

Annual Report 2024

CPI
Europe



IMMOFINANZ becomes

CPI Europe



Following a resolution of the annual general meeting at the end of January 2025, the name change of our company from IMMOFINANZ to CPI Europe* became effective with the entry in the Company Register on 11 March. This annual report is therefore published under the new name.

We are pleased about this step, which further underlines our affiliation with our parent company CPI Property Group and also stands for process harmonisation and increased efficiency.

* The name CPI Europe covers the entire Group including S IMMO, while "CPI Europe (excluding S IMMO)" refers to the company not including S IMMO.

Our Company

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Key Figures

EUR 489.6 mn
results of asset management

Earnings

		2024	2023	Change in %
Rental income	in MEUR	589.2	533.6	10.4
Results of asset management	in MEUR	489.6	418.5	17.0
Results from owner-operated hotels	in MEUR	9.8	2.0	≥ +100.0%
Results of property sales	in MEUR	0.1	-38.3	n. a.
Results of property development	in MEUR	-4.1	-25.6	84.0
Results of operations	in MEUR	408.7	285.1	43.3
Revaluations	in MEUR	12.6	-376.8	n. a.
EBIT	in MEUR	419.4	-67.1	n. a.
Financial results	in MEUR	-213.3	-246.1	13.3
EBT	in MEUR	206.0	-313.1	n. a.
Net profit for the period	in MEUR	133.5	-229.5	n. a.
FFO 1 after tax ¹	in MEUR	274.5	228.4	20.2

¹ Comparative value of 2023 adjusted based on new calculation formula. See calculations in the section "Business Development".

Assets

		31 12 2024	31 12 2023	Change in %
Balance sheet total	in MEUR	9,145.3	9,649.9	-5.2
Equity as % of the balance sheet total	in %	43.2	47.3	n. a.
Net financial liabilities	in MEUR	3,755.6	3,539.3	6.1
Cash and cash equivalents ¹	in MEUR	531.7	697.1	-23.7
Loan-to-value ratio (net) ²	in %	46.4	42.5	n. a.
Gearing	in %	96.5	78.9	n. a.
Total average interest rate including costs for derivatives	in %	3.2	2.9	n. a.
Average term of financial liabilities	in years	3.5	4.0	-12.5

¹ Including cash and cash equivalents held for sale

² Comparative value as of 31 December 2023 adjusted based on new calculation formula. See calculations in the section "Financing".

Investment property

		31 12 2024	31 12 2023	Change in %
Total number of properties		417	518	-19.5
Rentable space	in sqm	3,409,320	3,558,305	-4.2
Occupancy rate	in %	93.2	92.2	n. a.
Gross return ¹	in %	7.4	7.2	n. a.
Portfolio value ¹	in MEUR	7,983.6	8,174.3	-2.3
Unencumbered investment property ²	in MEUR	2,344.7	2,609.4	-10.1

¹ Based on data in the "Portfolio Report".

² Calculation formula was adjusted as of 31 March 2024.

Comparative value as of 31 December 2023 was adjusted based on new calculation formula.

3,409,320 sqm
of rentable space

EPRA

49.5%
EPRA loan-to-value
ratio

		31 12 2024	31 12 2023	Change in %
EPRA net reinstatement value	in MEUR	4,510.6	4,196.3	7.5
EPRA net reinstatement value per share	in EUR	32.69	30.41	7.5
EPRA net tangible assets	in MEUR	4,243.4	3,863.8	9.8
EPRA net tangible assets per share	in EUR	30.75	28.00	9.8
EPRA net disposal value	in MEUR	3,960.9	3,677.1	7.7
EPRA net disposal value per share	in EUR	28.71	26.65	7.7
EPRA vacancy rate ¹	in %	6.3	7.8	n. a.
EPRA loan-to-value ratio ²	in %	49.5	42.8	n. a.

		2024	2023	Change in %
EPRA earnings	in MEUR	200.1	202.4	-1.2
EPRA earnings per share	in EUR	1.45	1.47	-1.2
EPRA earnings after company-specific adjustments	in MEUR	207.9	205.7	1.0
EPRA earnings per share after company-specific adjustments	in EUR	1.51	1.49	1.0
EPRA net initial yield	in %	7.1	6.2	n. a.
EPRA "topped-up" net initial yield	in %	7.3	6.4	n. a.
EPRA cost ratio including direct vacancy costs	in %	14.4	20.4	n. a.
EPRA cost ratio excluding direct vacancy costs	in %	13.3	19.0	n. a.
EPRA capital expenditure	in MEUR	536.3	509.2	5.3

¹ The EPRA vacancy rate (including S IMMO) is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio. The comparative value as of 31 December 2023 was adjusted and is now shown including S IMMO.

² The EPRA loan-to-value ratio as at 31 December 2023 takes into account an S IMMO share of 50.0% plus one share. The S IMMO share as at 31 December 2024 takes 100% into account.

Stock exchange data

		31 12 2024	31 12 2023	Change in %
Book value per share	in EUR	28.60	26.60	7.5
Share price at end of period	in EUR	14.92	21.05	-29.1
Discount of share price to EPRA NTA diluted per share	in %	51.5	24.9	n. a.
Total number of shares		138,669,711	138,669,711	0.0
thereof number of treasury shares		695,585	695,585	0.0
Market capitalisation at end of period	in MEUR	2,069.0	2,919.0	-29.1

		2024	2023	Change in %
Earnings per share (basic) ¹	in EUR	0.97	-1.31	n. a.
Earnings per share (diluted) ¹	in EUR	0.97	-1.31	n. a.

¹ Number of shares for the calculation for 2024 and 2023: 137,974,126

The plus and minus signs assigned to the changes reflect the business point of view: improvements are shown with a plus sign (+), deteriorations with a minus sign (-). Very high positive or negative per cent changes are reported as $\geq +100.0\%$ or $\leq -100.0\%$. The designation "not applicable" (n. a.) is used when there is a change in the sign (i.e. from plus to minus or from minus to plus) and for changes in percentage rates. Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates. References to persons in this financial report refer to all genders equally.

CPI Europe at a Glance

S IMMO
BudaPart Gate
Budapest | HU
approx. 19,600 sqm
of main usable space



We deliver comprehensive real estate solutions for our customers from a portfolio that primarily consists of commercial properties in the office and retail asset classes and is focused on flexible and innovative properties. In doing so, we rely on three brands in particular: myhive for offices, VIVO! for shopping centers and STOP SHOP for retail parks.

In addition to the professional management of our standing investments, we focus on optimising our portfolio through targeted sales, our own selective development projects and acquisitions in our core markets of Austria, Germany, Poland, the Czech Republic, Slovakia, Romania, Hungary and the Adriatic region.

Since the squeeze-out of the S IMMO minority shareholders in December 2024, CPI Europe has held 100% of the shares in this subsidiary.

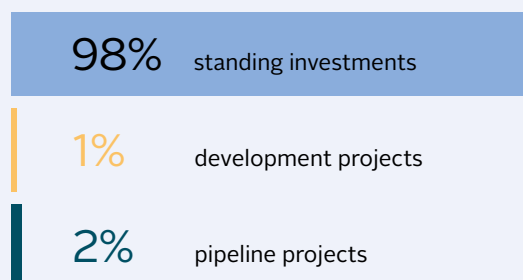
EUR **8.0** billion
carrying amount of the
property portfolio

Our two core businesses – office and retail – are growing steadily based on our own selected development projects.

417
properties

Our standing investments – which represent roughly 98% of the total property portfolio – are our most important earnings driver.

Composition of the property portfolio



3.4 million sqm
of rentable space

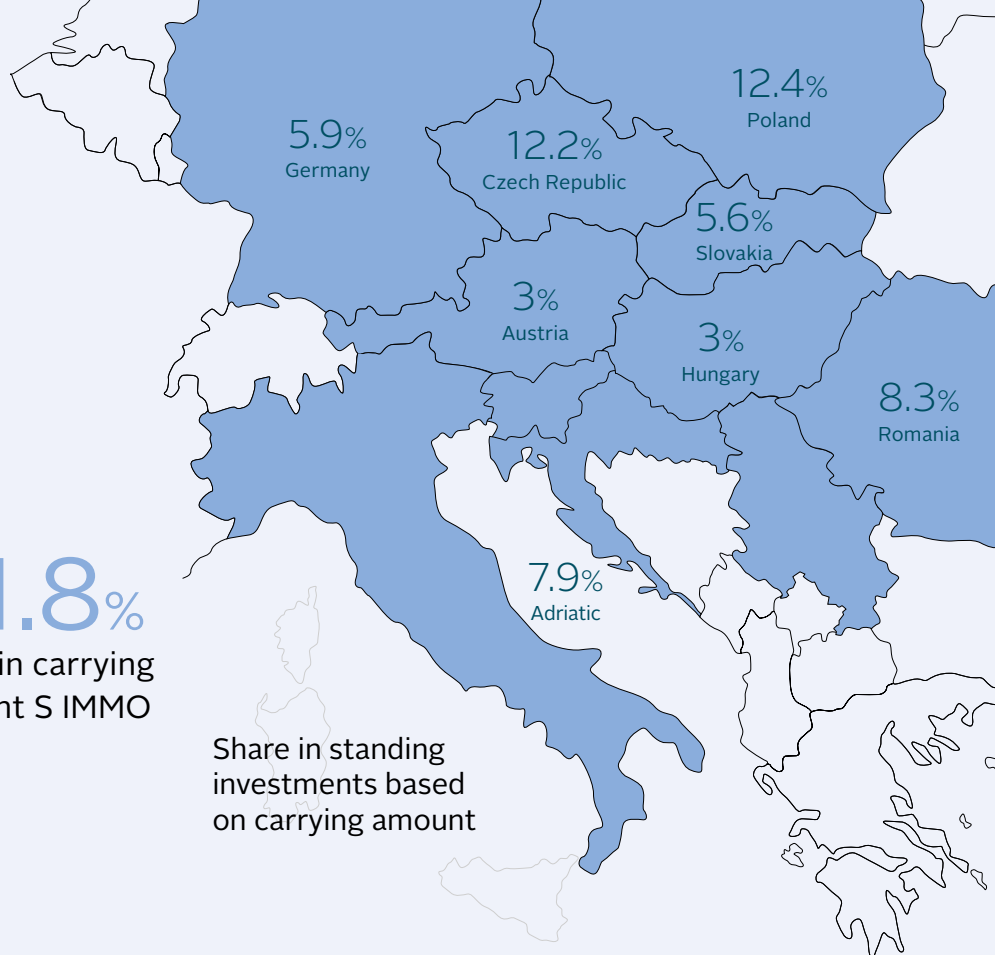
Strengthening ties with existing tenants and acquiring new tenants are the focus of our daily business.

EUR **7.8** billion

carrying amount
of standing investments

41.8%
share in carrying
amount S IMMO

Core markets
as of 31 December 2024



Poland

Number of properties	28
Carrying amount in MEUR	964.4
Carrying amount in %	12.4
Rentable space in sqm	400,345
Occupancy rate in %	95.3
Rental income Q4 2024 in MEUR	17.3
Gross return in %	7.2

Czech Republic

Number of properties	72
Carrying amount in MEUR	951.5
Carrying amount in %	12.2
Rentable space in sqm	382,975
Occupancy rate in %	98.2
Rental income Q4 2024 in MEUR	17.3
Gross return in %	7.3

Romania

Number of properties	15
Carrying amount in MEUR	644.5
Carrying amount in %	8.3
Rentable space in sqm	351,689
Occupancy rate in %	92.4
Rental income Q4 2024 in MEUR	15.9
Gross return in %	9.9

Adriatic¹

Number of properties	46
Carrying amount in MEUR	617.2
Carrying amount in %	7.9
Rentable space in sqm	413,166
Occupancy rate in %	98.8
Rental income Q4 2024 in MEUR	14.7
Gross return in %	9.5

Germany

Number of properties	3
Carrying amount in MEUR	461.5
Carrying amount in %	5.9
Rentable space in sqm	87,652
Occupancy rate in %	81.4
Rental income Q4 2024 in MEUR	5.0
Gross return in %	4.3

Slovakia

Number of properties	34
Carrying amount in MEUR	435.5
Carrying amount in %	5.6
Rentable space in sqm	259,575
Occupancy rate in %	95.6
Rental income Q4 2024 in MEUR	9.2
Gross return in %	8.5

Austria

Number of properties	15
Carrying amount in MEUR	231.0
Carrying amount in %	3.0
Rentable space in sqm	89,097
Occupancy rate in %	94.0
Rental income Q4 2024 in MEUR	3.6
Gross return in %	6.2

Hungary

Number of properties	16
Carrying amount in MEUR	231.8
Carrying amount in %	3.0
Rentable space in sqm	169,268
Occupancy rate in %	98.7
Rental income Q4 2024 in MEUR	5.9
Gross return in %	10.1

S IMMO

Number of properties	116
Carrying amount in MEUR	3,260.1
Carrying amount in %	41.8
Rentable space in sqm	1,255,553
Occupancy rate in %	88.8
Rental income Q4 2024 in MEUR	55.7
Gross return in %	6.8

CPI Europe

Number of properties	345
Carrying amount in MEUR	7,797.6
Carrying amount in %	100.0
Rentable space in sqm	3,409,320
Occupancy rate in %	93.2
Rental income Q4 2024 in MEUR	144.5
Gross return in %	7.4

¹ In declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

CPI Europe – Equity Story

Active in stable and
growing markets

Experienced
and successful
management

Solid fundamentals
through growth and
highly profitable
properties

Strong strategic
majority shareholder
with extensive
expertise in CEE

Specialist for commercial properties in Europe

Portfolio based on
flexible and innovative
properties with strong
customer orientation

Strategic
diversification
by asset
classes and
regions

Commitment to
sustainable action
in all areas of the
company

Robust financial and
liquidity profile

Highlights 2024



43,000 sqm
of office space
sold in Warsaw

MAY

EUR 150 million
for City Tower
Vienna

CPI Europe sells the City Tower Vienna with 26,600 sqm to EURO REAL ESTATE. With a purchase price of roughly EUR 150 million, it is the largest office transaction of the year thus far in the Austrian property market.

MAY

**Green light for
squeeze-out
at S IMMO**

The approval of the Supervisory Board marks the kick-off for the final takeover of S IMMO by CPI Europe. The aim is for CPI Europe to acquire the minority shares in S IMMO for a cash compensation as part of a squeeze-out.

JUNE

43,000 sqm
of office space
sold in Warsaw

CPI Europe sells three office buildings in Warsaw's Mokotów business district to ECHO Investment Group for EUR 28.5 million. This sale represents a further optimisation of CPI Europe's portfolio.

Green loan of EUR 180 million for Warsaw Spire



AUGUST

SEPTEMBER

NOVEMBER

NOVEMBER

EUR 27 million
for an office
project in
Bucharest

CPI Europe sells the office development project myhive Victoriei in Bucharest to AFI Europe. The selling price of roughly EUR 27 million exceeds the carrying amount of the currently vacant building.

CPI Europe increases shareholding in S IMMO

CPI Europe acquires 28.2 million shares of S IMMO from CPI Property Group at a purchase price of EUR 608.5 million, which corresponds to EUR 21.55 per share.

Green loan of EUR 180 million for Warsaw Spire

CPI Europe obtains a green loan totalling EUR 180 million from three German banks. This loan is collateralised by myhive Warsaw Spire, which has 71,000 sqm of space and a BREEAM Excellent certification.

17th STOP SHOP opens in Croatia

After two new openings in autumn, CPI Europe continues its expansion in the Adriatic region and opens the 17th STOP SHOP in Croatia. At the same time, the largest STOP SHOP location in Serbia is expanded to 15,000 sqm.



S IMMO squeeze-out completed



NOVEMBER

EUR 38.6 million
refinancing in
Slovakia

S IMMO successfully concludes the refinancing of the Galvaniho office property and of the Hotel Bratislava. The total volume amounts to EUR 38.6 million. Two Austrian banks are part of the transaction.

DECEMBER

S IMMO
squeeze-out
completed

CPI Europe completes the squeeze-out of the S IMMO minority shareholders. Cash compensation amounts to EUR 22.05 per share. All shares of the minority shareholders are transferred to CPI Europe and trading of S IMMO shares on the stock exchange is terminated.

DECEMBER

EUR 60 million
financing for
STOP SHOP
portfolio

An Austrian consortium of banks provides CPI Europe with financing of EUR 60 million for a STOP SHOP portfolio in Croatia.

Letter from the Executive Board

CPI EUROPE
Annual Report 2024



Radka Doehring



Pavel Měchura

Dear Shareholders!

Another eventful year lies behind us – another year characterised by important changes and strategic decisions. The renaming of IMMOFINANZ AG to CPI Europe AG marks a significant step in the development of our company. After the name change was adopted at the extraordinary general meeting on 30 January 2025 and entered in the Company Register as of 11 March, this annual report has already been prepared under the new name.

Positive economic development continues

Operationally, we continued our positive development of the past years in 2024. Rental income increased by roughly 10% to EUR 589 million at the end of 2024. With an increase of approximately 43% to EUR 408.7 million, our results of operations once again showed a particularly positive

development and the results of asset management, which rose by 17% to EUR 489.6 million, led to a substantial improvement in our FFO 1 after taxes by roughly 20% to EUR 274.5 million. These very encouraging developments are based on an outstanding operating performance and the consistent implementation of our value-creating portfolio strategy, which is founded on two key elements: investments in selected areas, and the focused realignment of the portfolio.

Clear portfolio strategy

In the real estate business, we continued to focus on optimising our portfolio through targeted sales, the selected expansion of retail parks and strategically useful acquisitions of high-yield properties in 2024. In doing so, we concluded significant sales with a combined volume of EUR 776.2 million in

“With our outstanding operating performance and prudent strategic orientation, we once again succeeded in improving many of our KPIs in 2024.”

the form of asset and share deals in the past year. We also continued to advance our development projects with the opening of four new STOP SHOP retail parks in Croatia and an expansion in Subotica, Serbia. Our standing investment portfolio comprises 345 properties with rentable space of 3.4 million sqm and a gross return of 7.4%. Our tenants are always the central focus of our activities. We will continue to offer them highly attractive properties in the future and thereby further consolidate our strong market position in the real estate sector. At the same time, we are focusing on innovative concepts that promote both economic success and a sustainable development.

Sustainability remains a central part of our corporate strategy

Our clearly defined ESG goals are, and will continue to be, another integral element of our corporate strategy. And we have also made progress in this area: At the end of 2024, roughly 1,671,000 sqm, or 58.3% of the carrying amount, of our standing investments had received sustainability certification, a development we are continuing to build on this year. In the first quarter of 2025, we received BREEAM Outstanding certification for myhive Urban Garden, an award that underlines our high environmental standards.

Meanwhile, the expansion of our own energy production from photovoltaics is progressing with 18 new photovoltaic installations in Austria, the Czech Republic, Hungary, Serbia and Slovenia. The total capacity of this equipment adds more than 7 megawatt peak of power and takes us closer to our goal of covering the entire demand for electricity of our portfolio free of emissions. In addition, we have commissioned an ammonia cooling system at myhive Wienerberg, which reduces both energy consumption and operating costs and consequently benefits both climate protection and our tenants.

The introduction of smart meter technologies, which allow for more precise measurement and monitoring of energy consumption, represents another important project. We have already successfully implemented first pilot projects at two locations in Austria. The technology will be introduced on a wider scale in the coming years.

“Our climate protection measures benefit not only the environment but also our tenants.”



“Together with our parent company CPI Property Group, we are working intensively on optimising our organisation and thus improving our earning power in the interests of all stakeholders.”

CSRD reporting implemented

As part of our sustainability strategy, we are reporting according to CSRD already this year and voluntarily subjecting our sustainability reporting to a limited assurance audit. Leading up to this audit, we conducted a uniform double materiality analysis across the Group, which serves as a basis for our reporting according to the new European Sustainability Reporting Standards.

Successful financing despite challenging environment

Meanwhile, the development of CPI Europe's financing structure was stable. We maintain first-class business relationships with financing banks and our liquidity is solid. Therefore, we can successfully refinance on the market despite the challenging market conditions. Examples such as the green financing of the Warsaw Spire or the successful refinancing of the S IMMO portfolio in Slovakia as well as our STOP SHOP portfolio in Croatia underscore the trust that financing banks place in our business model in the long term.

In line with our strategy, we will nevertheless ask the Supervisory Board to propose at the annual general meeting on 20 May 2025 to waive the dividend for the 2024 financial year and to use the funds to further strengthen the balance sheet.

Optimisation of Group structures is progressing

The harmonisation, optimisation and simplification of the corporate structures within CPI Property Group were high on our agenda in 2024. The successful squeeze-out of the S IMMO minority shareholders was an important milestone in this context. CPI Europe has consequently held 100% of the shares in S IMMO AG since the end of 2024. Moreover, further business areas were gradually merged in 2024.

All of these activities are part of the evaluation process that we have started jointly with our majority shareholder, CPI Property Group. In the course of this process, we have been examining potential business combinations, cross-border mergers and

other forms of integration or the combination of assets, functions and important business units. The long-term goal of the process is to optimise the capital structure of the entire Group and to achieve synergy effects and efficiency gains, both operationally and in terms of cost, for the benefit of all stakeholders.

Outlook

In 2025, we will continue to concentrate on sustainable growth and the implementation of our strategic focus areas. In doing so, the focus will remain on optimising our portfolio through targeted sales and investing in standing investments, on expanding energy production from renewable sources, and on digitalisation measures. In all of these measures, we will, of course, remain true to our principle and recipe for success by placing our tenants at the focal point of all our activities and considerations.

We will also remain committed to our strategy of selected development projects in the retail park sector. Specifically, we are planning to open new STOP SHOP retail parks in Ivanec and Nova Gradiška in Croatia in 2025; another opening is planned in Sinj in 2026. In the long term, we aim to open around four new STOP SHOP retail parks

per year. In addition, we are reviewing targeted investment opportunities in high-yield properties in order to further strengthen our portfolio and achieve sustainable value growth.

Regarding ESG, we will place an even stronger focus on the expansion of our photovoltaic installations, in particular in Croatia and Slovenia. The introduction of smart meters will be accelerated in Austria, Croatia, Serbia and Italy from 2025 onwards, with the perspective of a comprehensive roll-out across the entire portfolio in the long term. At the same time, we will continue to develop our green lease strategy to establish sustainable rent models throughout the portfolio.

At Group level, we are continuously driving integration and harmonisation. This includes, among other things, rebranding measures after the name change to CPI Europe and the combination of areas of competence and departments in order to capture additional synergies and optimise collaboration within the CPI Property Group even further. Focusing on our core business as a property owner will remain our core strategy with the objective being the long-term safeguarding of our earning power and the continuous improvement of key indicators.

Against this backdrop, we are fortunate to know that we are supported by such a dedicated and competent team of colleagues, who contribute significantly to CPI Europe's success with their knowledge and commitment. We would also like to thank our shareholders for their trust and support on our journey together.

Best regards,



Radka Doebling



Pavel Měchura

“We will remain true to our strategic principles in the future and fully focus on optimising our portfolio and implementing ambitious ESG measures.”

Office Portfolio

myhive S-Park
Bucharest | RO
approx. 16,300 sqm
of rentable space



You can find additional information on our office properties in the Portfolio Report beginning on page 38.

1.5 million sqm
of rentable space

EUR 3.9 billion
carrying amount



myhive Ungargasse
Vienna | AT
approx. 16,300 sqm
of rentable space



Float
Düsseldorf | DE
approx. 30,300 sqm
of rentable space

89%
occupancy
rate

Our strong customer orientation and continuous investments in the quality of our buildings form the basis for a sustainably high occupancy rate in our offices. The flexible office solutions of our myhive offices offer additional benefits.

86
standing
investments

With our office portfolio, we concentrate on the capital cities of our core markets and on the major commercial locations in Germany.

Retail Portfolio

1.8 million sqm
of rentable space

EUR 3.7 billion
carrying amount



VIVO! Krosno
Krosno | PL
approx. 21,300 sqm
of rentable space



VIVO! Lublin
Lublin | PL
approx. 39,200 sqm
of rentable space

97%
occupancy
rate

The high standardisation
of our retail properties
sets the stage for maxi-
mum cost efficiency. That
is an important factor,
above all for our tenants.

216
standing
investments

Our retail portfolio
primarily comprises
STOP SHOP retail parks,
VIVO! shopping centers
and complementary retail
properties.

You can find additional information on our retail properties in
the Portfolio Report beginning on page 38.

STOP SHOP Valjevo
Valjevo | RS
approx. 6,100 sqm
of rentable space



CPI Europe on the Capital Market

The market environment and the CPI Europe share

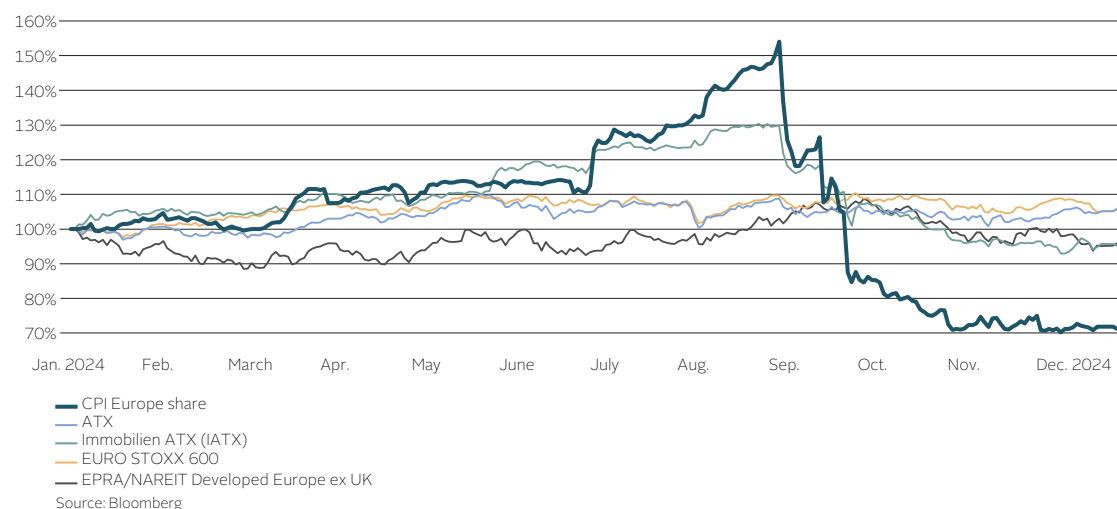
The year 2024 was once again marked by global crises and upheavals. In addition to the wars in Ukraine and the Middle East, world affairs were also dominated by significant political changes in important industrial nations: the collapse of the coalition government in Germany, the change of government in the United States and the political crisis in France. Moreover, populist movements increasingly gained support across Europe. The economic situation in Europe remained challenging – many countries recorded a decline in economic output for the second consecutive year, while the restrictive monetary policy implemented by central banks caused additional pressure.

Given these challenges, the developments in the financial markets were surprising: In the face of difficult framework conditions, stock market indexes repeatedly marked record levels throughout the year. The broad-based S&P 500 recorded an annual performance of 23.3%, the DAX gained 18.9%, the pan-European EURO STOXX 600 rose by 6.0% and the Austrian ATX lead index increased by 6.6% in 2024. In contrast, real estate shares were negative performers. The IATX, which covers the real estate sector on the Vienna Stock Exchange, closed at –6.4% in 2024 and the broader EPRA Nareit Developed Europe branch index (ex UK) declined by 4.0%.

The CPI Europe AG share started the 2024 financial year at EUR 21.05 and closed at EUR 14.92, which corresponds to a decline by 29.1%. The share reached its annual high of EUR 32.35 on 2 September.

Development of the CPI Europe share vs. selected indexes

Indexed as of 1 January 2024



Performance comparison

1 January to 31 December 2024

	in %
CPI Europe share	–29.1
ATX	6.6
IATX	–6.4
EURO STOXX 600	6.0
EPRA/NAREIT Developed Europe ex UK	–4.0

Source: Bloomberg

Key data on the share

ISIN	AT0000A21KS2
Segment	ATX, WIG
Vienna Stock Exchange	CPI
Warsaw Stock Exchange	IIAAV
Bloomberg	CPI AV Equity
Financial year	1 January to 31 December

Annual general meeting and use of profit

The 31st annual general meeting of CPI Europe AG, which involved voting on the 2023 financial year, was held on 29 May 2024 with the attendance of participants. In accordance with the agenda, it was resolved that a dividend would not be distributed for the 2023 financial year and the entire balance sheet profit would be carried forward.

The related documents and voting results from the annual general meeting can be found under cpi-europe.com.

Dividend

CPI Europe AG did not distribute a dividend for the 2023 financial year. In line with CPI Europe's strategy, the Executive Board will ask the Supervisory Board to propose at the 32nd annual general meeting on 20 May 2025 to also waive the dividend for the 2024 financial year and use the funds to strengthen the balance sheet.

Shareholder structure

CPI Europe AG shares are primarily held in fixed ownership and by private investors in Austria and institutional index investors from the USA and Europe. Shareholders with an investment of more than 4% on 31 December 2024 are listed in the following table:

	Voting rights in % (basis: share capital as of 31 12 2024)	Last reporting date
Radovan Vitek (via CPI Property Group S.A.) ¹	76.64	22 05 and 16 12 2024
Morgan Stanley ²	6.00	12 11 2024

¹ Based on a holdings notification dated 22 May 2024 and a directors' dealings announcement dated 16 December 2024: 76.64% (above 75% in shares and 1.64% in financial/other instruments). The company was informed through a directors' dealings announcement dated 28 February 2025, i.e. after the end of the reporting period, that the investment held by CPI Property Group equals 78.44% (75.00% in shares and 3.44% in financial/other instruments).

² According to a holdings notification dated 12 November 2024, Morgan Stanley held attributable voting rights totalling 6.00% (1.74% in shares and 4.27% from financial/other instruments). The company was informed through a holdings notification dated 4 March 2025, i.e. after the end of the reporting period, that the investment held by Morgan Stanley equals 4.28% (2.02% in shares and 2.26% in financial/other instruments).

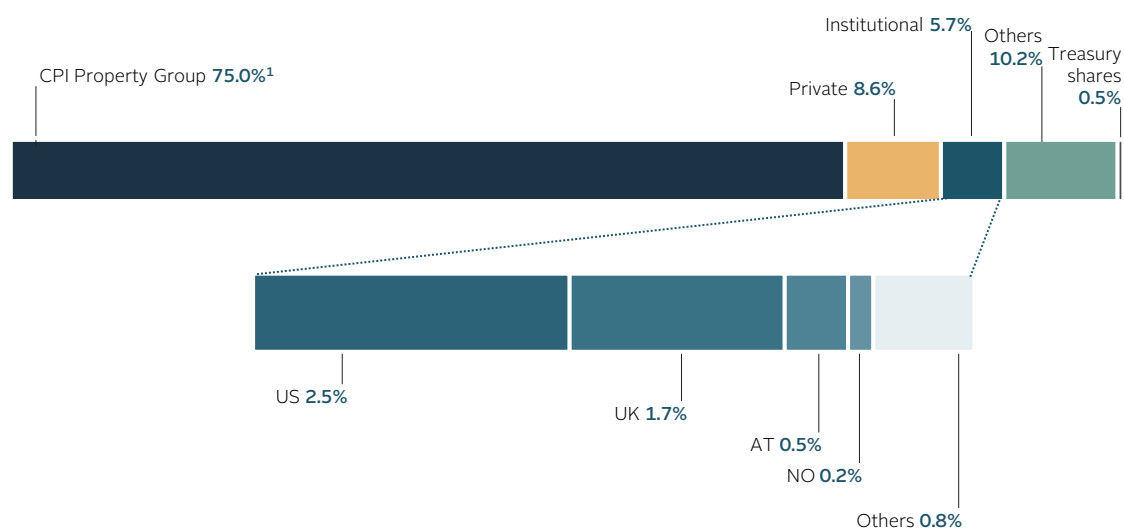
There are no other reports of shareholdings above or below the reporting thresholds.

Detailed analysis

Regular shareholder surveys help us to define the regional focal points for investor relations activities. An analysis carried out in November 2024 shows the following picture: 8.6% of all CPI Europe AG shares are held by private investors. Institutional investors hold 5.7% of the shares in issue, whereby most come from the USA and the UK. Fixed shareholdings attributable to the majority shareholder CPI Property Group S.A. represent 75%*. The remaining 10.7% are attributable to treasury shares (0.5%) as well as other (3.0%) or unidentified investors (7.2%).

* Based on a holdings notification dated 22 May 2024 and a directors' dealings announcement dated 16 December 2024: 76.64% (above 75% in shares and 1.64% in financial/other instruments). The company was informed through a directors' dealings announcement dated 28 February 2025, i.e. after the end of the reporting period, that the investment held by CPI Property Group equals 78.44% (75.00% in shares and 3.44% in financial/other instruments).

Structure of private and institutional investors



Source: CMi2i, November 2024

As defined by the Vienna Stock Exchange, Rule Book Prime Market (Regelwerk Prime Market). Treasury shares 0.5% as of 31 December 2024.

¹ According to the directors' dealings notification dated 28 February 2025, CPI Property Group also holds 3.44% via turbo certificates, i.e. aggregate of 78.44%.

CPI Europe AG and S IMMO AG

CPI Europe (excluding S IMMO) acquired an investment of roughly 26.5% (19,499,437 shares) in S IMMO during 2018 and increased its holding through the purchase of 17,305,012 S IMMO shares (AT0000652250) from CPI Property Group (CPIPG) at the end of December 2022. This transaction gave CPI Europe a majority investment of 50% plus one share in S IMMO, and the company was therefore included through full consolidation in CPI Europe's consolidated financial statements.

CPI Europe met a long-term, strategic goal with the acquisition of this majority investment. The consolidation of the two companies creates value, leads to a stronger market position, and supports the realisation of synergies.

In addition, CPI Europe was offered S IMMO shares by a shareholder in July 2024. Since the purchase price corresponded to the share price at the time (18 July 2024: EUR 22.10), CPI Europe accepted the offer and purchased an additional 442,631 shares for roughly EUR 9.8 million.

In September 2024, CPI Europe acquired another 28,241,094 shares in S IMMO from CPIPG. The purchase price amounted to EUR 21.55 per S IMMO share and resulted from the cash compensation of EUR 22.05 to be paid to the minority shareholders of S IMMO as part of the planned squeeze-out (see below) less a discount of EUR 0.50 per share. The transaction was partly financed through a long-term credit facility of originally EUR 500 million at market conditions provided to CPI Europe by CPIPG.

On 24 May 2024, CPI Europe AG announced its intention to carry out a squeeze-out of the remaining minority shareholders of S IMMO. The squeeze-out was adopted at the extraordinary shareholder meeting of S IMMO on 14 October and became legally effective with the entry into the commercial register as of 3 December. The cash compensation for the acquisition of the S IMMO shares amounted to EUR 22.05 per share. All shares of S IMMO held by minority shareholders were thus transferred to CPI Europe.

Analysts' recommendations

Two financial institutions publish regular evaluations on CPI Europe. These evaluations are updated continuously and can be reviewed on our website under cpi-europe.com under "Analyses".

ESG ratings

Sustainability issues have become the focus of growing attention from investors, tenants and the general public. In order to increase transparency for our stakeholders, CPI Europe again took part in several ESG ratings and rankings during the reporting period. Our activities in 2024 included, among others, an update to the Sustainalytics rating. The overall ESG risk assessment was classified as low and is reflected in a rating of 13.9 (on a scale of 0 to 100) for the 2023 financial year. This represents an improvement on the 15.6 recorded at the start of rating in 2020. The update of the Sustainalytics rating of S IMMO also showed a slight improvement to 12.1 with low risk. CPI Europe also took part in the ratings of S&P Global (36/100, with an industry average of 27/100) and EcoVadis (69/100). CPI Europe was awarded a silver medal for the latter and thus ranks among the top 15% of the companies rated by EcoVadis in the last twelve months. In addition, the company's environmental data was again fully and formally disclosed to the Carbon Disclosure Project (CDP) as part of the consolidated reporting of CPIPG in 2024 and received an A rating (2023: B).

Financial calendar

10 May 2025	Record date for participation in the 32nd annual general meeting
20 May 2025	32 nd annual general meeting
23 May 2025	Expected ex-dividend date
26 May 2025	Expected date for the determination of dividend rights (record date)
27 May 2025	Expected dividend payment date
28 May 2025 ¹	Announcement of results for the first quarter of 2025
28 August 2025 ¹	Announcement of results for the first half of 2025
27 November 2025 ¹	Announcement of results for the first three quarters of 2025

¹ Publication after the close of trading on the Vienna Stock Exchange.

Your IR contact

We welcome your questions and will be happy to provide additional information on CPI Europe and its share.

Simone Korbelius
T: +43 1 88090 2291
investor.relations@cpi-europe.com

Report of the Supervisory Board

Dear Shareholders,

In our capacity as the Supervisory Board, we accompanied and supported CPI Europe AG and its Executive Board in all activities, took an active role as the Executive Board's sparring partner and, as in previous years, conscientiously performed the duties required by law and the articles of association. The Executive Board provided the Supervisory Board with extensive, ongoing and timely information on the development of business, the market and financing environment, the developments on the real estate and capital markets and in CPI Europe's core countries as well as the company's asset, financial and earnings position and, in this way, met its information requirements at all times and in appropriate depth.

In the 2024 financial year, ten Supervisory Board meetings were held, with an attendance rate of 100% of the shareholder representatives. In addition, four committee meetings with a total attendance of 100% took place. A detailed overview of the attendance of the individual members and committees can be found in the corporate governance report.

Outside the framework of these meetings, the Supervisory Board remained in regular contact with the Executive Board and adopted a number of decisions through circular resolutions. The cooperation between the Supervisory Board and the Executive Board was consistently characterised by open discussions and constructive teamwork.

In addition, the Supervisory Board completed a routine annual self-evaluation of its working efficiency, above all with regard to its organisation and operating procedures.

Focal points of our work

Together with the CPI Europe AG Executive Board, we decided on 23 July 2024 to conclude a framework agreement with CPI Property Group S.A. (CPIPG), CPI Europe AG's majority shareholder, in order to start a joint evaluation process to examine potential business combinations, cross-border mergers or other forms of integrating or combining assets, functions and important business units. The goal is to optimise the Group's capital structure and to increase both operating and cost efficiencies for the benefit of all shareholders.

All options regarding a simplification of the Group's structure are currently being reviewed. The Group has already made considerable progress regarding such a simplification, including, for example, the successful squeeze-out of the minority shareholders at S IMMO.

On 24 May 2024, the decision was made to prepare a squeeze-out of S IMMO in accordance with the Austrian Squeeze-out Act (Gesellschafter-Ausschlussgesetz). The cash compensation for the acquisition of the S IMMO shares was determined based on a valuation report by PwC Advisory Services GmbH and was calculated at EUR 22.05 per share. The squeeze-out was adopted at the extraordinary general meeting of S IMMO on 14 October 2024 and became legally effective with the entry into the commercial register as of 3 December. All shares of S IMMO held by minority shareholders (4,804,033 shares) were thus transferred to CPI Europe.

Changes in the Supervisory Board

In the past financial year, the following changes to the Supervisory Board were adopted by the 31st annual general meeting: shareholder representative Martin Němeček (Vice-Chairman) resigned from the Supervisory Board of CPI Europe AG with effect from 29 May 2024 at his own request. The shareholder representatives Iveta Krašovicová and Matúš Sura were newly elected to the Supervisory Board. The appointment of Martin Matula was extended early and, like my re-election as Chairwoman, took effect on 29 May 2024 for the period until the end of the annual general meeting which votes on the release from liability for the 2028 financial year (ordinary annual general meeting 2029).

As of 31 December 2024, the shareholder representatives were Martin Matula (Vice-Chairman), Iveta Krašovicová, Matúš Sura and I in my role as Chairwoman. The Supervisory Board is completed by Philipp Obermair and Anton Weichselbaum on the employee side, with whom we have very good cooperation.

