SUPPLEMENT DATED 16 SEPTEMBER 2024 TO THE BASE PROSPECTUS DATED 24 APRIL 2024

CPI PROPERTY GROUP

a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B102254

Euro Medium Term Note Programme

This Supplement (the **Supplement**) to the Base Prospectus dated 24 April 2024 (the **Base Prospectus**) constitutes a prospectus supplement for the purposes of Article 23 of Regulation (EU) 2017/1129 (the **Prospectus Regulation**). This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and is prepared in connection with the Euro Medium Term Note Programme established by CPI Property Group (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of the Issuer or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer, the information contained in this Supplement is in accordance with the facts and makes no omission likely to affect the import of such information.

Purpose of the Supplement

The purpose of this Supplement is to:

(a) incorporate by reference the Issuer's unaudited condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2024;

(b) update the cover page of the Base Prospectus;

(c) update the section of the Base Prospectus entitled "*Overview of the Programme*";

(d) update the section of the Base Prospectus entitled "*Market Overview*";

(e) update the section of the Base Prospectus entitled "*Description of the Issuer*";

(f) update the section of the Base Prospectus entitled "*Description of the Issuer – Short Seller Activist Reporting*";

(g) include a new section in the Base Prospectus entitled "*Description of the Issuer – Recent Developments*"; and

(h) update the "*Significant or Material Change*" statement.

Interim financial statements as at and for the six-month period ended 30 June 2024

On 30 August 2024, the Issuer published its unaudited management report (the **Interim Management Report**), which contains the Issuer's unaudited condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2024 (the **H1 Interim Financial Statements**). A copy of the Interim Management Report has been filed with the Central Bank and, by virtue of this Supplement, the H1 Interim Financial Statements, as set out on the following pages of the Interim Management Report, are incorporated in, and form part of, the Base Prospectus:

Condensed Consolidated Interim Statement of Comprehensive Income…………...Page 81

Condensed Consolidated Interim Statement of Financial Position ………………...Page 82

Condensed Consolidated Interim Statement of Changes in Equity………………...Page 83

Consolidated Cash Flow Statement.. ………………...Page 84

Notes to the Consolidated Interim Financial Statements.............. ………………...Pages 85 - 112

Any other information incorporated by reference that is not included in the cross–reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Commission Delegated Regulation (EU) No. 2019/980.

Copies of the H1 Interim Financial Statements will be available for viewing on the website of the Issuer at https://cpipg.com/en/for-investors/reports-presentations.

Front Cover

In the fourteenth paragraph of the cover page of the Base Prospectus, the following amendments shall be made:

- the reference to the Issuer's ratings of "Baa3" by Moody's Deutschland GmbH and "BBB-" by S&P Global Ratings Europe Limited shall be amended to "Ba1" and "BB+" respectively;

- the reference to the Programme ratings in respect of the Senior Notes of "Baa3" by Moody's Deutschland GmbH and "BBB-" by S&P Global Ratings Europe Limited shall be amended to "Ba1" and "BB+" respectively; and

- the reference to the Programme ratings in respect of the Subordinated Notes of "Ba2" by Moody's Deutschland GmbH and "BB" by S&P Global Ratings Europe Limited shall be amended to "Ba3" and "B+" respectively.

Overview of the Programme

In the section entitled "Rating" on page 5 of the Base Prospectus, the following amendments shall be made:

- the reference to the Issuer's ratings of "Baa3" by Moody's and "BBB-" by S&P shall be amended to "Ba1" and "BB+" respectively;

- the reference to the Programme ratings in respect of the Senior Notes of "Baa3" by Moody's and "BBB-" by S&P shall be amended to "Ba1" and "BB+" respectively; and

- the reference to the Programme ratings in respect of the Subordinated Notes of "Ba2" by Moody's and "BB" by S&P shall be amended to "Ba3" and "B+" respectively.

Market Overview

In the section of the Base Prospectus entitled "*Market Overview*" on page 185 of the Base Prospectus, the following amendments shall be made:

In the seventh paragraph on page 188 of the Base Prospectus the reference to "9.0 per cent." shall be amended to "8.0 per cent.".

In the fifth paragraph on page 192 of the Base Prospectus the reference to "EUR 53,000 million" shall be amended to "EUR 5,300 million".

