



## CPI Property Group

(société anonyme)

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### Press Release - Corporate News

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## CPI PROPERTY GROUP publishes financial results for Q3 2022

CPI PROPERTY GROUP (hereinafter “CPIPG”, the “Company” or together with its subsidiaries the “Group”), a leading owner of income-generating European real estate, hereby publishes unaudited financial results for the nine-month period ended 30 September 2022.

“CPIPG’s results reflect much of the positive impact from our acquisitions in 2022,” said Martin Nemecek, CEO. “The combined Group’s power to generate income is truly amazing, which reflects the quality of our assets, markets, tenants, and local teams.”

Highlights for the third quarter of 2022 include:

- **CPIPG’s property portfolio was €21.2 billion** (vs. €13.1 billion at year-end 2021) as the Group consolidated the property portfolios of IMMOFINANZ and S IMMO, partially offset by disposals of more than €700 million during the first three quarters of 2022. **Total assets reached €23.7 billion.**
- Income statement figures (gross and net rental income, hotel income, etc.) include seven months contribution from IMMOFINANZ and three months contribution from S IMMO due to the dates of consolidation.
- **Gross rental income was €529 million** (+79% vs. Q3 2021), **net rental income was €441 million** (+67%) and **consolidated adjusted EBITDA was €437 million** (+61%) driven by acquisitions, stable occupancy at 93.3% and a **strong 7.9% like-for-like growth in gross rental income.**
- The Group believes we have the potential to achieve **€1 billion in revenues** in 2022. As of H1 2022, total contracted rent was €865 million.
- **Hotels reported a net income of €34 million** (similar to the same period in 2019) because of a strong recovery in demand and improvement in operational performance.
- **Net business income rose to €479 million** (+70% vs. Q3 2021) while **FFO was €280 million** (+34%).
- **EPRA NRV (NAV)** grew by 22% to **€8.6 billion.**
- **Total liquidity was €2 billion**, including €915 million of undrawn revolving credit facilities.
- **Net Loan-to-Value (LTV)** increased to **48.6%**, reflecting cash spent on acquisitions in Q3. The Group’s current top priority is to reduce LTV via disposals and other possible measures.
- **Net ICR** stood at **3.4x.**
- **Unencumbered assets** decreased to **54%**, reflecting the high proportion of secured debt at IMMOFINANZ and S IMMO.



“The Group is highly focused on preserving liquidity, reducing leverage and making disposals, but we realise the process could take 12 to 24 months depending on the market,” said David Greenbaum, CFO. “The good news is that CPIPG continues to obtain attractive bank financing and execute significant sales despite a tough market backdrop.”

### **Notable Events Occurring during and after Q3**

In September, the United States Court of Appeals for the Second Circuit affirmed in total the judgement of the United States District Court for the Southern District of New York, dismissing the lawsuit filed in April 2019 against CPIPG, Radovan Vitek (the “CPIPG Defendants”), and other parties. The lawsuit concerned a group of Kingstown companies, Investhold LTD and Verali Limited (together, the “Kingstown Plaintiffs”) who filed a claim against the CPIPG Defendants and other parties alleging violations of the Racketeer Influenced and Corrupt Organizations Act (“RICO”) in the United States. The Court of Appeals considered the Kingstown Plaintiffs’ arguments and found them without merit.

In November, CPIPG refinanced and upsized a portion of our €750 million secured bank loan in Berlin, which matures in 2024. The new loan was signed for €515 million, with an additional €200 million of proceeds received, and matures in 2029. The loan was concluded with the existing lender (BerlinHyp) at terms similar to the original loan in 2017.

Secured bank loans remains available across CPIPG’s core markets at pricing which is hundreds of basis points tighter than the unsecured bond markets. Because of CPIPG’s proactive approach to refinancing in past years, we are confident that debt maturities in 2023 and 2024 can be managed via cash flow, bank financing, and disposals.

On 21 November, CPIPG announced the results of the additional acceptance period for the S IMMO tender offer, wherein we achieved a final direct and indirect stake equal to 88.37% of the share capital of S IMMO. Together with the acquisition of IMMOFINANZ (of which CPIPG owns 76.87%), the Group achieved our strategic objective of creating one of Europe’s largest landlords, owning the best real estate platforms in Central and Eastern Europe.