Following a convening request by CPIPG, an extraordinary general meeting was held on 30 January 2025, i.e. after the reporting period. On the proposal of CPIPG, the number of Supervisory Board members was increased from four to six within the limits defined by the articles of association, and Vladislav Jirka and Matej Csenky were elected to the Supervisory Board at this extraordinary general meeting. As of 30 January 2025, the Supervisory Board is thus composed of Martin Matula (Vice-Chairman), Iveta Krašovicová, Matúš Sura, Vladislav Jirka, Matej Csenky and me in my role as Chairwoman, as well as Philipp Obermair and Anton Weichselbaum. On behalf of the entire Supervisory Board, I would like to thank the member who resigned from his function for his professional work and his support of CPI Europe AG.

Changes in the Executive Board

With effect from 28 August 2024, the appointment of Pavel Měchura to the Executive Board was extended ahead of time until 30 April 2027. The Executive Board therefore still consists of Radka Doebling (also appointed until 30 April 2027) and Pavel Měchura.

Approval of the 2024 annual financial statements

The following documents were prepared by the Executive Board and audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., which was appointed as the auditor by the annual general meeting on 29 May 2024: the annual financial statements of CPI Europe AG as of 31 December 2024 including the management report and the consolidated financial statements together with the group management report. All of these documents were awarded an unqualified opinion (see Auditor's Report in the consolidated financial statements). The consolidated non-financial statement, which forms part of the group management report, was subject to a limited assurance review for the first time.

The annual financial statements and consolidated financial statements as well as the related auditor's reports were made available to all Supervisory Board members immediately after their completion. These documents were discussed by the Audit and Valuation Committee in detail in the presence of the auditor and the Executive Board and reviewed in accordance with § 96 of the Austrian Stock Corporation Act. Following this examination and discussion, the members of the Audit and Valuation Committee agreed to recommend the unqualified acceptance of these documents to the Supervisory Board. The Supervisory Board accepted the annual financial statements as of 31 December 2024, which are considered approved in accordance with § 96 (4) of the Austrian Stock Corporation Act. The consolidated financial statements as of 31 December 2024 were also accepted by the Supervisory Board. In accordance with L-Rule 60 of the Austrian Corporate Governance Code, the Supervisory Board reviewed and approved the expanded corporate governance report, which also includes the consolidated corporate governance report and the consolidated non-financial statement.

On behalf of the Supervisory Board, I would like to thank the Executive Board and all employees of our company for their outstanding performance during the past financial year. CPI Europe's position as a market leader for retail parks in Europe and its pioneering role in flexible office solutions were further expanded despite the difficult economic environment.

I would also like to thank you, our shareholders, for accompanying us on this journey.

Vienna, 28 March 2024

A handwritten signature in black ink, consisting of a large, stylized initial 'M' followed by several loops and a long horizontal stroke.

Miroslava Greštiaková
Chairwoman of the Supervisory Board

Corporate Governance Report

expanded to include the Consolidated Corporate Governance Report

Commitment to the Austrian Corporate Governance Code

CPI Europe AG pursues responsible business activities that are designed to create and maintain sustainable, long-term value. In line with this orientation, the company strives to achieve a high degree of transparency for all stakeholders. The Austrian Corporate Governance Code* provides Austrian stock companies with a framework for corporate management and monitoring. The Executive Board and Supervisory Board of CPI Europe AG are committed to compliance with the code, in the currently applicable version, and to the related transparency and principles of good management. CPI Europe AG complied with all provisions of the code – with the exception of the following deviation – during the 2024 financial year.

Deviation from C-Rule 16

C-Rule 16 requires the Executive Board to have several members and a chairperson. The Supervisory Board did not consider it necessary to appoint a CEO.

Corporate Bodies

Dual management structure

The dual management structure of CPI Europe AG, as a listed stock corporation, consists of an Executive Board and a Supervisory Board. These corporate bodies are strictly separated, in both their composition and functions, and can therefore independently carry out their assigned duties. The Executive Board is responsible for the management of the company, the Supervisory Board for monitoring.

* A current version of the code (January 2025) is available on the website of CPI Europe AG (cpi-europe.com) and on the website of the Austrian Working Group for Corporate Governance (www.corporate-governance.at).

The Executive Board



Radka Doebling, Member of the Executive Board

- Member of the Executive Board since 1 May 2022
- Appointed up to 30 April 2027
- Born in 1966

Radka Doebling is responsible for all business areas together with Pavel Měchura. In addition, she serves as a managing director of the material subsidiary IMBEA.

With effect from 16 June 2023, Radka Doebling was appointed a member of the Management Board of S IMMO AG.



Pavel Měchura, Member of the Executive Board

- Member of the Executive Board since 16 June 2023
- Appointed up to 30 April 2027
- Born in 1976

Pavel Měchura is responsible for all business areas together with Radka Doebling.

In his role as Group Finance Director of CPI Property Group, he has been responsible for accounting and reporting, consolidation, property valuation and strategic planning since 2014 and was appointed Group CFO of CPI Property Group in December 2024.

Pavel Měchura was appointed a member of the Management Board of S IMMO AG with effect from 10 December 2024.

The Supervisory Board



Miroslava Greštiaková,
Chairwoman of the
Supervisory Board since
31 March 2022

- First appointment in 2022
- Term ends in 2028¹
- Born in 1980

Experience: extensive management experience in the areas of legal, compliance and data protection

Other functions: none



Martin Matula,
Vice-Chairman of the
Supervisory Board since
29 May 2024

- First appointment in 2022
- Term ends in 2028¹
- Born in 1980

Experience: extensive expertise in the areas of legal and real estate

Other functions:
S IMMO AG: Chairman of the
Supervisory Board



Iveta Krašovicová,
Member of the
Supervisory Board since
29 May 2024

- First appointment in 2024
- Term ends in 2028¹
- Born in 1971

Experience: extensive expertise in the areas of finance and tax

Other functions: none



Matúš Sura,
Member of the
Supervisory Board since
29 May 2024

- First appointment in 2024
- Term ends in 2028¹
- Born in 1982

Experience: extensive expertise in the areas of ESG and legal

Other functions: none



Philipp Obermair,
Member of the
Supervisory Board

- First appointment in 2014
- Born in 1979

Experience: currently serves as a risk, process and research manager as well as Head of ESG and previously as a senior controller at CPI Europe AG

Delegated by the CPI Europe AG Works Council

The terms of office of the members delegated to the Supervisory Board by the Works Council are unlimited



Anton Weichselbaum,
Member of the
Supervisory Board

- First appointment in 2023
- Born in 1988

Experience: currently serves as Asset Manager Retail Austria and Slovenia at CPI Europe AG

Delegated by the CPI Europe AG Works Council

The terms of office of the members delegated to the Supervisory Board by the Works Council are unlimited.

¹ End of term: at the end of the annual general meeting which votes on the release from liability for the 2028 financial year (36th AGM in 2029)

Term ended in 2024

Martin Němeček, Vice-Chairman of the Supervisory Board up to 29 May 2024

- First appointment in 2022
- Born in 1975

Supervisory Board committees and attendance

Members of the Supervisory Board Committees

Audit and Valuation Committee	Strategy and ESG Committee	Personnel and Nominating Committee
Martin Němeček , Chairman (up to 29 May 2024), financial expert	Martin Matula , Member (Chairman up to 29 May 2024)	Miroslava Greštiaková , Chairwoman (since 5 February 2024)
Iveta Krašovicová , Chairwoman (since 29 May 2024), financial expert	Matúš Sura , Chairman (since 29 May 2024)	Matúš Sura , Vice-Chairman (since 29 May 2024)
Martin Matula , Vice-Chairman (since 15 July 2022)	Miroslava Greštiaková , Member (Vice-Chairwoman up to 29 May 2024)	Martin Matula , Member (Vice-Chairman up to 29 May 2024)
Miroslava Greštiaková , (since 5 February 2024)	Iveta Krašovicová , Vice-Chairwoman (since 29 May 2024)	Martin Němeček (up to 29 May 2024)
Philipp Obermair	Martin Němeček (up to 29 May 2024)	
Anton Weichselbaum	Philipp Obermair	
	Anton Weichselbaum	

The Supervisory Board monitors the Executive Board and provides support for the management of the company, particularly on decisions of fundamental importance. In addition to its primary function as a monitoring and support body, the Supervisory Board constantly strives to further improve the efficiency of its work through self-evaluation. At the beginning of the 2024 financial year, the Supervisory Board had four members who were elected by the annual general meeting (shareholder representatives) and two members delegated by the Works Council. Martin Němeček resigned from his function with effect from 29 May 2024. The shareholder representatives Iveta Krašovicová and Matúš Sura were newly elected to the Supervisory Board. The appointment of Martin Matula was extended early and the Chairwoman was re-elected, both with effect from 29 May 2024 and for the period until the end of the annual general meeting which votes on the release from liability for the 2028 financial year (ordinary annual general meeting 2029).

Ten Supervisory Board meetings were held in the 2024 financial year. These meetings were attended by 100% of the shareholder representatives. Including the four individual committee meetings, total attendance was 100%.

Name	Attendance								Total presence	Total presence in %
	Member since	Meetings (Plenum)	in %	Audit and valuation committee	in %	Strategy and ESG Committee	in %	Personnel and Nominating Committee		
Meetings/year		10		4					14	
Miroslava Greštiaková, Chairwoman	2022	10/10	100	4/4	100				14	100
Martin Němeček, Vice-Chairman (up to 29 May 2024)	2022	3/3	100	2/2	100				5	100
Martin Matula Vice-Chairman (since 29 May 2024)	2022	10/10	100	4/4	100				14	100
Iveta Krašovicová (since 29 May 2024)	2024	7/7	100	2/2	100				9	100
Matůš Sura (since 29 May 2024)	2024	7/7	100	2/2	100				9	100
Average meeting attendance		37/37	100	14/14	100				51/51	100

Audit and Valuation Committee

The Audit and Valuation Committee is responsible for monitoring accounting processes and supervising the audit of the separate and consolidated financial statements. This committee also monitors the effectiveness of the company's internal control system, risk management and internal audit. In the 2024 financial year, Martin Němeček served as the Audit and Valuation Committee's financial expert based on his professional experience and knowledge of finance and accounting. From 29 May 2024, Iveta Krašovicová served as the Audit and Valuation Committee's financial expert. The committee members, as a whole, are well informed of the real estate sector. The Audit and Valuation Committee held four meetings in 2024. These meetings were attended by 100% of the shareholder representatives.

Strategy and ESG Committee

The Strategy and ESG Committee is responsible, above all, for the regular evaluation of the company's strategy and orientation, of which the environmental, social and governance (ESG) sustainability topics are an integral part. These responsibilities were fulfilled by the full Supervisory Board in the past financial year.

Personnel and Nominating Committee

The Personnel and Nominating Committee makes recommendations to the Supervisory Board for nominations to the Executive and Supervisory Boards and is responsible for determining the remuneration and preparing the employment contracts for the Executive Board members. In addition, the committee reviews the remuneration policy for the Executive Board at regular intervals. In its capacity as a remuneration committee, the Personnel and Nominating Committee consisted of Miroslava Greštiaková as Chairwoman and at least one member with knowledge and experience in remuneration policy as of 5 February 2024. The responsibilities were exercised by the full Supervisory Board in the past financial year.

Supervisory Board qualification matrix

As in the previous years, the Supervisory Board completed a routine annual self-evaluation of its working efficiency, above all with regard to its organisation and operating procedures. The focal points included, among others, the organisation of the Supervisory Board and the procedures at meetings, the activities of the committees, the provision of information to the Supervisory Board, the self-image of the Supervisory Board members as well as any recommendations for improvement.

	Sectoral expertise				Functional expertise					Governance expertise				GEO
	Real Estate	Capital Markets	Insurance	Finance	CEO/Management/ Division Mgt.	Compliance/Legal	Human Resources	Accounting/Audit	Marketing	Digital	Sustainability	Non Executive Dir. Experience	Governance (Corporate)	
Miroslava Greštiaková	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Martin Matula	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Iveta Krašovicová	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Matúš Sura	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE

● Core competency

● Secondary competency

● Tertiary/not an apparent competency

WE Western Europe

EE Eastern Europe

Shareholdings of the Executive Board and Supervisory Board members as of 31 December 2024

Members of the CPI Europe AG corporate bodies and closely related persons are required to report their transactions in financial instruments issued by the company. These reports (Directors' Dealings reports) are published on the CPI Europe AG website. Following is an overview of the direct and indirect shareholdings of these members as reported to the company:

Member	Number of CPI Europe shares
Philipp Obermair	600

Working Procedures of the Executive Board and Supervisory Board

The cooperation between the Executive Board and Supervisory Board of CPI Europe AG is based on open and constructive discussions. The Executive Board provides the Supervisory Board with regular, timely and comprehensive information on the development of business and related issues and also prepares the documentation for the Supervisory Board's meetings and resolutions. The rules of procedure for the Executive Board define the transactions and measures that require Supervisory Board approval. In addition, the Executive Board provides the Supervisory Board with information on issues of major importance outside the framework of scheduled meetings.

Independence and avoidance of conflicts of interest

The members of the Executive Board are required to take their decisions independent of any personal interests and the interests of controlling shareholders. Moreover, these decisions must be based on well-founded knowledge and comply with all relevant legal regulations. Persons serving on the Executive Board must disclose any personal interests in the company's transactions or other conflicts of interest to the Supervisory Board without delay and inform their board colleagues about them. The Executive Board members may only accept appointments to a supervisory board with the consent of the CPI Europe AG Supervisory Board. Key company employees must also have the approval of the Executive Board and Supervisory Board before they may accept a position on the corporate body of a non-Group company. A legal restraint on competition is also in place.

The members of the Supervisory Board are required to represent the interests of the company and must disclose any conflicts of interest without delay. They may not accept positions on the corporate bodies of any companies that compete with CPI Europe AG.

There are no contracts between the members of the Supervisory Board or companies in which a member of the Supervisory Board holds a significant financial interest, on the one hand, and CPI Europe AG or one of its subsidiaries, on the other hand.

Criteria for the independence of the Supervisory Board

The Austrian Corporate Governance Code (C-Rule 53) requires the majority of the supervisory board members elected by the annual general meeting to be independent of the company and its management board. A supervisory board member is considered to be independent when he or she has no business or personal relations with the company or its management board that constitute a material conflict of interest and are therefore capable of influencing the member's behaviour.

The following independence criteria were defined by the CPI Europe AG Supervisory Board and reflect the standards listed in Annex 1 to the Corporate Governance Code:

- The Supervisory Board member did not serve as a member of the Executive Board or a key employee of CPI Europe AG or one of its subsidiaries during the past five years.
- The Supervisory Board member does not currently, or did not in the preceding year, maintain any business relations with CPI Europe AG or one of its subsidiaries of a scope considered significant for the Supervisory Board member. The same applies to business relationships with companies in which the Supervisory Board member holds a considerable economic interest, but not to exercising functions on CPI Europe AG's corporate bodies. The approval of individual transactions by the Supervisory Board pursuant to L-Rule 48 does not automatically qualify the member as not independent.
- The Supervisory Board member did not act as an auditor of CPI Europe AG or own an investment in the auditing company or work for the auditing company during the preceding three years.
- The Supervisory Board member is not a member of the management board of another company in which a member of the Executive Board of CPI Europe AG serves on the supervisory board.
- The Supervisory Board member has not served on the Supervisory Board of CPI Europe AG for more than 15 years. This does not apply to members who are shareholders with a direct investment in CPI Europe AG or who represent the interests of such a shareholder.
- The Supervisory Board member is not closely related (direct offspring, spouse, life partner, parent, uncle, aunt, sibling, niece, nephew) to a member of the Executive Board or to persons specified in one of the above points.

In accordance with C-Rule 54 of the Austrian Corporate Governance Code, Miroslava Greštiaková and Iveta Krašovicová (from 29 May 2024) are free float representatives on the Supervisory Board. These two members of the Supervisory Board are neither shareholders with a stake of more than 10% nor do they represent the interests of shareholders with a stake of more than 10%.

Support for women on the Executive Board and Supervisory Board and in key functions

In the interest of the company, appointments to the Executive Board, Supervisory Board and key positions are based solely on professional and personal qualifications.

Women filled 29.2% of the management positions in 2024 (2023: 32.3%) and represented 64.0% of the total workforce (2023: 59.0%). The proportion of women on the Executive Board is 50%. The Supervisory Board is chaired by Miroslava Greštiaková, and as of 29 May 2024 Iveta Krašovicová has been another member; the percentage of women among shareholder representatives thus remained unchanged at a high level of 50% at the reporting date. At CPI Europe AG, women hold key management positions in central corporate functions and on the local country boards.

Additional measures to increase the share of women in management positions have not been defined to date. CPI Europe AG supports the work-life balance through flexible and partially flexible working times as well as part-time work models for employees, parental leave for fathers or the one-month “new baby break for dads”.

Men and women have equal opportunities for advancement at CPI Europe AG, and all employees receive performance-based remuneration for their work.

Diversity concept

CPI Europe does not follow an abstractly defined diversity concept for appointments to the Executive Board or Supervisory Board. The Supervisory Board, which is responsible for appointments to the Executive Board and for issuing recommendations to the annual general meeting for elections to the Supervisory Board, considers the diversity aspects listed in § 243c (2) no. 2a of the Austrian Commercial Code (age, gender, education and professional experience) and the international aspects for supervisory board members which are discussed in L-Rule 52 of the Austrian Corporate Governance Code to be important. Accordingly, these aspects are acknowledged and considered in connection with specific appointment decisions or recommendations. However, the company does not consider it suitable or expedient to tie its decisions on recommendations or appointments to a diversity concept with abstractly defined goals.

External evaluation

CPI Europe AG's compliance with the provisions of the Austrian Corporate Governance Code was evaluated by the auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., within the framework of a separate audit of the corporate governance report (pursuant to KFS/PG 13). The related auditor's report is available for review on CPI Europe AG's website (cpi-europe.com). The evaluation of the corporate governance report for 2024 did not result in any objections.

Vienna, 28 March 2025

The Executive Board



Radka Doebling



Pavel Měchura

Group Management Report

General Principles

IMMOFINANZ AG is the parent company of IMMOFINANZ Group (including S IMMO), a listed real estate company in Austria. Its registered headquarters are located at Wienerbergstrasse 9, 1100 Vienna. The business activities of IMMOFINANZ Group comprise the rental, acquisition, commercial utilisation and development of properties as well as the operation of hotels. The IMMOFINANZ AG share is listed in the Prime Market segment of the Vienna Stock Exchange and in the Main Market segment of the Warsaw Stock Exchange.

CPI Property Group (CPIPG) has been the majority shareholder of IMMOFINANZ AG since the end of May 2022 and holds 76.6% of the voting rights in IMMOFINANZ AG as of 31 December 2024. The registered headquarters of CPIPG is in Luxembourg. Upon request by CPIPG and with the approval of the extraordinary general meeting held on 30 January 2025, the renaming of IMMOFINANZ AG to CPI Europe AG was adopted. The new company name was entered into the commercial register with effect from 11 March 2025 and was implemented in the annual report as follows: CPI Europe AG (formerly: IMMOFINANZ AG), CPI Europe for information relating to the entire Group including S IMMO (formerly: IMMOFINANZ Group) and CPI Europe (excluding S IMMO) for information without S IMMO (formerly: IMMOFINANZ).

The purchase of 17,305,012 S IMMO AG shares from CPIPG at the end of December 2022 gave CPI Europe AG a majority investment of 50% plus one share in S IMMO. Therefore, the assets and liabilities of S IMMO have been included in the consolidated financial statements of CPI Europe since 31 December 2022; the items of the income statement have been included since the first quarter of 2023. A squeeze-out of the minority shareholders of S IMMO was adopted in 2024 and became legally effective with the entry into the commercial register as of 3 December. The Group now holds 100% of the shares in S IMMO AG.

CPI Europe (excluding S IMMO) and S IMMO have complementary portfolios and are both present in the following countries: Austria, Germany, Czech Republic, Slovakia, Hungary and Romania. CPI Europe (excluding S IMMO) is also active in Poland, Croatia, Serbia, Slovenia and Italy. The real estate portfolios of CPI Europe (excluding S IMMO) and S IMMO consist primarily of commercial properties in the office and retail asset classes, but S IMMO also owns hotels and a small number of residential properties.

Economic Overview and Property Markets of CPI Europe

The following section presents a selection of key economic indicators on the core markets of CPI Europe. Included here are statistics on GDP growth, the inflation rate and the unemployment rate based on the autumn forecast published by the European Commission in November 2024 and on current Eurostat and/or OECD data. This information is followed by a summary of developments in the individual real estate market segments where CPI Europe is active. The information was drawn from market reports prepared by BNP Paribas, CBRE, JLL, Savills and EHL (data as of the end of Q3 or Q4 2024 according to availability).

Macroeconomic development in Europe

Global economic growth in 2024 equalled 3.2% according to estimates, with regional growth rates varying significantly. The rise in global conflicts and new financial market risks could curb growth worldwide in the coming years. The European Union increased its economic output by 1.1% in 2024 (2023: 0.2%), while the economy in the eurozone grew by 0.9% (2023: 0.1%). Forecasts point to an increase of 1.5% in 2025 and 1.8% in 2026 for the EU; the estimate for the eurozone is slightly lower at 1.3% and 1.6%, respectively. Thanks to falling energy prices, inflation declined to 2.7% in the EU in 2024 (2023: 3.4%) and to 2.4% in the eurozone (2023: 2.9%). Inflation pressure from the service sector is expected to continue in 2025 and the following years, which might slow down a decline in inflation. As a result, inflation in the EU could amount to 2.4% in 2025 and fall to 2.0% in 2026. A stronger decline to 2.1% and 1.9%, respectively, is forecast for the eurozone. Meanwhile, the employment situation proved to be a stabilising factor for the European economy and a significant contribution to economic growth despite subdued private demand. 750,000 new jobs were created in the EU in the past year despite a difficult environment, and unemployment equalled 5.9% in the Union at year-end 2024 (2023: 5.9%). It is expected to remain at this level in the coming years. In the eurozone, unemployment was higher at 6.3% (2023: 6.4%) and is also projected to remain at this level in the coming years.

The transaction volume on the European real estate market increased to EUR 206.0 billion in 2024 (2023: EUR 162.3 billion) and was supported by particularly strong growth of EUR 68.0 billion in the fourth quarter of 2024. Residential properties were the asset class that recorded the greatest demand. In the office segment, transactions increased by 11% to EUR 42.2 billion, while the retail sector grew by 26% to EUR 33.9 billion thanks to a very strong fourth quarter. At 34% and a transaction volume of EUR 19.5 billion, the hotel segment saw the strongest growth. Among the European countries, Sweden and Italy recorded the highest growth rates of 58% and 47%, respectively. The European core markets Great Britain and Germany grew by 23% and 21%, respectively.

Dominated by declining interest rates, the interest environment is expected to further stimulate the market in 2025 and to lead to a further increase in transaction volume. The trend towards premium properties could continue, with location and ESG criteria playing an increasingly important role. Likewise, an increasing macro-economic influence can be observed in the selection of countries for investments. It can therefore be assumed that countries with high-volume transaction markets will see disproportionately strong growth.

Austria

Austria recorded the second consecutive recessionary business year in 2024. A mix of weak export demand, declining investments and weak private consumption contributed to this development. The gross domestic product (GDP) at year-end 2024 was 0.2% lower than in the previous year (2023: -1.3%). GDP growth rates of 1.0% and 1.4% are forecast for 2025 and 2026, respectively, thanks to increased export demand. Inflation continued to decline in the past year and equalled 2.1% at the end of the year (2023: 5.7%). In the coming years, inflation is expected to stabilise, amounting to 2.1% in 2025 and 1.7% in 2026. The unemployment rate equalled 5.3% at the end of December (2023: 5.6%) and is expected to remain at this level in 2025 before declining to 5.0% in 2026.

The transaction volume on the Austrian real estate market did not follow the western European trend and declined by 6% to EUR 2.6 billion in the past year (2023: EUR 2.8 billion). Office properties were responsible for most of this volume at EUR 859 million, followed by residential properties at EUR 648 million. Retail property transactions fell to EUR 104 million. Prime yields were constant at 5.0% (2023: 5.0%) for offices and increased slightly to 5.75% (2023: 5.65%) for retail parks.

Office

The office market in Vienna had 11.6 million sqm of modern office space at the end of 2024. Take-up was similar to the previous year at 161,000 sqm (2023: 174,000 sqm). New office completions increased to 87,000 sqm (2023: 45,800 sqm), while the vacancy rate fell slightly again to 3.4% (2023: 3.6%). Prime rents were constant at EUR 28.00/sqm/month.

Retail

The Austrian retail market covered 13.9 million sqm at year-end 2024. Although consumer confidence and purchasing power increased slightly during the past year, private consumption did not. In contrast, the savings rate rose. Prime rates for retail parks equalled EUR 16.0/sqm/month.

Germany

The German economy suffered, above all, from low demand for industrial goods on the global market in the past year. The German GDP fell by -0.2% in 2024 (2023: -0.2%) due to weak export demand. However, an increase in domestic demand should lead to economic growth of 0.7% in 2025 and 1.3% in 2026. Inflation reached 2.8% at the end of 2024 (2023: 3.8%) and is expected to decline further in the following two years according to forecasts. Accordingly, inflation is projected to equal 2.1% in 2025 and 1.9% in 2026. The unemployment rate equalled 3.4% at year-end (2023: 3.1%), and is expected to amount to 3.3% and 3.4% in 2025 and 2026, respectively.

The commercial property market in Germany grew by 21% to EUR 34.3 billion in 2024 (2023: EUR 23.3 billion). Having increased since 2021, yields may now have reached a range in which transaction activity might gain significant momentum again. The residential and industrial property asset classes recorded the strongest demand. With a volume of EUR 6.3 billion, retail properties took third place, while the office asset class reported a volume of EUR 5.21 billion. The transaction volume in Düsseldorf amounted to roughly EUR 1.0 billion (2023: EUR 882 million), recording an increase of roughly 15%. Prime yields remained constant year-on-year, at 4.2% in Munich, 4.25% in both Berlin and Hamburg, and 4.5% in Düsseldorf.

Office

Office space in Düsseldorf totalled just under 10.0 million sqm at the end of 2024. Take-up declined to 220,000 sqm (2023: 280,000 sqm) due to the weak economy. The construction of new space was nearly unchanged at 282,000 sqm (2023: 290,000 sqm), while vacancies increased to 11.5% (2023: 9.4%) due to weak demand. Prime yields recorded a constant development and equalled 4.5% at the end of 2024 (2023: 4.5%). Primarily driven by ESG aspects, prime yields in premium properties rose to EUR 43.50/sqm/month, while average rents declined slightly to a range from EUR 18.90 to EUR 20.90/sqm/month (2023: EUR 19.40 to EUR 20.90/sqm/month).

Romania

The Romanian economy was supported by stable consumer demand in 2024 and grew by 0.7% (2023: 2.2%) despite weak exports. Forecasts also project a recovery of export activities in Romania in the coming two years. Accordingly, economic growth should reach 2.5% in 2025 and 2.9% in 2026. Inflation equalled 5.5% at the end of the year (2023: 7.0%) and was primarily driven by the service sector and high wage agreements. In the coming two years, only a moderate decline in inflation is expected. The inflation target of roughly 2.5% of the Romanian Central Bank should be met towards the end of 2026. The unemployment rate once again decreased slightly and amounted to 5.2% at the end of the year (2023: 5.4%). A minor increase to 5.5% and 5.4% is anticipated for the following two years.

Transactions in Romania totalled EUR 733 million in 2024 (2023: EUR 499 million), which corresponds to a 47% increase starting from a very low base level. The retail segment recorded the strongest demand with a transaction volume of EUR 234 million. Office property transactions recovered and totalled EUR 159 million. Prime yields for shopping centers and office properties amounted to 7.75% (2023: 7.75%).

Office

The office market in Bucharest totalled 3.41 million sqm of office space at the end of 2024. Roughly 16,100 sqm of new space were completed during the year (2023: 110,000 sqm), while a further 64,000 sqm (2023: 16,100 sqm) are currently under construction. Take-up dropped by roughly 19% to 383,300 sqm (2023: 476,000 sqm) and the vacancy rate declined to 12.1% by the end of the year (2023: 14.7%). Prime rents in the city center rose to EUR 21.0/sqm/month; at EUR 15.7/sqm/month, average rents remained constant year-on-year.

Retail

Romania currently has 4.5 million sqm of retail space. 196,800 sqm of new space were completed in 2024 (2023: 251,000 sqm). Development activities focus on retail parks in secondary and tertiary cities. Among tenants, discount retailers are expanding significantly. Prime rents equalled EUR 80.0/sqm/month in shopping centers, and EUR 8.0 to EUR 15.0/sqm/month in retail parks.

Poland

The Polish economy saw a significant recovery in 2024. Strong private demand and active investment activity were slowed down only slightly by weak exports. As a result, the Polish economy grew by 3.7% in 2024 (2023: 0.4%) and should expand by another 3.6% in 2025 thanks to continued private consumption, before the growth rate could decline slightly to 3.1% in 2026. Inflation dropped to 3.9% at the end of the year (2023: 6.2%) and is expected to rise again to 4.7% in 2025 as energy price caps expire, before falling to 3.0% in 2026. The Polish labour market was characterised, above all, by Ukrainian workers in 2024. The unemployment rate rose slightly to 3.0% at year-end (2023: 2.7%) and is expected to decline to 2.8% and 2.7%, respectively, in the next two years.

In 2024, the commercial real estate market in Poland recorded the strongest Q4 results since the corona pandemic. The transaction volume totalled EUR 5.0 billion in 2024 (2023: EUR 2.1 billion). The largest transaction volume of EUR 1.6 billion was generated with retail properties, with the office property sector reaching a similar volume of EUR 1.5 billion. Yields remained stable at 6.0% (2023: 6.0%) for office properties and 6.5% (2023: 6.5%) for retail properties.

Office

The office market in Warsaw currently offers 6.3 million sqm of office space. Despite completions of roughly 100,000 sqm (2023: 61,000 sqm), supply only increased by roughly 63,500 sqm in 2024 because older office buildings were converted into residential buildings. At present, 245,000 sqm are under construction (2023: 238,000 sqm), whereby renovations of older buildings account for part of this total. Take-up amounted to 740,100 sqm (2023: 748,800 sqm) and remained at a similar level as in the previous year. Vacancies increased slightly to 10.6% (2023: 10.4%) and prime rents in the Warsaw city center amounted to EUR 27.0/sqm/month.

Retail

The supply of retail space grew by 337,100 sqm in 2024 (2023: 563,400 sqm), with the trend towards retail parks continuing unabated. Poland thus had 14.4 million sqm of modern retail space. Another 588,100 sqm (2023: 430,000 sqm) are currently under construction and are largely scheduled to be finished in 2025. Prime rents in retail parks were stable and ranged from EUR 9.5 to EUR 12.0/sqm/month.

Slovakia

The Slovakian economy grew by 1.7% in the past year (2023: 1.3%) mainly due to government investments. Growth of 2.3% is projected for 2025 due to tax increases and budget consolidation measures, and 2.5% for the following year. Inflation equalled 3.2% at the end of 2024 (2023: 6.6%). As energy price caps are expiring, a short-term increase in inflation to 5.1% is expected in 2025 before it should subsequently stabilise at 3.0% in 2026 in line with the general trend. The unemployment rate was 5.3% at year-end (2023: 5.8%). Experts project that unemployment will remain at 5.3% in 2025 before dropping to 5.1% in 2026.

The transaction volume on the Slovakian property market fell by roughly 19% to EUR 537 million in 2024 (2023: EUR 664 million). The main drivers were industrial and logistics properties. Retail properties had a market share of roughly 23% or EUR 124 million (2023: EUR 93 million), while office properties accounted for 18% or EUR 97 million (2023: EUR 467 million). Prime yields remained constant at 6.0% (2023: 6.0%) in the office segment and at 6.5% (2023: 6.5%) for shopping centers.

Office

The supply of office space in Bratislava remained unchanged in year-on-year comparison at 2.1 million sqm in 2024. There were no new office space completions (2023: 114,000 sqm). Roughly 44,000 sqm (2023: 21,000 sqm) are currently under construction. The vacancy rate dropped to 12.67% (2023: 14.2%) due to a lack of new space and take-up rose by roughly 8% to 198,800 sqm (2023: 183,500 sqm). Prime rents increased to EUR 19.5/sqm/month, while average rents remained constant at EUR 15.50/sqm/month.

Retail

The supply of retail space in Slovakia remained nearly unchanged in year-on-year comparison at 2.5 million sqm (2023: 2.4 million sqm). The retail park segment accounted for the entire 33,000 sqm of new space completed. 73,000 sqm of new retail space were under development at the end of 2024 (2023: 76,000 sqm). Prime rents equalled EUR 70.0/sqm/month for shopping centers in Bratislava and rose to EUR 16.0/sqm/month in retail parks. Prime yields amounted to 6.5% for shopping centers and declined by 40 basis points to 6.75% for retail parks.

Czech Republic

The Czech economy managed a turnaround in 2024 with growth of 1.6% (2023: -0.2%). The expected purchasing power recovery should lead to growth rates of 2.4% and 2.7% in 2025 and 2026, respectively. Inflation equalled 3.3% at the end of 2024 (2023: 7.6%) and could drop to 2.4% in 2025 and to 2.0% in 2026 due to a decline in energy prices. The unemployment rate fell to 2.6% at the end of 2024 (2023: 2.8%) and should remain stable at 2.7% in each of the coming two years.

The transaction volume in the Czech real estate market increased by 41% to roughly EUR 2.0 billion (2023: EUR 1.4 billion). Retail properties were the most popular asset class in the last twelve months with a volume of EUR 656 million. Transactions in the office property segment totalled roughly EUR 360 million. Prime yields rose to 5.6% (2023: 5.4%) for office properties; in the retail property segment, they remained unchanged at 6.35% for shopping centers and at 6.10% for retail parks.

Office

The office market in Prague had roughly 3.96 million sqm of modern space at the end of 2024. Completions totalled 72,800 sqm (2023: 98,400 sqm), which corresponds to a year-on-year decline by 26%. Another 164,300 sqm (2023: 100,000 sqm) were under construction at the end of 2024. Take-up reflected the long-term average at 557,100 sqm (2023: 541,900 sqm), while vacancies increased slightly to 7.35% (2023: 7.2%). Prime rents rose to EUR 29.5/sqm/month and average rents dropped to EUR 17.10/sqm/month (2023: EUR 17.75 to 18.25/sqm/month).

Retail

The supply of retail space remained virtually constant in 2024 and totalled 2.52 million sqm at the end of the year. More than 100,000 sqm are currently under construction, which includes renovations of existing properties in many cases. Retail turnover increased by 5% in the past year, exceeding the inflation rate. Prime yields remained unchanged at 6.35% for shopping centers and declined slightly to 6.10% for retail parks.

Hungary

The Hungarian economy benefited from a stable labour market and strong private demand in 2024. At the same time, public investment activities dropped significantly, resulting in growth of only 0.2% in 2024 (2023: -0.7%). Although energy and food prices dropped in the past year, price increases in the service sector and high wage agreements led to an inflation rate of 4.8% (2023: 5.5%). Inflation should decline slightly in the coming years. Experts project a rate of 3.6% for 2025, which should drop to 3.2% in 2026. The unemployment rate equalled 4.3% at year-end (2023: 4.2%) and should remain relatively constant at 4.3% and 4.1% in the next two years.

The transaction volume on the commercial real estate market in Hungary declined again in the past year and totalled EUR 301 million (2023: EUR 441 million). Prime yields fell to 6.25% (2023: 6.75%) for office properties, and increased to 7.25% (2023: 6.0%) for shopping centers and to 7.5% (2023: 7.25%) for retail parks.

Office

The office market in Budapest had 4.5 million sqm of modern space at the end of 2024. Take-up increased significantly to 502,200 sqm in the past year (2023: 352,000 sqm). Completions totalled 103,600 sqm (2023: 180,000 sqm), another 503,000 sqm are currently under construction. The vacancy rate rose to 14.1% (2023: 13.3%) as a result of the new completions and average rents increased slightly by 4.5% to EUR 14.85/sqm/month. Prime rents were unchanged at EUR 25.0/sqm/month at the end of the year.

Retail

Retail turnover increased in the past year thanks to a stable employment situation and a strong service sector. Completions totalled 40,250 sqm (2023: 10,300 sqm) and 276,310 sqm (2023: 27,000 sqm) are currently in the development pipeline. Prime rents rose to EUR 95/sqm/month for shopping centers and to EUR 13.50/sqm/month for retail parks.

Adriatic

The Adriatic region of CPI Europe includes Serbia, Slovenia, Croatia and Italy. The economies in these countries followed the European trend with growth ranging from 4.1% in Croatia to 0.5% in Italy. Serbia is expected to generate the strongest growth in the coming years with an increase in GDP by 4.2% in 2025 and by 4.3% in 2026. Italy trails behind with expected growth of 1.0% in 2025 and 1.2% in 2026. The inflation rate equalled 4.5% in Croatia, followed by 4.3% in Serbia and 2.0% in Slovenia at the end of 2024. The highest inflation rate is expected for Serbia, where the Central Bank pursues an inflation target in the range of 3.0% +/-1.5%. Forecasts indicate that inflation will equal 3.7% in 2025 and decline slightly to 3.5% in 2026. Unemployment was highest in Serbia with 8.7% at the end of the year. The unemployment rate in the region is generally expected to drop in the coming years, with only minor declines in Italy and Croatia. Unemployment should fall to 8.3% this year and 8.0% next year in Serbia and drop from 4.7% to 4.6% in Croatia. The labour markets in Slovenia and Italy have shown sideward trends, whereby Slovenia's unemployment rate should remain low at 3.6% and unemployment of 6.2% at the end of 2024 in Italy could remain virtually unchanged at 6.3% in 2025 and 6.2% in 2026.

Among the commercial property markets in this region, Italy is by far the most important. It grew significantly in the past year and exceeded the long-term average with a transaction volume of EUR 9.9 billion in 2024 (2023: EUR 6.1 billion). Prime yields recorded a constant development with 4.25% (2023: 4.25%) for offices and 7.5% (2023: 7.5%) for shopping centers. Yields in SEE range from 7.75% to 8.25% for office properties, from 8.0% to 8.25% for shopping centers and from 8.25% to 8.5% for retail parks. In Italy, prime yields were in part significantly below the usual SEE range and equalled 4.25% for offices and 7.50% for shopping centers.

Hotels

Austria reported a new record with 154.29 million overnight stays in 2024. This record could be exceeded again in 2025 thanks to a strong start into the 2024/25 winter season. The transaction volume in the Austrian hotel market declined in the past year. The hotel market in CEE also followed the positive trend, which is expected to continue in 2025.

Portfolio Report

CPI Europe concentrates on its core business as a growth-oriented property owner and on the continuous optimisation of its portfolio. Its activities also include selected acquisitions and development projects, whereby the focus is on high-yield properties. In addition, targeted sales are a key component of the focused portfolio strategy.

The portfolio strategy followed by CPI Europe is based on flexible and innovative real estate offers with high customer orientation. Active portfolio management ensures that the properties are attractive for tenants and consistent with the principle of sustainability from a social and environmental perspective. In this way, CPI Europe is also optimally positioned to meet the future needs of tenants and consumers in the retail business and tenants and their staff in the office sector.

CPI Europe's property portfolio

The CPI Europe property portfolio included 417 properties* with a combined value* of EUR 7,983.6 million as of 31 December 2024 (31 December 2023: 518 properties with a carrying amount of EUR 8,174.3 million). Standing investments* represented the largest component at EUR 7,797.6 million, or 97.7% of the carrying amount, and 3.4 million sqm of rentable space which generate steady rental income (31 December 2023: carrying amount of EUR 7,840.2 million, 3.6 million sqm of rentable space). Development projects* are responsible for EUR 38.3 million, or 0.5% of the carrying amount (31 December 2023: carrying amount of EUR 138.3 million). A carrying amount of EUR 147.8 million, or 1.9%, is attributable to pipeline projects* and includes future planned development projects, undeveloped land and real estate inventories (31 December 2023: carrying amount of EUR 195.8 million). The owner-operated S IMMO hotels (Vienna Marriott, Budapest Marriott and Novotel Bucharest City Center) with 61,075 sqm of total rentable space are not included in this portfolio report.

