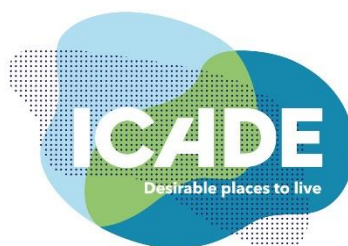


PRESS RELEASE

Paris, March 13, 2023, 8:00 p.m.



## ICADE AND PRIMONIAL REIM<sup>1</sup> SIGN AN EXCLUSIVITY AGREEMENT FOR THE ACQUISITION OF ICADE'S STAKE IN ICADE SANTÉ

Icade, Icade Santé's minority shareholders<sup>2</sup> and Primonial REIM have announced the signing of an exclusivity agreement on the sale of Icade's stake in Icade Santé and arrangement of the sale of the asset portfolio owned by Icade Healthcare Europe (IHE). Icade's total investment in its Healthcare Property Investment Division is currently estimated to be worth €2.6bn based on EPRA NTA as of December 31, 2022.

The first stage of the transaction, which should be completed by the end of July 2023, involves the sale of Icade Santé shares by Icade for €1.4bn, representing approximately 64%<sup>3</sup> of Icade's stake in Icade Santé based on EPRA NTA as of December 31, 2022. In addition, Primonial REIM would take over the management of the portfolio from the closing date.

Icade's remaining stake in Icade Santé is expected to be sold by the end of 2025, mainly to funds managed by Primonial REIM or to investors identified by Primonial REIM based on Icade Santé's most recently published EPRA NTA on the sale date.

This liquidity event, one of the Group's priorities for 2023, will allow Icade to crystallise the value of its Healthcare Property Investment Division and unlock capital gains on its investments in Icade Santé and IHE (i.e. c. €1.2bn), resulting in €710m in mandatory special dividends payable within two years of each sale being made.

The substantial cash generated by this transaction would also help Icade to fortify its balance sheet and seize potential growth opportunities.

The final agreements may only be entered into once Icade's employee representative bodies have been informed and consulted.

<sup>1</sup> Primonial REIM refers to all the entities making up the real estate platform (Primonial REIM Holding, Primonial REIM France, Primonial REIM Germany, Primonial REIM, Primonial REIM Luxembourg, Primonial REIM Italy, Primonial REIM UK and Primonial REIM Singapore)

<sup>2</sup> Crédit Agricole Assurances Group's "Messidor" SPPICAV; Sogecap's "Sogecapimmo" SPPICAV; BNP Paribas Cardif's "C Santé" SPPICAV and CNP Assurances' "Holdipierre" SPPICAV

<sup>3</sup> After adjusting for the 2022 dividend.

## **1. Structure of the proposed transaction**

The proposed transaction would enable Icade to realise the value of its investments in Icade Santé (“IS”) and Icade Healthcare Europe (“IHE”) in several stages.

### **Sale of Icade Santé shares held by Icade**

The first stage of the transaction involves the sale of Icade Santé shares by Icade for a total of €1.4bn, based on a valuation in line with EPRA NTA as of December 31, 2022, after adjusting for the 2022 dividend. This first stage would represent approximately 64% of Icade’s stake in Icade Santé.

As such, Icade has received firm commitments from Primonial REIM, Sogecap and Icade Santé’s other minority shareholders allowing it to sell its Icade Santé shares as follows:

- €1.1bn in Icade Santé shares to be sold to funds managed by Primonial REIM;
- €100m in Icade Santé shares to be sold to Société Générale Assurances, increasing its stake in Icade Santé.

In addition, €200m in shares of Icade Santé would be cancelled for the sole benefit of Icade.

As part of this stage, Icade Santé has secured €550m in bank financing from Société Générale and BNP Paribas to cover the financing requirements of the €200m capital reduction, as well as the repayment of the €50m shareholder loan from Icade and the refinancing of the €300m bridge-to-bond facility.

This stage could be completed as early as June 2023, subject to the signing of the final agreements once the process of informing and consulting Icade’s employee representative bodies has been completed and the customary regulatory conditions precedent have been met. These include confirmation by the AMF that the transaction will not give rise to a buyout offer with squeeze-out for Icade’s share capital, pursuant to Article 236-6 of the AMF’s general regulations.

Upon completion of this first stage, Icade would lose control of Icade Santé, resulting in the deconsolidation of the subsidiary in the Icade Group’s consolidated financial statements.

From the completion of the **first stage of the transaction** until the end of **2025**, a number of provisions will make it possible to arrange the sale of the shares still held by Icade, based on Icade Santé’s most recently published EPRA NTA on the sale date.

## Sale of IHE's asset portfolio

As part of this agreement, Icade Healthcare Europe<sup>4</sup> shareholders have also decided to sell the company's asset portfolio valued at around €850m based on valuations as of December 31, 2022. An agreement has been signed with Primonial REIM, which will be responsible for selling the portfolio in a way and at a time that optimises the sale price.

The proceeds from the sale would first be used to repay the shareholder loan from Icade for €327m. The balance would be distributed to IHE's shareholders, including €336m to Icade based on IHE's EPRA NTA as of December 31, 2022.