The purchase of S IMMO shares was funded via CPIPG’s bridge financings, which have final maturity dates in H1 2025. The current bridge balance is approximately €1.65 billion. CPIPG expects to repay the bridge primarily via disposals, along with bank financing. In total, CPIPG spent €3.4 billion to purchase our stakes in IMMOFINANZ and S IMMO, of which €2.7 billion was funded with bridge drawings. About €925 million of the bridges have already been repaid via capital markets transactions, secured loans and disposals.

In November, CPIPG conducted our annual distribution via share buybacks, but reduced the payout ratio from 65% to 55% of FFO 1.

Since H1 results were announced at the end of August, CPIPG made further significant progress on the disposal pipeline, closing sales with gross proceeds exceeding €300 million. Net proceeds from the €300 million of sales (after repayment of associated secured debt) were approximately €190 million.

The Group’s disposal pipeline still exceeds €2 billion, excluding the recent successful closed disposals. Currently, more than half of our disposal pipeline has received letters of intent from one or more buyers outlining the transaction parameters. A meaningful portion of these transactions are in advanced stages of due diligence and documentation, and the Group hopes to announce additional significant disposals before year-end and during Q1 2023.

## FINANCIAL HIGHLIGHTS\*

| Performance                  |           | Q1-Q3 2022 | Q1-Q3 2021 | Change |
|------------------------------|-----------|------------|------------|--------|
| Gross rental income          | € million | 520        | 291        | 79.0%  |
| Net rental income            | € million | 441        | 265        | 66.5%  |
| Net hotel income             | € million | 34         | 10         | 252.8% |
| Total revenues               | € million | 885        | 474        | 86.7%  |
| Net business income          | € million | 479        | 282        | 69.6%  |
| Consolidated adjusted EBITDA | € million | 437        | 272        | 60.6%  |
| Funds from operations (FFO)  | € million | 280        | 208        | 34.4%  |
| Net profit for the period    | € million | 977        | 801        | 22.0 % |

| Assets                             |           | 30-Sep 2022 | 31-Dec 2021 | Change     |
|------------------------------------|-----------|-------------|-------------|------------|
| Total assets                       | € million | 23,723      | 14,369      | 65.1%      |
| Property portfolio                 | € million | 21,172      | 13,119      | 61.4%      |
| Gross leasable area                | sqm       | 6,759,000   | 3,667,000   | 84.3%      |
| Occupancy                          | %         | 93.3        | 93.8        | (0.5 p.p.) |
| Like-for-like gross rental growth* | %         | 7.9         | 3.3         | 4.6 p.p.   |
| Total number of properties**       | No.       | 888         | 367         | 142.0%     |
| Total number of residential units  | No.       | 17,233      | 11,755      | 46.6%      |
| Total number of hotel rooms***     | No.       | 7,992       | 7,025       | 13.8%      |

\* Based on gross rent, excluding one-time discounts, CPIPG standalone

\*\* Excluding residential properties in the Czech Republic

\*\*\* Including hotels operated, but not owned by the Group

| Financing structure                   |           | 30-Sep 2022 | 31-Dec 2021 | Change      |
|---------------------------------------|-----------|-------------|-------------|-------------|
| Total equity                          | € million | 9,949       | 7,695       | 29.3%       |
| EPRA NRV (NAV)                        | € million | 8,554       | 7,039       | 21.5%       |
| Net debt                              | € million | 10,282      | 4,682       | 119.6%      |
| Net Loan-to-value ratio (Net LTV)     | %         | 48.6        | 35.7        | 12.9 p.p.   |
| Net debt/EBITDA                       | x         | 17.6x       | 12.7x       | 4.9x        |
| Secured consolidated leverage ratio   | %         | 18.1        | 9.8         | 8.3 p.p.    |
| Secured debt to total debt            | %         | 37.6        | 27.0        | 10.6 p.p.   |
| Unencumbered assets to total assets   | %         | 54.4        | 70.4        | (16.0 p.p.) |
| Unencumbered assets to unsecured debt | %         | 182         | 267         | (85 p.p.)   |
| Net ICR                               | x         | 3.4x        | 4.6x        | (1.2x)      |

\* Income statement figures (GRI, NRI, net hotel income, net business income etc.) include seven months contribution from IMMOFINANZ and three months contribution from S IMMO due to the dates of consolidation.

## CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT\*

| (€ million)  | Nine-month period ended |                   |
|--|-------------------------|-------------------|
|  | 30 September 2022       | 30 September 2021 |
| Gross rental income  | 520.1                   | 290.6             |
| Service charge and other income                              | 208.6                   | 93.7              |
| Cost of service and other charges                            | (185.9)                 | (74.4)            |
| Property operating expenses                                  | (101.4)                 | (44.8)            |
| <b>Net rental income</b>                                     | <b>441.4</b>            | <b>265.1</b>      |
| Development sales  | 0.4                     | 12.1              |
| Development operating expenses                               | (0.5)                   | (9.3)             |
| <b>Net development income</b>                                | <b>(0.1)</b>            | <b>2.8</b>        |
| Hotel revenue  | 116.1                   | 47.8              |
| Hotel operating expenses                                     | (82.1)                  | (38.2)            |
| <b>Net hotel income</b>                                      | <b>34.0</b>             | <b>9.6</b>        |
| Other business revenue                                       | 39.8                    | 29.9              |
| Other business operating expenses                            | (36.4)                  | (25.1)            |
| <b>Net other business income</b>                             | <b>3.4</b>              | <b>4.8</b>        |
| <b>Total revenues</b>  | <b>885.0</b>            | <b>474.1</b>      |
| <b>Total direct business operating expenses</b>              | <b>(406.3)</b>          | <b>(191.8)</b>    |
| <b>Net business income</b>                                   | <b>478.7</b>            | <b>282.3</b>      |
| Net valuation gain   | 298.0                   | 790.7             |
| Net gain on disposal of investment property and subsidiaries | 39.5                    | 1.2               |
| Amortization, depreciation and impairment                    | (59.5)                  | (22.4)            |
| Administrative expenses                                      | (91.5)                  | (40.1)            |
| Other operating income                                       | 292.3                   | 4.7               |
| Other operating expenses                                     | (5.0)                   | (3.7)             |
| <b>Operating result</b>                                      | <b>952.5</b>            | <b>1,012.7</b>    |
| Interest income  | 9.5                     | 16.4              |
| Interest expense   | (136.6)                 | (69.0)            |
| Other net financial result                                   | 225.6                   | 1.1               |
| <b>Net finance income/ (costs)</b>                           | <b>98.5</b>             | <b>(51.5)</b>     |
| Share of gain of equity-accounted investees (net of tax)     | 33.1                    | 3.9               |
| <b>Profit before income tax</b>                              | <b>1,084.1</b>          | <b>965.1</b>      |
| Income tax expense   | (107.3)                 | (164.2)           |
| <b>Net profit from continuing operations</b>                 | <b>976.8</b>            | <b>800.9</b>      |

\* The presented financial statements do not represent a full set of interim financial statements as if prepared in accordance with IAS 34



### **Gross rental income**

Gross rental income increased by €229.5 million (79.0%) to €520.1 million in Q1-Q3 2022 primarily due to rental income generated by IMMOFINANZ (€163.7 million) and S IMMO (€38.4 million), the contribution of other acquisitions, and strong like-for-like growth.

### **Property operating expenses**

In Q1-Q3 2022, property operating expenses increased by €56.6 million to €101.4 million primarily due to the acquisitions of IMMOFINANZ and S IMMO.

### **Net hotel income**

In Q1-Q3 2022, hotel revenues increased by €24.4 million to €34.0 million due to the recovery in travel demand and the lifting of COVID-19 restrictions after Q1 2022.

### **Net gain on disposal of investment property and subsidiaries**

Net gain on the disposal of investment property and subsidiaries of €39.5 million resulted from sales of certain Czech subsidiaries and other investment property.

### **Amortization, depreciation and impairment**

Amortization, depreciation and impairment increased by €37.1 million to €59.5 million in Q1-Q3 2022 due to impairment of receivables of €20.6 million, which are largely driven by the full write-off of purchase price receivables (€12.9 million) from Russia by IMMOFINANZ. Impairments of property, plant and equipment (€6.0 million) which were negative in H1 2021 (release of impairment of €10.8 million).

### **Administrative expenses**

In Q1-Q3 2022, administrative expenses increased by €51.4 million to €91.5 million primarily relating to IMMOFINANZ and S IMMO acquisitions (€37.3 million and €2.8 million, respectively) including associated one-off costs.