The application of IFRS 16 since the first quarter of 2019 led to differences between the amounts presented in the portfolio report and on the balance sheet in the past. Starting with the first quarter of 2024, the amounts presented in the portfolio report also include capitalised rights of use for building rights in line with the property values on the balance sheet. However, these right-of-use values are not included in the comparative figures of the previous year.

The presentation in the portfolio report is based on the primary use of the properties.

* Including properties that are held for sale and fall under IFRS 5.

Property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Austria	17	231.0	0.0	9.1	240.1	3.0
Germany	5	461.5	0.0	4.5	466.0	5.8
Poland	28	964.4	0.0	0.0	964.4	12.1
Czech Republic	72	951.5	0.0	0.0	951.5	11.9
Hungary	19	231.8	0.0	3.0	234.8	2.9
Romania	26	644.5	0.0	53.8	698.3	8.7
Slovakia	35	435.5	0.0	1.3	436.8	5.5
Adriatic ²	61	617.2	21.3	31.1	669.6	8.4
S IMMO	154	3,260.1	17.0	45.0	3,322.1	41.6
CPI Europe	417	7,797.6	38.3	147.8	7,983.6	100.0
in %		97.7	0.5	1.9	100.0	

¹ Including real estate inventories

² Property portfolio in declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

Property portfolio by primary use and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Office	35	1,731.5	0.0	39.6	1,771.1	22.2
Retail	219	2,789.2	21.3	22.9	2,833.4	35.5
Others	9	16.8	0.0	40.2	57.0	0.7
S IMMO	154	3,260.1	17.0	45.0	3,322.1	41.6
CPI Europe	417.0	7,797.6	38.3	147.8	7,983.6	100.0

¹ Including real estate inventories

Acquisitions and strategic sales

CPI Europe consistently pursued its portfolio strategy in the 2024 financial year and acquired a portfolio from CPI Property Group in the Czech Republic through its wholly-owned subsidiary S IMMO at the end of April 2024. The purchase included four office and four commercial properties (retail parks) with roughly 136,000 sqm of rentable space, roughly EUR 463 million of combined property value and rental income of approximately EUR 28.3 million.

Property sales (including S IMMO) totalled EUR 776.2 million in 2024. The properties sold by CPI Europe (excluding S IMMO) included, among others, the Grand Center Zagreb office building in Croatia, an office complex in Warsaw and two office properties in the 20th district of Vienna. In addition, the “Justizzentrum Wien Mitte” office building was sold to Euro Real Estate through United Benefits Holding. With a price of more than EUR 150 million, this sale was the largest transaction in Vienna's office property market up to that point in 2024. The sale of the myhive Victoriei office development in Bucharest to AFI Europe, a leading property developer in SEE and CEE, followed in August. This office complex is currently vacant for complete renovation. The corresponding building permit for the renovation was transferred to the buyer.

Other sales were related to transactions of S IMMO in Austria and Germany and included a share and asset deal for a large portfolio consisting of 18 commercial properties in Germany (mostly offices) and a residential property with a transaction value of EUR 255.0 million, whose closing took place in several stages up until autumn of 2024, as well as the Zagrebtower in Croatia, whose closing took place in the third quarter of 2024. In July, S IMMO sold the HOTO Business Tower, its last standing investment in Zagreb, thus finalising its withdrawal from the Croatian office market. In October, S IMMO also sold the Hotel Julis in Prague with 6,700 sqm of total space to a Czech investor in a share deal.

After the reporting period, CPI Europe agreed to sell a property portfolio in Bratislava, which comprises two myhive office buildings, a VIVO! shopping center and a 3,200 sqm plot of land, to WOOD & Company. The mixed-use complex offers roughly 70,000 sqm of usable space. The sale to WOOD & Company will be carried out in two tranches as part of a share deal by the end of 2026. Tranche 1 provides for the establishment of a joint venture of CPI Europe and WOOD & Company, while tranche 2 comprises the complete sale of the portfolio. Closing of tranche 1 is expected in the first half of 2025, subject to customary closing conditions, including regulatory approvals. Furthermore, the office properties IP TWO at Lerchenfelder Gürtel and Franz-Jonas-Platz in Vienna as well as the Ramada Hotel and the myhive Pankrac House office complex in Prague were sold in March 2025. The two office properties in Vienna and the hotel in Prague were S IMMO properties. The combined transaction value totalled roughly EUR 115 million.

CPI Europe's standing investments

CPI Europe's standing investments comprised 345 properties as of 31 December 2024, with a carrying amount of EUR 7,797.6 million (31 December 2023: 432 properties with a carrying amount of EUR 7,840.2 million). Of this total, 22.2% are attributable to office properties, 35.8% to retail properties and 41.8% to S IMMO. The focal point of the standing investments by segment based on the carrying amount are the markets in Poland (EUR 964.4 million), the Czech Republic (EUR 951.5 million) and Romania (EUR 644.5 million) as well as S IMMO (EUR 3,260.1 million).

The STOP SHOP retail park Đakovo, a project development of CPI Europe in Croatia which opened in November 2023, was reclassified to standing investments in the second quarter of 2024. Further reclassifications were carried out in the fourth quarter for the STOP SHOP retail parks in Dugo Selo, Vukovar and Virovitica. The rentable space of the standing investment portfolio totalled 3.4 million sqm at the end of December and had a gross return of 7.4% based on IFRS rental income, whereby rental incentives – e.g. the standard market practice of granting rent-free periods or allowances for fit-out costs – are accrued on a straight-line basis over the contract term in accordance with IFRS. The occupancy rate equalled 93.2% (31 December 2023: 92.2%). Take-up in the standing investments and development projects (excluding the S IMMO portfolio in Germany) amounted to 551,000 sqm in 2024. This take-up includes roughly 191,000 sqm of new rentals and roughly 360,000 sqm of contract extensions. The average unexpired lease term weighted by rental income (WAULT*) of CPI Europe equalled 3.6 years.

* Weighted Average Unexpired Lease Term: The calculation for fixed-term contracts is based on the term or – where available – the time up to the break option (special cancellation right for tenants). For open-ended contracts, the remaining term equals at least two years or a longer period if a termination waiver exceeds two years.

Standing investments by core market

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Austria	15	231.0	3.0	89,097	83,733
Germany	3	461.5	5.9	87,652	71,368
Poland	28	964.4	12.4	400,345	381,416
Czech Republic	72	951.5	12.2	382,975	376,145
Hungary	16	231.8	3.0	169,268	167,029
Romania	15	644.5	8.3	351,689	324,967
Slovakia	34	435.5	5.6	259,575	248,183
Adriatic ¹	46	617.2	7.9	413,166	408,408
S IMMO	116	3,260.1	41.8	1,255,553	1,115,453
CPI Europe	345	7,797.6	100.0	3,409,320	3,176,702

Standing investments	Occupancy rate in %	Rental income Q4 2024 in MEUR	Gross return in %	Financing costs incl. derivatives in %
Austria	94.0	3.6	6.2	3.1
Germany	81.4	5.0	4.3	3.2
Poland	95.3	17.3	7.2	3.7
Czech Republic	98.2	17.3	7.3	3.7
Hungary	98.7	5.9	10.1	2.2
Romania	92.4	15.9	9.9	0.0
Slovakia	95.6	9.2	8.5	3.2
Adriatic ¹	98.8	14.7	9.5	4.8
S IMMO	88.8	55.7	6.8	2.7
CPI Europe	93.2	144.5	7.4	3.2
Development projects and pipeline projects		0.2		4.8
Rental income from sold properties and adjustments		9.0		n.a.
Group financing CPI Europe (excluding S IMMO)		n. a.		4.2
Group financing S IMMO		n. a.		2.6
CPI Europe		153.6		3.2

¹ Standing investments in declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

Contract expiration profile – standing investments (total)

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	6 years in %	7 – 10 years in %	> 10 years in %
16	15	16	15	14	9	10	6

¹ Gross lettable area: the total area available to tenants for their exclusive use. Common areas are charged proportionally to tenants, in accordance with the respective legal regulations, using an add-on factor.

Sustainability certification

The certified space totalled roughly 1,671,000 sqm at the end of December 2024 in buildings with a combined carrying amount of EUR 4.5 billion. Sustainability certificates have therefore been issued for 58.3% of the carrying amount in the standing investment portfolio. In the office business, certification covered 76.8% of the properties based on the carrying amount.

Growth of 3.9% in like-for-like rental income

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with earlier periods) shows a further improvement of 3.9%, or EUR 4.3 million, to EUR 115.3 million in the fourth quarter of 2024, after EUR 111.0 million in the previous year. The driving factors were, above all, increases in rents due to inflation.

Standing office investments

The carrying amount of the 86 standing office investments held by CPI Europe totalled EUR 3,929.2 million as of 31 December 2024. The occupancy rate in the office portfolio equalled 88.5%. The take-up for standing investments and development projects in the office business (excluding the S IMMO portfolio in Germany) totalled roughly 290,000 sqm in 2024, with roughly 105,000 sqm related to new rentals and roughly 185,000 sqm to contract extensions.

The tenant structure of the office portfolio remains balanced. The ten largest tenants occupy 15.0% of the space in the office standing investments, and no single tenant rented more than 2.2% of the total space in these properties. The WAULT* equalled 3.4 years as of 31 December 2024.

Contract expiration profile – standing office investments

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	6 years in %	7 – 10 years in %	> 10 years in %
16	12	19	15	14	11	10	5

¹ Gross lettable area: the total area available to tenants for their exclusive use. Common areas are charged proportionally to tenants, in accordance with the respective legal regulations, using an add-on factor.

Standing retail investments

The carrying amount of the 216 standing retail investments held by CPI Europe totalled EUR 3,662.5 million as of 31 December 2024. The occupancy rate equalled a high 97.2% as of 31 December 2024. Take-up for the standing investments and development projects in the retail business (excluding the S IMMO portfolio in Germany) totalled roughly 259,000 sqm in 2024, whereby roughly 85,000 sqm were attributable to new rentals and 174,000 sqm to contract extensions.

CPI Europe relies on a balanced tenant mix to create an optimal environment for retailers and their customers. All larger retail properties have solid international and local anchor tenants, but no single retailer has rented more than 5% of the total space in these properties. The WAULT* equalled 3.4 years as of 31 December 2024.

Contract expiration profile – standing retail investments

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	6 years in %	7 – 10 years in %	> 10 years in %
13	17	15	16	15	8	10	6

¹ Gross lettable area: the total area available to tenants for their exclusive use. Common areas are charged proportionally to tenants, in accordance with the respective legal regulations, using an add-on factor.

* Weighted Average Unexpired Lease Term: The calculation for fixed-term contracts is based on the term or – where available – the time up to the break option (special cancellation right for tenants). For open-ended contracts, the remaining term equals at least two years or a longer period if a termination waiver exceeds two years.

CPI Europe's development projects

CPI Europe's development projects had a carrying amount of EUR 38.3 million as of 31 December 2024 (31 December 2023: EUR 138.3 million), which represents 0.5% of the total property portfolio (31 December 2023: 1.7%). This amount includes EUR 15.6 million of active development projects, all of which are attributable to CPI Europe (excluding S IMMO). A further EUR 22.7 million relates to projects in the preparation or conception phase for which outstanding construction costs are not yet available. The expected fair value of the active projects on completion amounts EUR 45.7 million and is attributable to the core market Adriatic. S IMMO had no active development projects in progress as of the end of December 2024, but projects in preparation.

Development projects

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR	Expected rental income at full occupancy in MEUR	Expected yield after completion in % ¹
Adriatic ²	4	15.6	100.0	28.2	31,313	45.7	3.9	9.0
Active projects								
CPI Europe	4	15.6	100.0	28.2	31,313	45.7	3.9	9.0
Projects in preparation CPI Europe (excluding S IMMO)		5.7						
Projects in preparation S IMMO		17.0						
CPI Europe		38.3						

¹ Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs

² Croatia

The current focus of development activities

Adriatic

In Croatia, four new STOP SHOP retail parks are under development in Ivanec (7,600 sqm), Krapina (8,100 sqm, opened in November), Nova Gradiška (8,100 sqm) and Sinj (7,400 sqm). The STOP SHOP retail parks in Ivanec and Nova Gradiška are scheduled to be opened in the second half of 2025. The opening of the STOP SHOP in Sinj is planned for 2026. The STOP SHOP retail park in Đakovo (8,400 sqm) was reclassified to the standing investment portfolio in the second quarter of 2024, and those in Dugo Selo, Vukovar and Virovitica in the fourth quarter of 2024.

CPI Europe's pipeline projects

Pipeline projects include future planned development projects, undeveloped land and/or temporarily suspended projects. These projects had a carrying amount of EUR 147.8 million as of 31 December 2024 and represent 1.9% (31 December 2023: EUR 195.8 million or 2.4%) of CPI Europe's total property portfolio. Of this total, EUR 45.0 million were attributable to S IMMO. The focal point of the Group's pipeline projects is Romania with a volume of EUR 53.8 million. CPI Europe plans to further reduce the scope of its pipeline projects – especially the land reserves in Romania – through strategic sales.

Property Valuation

CPI Europe prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and arranges for the regular appraisal of its properties by independent experts. This external valuation is carried out at least once every year as of 31 December and reflects the EPRA's Best Practices Policy Recommendations for the application of the fair value method as defined in IFRS.

The valuation includes property-related factors like the occupancy rate, rental income and the length of the rental contracts as well as the age and quality of the buildings. External factors are also taken into account, e.g. the development of the regional and general market environments, the economy and the financing climate. ESG aspects such as the risks arising from climate change, the energy efficiency and social added value of the properties are examined and the potential impact on property values in the future are identified. External appraisers were responsible for appraising most (56.8%) of the CPI Europe portfolio (EUR 8.0 billion) as of 31 December 2024. S IMMO and its valuation covered 41.6%, and only 0.9% were valued internally by CPI Europe. 0.7% represented other assets according to IFRS 16.

Development of property valuation in 2024

Revaluations (including property development and property sales) for CPI Europe turned positive in total during 2024 and amounted to EUR 12.6 million (2023: EUR –376.8 million). This development reflects the stabilisation of the market following the decline in interest rates and lower inflation. The revaluation results for standing investments and goodwill were positive at EUR 10.7 million, in contrast to the previous year with substantial valuation declines (EUR –352.2 million) that were caused by high interest rates and rising inflation. Revaluations in the CPI Europe retail properties (excluding S IMMO) totalled EUR 67.1 million, or 2.4% of the carrying amount, and were primarily based on shopping centers in Romania, Poland and the Czech Republic. The CPI Europe office properties (excluding S IMMO) recorded valuation declines of EUR –41.5 million, or –2.4% of the carrying amount, whereby the largest individual effects came from office buildings in Warsaw, Bucharest and Germany. The S IMMO portfolio was responsible for EUR –10.0 million, or –0.3% of the carrying amount.

Investment property	Carrying amount in MEUR	Valuation effects 2024 in MEUR	Ratio of valuation to carrying amount in %
Austria	240.1	2.8	1.2
Germany	461.5	–7.2	–1.6
Poland	964.4	–1.5	–0.2
Czech Republic	951.5	15.6	1.6
Hungary	234.8	7.8	3.3
Romania	631.0	–5.7	–0.9
Slovakia	436.8	4.4	1.0
Adriatic ¹	648.3	4.6	0.7
CPI Europe (excluding S IMMO)	4,568.5	20.7	0.5
S IMMO	3,110.2	–10.0	–0.3
CPI Europe	7,678.6	10.7	0.1

¹ Serbia, Slovenia, Italy and Croatia

Investment property	Carrying amount in MEUR	Valuation effects 2024 in MEUR	Ratio of valuation to carrying amount in %
Office	1,704.2	–41.5	–2.4
Retail	2,812.1	67.1	2.4
Others	52.2	–4.9	–9.5
CPI Europe (excluding S IMMO)	4,568.5	20.7	0.5
S IMMO	3,110.2	–10.0	–0.3
CPI Europe	7,678.6	10.7	0.1

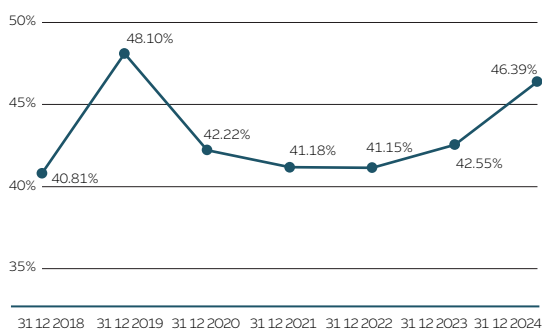
Financing

Financing strategy and further optimisation of the capital structure

The objectives of CPI Europe's financing strategy are to ensure sufficient liquidity at all times, to achieve and maintain a balanced capital structure and maturity profile, and to optimise financing costs. The best possible structuring of debt financing is an important priority and, in addition to successful property management, represents one of the decisive factors for the results recorded by CPI Europe.

CPI Europe had a robust balance sheet structure with an equity ratio of 43.2% as of 31 December 2024 (31 December 2023: 47.3%) and a solid net loan-to-value ratio (net LTV) of 46.4% (31 December 2023: 42.5%^{*}). The financial liabilities held by CPI Europe totalled EUR 4.3 billion as of 31 December 2024 (31 December 2023: EUR 4.2 billion). Cash and cash equivalents amounted to EUR 531.7 million (including cash and cash equivalents in assets held for sale). Net debt, i.e. debt after the deduction of cash and cash equivalents, equalled EUR 3.8 billion (31 December 2023: EUR 3.5 billion).

Development of net LTV in CPI Europe



Calculation of net LTV for CPI Europe as of 31 December 2024

Amounts in TEUR

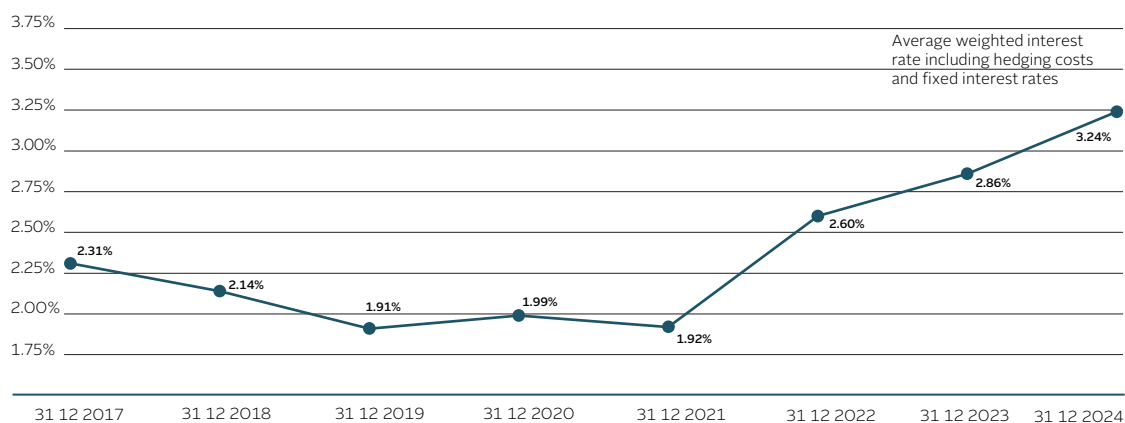
Financial liabilities	4,330,989.1
Net financial liabilities held for sale ¹	10,079.2
– Cash and cash equivalents	527,359.5
Carrying amount of property	8,220,612.3
Net LTV in %	46.4

¹ Financial liabilities held for sale less cash and cash equivalents held for sale

^{*} Comparative value as of 31 December 2023 adjusted from 42.1% to 42.5% based on new calculation formula (see the table on the calculation of net LTV)

Financing costs

The average total financing costs for CPI Europe, including derivatives, equalled 3.24% per year as of 31 December 2024 (31 December 2023: 2.86% per year). The increase resulted primarily from rising market interest rates due to refinancing.

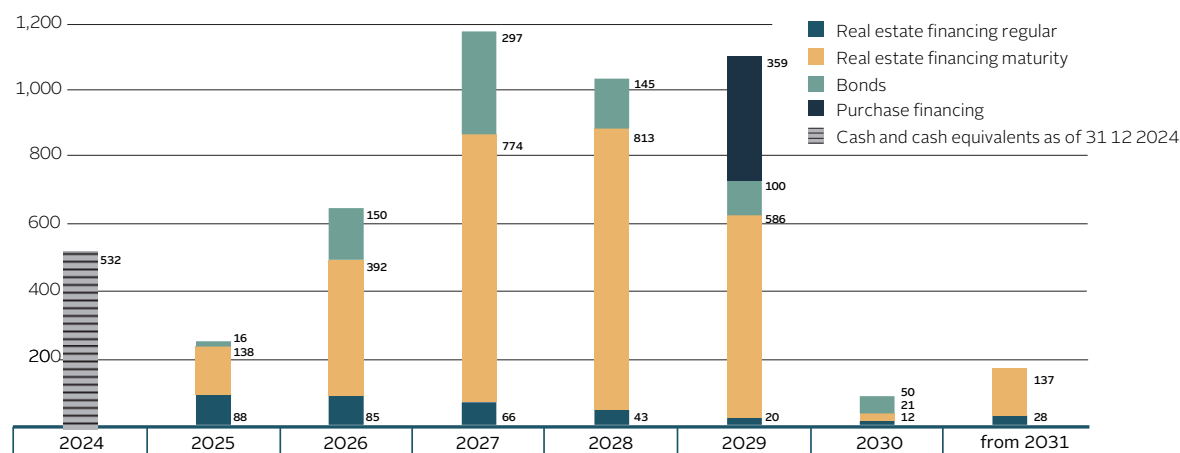


Term structure

The weighted average remaining term of financial liabilities for CPI Europe equalled 3.50 years (2023: 4.00 years). The following graph shows the term structure by year for CPI Europe as of 31 December 2024.

Term structure of financial liabilities for CPI Europe

by financial year as of 31 December 2024, in MEUR



Based on nominal remaining debt excluding IFRS 16 financial liabilities.

Composition of financial liabilities

The financial liabilities held by CPI Europe include amounts due to financial institutions, insurance companies and liabilities from bonds. The composition of these liabilities as of 31 December 2024 is as follows:

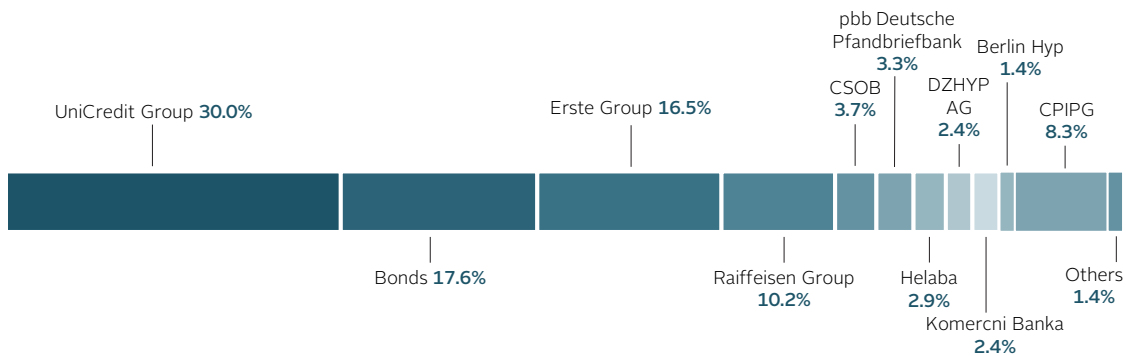
Weighted average interest rate of the financial liabilities	Outstanding liability as of 31 12 2024 in TEUR	Total average interest rate incl. expenses for derivatives in % ¹
Corporate bond CPI Europe AG	235,918.1	2.50
Bank and other financial liabilities ²	2,174,765.6	3.69
S IMMO AG	1,876,585.2	2.67
CPI Europe	4,287,268.8	3.24

¹ Based on nominal remaining debt

² Including IFRS 5; excluding lease liabilities IFRS 16

The remaining balance of the financial liabilities held by CPI Europe totalled EUR 4,287.3 million as of 31 December 2024 and consists entirely of financings in euros. CPI Europe focuses on the diversification of its financing sources and benefits from long-term business relationships with major European banks.

Financing sources for CPI Europe as of 31 December 2024



Derivatives held by CPI Europe

CPI Europe uses derivatives to hedge against interest rate increases. The volume of financial liabilities hedged through interest rate derivatives amounted to EUR 3,107.3 million as of 31 December 2024 (31 December 2023: EUR 3,108.3 million). In total, 89.5% of financial liabilities were hedged against interest rate risk (31 December 2023: 95.1%), of which 71.9% were covered by interest rate derivatives. A further 17.6% represent financial liabilities with fixed interest rates.

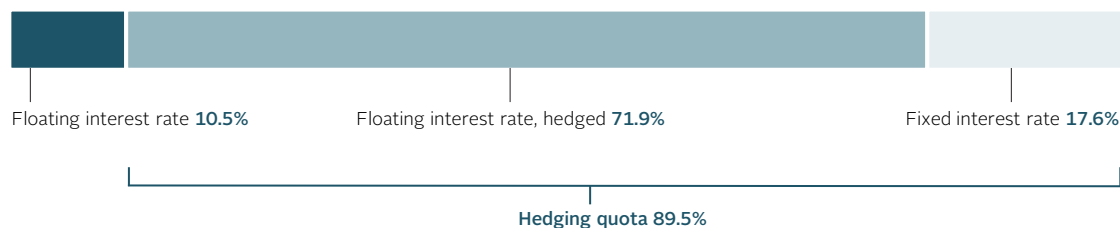
Interest rate derivative ¹	Floating leg	Market value incl. interest & CVA/DVA as of 31 12 2024 in TEUR	Notional amount in TEUR ¹	Average hedged reference interest rate in % ¹
Interest rate swaps CPI Europe (excluding S IMMO)	3-M-EURIBOR	7,656.3	1,575,360.9	1.63
Interest rate swaps CPI Europe (excluding S IMMO)	6-M-EURIBOR	803.4	68,080.0	1.66
Interest rate swaps S IMMO	3-M-EURIBOR	56,331.2	1,453,908.5	1.08
Interest rate caps S IMMO	3-M-EURIBOR	10.4	9,930.5	2.50
CPI Europe		64,801.3	3,107,279.9	1.37

¹ Excluding forward start instruments

An interest rate swap exchanges floating for fixed interest payments. Therefore, floating rate liabilities that are hedged with a swap can be regarded as fixed interest rate liabilities from an economic standpoint.

The interest rates used for discounting and the calculation of variable payment flows are based on interest rate curves for each currency and matching maturities that are observable on the market. In accordance with IFRS 13 (Fair Value Measurement), the resulting market values are adjusted to include a credit value adjustment (CVA) and a debt value adjustment (DVA).

Financial liabilities held by CPI Europe – type of interest rate as of 31 December 2024



Bonds issued by CPI Europe

CPI Europe had a total outstanding nominal value of EUR 758.4 million as of 31 December 2024 (31 December 2023: EUR 858.4 million). Of this total, EUR 520.6 million (31 December 2023: EUR 620.6 million) were attributable to S IMMO.

Details on the S IMMO bonds are provided in the S IMMO AG 2024 annual report.

In connection with the issue of the corporate bond 2020–2027, CPI Europe AG has committed to comply with the following standard financial covenants. These covenants are calculated on the basis of the consolidated IFRS financial statements:

Financial covenant	Threshold in %	Value as of 31 12 2024 in %
Net Debt to Value Ratio ¹	Max. 60.0	44.4
Secured Net Debt to Value Ratio ¹	Max. 45.0	30.8
Interest Coverage Ratio	Min. 150.0	220.1

¹ The values are based on the latest calculation as per the bond terms on or before 31 December 2024.

Business Development

CPI Europe continued its sound operating development in 2024. Rental income rose by 10.4% year-on-year to EUR 589.2 million. This improvement was supported, above all, by the strategic acquisition of office and retail properties as well as an increase in like-for-like rental income. After an adjustment for new acquisitions, completions and sales, the like-for-like rental income recorded by CPI Europe rose by a solid 3.9% in the fourth quarter of 2024 compared to the same period of the previous year. The results of asset management totalled EUR 489.6 million and were 17.0% higher than the previous year, while the results of operations improved significantly by 43.3% to EUR 408.7 million. FFO 1 after tax rose substantially by 20.2% year-on-year to EUR 274.5 million in 2024 (2023: EUR 228.4 million*).

Revaluations (including property development and property sales) turned positive at EUR 12.6 million, compared with EUR –376.8 million in the previous year. This improvement reflects the market stabilisation that resulted from the downward trend in interest rates and inflation during 2024. Financial results amounted to EUR –213.3 million (2023: EUR –246.1 million), above all due to a substantial decline in non-cash negative valuation effects from interest derivatives during the reporting year. Net profit recorded by CPI Europe totalled EUR 133.5 million.

Income statement

All amounts in TEUR	2024	2023
Rental income	589,231	533,601
Results of asset management	489,602	418,538
Results from owner-operated hotels	9,792	2,012
Results of property sales	99	–38,327
Results of property development	–4,104	–25,591
Other operating income	8,397	7,853
Other operating expenses	–95,100	–79,367
Results of operations	408,686	285,118
Revaluation result from standing investments and goodwill	10,683	–352,207
Operating profit (EBIT)	419,369	–67,089
Financial results	–213,345	–246,059
Earnings before tax (EBT)	206,024	–313,148
Net profit or loss	133,514	–229,461

CPI Europe continued its strategic property sales (asset and share deals) in 2024 with a volume of EUR 776.2 million. Transactions focused, above all, on Austria, Germany, Croatia, Poland, Romania and the Czech Republic. The results of property sales amounted to EUR 0.1 million, whereby the previous year was influenced by a negative non-recurring effect from the reclassification to profit or loss of historical foreign exchange effects following the deconsolidation of a subsidiary in Turkey (2023: EUR –38.3 million).

The results of property development improved to EUR –4.1 million (2023: EUR –25.6 million) and reflect, above all, a decline in property development expenses following the completion of renovation and development projects. Other operating expenses totalled EUR –95.1 million (2023: EUR –79.4 million). The year-on-year increase resulted, on the one hand, from the expansion of the portfolio through acquisitions in 2024 and, on the other hand, through the adjustment of the range of services as well as from changes in IT services resulting from changes in the IT landscape. The results of operations increased substantially by 43.3% to EUR 408.7 million (2023: EUR 285.1 million).

* The comparative value for 2023 was adjusted to reflect the new calculation formula (see the table under "Funds from Operations").

Valuation results and results of operations

Results from the valuation of standing investments and goodwill also turned positive at EUR 10.7 million, in contrast to the previous year which was negatively influenced by high interest and inflation rates (2023: EUR –352.2 million). Revaluations of EUR 67.1 million, or 2.4% of the carrying amount, were recognised to the retail properties held by CPI Europe (excluding S IMMO) and were supported by shopping centers in Romania, Poland and the Czech Republic. The office properties held by CPI Europe (excluding S IMMO) recorded write-downs of EUR –41.5 million, or –2.4% of the carrying amount, whereby the largest single effects involved office buildings in Warsaw, Bucharest and Germany. The S IMMO portfolio was responsible for EUR –10.0 million, or –0.3% of the total carrying amount. Further details can be found in the section on “Property Valuation”.

Operating profit (EBIT) equalled EUR 419.4 million, compared with EUR –67.1 million in 2023 which was caused by negative valuation results.

Financial results

Financing costs rose to EUR –230.3 million (2023: EUR –210.0 million), chiefly due to an increase in financing volumes and financing expenses. The settlement payments from derivatives and interest income remained stable. As a result, financing income declined to EUR 87.5 million in 2024 (2023: EUR 92.0 million). Other financial results improved to EUR –62.1 million due to the non-cash valuation of derivatives (2023: EUR –119.5 million), following a decline in long-term interest rates in the eurozone during 2024.

Financial results totalled EUR –213.3 million in 2024, compared with EUR –246.1 million in the previous year.

Net profit

Profit before tax also turned positive and amounted to EUR 206.0 million in 2024 (2023: EUR –313.1 million). Income taxes equalled EUR –72.5 million in 2024 (2023: EUR 83.7 million). Of the current income taxes included in this amount, EUR –36.1 million are chiefly attributable to gains on property sales in Austria and Germany. Deferred income taxes represent a further EUR –36.4 million and resulted mainly from the derecognition of deferred tax assets in line with five-year tax planning that includes scheduled depreciation and amortisation as well as valuation effects from investment property.

Net profit for the 2024 financial year totalled EUR 133.5 million, compared with a loss in the previous year which resulted primarily from negative valuation effects (2023: EUR –229.5 million). Earnings per share* equalled EUR 0.97 (2023: EUR –1.31).

Funds from operations (FFO)

All amounts in TEUR	2024	2023
Net profit or loss	133,514	–229,461
Deferred income tax	36,441	–140,877
Revaluation result from standing investments and goodwill	–10,683	352,207
Revaluation of properties under construction	–70	20,792
Valuation effects from financial instruments shown in other financial results	60,644	118,980
Results of property sales	–99	38,327
Depreciation and write-downs/write-ups of owner-operated properties shown in results from owner-operated hotels	11,133	15,266
Foreign exchange differences	9,640	8,845
Net profit or loss from equity-accounted investments	6,672	5,610
Current income tax one-off effects due to property sales	21,817	38,697
One-off effects	5,451	0
FFO 1 after tax¹	274,460	228,386

¹ The comparative value for 2023 was adjusted.

* Number of shares included for 2024 and 2023: 137,974,126

The increase in the results from asset management led to a substantial improvement of 20.2% in FFO 1 after tax to EUR 274.5 million (2023: EUR 228.4 million*).

The calculation method for FFO 1 was standardised throughout the Group and is now presented after tax. The comparative value from the previous year was adjusted accordingly.

Balance sheet

The condensed balance sheet is shown below:

All amounts in TEUR	31 12 2024	in %	31 12 2023	in %
Investment property	7,678,645	90.0	7,830,746	87.7
Property under construction	38,280		142,960	
Owner-operated properties	236,971		229,634	
Real estate inventories	4,880		4,841	
Assets held for sale ¹	275,190		258,577	
Other assets	164,323	1.8	219,207	2.3
Equity-accounted investments	16,651	0.2	33,151	0.3
Trade and other receivables	203,009	2.2	233,682	2.4
Cash and cash equivalents	527,360	5.8	697,119	7.2
Assets	9,145,309	100.0	9,649,917	100.0
Equity	3,951,597	43.2	4,563,084	47.3
Financial liabilities	4,330,991	47.4	4,283,531	44.4
Trade and other payables	322,404	3.5	289,951	3.0
Other liabilities	121,056	1.3	117,744	1.2
Deferred tax liabilities	419,261	4.6	395,607	4.1
Equity and liabilities	9,145,309	100.0	9,649,917	100.0

¹ Includes investment property as well as other assets that will be transferred to the buyer in the event of a sale.

CPI Europe had a balance sheet total of EUR 9.1 billion as of 31 December 2024. Of this total, EUR 8.2 billion, or 90.0%, are attributable to the total property portfolio. The decline since year-end 2023 resulted mainly from strategic sales.

The owner-operated properties with a carrying amount of EUR 237.0 million (31 December 2023: EUR 229.6 million) represent hotels held by S IMMO. These hotels are owner-operated, for the most part on the basis of management contracts.

With an equity ratio of 43.2% (31 December 2023: 47.3%) and cash and cash equivalents of EUR 531.7 million (including cash and cash equivalents held for sale), CPI Europe has a very solid balance sheet structure. The decline in equity, specifically in the non-controlling interests reported under equity, and the increase in financial liabilities are attributable to the strategic purchase of an additional 28,241,094 S IMMO shares from CPI Property Group through a contract signed on 25 September 2024. The purchase price amounted to EUR 608.6 million. The transaction was financed in part by a long-term credit facility of originally EUR 500 million at standard market conditions which was provided to CPI Europe by CPI Property Group. The closing took place in October 2024.

* The comparative value for 2023 was adjusted from EUR 275.3 million to EUR 228.4 million to reflect the new calculation formula (see the table under "Funds from Operations").

EPRA Financial Indicators

CPI Europe AG is a member of the European Public Real Estate Association (EPRA), the interest group for listed real estate companies which is headquartered in Brussels. EPRA's mission is to promote, develop and represent the European public real estate sector. Its objectives are achieved through the provision of better information to investors and stakeholders, active involvement in the public and political debate, improvement of the general operating environment, promotion of best practices, and the cohesion and strengthening of the real estate industry.

With its Best Practices Recommendations, the EPRA has created a standardised framework for improving the comparability between real estate companies – above and beyond IFRS. CPI Europe publishes detailed information on the EPRA indicators based on these recommendations as part of its commitment to full transparency. A detailed description of the indicators can be found on the EPRA website (www.epra.com).

EPRA net asset value for CPI Europe

The net asset value indicators (NAV indicators) are based on IFRS equity, which is adjusted to provide stakeholders with the most transparent information on the market value of the real estate company's assets and liabilities under various scenarios. The EPRA's net tangible assets (NTA) is the most relevant indicator for CPI Europe's business activities and, consequently, serves as the primary indicator for net assets.

EPRA NAV indicators

All amounts in TEUR	31 12 2024			31 12 2023		
	Net reinstatement value (NRV)	Net tangible assets (NTA)	Net disposal value (NDV)	Net reinstatement value (NRV)	Net tangible assets (NTA)	Net disposal value (NDV)
IFRS equity excluding non-controlling interests	3,945,975	3,945,975	3,945,975	3,669,797	3,669,797	3,669,797
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options as well as undisclosed reserves	3,945,975	3,945,975	3,945,975			
				3,669,797	3,669,797	3,669,797
Fair value of derivative financial instruments	-65,172	-65,172	-	-123,064	-123,064	-
Deferred taxes on derivative financial instruments	14,614	14,614	-	9,993	9,993	-
Deferred taxes on investment property	378,347	287,328	-	388,890	262,934	-
Goodwill	-18,967	-18,967	-18,967	-19,312	-19,312	-19,312
Intangible assets	-	-2,042	-	-	-1,233	-
Effect of fair value measurement of financial liabilities	-	-	44,014	-	-	35,028
Deferred taxes on the fair value measurement of financial liabilities	-	-	-10,123	-	-	-8,407
Real estate transfer tax and other purchaser's costs	255,851	81,643	0	270,036	64,643	0
EPRA NAV indicators	4,510,647	4,243,378	3,960,899	4,196,339	3,863,757	3,677,106
Number of shares excluding treasury shares	137,974,126	137,974,126	137,974,126	137,974,126	137,974,126	137,974,126
EPRA NAV indicators per share in EUR	32.69	30.75	28.71	30.41	28.00	26.65

EPRA NTA per share improved by 9.8% to EUR 30.75 as of 31 December 2024, compared with EUR 28.00 at the end of December 2023 and reflects the profit recorded for 2024.

The IFRS book value per share rose by 7.5% to EUR 28.60 (31 December 2023: EUR 26.60).*

* Number of shares for 2024 and 2023: 137,974,126

EPRA earnings per share for CPI Europe

All amounts in TEUR	2024	2023
Weighted average number of shares in 1,000	137,974	137,974
Net profit or loss from continuing operations excluding non-controlling interests	133,656	-180,316
Revaluation of investment properties, properties under construction and other effects	-10,816	372,825
Results of property sales	-99	38,328
Goodwill impairment, negative differences and earn-out effects on purchase price adjustments	0	174
Changes in fair value and other effects from financial instruments	63,505	120,880
Taxes in respect of EPRA adjustments and one-time effects (e.g. disposals)	13,244	-104,480
EPRA adjustments in respect of joint ventures and non-controlling interests	609	-44,961
EPRA earnings	200,099	202,450
EPRA earnings per share in EUR	1.45	1.47
Company-specific adjustments		
Foreign exchange gains and losses	9,639	8,847
Deferred taxes in respect of company-specific adjustments	-1,867	-2,825
EPRA adjustments in respect of joint ventures and non-controlling interests for company-specific adjustments	0	-2,742
Company-specific adjusted EPRA earnings	207,870	205,730
EPRA earnings per share after company-specific adjustments in EUR	1.51	1.49

EPRA earnings per share equalled EUR 1.45 in 2024, compared with EUR 1.47 in the previous year. After company-specific adjustments, EPRA earnings per share amounted to EUR 1.51 (2023: EUR 1.49). Despite strong operating performance in 2024, company-specific adjusted EPRA earnings only slightly higher compared to the previous year due to significant extraordinary negative tax effects.