The Boards of Directors of Icade and Icade Santé were consulted in advance and, after examining the potential conflicts of interest, unanimously approved the transaction in accordance with the applicable provisions, in particular the rules governing regulated related party agreements.

As a result, Icade, Icade Santé, Icade Santé's minority shareholders and Primonial REIM signed an exclusivity agreement on March 13, 2023 regarding the transaction pursuant to which (i) Primonial REIM and the minority shareholders commit to completing the transaction in accordance with the terms stipulated and (ii) Icade and Icade Santé give them exclusivity pending completion of the process of informing and consulting Icade's employee representative bodies.

The final agreements with respect to the transaction may only be concluded once this information and consultation process has been completed.

In accordance with AMF recommendation No. 2015-05 on significant asset disposals, Icade's Board of Directors and senior management have paid particular attention to the implementation of a process for regularly monitoring the progress of negotiations on the transaction and its terms and conditions, as well as to the means and procedures for identifying and managing potential conflicts of interest and for ensuring the objectivity and impartiality of the review of the transaction by Icade's management and administrative bodies. However, the transaction is not subject to an advisory vote by Icade's shareholders, since it does not meet the conditions that would make such a vote necessary pursuant to this AMF recommendation.

Financial advisory and audit firm **Finexsi** has nevertheless been voluntarily appointed to issue an opinion on the fairness of the financial terms of the transaction for Icade and its shareholders. Finexsi reported on its work and conclusions to Icade's Board of Directors on March 10, 2023, and confirmed the fairness of the terms and conditions of the transaction for Icade and its shareholders.

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<sup>4</sup> Icade S.A. (59.4%), Crédit Agricole Assurances Group's "Messidor" SPPICAV (16.5%); Sogecap's "Sogecapimmo" SPPICAV (10.0%); BNP Paribas Cardif's "C Santé" SPPICAV (8.9%) and CNP Assurances' "Holdipierre" SPPICAV (5.2%)

## 2. A watershed transaction for Icade

By securing an optimised exit from the Healthcare Property Investment Division at a price based on its EPRA NTA, the planned transaction would achieve one of Icade's strategic goals and bring a successful end to its outstanding years as a healthcare property investor since 2007:

- This transaction would be an opportunity for Icade to significantly strengthen its financial structure. With cash flows that could total as much as €3.0bn, it would substantially reduce debt and further improve debt ratios starting in 2023.
- Crystallising the value of Icade Santé's portfolio in line with its EPRA NTA and unlocking the resulting capital gains (i.e. c. €1.2bn) would lead to c. €710m in mandatory special dividends being paid within two years of the gains being generated.
- With the remaining cash from this transaction, Icade would be able to finance its ambitious expansion goals as part of its new strategy that will be defined in 2023. Icade would also be able to seize growth opportunities that are likely to emerge in the current market.

For this transaction, Icade was advised by Lazard on financial matters, BDGS Associés on legal matters and Sullivan & Cromwell on tax matters.

### Conference call – March 14, 2023 at 10:00 a.m.:

A conference call with Olivier Wigniolle and Victoire Aubry will be held on **Tuesday, March 14, 2023, from 10:00 to 11:00 a.m.**

**Direct access to the webcast:** [https://channel.royalcast.com/icadeen/#!/icadeen/20230314\\_1](https://channel.royalcast.com/icadeen/#!/icadeen/20230314_1)

### Access to the audio-only version (questions may be asked verbally)

France	+33 (0)1 70 37 71 66	Password: <b>ICADE FR</b>
UK (Standard International Access)	+44 (0)33 0551 0200	Password: <b>ICADE ENG</b>
US	+1 786 697 3501	Password: <b>ICADE ENG</b>

## ABOUT ICADE

### DESIRABLE PLACES TO LIVE

*As an office and healthcare property investment company (portfolio worth €15.1bn on a full consolidation basis as of 12/31/2022) and a developer of homes, offices and public amenities (2022 economic revenue of €1.3bn), Icade designs, builds, manages and invests in cities, neighbourhoods and buildings that are innovative, diverse, inclusive and connected, with a reduced carbon footprint. Desirable places to live and work. In collaboration with its stakeholders, Icade has made low carbon a strategic priority in order to reinvent real estate and create cities that are healthier, happier and more hospitable. Icade is a key player in Greater Paris and major French cities. It is listed as a "SIIC" on Euronext Paris and its leading shareholder is the Caisse des Dépôts group.*

The text of this press release is available on the Icade website: [www.icafe.fr/en](http://www.icafe.fr/en)

## CONTACTS

**Anne-Sophie Lanaute**

Head of Financial Communication and Investor Relations

+33 (0)1 41 57 70 29

[anne-sophie.lanaute@icafe.fr](mailto:anne-sophie.lanaute@icafe.fr)

**Charlotte Pajaud-Blanchard**

Press Relations Manager

+33 (0)1 41 57 71 19

[charlotte.pajaud-blanchard@icafe.fr](mailto:charlotte.pajaud-blanchard@icafe.fr)