### **Other operating income**

In Q1-Q3 2022, other operating income represented primarily bargain purchases resulting from the acquisitions of IMMOFINANZ and S IMMO for a total of €285.9 million.

### **Interest expense**

Interest expense increased by €67.6 million to €136.6 million in Q1-Q3 2022 due to the acquisitions of IMMOFINANZ and S IMMO (€43.7 million and €6.9 million, respectively) and an increase in the volume of bonds issued (€17.0 million).

### **Other net financial result**

In Q1-Q3 2022, other net financial result of €225.6 million reflects predominantly the changes in the fair values of financial derivatives (gain of €181.6 million) and foreign exchange gains.

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION\*

| (€ million)                                  | 30 September 2022 | 31 December 2021 |
|--|-------------------|------------------|
| <b>NON-CURRENT ASSETS</b>                    |                   |                  |
| Intangible assets and goodwill               | 115.7             | 114.0            |
| Investment property                          | 18,765.2          | 10,275.8         |
| Property, plant and equipment                | 1,163.9           | 854.6            |
| Deferred tax assets                          | 174.7             | 164.1            |
| Equity accounted investees                   | 722.4             | 1,216.1          |
| Other non-current assets                     | 573.0             | 338.0            |
| <b>Total non-current assets</b>              | <b>21,514.9</b>   | <b>12,962.6</b>  |
| <b>CURRENT ASSETS</b>                        |                   |                  |
| Inventories                                  | 27.0              | 11.8             |
| Trade receivables                            | 156.0             | 105.7            |
| Cash and cash equivalents                    | 1,080.6           | 501.8            |
| Assets linked to assets held for sale        | 551.1             | 588.5            |
| Other current assets                         | 393.6             | 198.6            |
| <b>Total current assets</b>                  | <b>2,208.3</b>    | <b>1,406.4</b>   |
| <b>TOTAL ASSETS</b>                          | <b>23,723.2</b>   | <b>14,369.0</b>  |
| <b>EQUITY</b>                                |                   |                  |
| Equity attributable to owners of the Company | 6,992.5           | 5,991.8          |
| Perpetual notes                              | 1,636.2           | 1,611.6          |
| Non-controlling interests                    | 1,320.3           | 91.2             |
| <b>Total equity</b>                          | <b>9,949.0</b>    | <b>7,694.6</b>   |
| <b>NON-CURRENT LIABILITIES</b>               |                   |                  |
| Bonds issued                                 | 4,876.4           | 3,693.7          |
| Financial debts                              | 5,736.3           | 1,164.4          |
| Deferred tax liabilities                     | 1,749.8           | 1,082.4          |
| Other non-current liabilities                | 192.2             | 96.2             |
| <b>Total non-current liabilities</b>         | <b>12,554.7</b>   | <b>6,036.7</b>   |
| <b>CURRENT LIABILITIES</b>                   |                   |                  |
| Bonds issued                                 | 285.2             | 41.1             |
| Financial debts                              | 356.2             | 233.5            |
| Trade payables                               | 143.1             | 116.2            |
| Other current liabilities                    | 435.0             | 246.9            |
| <b>Total current liabilities</b>             | <b>1,219.5</b>    | <b>637.7</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>          | <b>23,723.2</b>   | <b>14,369.0</b>  |

\* The presented financial statements do not represent a full set of interim financial statements as if prepared in accordance with IAS 34

### Total assets

Total assets increased by €9.4 billion (65%) to €23.7 billion as at 30 September 2022 compared to 31 December 2021. The increase was driven by the acquisitions of IMMOFINANZ and S IMMO (investment property increased by €8.0 billion and cash and cash equivalents by €780 million), partly offset by a decrease in assets held for sale due to disposals in the period.

## Total liabilities

Total liabilities increased by €7.1 billion (106%) to €13.8 billion as at 30 September 2022 compared to 31 December 2021, primarily due to the acquisitions of IMMOFINANZ and S IMMO. The Group also drew two new bridge facilities with €1.5 billion outstanding at 30 September 2022.

## Equity and EPRA NRV

Total equity increased from €7.7 billion as at 31 December 2021 to €9.9 billion as at 30 September 2022 (by €2.2 billion). The movements of equity components were as follows:

- Increase due to the profit for the period of €976.8 million (profit to the owners of €850.8 million);
- Increase of non-controlling interests (NCI) by €1.8 billion through the acquisitions of IMMOFINANZ and S IMMO;
- Decrease in translation reserve of €38.4 million; and
- Increase in revaluation, hedging and legal reserve of €60.4 million.

