

SUPPLEMENT DATED 15 JANUARY 2020 TO THE BASE PROSPECTUS DATED 30 MAY 2019 AS PREVIOUSLY SUPPLEMENTED BY THE FIRST SUPPLEMENT DATED 5 SEPTEMBER 2019, THE SECOND SUPPLEMENT DATED 9 OCTOBER 2019 AND THE THIRD SUPPLEMENT DATED 8 JANUARY 2020



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

EUR 5,000,000,000

Euro Medium Term Note Programme

This Supplement (the **Supplement**) to the Base Prospectus dated 30 May 2019 as previously supplemented by the First Supplement (the **First Supplement**) dated 5 September 2019, the Second Supplement (the **Second Supplement**) dated 9 October 2019 and the Third Supplement (the **Third Supplement**) dated 8 January 2020 (the **Base Prospectus**) constitutes a prospectus supplement for the purposes of Article 16 of Directive 2003/71/EC (as amended or superseded, the **Prospectus Directive**). This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and is prepared in connection with the EUR 5,000,000,000 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 Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplement

The purpose of this Supplement is to update the sections of the Base Prospectus entitled (a) "*Risk Factors*"; (b) "*Description of the Issuer – Recent Developments*"; (c) "*Applicable Final Terms For the Senior Notes*"; (d) "*Applicable Final Terms For the Subordinated Notes*"; (e) "*Terms and Conditions of the Senior Notes*"; (f) "*Terms and Conditions of the Subordinated Notes*"; and (g) "*Taxation*".

Risk Factors

In the section of the Base Prospectus entitled "*Risk Factors – Risks related to Subordinated Notes generally*", the following paragraphs shall be inserted as new risk factors immediately after the risk

factor entitled "Provisions which provide for interest to be payable on interest may be unenforceable as a matter of Luxembourg law" on page 28 of the Base Prospectus:

The tax treatment of the Subordinated Notes is unclear

The Singapore income tax treatment of the Subordinated Notes as described in "Taxation—Singapore Taxation" is subject to the agreement of the Inland Revenue Authority of Singapore (IRAS). It is not clear whether the Subordinated Notes will be regarded as "debt securities" by the IRAS for the purposes of the ITA and therefore if the holders of the Subordinated Notes may be eligible to receive the tax concessions or exemptions available for "qualifying debt securities" under the qualifying debt securities scheme (as described in the section entitled "Taxation—Singapore Taxation"). The Issuer does not intend to request an advance tax ruling from the IRAS to confirm, amongst other things, whether the Subordinated Notes would be regarded as "debt securities" for the purposes of the ITA. If the Subordinated Notes are not regarded as "debt securities" or the interest payments made under the Subordinated Notes are not regarded as interest payable on indebtedness for the purposes of the ITA and Noteholders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to Noteholders may differ. No assurance, warranty or guarantee is given on the tax treatment to Noteholders in respect of the distributions payable to them. Investors and Noteholders should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Subordinated Notes.

Investments in the Subordinated Notes may be subject to Singapore taxation

The Subordinated Notes to be issued under the Programme during the period from the date of this Base Prospectus to 31 December 2023 are intended to be "qualifying debt securities" for the purpose of the ITA subject to the fulfilment of certain conditions more particularly described in the "Singapore Taxation" section of this Base Prospectus.

However, there is no assurance that the conditions for "qualifying debt securities" will be met or that such Subordinated Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time or should the required conditions cease to be fulfilled.

Description of the Issuer – Recent Developments

In the section of the Base Prospectus entitled "Description of the Issuer – Recent Developments" on page 184 of the Base Prospectus, the following paragraph shall be inserted at the end of such section:

On or about 15 January 2020, the Issuer and the Trustee entered into a supplemental trust deed in order to amend (i) the Terms and Conditions of the Senior Notes and (ii) the Terms and Conditions of the Subordinated Notes.

Applicable Final Terms For the Senior Notes

The section of the Base Prospectus entitled "Applicable Final Terms For the Senior Notes" shall be amended in the manner described below.

Item 14(e) appearing under the heading "Applicable Final Terms For the Senior Notes – Part A – Contractual Terms – Provisions Relating To Interest (If Any) Payable" on page 43 of the Base Prospectus shall be deleted and replaced with the following:

(e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)] [Actual/365 (Fixed)]

Applicable Final Terms For the Subordinated Notes

The section of the Base Prospectus entitled "*Applicable Final Terms For the Subordinated Notes*" shall be amended in the manner described below.