EPRA net initial yield for CPI Europe

All amounts in TEUR	2024	2023
Investment property	7,883,830	8,031,324
Investment property – proportional share of joint ventures		
less undeveloped land	-98,250	-119,779
less undeveloped land – proportional share of joint ventures		
Total property portfolio	7,785,580	7,911,545
Allowance for estimated purchaser's costs	173,214	176,016
Gross value of total standing investment portfolio	7,958,794	8,087,561
Annualised cash rental income	589,231	533,600
Non-recoverable property operating expenses	-26,542	-29,141
Annualised net rental income	562,689	504,458
Notional rent expiration of rent-free periods or other lease incentives	15,589	15,615
"Topped-up" net annualised rents	578,278	520,073
EPRA net initial yield in %	7.1	6.2
EPRA "topped-up" net initial yield in %	7.3	6.4

The EPRA net initial yield increased to 7.1% and the "topped up" NIY to 7.3%, primarily due to the positive development of rental income in 2024.

EPRA cost ratio for CPI Europe

All amounts in TEUR	2024	2023
Expenses from investment property	-73,555	-75,397
Net operating costs, excluding indirect costs that are recharged through rents but not invoiced separately	-8,354	-31,100
EPRA costs (including direct vacancy costs)	-81,910	-106,497
Vacancy costs	-6,344	-7,517
EPRA costs (excluding direct vacancy costs)	-75,565	-98,979
Gross rental income including service fees and service charge cost components	589,231	533,600
Less service fees and service charge cost components of gross rental income	19,697	11,349
Gross rental income	569,534	522,251
EPRA cost ratio (including direct vacancy costs) in %	14.4	20.4
EPRA cost ratio (excluding direct vacancy costs) in %	13.3	19.0

The EPRA cost ratio, including direct vacancy costs, improved to 14.4% in 2024 (2023: 20.4%). Excluding direct vacancy costs, the ratio declined from 19.0% in the previous year to 13.3%. Positive effects were provided, above all, by the sound growth in rental income and constant operating costs.

For the calculation of the EPRA cost ratio, CPI Europe capitalises only the expenses which will lead to a future economic benefit for the respective property. This is regularly the case for maintenance and expansion costs for real estate assets and for development costs related to property under construction. Overheads and operating costs are generally not capitalised.

EPRA capital expenditure for CPI Europe

All amounts in TEUR	2024	2023
Acquisitions	464,735	422,859
Development projects	36,438	47,963
Investment property	35,144	38,362
thereof no incremental lettable space	34,443	40,379
thereof tenant incentives	701	-2,017
EPRA capital expenditure	536,317	509,185

Joint ventures are included in capital expenditure in accordance with the EPRA requirements but are not reported because of missing values.

The EPRA capital expenditure for CPI Europe rose to EUR 536.3 million in 2024, chiefly due to the acquisition of a portfolio in the Czech Republic by S IMMO.

Investments in 2024 focused, above all, on standing investments in the CPI Europe core markets as well as several STOP SHOP development projects in Croatia.

Additional details can be found in the "Portfolio Report" of the management report.

EPRA loan-to-value of CPI Europe

	31 12 2024			31 12 2023
	CPI Europe AG	S IMMO AG (100%)	Total (proportion-ated)	Total (proportion-ated) ¹
All amounts in TEUR				
Include:				
Liabilities due to financial institutions	1,810,285	1,412,026	3,222,311	2,691,723
Securities, IFRS 16 lease liabilities and intragroup liabilities	417,771	0	417,771	56,240
Bond loans	237,800	520,597	758,397	548,099
Other liabilities (net)	174,854	41,928	216,782	37,507
Exclude:				
Cash and cash equivalents	290,790	237,872	528,662	477,560
Net debt (a)	2,349,920	1,736,679	4,086,599	2,856,009
Include:				
Owner-operated properties	0	236,971	236,971	114,817
Investment property at fair value	4,568,483	3,167,595	7,736,078	6,224,145
Properties held for sale	71,735	194,586	266,320	213,615
Properties under construction	21,300	0	21,300	126,450
Net receivables	0	0	0	0
Financial assets	235	0	235	667
Total property value (b)	4,661,753	3,599,151	8,260,905	6,679,695
EPRA loan-to-value in % (a/b)	50.4	48.3	49.5	42.8

¹ The EPRA loan-to-value includes S IMMO at 50.0% plus one share as of 31 December 2023 and at 100% as of 31 December 2024.

The loan-to-value shows the relation of debt to the fair value of the properties as a percentage. The EPRA LTV equalled 49.5% at the end of December 2024 and includes S IMMO at 100% following the squeeze-out of the minority shareholders. In contrast, the comparative value as of 31 December 2023 includes S IMMO at 50% plus one share.

This EPRA LTV calculation differs from CPI Europe's conventional net LTV calculation primarily due to the following points:

	EPRA LTV	Net LTV CPI Europe
Financial liabilities	Nominal remaining debt	Carrying amount
Current receivables/liabilities	Net amount is included as an asset or a liability	Not included
Material subsidiaries included through full consolidation (S IMMO)	Assets and liabilities are included as a percentage of total capital	Included at 100%

EPRA vacancy rate for CPI Europe

EPRA vacancy rate by core market

	31 12 2024				31 12 2023
	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in % ¹
Standing investments					
Austria	89,097	0.1	1.1	6.6	0.9
Germany	87,652	0.4	2.1	17.1	22.4
Poland	400,345	0.3	6.6	4.6	3.6
Czech Republic	382,975	0.1	5.3	1.8	3.1
Hungary	169,268	0.0	1.7	1.2	0.6
Romania	351,689	0.4	5.8	7.5	8.2
Slovakia	259,575	0.2	2.9	5.4	5.2
Adriatic ²	413,166	0.1	4.5	1.2	0.6
S IMMO	1,255,553	1.6	18.4	8.5	11.7
CPI Europe	3,409,320	3.1	48.4	6.3	7.8

¹ The comparative value as of 31 December 2023 was adjusted and is now presented including S IMMO.

² In declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

EPRA vacancy rate by asset class and brand

	31 12 2024				31 12 2023
	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in % ¹
Standing investments					
Office	599,055	1.0	10.7	9.5	11.3
thereof myhive	390,538	0.6	6.9	8.3	8.7
thereof office other	208,517	0.4	3.8	11.7	15.5
Retail	1,543,477	0.5	19.1	2.5	1.5
thereof VIVO!/shopping center	360,304	0.3	6.7	3.9	2.3
thereof STOP SHOP/retail park	1,055,576	0.2	11.3	1.9	1.1
thereof retail other	127,596	0.0	1.2	0.5	0.4
Others	11,235	0.0	0.2	0.0	0.0
S IMMO	1,255,553	1.6	18.4	8.5	11.7
CPI Europe	3,409,320	3.1	48.4	6.3	7.8

¹ The comparative value as of 31 December 2023 was adjusted and is now presented including S IMMO.

The EPRA vacancy rate for CPI Europe equalled 6.3% as of 31 December 2024 (31 December 2023: 7.8%). Vacancies in the office business declined to 9.5% and increased to 2.5% in the retail segment. The improved vacancy rate in the office portfolio is mainly due to increased demand for space, which was particularly noticeable in Germany. In the retail portfolio, the occupancy rate was temporarily negatively impacted by a shopping center refurbishment in Romania. Additional details can be found in the "Portfolio Report".

Risk Report

As an international real estate investor, property owner and project developer, CPI Europe is exposed to a variety of general and branch-specific risks in its business operations. An integrated risk management process provides the Group with a sound basis for the timely identification of potential risks and the assessment of the possible consequences.

Risks represent the possibility of deviating from planned targets as the result of “coincidental” disruptions caused by the unpredictable nature of the future. In this connection, negative variances are considered risks in the strict sense of the term and positive variances are seen as opportunities.

Principles of integrated risk management

The structure of CPI Europe's (excluding S IMMO) risk management is based on the rules of the Austrian Corporate Governance Code and the integrated framework of the COSO ERM*, an internationally recognised concept for the design of risk management systems.

Based on the hedging and management instruments currently in use, no material risks can be identified at the present time that would endanger CPI Europe's (excluding S IMMO) standing as a going concern. The overall risk situation for the company and for the entire market in 2024 was influenced by the challenging political and macroeconomic environment. The major risk categories are discussed in greater detail at the end of this risk report.

The procedures for handling risk at CPI Europe are anchored in a Group-wide risk management system which is integrated in operating practices and reporting paths and has a direct influence on processes and strategic decisions. Risk management takes place at all levels through internal guidelines, reporting systems and the internal control system (ICS) which is monitored by the internal audit department.

Monitoring and control of the risk management system

The risk management system is monitored and controlled through two corporate channels. On the one hand, internal audit evaluates the effectiveness of risk management and contributes to its improvement. On the other hand, the auditor reviews the functionality of risk management in accordance with C-Rule 83 of the Austrian Corporate Governance Code (in the version released in January 2025) and reports to the Executive Board on the results of this analysis.

Evaluation of the functionality of the risk management system

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna, evaluated the effectiveness of CPI Europe's (excluding S IMMO) risk management system during the period from January to March 2025. This analysis covered the design and implementation of the measures and organisational procedures instituted by the company, but not their application in the sense of operating effectiveness. The conclusions reached by Ernst & Young based on the audit procedures and the evidence obtained indicated that no facts or circumstances were identified which could imply that the risk management system instituted by CPI Europe AG as of 31 December 2024 – based on the COSO comprehensive framework for corporate risk management – was not functional.

* Committee of Sponsoring Organisations of the Treadway Commission – Enterprise Risk Management; coso.org

Structure of risk management

The goal of risk management at CPI Europe (excluding S IMMO) is to implement the strategy defined by the Executive Board with a minimum of risk. The Group's strategic goals are transferred to the operating processes where the measures for the identification, prevention and management of risks are located.

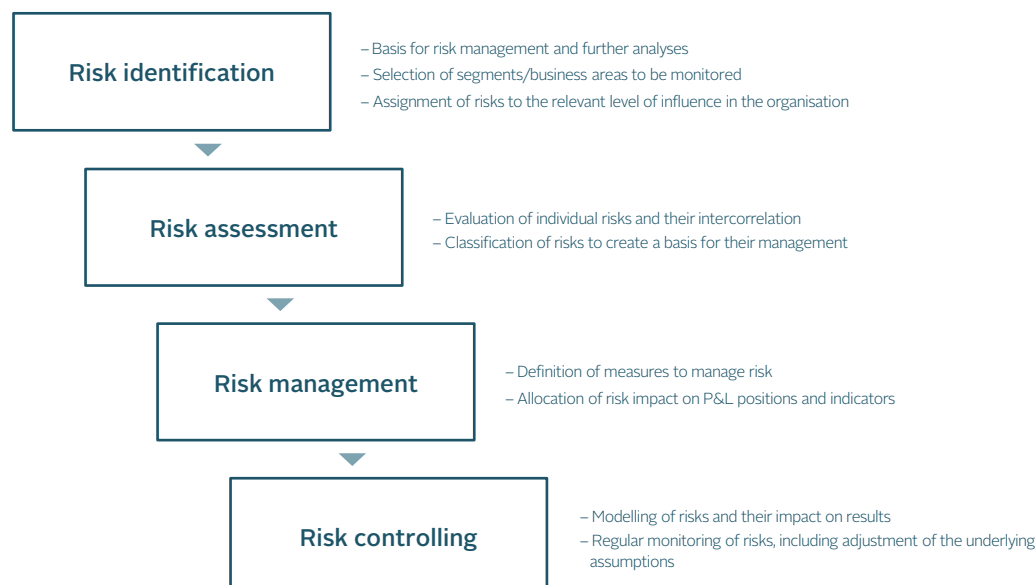


The Executive Board is responsible for risk management in CPI Europe (excluding S IMMO) and defines the corporate goals and related risk strategy.

Risk management is a staff function which reports directly to the Executive Board. It monitors the corporate risks that are not related to specific business areas, aggregates risk data and reports, and actively supports the business areas and country organisations in the identification of risks and economically feasible countermeasures. Risk management reports regularly to the Executive Board and quarterly to the Supervisory Board.

At the country organisation level, the heads of the respective units are responsible for risk management. Risk positions are reported to the Executive Board at least once each quarter by the business area and country managers. Acute risks are reported immediately to the Executive Board.

Risk management process



Material risk categories

The risk categories relevant for CPI Europe follow the company's value chain and are also focused on environmental, governance and social opportunities and risks. CPI Europe has defined a broad range of measures to address and counter risks. These measures represent an integral part of all corporate processes and, consequently, form the basis for the reduction of risk.

Risk category	Description	Countermeasures
Business risks	These risks are related to the general framework conditions for business activities and exceed the scope of property-specific risks.	These risks are countered by strategic decisions at the corporate level.
	Financial risks are related to lenders or the terms and conditions for the provision of cash and cash equivalents (see section 7.2 in the consolidated financial statements).	The continuous monitoring of asset and liability positions as well as proactive analyses form the basis for strategic measures to safeguard the company's financial strength.
	Operational risk can arise through detrimental actions by corporate bodies and/or employees to the disadvantage of the company.	The company's activities are separated into individual processes and relevant process steps are controlled internally.
	Other risks represent individual risks with a Group-wide impact.	These risks are countered by strategic decisions at the corporate level.
Risks of improper business practices	CPI Europe is committed to responsible and transparent actions and to compliance with legal rules and regulations. Risks in this area arise from deviations from these general principles.	Guidelines have been issued to cover the actions of corporate bodies and employees in individual areas to prevent these risks from occurring.
Social risks	The company is responsible for its employees as well as other service providers in the broader sense of the term. Risks arising from the company's role as an employer in the broader sense of the term are aggregated in this risk category.	CPI Europe's commitment to compliance with all fundamental and human rights as well as regular surveys of employees' needs represent the cornerstones of risk minimisation in this area.
Environmental and climate risks	Climate risks arise from the meteorological conditions at a property's location. In addition, environmental risks arise from the construction and operation of buildings.	Measures are implemented on a timely basis to prevent any negative effects on a property. When new builds are constructed, a special focus is also placed on minimising the negative impact on the environment.
	The attainment of the planned climate neutrality and the development of a circular economy are connected with risks arising from the technological and regulatory transition.	CPI Europe takes the necessary steps to support the technological improvement and sustainable management of its buildings. It also supports the creation of a greater awareness for these issues by all stakeholders.
Project development risks	Planning risks are risks which occur during the planning phase of a property. This phase extends from the design to the approval of a project.	Project development risks are prevented by the exact inspection of new locations, the timely involvement of all stakeholders and measures to anticipate future negative developments.
	Realisation risks represent the risks arising in connection with the construction of a building, beginning with the receipt of the building permit.	Realisation risks are prevented through quality assurance measures in processes as well as measures to externalise risk.
	Marketing risks are related to the commercialisation of a project and are very important in regard to profitability.	Marketing risks are precluded at CPI Europe by timely risk and opportunity analyses as well as long-term market monitoring.
Asset management risks	Earnings risks are risks connected with the generation of steady income from the standing investments.	CPI Europe is taking steps to evolve from a conventional landlord to a service provider who reacts early on to market trends.
	Usage risks, as a group, represent the risks involved with the management of a property and, consequently, have a significant influence on the company's earning power.	Active portfolio management and the continuous technical monitoring of properties are designed to reduce usage risks.
	Owners, tenants and facility managers are exposed to management risks during the ongoing operation of a property.	CPI Europe follows a clear externalisation strategy with regard to management risks.
Portfolio and valuation risks	Portfolio and valuation risks include the factors that would lead to a change in the value of a portfolio.	Active portfolio management and the expertise from long-term market monitoring help CPI Europe to identify potential problems at an early stage.
Transaction risks	Transaction risks are connected with the acquisition and sale of properties and include additional irregularities on the transaction market.	Process measures and regular monitoring of the transaction markets are designed to minimise existing risks. Market problems are managed with risk prevention measures.

Features of the internal control system

The internal control system (ICS) of CPI Europe (excluding S IMMO) comprises a wide range of measures and processes to protect assets and to ensure the accuracy and reliability of accounting. The goal of the ICS is to prevent or identify errors and therefore allow for early correction. The ICS also supports compliance with major legal directives and the business policies defined by the Executive Board.

The ICS is integrated in all corporate processes. Its key features involve the appropriate segregation of duties, the application of the four-eyes principle within the framework of relevant corporate processes, compliance with internal guidelines (e.g. IFRS accounting manual of CPI Europe (excluding S IMMO)), the review of accounting data by Group controlling for correctness, plausibility and completeness, the integration of preventive and detective controls in processes as well as automatic key controls through specific software settings.

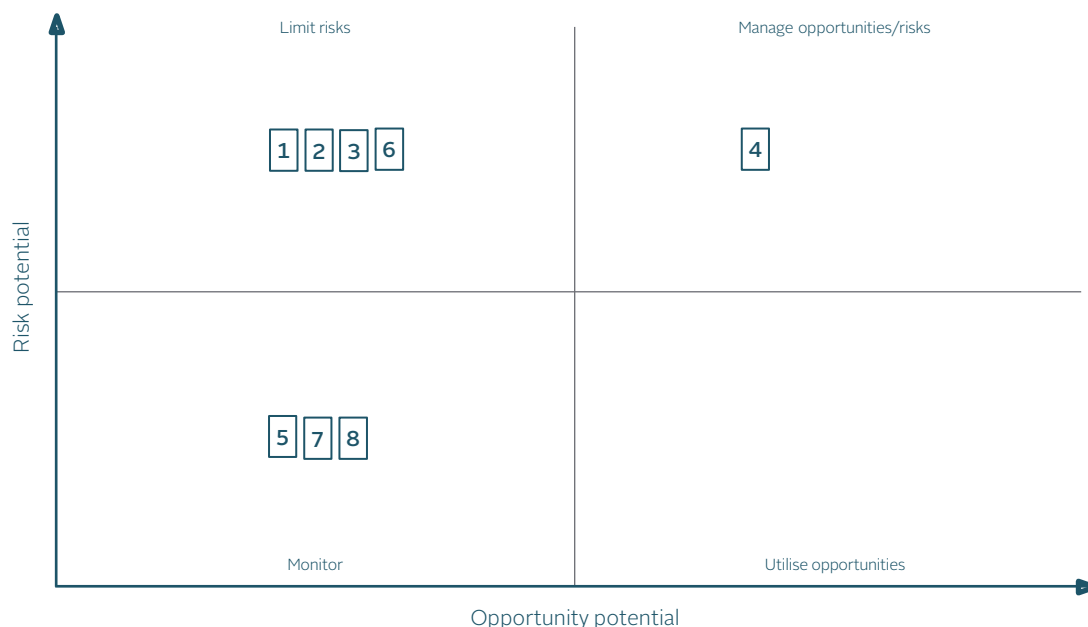
Monitoring by internal audit

Internal audit is responsible for the independent review of the effectiveness of the ICS and, in this way, contributes to its quality assurance. This department also evaluates the effectiveness of risk management and supports its continuous improvement. Based on an annual audit plan approved by the Supervisory Board, the internal audit department independently and regularly reviews operating processes and business transactions. The priorities for this schedule are defined in accordance with risk criteria and organisational goals.

The results of the audits are reported to CPI Europe's (excluding S IMMO) Executive Board on a regular basis and to the Supervisory Board twice each year. As part of an annual report, the internal audit department explains its activities and summarises the major audit areas and results.

Opportunity and risk position in 2024

Overview of opportunities and risks as of 31 December 2024



Macroeconomic conditions (1)

Various factors were responsible for a series of downward revisions in growth forecasts for the 2024 financial year. One major reason was the dramatic drop in European car sales in China, which brought the automotive industry and its supply chain under pressure. This decline was particularly visible in the export sector, especially in Germany. Forecasts for 2025 are slightly optimistic, but the new US government represents a significant source of uncertainty. In the first weeks of his second term of office, Donald Trump imposed new customs duties on goods from numerous countries. Europe could also be affected by these measures over the medium term. According to a German saying: "When two people quarrel, it usually makes a third person happy" – this could, however, create opportunities for the European economy, for example in the form of windfall profits.

Inflation declined significantly in comparison with the past two years, even though a slight upward trend materialised towards the end of 2024. Core inflation (i.e. excluding energy and food prices) proved to be more persistent than assumed, and an increase here could delay any reductions in key interest rates. CPI Europe expects the weak economic growth will be reflected in continuing reservation in the demand for office space and stable development in the retail sector.

Financial market risks (2)

The European Central Bank (ECB) followed the downward trend in inflation by cutting the key interest rate from 4.5% to 3.15%, a move which slightly reduced the interest pressure on real estate companies. However, the high number of branch insolvencies was reflected in higher risk premiums and a decline in investor interest. The property cycle was substantially extended by the ECB's zero interest policy and included numerous real estate investments which quickly led to losses given the changed market conditions. The pace of the ECB's interest rate steps is expected to slow year-on-year in 2025. Persistent core inflation could be an obstacle on the way to the ECB's 2% inflation target, while the consolidation in the real estate branch should come to an end in 2025 and could lead to a slight reduction in risk premiums.

Liquidity risk on the real estate market (3)

Declining inflation and interest rates supported a sustainable recovery on the commercial property market. The largest real estate markets in Europe, with the exception of France, reported double-digit growth in investment volumes. Italy was the leader with an increase of 47% over 2023. The Austrian market closed 2024 with a year-on-year decline of 6%, but a strong fourth quarter and optimistic sentiment lead to a positive outlook for 2025. The transaction volumes in CEE rose by 51% over the previous year in 2024, with growth generated primarily by the markets in Poland and the Czech Republic. Recovery on the SEE market lagged behind with a decline of 28% in 2024, whereby the strongest markets were Serbia and Bulgaria.

An analysis of the asset classes shows strong demand, above all, for retail properties in all markets. The office segment is also recovering slowly, but investor interest has weakened substantially. The demand for hotels – apart from SEE – remains high. As regards transaction activity, CPI Europe can therefore expect a slight easing of liquidity risk on the market. The trend towards green properties will continue in 2025 and, due the low level of new construction, create a potential decline in the yields for properties that meet sustainability standards.

Risks from climate change (4)

2024 proved to be the warmest year to date in the history of measurement and, especially due to the millennium floods in Austria, will be remembered for a long time. The properties owned by CPI Europe were, fortunately, not affected by physical happenings, but the risks for individual properties remain. CPI Europe has set a goal to actively manage these risks. From the risk viewpoint, climate change is seen as a significant factor. Further details can be found in the non-financial section of the management report.

Legal proceedings (5)

As in the previous years, CPI Europe is involved in restitution claims related to the VIVO! locations in Cluj and Constanța. The proceedings related to the VIVO! Cluj resulted in a final judgment that rejected CPI Europe's ownership title to the land. For the shopping center itself, all instances to date have confirmed the ownership of CPI Europe. The legal proceedings over the VIVO! Constanța resulted in a first instance decision in favour of CPI Europe.

Valuation risks (6)

As described above, the interest rate cuts implemented by the ECB in 2024 led to a noticeable recovery on the transaction markets. Lower financing costs served as a stimulus for both transaction revenues and prime yields, which stabilised and began to decline slightly in several markets. Increasing discounts from peak yields were also visible. The focus of investors in the prime segment was clearly directed to ESG-aligned buildings, whereby EU taxonomy-alignment is gaining greater acceptance as a criterion in this connection. A growing interest by tenants in sustainable buildings is also evident. An analysis of the current oversupply of rental space in individual markets shows that investments to attain full occupancy are becoming even more relevant. CPI Europe has set a strategic goal to invest with a focus and, where necessary, to streamline the portfolio. This trend can also be seen in other market participants and should continue in the coming years.

Revaluation results totalled EUR 12.6 million in 2024.

IT risks (7)

CPI Europe implemented a new ERP system (Enterprise Resource Planning) in 2024 to strengthen the digitalisation of its corporate processes. The goal of this digitalisation initiative is to increase building efficiency and, at the same time, reduce costs for tenants. The company plans to roll out smart meters in all its portfolio properties over the coming years. This will lead to greater cost transparency for tenants and changes in operating costs. However, the opportunities provided by digitalisation will be accompanied by an increase in potential risks. The escalation in cyberattacks on companies, in particular, represents a risk, and CPI Europe has defined the protection of its IT systems as a priority. Accompanying measures, such as training for employees, guarantee the highest possible level of security. Based on the procedures already established, the risk to critical corporate processes can be considered low.

Portfolio risks (8)

The occupancy rate in CPI Europe's standing investment portfolio equalled 93.2% as of 31 December 2024 (31 December 2023: 92.2%). The retail properties were practically fully rented at 97.2%. In the office properties, the occupancy rate was 88.5%.

CPI Europe's active development projects (properties under construction) have a combined carrying amount of EUR 15.6 million (31 December 2023: EUR 61.5 million). The outstanding construction costs for these projects totalled EUR 28.2 million at the end of 2024 (31 December 2023: EUR 56.2 million). Pipeline projects, including real estate inventories, had a carrying amount of EUR 147.8 million as of 31 December 2024 (31 December 2023: EUR 195.8 million).

Information on Equity

The share capital of CPI Europe AG totalled EUR 138,669,711.00 as of 31 December 2024 (31 December 2023: EUR 138,669,711.00) and was divided into 138,669,711 zero par value shares with voting rights, each of which represented a proportional share of EUR 1.00 in share capital.

Treasury shares

Treasury shares held

The company held 695,585 treasury shares with a proportional share of EUR 695,585.00 in share capital as of 31 December 2024 (31 December 2023: 695,585 treasury shares with a proportional share of EUR 695,585.00 in share capital). This holding represented approximately 0.5% of share capital.

No treasury shares were purchased or sold during the 2024 financial year.

Authorisations of the annual general meeting to purchase and sell treasury shares

The annual general meeting on 29 May 2024 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1a) and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital during a period of 30 months. The shares may be purchased over the stock exchange or over the counter. The Executive Board was also authorised, with the consent of the Supervisory Board, to exclude the proportional subscription rights of shareholders.

The Executive Board was also authorised, with the consent of the Supervisory Board, to sell or use treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act during a period of five years, whereby the proportional subscription rights of shareholders can be excluded.

The authorisation for the purchase and sale of treasury shares has not been used to date and is therefore available in full.

Authorised capital

The annual general meeting on 29 May 2024 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new shares in exchange for cash or contributions in kind. The authorisation is valid up to 8 October 2029. The Executive Board is also authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in full or in part. The shares issued based on this authorisation in exchange for cash contributions and under the exclusion of shareholders' subscription rights may not exceed EUR 13,866,971.00, which represents roughly 10% of the company's share capital at the time the resolution was passed by the annual general meeting.

This authorisation to increase share capital has not been used to date and is therefore available in full.

Convertible bonds and conditional capital

The annual general meeting on 29 May 2024 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 174 (2) of the Austrian Stock Corporation Act to issue convertible bonds up to a total nominal value of EUR 563,553,701.00 which are connected with exchange and/or subscription rights for up to 13,866,971 bearer shares of the company with a proportional share of EUR 13,866,971.00 in share capital. These convertible bonds may be issued in multiple tranches and within a period of five years. Moreover, the Executive Board was authorised to determine all other conditions as well as the issue and exchange procedures for the convertible bonds. The convertible bonds can be issued in exchange for cash or contributions in kind. The subscription rights of shareholders are excluded.

Share capital was conditionally increased by up to EUR 13,866,971.00 through the issue of up to 13,866,971 new bearer shares in accordance with §159 (2) no. 1 of the Austrian Stock Corporation Act. The purpose of this conditional capital increase is the issue of shares to the holders of the convertible bonds which were issued in accordance with a resolution of the annual general meeting on 29 May 2024.

The authorisation for the issue of convertible bonds has not been used to date and is therefore available in full.

Change of control provisions

Corporate bond 2020–2027

The terms and conditions of the corporate bond 2020–2027 (XS2243564478) issued in October 2020 entitle the bondholders to terminate their bonds and demand immediate repayment at 101% of the nominal value plus accrued interest as of the respective date when a controlling investment (also taking into account the reduced threshold defined by the articles of association) in the company, as defined in the Austrian Take over Act, is acquired and results in a mandatory takeover offer. Details on these provisions are provided in the issue terms of the bonds.

Property financing

The material property financing agreements concluded by CPI Europe AG and its subsidiaries generally include standard market cancellation rights for the lenders in the event of a change of control.

Bonds issued by S IMMO AG

S IMMO is included through full consolidation (for information on full consolidation, also see section 2.2.2 in the consolidated financial statements). Following is a listing of the bonds issued by S IMMO which include change-of-control clauses that take effect in connection with an indirect change of control at the CPI Europe AG level.

ISIN	Nominal value as of 31 12 2024 in TEUR	Coupon in %	Issued in year	Maturity
AT0000A2MKW4 (Green Bond)	70,450	1.750	2021	04 02 2028
AT000A2UVR4 (Green Bond)	25,059	1.250	2022	11 01 2027
AT0000A1DBM5	15,890	3.250	2015	09 04 2025
AT0000A1DWK5	34,199	3.250	2015	21 04 2027
AT0000A1Z9C1	50,000	2.875	2018	06 02 2030
AT0000A285H4	150,000	1.875	2019	22 05 2026
AT0000A2AEA8	100,000	2.000	2019	15 10 2029
AT0000A35Y85 (Green Bond)	75,000	5.500	2023	12 07 2028
Total	520,597			

The terms and conditions of the bonds issued in 2015 and the green bonds issued in 2021, 2022 and 2023 entitle the bondholders, in the event of a change of control, to put their bonds and demand immediate repayment. The terms and conditions of the bonds issued in 2018 and 2019 entitle the bondholders, in the event of a change of control, to put their bonds if the change of control materially impairs the ability of S IMMO to meet its obligations under the bond. A change of control as defined in the bond terms and conditions occurs when one or more persons acting in consort, or a third party or persons acting for such a person or persons, at any time, directly or indirectly (i) hold(s) more than 50% of the voting rights connected with the issuer's shares (excluding the maximum voting right) or (ii) has(have) the right to determine the majority of the issuer's management board members and/or shareholder representatives on the issuer's supervisory board. According to the terms and conditions of the bonds issued in 2019, a change of control is also assumed to take place when the maximum voting right is legally cancelled and one or more persons acting in consort, or a third party or persons acting for such person or persons, at any time, directly or indirectly, has (have) purchased more than 30% of the voting rights connected with the issuer's shares. According to the terms and conditions of the green bonds issued in 2021, 2022 and 2023, a change of control is also assumed to take place when one or more persons acting in consort, or a third party or persons acting for such person or persons, at any time, directly or indirectly, acquire(s) a controlling interest as defined in the Austrian Takeover Act which triggers a mandatory takeover offer.

Executive Board und Supervisory Board

The Executive Board contracts with Radka Doebling and Pavel Měchura do not include a change-of-control clause.

There are no such agreements for the members of the Supervisory Board or for employees.

The company has no other significant agreements which would enter into force, change or terminate in the event of a change of control that results from a takeover bid.

Amendments to the articles of association, board appointments and dismissals

In accordance with § 21 of the articles of association, the annual general meeting passes its resolutions based on a simple majority of the votes cast and, for resolutions that require a majority of capital, based on a simple majority of the share capital represented at the time of voting, unless legal regulations require a different majority. The same applies to amendments to the articles of association and to the premature dismissal of members from the Supervisory Board.

The person chairing the respective meeting casts the deciding vote in the event of a tie in voting on the Supervisory Board in accordance with the articles of association. This also applies to the election to and dismissal of members from the Executive Board.

The corporate governance report included in this annual report, which was expanded to include the consolidated corporate governance report, is available on the company's website under [cpi-europe.com](https://www.cpi-europe.com).

Significant holdings

Information reported to the company, directors' dealings notifications and other disclosures show the following investments and attributed voting rights which exceeded 4% of share capital as of 31 December 2024:

- Radovan Vitek (via CPI Property Group S.A.): 76.64% (above 75% in shares and 1.64% in financial/other instruments; based on a holdings notification dated 22 May 2024 and a directors' dealings announcement dated 16 December 2024).
- Morgan Stanley: 6.00% (1.74% in shares and 4.27% in financial/other instruments; based on a holdings notification dated 12 November 2024).

The company was informed through a directors' dealings announcement dated 28 February 2025, i.e. after the end of the reporting period, that the investment held by CPI Property Group S.A. equals 78.44% (75.00% in shares and 3.44% in financial/other instruments) and through a holdings notification dated 4 March 2025 that the investment held by Morgan Stanley equals 4.28% (2.02% in shares and 2.26% in financial/other instruments).

Consolidated Non-financial Statement

General information

ESRS 2 General disclosures

Basis for preparation

BP-1 – General basis for preparation of sustainability statements

(BP-1_01, BP-1_02)

Scope of companies and portfolio

This sustainability statement has been prepared on a consolidated basis. It covers CPI Europe AG (formerly IMMOFINANZ AG) and all consolidated subsidiaries including S IMMO subgroup (see section 8 of the consolidated financial statements in the 2024 annual report). Equity accounted investees are considered as part of the company's value chain. The portfolio of the company, including S IMMO, comprised 345 standing investment properties as of 31 December 2024.

Non-financial data represent the Group's entire building portfolio (in Austria, Germany, Poland, the Czech Republic, Romania, Hungary, Slovakia, Slovenia, Serbia, Croatia and Italy), i.e. data for sites operated by the Group and rented to third parties.

(BP-1_04)

The sustainability statement covers the impacts and risks and their management, which also relate to the Group's upstream and downstream value chain, as described below. CPI Europe's upstream and downstream value chain has been considered in the process of identifying and assessing the material impacts, risks and opportunities in the course of the double materiality assessment. A detailed description of the value chain considered can be found in section SBM-1 of this chapter.

BP-2 – Disclosures in relation to specific circumstances

(BP-2_01)

The definition of time horizons in ESRS 1, section 6.4 was used for the preparation of this statement.

(BP-2_03, BP-2_04, BP-2_05, BP-2_06, BP-2_07, BP-2_08, BP-2_09)

CPI Europe strives to achieve maximum accuracy. Therefore, in most cases, the actual data including the value chain data, such as tenants' energy and water consumptions, are used for disclosed metrics. Estimates are only used where actual data is not available by the end of the data collection period. Details can be found in the metrics section of E1-5, E1-6, E3 and E5.

(BP-2_10, BP-2_11, BR-2_12)

This sustainability statement was prepared in accordance with the European Sustainability Reporting Standards (ESRS) for the first time. Based on the legislation in Austria at the time of disclosure, it is considered to be voluntarily. The non-financial statement is subject to an external audit with limited assurance by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H..

At the same time, this fulfils the obligation to prepare a non-financial statement in the management report (Section 267a of the Austrian Commercial Code (UGB)) and, in accordance with EU Directive 2014/95/EU on the disclosure of non-financial information (NFI Directive) and its implementation in the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), the required information for the 'Non-financial Statement' is covered and prepared as part of the Group Management Report in the Annual Report 2024 and published. Changes in reporting compared to the previous reporting period are disclosed in the relevant sections of this statement.

Governance

GOV-1 – The role of governing bodies

(GOV-1_01-03, GOV-1_04)

The dual management structure of CPI Europe AG consists of an Executive Board and a Supervisory Board. These corporate bodies are strictly separated, in both their composition and functions, and can therefore independently carry out their assigned duties. The Executive Board is responsible for management, strategic direction of CPI Europe and group's performance in relation to sustainability. The Supervisory Board supports, advises and monitors the Executive Board.

At the end of the 2024 financial year, the Supervisory Board had four members who were elected by the annual general meeting (shareholder representatives) and two members delegated by the Works Council. The Executive Board had two members.

Board Expertise

The members of the Supervisory and Executive Boards are experts in their respective fields, ensuring that informed decision-making is made in accordance with regional market trends, regulatory frameworks, and investment opportunities. The experience of the Board members is presented in the following overview:

		Sectoral expertise				Functional expertise				Governance expertise				GEO	
		Real Estate	Capital Markets	Insurance	Finance	CEO/Management/ Division Mgt.	Compliance/Legal	Human Resources	Accounting/Audit	Marketing	Digital	Sustainability	Non Executive Dir. Experience	Governance (Corporate)	Geographic Experience
Miroslava Greštiaková	SB Chair	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Martin Matula	SB Vice-Chair	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Iveta Krašovicová	SB	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Matúš Sura	SB	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Philipp Amadeus Obermair	SB	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Anton Weichselbaum	SB	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Radka Doehring	EB	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE
Pavel Měchura	EB	●	●	●	●	●	●	●	●	●	●	●	●	●	WE EE

● Core competency

● Secondary competency

● Tertiary/not an apparent competency

WE Western Europe

EE Eastern Europe

SB Supervisory Board

EB Executive Board

The members of the Supervisory Board Matúš Sura and Philipp Obermair have specialized knowledge in the field of sustainability. Matúš Sura has extensive experience in environmental and sustainability issues and is currently CEO of a company that deals with these issues. He has therefore been appointed Chairman of the group's Strategy and ESG Committee. Philipp Obermair, as Head of the ESG & Risk Management department, can draw on extensive expertise. Through their professional activities, they are both up to date on topics and aspects of sustainability and are always willing to expand their knowledge through additional training. These two members of the Management Board contribute their expertise both at an internal working level and in their role as members of the Supervisory Board.

(GOV-1_05, GOV-1_07)

The group's commitment to diversity is reflected in the following points relating to the governing bodies without works council:

- Gender Diversity: 50% female representation in governance bodies (One female representative serves on the Executive Board, constituting 50% of the total. The percentage of women among shareholder representatives on the supervisory board was also of 50% at the reporting date without works council)
- Age Diversity: Supervisory Board Members aged with an average age of 45.8 and Executive Board members aged with an average of 54.0
- International Representation: 100% of both board members hold international experience

The members of the Supervisory Board who do not represent the works council are independent. This means that the ratio of independent to non-independent Supervisory Board members is 66%. The Supervisory Board declares its independence before its election. There is no comparable process for members of the Executive Board.

(GOV-1_08, GOV-1_09)

The Board Committees assist the Board by preparing assignments and making recommendations to the entire Supervisory Board. The full Supervisory Board has the decision on matters. The members of the Board committees are appointed by the Supervisory Board from among its members. The main tasks and duties of the individual committees are defined in the Rules of Procedure for the Supervisory Board of CPI Europe AG. However, the entire Supervisory Board fulfilled the responsibilities of the Audit and Valuation Committee and the Strategy and ESG Committee in 2024 financial year.

