

## ARGAN records excellent first half-year 2023

- Rental income grew by **+11%** to **€91m**
- **2023 rental income target for the year revised upwards to €183m**

### Rental income (IFRS) at June 30, 2023 (unaudited figures)

€m	Financial year 2023	Financial year 2022	Change
1 <sup>st</sup> quarter (Jan.- March)	45.2	40.7	+ 11%
2 <sup>nd</sup> quarter (April - June)	45.7	41.0	+ 11%
<b>Half-year total</b>	<b>90.9</b>	<b>81.7</b>	<b>+ 11%</b>

### Strong increase in rental income: +11% in the first half-year of 2023

In the first half-year of 2023, ARGAN, the French real estate company specializing in the development and rental of PREMIUM warehouses, pursued its growth with **rental income up a steep +11% to €90.9m**. This increase was mainly the result of the full-year effect of rents coming from the developments in 2022, rents of the warehouses delivered during the first half-year of 2023, as well as rent reviews that took place on January 1, 2023 (+4% on average).

### Significant events of the first half-year of 2023

Since the beginning of the year, ARGAN pursued its development by delivering last March a logistics platform totaling 38,000 sq.m and located in Janneyrias (38) – Lyon area – by the A432 French highway. This platform, which is leased to BUT – France's leading furniture retailer – for a fixed term of 9.5 years, meets the highest standards for frugal energy choices.

Under intended conditions, ARGAN also finalized last March its sale of a logistics platform of 20,000 sq.m located in Bonneuil-sur-Marne (94).

Finally, ARGAN joined the EPRA Europe index on March 20, 2023.

### A record development pipeline of over €300m

ARGAN plans to deliver four new development projects and one extension in 2023, representing an investment volume of €135m for new spaces totalling 100,000 sq.m. All these projects are already financed through amortizing mortgage loans that were taken out in 2022, before interest rates rose.

After 2023, the very strong business momentum recorded in the first half of this year has already helped secure development projects representing a volume of over €175m for more than 155,000 sq.m of spaces to be delivered in 2024. Half of this amount is already financed through amortizing mortgage loans and the other half should come from the sale of warehouses at the end of 2024 or early 2025, depending on market conditions.

Among ongoing project developments, Argan has already announced works to extend two sites, with:

- The second phase for its logistics warehouse at La Crèche (79) leased to EURIAL, the milk division of the cooperative group AGRIAL, as part of a long-term lease covering a firm 12-year period. The two new negative cold cells represent a surface of 12,400 sq.m and will result in total spaces extended to 32,800 sq.m. This extension includes an improvement in the site's carbon footprint, as photovoltaic panels will also be installed with a total production capacity of over 1,700 Mwh/year, thus covering 30% of the site's energy needs. The project's delivery is expected in December 2023;

- The extension of the fulfillment hub in Bruguières (31) leased to GEODIS, which will increase the site's size to 13,400 sq.m. These works are also an opportunity to refurbish existing buildings and thus establish a long-term partnership with GEODIS through a new lease for a firm 12-year period. The project's delivery is expected in December 2024.

In the coming weeks, new announcements should further illustrate **ARGAN's strong business momentum, which provides very good visibility on future growth and revenue of our real estate company.**

**More broadly**, the Group's ability to **pursue its growth** reflects the combination of:

- Its **identity as a pure player of the French logistics real estate market that remains buoyant, characterized by a strong demand and a limited offer;**
- A **proven business model that delivers growth with a long-term vision on property management based on Premium assets that meet customers' expectations both in terms of location and quality of tailor-made buildings;** and
- Strong attention **to the highest standards for frugal and efficient energy choices both for ongoing and future projects under AutOnom<sup>®</sup>, the warehouse that generates its own green energy, but also through an ambitious plan to refurbish existing facilities.**

As at June 30, 2023, Argans's rental portfolio thus stood at 3.5 million sq.m. and the occupancy rate remained at 100%.

### **2023 rental income target for the year revised upwards to €183m**

Taking into account the **planned delivery projects for the second half of the year, ARGAN is revising its yearly target<sup>1</sup> for rental income upwards to €183m** (compared with €182m initially) **for the full-year 2023.**

### **Financial calendar 2023** (*Publication of the press release after closing of the stock exchange*)

- July 19: 2023 Half-year results
- October 2: 2023 3<sup>rd</sup> quarter sales

### **About Argan**

ARGAN is the only French real estate company specializing in the DEVELOPMENT & RENTAL OF PREMIUM WAREHOUSES listed on EURONEXT.

As at December 31, 2022, ARGAN's portfolio amounted to 3.5 million sq.m, comprising approximately 100 warehouses located exclusively in France, valued at €4.0 billion. ARGAN is listed on Compartment A of Euronext Paris (ISIN FR0010481960 - ARG) and is included in the CAC All-Share, IEIF SIIC France and EPRA Europe indices. The company opted for the listed real estate investment companies (SIICs) tax regime on July 1, 2007. <http://www.argan.fr/en>

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<sup>1</sup> For more information, please refer the press release published on January 19, 2023.