The following shall be inserted as a new third paragraph on page 53 of the Base Prospectus:

[Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Subordinated Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the ITA), shall not apply if such person acquires such Subordinated Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Subordinated Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.]

Item 13(e) appearing under the heading "Applicable Final Terms For the Subordinated Notes – Part A – Contractual Terms – Provisions Relating To Interest (If Any) Payable" on page 56 of the Base Prospectus shall be deleted and replaced with the following:

(e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)] [Actual/365 (Fixed)]

Item 13(i) appearing under the heading "Applicable Final Terms For the Subordinated Notes – Part A – Contractual Terms – Provisions Relating To Interest (If Any) Payable" on page 56 of the Base Prospectus shall be deleted and replaced with the following:

(i) Subsequent Reset Reference Rate(s) and Relevant Financial Centre: [Mid Swaps/Reference Bond/Singapore Dollar Swap Offer Rate]
Relevant Financial Centre: []

Terms and Conditions of the Senior Notes

In the section of the Base Prospectus entitled "*Terms and Conditions of the Senior Notes*", the definition of "*Day Count Fraction*" on page 74 of the Base Prospectus shall be amended by (a) the insertion of the "and" at the end of sub-paragraph (ii); and (b) the addition of the following sub-paragraph (iii):

(iii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Accrual Period divided by 365.

Terms and Conditions of the Subordinated Notes

The section of the Base Prospectus entitled "*Terms and Conditions of the Subordinated Notes*" shall be amended in the manner described below.

The definition of "Day Count Fraction" on page 113 of the Base Prospectus shall be amended by (a) the insertion of "and" at the end of sub-paragraph (ii); and (b) the addition of the following sub-paragraph (iii):

(iii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Accrual Period divided by 365.

The definition of "Subsequent Reset Reference Rate" on page 116 of the Base Prospectus shall be amended by (a) the insertion of "or" at the end of sub-paragraph (B); and (b) the addition of the following sub-paragraph (C):

(C) if Singapore Dollar Swap Offer Rate is specified in the Final Terms, the Singapore Dollar swap offer rate for a duration equal to the relevant Reset Period displayed on the Subsequent Reset Reference Rate Screen Page at or around the Subsequent Reset Reference Rate Time on the relevant Reset Determination Date for such Reset Period.

The definition of "Original Reference Rate" on page 121 of the Base Prospectus shall be deleted and replaced with the following:

Original Reference Rate means the Mid Swap Benchmark Rate or the Singapore Dollar Swap Offer Rate (as applicable) or, where a Successor Rate or an Alternative Rate has been determined pursuant to Condition 4.10(ii), such Successor Rate or Alternative Rate, as applicable, used to determine the Subsequent Reset Rate (or any component part thereof) on the Subordinated Notes;

Taxation

In the section of the Base Prospectus entitled "*Taxation*", the following paragraphs shall be inserted after the third paragraph on page 193 of the Base Prospectus:

Singapore Taxation

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore (the **IRAS**) and the Monetary Authority of Singapore (**MAS**) in force as at the date of this Base Prospectus and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Base Prospectus are intended or are to be regarded as advice on the tax position of any holder of the Subordinated Notes or of any person acquiring, selling or otherwise dealing with the Subordinated Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Subordinated Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Subordinated Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. It should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. Holders or prospective holders of the Subordinated Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership or disposal of the Subordinated Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Joint Arrangers, the Dealers, the Trustee and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Subordinated Notes.*

1. Characterisation of the Subordinated Notes for Singapore income tax purposes

In Singapore, the income tax treatment of any distributions from the Subordinated Notes is dependent on the characterisation of such Subordinated Notes. Currently, there are no specific

provisions in the Income Tax Act (Chapter 134 of Singapore) (the "ITA") which stipulate the considerations or factors for determining the nature of the Subordinated Notes as to whether it is a debt or an equity instrument. IRAS has however issued an e-Tax Guide titled "Income Tax Treatment of Hybrid Instruments" dated 21 October 2019 ("**Hybrid Instruments e-Tax Guide**") to provide some guidance in determining such characterisation.

Under the Hybrid Instruments e-Tax Guide, IRAS takes the approach that the characterisation is first determined based on its legal form. This involves the examination of the legal rights and obligations created by the instrument. A hybrid instrument is generally characterised as equity given that the legal terms of such an instrument would generally indicate ownership interests in the issuer. However, where there are specific terms or features of a hybrid instrument which may not be aligned to its legal form, or if the legal form of a hybrid instrument is not indicative of or does not reflect the legal obligations and rights of the hybrid instrument, then the characterisation of the hybrid instrument would be determined based on all the relevant facts and circumstances and a combination of certain factors provided under the Hybrid Instruments e-Tax Guide. The presence of any single factor may not suffice to classify the hybrid instrument as either debt or equity. To determine the characterisation of the hybrid instrument, a combination of factors and the facts and circumstances of the case have to be taken into account. Once the characterisation of a hybrid instrument is determined, the corresponding tax treatment would follow.

The Issuer does not intend to request an advance tax ruling from the IRAS to confirm, amongst other things, whether the Subordinated Notes would be regarded as "debt securities" for the purposes of the ITA. If the Subordinated Notes are not regarded as "debt securities" or the interest payments made under the Subordinated Notes are not regarded as interest payable on indebtedness for the purposes of the ITA and Noteholders thereof are not eligible for the tax concessions under the qualifying debt securities scheme, the tax treatment to Noteholders may differ. Investors and Noteholders should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Subordinated Notes. The disclosure below is based on the assumption that the IRAS regards the Subordinated Notes as "debt securities" for the purposes of the ITA and that interest payments made under the Subordinated Notes will be regarded as interest payable on indebtedness and holders thereof may therefore enjoy the tax concessions and exemptions available for qualifying debt securities, provided that the other conditions for the qualifying debt securities scheme are satisfied. If the Subordinated Notes are not regarded as "debt securities" for the purposes of the ITA, holders thereof would not be eligible for the tax concessions and exemptions under the qualifying debt securities scheme and the tax treatment to holders may differ depending on the characterisation and treatment of the Subordinated Notes by the IRAS. Investors and holders of any Notes should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of any Subordinated Notes.

2. Interest and Other Payments

In respect of any tranche of Subordinated Notes issued under the Programme where more than half of the Subordinated Notes issued under that tranche are distributed by a Financial Sector Incentive (Bond Market) Company, a Financial Sector Incentive (Capital Market) Company or a Financial Sector Incentive (Standard Tier) Company (as defined in the ITA) at the time of such distribution, such Subordinated Notes, if they are treated as debt instruments, issued under the Programme during the period from the date of this Base Prospectus to 31 December 2023, should be regarded as debt securities (as defined in the ITA) and hence qualifying debt securities (**QDS**) for the purposes of the ITA, to which the following treatment shall apply:

- (i) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Subordinated Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Subordinated Notes as MAS may require, and the inclusion by the Issuer in all offering documents relating to the Subordinated Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Subordinated Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Subordinated Notes using the funds and profits of such person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the **Specified Income**) from the Subordinated Notes, paid by the Issuer and derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Subordinated Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax; and
- (ii) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as MAS may direct, to MAS of a return on debt securities for the Subordinated Notes in the prescribed format within such period as MAS may specify and such other particulars in connection with the Subordinated Notes as MAS may require), Specified Income from the Subordinated Notes paid by the Issuer and derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0 per cent. (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates).

Notwithstanding the foregoing:

- (A) if during the primary launch of any tranche of Subordinated Notes, such tranche of the Subordinated Notes are issued to fewer than four persons and 50.0 per cent. or more of the issue of such Notes is beneficially held or funded, directly or indirectly, by a related party or related parties of the Issuer, such Subordinated Notes would not qualify as QDS; and
- (B) even though a particular tranche of Subordinated Notes are QDS, if, at any time during the tenure of such tranche of Subordinated Notes, 50.0 per cent. or more of such Subordinated Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Specified Income derived from such Subordinated Notes held by:
 - (I) any related party of the Issuer; or
 - (II) any other person where the funds used by such person to acquire such Subordinated Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "related party", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) is derived from the Subordinated Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Subordinated Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Specified Income) derived from the Subordinated Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

3. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Subordinated Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Subordinated Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Subordinated Notes who apply or are required to apply Singapore Financial Reporting Standard 39 (**FRS 39**), FRS 109 – Financial Instruments (**FRS 109**) or Singapore Financial Reporting Standard (International) 9 (**SFRS(I) 9**) (as the case may be), may for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Subordinated Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on “Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes”.

4. Adoption of FRS 39, FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and “opt-out” provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued an e-tax guide entitled “Income Tax Implications Arising from the Adoption of FRS 39 - Financial Instruments: Recognition & Measurement”.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued an e-tax guide entitled “Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 - Financial Instruments”.

Holders of the Subordinated Notes who may be subject to the tax treatment under the FRS 39 tax regime, FRS 109 tax regime or the SFRS(I) 9 tax regime should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Subordinated Notes.

5. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

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 inaccuracy relating to information included in the Base Prospectus.