Responsibility for the supervision of the IROs is embedded in the committees of the Supervisory Board. ESG integration in the committees of the Supervisory Board is structured as shown below:

Body of Governance	Responsibilities related to ESG in accordance with the Rules of Procedure for the Supervisory Board	Material issues addressed in 2024
Audit and Valuation Committee (5 members)	<p>Monitoring the effectiveness of the internal control, audit and risk management systems;</p> <p>monitoring accounting processes and supervising the audit of the separate and consolidated financial statements</p> <p>Reporting on the results of the audit to the Supervisory Board and explaining how the audit contributed to the reliability of financial reporting as well as explaining the role of the Audit and Valuation Committee in this process;</p> <p>Review of the annual financial statements, consolidated financial statements, recommendation for the use of profit, the management reports for the Company and the Group, the (consolidated) corporate governance report and preparations for the approval of the annual financial statements</p>	<p>Quarterly review of risk management report</p> <p>Review of double materiality assessment process and result for 2024 reporting</p> <p>Review of result of year-end limited assurance process on non-financial statement</p> <p>Review and approval of 2024 annual report</p>
Strategy and ESG Committee (4 members)	<p>Regular review of the corporate strategy and advice on its determination. in which environmental, social and governance (ESG) sustainability issues are an integral part</p> <p>Regular exchange regarding sustainability-related topics (Environment, Social, Governance – ESG)</p> <p>Supporting the Company's sustainability strategy, in particular planning the strategic framework for all Group-wide sustainability measures and assisting the entire Supervisory Board in monitoring the implementation of the sustainability strategy of the Executive Board.</p> <p>Supporting the Personnel and Nominating Committee in defining ESG goals and in assessing whether these goals have been met with regard to remuneration of the Executive Board.</p>	<p>Evaluation of the company's strategy and orientation, of which environmental, sustainability, social and governance topics (ESG) are an integral part</p> <p>Half-yearly ESG update</p> <p>Approval of the ESG Group Transition Plan</p>
Personnel and Nominating Committee (3 members)	<p>makes recommendations for appointments to vacant Executive and Supervisory Board positions and deals with succession planning issues</p> <p>determining the compensation paid to members of the Executive Board and the terms of their employment contracts.</p> <p>resolves on the remuneration policy for the Executive Board, which is submitted to the annual general meeting by the full Supervisory Board.</p> <p>responsible for continuously monitoring compliance with the remuneration policy, and for its evaluation.</p>	<p>Assessment of the competencies required in the management bodies in the event of vacancies</p> <p>Annual review and approval ensuring that targets defined contribute to the company strategy, long-term interest and sustainability</p>

Management's role in monitoring, managing and overseeing IROs

(GOV-1_10, GOV-1_11, GOV-1_12)

At Senior level, the Head of ESG department leads the sustainability function, with oversight from the Strategy and ESG Committee of the Supervisory Board. The Head of ESG is responsible for executing sustainability strategies, monitoring performance, and ensuring compliance with regulatory requirements.

In addition, an ESG Committee at senior management level has been set up to improve the management of individual sustainability issues and initiatives and to support the monitoring of sustainability-related IROs. This committee comprises experts from various areas, including Asset Management, Development, Procurement, Compliance, Risk Management, Country Management, Investor Relations & Corporate Communications and Finance.

The ESG department has been responsible for the Group-wide coordination and implementation of CPI Europe's sustainability strategy and for chairing the cross-functional ESG Committee.

Heads of department report sustainability risks and opportunities to the Head of ESG. The Head of ESG reports to the Executive Committee quarterly and to the Supervisory Board bi-annually.

(GOV-1_13)

To ensure cross-functional alignment, sustainability controls and procedures must be embedded across key departments:

- Corporate Governance & Strategy – Aligning sustainability goals with corporate mission and risk appetite.
- Finance & Risk Management – Integrating ESG risks into investment decisions, sustainability-linked financing, and reporting.
- Operations & Supply Chain – Implementing ESG criteria in procurement decisions.
- Human Resources (HR) – Managing employee well-being, diversity, and sustainability training programs.
- IT & Data Management – Enhancing ESG data collection.

(GOV-1_14)

The Strategy and ESG Committee recommends target-setting methodologies and ensures that they align with industry standards and regulatory requirements. The Strategy is then approved by the Supervisory Board. The Executive Board integrate targets into business operations and corporate performance indicators.

Targets are embedded within the organization's strategic planning process to drive business performance and risk management. Inputs from key stakeholders, including investors, employees, and regulatory bodies, are considered when defining material sustainability targets.

The proposed targets undergo a multi-stage review process, where they are evaluated based on feasibility, impact, and alignment with corporate objectives before final approval by the Board.

The organization ensures systematic tracking of progress towards sustainability targets through the following mechanisms

- Performance Dashboards and KPIs: Regular performance assessments using key performance indicators (KPIs) to measure progress against predefined targets.
- Internal and External Reporting: Periodic sustainability reports provide transparency on achievements, challenges, and adjustments made to targets.

Corrective Actions and Continuous Improvement

- Periodic Reviews: Targets are reviewed annually to assess relevance, effectiveness, and potential need for recalibration.
- Risk Management Adjustments: If progress deviates from expectations, corrective actions are implemented to realign strategies with evolving business conditions.
- Incentives and Performance Alignment: Executive compensation and incentives are linked to the achievement of sustainability goals to drive commitment and accountability.

(GOV-1_15, GOV-1_16, GOV-1_17)

The Supervisory Board annually evaluates the competencies, knowledge and experience of the individual members of the Supervisory Board and the Executive Board, including whether they collectively possess, or are able to leverage, relevant sustainability expertise. It has concluded that each individual member of the board has skills that are relevant to the material IROs, as well as to the industry in general, the geographical location of the business activities, and the type of target consumers and end users. The last self-evaluation took place in December 2024.

GOV-2 – Information provided to and sustainability matters addressed by the governing bodies

(GOV-2_01, GOV-2_02, GOV-2_03)

The Supervisory Board and its committees are regularly informed about sustainability issues and consulted for decisions. The reporting lines for information on material IROs are listed under the responsibilities of management (see GOV1).

The report on risk management including sustainability related IRO's is presented to and discussed by the audit and valuation committee at least four times a year. The impact and risk categories relevant for CPI Europe are based on the company's value chain and include sustainability related impacts, opportunities and risks.

CPI Europe has defined a broad range of measures to address and counter risks. These measures represent an integral part of all corporate processes and, consequently, form the basis for the reduction of negative impacts or risks and contribution to positive impact or opportunities.

Implementation of due diligence

Due diligence concerning sustainability matters ensures that organizations adhere to environmental, social, and governance (ESG) goals set by the company. This process involves assessing, identifying, preventing, mitigating, and accounting for sustainability risks and impacts in business operations and supply chains.

The effectiveness of policies, actions, metrics and targets adopted to address IROs

- Establish key performance indicators (KPIs) for sustainability performance.
- Regularly monitor compliance with the company's sustainability goals and regulatory requirements.
- Conduct periodic sustainability audits and third-party assessments.

The quantified risks associated with a specific transaction also serve as a basis for decision-making of the Executive Board. The opportunity costs of a possible transaction are communicated to the management and supervisory boards, along with a recommendation that is in line with the corporate strategy. Since sustainability considerations are already part of the corporate strategy, acting in accordance with the strategy also ensures sustainability.

Please refer to table GOV 1_09 for details of the key sustainability topics that the Executive Board brought to the attention of the Supervisory Board committees in 2024.

GOV-3 – Integration of sustainability-related performance in incentive schemes

(GOV-3_01, GOV-3_02, GOV-3_03, GOV-3_04, GOV-3_05, GOV-3_06)

The Remuneration Policy in accordance with Section 78a AktG for the Executive Board of CPI Europe AG is geared towards promoting a long-term and sustainable development of the company. In particular, the one-year variable remuneration (Short-Term Incentive, STI) incentivizes the sustainable growth strategy of CPI Europe AG. Against this background sustainability targets are anchored in the STI of the Executive Board.

In accordance with the 2022 Remuneration Policy, individual and ESG targets derived from the sustainability strategy of CPI Europe AG are implemented in the STI with a weighting of up to 20%. They take into account the individual performance of each Executive Board member concerning major projects of CPI Europe (e.g., the implementation of a digitalization concept or diversification of the financing structure) as well as ESG targets (e.g., milestones in sustainable construction projects, carbon reduction, or customer satisfaction). The individual and ESG targets are selected annually from a list of criteria and their weighting are defined by the Personnel and Nominating Committee for each financial year.

For the 2024 financial year, the following ESG targets (all equally weighted) have been set for Radka Doehring:

- Reporting according to CSRD
- Innovative reduction of GHG emissions
- Further roll-out of new photovoltaic (PV) plants

For Pavel Měchura, the following ESG targets have been set for the 2024 financial year:

- Improvement of Corporate Governance Guidelines and Processes

Accordingly, 20% of the short-term incentive contractually agreed total remuneration (assuming a 100% target achievement) is dependent on ESG targets. The share of the STI awarded and due in accordance with Section 78c AktG for the 2024 financial year depending on ESG targets is 105% for Radka Doehring and 105% for Pavel Měchura respectively.

The share of the total remuneration awarded and due in accordance with Section 78c AktG for the 2024 financial year depending on ESG targets amounts to 3,7% for Radka Doehring and 3,9% for Pavel Měchura respectively.

The competence to develop the Remuneration Policy for the Executive Board has been delegated by the Supervisory Board of CPI Europe AG to the Personnel and Nominating Committee. The Personnel and Nominating Committee decides on the Remuneration Policy and is responsible for the ongoing monitoring of compliance with it and proactively for the revision of the Remuneration Policy.

In general, the Remuneration Policy is implemented by setting annual targets in line with the strategy of CPI Europe, by determining the actual target achievement and, if necessary, by taking other measures required to implement the Remuneration Policy. The Personnel and Nominating Committee sets the targets (including the ESG targets) annually as part of its responsibilities within the company. After the end of the respective financial year, the Personnel and Nominating Committee assesses whether the targets have been achieved. The target achievement is determined at the end of the respective financial year resp. the beginning of the next financial year.

In addition, the Personnel and Nominating Committee regularly carries out an overall review of the Remuneration Policy and the sustainability aspects it contains and updates it where necessary. In accordance with Section 78a AktG, the Remuneration Policy is submitted to the Annual General Meeting for a vote whenever a material change is made and at least every fourth financial year. The next vote on the Remuneration Policy is thus required in 2026 the latest.

For further details on the remuneration of the Executive Board, please refer to the Remuneration Policy 2022 and the Remuneration Report for the financial year 2024 of CPI Europe AG, which are published on the company's website.

GOV-4 - Statement on due diligence

(GOV-4_01)

The table below shows the paragraphs that contains disclosures about the current sustainability due diligence performance

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> – GOV-2: Information provided to and sustainability matters addressed by the governing bodies; – GOV-3: Integration of sustainability-related performance in incentive schemes; and – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> – GOV-2: Information provided to and sustainability matters addressed by the governing bodies – SBM-2: Interests and views of stakeholders; – IRO-1 : Description of the processes to identify and assess material impacts, risks and opportunities – MDR-P: Policy Overview; and – Topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process
c) Identifying and assessing adverse impacts	<ul style="list-style-type: none"> – IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities; and – SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	<ul style="list-style-type: none"> – ESRS 2 MDR-A; and – E1-1 – Transition plan for climate change mitigation – E3-2 – Actions and resources related to water and marine resources – E5-2 – Actions and resources related to resource use and circular economy – Topical ESRS: reflecting the range of actions, including transition plans, through which impacts are addressed.
e) Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none"> – ESRS 2 MDR-M; – ESRS 2 MDR-T; and – E1-4 – Targets related to climate change mitigation and adaptation – E3-3 – Targets related to water and marine resources – E5-3 – Targets related to resource use and circular economy

GOV-5 - Risk management and internal controls over sustainability reporting

(GOV-5_01, GOV-5_02, GOV-5_03)

Following the implementation of the international standards such as Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and the EU Taxonomy, CPI Europe has further expanded and develop the internal control system to encompass the full scope of the sustainability reporting process.

The company's sustainability reporting control system follows an approach similar to the financial reporting control system.

In 2024, CPI Europe created a process description for sustainability reporting that covers the entire process from the results of the materiality analysis to the final sustainability report. The current sustainability reporting process is focused on minimising operational risks, with a particular emphasis on ensuring a high level of data quality. The process includes internal controls for the ongoing and appropriate assessment of risks related to the integrity, accuracy and completeness of data and the timing of information availability.

This has been done in close cooperation with data owners such as Property and Facility Managers, People & Culture and with external auditors.

Generally, risks related to sustainability data and reporting are addressed on a case-by-case basis through discussions with the data owners and the Executive Board, or Audit Committee of the Supervisory Board, depending on materiality.

To mitigate the risk associated with data collection, CPI Europe's ESG team works with internal and external experts to enhance operational knowledge and improve data collection and control systems.

In case of downstream value chain information (e.g. property/tenants data), the company engages in a dialog with service providers (energy or water suppliers for properties) to ensure a common understanding of the data needs and data quality.

As real estate data availability is also related to the company's portfolio management, the ESG team acts as a central point for improving data availability and quality.

(GOV-5_04, GOV-5_05)

Risk assessment and risk mitigation measures are carried out in connection with regular internal and external reporting. The audits are carried out by both internal and external auditors. The external examination is performed by the auditor in line with the financial reporting process. The results of the limited assurance process for non-financial reporting, including potential observations or identified risks, are reported to the Audit Committee of the Supervisory Board in connection with half-year and year-end reports.

Internal Audit performs independent and regular reviews of the internal control system, operational processes, and business transactions. The results of the audits are reported regularly to CPI Europe's Executive Committee and twice a year to the Supervisory Board.

Further details are disclosed in the risk management part of the annual report.

Strategy

SBM-1 – Strategy, business model and value chain

(SBM-1_01, SBM-1_02)

CPI Europe provides comprehensive real estate solutions for its customers from a portfolio consisting primarily of commercial properties in the office and retail asset classes, focussing on flexible and innovative properties. In doing so, CPI Europe rely on three brands in particular: myhive for offices, VIVO! for shopping centers and STOP SHOP for retail parks.

CPI Europe concentrates on its core business as a growth-oriented property owner and on the continuous optimisation of its portfolio. Its activities also include acquisitions and selected development projects, whereby the focus is on high-yield properties. The portfolio strategy followed by CPI Europe is based on flexible and innovative offers with high customer orientation. Active portfolio management ensures that the properties are attractive for tenants and consistent with the principle of sustainability from a social and environmental perspective.

CPI Europe's property portfolio

CPI Europe's property portfolio included 417 properties with a combined value of EUR 7,983.6 million as of 31 December 2024 (31 December 2023: 518 properties with a carrying amount of EUR 8,174 million). Standing investments represented the largest component at EUR 7,797.6 million, or 97.7% of the carrying amount, and 3.4 million sqm of rentable space which generate steady rental income. Development projects are responsible for EUR 38.5 million, or 0.5% of the carrying amount. A carrying amount of EUR 147.8.0 million, or 1.9%, is attributable to pipeline projects and includes future planned development projects, undeveloped land and real estate inventories. The owner-operated S IMMO hotels (Vienna Marriott, Budapest Marriott and Novotel Bucharest City Center) with 61,075 sqm of total rentable space are not included in the portfolio report.

The presentation in the portfolio report is based on the primary use of the properties.

Property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Austria	17	231.0	0.0	9.1	240.1	3.0
Germany	5	461.5	0.0	4.5	466.0	5.8
Poland	28	964.4	0.0	0.0	964.4	12.1
Czech Republic	72	951.5	0.0	0.0	951.5	11.9
Hungary	19	231.8	0.0	3.0	234.8	2.9
Romania	26	644.5	0.0	53.8	698.3	8.7
Slovakia	35	435.5	0.0	1.3	436.8	5.5
Adriatic ²	61	617.2	21.3	31.1	669.6	8.4
S IMMO	154	3,260.1	17.0	45.0	3,322.1	41.6
CPI Europe	417	7,797.6	38.3	147.8	7,983.6	100.0
in %		97.7	0.5	1.9	100.0	

¹ Including real estate inventories² In declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

Property portfolio by primary use and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Office	35	1,731.5	0.0	39.6	1,771.1	22.2
Retail	219	2,789.2	21.3	22.9	2,833.4	35.5
Others	9	16.8	0.0	40.2	57.0	0.7
S IMMO	154	3,260.1	17.0	45.0	3,322.1	41.6
CPI Europe	417.0	7,797.6	38.3	147.8	7,983.6	100.0

¹ Including real estate inventories

(SBM-1_03-04)

CPI Europe had 769 employees in 2024. The geographical split is shown in the table below. A detailed description of the own workforce can be found in section S1 of this statement.

Total number of employees by country ¹	2024	
	CPI Europe	thereof S IMMO
Total number of employees	769	643
thereof Austria	413	301
thereof Germany	61	47
thereof Croatia	1	1
thereof Hungary	294	294

¹ Headcount as of 31 December excluding Executive Board and dormant employees.

(SBM-1_06, SBM-1_07)

CPI Europe's revenue is generated through activities in the real estate sector: rental income (2024: 587.9 M EUR), operating cost charged to tenants (2024: 217.2 M EUR) and other revenues (2024: 2.0 M EUR).

(SBM-1_08)

No other significant ESRS sectors have been identified during the double materiality assessment.

(SBM-1_21 to SBM-1_23)

CPI Europe jointly with CPI PG has set up a group wide sustainability strategy which applies to all products, services and customers irrespective of their geographical area. Stakeholders are considered throughout the entire strategy. All major products, services and customers as well as our core markets are part of our value chain as described in chapter SBM-1. All of them are treated with the same level of importance.

Materiality topic	Subtopic	Impact Materiality	Impact Materiality description	Financial Risk/opportunity
Climate change	Climate change mitigation	GHG emissions generated from buildings operations	<p>The operation of the buildings contributing to GHG emissions mainly due to the consumption of fossil resources</p> <p>Building operation generates a wide range of emissions, from noise to greenhouse gas emissions (GHG Emissions).</p> <p>Greenhouse gases contribute to heat retention in the atmosphere, significantly altering the Earth's climate. Building emissions come from fossil fuels burned for heat, the use of gases for refrigeration and cooling, and the handling of waste.</p> <p><i>Negative / Actual</i></p>	<p>Risk of increased cost of fossil fuels</p> <p>Market reputation and investor confidence</p> <p>Financial penalties</p> <p>Carbon pricing mechanism</p>
	Energy	Consumption of energy	<p>Consumption of energy</p> <p>The building sector, encompassing both construction and operation, is responsible for approximately 40% of global energy consumption and 37% of carbon dioxide emissions. Electricity usage for building operations represents nearly 55% of total global electricity consumption.</p> <p>Energy is generated from natural resources, which are, however, finite. Consequently, the consumption of energy leads to a significant using of these limited natural resources.</p> <p><i>Negative / Actual</i></p>	Risk of improper adaptation assessment and implementations
	Water	Water withdrawal	<p>Water withdrawal</p> <p>Building operations consume a significant amount of water daily through water appliances, building equipment, and irrigation.</p> <p>Water is one of the most important resources, while water stress, as an imbalance between water demand and availability, is our the most common climate risk. Based on our climate risk assessment, around 10% of the number of our assets are in locations with high water stress, mainly in Italy and Romania, but also a very low amount of assets in other countries like Hungary and the UK.</p> <p><i>Negative / Actual</i></p>	
Circular economy	Waste	Generation of waste	<p>Generation of waste</p> <p>Building operations generate a significant amount of waste daily. Poor waste management (in landfills) can cause air pollution and water and soil contamination.</p> <p>Waste also contributes to a building's overall GHG emissions. For our building portfolio, waste is responsible for about 5% of total GHG emissions annually.</p> <p><i>Negative / Actual</i></p>	

Financial Materiality description	Time Horizon	Direction	Our target	SDG Description
<p>Risk of increased cost of fossil fuel resources Insufficient transition speed will lead to impairment losses due to the inability to compete and will mean high costs due to limited fossil fuel resources.</p> <p>Market Reputation and Investor Confidence Achieving GHG emissions reduction targets enhances a company's reputation. Investors increasingly prioritise sustainable practices, and companies that meet their climate goals are more attractive. Non-compliance with emissions reduction goals could negatively affect property valuation and attractiveness.</p> <p>Financial Penalties Failure to meet the GHG emissions reduction target may result in financial penalties and increased expenses.</p> <p>Carbon Pricing Mechanism The carbon tax mechanism will be in place in 2027, and the EU ETS applies to the real estate sector. The carbon tax applies to S1+S2 emissions.</p>	Mid-term	Upstream Own operations Downstream	32.4% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline	<p>13 Take urgent action to combat climate change and its impacts</p> <p>Increased share of certified buildings Group-wide green lease</p>
<p>Risk of improper adaptation assessment and implementations The potential risk lies in the possibility of a flawed assessment at the local level, will resulting in an inadequately crafted adaptation plan for the future. Another risk lies in insufficiently fast implementation of the adaptation plan. Both risks lead to unnecessary costs for the company.</p>	Mid-term	Own operations Downstream	10% reduction in energy intensity of the property portfolio by year 2030 versus 2019 baseline	<p>12 Ensure sustainable consumption and production patterns</p>
	Mid-term	Own operations Downstream	10% reduction in water intensity of property portfolio by year 2030 versus 2019 baseline	<p>12 Ensure sustainable consumption and production patterns</p> <p>6 Ensure availability and sustainable management of water and sanitation for all</p>
	Short-term Mid-term		Elimination of waste sent to landfill wherever possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030	<p>12 Ensure sustainable consumption and production patterns</p>

Materiality topic	Subtopic	Impact Materiality	Impact Materiality description	Financial Risk/opportunity
Own workforce	Working conditions (Secure employment, Health and Safety)	Increased Productivity	Increased Productivity and Reduced Turnover Employees who feel secure in their jobs are more likely to be productive and focused. They can dedicate their energy to their tasks without the distraction of job insecurity, and they are less likely to leave the company.	
		Reduced Turnover		
		Mental Health Issues	Mental Health Issues Job insecurity can lead to chronic stress, anxiety, and depression.	
			Health and Safety Without proper health and safety measures, employees are more likely to experience accidents, which can lead to injuries. This not only affects their well-being but also results in lost workdays. Effective health and safety protocols significantly reduce the risk of workplace accidents, which is particularly important in the property sector.	
			<i>Negative / Potential</i>	
	Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value)	Gender inequality	Gender inequality Having a low percentage of women in top management, a significant gender pay gap, and promoting discrimination in hiring and promotion can lead to violations of gender equality, along with the employee's ability to live free from all forms of discrimination (gender, racial, ethnic, age, etc.) and to access justice in an equal and inclusive way. Gender inequality can create a hostile work environment, hindering teamwork and the sharing of ideas.	
			<i>Negative / Potential</i>	
	Equal treatment and opportunities for all (Training and skills development)	Enhanced Employee Performance and Productivity	Enhanced Employee Performance and Productivity Well-trained employees are more efficient and effective in their roles, directly contributing to the overall productivity and success of the business. While complying with legislation is important, going beyond the minimum standards can provide a competitive edge.	
			<i>Positive / Actual</i>	
	Equal treatment and opportunities for all (Diversity)	Creativity and Innovation	Creativity and Innovation and Better Market Understanding A diverse workforce brings together different perspectives and experiences, leading to more creative solutions and innovative approaches to business challenges. Given our company's presence in multiple markets, we benefit from a diverse team. We employ individuals of all genders, various age groups and actively encourage the collaboration of employees from different generations within teams, fostering greater expertise and adaptability.	
		Better Market Understanding		
			<i>Positive / Actual</i>	
Business conduct	Corporate culture	Toxic work environment	Toxic work environment A corporate culture that tolerates or promotes unhealthy competition, discrimination, or harassment can result in a toxic work environment, leading to reduced employee morale and higher turnover rates.	
		Unethical Decision Making	Unethical Decision Making If the prevailing culture prioritizes profits over ethics, it may lead to decisions that harm customers, the environment, or other stakeholders.	
			<i>Negative / Potential</i>	
	Protection of whistleblowers	Enhanced Transparency and Accountability	Enhanced Transparency Encouraging employees to report unethical or illegal activities without fear of retaliation promotes a culture of openness and integrity. It promotes ethical practices among suppliers and partners and ensures that the entire value chain adheres to high standards of conduct.	
		Retaliation Against Whistleblowers	Retaliation Against Whistleblowers If employees or others who raise concerns about unethical or illegal activities within the company face retaliation, it infringes on their rights and creates a culture of fear, inhibiting transparency and accountability.	
			<i>Negative / Actual</i>	
	Corruption and bribery			Reputation and Financial Impact Risk

Financial Materiality description	Time Horizon	Direction	Our target	SDG Description
	Mid-term	Own operations	Biennial employee satisfaction surveys Code of Conduct agreement with all employees	10 Reduce inequality within and among countries 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Mid-term	Own operations	Minimum of 33% share of female senior managers	5 Achieve gender equality and empower all women and girls 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Mid-term	Own operations	Completion of at least eight hours of training per employee per year Mandatory annual employee training on Code of Conduct and associated policies	8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	Mid-term	Own operations	Minimum of 33% share of female senior managers	5 Achieve gender equality and empower all women and girls 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Mid-term	Own operations	Mandatory annual employee training on Code of Conduct and associated policies	16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
	Mid-term	Upstream Own operations Downstream	Mandatory annual employee training on Code of Conduct and associated policies	8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Reputation and Financial Impact Risk Incidents such as fraud, or accidents can lead to immediate financial losses. Incidents can harm our reputation, leading to loss of customer trust and potential business. This can result in decreased sales and market share.	Short-term	Own operations	Mandatory annual employee training on Code of Conduct and associated policies	16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

All identified material impacts, risks and opportunities are disclosed under SBM-3 in this statement.

(SBM-1_25 to SBM-1_28)

We have outlined our upstream value chain by identifying the necessary inputs to effectively execute our core business activities as a starting point for our double materiality assessment. We focused on key activities, inputs, and primary suppliers while considering local variations. Beginning with our core business, we identified our principal product: Office and Retail Real Estate. Subsequently, we established the sales channels for our products and recognized our tenants as customers. We use in-house sale, our own websites as well as external real estate agents for the renting of our premises. Sales and acquisitions of properties are carried out via external agents. Our office portfolio offers rental space for all needs, every enterprise from start-up business to large international companies are potential tenants for us. In the retail portfolio we concentrate on tenants-mix suitable for retail parks and shopping centers. End-users are our tenants and their employees as well as visitors of our retail properties. Our downstream value chain ends with the end-of-life treatment for our products. Our upstream value chain was divided into Tier 1 and 2. For Tier 1 we identified Capital resources, Knowledge & human resources, infrastructure, advisory, operations and resources for building operations as key for our business model. Please refer to the value chain graphic below for more information.

SBM-2 – Interests and views of stakeholders

(SBM-2_01 to SBM-2_12)

CPIPG identified important groups of affected stakeholders and users of the sustainability statement relevant for its business. With wide range of stakeholders (including tenants, employees, investors, and members of local communities) the Group maintains a continuous and regular dialogue .

Stakeholder engagement supports us in identifying existing or emerging impacts or risks as part of the double materiality assessment (DMA). Their insights provide valuable input to our ESG programmes, helping us to shape our strategy, targets and decisions towards delivering on ESG commitments and KPIs.

The table below shows prioritised stakeholder groups and how we engage with them:

Group of stakeholders	Stakeholders' expectation	Engagement channel
Tenants	Excellent products and services	Daily operations
Investors	Solid business model, strategies and goals	Presentations, website, corporate news
Employees	Decent work conditions, training and development, diversity, equality	Works council, employee interactions, surveys, hot line
Authorities and governments	Compliance with regulations	Industry associations, engagement with the authorities
Suppliers and business partners	Fair business practices and treatment	Contract management
Communities	Responsibility for the environment and the society	Engagement with the local associations, events

For the purpose of double materiality assessment we selected a sample of our stakeholders and performed a survey to help us identify material sustainability impacts, risks and opportunities.

Together with CPIPG, the Group conducted an online survey to gather stakeholder feedback on its material sustainability matters, receiving 171 anonymous responses. Key topics identified by stakeholders included affected communities, supply chain, biodiversity, compliance, digitalization, and corporate governance. After evaluation, compliance and corporate governance were categorized as material topics essential to the Group's ESG Strategy. Other topics were reviewed by the ESG Committee, which did not identify additional material issues for 2024. The Group remains committed to ongoing stakeholder engagement.

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model
(SBM-3_01, SBM-3_02)

Material Issue	IRO	+/-	a/p	Direction
E1 Climate change				
(1) GHG emissions generated from buildings operations	I	-	a	OO/UP/DW
(2) Consumption of energy	I	-	a	OO/DW
(3) Increased cost of fossil fuels resources	R	-		UP
(4) Carbon pricing mechanism - buildings to be integrated into EU ETS2 starting 2027	R	-		UP
(5) Non-compliance with ESG targets lead to loss in investors confidence	R	-		DW
(6) Inadequate adaptation solutions	R	-		OO
E3 Water and marine resources				
(7) Water withdrawal	I	-	a	OO
E5 Circular economy				
(8) Generation of waste	I	-	p	OO/DW
S1 Own workforce				
(9) Increased productivity Reduced turnover	I	-	p	OO
(10) mental health issues	I	-	p	OO
(11) Increased risk of accidents and injuries	I	-	p	OO
(12) Gender inequality	I	-	a	OO
(13) Enhanced employee performance and productivity	I	+	a	OO
(14) Creativity and innovation leading to innovative solutions and better market understanding	I	+	a	OO
G1 Business conduct				
(15) Toxic work environment Unethical decision making	I	-	p	OO/UP/DW
(16) Enhanced transparency and accountability Retaliation against whistleblowers	I	-	p	OO/UP/DW
(17) Inadequate processes and trainings	R	-		OO

I ... Interest, R ... Risk, O ... Opportunity, + ... positive, - ... negative, a ... actual, p ... potential, OO ... own operations, UP ... upstream value chain, DW ... downstream value chain

(SBM-3_03 to SBM-3_10)

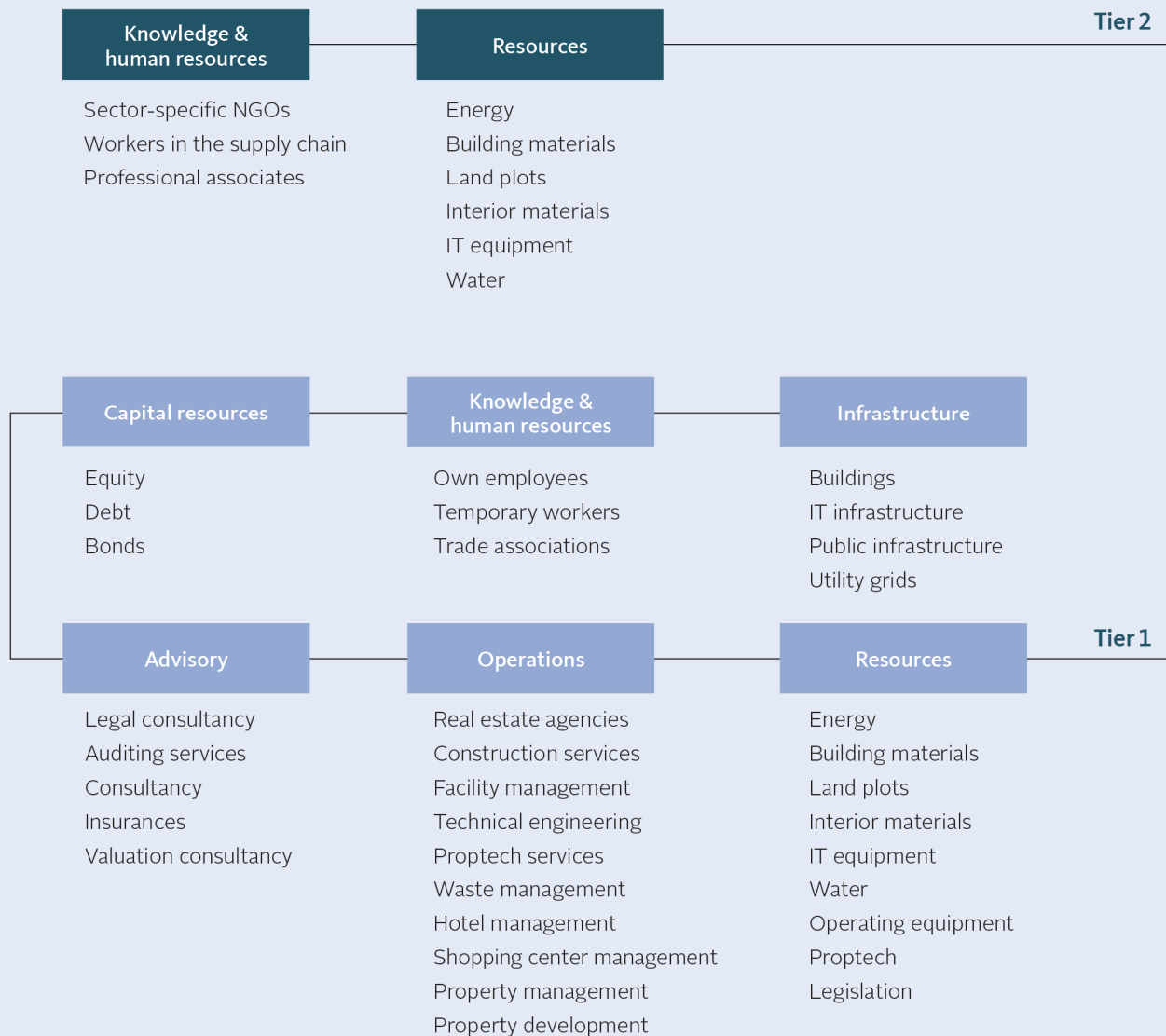
The Group closely monitors both internal and external environment and assesses the related impacts, risks and opportunities of its operations. As part of this process, the Group conducted in 2024 the double materiality assessment across of all of its activities and geographies, aimed to assess an impact of the Group's activities on the environment and the society, as well as to identify potential sustainability risk. Through this process, the Group has defined 17 sustainability matters as material, the response to which forms part of the Group's business strategy.

The current financial effects of the Group's material risks and opportunities on its financial position, financial performance and cash flows are not material and there are no material risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the Group's financial statements.

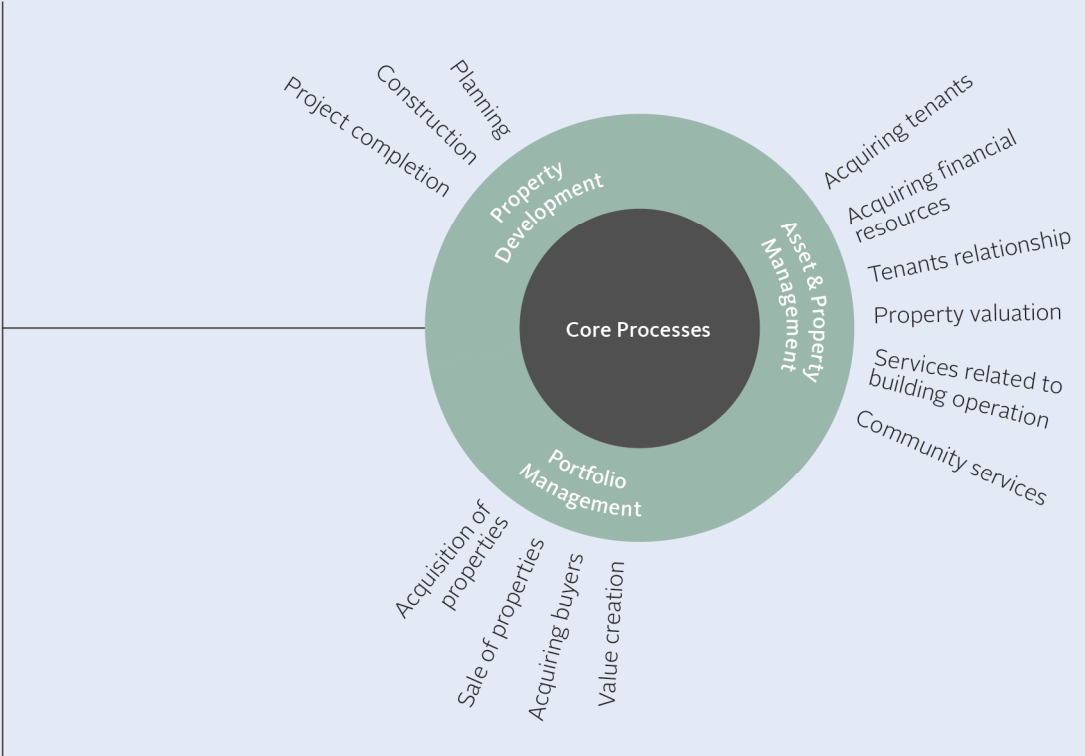
Given that our material Impacts, Risks, and Opportunities (IROs) are closely tied to our core business and growth potential, our initiatives aimed at enhancing opportunities and mitigating associated risks are integrated within our established corporate governance approach described above. The resilience of the Group's strategy and business model was assessed by the internal risk manager and addressed as part of the Group's risk and opportunity assessment.

Changes to material IROs are not relevant for year 2024 as DMA was carried out for the first time following the Group's ongoing CSRD implementation. All material IROs are covered by ESRS.

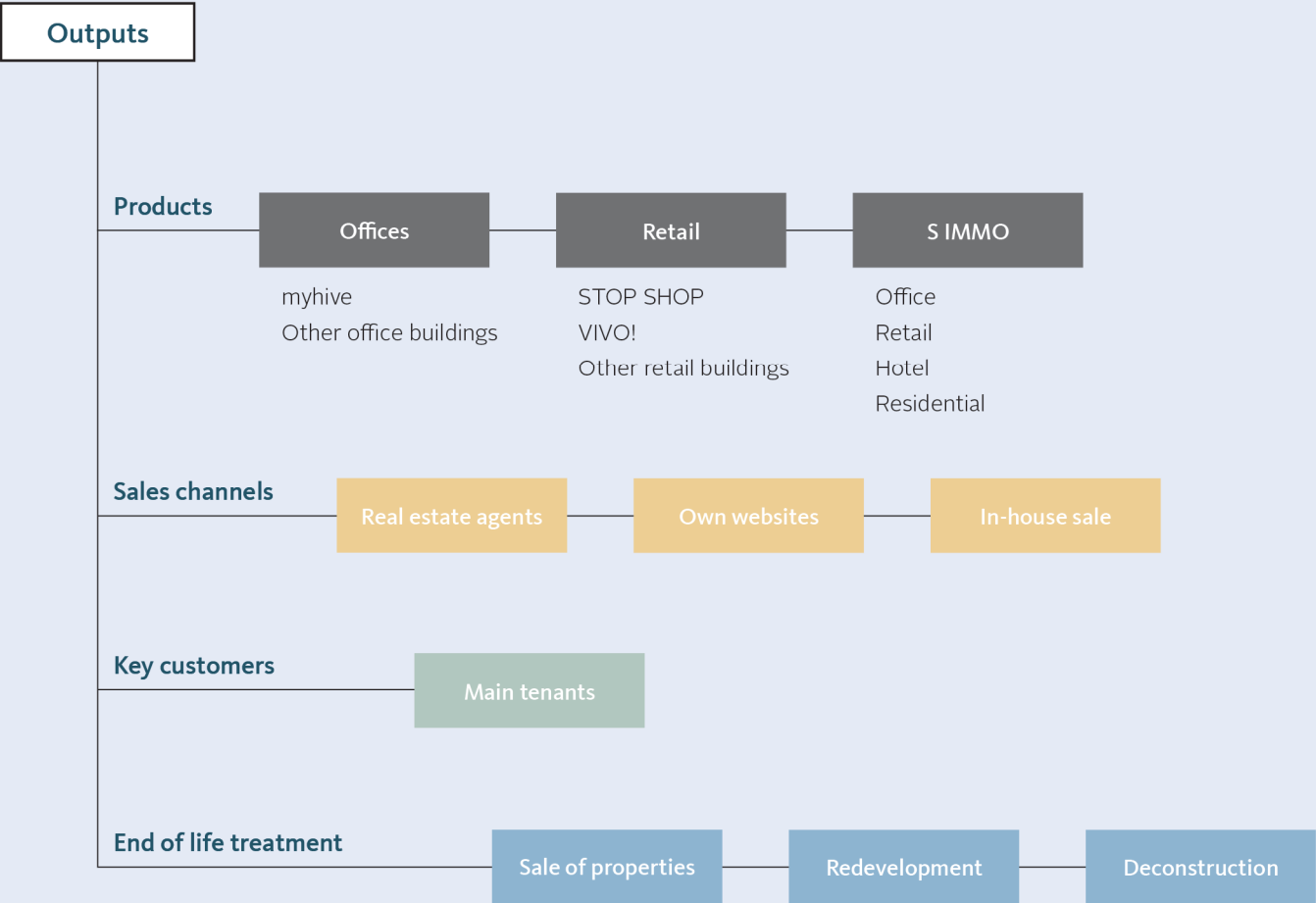
Real Estate Value Chain for CPI Europe



Own Operations



Downstream Value Chain



Impact, risk and opportunity management

Disclosures on the materiality assessment process

IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

(IRO-1_01 to IRO-1_14)

An analysis to identify the actual and potential impacts, risks, and opportunities (IROs) associated with environmental, social, and governance (ESG) matters within our operations and throughout our upstream and downstream value chains was conducted. Initially, we evaluated the IROs at a detailed sub-subtopic level in accordance with ESRS 1 AR16. Subsequently, we incorporated ESG-related IROs identified in the existing risk management documentation of CIPG and CPI Europe. To enrich our assessment and identify all possible impacts, risks and opportunities, we took into account the material topics identified in the previous materiality assessments conducted by the group in 2020 and S IMMO AG subgroup in 2021, following the GRI Universal Standards. This analysis resulted in a comprehensive list of impacts, risks, and opportunities, which was subsequently evaluated by the internal cross-departmental project group in terms of their impact and financial materiality taking into account specific activities, stakeholders, segments and geographies affected. Additionally, the assessment has evaluated direction - upstream, own operation, downstream -, and time horizon - short-term, mid-term, long-term. (The same time horizons as defined by ESRS were applied). Risks were identified as a result of impacts or dependencies.