EPRA NRV was €8.6 million as at 30 September 2022, representing an increase of 21.5% compared to 31 December 2021. The increase of EPRA NRV was driven by the above changes in the Group's equity attributable to the owners (increase of retained earnings, other reserves and decrease of translation reserve) and changes in deferred tax (primarily due to the acquisitions of IMMOFINANZ and S IMMO and revaluations).

|  | 30 September 2022 | 31 December 2021 |
|--|-------------------|------------------|
| <b>Equity attributable to the owners (NAV)</b> | <b>6,993</b>      | <b>5,992</b>     |
| <b>Diluted NAV</b>                             | <b>6,993</b>      | <b>5,992</b>     |
| Revaluation of trading property and PPE        | -                 | -                |
| Fair value of financial instruments            | (134)             |                  |
| Deferred tax on revaluations                   | 1,738             | 1,090            |
| Goodwill as a result of deferred tax           | (43)              | (43)             |
| <b>EPRA NRV (€ million)</b>                    | <b>8,554</b>      | <b>7,039</b>     |

## GLOSSARY

| Alternative Performance Measures (APM) | Definition   | Rationale   |
|--|--|---|
| Consolidated adjusted EBITDA           | Net business income as reported deducting administrative expenses as reported.   | This is an important economic indicator showing a business's operating efficiency comparable to other companies, as it is unrelated to the Group's depreciation and amortisation policy and capital structure or tax treatment. It is one of the fundamental indicators used by companies to set their key financial and strategic objectives.  |
| Consolidated adjusted total assets     | Consolidated adjusted total assets is total assets as reported deducting intangible assets and goodwill as reported.   |   |
| EPRA Net Reinstatement Value (NRV)     | EPRA NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity.   | Makes adjustments to IFRS NAV to provide stakeholders with the most relevant information on the fair value of the assets and liabilities within a true real estate investment company with a long-term investment strategy.   |
| Funds from operations or FFO           | It is calculated as net profit for the period adjusted by non-cash revenues/expenses (like deferred tax, net valuation gain/loss, impairment, amortisation/depreciation, goodwill etc.) and non-recurring (both cash and non-cash) items. Calculation also excludes accounting adjustments for unconsolidated partnerships and joint ventures. | Funds from operations provide an indication of core recurring earnings.   |
| Net debt/EBITDA                        | It is calculated as Net debt divided by Consolidated adjusted EBITDA.  | A measure of a company's ability to pay its debt. This ratio measures the amount of income generated and available to pay down debt before covering interest, taxes, depreciation and amortisation expenses.  |
| Net ICR                                | It is calculated as Consolidated adjusted EBITDA divided by a sum of interest income as reported and interest expense as reported.   | This measure is an important indicator of a firm's ability to pay interest and other fixed charges from its operating performance, measured by EBITDA.  |
| Net Loan-to-Value or Net LTV           | It is calculated as Net debt divided by fair value of Property Portfolio.  | Loan-to-value provides a general assessment of financing risk undertaken.   |
| Secured consolidated leverage ratio    | Secured consolidated leverage ratio is a ratio of a sum of secured financial debts and secured bonds to Consolidated adjusted total assets.  | This measure is an important indicator of a firm's financial flexibility and liquidity. Lower levels of secured debt typically also means lower levels of mortgage debt - properties that are free and clear of mortgages are sources of alternative liquidity via the issuance of property-specific mortgage debt, or even sales.  |
| Secured debt to total debt             | It is calculated as a sum of secured bonds and secured financial debts as reported divided by a sum of bonds issued and financial debts as reported.   | This measure is an important indicator of a firm's financial flexibility and liquidity. Lower levels of secured debt typically also means lower levels of mortgage debt - properties that are free and clear of mortgages are sources of alternative liquidity via the issuance of property-specific mortgage debt, or even sales.  |
| Unencumbered assets to total assets    | It is calculated as total assets as reported less a sum of encumbered assets as reported divided by total assets as reported.  | This measure is an important indicator of a commercial real estate firm's liquidity and flexibility. Properties that are free and clear of mortgages are sources of alternative liquidity via the issuance of property-specific mortgage debt, or even sales. The larger the ratio of unencumbered assets to total assets, the more flexibility a company generally has in repaying its unsecured debt at maturity, and the more likely that a higher recovery can be realized in the event of default. |
| Unencumbered assets to unsecured debt  | It is calculated as unencumbered assets as reported divided by a sum of unsecured bonds and unsecured financial debts as reported.   | This measure is an additional indicator of a commercial real estate firm's liquidity and financial flexibility.   |