Description of the Issuer

General

In the section of the Base Prospectus entitled "*Description of the Issuer*" on page 195 of the Base Prospectus, the following amendments shall be made:

In the second paragraph on page 212 of the Base Prospectus the reference to "12.2 per cent." shall be amended to "9.1 per cent.".

In the second paragraph on page 213 of the Base Prospectus the reference to "89.0 per cent." shall be amended to "88.7 per cent.".

In the table on page 213 of the Base Prospectus the reference to "518.00" in the column headed "*Occupancy (%)*" as of 31 December 2022 and the row beginning "*Other*" shall be amended to "83.1".

In the penultimate paragraph on page 215 of the Base Prospectus the reference to "9.0 per cent." shall be amended to "8.0 per cent.".

In the table on page 216 of the Base Prospectus the reference to "97.2" in the column headed "*Occupancy (%)*" as of 31 December 2023 and the row beginning "*Czech Republic*" shall be amended to "97.7".

In the table on page 219 of the Base Prospectus the reference to "48" in the column headed "*Average daily rate change YoY*" as of 31 December 2023 and the row beginning "*Hungary*" shall be amended to "8".

In the fourth paragraph of page 222 of the Base Prospectus the reference to "EUR 110 million" shall be amended to "EUR 25 million".

Short Seller Activist Reporting

The section of the Base Prospectus entitled "*Description of the Issuer – Short Seller Activist Reporting*" on pages 244 to 245 of the Base Prospectus shall be deemed updated and replaced with the following:

"**Short Seller Activist Reporting**

On 21 November 2023, Muddy Waters LLC (**Muddy Waters**) announced it was short the credit of the Group and published a research report on the Group. Muddy Waters alleged, among other things, looting of the Group by the controlling shareholder and overstatement of Group asset values, by reference to certain identified transactions. Muddy Waters published a further document on 30 November 2023 relating to these initial allegations. Subsequently, on 22 January 2024, Muddy Waters published a further research report making further allegations of, among other things, overstatement of Group asset values, and understatement of vacancy rates, by reference to certain identified properties. On 25 January 2024, Muddy Waters published a third research report making further allegations of, among other things, money laundering. On 8 April 2024, Muddy Waters further published ten detailed questions for the Group to answer at its annual results conference call. In addition, on 29 May 2024, Muddy Waters published a fourth research report making further allegations of, among other things, money laundering and on 3 June 2024, Muddy Waters published a fifth research report alleging, among other things, that the controlling shareholder had saddled the Group with off-balance sheet debt through the contribution of assets in Dubai. The various Muddy Waters reports and documents are collectively referred to herein as the **Muddy Waters Reports**.

The Issuer has published fulsome and detailed rebuttals to each of the allegations in the Muddy Waters reports, on 8 December 2023, 8 February 2024, 31 May 2024 and 4 June 2024 and each of which are available on the Issuer's website, and on 8 April 2024, the Issuer also responded to the further questions published by Muddy Waters during annual results conference call following the release of the 2023 Financial Statements (together the **CPI Responses to Muddy Waters**). Furthermore, the Issuer commissioned White & Case LLP, an international law firm, to conduct an independent review of the allegations raised in the Muddy Waters Reports and a fresh review of its compliance, governance, related party transactions and other policies. The final report and recommendations, addressed to the Board, was finalised on 29 August 2024.

The review found no evidence to substantiate the short seller's claims. The review did not identify any schemes designed to confer undue financial benefits, particularly on the Group's controlling shareholder, to the detriment of the Group and/or the bondholders.

The report includes recommendations and suggestions to enhance the Group's governance and to further delineate the business activities of the Group's controlling shareholder from those of the Group. This includes a clean-up initiative involving the disposal of certain non-essential assets. The Group is working on deploying a comprehensive business partner KYC tool within its SAP system and appointing a Group Compliance Officer. While focusing on the implementation of the additional recommendations, the Group, following the assessment of White & Case LLP, will cease any further investigative activities and consider this matter closed.

As demonstrated in the CPI Responses to Muddy Waters, the Issuer is confident that all the allegations made by Muddy Waters are untrue and that the transactions highlighted in the Muddy Waters Reports were properly and accurately disclosed, did not cause any negative implications for the Group's banks and bondholders, had a clear business rationale and brought value to the Group. The Issuer is a closely held company which cares deeply about its reputation and its obligations to its stakeholders. The Issuer believes that the Muddy Waters Reports have had no material impact on the Group's access to liquidity, ability to make disposals or to pursue its strategic plans, and has engaged extensively with the Group's stakeholders in relation to its responses to the Muddy Waters Reports. See "*Risk Factors — Risks related to the Group's business and industry – The Group may continue to be the target of short seller activist reporting*"."

