



**CPI PROPERTY GROUP**  
*Société Anonyme*  
40, rue de la Vallée  
L-2661 Luxembourg  
R.C.S. LUXEMBOURG B 102254  
(hereinafter the "**Company**" or "**CPIPG**")

## SHARE BUY-BACK PROGRAMME OF THE COMPANY

### I. Introduction

CPI PROPERTY GROUP, a *société anonyme*, incorporated and existing under Luxembourg law, was founded in 2004. The Company ranks among the most significant real estate groups focusing on long-term investments and property leases, especially in Central and Eastern Europe and Germany.

Certain number of shares of the Company (ISIN LU0251710041) are officially listed on the Regulated Market of the Frankfurt Stock Exchange, respectively in the General Standard segment.

In application of article 430-15 of the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**1915 Law**"), as well as of the EC Directive EC/2004/109 (as amended), also known as the "Transparency" Directive and of the "Market Abuse" Regulation EU 596/2014, the purpose of the present note is to describe the objectives, finalities and modalities of the repurchase/redemption programme of its own shares by the Company it is proposed to implement and of the authorization to be conferred to the board of directors of the Company to implement such programme.

### II. Issuer

CPI PROPERTY GROUP, with its registered seat at 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg, R.C.S. LUXEMBOURG B 102254.

### III. Share buyback programme (the "**Programme**")

- The shares concerned: CPIPG ordinary shares – both listed (ISIN LU0251710041) and unlisted shares. Only fully paid-up shares may be repurchased.
- Modalities of the repurchase of the shares: the shares can be repurchased by the Company itself, or through a company in which the Company holds directly the majority of the voting rights, or through a person acting in its own name but for the account of the Company.

The shares can be repurchased on the Frankfurt Stock Exchange or directly from existing and/or future shareholders by consensual or private sale, without prejudice to the principle of equal treatment of all shareholders who are in the same position and the provisions of the 1915 Law.

- The maximum number of shares to be repurchased: 1,000,000,000.
- The maximum redemption price is set at five euros (€ 5.-) per share.
- The minimum redemption price is set at one euro cent (€ 0.01) per share.
- Programme's duration: 5 years from the general meeting of the shareholders of the Company of 28 May 2020.
- Financial conditions: The acquisitions/repurchases/redemptions of its own shares by the Company, including shares previously acquired by the Company and held by it, as well as shares acquired by a person acting in his own name but on behalf of the Company, may not have the effect of reducing the net assets of the

Company below the amount of the subscribed capital plus the reserves which may not be distributed under 1915 Law or by virtue of the articles of the Company.

#### **IV. Date of the General Meeting of shareholders having authorised the Programme**

It is proposed to the general meeting of the shareholders of the Company to be held on 28 May 2020 to approve the Programme and to authorise the board of directors of the Company to implement the Programme. In particular, it is proposed to authorise the board of directors of the Company, to implement the share repurchase Programme in one or several steps, to proceed with the payment of the relevant repurchase price out of the Company's available funds, to take all required actions to complete any repurchase of shares and to verify that process of share repurchase is made in compliance with the legal provisions of the 1915 Law.

#### **V. Legal framework**

Those aspects related to the share redemption Programme are set forth in the provisions of "Transparency" Directive and of the "Market Abuse" Regulation.

The aspects related to company law are set forth in articles 430-15 ff of the 1915 Law.

The Company's articles of association contain the following provision concerning the redemption of own shares:

##### **"5.3. Redemption of its own shares**

*The Company may acquire its own shares, either on its own, or through a company in which the Company holds directly the majority of the voting rights, or through a person acting in its own name but for the account of the Company, subject to the conditions of the 1915 Law."*

#### **VI. The total number of voting rights and share capital of CPIPG as at 24 April 2020**

As at 24 April 2020 the corporate capital of CPIPG is € 865,171,633.10 represented by 8,651,716,331 shares, having a nominal value of ten eurocents (EUR 0.10) each.

#### **VII. Objectives of the new buyback Programme**

Pursuant to the implementation of the European Regulation, the objectives of this share buyback Programme are the capital reduction of the Company (in value or in number of shares), the conversion of bonds and/or warrants and other debt financial instruments exchangeable into equity instruments issued by the Company, the improvement of the balance sheet structure, the creation of stock options plans and employee share option programs or other allocations of shares to employees of the Company or of an associate company, the improvement of the shareholding value in order to have the flexibility to intervene in the market if necessary or to have the possibility to meet obligations arising from above.

The realisation of those different objectives must be carried out in abidance with regulations in force and taking into account those precisions provided by the four supervisory authorities at the places of listing regarding complementary market practices concerning the one or more liquidity contracts that could eventually be entered into with an investment services provider and the purchase for the purpose of conservation and later remittance to exchange or for payment within the framework of possible outside growth operations.

Luxembourg, 24 April 2020

Yours faithfully,

**The Board of Directors of the Company**