| Non-financial definitions            | Definition  |
|--------------------------------------|---|
| Company                              | CPI Property Group S.A.   |
| Property Portfolio value or PP value | The sum of value of Property Portfolio owned by the Group   |
| Gross Leasable Area or GLA           | Gross leasable area is the amount of floor space available to be rented. Gross leasable area is the area for which tenants pay rent, and thus the area that produces income for the property owner. |
| Group                                | CPI Property Group S.A. together with its subsidiaries  |
| Net debt                             | Net debt is borrowings plus bank overdraft less cash and cash equivalents.  |
| Occupancy                            | Occupancy is a ratio of estimated rental value regarding occupied GLA and total estimated rental value, unless stated otherwise.  |
| Property Portfolio                   | Property Portfolio covers all properties and investees held by the Group, independent of the balance sheet classification, from which the Group incurs rental or other operating income.            |

### APM RECONCILIATION\*

| EPRA NRV reconciliation (€ million)  | 30-Sep 22    | 31-Dec 21    |
|--|--------------|--------------|
| <b>Equity attributable to owners of the company</b>  | <b>6,993</b> | <b>5,992</b> |
| Effect of exercise of options, convertibles and other equity interests                     | 0            | 0            |
| <b>Diluted NAV, after the exercise of options, convertibles and other equity interests</b> | <b>6,993</b> | <b>5,992</b> |
| Revaluation of trading property and property, plant and equipment                          | 0            | 0            |
| Fair value of financial instruments  | (134)        | 0            |
| Deferred tax on revaluation  | 1,738        | 1,090        |
| Goodwill as a result of deferred tax   | (43)         | (43)         |
| <b>EPRA NRV</b>  | <b>8,554</b> | <b>7,039</b> |

| Net LTV reconciliation (€ million)      | 30-Sep 22     | 31-Dec 21     |
|---|---------------|---------------|
| Financial debts                         | 6,093         | 1,398         |
| Bonds issued                            | 5,162         | 3,735         |
| Net debt linked to assets held for sale | 108           | 51            |
| Cash and cash equivalents               | (1,081)       | (502)         |
| <b>Net debt</b>                         | <b>10,282</b> | <b>4,682</b>  |
| <b>Total property portfolio</b>         | <b>21,172</b> | <b>13,119</b> |
| <b>Net LTV</b>                          | <b>48.6%</b>  | <b>35.7%</b>  |

| Net ICR reconciliation (€ million) | Q1-Q3 2022  | FY 2021     |
|------------------------------------|-------------|-------------|
| Interest income                    | 9           | 18          |
| Interest expense                   | (137)       | (97)        |
| Consolidated adjusted EBITDA       | 437         | 368         |
| <b>Net Interest coverage ratio</b> | <b>3.4x</b> | <b>4.6x</b> |

| Secured debt to total debt reconciliation (€ million) | 30-Sep 22    | 31-Dec 21    |
|---|--------------|--------------|
| Secured bonds   | 0            | 0            |
| Secured financial debts                               | 4,278        | 1,398        |
| Total debts   | 11,367       | 5,187        |
| <b>Secured debt to total debt</b>                     | <b>37.6%</b> | <b>27.0%</b> |

\* Totals might not sum exactly due to rounding differences.

| Unencumbered assets to total assets reconciliation (€ million) | 30-Sep 22    | 31-Dec 21    |
|--|--------------|--------------|
| Bonds collateral   | 0            | 0            |
| Bank loans collateral  | 10,811       | 4,255        |
| Total assets   | 23,723       | 14,369       |
| <b>Unencumbered assets ratio</b>                               | <b>54.4%</b> | <b>70.4%</b> |

| Consolidated adjusted EBITDA reconciliation (€ million)* | Q1-Q3 2022 | Q1-Q3 2021 |
|--|------------|------------|
| Net business income                                      | 479        | 282        |
| Administrative expenses                                  | (91)       | (40)       |
| Other effects  | 50         | 30         |
| <b>Consolidated adjusted EBITDA</b>                      | <b>437</b> | <b>272</b> |

| Funds from operations (FFO) reconciliation (€ million)*              | Q1-Q3 2022 | Q1-Q3 2021 |
|--|------------|------------|
| Net profit/(loss) for the period                                     | 977        | 801        |
| Deferred income tax  | (77)       | (155)      |
| Net valuation gain or loss on investment property                    | 298        | 791        |
| Net valuation gain or loss on revaluation of derivatives             | 182        | 2          |
| Net gain or loss on disposal of investment property and subsidiaries | 40         | 1          |
| Net gain or loss on disposal of PPE/other assets                     | (1)        | 0          |
| Amortization, depreciation and impairments                           | (60)       | (22)       |
| Other non-cash items   | 76         | 11         |
| GW/Bargain purchase  | 286        | 0          |
| Other non-recurring items  | (47)       | (21)       |
| Share on profit of equity accounted investees/JV adjustments         | 33         | 4          |
| Other effects  | 32         | 17         |
| <b>Funds from operations</b>   | <b>280</b> | <b>208</b> |

| Secured consolidated leverage ratio reconciliation (€ million) | 30-Sep 22    | 31-Dec 21   |
|--|--------------|-------------|
| Secured bonds  | 0            | 0           |
| Secured financial debts  | 4,278        | 1,398       |
| Consolidated adjusted total assets                             | 23,607       | 14,255      |
| <b>Secured consolidated leverage ratio</b>                     | <b>18.1%</b> | <b>9.8%</b> |

| Unencumbered assets to unsecured debt reconciliation (€ million) | 30-Sep 22   | 31-Dec 21   |
|--|-------------|-------------|
| Total assets   | 23,723      | 14,369      |
| Bonds collateral   | 0           | 0           |
| Bank loans collateral  | 10,811      | 4,255       |
| Total debts  | 11,367      | 5,187       |
| Secured bonds  | 0           | 0           |
| Secured financial debts  | 4,278       | 1,398       |
| <b>Unencumbered assets to unsecured debt</b>                     | <b>182%</b> | <b>267%</b> |

\* Includes pro-rata EBITDA/FFO for Q1-Q3 2022 and Q1-Q3 2021 of Equity accounted investees.

| Property portfolio reconciliation (€ million)    | 30-Sep 22     | 31-Dec 21     |
|--|---------------|---------------|
| Investment property – Office                     | 9,149         | 5,165         |
| Investment property - Retail                     | 4,737         | 2,351         |
| Investment property - Residential                | 2,159         | 1,134         |
| Investment property - Land bank                  | 1,983         | 1,396         |
| Investment property - Development                | 433           | 77            |
| Investment property - Hotels rented              | 140           | --            |
| Investment property - Agriculture                | 112           | 109           |
| Investment property - Other                      | 29            | 22            |
| Investment property - Industry & Logistics       | 24            | 22            |
| Property, plant and equipment - Hospitality      | 1,032         | 757           |
| Property, plant and equipment - Mountain resorts | 40            | 51            |
| Property, plant and equipment - Office           | 29            | 12            |
| Property, plant and equipment - Residential      | 14            | 6             |
| Property, plant and equipment - Agriculture      | 14            | 13            |
| Property, plant and equipment - Retail           | 10            | 2             |
| Property, plant and equipment - Other            | 7             | 1             |
| Property, plant and equipment - Land bank        | 2             | 1             |
| Property, plant and equipment - Hotels rented    | 1             | --            |
| Equity accounted investees                       | 722           | 1,216         |
| Other financial assets                           | --            | 199           |
| Inventories – Other                              | 9             | --            |
| Inventories – Land bank                          | 6             | 2             |
| Inventories - Development                        | 2             | 2             |
| Assets held for sale                             | 516           | 581           |
| <b>Total</b>                                     | <b>21,172</b> | <b>13,119</b> |

| Net debt/EBITDA reconciliation (€ million) | 30-Sep 22    | 31-Dec 21    |
|--|--------------|--------------|
| Net debt                                   | 10,282       | 4,682        |
| Net business income*                       | 638          | 385          |
| Administrative expenses*                   | (122)        | (58)         |
| Other effects*                             | 67           | 41           |
| <b>Net debt/EBITDA</b>                     | <b>17.6x</b> | <b>12.7x</b> |

\*Annualised.



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