Recent Developments

In the section of the Base Prospectus entitled "*Description of the Issuer*" on page 195 of the Base Prospectus, a new section headed "*Recent Developments*" shall be inserted. The Group notes the following recent developments:

"***Intra-Group re-organisation***

On 25 April 2024, the Group announced the signing of a binding agreement for the sale of a portfolio totalling six properties, consisting of two office buildings, two shopping centres, a mixed-use property and a single-tenant retail building with a total lettable area of around 136,000 m^2, located in the Czech Republic to S IMMO. The property value was EUR 463 million and annual rental income is around EUR 28.3 million. After the deduction of financial liabilities (approximately EUR 236 million), other balance sheet adjustments (approximately EUR 10.5 million) and commercial deductions (approximately EUR 40.5 million), the net consideration received by the Group is approximately EUR 176 million, subject to standard balance sheet adjustments. Approximately EUR 76 million of the net consideration is financed initially by a vendor loan. The transaction qualifies as a related party transaction as the Group indirectly consolidates S IMMO. For more information, see "*Description of the Issuer - IMMOFINANZ and S IMMO*".

Continued progress on disposals

As part of the Group's disposal programme:

- on 2 May 2024, the Group completed the sale of approximately 84 per cent. of the shares of CMA, the company owning and operating the Issuer's assets in the Crans Montana ski resort, Switzerland, to Vail Resorts, Inc. The gross transaction value was more than CHF 100 million;

- on 28 May 2024, S IMMO signed contracts for the disposal of several commercial and residential assets across German cities for a total transaction volume of EUR 255 million;

- the Group also announced the sale of one of the smaller completed units, The Address Residence at Sky View, Dubai, above book value (with a sale price of AED 25.5 million or EUR 6.2 million, relative to the book value of EUR 5.8 million);

- on 13 June 2024, IMMOFINANZ completed the sale of three office buildings in Warsaw to ECHO Investment Capital Group for EUR 28.5 million; and

- on 20 August 2024, IMMOFINANZ also announced the sale of an office development in Bucharest to AFIR Europe for approximately EUR 27.0 million, marking a significant step in the Group's strategic portfolio optimisation.

The Group's disposal pipeline is updated regularly and the Group continues to work on a pipeline exceeding EUR 2 billion. Cash received by the Group will be primarily used to reduce leverage and recharge the Group's financial profile.

Financing updates

On 2 May 2024, the Issuer issued EUR 500 million 7.000 per cent. Senior Unsecured Green Notes due 2029 under the Programme and the Issuer applied the net proceeds to fully repay the remaining EUR 460 million of bridge loans related to the acquisitions of IMMOFINANZ and S IMMO, which meet the Eligibility Criteria as set out in the Green Bond Framework. With the bridge loan repayment, the Issuer's fixed-rate debt ratio increased to over 90 per cent.

In addition, the Group's EUR 700 million committed revolving credit facility, which supports its liquidity position and expires in 2026, was repaid to EUR 325 million as at 13 September 2024 (EUR 310 million as at 30 June 2024). The Issuer has served the banks with a EUR 75 million prepayment notice, repaying the revolving credit facility to EUR 250 million.

Group simplification

On 24 May 2024, IMMOFINANZ announced the commencement of preparations for a squeeze-out of the minority shareholders of S IMMO. In aggregate, the Group holds a stake of approximately 88.97 per cent. in the share capital of S IMMO (and taking into account the treasury shares of S IMMO, the Group's effective stake in S IMMO is approximately 93.17 per cent.). The intended squeeze-out was the Group's first step towards simplifying the Group's capital structure.

On 4 September 2024, the Group and IMMOFINANZ announced they would start negotiations regarding the potential sale of 28,241,094 shares in S IMMO (approximately 38.37 per cent.) held by the Group to IMMOFINANZ. A transaction would be at arms' length and at a fair market price, taking into account the cash compensation of EUR 22.05 per share to be paid to the minority shareholders of S IMMO pursuant to the initiated squeeze-out procedure. Based on the squeeze out compensation per share announced by IMMOFINANZ, the aggregate upper limit amounts to about EUR 623 million. The Group is expected to offer a possibility of long-term financing to IMMOFINANZ for a portion of the purchase price, as well as potential discount. The Group expects the transaction to be completed before end of September 2024.

