting of New Immo Holding

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of NEW IMMO HOLDING ("the Group") for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of assessments – Key audit matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Description of risk

At 31 December 2020, the value of the Group's investment properties amounted to €7,510 million, with total assets amounting to €9,243 million.

As described in note 4.4 to the consolidated financial statements, investment properties are booked at fair value in accordance with IAS 40 "Investment Property", with changes in fair values being recognised in the income statement for the period. Fair value is determined by Management by reference to valuations made by independent appraisers.

These valuations are therefore based on estimates. As part of the valuation of investment property, the property appraisers take into account specific information, such as the nature of each property, its location, rental income, its vacancy rate, its return and discount rates, and capital expenditures relating to comparable transactions performed on the market.

The valuation of investment property is deemed to be a key audit matter due to the significance of the fair value of these assets in the consolidated financial statements of the New Immo Holding Group, its impact on profit and loss, and its sensitivity to the assumptions used by Management.

How our audit addressed this risk

The main procedures implemented consisted in:

- obtaining engagement letters signed with property appraisers, and gaining an understanding of the nature and extent of their work;

- assessing the competence, independence and integrity of the independent appraisers appointed by the Company;

- gaining an understanding of the process set up by Management to transfer data to the property appraisers and to perform its critical review of the values determined by the appraisers;

- establishing a dialogue with Management and the property appraisers to verify whether the overall valuation of the property and the appraisal values of assets with the greatest or most unusual changes in value are consistent with our market knowledge;

- obtaining the property appraisal reports, assessing the consistency of the inputs (return and discount rates, market rental values) used with available observable market data in the context of the global Covid-19 crisis and assessing the consistency of assumptions used in relation to specific assets (particularly for renovation/extension projects) with our knowledge of the matter;

- reconciling, using sampling techniques, the information provided by Management to the independent appraisers, and used by them in their appraisals, with the relevant documentation, such as leases;

- comparing the final values determined by the property appraisers with the values used in the consolidated financial statements;

- assessing the impact of the health crisis on valuation assumptions (rate hikes, NOI);

- evaluating the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the board.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Presentation of the consolidated financial statements to be included in the annual financial report

Pursuant to paragraph III of article 222-3 of the AMF's General Regulations, the Company's Management informed us of its decision to postpone the application of the single electronic reporting format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018, to reporting periods beginning on or after 1 January 2021. Accordingly, this report does not contain a conclusion on the compliance of the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) with this format.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of NEW IMMO HOLDING by the annual general meeting held on April 14, 2011 for KPMG and on May 16, 2017 for PricewaterhouseCoopers Audit.

As at December 31, 2020, KPMG was in the 10th year of total uninterrupted engagement and PricewaterhouseCoopers Audit was in the 4th year of total uninterrupted engagement including 2 years since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La-Défense, April 2, 2021

PeicewaterhouseCoopers Audit	KPMG SA
Jean-Baptiste Deschryver	Sandie Tzinmann