Negative impacts are based on their relative severity and likelihood. Severity of negative impacts is based on their scale, scope and irremediable character. Positive impacts are based on their relative scale, scope and likelihood. Each impact has been considered individually, because the application of criteria of severity differs among various categories of impacts. The severity of an actual or potential negative impact is assessed from the perspective of the affected people or the environment.

The assessment of risks and opportunities is done based on a combination of the likelihood of occurrence and the potential magnitude/size of the financial effects in line with the group-wide risk and opportunity assessment.

For impacts the following criteria/thresholds were used to determine material ones taking into account scope of impact, scale of impact and irremediability based on EFRAG guidance:

≥ 4	Critical	Material
>3 –4	Significant	Material
>2.5 –3	Important	Material
2-2.5	Informative	Not material
< 2	Minimal	Not material

For risks and opportunities the following criteria/thresholds were used to determine material risks and opportunities based on discussion with the Group Risk Manager:

≥ 2.5	Significant	Material
< 2.5	Normal	Not material

(E2.IRO1_01 to 03, E4.IRO1_01 to 16)

In the course of the double materiality assessment as described in IRO-1 our business activities including our assets as well as our value chain were also screened for and biodiversity and ecosystems and pollution related impacts, risks and opportunities. They were assessed as immaterial as the Group is not involved in any production processes and has limited scope of real estate development activities. Due to the limited scope, consultations with affected communities were not considered to be necessary.

We have conducted a pilot assessment of our portfolio's locations to evaluate their potential impact on biodiversity. Our assessment incorporates legally protected areas and Key Biodiversity Areas (KBAs), utilising publicly available data from the European Environment Agency. The priority properties are predominantly located in the Czech Republic and several German cities, including Berlin, Leipzig, and Erfurt. Additional regions with a significant number of priority properties comprise Budapest and Vienna.

IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

(IRO-2_01)

Disclosure of list of data points that derive from other EU legislation and information on their location in sustainability statement

MDR-P – Policies adopted to manage material sustainability matters

Internally, CPI Europe differentiates between policies and guidelines. While policies are aimed at external stakeholders, guidelines are directed at CPI Europe employees. To ensure complete information in line with the CSRD, both forms of instructions are addressed equally in the following. CPI Europe has issued the following policies and guidelines:

Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS 2 GOV-1	21 (d)	Board's gender diversity paragraph	13 of Table #1 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			(EU) 2020/1816, Annex II		Material
ESRS 2 GOV-4	30	Statement on due diligence	10 Table #3 of Annex 1				Material
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	4 Table #1 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Table 1 and Table 2	(EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	9 Table #2 of Annex 1		(EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	14 Table #1 of Annex 1		(EU) 2020/1818, Article 12(1) (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			(EU) 2020/1818, Article 12(1) (EU) 2020/1816, Annex II		Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 1	(EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material
ESRS E1-4	34	GHG emission reduction targets	4 Table #2 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 3	(EU) 2020/1818, Article 6		Material
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (among other impact sectors)	5 Table #1 3 Table #2 of Annex 1				Material
ESRS E1-5	37	Energy consumption and mix	5 Table #1 of Annex 1				Material
ESRS E1-5	40 to 43	Energy intensity associated with activities in high climate impact sectors	6 Table #1 of Annex 1				Material
ESRS E1-6	44	Gross Scope 1, 2, and Total GHG emissions	1 and 2 Table #1 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 1	(EU) 2020/1818, Article 5(1), 6 and 8(1)		Material
ESRS E1-6	53 to 55	Gross GHG emissions intensity	3 Table #1 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 3	(EU) 2020/1818, Article 8(1)		Material
ESRS E1-7	56	GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			(EU) 2020/1816, Annex II (EU) 2020/1816, Annex II		Not material
ESRS E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk		Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 paragraphs 46 and 47; Template 5			Not material
ESRS E1-9	66 (c)	Location of significant assets at material physical risk					Not material
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 paragraph 34; Template 2			Material

Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			(EU) 2020/1818, Annex II		Material
ESRS E2-4	32	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil	8 Table #1 of Annex 1 2 Table #2 of Annex 1 4 Table #2 of Annex 1 1 Table #2 of Annex 1				Not material
ESRS E3-1	9	Water and marine resources	7 Table #2 of Annex 1				Material
ESRS E3-4	28 (c)	Total water recycled and re-used	6.2 Table #2 of Annex 1				Material
ESRS E3-4	29	Total water consumption in m ³ per net revenue on own operations	6.1 Table #2 of Annex 1				Material
ESRS 2-SBM3 - E4	16 (a) i	Biodiversity sensitive areas	7 Table #1 of Annex 1				Not material
ESRS 2-SBM3 - E4	16 (b)	Land impacts	10 Table #2 of Annex 1				Not material
ESRS 2-SBM3 - E4	16 (c)	Threatened species	14 Table #2 of Annex 1				Not material
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	11 Table #2 of Annex 1				Not material
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	12 Table #2 of Annex 1				Not material
ESRS E4-2	24 (d)	Policies to address deforestation	15 Table #2 of Annex 1				Not material
ESRS E5-5	37 (d)	Non-recycled waste paragraph	13 Table #2 of Annex 1				Material
ESRS E5-5	39	Hazardous waste and radioactive waste	9 Table #1 of Annex 1				Material
ESRS 2-SBM3 - S1	14 (f)	Risk of incidents of forced labour	13 Table #3 of Annex 1				Material
ESRS 2-SBM3 - S1	14 (g)	Risk of incidents of child labour	12 Table #3 of Annex 1				Material
ESRS S1-1	20	Human rights policy commitments	9 Table #3 of Annex 1 11 Table #1 of Annex 1				Material
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			(EU) 2020/1816, Annex II		Material
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	11 Table #3 of Annex 1				Not material
ESRS S1-1	23	Workplace accident prevention policy or management system	1 Table #3 of Annex 1				Material
ESRS S1-3	32 (c)	Grievances/complaints handling mechanisms	5 Table #3 of Annex 1				Material
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	2 Table #3 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	3 Table #3 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-16	97 (a)	Unadjusted gender pay gap	12 Table #1 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-16	97 (b)	Excessive CEO pay ratio	8 Table #3 of Annex 1				Material
ESRS S1-17	103 (a)	Incidents of discrimination	7 Table #3 of Annex 1				Material

Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	10 Table #1 of Annex 1 14 Table #3 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS 2-SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	12 and 13 Table #3 of Annex 1				Material
ESRS S2-1	17	Human rights policy commitments	9 Table #3 of Annex 1 11 Table #1 of Annex 1				Not material
ESRS S2-1	18	Policies related to value chain workers	11 and n. 4 Table #3 of Annex 1				Not material
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	10 Table #1 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			(EU) 2020/1816, Annex II		Not material
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	14 Table #3 of Annex 1				Not material
ESRS S3-1	16	Human rights policy commitments	9 Table #3 of Annex 1 11 Table #1 of Annex 1				Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	10 Table #1 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4	36	Human rights issues and incidents	14 Table #3 of Annex 1				Not material
ESRS S4-1	16	Policies related to consumers and end-users	9 and 11 Table #1 of Annex 1				Not material
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	10 Table #1 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4	35	Human rights issues and incidents	14 Table #3 of Annex 1				Not material
ESRS G1-1	10 (b)	United Nations Convention against Corruption	15 Table #3 of Annex 1				Not material
ESRS G1-1	10 (d)	Protection of whistle-blowers	6 Table #3 of Annex 1				Not material
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	17 Table #3 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	16 Table #3 of Annex 1				Material

(IRO-2_02)

Chapter	ESRS Standards	Disclosure requirements	Reference
General Disclosures			
Basis for preparation	ESRS 2	BP-1 BP-2	ESRS 2 General disclosures: Basis for preparation
Governance	ESRS 2	GOV-1 GOV-2 GOV-3 GOV-4 GOV-5	ESRS 2 General disclosures: Governance
Strategy	ESRS 2	SBM-1 SBM-2 SBM-3	ESRS 2 General disclosures: Strategy
Impact, risk and opportunity management	ESRS 2	IRO-1 IRO-2 MDR-P	ESRS 2 General disclosures: Impact, risk & opportunity management
Environment			
Climate Change	E1	E1.GOV-3 E1-1 E1.SBM-3 E1.IRO-1 E1-2 E1-3 E1-4 E1-5 E1-6 E1-9	ESRS E1: Climate change
Water and marine resources	E3	E3.IRO-1 E3-1 E3-2 E3-3 E3-4	ESRS E3: Water and marine resources
Resource use and circular economy	E5	E5.IRO-1 E5-1 E5-2 E5-3 E5-5	ESRS E5: Resource use and circular economy
Social			
Own workforce	S1	S1.SBM-3 S1-1 S1-2 S1-3 S1-4 S1-5 S1-6 S1-7 S1-9 S1-10 S1-11 S1-13 S1-14 S1-16 S1-17	ESRS S1: Own workforce
Governance			
Business Conduct	G1	G1.GOV-1 G1-1 G1-3 G1-4	ESRS G1: Business conduct

Policy	Description of key contents	Scope of policy	Accountable for implementation
Anti-Corruption, Anti-Bribery and Countering of Frauds Policy	<ul style="list-style-type: none"> - Ensures legally compliant behaviour by employees, business partners, agents and customers. - Ensures compliance of the Group with applicable laws relating to anti-corruption, anti-bribery and countering of frauds; to prevent conflicts of interest from arising. - Sensitises Representatives for potential conflicts of interest and thereby protect them from criminal offenses. - Prevents damage to the Group's reputation as a result of improper practices 	CPI Europe	Executive Board of CPI Europe AG that acts through the Compliance Officer
Anti-Money Laundering and Counter-Terrorist Financing Policy	<ul style="list-style-type: none"> - Ensures compliance of the Group with applicable laws relating to the AML and the CTF. - Ensures that the Representatives understand the importance of the AML and the CTF and their related responsibilities. 	CPI Europe	Executive Board of CPI Europe AG that acts through the Compliance Officer
Code of Business Ethics and Conduct	<ul style="list-style-type: none"> - Creates the foundation for all of the company's business activities and decisions and declares commitment to obey applicable laws, industry standards and best practices. - Forms basis for the morally, ethically and legally correct behaviour of all employees, agents acting on behalf of the Group, as well as for all members of the Group's corporate bodies and management. 	CPI Europe, unless there is a separate code in place	Executive Board of CPI Europe AG that acts through the Compliance Officer
Compliance guideline	Ensures that CPI Europe's statutory obligations are complied with, prevents the prohibited use or disclosure of inside information and guarantees compliance with the publication obligations for inside information (ad hoc notifications).	CPI Europe (exclusive S IMMO), S IMMO AG has an own Compliance Guideline	Executive Board of CPI Europe AG that acts through the Compliance Officer
CPIPG GHG Recalculation Policy	Sets the rules for recalculations of the Greenhouse Gas emissions inventory. These rules are specified based on SBTi requirements and include structural, methodology and other changes.	all member companies of CPIPG	Executive Board of CPI Europe AG
Group Human Capital and Employment Relationships Policy	Provides guiding principles relating to the treatment of the Group's candidates and Representatives and certain other topics relevant for human capital.	CPI Europe	Executive Board of CPI Europe AG
Group LCA Policy	Shows how the transformation of business operations towards carbon neutrality can be achieved.	all member companies of CPIPG	Directors of any involved organization of CPIPG
Group Policy Environment and CSR	<ul style="list-style-type: none"> - Promotes a sustainable approach of the Group towards real estate development and management; - Gives a blueprint for the contribution of the Group to the protection of the environment, improvement of energy performance, as well as to the development of the communities. 	CPI Europe	Executive Board of CPI Europe AG that acts through the ESG Committee of the Group
Guideline on Education and Further Training	Regulates the general conditions for internal and external education and further training and the reimbursement of training costs.	CPI Europe	Executive Board of CPI Europe AG
Policy Statement on Respecting Human Rights	Formulates commitment to protecting human rights, describes organization and responsibilities, and documents human rights diligence process.	CPI Europe (exclusive S IMMO), S IMMO AG has an own guideline	Executive Board of CPI Europe AG
Risk Management Policy	Provides the basis of the risk management and describes the minimum requirement in terms of the setup of the organisational structure and process structure in risk management.	CPI Europe	Executive Board of CPI Europe AG
Transition Plan ESG	Shows how the transformation of business operations towards carbon neutrality can be achieved.	CPI Europe	Executive Board of CPI Europe AG
Whistleblowing System – Directive	Sets out the communication channels and compulsory regulations for the receipt, submission, assessment and processing of whistleblowing reports within CPI Europe.	CPI Europe	Executive Board of CPI Europe AG that acts through the Compliance Officer

Internationally recognised instruments	Availability	IRO covered
UN Convention against Corruption	Corporate website & Corporate intranet	(15), (16), (17)
EU Directive on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing	Corporate website & Corporate intranet	(15), (16), (17)
<ul style="list-style-type: none"> - The Universal Declaration of Human Rights by the United Nations (UN) - UN Guiding Principles for Human Rights and Business - UN Convention on the Rights of the Child - UN Convention on the Elimination of All Forms of Discrimination against Women - The Fundamental Conventions of the International Labour Organisation (ILO) - The Guidelines for Multinational Enterprises by the Organisation for Economic Co-operation and Development (OECD) - The ten principles of the UN Global Compact (UNGC). 	Corporate website & Corporate intranet	all
<ul style="list-style-type: none"> - EU Regulation on market abuse - Austrian Stock Exchange Act 2018 	Corporate intranet	(15), (16), (17)
SBTi requirements		(1), (5)
International Labour Organization conventions and recommendations	Corporate intranet	(9), (10), (11), (12), (13), (14)
2015 Paris Agreement within the United Nations Framework Convention on Climate Change	Corporate intranet	(1), (5)
<ul style="list-style-type: none"> - 17 Sustainable Development Goals defined by the United Nations - 2015 Paris Agreement within the United Nations Framework Convention on Climate Change 	Corporate intranet	(1), (2), (3), (4), (5), (6), (7), (8)
Group (all employees of CPI Europe and its subsidiaries)	Corporate intranet	(9), (13)
<ul style="list-style-type: none"> - The Universal Declaration of Human Rights of the United Nations (UN) - UN Guiding Principles for Business and Human Rights - UN Convention on the Rights of the Child - UN Convention on the Elimination of Discrimination of Women - The Convention of the International Labour Organization (ILO) - The Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) - The ten principles of the UN Global Compact (UNGC) 	Corporate website	(9), (10), (11), (12), (13), (14)
<ul style="list-style-type: none"> - Austrian Corporate Governance Codex (ÖCGK) - Integrated Framework of COSO ERM 	Corporate intranet	all
2015 Paris Agreement within the United Nations Framework Convention on Climate Change	Corporate intranet	(1), (2), (3), (4), (5), (6), (7), (8)
General Data Protection Regulation	Corporate website & Corporate intranet	(15), (16), (17)

All policies or guidelines within CPI Europe must be approved by the Executive Board being the highest body responsible for the policies.

Environmental information

Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

Reporting practice

Taxonomy eligibility of CPI Europe

Since 2022, CPI Europe is reporting according to Art. 8 of the Taxonomy Regulation of the European Union and thus closely monitoring the regulatory environment.

The following regulations and notices in the latest version have been reviewed for applicability within the whole group:

- Commission Delegated Regulation (EU) 2021/2139
- Commission Delegated Regulation (EU) 2022/1214
- Commission Delegated Regulation (EU) 2023/2485
- Commission Delegated Regulation (EU) 2023/2486
- Commission Delegated Regulation (EU) 2021/2178
- Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation (2023/C 211/01)" (FAQ)
- Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (third Commission Notice)
- Draft Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Environmental Delegated Act, the EU Taxonomy Climate Delegated Act and the EU Taxonomy Disclosures Delegated Act (29th November 2024)

The analysis led to the following applicable eligible economic activities in the 2024 financial year. There were no changes to the previous financial year:

Climate Change Mitigation (CCM) / Climate Change Adaptation (CCA) 7.7 Acquisition and ownership of buildings

The group's core activities asset & property management, property development and portfolio management are clearly linked to "Buying real estate and exercising ownership of that real estate" as this activity is described in the Taxonomy legislation. Further details can be found in the description of our business model under ESRS 2, SBM 1-25. All turnover, capital and operational expenditures related to buildings are disclosed under this economic activity, with the exception for installation, maintenance and repair of energy efficiency equipment which is reported under CCM 7.3, and installation, maintenance and repair of renewable energy technologies, which is reported under CCM 7.6, provided they belong to single measures not connected to taxonomy-aligned buildings.

Since the description of the economic activity CCM 7.7 and the definition of the technical screening criteria are based on the exercise of ownership of real estate, neither turnover, CapEx nor OpEx related to undeveloped land are subsumed under this economic activity. Additions to other intangible assets and other tangible assets are also classified as non-taxonomy-eligible, since they do not represent expenditures connected to buildings.

As the economic activity "CCM 7.7 Acquisition and ownership of buildings" is not an enabling activity according to Article 16 of Regulation (EU) 2020/852, no turnover can be reported as taxonomy-eligible or taxonomy-aligned under the environmental objective "climate change adaptation"*. In addition, no adaptation solutions have been implemented for significant physical climate risks to date. As a result, no capital expenditures (CapEx) or operating expenditures (OpEx) can currently be reported under the above-mentioned environmental objective. Therefore, the entire taxonomy-aligned turnover, capital expenditures (CapEx) and operating expenditures (OpEx) were reviewed for a substantial contribution to the environmental objective "climate change mitigation" using the technical screening criteria.

Biodiversity (BIO) 2.1 Hotels, holiday, camping grounds and similar accommodation

Since 2023, when this activity was introduced, S IMMO has disclosed the eligible share of Turnover, Capex and Opex arising from hotel operations under this economic activity in their taxonomy disclosures. The turnover from S IMMO's hotel operations are reported under "Income from owner-operated properties" in the CPI Europe consolidated financial statements. Therefore, no disclosures under "BIO 2.1 Hotels, holiday, camping grounds and similar accommodation" are made on consolidated group level.

CCM 7.3 Installation, maintenance and repair of energy efficiency equipment

With regards to economic activity CCM 7.3, meeting the criteria of Directive 2010/31/EU and, if applicable, classification in the two best energy efficiency classes according to Regulation (EU) 2017/1369 are intended as substantial contributions. To prevent significant harm, a climate risk analysis as applied under CCM 7.7 is required as well as compliance with the generic criteria for Do-No-Significant-Harm (DNSH) to pollution prevention regarding the presence of chemicals. We summarise capital expenditures for the installation of energy-efficient cooling systems under this activity. For 2024 it belonged to replacement of HVAC-equipment in Hungary.

CCM 7.6 Installation, maintenance and repair of renewable energy technologies

Economic activity CCM 7.6 only requires the existence of one of the renewable energy technologies listed for a substantial contribution to climate change mitigation; therefore, the installation of heat pumps and photovoltaic systems meet this requirement. A climate risk analysis as applied under CCM 7.7 is required in order to prevent significant harm. We summarise capital expenditure for the installation of heat pumps and of photovoltaic equipment under this activity. For 2024 it applied to the installation of PV-panels in various countries and one heat pump in Hungary.

A taxonomy-aligned share of turnover, capital and operational expenditures was identified for every economic activity described above with the exception of BIO 2.1 Hotels, holiday, camping grounds and similar accommodation.

Taxonomy alignment of CPI Europe

CPI Europe continued to pursue a conservative assessment approach in the 2024 financial year. We adhere strictly to the wording of the taxonomy regulations and adopt alternative approaches only on a very limited scale. CPI Europe is aware that a less stringent interpretation of the criteria by other market participants may possibly lead to significantly higher shares of taxonomy-aligned activities.

Economic Activity “CCM 7.7 Acquisition and ownership of buildings”**Substantial contribution to climate change mitigation (SC)**

When reviewing buildings for a substantial contribution to the environmental objective of “climate change mitigation”, a distinction was made, in accordance with the technical screening criteria, as to whether the application for a building permit for the respective building was submitted before 31 December 2020.

1. For buildings where an application for a building permit was submitted before 31 December 2020, the first step was to examine whether the energy performance certificate (EPC) of the building shows an energy class. To meet the requirements, the energy performance certificate of the building must show at least energy class A. This assessment method was applied to all countries relevant for CPI Europe, with the exception of Poland and Germany. In addition, we used the following alternative approaches:

For Germany, we used the technical criterium valid for buildings built after 31st December 2020. The primary energy demand (PED) of the building was compared to the nationally defined threshold value for nearly zero-energy buildings undercut by at least 10%.

For Czech Republic and Poland the alternative screening criteria was used: A building was assessed if it ranks among the top 15% of the national or regional building stock in terms of primary energy demand. The assessment for Poland was based on the national threshold of 109,4 kWh/sqm published by the ministry of development and technology. In the Czech Republic we applied the thresholds determined in a study of CEVRE Consultants commissioned by Česká spořitelna. in 2024 and recommended by the Czech Green Building Council. This study classifies office buildings of the energy efficiency classes A, B and C (up to primary energy demand of 260 kWh/sqm), buildings for accommodation and catering of the energy efficiency classes A, B and C (up to primary energy demand of 375 kWh/m²) as well as retail buildings of the energy classes A, B and C (up to primary energy demand of 545 kWh/sqm) as the top 15% of the national building stock.

For Austria, the methodology of the Austrian Green Building Council to prove Class A was applied to selected assets. As in Austria the PEB class threshold is based on residential use with a defined room height, an alternative method with adjusted room heights was developed in collaboration with KPMG, PWC and DELOITTE Austria.

Non-residential assets with more than 5,000 sqm of usable space were examined for the existence of heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air conditioning and ventilation with more than 290 kW of power. Where this criterium applies, checks were subsequently carried out to determine whether these assets are efficiently operated and have a continuous monitoring system. Technical documentation of the building management systems, property-/facility-management contracts with respective obligations of the provider and for the first time, certificates according to ISO 50001 were used as evidence. The certificates, obtained during 2024 lead to a significant increase in the share of taxonomy aligned turnover, capital and operational expenditures.

2. For buildings for which the building permit application was submitted after 31 December 2020, it must be verified whether the primary energy demand of the respective building is at least 10% below the national threshold for nearly zero-energy buildings. In addition, it must be determined whether the usable space of the building exceeds 5,000 sqm. If this is the case, airtightness of the building envelope and thermal integration upon completion as well as the global warming potential (GWP) viewed over the entire life cycle must be demonstrated for each phase of the life cycle in addition to the criterion of efficient operation. During 2024, necessary tests were carried out and documentation was created for selected buildings so that taxonomy-alignment for buildings where the building permit application was submitted after 2020 can be demonstrated for the first time.

Do no significant harm (DNSH)

In accordance with the requirements of the economic activity “CCM 7.7 Acquisition and ownership of buildings”, CPI Europe conducts a climate risk and vulnerability assessment at the site level in order to prevent significant harm to the environmental objective “climate change adaptation”. In doing so, a model with different time horizons between 2040 and 2100 has been used so far assuming the RCP-scenarios 2.6, 4.5, 6.0 and 8.5. A detailed description of the climate risk assessment can be found in section E1 of this report. Appropriate adaptation plans have been drawn up where necessary.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for other environmental objectives for the economic activity CCM 7.7.

The share of turnover, capital and operational expenditures from assets which fulfil the substantial contribution and do no significant harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.7.

Economic activity “CCM 7.3 Installation, maintenance and repair of energy efficient equipment”**Substantial contribution to climate change mitigation (SC)**

When evaluating individual measures it was checked if they comply with the directive 2010/31/EU and if they fall under one of the activities listed in the technical screening criteria. For the 2024 financial year capital expenditures connected to the installation of cooling equipment in Hungary was assessed to fulfil the criteria.

Do no significant harm (DNSH)

The requirements regarding DNSH criteria for climate change adaptation are the same as for activity CCM 7.3. A climate risk and vulnerability assessment was carried out at site level. Thus, the criteria was considered as fulfilled.

To meet the DNSH criteria for the environmental objective “pollution prevention”, the activity has to comply with Appendix C of Annex I to the Commission Delegated Regulation (EU)2021/2139. Based on product data sheets it was verified that this criteria is fulfilled for the selected measures.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for further environmental objectives for the economic activity CCM 7.3.

The share of capital expenditures from single measures which fulfil the substantial contribution and do no significant harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.3.

Economic activity “CCM 7.6 Installation, maintenance and repair of renewable energy technology”**Substantial contribution to climate change mitigation (SC)**

To fulfil the substantial contribution criteria under the environmental objective climate mitigation, the individual measure has to correspond to one of the measures listed in the technical screening criteria. Technical specifications are not set. For the 2024 financial year, it was assessed that the installation of PV-Panels in Austria, Croatia, Hungary, Serbia und Slovenia fulfil the requirements as well as one heat pump in Hungary.

Do no significant harm (DNSH)

The requirements regarding DNSH criteria for climate change adaptation are the same as for activity CCM 7.3 and CCM 7.7 and CCM 7.3. Thus, the criteria was considered as fulfilled.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for further environmental objectives for the economic activity CCM 7.6.

The share of capital expenditures from single measures which fulfil the substantial contribution and do no significant harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.6.

Minimum safeguards (MS)

In this context, the topics of human rights (including labour and consumer rights), anti-bribery and anti-corruption, taxation and fair competition were addressed. We concluded that the minimum safeguards criteria were fulfilled.

Performance indicators of the EU Taxonomy

The key performance indicators at a glance

	2024				2023			
	CPI Europe total in MEUR	Proportion of taxonomy-aligned economic activities in %	Proportion of taxonomy-eligible economic activities (non-taxonomy-aligned) in %	Proportion of non-taxonomy-eligible economic activities in %	CPI Europe total in MEUR	Proportion of taxonomy-aligned economic activities in %	Proportion of taxonomy-eligible economic activities (non-taxonomy-aligned) in %	Proportion of non-taxonomy-eligible economic activities in %
Turnover	808.4	27.7	71.3	0.9	727.0	20.9	78.9	0.1
Capital expenditures (CapEx)	536.0	4.8	93.1	2.1	943.6	40.2	59.1	0.7
Operational expenditures (OpEx)	30.4	23.2	76.0	0.8	29.6	13.7	85.5	0.8

The complete tables on Art. 2 no. 2 Commission Delegated Regulation 2021/2178 can be found in section "performance indicators of the EU taxonomy".

Turnover

The proportion of taxonomy-aligned economic activities in total turnover was calculated as the part of net turnover derived from products and services associated with taxonomy-aligned economic activities (numerator), divided by net turnover (denominator), each for the financial year from 1 January 2024 to 31 December 2024. This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation.

In accordance with the Delegated Act on Art. 8 of the EU Taxonomy, the turnover KPI is based on the consolidated turnovers of CPI Europe (see the consolidated income statement in the consolidated financial statements of the 2023 annual report) and relates primarily to rental income and operating costs charged to tenants. The numerator of the turnover KPI is based on the taxonomy-aligned proportion of the economic activity "7.7 Acquisition and ownership of buildings" with reference to making a substantial contribution to the environmental objective "climate change mitigation" and is broken down into the following items:

in MEUR	2024	2023
Turnover from contracts with customers	217.2	190.6
Turnover from leases	589.2	533.6
Other turnover	2.0	2.7
CPI Europe	808.4	727.0

The share of taxonomy-aligned turnover increased to 27,7% (2023: 20,9%) due to the increased number of taxonomy-aligned assets.

There is no risk of double counting within Turnover KPIs as we are disclosing only the activity CCM 7.7 as aligned for turnover.

Capital expenditures (CapEx)

The key performance indicator capital expenditure (CapEx) is defined as the proportion of taxonomy-aligned capital expenditures (numerator) divided by CPI Europe's total capital expenditures (denominator). This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation.

The denominator comprises additions to investment property, property under construction, owner-operated property, other tangible assets and intangible assets for the 2024 and 2023 financial year before depreciation and amortisation and revaluations. In the 2024 and 2023 financial year, no additions resulting from business combinations which could have been taken into account for the denominator occurred. Our total capital expenditures essentially correspond to the sum of additions including changes in the scope of consolidation in accordance with the statement of changes in fixed assets (see section 4.1 and 4.2 of our 2024 annual report's consolidated financial statements). Differences result from including additions to owner-operated property, other tangible assets and intangible assets in the denominator of the CapEx KPI which are not presented separately in the notes. The numerator includes capital expenditures related to assets or processes that are associated with taxonomy-aligned proportions of economic activity 7.7. Here, CPI Europe considers capital expenditures that are material to maintaining and performing the economic activity. The principle of allocation here is the generation of external turnover through the economic activity "7.7 Acquisition and ownership of buildings". Consequently, all capital expenditures in taxonomy-aligned properties are considered in the numerator of the performance indicator.

Double counting was avoided in a way that all CapEx related to taxonomy-aligned buildings are disclosed under the economy activity CCM 7.7. Only single measures which were identified as taxonomy-aligned and connected to not-aligned buildings are disclosed under CCM 7.3 or CCM 7.6.

In 2024 the numerator of the KPI for aligned CapEx do not include any capital expenditures related to CapEx plan (as defined in Commission delegated regulation (EU) 2021/2178, paragraph 1.1.2.2.) The numerator of taxonomy-aligned capital expenditures can be broken down as follows in accordance with Annex 1 of the Commission Delegated Regulation (EU) 2021/2178:

in MEUR	2024	2023
IAS 16 Property, plant and equipment	8.1	8.2
IAS 40 Investment Property	17.7	379.2
IFRS 16 Leases (>12 months)	0	0
CPI Europe	25.7	387.4
thereof resulting from changes in the scope of consolidation	2.3	354.7

The decrease in the share of taxonomy-aligned CapEx to 4,8% (2023: 40,7%) is justified by the acquisition of taxonomy-aligned buildings which was not the case in 2024 as there were no taxonomy-aligned additions in 2024.

Operating expenditure (OpEx)

The key performance indicator operating expenditure (OpEx) is defined as the proportion of taxonomy-aligned operating expenditures (numerator) divided by total operating expenditures (denominator). This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation. The classification of the operating expenditures can be derived analogously from the categories of capital expenditures.

Total operating expenditures consist of non-capitalised costs that relate to building renovation measures, maintenance and repair as well as any other direct expenditures in connection with the day-to-day servicing of investment property, property under construction and owner-operated property.

There is no risk of double counting within OpEx KPIs as we are disclosing only the activity CCM 7.7 as aligned for OpEx.

The numerator of taxonomy-aligned operating expenditure can be broken down as follows pursuant to Annex 1 of the Commission Delegated Regulation (EU) 2021/2178:

in MEUR	2024	2023
Costs related to building renovation measures	0.7	0.3
Maintenance and repair costs	5.3	3.0
S IMMO	1.1	0.8
CPI Europe	7.0	4.1

The share of taxonomy-aligned OpEx increased to 23,2% (2023: 13,7%) due to the increased number of taxonomy-aligned assets.

Template: Proportion of turnover from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

2024				Substantial contribution criteria					
Economic activities	Code (a)	Turnover	Proportion of turnover 2024	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)
		in MEUR	in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings (e)	CCM 7.7	224.3	27.7	Y	N	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		224.3	27.7	20.9	0.0	0.0	0.0	0.0	0.0
of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which transitional		0.0	0.0	0.0					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)									
				EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %
Acquisition and ownership of buildings (e)	CCM 7.7	576.6	71.3	EL	EL	N/EL	N/EL	N/EL	N/EL
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		576.6	71.3	71.3	0.0	0.0	0.0	0.0	0.0
A. Turnover of taxonomy-eligible activities (A.1 + A.2)		800.9	99.1	99.1	0.0	0.0	0.0	0.0	0.0
B. Taxonomy-non-eligible activities									
Turnover of taxonomy-non-eligible activities		8	0.9						
Total		808.4	100.0						

The explanations to the footnotes can be found after the template for the proportion of OpEx.

	DNSH criteria (do no significant harm) (h)						Minimum safe-guards	proportion of taxonomy-aligned (A.1) or eligible (A.2) turnover 2023	Category (enabling activity)	Category (transitional activity)
	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)				
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N				
								in %	E	T
	Y	Y	Y	Y	Y	Y	Y	20.9	-	-
	Y	Y	Y	Y	Y	Y	Y	20.9		
	Y	Y	Y	Y	Y	Y	Y	0.0	E	
	Y	Y	Y	Y	Y	Y	Y	0.0		T
								78.9		
								78.9		
								99.9		

Template: Proportion of CapEx from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

2024				Substantial contribution criteria					
Economic activities	Code (a)	CapEx	Proportion of CapEx 2024	Climate change mitigation	Climate change adaptation	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)
				Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %
		in MEUR	in %						
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Installation, maintenance and repair of energy efficiency equipment (d)	CCM 7.3	0.6	0.1	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	7.5	1.4	Y	N	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings (e)	CCM 7.7	17.7	3.2	Y	N	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		25.7	4.8	4.8	0.0	0.0	0.0	0.0	0.0
of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which transitional		0.0	0.0	0.0					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)									
				EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %
Acquisition and ownership of buildings (e)	CCM 7.7	499.2	93.1	EL	EL	N/EL	N/EL	N/EL	N/EL
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		499.2	93.1	0.0	0.0	0.0	0.0	0.0	0.0
A. CapEx of taxonomy-eligible activities (A.1 + A.2)		524.9	97.9	0.0	0.0	0.0	0.0	0.0	0.0
B. Taxonomy-non-eligible activities									
CapEx of taxonomy-non-eligible activities (B)		11.1	2.1						
Total		536.0	100.0						

The explanations to the footnotes can be found after the template for the proportion of OpEx.

DNSH criteria (do no significant harm) (h)							Proportion of taxonomy-aligned (A.1) or eligible (A.2) CapEx 2023	Category (enabling activity)	Category (transitional activity)
Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards			
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
Y	Y	Y	Y	Y	Y	Y	0.3	E	
Y	Y	Y	Y	Y	Y	Y	0.6		T
Y	Y	Y	Y	Y	Y	Y	39.8		
Y	Y	Y	Y	Y	Y	Y	40.7		
Y	Y	Y	Y	Y	Y	Y	0.00	E	
Y	Y	Y	Y	Y	Y	Y	0.00		T
							58.6		
							58.6		
							99.3		

Template: Proportion of OpEx from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

2024				Substantial contribution criteria					
Economic activities	Code (a)	OpEx	Proportion of OpEx 2024	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)
		in MEUR	in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings (e)	CCM 7.7	7.0	23.2	Y	N	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		7.0	23.2	23.2	0.0	0.0	0.0	0.0	0.0
of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which transitional		0.0	0.0	0.0					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)									
				EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %
Acquisition and ownership of buildings (e)	CCM 7.7	23.1	76.0	EL	EL	N/EL	N/EL	N/EL	N/EL
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		23.1	76.0	76.0	0.0	0.0	0.0	0.0	0.0
A. OpEx of taxonomy-eligible activities (A.1 + A.2)		30.1	99.2	99.2	0.0	0.0	0.0	0.0	0.0
B. Taxonomy-non-eligible activities									
OpEx of taxonomy-non-eligible activities (B)		0.3	0.8						
Total		30.4	100.0						

The explanations of the footnotes can be found after of this table.

DNSH criteria (do no significant harm) (h)							Proportion of taxonomy-aligned (A.1) or eligible (A.2) OpEx 2023	Category (enabling activity)	Category (transitional activity)
Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards			
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
Y	Y	Y	Y	Y	Y	Y	13.7		
Y	Y	Y	Y	Y	Y	Y	13.7		
Y	Y	Y	Y	Y	Y	Y	0.0	E	
Y	Y	Y	Y	Y	Y	Y	0.0		T
							85.5		
							85.5		
							99.2		

^(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and Ecosystems: BIO

- ^(b) Y – Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective
 N – No, taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective
 N/EL – not eligible, taxonomy-non-eligible activity for the relevant environmental objective

- ^(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, which includes alignment with each of the environmental objectives for activities contributing substantially to several objectives, by using the template below:

2024	Proportion of turnover/total turnover	
	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %
CCM	27.7	99.1
CCA		
WTR		
CE		
PPC		
BIO		

2024	Proportion of CapEx/total CapEx	
	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %
CCM	4.8	97.9
CCA		
WTR		
CE		
PPC		
BIO		

2024	Proportion of OpEx/total OpEx	
	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %
CCM	23.2	99.2
CCA		
WTR		
CE		
PPC		
BIO		

- ^(d) The same activity may be eligible and not aligned with the relevant environmental objectives.

- ^(e) EL – Taxonomy-eligible activity for the relevant objective
 N/EL – Taxonomy-non-eligible activity for the relevant objective

- ^(f) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

^(g) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution: Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH: Y/N codes.

Template 1 Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

ESRS E1 Climate change

Climate change refers to the long-term alterations in temperature and weather patterns. While some of these changes can occur naturally due to variations in solar activity or significant volcanic events, human activities have predominantly driven climate change since the 1800s, primarily through the combustion of fossil fuels such as coal, oil, and natural gas. The primary greenhouse gases contributing to climate change include carbon dioxide and methane. These gases are released through activities such as burning gasoline for transportation and using coal for heating purposes. Significant sources of methane emissions include agricultural practices and operations related to oil and gas extraction. Key sectors responsible for greenhouse gas emissions include energy production, industry, transportation, buildings, agriculture, and land use.

The operation of buildings, as a key sector of the Group's activity, generates a wide range of emissions, ranging from noise to greenhouse gas emissions (GHG Emissions). Greenhouse gas emissions from the buildings come from fossil fuels burned for heat and the use of gases for refrigeration and cooling in buildings, and from the handling of waste.

Greenhouse gases play a crucial role in trapping heat in the atmosphere, leading to substantial alterations in the Earth's climate. These changes significantly affect individuals and whole population, resulting in issues such as water scarcity, increased flood risks, and droughts, all of which have implications for food security. This underscores the important relationship between climate change mitigation, adaptation and water resources (covered in ESRS E3) and biodiversity.

ESRS 2 General disclosures

Governance

Disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

(E1.GOV-3_01 to 03)

Please refer to the disclosures under ESRS 2 GOV-3.

Strategy

E1-1 – Transition plan for climate change mitigation

(E1-1-01 to E1-1-02)

In 2024, CPI Europe developed a comprehensive Climate Transition Action Plan, which has become an integral part of our operations. Our commitment to developing a Climate Transition Action Plan is driven by the need to comply with evolving regulations, mitigate climate-related risks, and capitalize on new market opportunities. This strategic initiative is essential for ensuring the long-term success and sustainability of CPI Europe in the real estate sector.

The CPI Europe transition plan lays out the future steps necessary for CPI Europe to reach zero GHG emissions by 2050. Additionally the pathway of the plan is in line with the 1.5°C goal of the Paris Climate Summit and the legal framework of the EU laid down in the European Green Deal. The analysis and the subsequent presentation of the emission sources were based on the logic of the Greenhouse Gas Protocol.

The amounts of GHG emissions are based on a study conducted by NUS Consulting Group UK for financial year 2019. It reflects an in-depth analysis of CPI Europe GHG emissions and serves as the basis for further considerations. Although CPI Europe saw some significant increase in size due to intra-group transactions with CPI Property Group in 2022 and 2023 the measures and pathways based on the NUS study shall remain valid. The emission reduction plans are set as percentage reductions compared to the baseline year 2019.