Corporate capital reduction

On 29 August 2024, an extraordinary general meeting of the shareholders of the Issuer resolved to decrease the corporate capital of the Issuer from the amount of EUR 861,952,279.10 to EUR 86,195,227.91 without cancellation of shares, by decreasing the par value of the existing shares from ten eurocents (EUR 0.10) to one eurocent (EUR 0.01) per share. The purpose of the capital decrease is to adapt the share capital and the par value of the shares of the Issuer to future potential group simplification measures. The reduction proceeds were allocated to a reserve.

The extraordinary general meeting also approved the modifications of the Issuer's articles of association reflecting the above capital decrease approved during the extraordinary general meeting. All resolutions were adopted by 100 per cent. of the votes cast.

Poland equity investment

Following the signing of a commitment agreement with Sona Asset Management (UK) LLP (**Sona**) in April 2024, the Issuer and two of its subsidiaries, CPI FIM SA and CPI, signed a partnership agreement with Sona on 24 June 2024 through which the Group sold a 49 per cent. common equity stake in Vulcanion, a.s. (**Vulcanion**) for EUR 250 million to funds managed by Sona. Vulcanion is a holding company owning 11 office properties in Warsaw and two retail assets in Elbląg and Lublin, Poland. The portfolio's gross asset value is approximately EUR 1 billion; three of the office properties will remain encumbered by a green loan from Aareal Bank which matures in 2028. Following the equity stake sale, the Group will retain full operational control and will continue to consolidate Vulcanion. Funding and closing took place at the end of June 2024. The Group will retain the ability to repurchase the minority equity stake from Sona.

Framework agreement to review further integration

On 23 July 2024, the Issuer announced the signing of a framework agreement with IMMOFINANZ, enabling the two groups to initiate a process to examine the feasibility, advantages and disadvantages of a potential business combination, cross-border merger or other form of integration or combination of assets, functions and key corporate entities of the two groups with the aim of optimising the Group's capital structure to capture both operating and cost efficiencies for the benefit of all stakeholders.

Rating agency action

On 31 May 2024, S&P downgraded the rating of the Issuer from BBB- to BB+ with a negative outlook, as well as the rating assigned to its outstanding Senior Notes from BBB- to BB+ and its outstanding Subordinated Notes from BB to B+. The Group estimates that interest expense will increase by approximately EUR 3 million in 2024 and between EUR 10 million to EUR 20 million in 2025, depending on the pace of debt repayment. None of the Group's financing arrangements contain any cancellation options or similar provisions, and therefore the Group's liquidity position is unaffected.

Further, on 26 July 2024, Moody's cut the Issuer's rating from Baa3 to Ba1 with a negative outlook, as well as the rating assigned to its outstanding Senior Notes from Baa3 to Ba1 and its outstanding Subordinated Notes from Ba2 to Ba3.

Update on Cyprus and CPI Tor di Valle litigation

On 31 July 2024, the District Court of Nicosia, Republic of Cyprus, decided to maintain in effect provisional orders granted in December 2022. The judgment does not introduce any new orders and does not address or decide the merits of the underlying case. It pertains solely to the continuation of the December 2022 procedural measures until the final resolution of the case. The Group firmly believes that the litigation is unjustified and unfounded and intends to vigorously challenge the Court's decision though the appellate process.

On 15 May 2024, the administrative court rejected the appeals by Eurnova and CPI Tor di Valle, which sought the annulment of the Revocation Resolution. The court also rejected the Municipality of Rome's counterclaim for damages, citing a lack of administrative jurisdiction, and stated that any claim by the Municipality of Rome should be filed and pursued in an ordinary court. As at the date of this Supplement, the Group was not aware of any filing by the Municipality of Rome.

Significant or Material Change

The paragraph "*Significant or Material Change*" on page 260 of the Base Prospectus shall be deemed updated and replaced with the following paragraph:

"**Significant or Material Change**

There has been no significant change in the financial performance or financial position of the Group since 30 June 2024 and there has been no material adverse change in the financial position or prospects of the Group since 31 December 2023."

General

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus.