

# CPI Property Group

## Remuneration Report 2023

This Remuneration Report (the “**Remuneration Report**”) provides detailed information about the remuneration received by the board of directors and the senior management of CPI PROPERTY GROUP S.A. (the “**Company**” or “**we**”) during the financial year 2023.

The Remuneration Report will be available on the Company’s website.

### Highlights summary

With the presentation of the results for the financial year ending 31 December 2023, the Company provided a detailed overview of the relevant facts and developments in the performance and business environment of the Company. Financial statements for the financial year 2023 are available on the Company’s website.

The Group fully consolidates the assets, liabilities, and equity of IMMOFINANZ AG and S IMMO AG. Income-related measures are reported proportionately, reflecting the acquisition timing during 2023.

### Highlights of the 2023 financial year include:

- (a) **Total assets were €21.9 billion**, and EPRA NRV (NAV) was €7 billion.
- (b) **CPIPG’s property portfolio was €19.5 billion** (versus €20.9 billion at year-end 2022) due to €930 million of completed disposals and a negative revaluation result of €1.1 billion, partially offset by €376 million of CapEx and other additions.
- (c) **The Group has signed €2 billion of disposals** since August 2022, ahead of schedule, with **nearly €900 million closed or expected to be closed during Q1 and Q2 2024**. A further €2 billion of assets have been identified for disposal in the coming 12 to 24 months.
- (d) **Net rental income increased by 25.9% to €796 million**, and net business income rose to €874 million.
- (e) **Annualised topped-up net rental income increased by 2.7% to €801 million**.
- (f) **Hotels reported net income of €76 million**, an increase of 66% compared to 2022 and 89% above 2019 results.
- (g) **Consolidated adjusted EBITDA was €778 million; FFO1 increased to €390 million**.
- (h) **Strong rental income growth of 7.9% on a like-for-like basis** reflects the contribution from inflation indexation and a stable market environment.
- (i) **Occupancy remained high at 92.1%** with a stable WAULT of 3.5 years.
- (j) **The EPRA topped-up net initial yield increased by 0.7% to 5.4%**, reflecting the high-yielding nature of our portfolio and the optimisation achieved by selling lower-yielding assets.
- (k) **Net Loan-to-Value (LTV) was 52.3%** at year-end 2023, above our target, due to the negative revaluation result and timing of disposals; **Net LTV is 49.8%** pro-forma for disposals already signed.
- (l) **Net Debt was reduced** by more than €400 million.
- (m) The Group raised over €2.5 billion of secured and unsecured external financing in 2023, **including €1.2 billion of fresh cash**.
- (n) **Total available liquidity was €1.4 billion** as of 31 December 2023, which is expected to improve by about €700 million once all signed disposals are closed and proceeds are received. Debt maturities are limited to €1.1 billion over the next 24 months, with most being bank loans that are typically rolled over ahead of maturity.
- (o) **Unencumbered assets decreased to 48%**, reflecting the completion of new secured loans during 2023.
- (p) **Net ICR was 2.5×**, reflecting the relatively higher cost of the Group’s temporary bridge financing arrangements, partly offset by the reduction in outstanding gross debt. **Excluding the impact from the bridge, the ICR would have been 3.3×**.
- (q) **CPIPG repaid over €1 billion in bridge debt**, with the year-end 2023 balance at €608 million, further reduced to below €530 million as of Q1 2024. CPIPG continues to aim for full bridge repayment by the end of H1 2024.

## Remuneration

During the financial year 2023, the Group paid the following remuneration:

Executive Directors	Aggregate remuneration 2023	Aggregate remuneration 2022	Aggregate remuneration 2021
<b>David Greenbaum</b> Chief Executive Officer (since 22 November 2023) / CFO (until 21 November 2023)	€736,865	€563,760	€521,130
<b>Zdeněk Havelka</b> Chief Operating Officer	€414,879	€405,455	€389,017
<b>Pavel Měchura</b> Group Finance Director	€374,412 <sup>1</sup>	€385,776	€213,638
<b>Martin Němeček</b> CEO (until 22 November 2023)	€678,231 <sup>2</sup>	€473,335	€425,867
<b>Tomáš Salajka</b> Director of Acquisitions, Asset Management & Sales	€414,879	€410,152	€388,397
<b>Oliver Schlink</b> Managing Director in GSG Berlin	€495,000	€470,000	€430,000
<b>Jan Kratina</b> Director of CPI Hotels	€510,000	€260,000	€133,438

<sup>1</sup> Includes remuneration for Executive Board function in IMMOFINANZ AG (since June 2023)

<sup>2</sup> Includes remuneration for Supervisory Board functions in IMMOFINANZ AG and S IMMO AG

Independent and Non-Executive Directors	Aggregate remuneration 2023	Aggregate remuneration 2022	Aggregate remuneration 2021
<b>Edward Hughes</b> Chairman, independent, non-executive member	€36,000	€36,000	€36,000
<b>Jonathan Lewis</b> Independent, non-executive member	€54,000	€54,000	€54,000
<b>Tim Scoble</b> Non-executive member	€0	€0	€0
<b>Omar Sattar</b> Independent, non-executive member	€36,000	€36,000	€36,000
<b>Philippe Magistretti</b> Non-executive member <sup>3</sup>	€159,285	€163,287	€152,513

<sup>3</sup> Payable by Crans-Montana entities

The fixed remuneration and the Annual Bonus granted or awarded for 2023 are included in the total remuneration above. As the Executive Directors successfully met the Company's short term and long-term environmental targets, the Annual Bonus linked to the environmental targets was awarded by the ESG Committee.

## Information on Shareholder vote

This Remuneration Report is being submitted to the advisory vote of the Company's shareholders on the AGM on 30 May 2024.