As part a of this transition plan, detailed measures were defined which will be incorporated into the company's corporate strategy over the next few years. Some of these measures are already being implemented. With regard to fossil fuels, a replacement of the existing gas heating systems with climate-friendly alternatives was defined.

The decarbonisation paths of the CRREM project were used to determine the targets. These are aligned with the European Union's 2050 target. Measures to reduce these emissions were defined for the individual emission sources. When determining the quantitative reduction, reference was made to what is technically feasible for CPI Europe and to the decarbonisation targets of Science Based Target Initiative (SBTi).

(E1-1-03 and E1-1_04)

As a key action to reduce scope 1 emissions the improvement of building components was identified. This will mostly happen during the regular replacement of the building components. Main areas are the exchange of gas heating systems with preferably heat pumps in combination with photovoltaics and the improvement of HVAC units. Regarding scope 2 emissions a significant part of the necessary actions were already implemented. Procurement of green electricity and the conclusion of PPAs are the main actions. The largest part of emissions in CPI Europe relate to fuel and energy-related activities in scope 3 due to the energy consumption of tenants. In order to reduce these emissions a multistage plan was implemented to digitalize the buildings and support CPI Europe tenants to reduce their energy consumption and increase their profitability.

(E1-1_05 to E1-1-06)

Based on current measures and cost estimates, the gross capital requirements (CapEx) for implementing CPI Europe's transition plan are estimated to be between EUR 255.5 million and EUR 424.0 million. Most of these financing requirements are already covered by maintenance measures in the coming years.

Expenditures (operational as well as capital) required for implementation of these key actions rely mainly in technology. Technology is crucial in switching to renewable energy, in energy efficiency, but also in new developments. Therefore, the significant Capex will be required in technology (changing to the low-carbon emission technology, thermal improvements of the buildings). Another significant expenditure, mainly operational expenditures, is related to switching from fossil fuels and non-renewable electricity to renewable sources.

Total transition CAPEX costs estimated	Minimum in EUR	Maximum in EUR
Scope 1	219,862,447	348,769,798
Scope 2	31,085,892	67,085,892
Scope 3	4,600,000	8,220,000
Total transition CAPEX costs estimated	255,548,339	424,075,690

In the area of Scope 1 emissions, the measures to replace existing gas heating systems, thermal building renovations and more efficient HVAC account for an amount between EUR 219.9 million and EUR 348.8 million. The costs of implementing measures in Scope 2, which are to be achieved through the further expansion of photovoltaic systems, are estimated to be between EUR 31.0 million and 67.1 million. Costs of EUR 4.6 million to 8.2 million are planned in the first step for digitalisation measures in the area of Scope 3 measures.

(E1-1_07)

Due to high uncertainty in the calculation methods, a lack of frameworks or guidelines the accurate locked-in GHG emissions from key assets were not calculated.

The buildings are developed for at least 50 years, but in reality, their lifespan is much longer and during this life-span technological system ensures a certain level of emitting emissions from their continued development and use.

To achieve GHG emission reduction targets the key actions have already been defined, and these rely on transitioning to low or zero carbon technologies and renewable sources. These actions can reduce lock-in GHG emissions, because project that generates zero greenhouse gas emissions, has no carbon lock-in GHG emission.

(E1-1_08)

The Group has as one of the targets to increase in EU Taxonomy alignment of economic activities at the consolidated Group level over time.

For further details please see the taxonomy chapter in this statement.

(E1-1-12)

The Group's Climate Transition Action Plan outlines various objectives and strategies aimed at achieving a reduction in emissions in line with the 1.5C goal of the Paris Agreement. Our main emphasis during 2024 and into the 2030s will be directly reducing emissions rather than relying on offsetting measures.

(E1-1-13)

The Climate transition plan is influenced by climate-related risks and opportunities. Recognizing our business' unique constraints and opportunities, we have tailored our sustainability objectives to be both ambitious and achievable. This commitment extends across our entire value chain and is informed by a comprehensive double materiality assessment. This process identifies and prioritizes the ESG issues most relevant to our stakeholders and potential business impacts, aligning our strategy with stakeholder expectations and broader societal goals. Through this approach, we aim to create lasting value for our stakeholders and contribute to a sustainable future.

The measures defined in the transition plan have been incorporated into the company's budgeting process for the coming years as strategic targets. Each year, the company invests significant amounts in maintenance its building stock. The existing financing requirement (CapEx) can be covered to a large extent by these annual budget funds. In addition, the implementation of most strategic goals is planned with the respective necessary replacement of building components.

(E1-1-14)

The Climate Transition Action Plan was approved by the ESG Committee of the supervisory board.

(E1-1-15)

As the transition plan was approved in year 2024, so the first evaluation of progress will be part of next reporting period.

Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

(E1.SBM-3_01 to 07)

CPI Group has conducted a comprehensive assessment of Physical Climate Risks for all properties owned by CPI Europe, both at the portfolio level and on an individual building basis. We evaluate climate risk utilising an external tool provided by ESG Software; Climcycle, which is specifically designed for this type of assessment

The Physical Climate Risk module of the platform assesses potential risks by analysing a range of climate scenarios, utilising high-resolution projections and data from authoritative sources such as Copernicus and ISIMIP. The climate risk model projections are generated using open-access data sources, as recommended in the EU Taxonomy legislative text. This includes services like Copernicus, which employs the latest technology. Currently, the tool can identify 18 physical risks, both acute and chronic. The data is accessible at varying levels of detail. Furthermore, each risk includes up to four RCP scenarios with projections extending to the year 2100.

For activities with a projected lifespan of less than a decade, the assessment is conducted using climate projections at the most suitable minimal scale. For all remaining activities, the evaluation is executed using the most refined resolution available, employing cutting-edge climate projections across the full spectrum of future scenarios that align with the activity's expected lifespan.

This module systematically identifies and evaluates physical climate risks, offering valuable insights for developing effective mitigation and adaptation strategies. Furthermore, this tool is designed to comply with EU Taxonomy regulations and to evaluate risks based on Representative Concentration Pathway (RCP) scenarios, thereby facilitating informed long-term investment decisions.

For the entire Group's portfolio, we have conducted a two-tiered analysis resulting in two sets of findings. The first set is an aggregate evaluation for the entire company, for the years 2030 and 2050 based on the requirement of ESRS Regulation (EU) 2021/1019, highlighting which risks are frequently assessed as high within our portfolio. The prominent risks identified were water stress, heat stress and river floods. The second set provides an individual evaluation for each building. As a part of the individual evaluation for each asset with the high risks, possible adaptation solutions are listed that can be implemented to mitigate the risk. These adaptation solutions will be evaluated separately for each single asset. The adaptation solutions must be implemented within the next five years, in order to meet the EU Taxonomy criteria.

Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Management approach	
Material Impacts, risks and opportunities	(1) GHG emissions generated from building (2) Consumption of energy (3) Increased cost of fossil fuels resources (4) Carbon pricing mechanism (5) Non-compliance with ESG targets lead to loss in investors confidence (6) Inadequate adaptation solutions
Policies (E1-2)	Code of Business Ethics and Conduct Group Policy Environment and CSR Group LCA policy CPIPG GHG Recalculation Policy Risk Management Policy Transition plan ESG
Targets	32.7% reduction in GHG intensity of property portfolio, incl. bio-energy, by year 2030 versus 2019 baseline Purchase of electricity exclusively from 100% renewable sources by year-end 2024 10% reduction in energy intensity of property portfolio by year 2030 versus 2019 baseline Increase in EU Taxonomy alignment of economic activities at consolidated Group level over time Alignment of Executive Board remuneration to ESG criteria
Key actions	Detailed description under E1-3

(E1.IRO-1_01-16)

The process for identifying and assessing climate-related impacts, risks, and opportunities is outlined in ESRS 2, specifically in section regarding the Double materiality assessment. Both physical and transition climate-related impacts, risks, and opportunities have been taken into account. The identified material climate-related impacts, risks, and opportunities are detailed in the Materiality and Target table of ESRS 2, SBM-1.

The Group has identified climate-related hazards over the short, medium, and long term defined in ESRS 2 and assessed whether its assets and business activities may be exposed to these hazards. Both chronic and acute climate-related hazards have been taken into account. For the entire Group's portfolio, we have conducted a two-tiered analysis resulting in two sets of findings. The first set is an aggregate evaluation for the entire company, highlighting which risks are frequently assessed as high within our portfolio. The second set provides an individual evaluation for each building.

The Group has identified the following risks, which have been determined to be non-material:

- Risk of Operational Disruptions due to extreme weather events: Extreme weather events result in damage to buildings and disrupt their functionality. Both factors can incur substantial costs. According to the Climate Risk Assessment, floods have been identified as the primary risks. Among the acute and extreme assessed risks, flooding is the most prevalent due to the proximity of certain locations to rivers. Our assessment indicates that 10 of our assets are situated in areas with a high risk of flooding. This represents an asset value of EUR 187.7 million (based on 2024 property portfolio value), with the majority located in the Czech Republic, Austria, and Serbia. 7 buildings with a focus in Slovenia, Croatia and Italy are exposed to the risk of heavy precipitation. The asset value corresponds to EUR 123.1 million. Two other buildings in the Czech Republic and Slovakia are exposed to heavy snowfall. These are worth EUR 16.4 million, and one building in the Czech Republic is at risk of landslides. This is worth EUR 2.6 million.

- Operational Costs and Adaptation Measures due to Chronic weather conditions: Financial losses can arise for the company from unnecessarily high operating costs and from the significant loss in value of the property. According to the Climate Risk Assessment, water stress and heat stress have been identified as the primary risks. The assessment indicates that 20 of our buildings in Romania are situated in areas with a high risk of heat stress, which represents an portfolio value of EUR 829.5 million . Additionally, other risks associated with chronic weather conditions were evaluated, with particular emphasis on water stress. 24 buildings in Romania and Italy identified as having a high risk of water stress reflect a portfolio value of EUR 996.5 million.

In analysis scenarios of Representative Concentration Pathways (RCPs) as follows have been used.

- RCP 2.6: A stringent mitigation scenario aiming to keep global warming likely below 2°C.
- RCP 4.5: An intermediate scenario likely resulting in 3.0°C global warming.
- RCP 6.0: Projections for temperature according to RCP 6.0 include continuous global warming making the global temperature rise by about 3-4°C by 2100.
- RCP 8.5: Under this scenario, which is often referred to as a high-emissions or “business as usual” scenario, the expected temperature increase is about 4.3°C by 2100, relative to pre-industrial temperatures.

However, it is important to note that there are uncertainties and debates about the assumptions and outcomes of this scenario. The implications of these scenarios are evaluated per decade for all operations.

The Group has identified its journey for the particular RCPs:

- RCP 2.6: Operating efficiency improvements; Energy efficient CapEx; New developments complying with EU Taxonomy and net zero energy building regulation; Diversification of the energy sources; Reduction in water intensity of property portfolio.
- RCP 4.5: Switching electricity from fossil fuel to renewable sources; Diversification of the energy sources (on-site power generation from non-renewable and renewable sources); Engaging with occupants, educating and cooperating with them on reducing CO2 emissions; Deeply involving our supply chain in our environmental strategy.
- RCP 6.0: The diversification of energy sources through on-site power generation utilizing both renewable sources; Enhancing collaboration with partners across the value chain—both upstream and downstream—to work together on reducing greenhouse gas emissions.
- RCP 8.0: Identification of priority locations to focus on in the next phases and evaluate our buildings, whether they may directly and/or indirectly cause impacts; Adaptation measures incorporated in our buildings in the portfolio (measures include water, climate and biodiversity issues); No capital or operational expenditure is linked to activities that contribute to fossil fuel expansion.

The scenarios, journeys and green measures identified are considered during the financial assessment as a part of the risk evaluations and calculations employed.

The following climate-related transition risks and opportunities in the Group’s operations and along the upstream and downstream value chain have been considered:

- Current and emerging regulations: Climate-related transition risks and opportunities in the Group's operations and along the upstream and downstream value chain have been considered and are described below:
- Technology: CPIPG continually explores building technologies designed to improve environmental performance. Evaluation of new technologies is part of the Group's decision-making process regarding refurbishments and developments.

- Market: Investors are increasingly focused on climate mitigation type investments. In 2022 CPIPG developed a Sustainable finance framework combining both Sustainability-linked bond framework and Green bond framework under which the Group has committed to use proceeds from green bonds to finance or refinance existing or future projects that improve the environmental performance of CPIPG's property portfolio and contribute to the Group's climate impact mitigation objectives. The Group recognizes that managing environmental risks can directly impact the value of its portfolio.
- Reputation: The group believes that environmental performance is critical for the group's reputation on the market. CPIPG is one of the largest European issuers of green bonds and sustainability-linked bonds, which emphasizes our focus on ESG issues and our long-term commitment to ESG reporting.

These factors were taken into account during the Double materiality assessment, which identified the following risks as material and detailed in Materiality and Target table of ESRS 2, SBM-1.

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Market Reputation and Investor Confidence
- Financial Penalties
- Risk of improper adaptation assessment and implementations

E1-2 – Policies related to climate change mitigation and adaptation

See further information under ESRS 2 MDR-P

E1-3 – Actions and resources in relation to climate change policies

(E1-3_01)

Following actions and steps are being carried out to mitigate the effects of climate change:

- Replacing refrigerants by low GWP refrigerants
CPI EUROPE plans to replace the HVAC units and refrigerators with products that use alternative coolants with little or no GWP. The new cooling system installed at the Myhive am Wienerberg | Twin Towers which uses ammonia (GWP 0) was the first building where it was realised.
- Change of heating to heat pumps
To eliminate the effect of GHG emissions caused by stationary combustion two measures have been identified. Firstly, the technological change in building operating requires the exchange of existing gas heating against heat pumps. However, such exchange also requires other construction measures to be implemented like changing the diameter of the heating pipes. Therefore, as interim solution also a switch to a renewable energy source like biomass, wood or pellets might be appropriate. However, to reach the long-term emission goals of the EBPD heat pumps must be installed.
- thermal improvement of the buildings
Future buildings need to fulfil significantly higher standards of energy efficiency. This will require a complete refurbishment of existing buildings. Thermal insulation will contribute substantially to a reduced energy demand and therefore less heating demand, which equals less natural gas consumption.
- Change to BEVs powered with CO2 free electricity
Meanwhile the automotive industry offers a wide variety for battery based electric vehicles that in combination with low emission electricity significantly reduce the GHG emissions from individual traffic. Therefore, a quick change to a fully electrified car fleet is proposed. This allows a significant reduction of related GHG emissions and a quick win for the emission reduction plan.
- Change to CO2 free heating source by service provider
We rely on the efforts of district heating providers to reduce greenhouse gas emissions from district heating. These providers are subject to the same regulations and must therefore also meet the climate targets. We are convinced that district heating is a sensible energy source for urban areas, especially if it is generated in a climate-neutral way.

– green electricity purchase by PPA

Due to the price distortions on the electricity market due to the war in Ukraine and the interpretation of possible regulations, CPI EUROPE has decided to purchase electricity via PPAs. In Austria, a PPA has already been concluded with a small hydropower plant to supplement the company's own production. In addition to the purchase of green electricity, the PPA also offers planning security with regard to cost development.

– purchase of CO₂ free electricity/ green energy from the market

From a strategic point of view, CPI EUROPE does not aim to produce electricity for the market. TAs a result, there will always be a need to purchase a residual amount on the market. The CPI Europe has set itself the goal of only purchasing green electricity from the end of 2024. Compensation by means of CO₂ certificates or guarantees of origin is no longer permitted.

– Roll out of PV plants on CPI Europe buildings

The NUS study also examined the potential for electricity generation using PV systems on the Stop Shop properties. Using the available roof space, it was determined that up to 130 GWh of electricity could potentially be generated. The total electricity consumption at that time was determined to be 236.2 GWh. This means that about 55% of the electricity consumption could be covered by our own photovoltaic systems. Due to technological progress towards multi-layer modules and the possibility of using the large parking areas in front of retail properties for PV production, we expect an even greater potential for electricity generation.

– green procurement

To reduce emissions from purchased goods and services a change in the procurement policy is necessary. Procurement decisions should be based on sustainability criteria, rather than the cheapest offer. The entire life cycle of the procured goods or services should be considered, independently of sustainability.

Further following measures should be implemented to reduce emissions:

- Purchased raw materials are from low GHG-emitting and sustainable sources.
- Purchases from suppliers committed to reducing CO₂ emissions/net zero targets.
- Prioritisation of local suppliers in order to reduce the supply chains associated with the purchase of goods and services.
- Purchases of goods and services that have a sustainability certificate.
- Inclusion of the repair option for goods in the decision-making catalogue. Repairs result in lower GHG emissions than new purchases.

– Green development

In the area of real estate development in particular, there is not only a need to design processes emission-free, but also to redesign the products. This also arises from the background of increased requirements for building emissions and energy efficiency.

The following steps are considered for reducing GHG emissions:

- Implement the life cycle carbon assessment (LCA) policy for the construction and operation of all new commercial properties.
- When selecting and planning, pay attention to materials with low CO₂ emissions. When constructing new buildings, the highest available standards for low-CO₂ construction are met.
- When purchasing new buildings or renovating existing properties, aim for the highest available energy efficiency standards.
- For the procurement of machinery, technical equipment and vehicles, the highest available EU/national energy efficiency standards must be respected.
- Prioritise the purchase of equipment/buildings based on life-cycle costs/CO₂ emissions/energy consumption to ensure that the procurement is the most efficient option (even if the initial costs are higher).

- Cooperation with tenants to reduce consumption by consumption-based billing
A roadmap covering several years is required to save the lion's share of emissions. The individual steps are presented below:
 - Recording actual consumption data at tenant level. The first step is to record actual consumption of utilities. This is done by means of electronic metering (smart meter).
 - Change in the operating cost allocation from square-meter-based keys to consumption-based calculation. This means that the economic costs of the cause are also charged to the corresponding tenant.
 - Active communication of consumption data to the tenant. The aim is to create awareness of actual consumption. A notification system for operating errors in the building services can also be integrated with relatively little effort. The advantage for CPI EUROPE is that falling operating costs mean lower subsidies from the landlord or potential for rent increases.
 - Tenants in refurbished buildings (DEER renovations) should achieve almost emission-free operation of the buildings, in line with the EBPD requirements.

- Reducing logistic efforts, local procurement
The following measures to reduce related GHG emission have been identified:
 - Ensure that all necessary transportation and distribution services are procured from suppliers with a fleet with low/no CO₂ emissions.
 - Prioritise suppliers that use biofuels or low-carbon fuels in their fuel mix for transportation and distribution services.
 - Prioritising distribution activities that use on-site renewable electricity for the storage of purchased goods in warehouses, distribution centres and retail stores, or procuring the necessary power supply from 100% renewable certified energy sources.
 - Strategic siting of new buildings close to major customers and consumption centres.
 - Reduction of greenhouse gas intensity (tCO₂e/km) by improving the efficiency of transport networks, increasing return trips, loading capacity and load factors.

- Waste reduction and increase recycling/circular economy
Possible measures for reducing greenhouse gas emissions include:
 - Reduce the amount of waste by implementing special waste disposal programmes/training for staff to increase the reuse and recycling rates in all buildings.
 - Improved recycling and reuse measures in commercial buildings to reduce the amount of waste going to landfill.
 - Conduct waste audits across the commercial portfolio to optimise waste streams, reduce contamination of materials and drive improvements in recycling rates/landfill.
 - In procurement, ensure waste management companies offer a 'zero landfill' option to reduce greenhouse gas emissions associated with landfill.
 - Registering commercial space with reuse tool/software providers so that surplus/unneeded products can be reused by local organisations, eliminating the need for recycling/disposal.

– Switch to green forms of transport

The following measures are conceivable for reducing emissions associated with business travel:

- Reducing the need for business travel across the organisation (e.g. promoting video conferencing and web-based meetings as an alternative to in-person meetings where economically feasible)
- Adopting an updated procurement policy that requires all business travel providers to demonstrate a verified net-zero target.
- Introduction of a company-wide policy to ensure the installation and availability of charging stations for electric vehicles on company premises.
- Promoting and incentivising lower-emission travel options (e.g. train instead of plane), introducing guidelines to prohibit incentives for active travel and public transport for shorter trips to customer appointments;
- Providing active travel/zero-carbon options for employees to perform their everyday tasks that require travel within the region, e.g. providing bikes for employees to travel to meetings/business appointments within the region.

– Employee commuting

- Ensure that the purchase of new commercial real estate considers sustainable travel options for employees to reduce commuting distances; e.g. by requiring that acquired properties be located near city centres and public transport to limit the average daily commute for employees.
- Optimising the use of active/carbon-free travel options by employees and discouraging the use of personal cars for daily commuting, e.g. by introducing parking policies and charges across the commercial portfolio to make carbon-free travel options more attractive.
- Provide incentives and support for company-led programmes to increase the use of public transport, e.g. programmes to promote cycling to work, 'job ticket'.
- Evaluate the feasibility of work-from-home policies and initiatives (where economically feasible) and increase the provision of communication tools/home office tools to reduce employees' daily commute.
- Provide carbon-neutral/active transportation infrastructure for employees across the commercial portfolio (e.g. electric vehicle charging points, bicycle parking).
- Introduce company policies and programmes to reduce single occupancy car trips to work, e.g. by promoting carpooling.

– Focus on green investments

As emissions reduction measures concerning the category 'Investments' the following points were considered:

- Introduction of guidelines to ensure that commercial investments are only made in companies with decarbonisation targets that are aligned with CPI EUROPE's net-zero target by 2040.
- All companies in which CPI Europe invests must regularly report their Scope 1 and Scope 2 emissions to demonstrate annual/continuous decarbonisation.
- Future investments will be targeted towards companies that directly support and promote the transition to a low-carbon economy.
- Proactive engagement with all companies to ensure alignment and verification with the SBTi.

(E1-3_03, E1-3_04)

Decarbonization measures

Scope	Decarbonization measure	Unit	Baseline 2019	Target 2030	Target 2035	Target 2040	Target 2045	Target 2050
	Total emissions	t CO₂eq	321,950	55,827	13,615	6,490	1,710	345
1.1	Replacing refrigerants by low GWP refrigerants	t CO ₂ eq	5,709	-1,019	-3,164	-4,880	-5,294	-5,570
1.2	Change of heating to heatpumps	t CO ₂ eq		-1,156	-1,220	-1,272	-1,284	-1,284
1.2	thermal improvement of the buildings	t CO ₂ eq	3,211	-1,734	-1,830	-1,907	-1,927	-1,927
1.3	Change to BEVs powered with CO2 free electricity	t CO ₂ eq	227	-227	-227	-227	-227	-227
2.1	Change to CO2 free heating source by service provider	t CO ₂ eq	6,254	-3,127	-3,909	-4,534	-6,254	-6,254
2.2	Own electricity production through PVs	t CO ₂ eq		-3,000	-12,000	-16,000	-16,000	-16,000
2.2	green electricity purchase by PPA	t CO ₂ eq		-250	-1,000	-2,500	-7,500	-10,000
2.2	purchase of CO2 free electricity from the market	t CO ₂ eq	42,499	-39,024	-29,274	-23,774	-18,999	-16,499
3.1	green procurement	t CO ₂ eq	9,086	-7,269	-8,632	-8,995	-9,086	-9,086
3.2	green development	t CO ₂ eq	24,208	-19,366	-21,787	-21,787	-22,998	-24,087
3.3	cooperation with tenants to reduce consumption by consumption-based billing	t CO ₂ eq	205,076	-167,616	-200,974	-204,256	-205,076	-205,076
3.3	reducing logistic efforts, local procurement	t CO ₂ eq	16,532	-14,879	-15,705	-16,367	-16,532	-16,532
3.4	switching to green energy	t CO ₂ eq	28	-14	-25	-25	-28	-28
3.5	increase recycling/circular economy	t CO ₂ eq		-255	-891	-1,145	-1,209	-1,209
3.5	waste reduction	t CO ₂ eq	1,697	-85	-297	-382	-403	-403
3.6	switch to green forms of transport	t CO ₂ eq	281	-267	-267	-267	-281	-281
3.7	job ticket, bikes,...	t CO ₂ eq	1,020	-714	-1,010	-1,020	-1,020	-1,020
3.15	Focus on green Investments	t CO ₂ eq	6,122	-6,122	-6,122	-6,122	-6,122	-6,122

(E1-3_05-08)

For the disclosures required by Commission Delegated Regulation (EU) 2021/2178 please see the taxonomy-chapter of this statement.

Metrics and targets

E1-4 – Targets related to climate change mitigation and adaptation

(E1-4_01)

The following targets have been set:

- A 46.2% reduction in GHG intensity of Scope 1 and Scope 2 of the property portfolio by the year 2030 versus 2019 baseline
- A 32.7% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline;
- Purchase of electricity exclusively from 100% renewable sources by year-end 2024.
- 10% reduction in energy intensity of property portfolio by year 2030 versus 2019 baseline

(E1-4_02 to 17)

Achieved & expected GHG emission reductions

	Unit	Retrospective			Milestones and target years			
		Base year 2019	2023	2024	%	2025	2030	Annual % target/ base year in %
Scope 1 GHG emissions								-4.1
Gross scope 1 GHG emissions	t CO ₂ eq	9,147	18,714	17,686	-5.5	8,494	5,011	
Scope 2 GHG emissions								n/a
Gross location based scope 2 GHG emissions	t CO ₂ eq	51,585	15,567	20,911	34.3	n/a	n/a	-8.5
Gross market based scope 2 GHG emissions	t CO ₂ eq	48,753	15,517	22,615	45.7	9,237	3 352	
Significant scope 3 GHG emissions								-7.5
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	264,049	182,004	216,864	19.5	255,775	47 464	
Total GHG emissions (market-based)	t CO ₂ eq	321,950	216,235	257,165	18.9	273,505	55,827	-7.5

CO₂ emissions are calculated according to the GHG Protocol based on the principle of operational control. The reported CO₂ emissions represent gross emissions. The CO₂ equivalents for all greenhouse gases from the Kyoto Protocol (CO₂, CH₄, N₂O, HFKW, PFC, SF₆ and NF₃) were considered in the calculation. Scope 3 greenhouse gas emissions include all categories with the exception of 3.8, 3.9, 3.10, 3.12 and 3.14. The areas not included were considered to be immaterial for CPI Europe. The values for the baseline year 2019 are derived from the actual emissions of CPI Europe based on the NUS study.

(E1-4_18)

In 2023 GHG reporting was harmonized within CPI PG, CPI Europe and S IMMO. Since then, calculation of all environmental KPIs is performed by CPI PG.

Since 2018, CPI Property Group has been working closely with the University Centre for Energy Efficient Buildings (UCEEB) of the Czech Technical University in Prague (CTU). UCEEB is as a technical support provider and adviser to the Group, supporting the Group in establishing and quantifying the Group's environmental targets as part of the Group's long-term strategy. 2024 reporting period UCEEB provided data control.

CPI Property Group (including S IMMO) has developed and continuously enhanced its Environmental Impact Reporting Tool (ERT) for data collection and putting into the database. CPI Property Group's objective is to ensure the detail, accuracy and quality of our environmental performance reporting. The ERT allows disclosure across the Group and all its segments, despite the diversity of our portfolio.

The ERT is tailored to report in-line with GHG Protocol, with the help of an independent third party, the CI3 organisation. Since 2020, we expanded the scope of the Group's collection, monitoring and reporting of GHG emissions and all relevant categories of scope 3 are now measured and disclosed. So, our reporting is aligned with the GHG Protocol.

ERT and database solutions enable the monitoring of the Group's environmental performance through greater robustness, scope (activity and geography), efficiency and automation. For our purposes, the environmental Power BI is utilised due to its efficient ability to track and analyse performance across multiple levels (site, segment, region and Group) on a regular basis, assess results against targets and implement suitable corrective measures. Power BI was also utilised for developing key figure tables and performance indicators in accordance with current guidelines of the European Sustainability Reporting Standards (ESRS).

CPI Property Group's GHG reporting (including S IMMO) has been verified by CI2 as complying with the GHG Protocol Corporate Standard. Since 2019 the Group has been in cooperation with CI2, and since 2021 with its sister company CI3. The CI3 company focuses on issues related to the carbon footprint, its reporting, verification and setting targets to reduce it. CI3 is a regional partner for CDP reporting. Through the review process, CI3 advised on the compatibility with the GHG Protocol Corporate Standard and compatibility with CDP reporting standards.

CI2 acts as a third-party and monitors, reviews, and independently validates the Group's GHG disclosures and methodology used. As the result of this cooperation, CPI Property Group's GHG footprint (including S IMMO) was verified, confirmed according to the procedures defined in the GHG Protocol and awarded CI2 conformity certificate. Recommendations and guides were prepared and will be incorporated into subsequent environmental reporting.

(E1-4_20, E1-4_21)

CPI Europe ensures that the 2019 baseline is representative by adjusting it through a standardized calculation method that considers portfolio changes. This method also involves continuous monitoring of any structural changes to assess whether further adjustments to the baseline are necessary.

This allows for continued tracking against the original target while reflecting portfolio and structural changes. This process ensures that progress toward greenhouse gas reduction goals remains consistent and representative of real changes within the company's activities and external influence.

(E1-4_22)

CPI Europe's The Group's GHG emissions intensity reduction target has been developed as science-based, aligned with the Paris Agreement climate goals to limit the global temperature increase versus pre-industrial at 1,5°C.

In CPI Europe's Climate Transition Action Plan various objectives and strategies are set aimed at achieving a reduction in emissions in line with the 1.5°C goal of the Paris Agreement, from climate change perspective:

- A 73.9% reduction in GHG intensity of Scope 1 and Scope 2 of the property portfolio by the year 2030 versus 2019 baseline
- A 71.7% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline;

For a detailed description of the decarbonization levers please see section E1-1 of this statement

(E1-4_24)

Climate risk analysis

Based on the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the requirements of the EU Taxonomy Regulation, CPI Europe carried out climate risk analyses as described in E1.IRO-1_01-16.

E1-5 – Energy consumption and mix

(E1-5_01 to E1-5_23)

Energy consumption and mix

Energy consumption and mix (inside the organisation)	Unit	Baseline	Total		Austria	
		2019	2024	2023	2024	2023
(1) Fuel consumption from coal and coal products	MWh		0	0		
(2) Fuel consumption from crude oil and petroleum products	MWh	2,112	447	759	51	99
(3) Fuel consumption from natural gas	MWh	54,319	71,657	72,407	1,088	2,596
(4) Fuel consumption from other fossil sources	MWh		0	0		
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	110,317	77,988	84,206	1,203	7,026
(a) Electricity	MWh	79,516	21,014	17,665	29	
(b) Heat and cooling	MWh	30,801	56,974	66,541	1,173	7,026
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	166,748	150,091	157,372	2,342	9,721
Share of fossil sources in total energy consumption	%	93	47.1	48.9	69.0	46.9
(7) Consumption from nuclear sources	MWh		13,388	3,630	0	
Share of consumption from nuclear sources in total energy consumption	%		4.2	1	0.0	
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	593,649	229,239	205,483	11,484	15,164
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh		0	0		
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	11,948	152,267	160,002	1,032	11,002
(a) Electricity	MWh	11,948	152,044	158,795	809	11,002
(b) Heat and cooling	MWh		223	1,207	223	
(10) Consumption of self-generated non-fuel renewable energy	MWh	639	2,726	793	21	15
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	12,588	154,993	160,795	1,053	11,017
Share of consumption from renewable sources in total energy consumption	%	7.0	48.7	50.0	31.0	53.1
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	23,147	227,257	220,543	1,560	5,863
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	796,131	318,472	321,797	3,395	20,738
Total energy consumption inside and outside the organisation	MWh		774,968	747,824	16,440	41,765
Self-generated non-renewable energy production	MWh	402	0	221		
Self-generated renewable energy production	MWh	730	5,167	1,622	1,707	669

Energy intensity	Unit	Baseline	Total		Austria	
		2019	2024	2023	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/MEUR	1,380	877	936	795	910
Net revenue from activities in high climate impact sectors ¹	MEUR	577	883.5	798.7	20.7	45.9
Total energy consumption inside and outside the organisation per total reference gross leasable area	MWh/sqm	0	0.213	0.212	0.164	0.211
Total reference gross leasable area	sqm	2,881,528	3,636,086	3,531,030	100,231	198,138

¹ Net revenue for SIMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in CPI Europe's consolidated financial statement

Energy consumption and mix (inside the organisation)	Unit	Germany		Poland	
		2024	2023	2024	2023
(1) Fuel consumption from coal and coal products	MWh				
(2) Fuel consumption from crude oil and petroleum products	MWh			5	0
(3) Fuel consumption from natural gas	MWh			2,515	2,697
(4) Fuel consumption from other fossil sources	MWh				
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh			16,798	29,820
(a) Electricity	MWh			26	8,635
(b) Heat and cooling	MWh			16,773	21,184
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	0	0	19,318	32,517
Share of fossil sources in total energy consumption	%			39.9	58.2
(7) Consumption from nuclear sources	MWh			0	0
Share of consumption from nuclear sources in total energy consumption	%			0.0	0
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	0	0	22,445	27,159
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh				
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	2,398	2,398	29,049	23,357
(a) Electricity	MWh	2,398	2,398	29,049	23,357
(b) Heat and cooling	MWh				
(10) Consumption of self-generated non-fuel renewable energy	MWh	41	41		
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	2,439	2,439	29,049	23,357
Share of consumption from renewable sources in total energy consumption	%	100.0	100.0	60.1	41.8
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	5,446	5,446	22,118	18,040
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	2,439	2,439	48,367	55,875
Total energy consumption inside and outside the organisation	MWh	7,886	7,886	92,930	101,074
Self-generated non-renewable energy production	MWh				
Self-generated renewable energy production	MWh	41	41		

Energy intensity	Unit	Germany		Poland	
		2024	2023	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/MEUR	328	338	911	1,020
Net revenue from activities in high climate impact sectors	MEUR	24.1	23.3	102.0	99.1
Total energy consumption inside the organisation per reference gross lettable area	MWh/sqm	0.090	0.090	0.220	0.228
Total reference gross leasable area	sqm	88,100	88,100	422,052	444,081

Energy consumption and mix (inside the organisation)	Unit	Czech Republic		Hungary	
		2024	2023	2024	2023
(1) Fuel consumption from coal and coal products	MWh				
(2) Fuel consumption from crude oil and petroleum products	MWh	3		0	
(3) Fuel consumption from natural gas	MWh	7,798	6,240	278	382
(4) Fuel consumption from other fossil sources	MWh				
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	8,872	3,505		
(a) Electricity	MWh	4,743	274		
(b) Heat and cooling	MWh	4,130	3,231		
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	16,674	9,745	279	382
Share of fossil sources in total energy consumption	%	75.7	54.5	10.7	8.9
(7) Consumption from nuclear sources	MWh	3,162	161		
Share of consumption from nuclear sources in total energy consumption	%	14.4	1		
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	43,515	16,266	5,350	4,482
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh				
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	2,020	7,918	2,221	3,912
(a) Electricity	MWh	2,020	7,918	2,221	2,705
(b) Heat and cooling	MWh				1,207
(10) Consumption of self-generated non-fuel renewable energy	MWh	170	53	99	
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	2,190	7,971	2,320	3,912
Share of consumption from renewable sources in total energy consumption	%	9.9	44.6	89.3	91.1
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	4,697	14,621	20,843	21,344
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	22,026	17,877	2,599	4,295
Total energy consumption inside and outside the organisation	MWh	70,238	48,764	28,792	30,120
Self-generated non-renewable energy production	MWh	170	53	99	
Self-generated renewable energy production	MWh				

Energy intensity	Unit	Czech Republic		Hungary	
		2024	2023	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/MEUR	857	871	847	863
Net revenue from activities in high climate impact sectors	MEUR	81.9	56.0	34.0	34.9
Total energy consumption inside and outside the organisation per total reference gross leasable area	MWh/sqm	0.185	0.173	0.176	0.190
Total reference gross leasable area	sqm	380,387	281,819	163,269	158,174

Energy consumption and mix (inside the organisation)	Unit	Romania		Slovakia	
		2024	2023	2024	2023
(1) Fuel consumption from coal and coal products	MWh	0	0		
(2) Fuel consumption from crude oil and petroleum products	MWh	0	0	33	8
(3) Fuel consumption from natural gas	MWh	2,298	3,500	4,236	4,581
(4) Fuel consumption from other fossil sources	MWh	0	0		
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	0	4,291	8,401	6,353
(a) Electricity	MWh	0	3,924	2,779	593
(b) Heat and cooling	MWh	0	367	5,622	5,760
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	2,298	7,790	12,670	10,942
Share of fossil sources in total energy consumption	%	4.3	15.6	44.6	36.0
(7) Consumption from nuclear sources	MWh	0	975	4,203	898
Share of consumption from nuclear sources in total energy consumption	%	0.0	2	14.8	3
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	26,150	46,528	24,133	13,970
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0		
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	51,649	41,039	11,414	18,544
(a) Electricity	MWh	51,649	41,039	11,414	18,544
(b) Heat and cooling	MWh		0		
(10) Consumption of self-generated non-fuel renewable energy	MWh	0	0	136	
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	51,649	41,039	11,549	18,544
Share of consumption from renewable sources in total energy consumption	%	95.7	82.4	40.6	61.0
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	82,348	69,311	727	11,369
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	53,947	49,804	28,422	30,384
Total energy consumption inside and outside the organisation	MWh	162,446	165,643	53,282	55,724
Self-generated non-renewable energy production	MWh		0		0
Self-generated renewable energy production	MWh	0	0	136	

Energy intensity	Unit	Romania		Slovakia	
		2024	2023	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/MEUR	1,762	1,882	1,040	1,065
Net revenue from activities in high climate impact sectors	MEUR	92.2	88.0	51.3	52.3
Total energy consumption inside and outside the organisation per total reference gross leasable area	MWh/sqm	0.442	0.452	0.204	0.211
Total reference gross leasable area	sqm	367,723	366,790	260,971	263,506

Energy consumption and mix (inside the organisation)	Unit	Adriatic		S IMMO	
		2024	2023	2024	2023
(1) Fuel consumption from coal and coal products	MWh			0	0
(2) Fuel consumption from crude oil and petroleum products	MWh		158	354	494
(3) Fuel consumption from natural gas	MWh	1,973	2,958	51,470	49,452
(4) Fuel consumption from other fossil sources	MWh			0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	799	1,680	41,914	31,531
(a) Electricity	MWh	22	1,065	13,415	3,175
(b) Heat and cooling	MWh	777	616	28,499	28,356
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	2,772	4,796	93,738	81,477
Share of fossil sources in total energy consumption	%	45.2	59.7	62.0	61.6
(7) Consumption from nuclear sources	MWh	0	0	6,023	1,597
Share of consumption from nuclear sources in total energy consumption	%	0.0	0	4.0	1
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	17,405	20,572	78,756	61,342
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh				
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	1,972	2,811	50,511	49,020
(a) Electricity	MWh	1,972	2,811	50,511	49,020
(b) Heat and cooling	MWh				
(10) Consumption of self-generated non-fuel renewable energy	MWh	1,383	427	876	257
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	3,355	3,238	51,387	49,277
Share of consumption from renewable sources in total energy consumption	%	54.8	40.3	34.0	37.2
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	MWh	35,979	26,811	53,538	47,737
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	6,128	8,034	151,149	132,351
Total energy consumption inside and outside the organisation	MWh	59,512	55,418	283,442	241,430
Self-generated non-renewable energy production	MWh			0	221
Self-generated renewable energy production	MWh	2,038	427	976	432

Energy intensity	Unit	Adriatic		S IMMO	
		2024	2023	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/MEUR	848	884	696	717
Net revenue from activities in high climate impact sectors ¹	MEUR	70.2	62.7	407.2	336.5
Total energy consumption inside and outside the organisation per total reference gross leasable area	MWh/sqm	0.153	0.153	0.194	0.176
Total reference gross leasable area	sqm	389,151	361,153	1,464,202	1,369,268

¹ Net revenue for S IMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in CPI Europe's consolidated financial statement.

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

Data for the water and energy consumption are either acquired directly from water and energy suppliers or meters or from tenants in case the tenants have direct relationship with water and energy suppliers. If the data from tenants was not provided, it was estimated based on comparative values specific to the building. Energy and water consumption is split between inside the organization (containing consumption related to own operations) and outside the organization (containing consumption related to our downstream value chain, i.e. tenants consumption).

Energy consumption

The objective was to use actual data for all types of energy consumption (fuel, electricity, district heating, water) and waste generated for the twelve-month period. To this end, automatically transmitted data (smart metering), read-out data and data from utility company invoices were used. Where no complete data was available, consumption was estimated using appropriate assumptions-based building type and lettable space. Where no data was available for the full year 2024, data from 2023 was used. The energy consumption of buildings and acquired or sold during the year was considered for the full months in which these buildings were a part of the portfolio.

Normalisation

For the intensity indicators (energy intensity, water intensity, CO₂ intensity) the reference total area of the buildings used as denominator. In addition to the total lettable area of properties that formed part of the portfolio throughout the year, the total lettable area of properties that were purchased or sold during the year were normalised on a monthly basis so that the area is equivalent to the number of months relevant for the report on a pro rata basis. The intensity calculated contains the consumption obtained as described above.

E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions

Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions

(E1-6_01 - E1-6_04, E1-6_07, E1-6_09 - E1-6_13, E1-6_33 - E1-6_34)

In 2024, CPI Europe achieved a decrease of 42% of our greenhouse gas emissions (market-based) in comparison with the 2019 baseline.

GHG emissions	Unit	Total				Austria		
		2019	2023	2024	%	2023	2024	%
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions	t CO ₂ eq	13,788	18,714	17,686	-5.5	n.a.	265	
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	39,999	15,567	20,911	34.3	n.a.	78	
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	42,601	15,517	22,615	45.7	n.a.	27	
Significant Scope 3 GHG emissions (market based)								
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	317,472	147,773	176,563	19.5	n.a.	1,283	
1. Purchased goods and services	t CO ₂ eq	13,003	19,288	7,960	-58.7	n.a.	262	
2. Capital goods	t CO ₂ eq	28,938	8,965	16,393	82.9	n.a.	276	
3. Fuel and energy-related activities	t CO ₂ eq	258,525	101,216	120,665	19.2	n.a.	605	
4. Upstream transportation and distribution	t CO ₂ eq	763	651	1,192	83.1	n.a.	20	
5. Waste generated in operations	t CO ₂ eq	12,788	12,124	15,243	25.7	n.a.	28	
6. Business traveling	t CO ₂ eq	788	91	70	-22.5	n.a.	5	
7. Employee commuting	t CO ₂ eq	300	154	566	267.8	n.a.	71	
8. Upstream leased assets	t CO ₂ eq	0	0	843	0.0	n.a.	0	
9. Downstream transportation	t CO ₂ eq	0	n.a.	n.a.	n.a.	n.a.	n.a.	
10. Processing of sold products	t CO ₂ eq	0	n.a.	n.a.	n.a.	n.a.	n.a.	
11. Use of sold products	t CO ₂ eq	56	21	35	62.6	n.a.	16	
12. End-of-life treatment of sold products	t CO ₂ eq	0	n.a.	n.a.	n.a.	n.a.	n.a.	
13. Downstream leased assets	t CO ₂ eq	1,569	4,725	13,045	176.1	n.a.	0	
14. Franchises	t CO ₂ eq	0	0	0		n.a.	0	
15. Investments	t CO ₂ eq	742	538	550	2.3	n.a.	0	
Share of emissions calculated from primary data	%	n.a.	n.a.	74.2		n.a.	67.0	
Total GHG emissions								
Total GHG emissions (location-based)	t CO ₂ eq	356,038	172,007	203,744	18.5	n.a.	2,192	
Total GHG emissions (market-based)	t CO ₂ eq	373,862	182,004	216,864	19.2	n.a.	1,575	

GHG intensity	Unit	Total				Austria		
		2019	2023	2024	%	2023	2024	%
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/MEUR	617.0	215.4	230.6	7.1	n.a.	106.1	
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/MEUR	647.9	227.9	245.5	7.7	n.a.	76.2	
Net revenue	MEUR	577.1	798.7	883.5	10.6	45.9	20.7	
Total GHG emissions (location-based) per total reference gross leasable area	t CO ₂ eq/sqm	0.116	0.049	0.056	15.0	n.a.	0.022	
Total GHG emissions (market-based) per total reference gross leasable area	t CO ₂ eq/sqm	0.122	0.052	0.060	15.7	n.a.	0.016	
Total reference gross leasable area	sqm	3,057,070	3,531,030	3,636,086	3.0	198,138	100,231	

¹ Net revenue for S IMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in CPI Europe's consolidated financial statement

GHG emissions	Unit	Germany			Poland		
		2023	2024	%	2023	2024	%
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	t CO ₂ eq	n.a.	30		n.a.	1,437	
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	0		n.a.	1,107	
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	0		n.a.	1,107	
Significant Scope 3 GHG emissions (market based)							
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	n.a.	1,338		n.a.	20,655	
1. Purchased goods and services	t CO ₂ eq	n.a.	467		n.a.	861	
2. Capital goods	t CO ₂ eq	n.a.	552		n.a.	183	
3. Fuel and energy-related activities	t CO ₂ eq	n.a.	169		n.a.	18,627	
4. Upstream transportation and distribution	t CO ₂ eq	n.a.	40		n.a.	13	
5. Waste generated in operations	t CO ₂ eq	n.a.	101		n.a.	970	
6. Business traveling	t CO ₂ eq	n.a.	0.54		n.a.	0	
7. Employee commuting	t CO ₂ eq	n.a.	8		n.a.	0	
8. Upstream leased assets	t CO ₂ eq	n.a.	0		n.a.	0	
9. Downstream transportation	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
10. Processing of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
11. Use of sold products	t CO ₂ eq	n.a.	0		n.a.	0	
12. End-of-life treatment of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
13. Downstream leased assets	t CO ₂ eq	n.a.	0		n.a.	0	
14. Franchises	t CO ₂ eq	n.a.	0		n.a.	0	
15. Investments	t CO ₂ eq	n.a.	0		n.a.	0	
Share of emissions calculated from primary data	%	n.a.	81.8		n.a.	67.3	
Total GHG emissions							
Total GHG emissions (location-based)	t CO ₂ eq	n.a.	1,368		n.a.	22,718	
Total GHG emissions (market-based)	t CO ₂ eq	n.a.	1,368		n.a.	23,199	

GHG intensity	Unit	Germany			Poland		
		2023	2024	%	2023	2024	%
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/MEUR	n.a.	56.9		n.a.	222.7	
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/MEUR	n.a.	56.9		n.a.	227.4	
Net revenue	MEUR	23.3	24.1		99.1	102.0	
Total GHG emissions (location-based) per total reference gross leasable area	t CO ₂ eq/sqm	n.a.	0.0		n.a.	0.1	
Total GHG emissions (market-based) per total reference gross leasable area	t CO ₂ eq/sqm	n.a.	0.0		n.a.	0.1	
Total reference gross leasable area	sqm	88,100	88,100		444,081	422,052	

GHG emissions	Unit	Czech Republic			Hungary		
		2023	2024	%	2023	2024	%
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	t CO ₂ eq	n.a.	1,754		n.a.	139,013 41	
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	4,944		n.a.		
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	5,434		n.a.		
Significant Scope 3 GHG emissions (market based)							
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	n.a.	35,276		n.a.	2,832	
1. Purchased goods and services	t CO ₂ eq	n.a.	630		n.a.	257	
2. Capital goods	t CO ₂ eq	n.a.	757		n.a.	94	
3. Fuel and energy-related activities	t CO ₂ eq	n.a.	24,333		n.a.	1,922	
4. Upstream transportation and distribution	t CO ₂ eq	n.a.	55		n.a.	7	
5. Waste generated in operations	t CO ₂ eq	n.a.	907		n.a.	552	
6. Business traveling	t CO ₂ eq	n.a.	0		n.a.	0	
7. Employee commuting	t CO ₂ eq	n.a.	0		n.a.	0	
8. Upstream leased assets	t CO ₂ eq	n.a.	0		n.a.	0	
9. Downstream transportation	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
10. Processing of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
11. Use of sold products	t CO ₂ eq	n.a.	0		n.a.	0	
12. End-of-life treatment of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
13. Downstream leased assets	t CO ₂ eq	n.a.	8,594		n.a.	0	
14. Franchises	t CO ₂ eq	n.a.	0		n.a.	0	
15. Investments	t CO ₂ eq	n.a.	0		n.a.	0	
Share of emissions calculated from primary data	%	n.a.	81.9		n.a.	90.6	
Total GHG emissions							
Total GHG emissions (location-based)	t CO ₂ eq	n.a.	41,502		n.a.	2,971	
Total GHG emissions (market-based)	t CO ₂ eq	n.a.	42,463		n.a.	2,971	

GHG intensity	Unit	Czech Republic			Hungary		
		2023	2024	%	2023	2024	%
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/ MEUR	n.a.	n.a.	506.5		n.a.	87.4
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/ MEUR	n.a.	n.a.	518.3		n.a.	87.4
Net revenue	MEUR	n.a.	56.0	81.9		34.9	34.0
Total GHG emissions (location-based) per total reference gross leasable area	t CO ₂ eq/ sqm	n.a.	n.a.	0.1		n.a.	0.0
Total GHG emissions (market-based) per total reference gross leasable area	t CO ₂ eq/ sqm	n.a.	n.a.	0.1		n.a.	0.0
Total reference gross leasable area	sqm	n.a.	281,819	380,387		158,174	163,269

			Romania		Slovakia		
GHG emissions	Unit	2023	2024	%	2023	2024	%
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	t CO ₂ eq	n.a.	775		n.a.	962	
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	0		n.a.	2,491	
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	0		n.a.	2,862	
Significant Scope 3 GHG emissions (market based)							
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	n.a.	14,010		n.a.	11,149	
1. Purchased goods and services	t CO ₂ eq	n.a.	843		n.a.	104	
2. Capital goods	t CO ₂ eq	n.a.	1,823		n.a.	10	
3. Fuel and energy-related activities	t CO ₂ eq	n.a.	9,855		n.a.	7,052	
4. Upstream transportation and distribution	t CO ₂ eq	n.a.	132		n.a.	1	
5. Waste generated in operations	t CO ₂ eq	n.a.	1,357		n.a.	769	
6. Business traveling	t CO ₂ eq	n.a.	0		n.a.	0	
7. Employee commuting	t CO ₂ eq	n.a.	0		n.a.	0	
8. Upstream leased assets	t CO ₂ eq	n.a.	0		n.a.	0	
9. Downstream transportation	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
10. Processing of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
11. Use of sold products	t CO ₂ eq	n.a.	0		n.a.	0	
12. End-of-life treatment of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	
13. Downstream leased assets	t CO ₂ eq	n.a.	0		n.a.	3,212	
14. Franchises	t CO ₂ eq	n.a.	0		n.a.	0	
15. Investments	t CO ₂ eq	n.a.	0		n.a.	0	
Share of emissions calculated from primary data	%	n.a.	78.6		n.a.	86.7	
Total GHG emissions							
Total GHG emissions (location-based)	t CO ₂ eq	n.a.	14,785		n.a.	13,602	
Total GHG emissions (market-based)	t CO ₂ eq	n.a.	14,785		n.a.	14,973	

GHG intensity	Unit	Romania			Slovakia		
		2023	2024	%	2023	2024	%
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/ MEUR	n.a.	160.4		n.a.	265.4	
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/ MEUR	n.a.	160.4		n.a.	292.1	
Net revenue	MEUR	88.0	92.2		52.3	51.3	
Total GHG emissions (location-based) per total reference gross leasable area	t CO ₂ eq/ sqm	n.a.	0.0		n.a.	0.1	
Total GHG emissions (market-based) per total reference gross leasable area	t CO ₂ eq/ sqm	n.a.	0.0		n.a.	0.1	
Total reference gross leasable area	sqm	366,790	367,723		263,506	260,971	

			Adriatic		S IMMO		
GHG emissions	Unit	2023	2024	%	2023	2024	%
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	t CO ₂ eq	n.a.	629		11,541	11,694	1.3
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	60		4,518	12,231	170.7
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	n.a.	203		5,873	12,982	121.0
Significant Scope 3 GHG emissions (market based)							
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	n.a.	30,580		43,815	59,441	35.7
1. Purchased goods and services	t CO ₂ eq	n.a.	556		3,555	3,980	12.0
2. Capital goods	t CO ₂ eq	n.a.	10,700		2,417	1,997	-17.4
3. Fuel and energy-related activities	t CO ₂ eq	n.a.	11,669		32,715	46,433	41.9
4. Upstream transportation and distribution	t CO ₂ eq	n.a.	778		175	146	-16.9
5. Waste generated in operations	t CO ₂ eq	n.a.	6,860		3,150	3,697	17.4
6. Business traveling	t CO ₂ eq	n.a.	0		74	65	-11.9
7. Employee commuting	t CO ₂ eq	n.a.	0		63	488	678.5
8. Upstream leased assets	t CO ₂ eq	n.a.	0		0	843	n.a.
9. Downstream transportation	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	n.a.
10. Processing of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	n.a.
11. Use of sold products	t CO ₂ eq	n.a.	16		2	2	-14
12. End-of-life treatment of sold products	t CO ₂ eq	n.a.	n.a.		n.a.	n.a.	n.a.
13. Downstream leased assets	t CO ₂ eq	n.a.	0		1,124	1,239	10.2
14. Franchises	t CO ₂ eq	n.a.	0		0	0	0
15. Investments	t CO ₂ eq	n.a.	0		538	550	2.3
Share of emissions calculated from primary data	%	n.a.	63		n.a.	73.1	n.a.
Total GHG emissions							
Total GHG emissions (location-based)	t CO ₂ eq	n.a.	30,101		47,907	74,504	55.5
Total GHG emissions (market-based)	t CO ₂ eq	n.a.	31,411		61,229	84,117	37.4

GHG intensity	Unit	Adriatic			S IMMO		
		2023	2024	%	2023	2024	%
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/ MEUR	n.a.	428.8		142.4	183.0	28.5
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/ MEUR	n.a.	447.5		182.0	206.6	13.5
Net revenue	MEUR	62.7	70.2		336.5	407.2	21.0
Total GHG emissions (location-based) per total reference gross leasable area	t CO ₂ eq/ sqm	n.a.	0.1		0.0	0.1	45.4
Total GHG emissions (market-based) per total reference gross leasable area	t CO ₂ eq/ sqm	n.a.	0.1		0.0	0.1	28.5
Total reference gross leasable area	sqm	361,153	389,151		1,369,268	1,464,202	6.9

¹ Net revenue for S IMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in CPI Europe's consolidated financial statement

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

The CO₂ footprint calculation is based on the GHG Protocol Corporate Standard. Emissions are stated in CO₂-equivalent (CO₂e) terms. The CO₂e values for electricity and district heating are based on information by the energy suppliers and on publicly available sources, including the European data from the Association of Issuing Bodies (AIB) as well as the government conversion factors of the British Department for Energy Security (DE-FRA). Data for Scope 3 was calculated with emission factors from Ademe Full Carbon Base..

Normalisation

Please see explanation for E1-5

(E1-6_14)

Revisions to our environmental disclosures in 2023 were made where relevant and based on updated information for correctness and consistency:

- Integration of assets which are newly in scope of non-financial statement 2024 into 2023 disclosures;
- Change in consumption or GLA of some assets due to updated information;
- GHG emission factors have been updated for 2023 according to the latest information.

To provide more accurate reporting, a new calculation was used during 2024 to better determine district heating emission factors. As a result of this updated methodology, significant changes were observed in the emission factors for district heating. To ensure consistency in year-on-year greenhouse gas emissions disclosures, the changes in district heating emission factors were retroactively applied to the year 2023. This led to a notable decrease in greenhouse gas values for 2023, due to the lower emission factor values identified.

(E1-6_15)

In 2024, the scope of the portfolio subject to collection, monitoring and reporting of environmental data was expanded as follows:

Developments are excluded from the reporting scope until the first full calendar month after a building goes into operation.

Major refurbishment is defined as any alteration that affects more than 50% of the total building floor area or requires the relocation of more than 50% of regular building occupants. Absolute consumption values are included for a major refurbishment, while for intensity calculations, GLA values are proportionately reduced to reflect the actual period of full operation in the year. Also, disclosures on fuels consumed by company cars, business trips, employee commuting and our proportional share of equity investments emissions are included for GHG in ESRS tables.

In 2023, the internal resales of buildings were incorporated into our reporting procedures to accurately allocate emissions to particularly companies. For 2024 reporting, we continue with this “internal resales” procedure.

Definitions in the Group's reporting differ between segments as follows:

- Retail, Offices, Logistics, and Residential segments are reported based on Gross Leasable Area (“GLA”);
- Hotels are reported based on the area that represents space leased to hotel operators;

The Reference Gross Leasable Area is used for the final calculations of indicators and includes not only the GLA of the properties that were part of the portfolio for the entire year, but also the GLA of buildings acquired/sold during the year, normalized monthly.

CPI Europe publishes environmental KPIs each calendar year, including all data available up to and including 28 February 2025. Certain information pertaining to 2024 was not available within this period. This information is taken from the Group's 2023 environmental report as a proxy. Data will be updated in subsequent reporting once available.

(E1-6_16)

The Group uses for GHG emissions calculation the operational approach.

(E1-6_18, E1-6_21, E1-6_23)

Between during 2024 18 PV plants were completed with a capacity of 7.339 kWp. In total, 33 PV plants with a capacity of 12.600 kWp have been installed so far. Renewable electricity production is present within portfolio in Austria, Hungary, Romania, Serbia, Croatia and Czech Republic with an annual production of 5,152 MWh, representing avoiding the emission of 1,747 t CO₂e in 2024.

Green electricity purchases through green electricity contracts, utilising Guarantees of Origin, decreased in 2024 as for the portfolio in Czech Republic and Slovakia grey electricity was bought for almost the full year 2024.

(E1-6_25)

The information regarding the primary data is collected for consumption, as well as for other calculations. Based on this information the percentage of GHG using primary data is 74%.

The share of estimations split by scopes is:

Scope 1: 13%

Scope 2: 20%

Scope 3: 28%

(E1-6_26)

Following Scopes 3 GHG emissions categories have been excluded, because all these are not relevant for CPIPG's business (real estate).

- 3.09 Downstream transportation & distribution
- 3.10. Processing of sold products
- 3.12. End-of-life treatment of sold products

Category 3.14 Franchises is also not relevant. All emissions from our buildings that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year (that are not included in scope 1 or scope 2) are already included in category 3.13.

(E1-6_27)

We use an inventory for all Scope 3 categories: 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.11, 3.13, 3.14, 3.15.

(E1-6_29)

Scope 1 is reported based on operational control. Under the operational control approach, CPIPG accounts for 100% of the GHG emissions from operations over which it or one of its subsidiaries has operational control. Scope 1 encompasses GHG emission from greenhouse gas sources (greenhouse gas source physical unit or process that releases a GHG into the atmosphere) owned or controlled by the organisation (Direct GHG emissions).

Scope 2 includes energy indirect greenhouse gas emissions. GHG emission from the generation of imported electricity, heat or steam consumed by the organisation (Energy indirect GHG emissions) are reported here.

Scope3:

3.01 - We include main purchased goods and services (in terms of volume, cost, impact on GHG, etc.). Method of GHG Calculation is spend-based method – estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g., industry average) emission factors (e.g., average emissions per monetary value of goods). It is possible to combine it supplier-specific data from product-level GHG inventory from main suppliers.

3.02 - Main purchased capital goods are included (such as remodels and refits of leased spaces, smaller refurbishments etc.). All upstream (cradle-to-gate) emissions of purchased capital goods are included. The method of GHG calculation is the same as for category 3.1 - spend-based method and supplier-specific method.

3.03 Includes consumption of fuels and energy purchased (heat and electricity) in CPI Europe's properties, that are outside CPI Europe's operational control and HFCs installed on site that are outside CPI Europe's operational control. This category includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2

Method of GHG Calculation:

- Supplier-specific method, which involves collecting data from fuels and energy purchased providers on upstream emissions (extraction, production, and transportation), transmission and distribution losses and generation of electricity consumed by the reporting company.
- Average-data method, which involves estimating emissions by using secondary (e.g., industry average) emission factors for upstream emissions per unit of consumption (e.g., kg CO₂e/kWh).

3.04 Emissions from third-party upstream transportation and distribution connected to the fit-out works in the reporting company's owned or controlled operations in the reporting year.

3.05 Emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year. This category includes emissions from disposal of both solid waste and wastewater. Waste treatment at facilities owned or controlled by the reporting company is accounted for in scope 1 and scope 2. Method of GHG Calculation:

- Waste-type-specific method is used, which involves using emission factors for specific waste types and waste treatment methods. Waste reporting has improved at our assets during the past years.

3.06 This category includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and private passenger cars. Emissions (refrigerants, oils, maintenance etc) from leased vehicles operated by the reporting company (CPI Europe's car fleet) not included in Scope 1 are reported in category 3.6 category. Business trips by private cars are reported in 3.6 category. Well-to-tank (WTT) emissions from fuel consumption are reported under Scope 3.3.

Method of GHG Calculation:

- Fuel-based method, which involves determining the amount of fuel consumed during business travel and applying the appropriate emission factor for that fuel.
- Distance-based method, which involves determining the distance and mode of business trips, then applying the appropriate emission factor for the mode used. Note: CPI Europe utilizes Fuel-based method for CPI Europe's car fleet and Distance-based method for employees' private cars utilized for business travel or where info about fuel is missing includes emissions from the transportation of employees between their homes and their worksites. Emissions from employee commuting may arise from: Automobile travel, Bus travel, Rail travel, Air travel, other modes of transportation (e.g. subway, bicycling, walking).

Method of GHG Calculation:

Distance-based method, which involves collecting data from employees on commuting patterns (e.g., distance travelled, and mode used for commuting) collected by questionnaire survey distributed to all employees. In next step data collected from questionnaire are calculated into emissions by applying appropriate emission factors for the modes used.

3.08 Category 3.8 includes Scope 1 and Scope 2 emissions from the operation of assets that are leased by the reporting company in the reporting year and not already included in the reporting company's scope 1 or scope 2 inventories.

Method of GHG Calculation:

Asset-specific method, which involves collecting asset-specific (e.g., site-specific) fuel and energy use data and process and fugitive emissions data or Scope 1 and Scope 2 emissions data from individual leased assets. These data are provided by internal environmental reporting tool of CPIPG. It concerns leased cars and leased property.

3.11 It includes the sale of renewable electricity to the grid from the PV plants.

3.13 Includes emissions from the operation of assets that are owned by CPI Europe (acting as lessor) and leased to other entities in the reporting year that are not already included in Scope 1, Scope 2 or Scope 3.3.

3.15 We report proportional Scope 1 and Scope 2 emissions from equity investments in the reporting year in this category (Investments). Proportional emissions from equity investments are allocated to the investor based on the investor's proportional share of equity in the investee. GHG scope 1 and 2 emissions of the Globalworth company acquired in 2020 included here. 2019 figure is the same as 2020 figure due to applied GHG Recalculation Policy in 2020.

(E1-6_32)

The calculations of property portfolio value were performed in accordance with IFRS in line with the consolidated financial statement. The property portfolio value is based on the consolidated data of the Group and includes the application of the fair value method.

E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

(E1-9_14, E1-6_16, E1-6_19, E1-6_21, E1-6_29)

In DMA the material transition risks were identified and to our assets are linked following transition risks:

- Risk of increased cost of fossil fuel resources
- Carbon pricing mechanisms
- Adaptation Assessment and Implementation Risk

In accordance with these risks all assets with a significant fuel consumption (defined as assets with GLA exceeding 5,000 sqm, gas consumption higher than 600 MWh in 2024 and fuel intensity more than 50kWh/sqm) as well as assets with at least one red flag in the Climate risk analysis (CRA) were considered as at material transition risk. For further details of the CRA please see E1.SBM-3_01 –07.

The total fair value of assets at material transition risk before considering climate mitigation actions is EUR 3,192.96 million, equalling 37.9% of assets based on GLA. Mitigation measures are considered in all assets as the Climate transition plan of CPI Europe covers the entire portfolio.

(E1-9_17)

Carrying amount of assets by energy efficiency class as stated in the Energy performance certificates:

Primary Energy Efficiency Class	Fair Value in EUR million
A	1,198.50
B	1,224.89
C	1,235.35
D	1,795.35
E	358.45
F	56.35
G	18.40
None	2,119.47

(E1-9_18)

The potential effects on future financial performance and position for assets and business activities at material transition risk have been assessed. Please see detailed description in E1.IRO-1.

As material transition risks we identified

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Market Reputation and Investor Confidence
- Financial Penalties
- Adaptation Assessment and Implementation Risk

The assessment of risks was done based on a combination of the likelihood of occurrence and the potential magnitude/size of the financial effects. Our assessment took into account also the different perspective -the short, medium and long-term.

(E1-9_20, E-9_21)

All assets considered to be at material transition risk were also considered as potentially stranded. This results in an estimated amount of potentially stranded assets of EUR 3,192.96 million based on fair value.

(E1-9_22)

Invoices, automatic meter readings, manual-visual readings, or data provided by tenants were considered as primary data. If any part of the reported data was based on estimation, the share of estimation had to be reported (up to 25%, to 50%, or 100%).

This resulted in the following shares of estimation:

- electricity estimation: 21%
- fuel estimation: 21%
- heating and cooling estimation: 26%

(E1-9_23)

As described in ESRS 2, SBM-3 Currently, the direct impact on the Group's financial statements resulting from the material transition risks are minimal. Given that our material Impacts, Risks, and Opportunities (IROs) are closely tied to our core business and growth potential, our initiatives aimed at enhancing opportunities and mitigating associated risks are integrated within our established corporate governance approach. In the future the cost for emission certificates can be considered between EUR 21.4 and 36.3 million.

(E1-9_41)

The expected cost savings from climate change mitigation actions consist mainly from cost savings of higher operating costs for emission certificates, or increased costs for use of restricted substances (as HFCs). Another amount of expected savings is from energy consumption savings.

The expected cost savings from climate change mitigation actions in total are between EUR 59.3 and 117.2 million depending on the future development of the price for CO2 certificates.

(E1-9_42)

The expected cost savings from climate change adaptation actions consist mainly from cost savings of settlement of damages after hazardous events (for example floods, tornado) or decreasing the costs of maintenance.

The expected cost savings from climate change adaptation actions are in total EUR 2.6 million per year.

ESRS E3 Water and marine resources

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

(E3.IRO-1_01)

See disclosures under ESRS 2 – IRO 1

Material impacts, risks and opportunities

Management approach

Material Impacts, risks and opportunities	(7) Water withdrawal of CPI Europe 's building portfolio
Policies	Group Policy Environment and CSR
	Code of Business Ethics and Conduct
	Risk Management Policy
Targets	Reduction of water intensity of the property portfolio by 10% by 2030 compared to the 2019 base line
Key actions	Improvement of data quality
	using water saving faucets

(E3.IRO-1_02)

Since the majority of our drinking water supply comes from municipal sources, we are dependent on the water supply and therefore have no further influence on affected communities.

E3-1 – Policies related to water and marine resources

(E3.MDR-P_01-06)

Policy Overview

The internal guidelines that indirectly relate to our organisation's approach to water savings principles are detailed in two key documents:

- the Group Policy on Environment and Corporate Social Responsibility (CSR)

This policy states the principles for The Group in terms of environmental performance management designed to optimise the use of natural resources, replacement and savings of potable water, among other objectives.

– the Code of Business Ethics and Conduct

This policy encapsulates the Group's proactive stance on environmental protection and its commitment to efficiency use of resources, where water is one of the critical. A description of the policies can be found under ESRS 2, MDR-P.

(E3-1_01 to E3-1_06)

CPI Europe has set group ESG Strategy & Goals to reduce water intensity across its portfolio which are approved by the ESG Committee of the supervisory board and is closely tracked and managed at Group level. This initiative aims to minimize water usage and its environmental footprint.

E3-2 – Actions and resources related to water and marine resources

(E3.MDR-A_01-07, E3.MDR-A_08, E3.MDR-A_09-12)

In the course of the climate risk analyses locations with potential water scarcity issues in Germany, Romania, and Serbia were identified. To ensure that drinking water is used in a resource-efficient manner in buildings, both technical and behavioural measures are implemented. The Group has been using flow restrictors, sensor-controlled taps and modern toilet cisterns with dual-flush systems help to minimise flushing water consumption within its building portfolio. These are also required in many of our buildings due to their LEED or BREEAM certification.

(E3-2_03)

Each asset has a main water meter, since most of the drinking water supply comes from municipal sources. Water treatment is disposed by the local wastewater network, which is treated in accordance with local laws and regulations.

At our Shopping Center VIVO! Krosno, Retail park STOP SHOP Siedlce or office myhive "Am Wienerberg for example, we use rainwater cisterns and storage tanks to significantly reduce the amount of water drawn from municipal sources. Future plans include the replacement of water-intensive grassy areas with planting that supports biodiversity.

With the digitalisation of consumption data which will be installed within the upcoming years, water consumption will be continuously monitored to detect leaks and ensure that water pipes are regularly checked for leaks and repaired rapidly in the future, ensuring that water and marine resources are used as efficiently as possible.

Also, we are raising awareness among tenants and educating them about the importance of using water sparingly through our green lease agreements.

Metrics and targets

E3-3 – Targets related to water and marine resources

(E3.MDR-T_01-13, E3-3_01 to 03)

A target has been set to reduce the water intensity of the property portfolio by 10% by 2030, compared with the 2019 baseline. Since the goal is a group-wide one, we are naturally aiming to implement more effective measures as quickly as possible in areas of high water stress, which were identified based on a comprehensive assessment of physical climate risks for all properties owned and managed by CPIPG. This assessment of physical climate risks use the geodata from the Aqueduct Water Stress Projections provided by the WRI. This reduction target is part of the Group's broader ESG objectives to improve resource efficiency and mitigate environmental impacts.

(E3-3_08)

The target of reducing the water intensity is voluntary (not required by legislation).

E3-4 – Water consumption**Water consumption**

(E3-4_01 to E3-4_12)

The Group does not have significant amount of water retained or discharged back to the water environment therefore the water withdrawal, water consumption and water discharges are disclosed in the same amounts. The Group reports municipal water consumption separately from water sourced onsite (extraction or capture) and water reuse. The water consumption amounted to 2,146,929 m³ 2024.

Water consumption	Unit	Baseline	Total		Austria	
		2019	2024	2023	2024	2023
Total water withdrawal	m³	2,276,656	2,146,929	2,034,229	24,238	73,118
Water withdrawal in our own operation	m ³	1,077,713	1,319,706	1,327,907	20,960	66,865
Water withdrawal outside the organisation	m ³	1,198,943	827,223	706,322	3,278	6,252
Total water consumption	m ³	2,276,656	2,146,929	2,034,229	24,238	73,118
Water consumption in our own operation	m ³	1,077,713	1,319,706	1,327,907	20,960	66,865
Water consumption outside the organisation	m ³	1,198,943	827,223	706,322	3,278	6,252
Total water withdrawal in areas at material water risk	m ³	n.a.	308,673	280,230	0	0
Water withdrawal in areas at material water risk in our own operation	m ³	n.a.	89,190	74,630	0	0
Water withdrawal in areas at material water risk outside the organisation	m ³	n.a.	219,483	205,599	0	0
Total water consumption in areas at material water risk	m ³	n.a.	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk in our own operation	m ³	n.a.	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk outside the organisation	m ³	n.a.	n.a.	n.a.	n.a.	n.a.
Total water reused and recycled	m ³	0	4,880	0	0	0
Water reused and recycled in our own operation	m ³	0	4,880	0	0	0
Water reused and recycled outside the organisation	m ³	0	0	0	0	0
Total water stored	m ³	0	122,926	112,849	0	0
Water stored in our own operation	m ³	0	86,430	112,849	0	0
Water stored outside the organisation	m ³	0	36,497	0	0	0
Water store changes	m ³	0	10,077	-4600	0	0
Share of water withdrawal derived from direct measurement	%	n.a.	47.5		37.9	

Water intensity	Unit	Baseline	Total		Austria	
		2019	2024	2023	2024	2023
Total water consumption per net revenue	m³/MEUR	3,945	2,430	2,547	1,173	1,593
Net revenue	MEUR	577.1	883.5	798.7	20.7	45.9
Total water consumption per total reference gross leasable area	m³/sqm	0.79	0.59	0.58	0.24	0.37
Total reference gross leasable area	sqm	2,881,528	3,636,086	3,531,030	100,231	198,138

¹ Net revenue for S IMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in CPI Europe's consolidated financial statement

Water consumption	Unit	Germany		Poland	
		2024	2023	2024	2023
Total water withdrawal	m³	364,089	364,089	192,638	197,082
Water withdrawal in our own operation	m ³	356,958	356,958	118,875	125,635
Water withdrawal outside the organisation	m ³	7,131	7,131	73,763	71,448
Total water consumption	m³	364,089	364,089	192,638	197,082
Water consumption in our own operation	m ³	356,958	356,958	118,875	125,635
Water consumption outside the organisation	m ³	7,131	7,131	73,763	71,448
Total water withdrawal in areas at material water risk	m³	0	0	0	0
Water withdrawal in areas at material water risk in our own operation	m ³	0	0	0	0
Water withdrawal in areas at material water risk outside the organisation	m ³	0	0	0	0
Total water consumption in areas at material water risk	m³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk in our own operation	m ³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk outside the organisation	m ³	n.a.	n.a.	n.a.	n.a.
Total water reused and recycled	m³	0	0	0	0
Water reused and recycled in our own operation	m ³	0	0	0	0
Water reused and recycled outside the organisation	m ³	0	0	0	0
Total water stored	m³	0	0	50	50
Water stored in our own operation	m ³	0	0	50	50
Water stored outside the organisation	m ³	0	0	0	0
Water store changes	m ³	0	0	0	-1100
Share of water withdrawal derived from direct measurement	%	0		65.0	

Water intensity	Unit	Germany		Poland	
		2024	2023	2024	2023
Total water consumption per net revenue	m³/MEUR	15,131	15,626	1,888	1,989
Net revenue	MEUR	24.1	23.3	102.0	99.1
Total water consumption per total reference gross leasable area	m³/sqm	4.13	4.13	0.46	0.44
Total reference gross leasable area	sqm	88,100	88,100	422,052	444,081

Water consumption	Unit	Czech Republic		Hungary	
		2024	2023	2024	2023
Total water withdrawal	m³	152,165	111,259	72,685	62,161
Water withdrawal in our own operation	m ³	47,057	27,407	33,450	24,790
Water withdrawal outside the organisation	m ³	105,109	83,853	39,235	37,371
Total water consumption	m³	152,165	111,259	72,685	62,161
Water consumption in our own operation	m ³	47,057	27,407	33,450	24,790
Water consumption outside the organisation	m ³	105,109	83,853	39,235	37,371
Total water withdrawal in areas at material water risk	m³	0	0	0	5,396
Water withdrawal in areas at material water risk in our own operation	m ³	0	0	0	1,601
Water withdrawal in areas at material water risk outside the organisation	m ³	0	0	0	3,795
Total water consumption in areas at material water risk	m³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk in our own operation	m ³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk outside the organisation	m ³	n.a.	n.a.	n.a.	n.a.
Total water reused and recycled	m³	0	0	0	0
Water reused and recycled in our own operation	m ³	0	0	0	0
Water reused and recycled outside the organisation	m ³	0	0	0	0
Total water stored	m³	42,996	0	959	0
Water stored in our own operation	m ³	7,557	0	959	0
Water stored outside the organisation	m ³	35,439	0	0	0
Water store changes	m ³	42,996	0	959	0
Share of water withdrawal derived from direct measurement	%	53.1		88.8	

Water intensity	Unit	Czech Republic		Hungary	
		2024	2023	2024	2023
Total water consumption per net revenue	m³/MEUR	1,857	1,987	2,138	1,781
Net revenue	MEUR	81.9	56.0	34.0	34.9
Total water consumption per total reference gross leasable area	m³/sqm	0.40	0.39	0.45	0.39
Total reference gross leasable area	sqm	380,387	281,819	163,269	158,174

Water consumption	Unit	Romania		Slovakia	
		2024	2023	2024	2023
Total water withdrawal	m³	240,468	249,449	99,602	99,593
Water withdrawal in our own operation	m ³	71,043	72,990	65,277	77,974
Water withdrawal outside the organisation	m ³	169,425	176,459	34,325	21,619
Total water consumption	m ³	240,468	249,449	99,602	99,593
Water consumption in our own operation	m ³	71,043	72,990	65,277	77,974
Water consumption outside the organisation	m ³	169,425	176,459	34,325	21,619
Total water withdrawal in areas at material water risk	m ³	159,140	163,384	0	0
Water withdrawal in areas at material water risk in our own operation	m ³	35,259	29,221	0	0
Water withdrawal in areas at material water risk outside the organisation	m ³	123,881	134,163	0	0
Total water consumption in areas at material water risk	m ³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk in our own operation	m ³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk outside the organisation	m ³	n.a.	n.a.	n.a.	n.a.
Total water reused and recycled	m ³	0	0	0	0
Water reused and recycled in our own operation	m ³	0	0	0	0
Water reused and recycled outside the organisation	m ³	0	0	0	0
Total water stored	m ³	100	10	74,337	112,282
Water stored in our own operation	m ³	100	10	73,279	112,282
Water stored outside the organisation	m ³	0	0	1,058	0
Water store changes	m ³	90	10	-37,945	-4,017
Share of water withdrawal derived from direct measurement	%	94.2		62.9	

Water intensity	Unit	Romania		Slovakia	
		2024	2023	2024	2023
Total water consumption per net revenue	m³/MEUR	2,609	2,835	1,943	1,904
Net revenue	MEUR	92.2	88.0	51.3	52.3
Total water consumption per total reference gross leasable area	m³/sqm	0.65	0.68	0.38	0.38
Total reference gross leasable area	sqm	367,723	366,790	260,971	263,506

Water consumption	Unit	Adriatic		S IMMO	
		2024	2023	2024	2023
Total water withdrawal	m³	178,770	155,875	822,274	721,603
Water withdrawal in our own operation	m³	42,895	40,652	563,192	534,637
Water withdrawal outside the organisation	m³	135,876	115,223	259,082	186,966
Total water consumption	m³	178,770	155,875	822,274	721,603
Water consumption in our own operation	m³	42,895	40,652	563,192	534,637
Water consumption outside the organisation	m³	135,876	115,223	259,082	186,966
Total water withdrawal in areas at material water risk	m³	0	0	149,533	111,450
Water withdrawal in areas at material water risk in our own operation	m³	0	0	53,932	43,808
Water withdrawal in areas at material water risk outside the organisation	m³	0	0	95,601	67,642
Total water consumption in areas at material water risk	m³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk in our own operation	m³	n.a.	n.a.	n.a.	n.a.
Water consumption in areas at material water risk outside the organisation	m³	n.a.	n.a.	n.a.	n.a.
Total water reused and recycled	m³	0	0	4,880	0
Water reused and recycled in our own operation	m³	0	0	4,880	0
Water reused and recycled outside the organisation	m³	0	0	0	0
Total water stored	m³	320	507	4,165	0
Water stored in our own operation	m³	320	507	4,165	0
Water stored outside the organisation	m³	0	0	0	0
Water store changes	m³	-187	507	4,165	0
Share of water withdrawal derived from direct measurement	%	32.1		47.8	

Water intensity	Unit	Adriatic		S IMMO	
		2024	2023	2024	2023
Total water consumption per net revenue	m³/MEUR	2,547	2,486	2,019	2,144
Net revenue	MEUR	70.2	62.7	407.2	336.5
Total water consumption per total reference gross leasable area	m³/sqm	0.46	0.43	0.56	0.53
Total reference gross leasable area	sqm	389,151	361,153	1,464,202	1,369,268

¹ Net revenue for S IMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in CPI Europe's consolidated financial statement

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

Please see explanation for E1-5

Normalisation

Please see explanation for E1-5

(E3-4_06)

The objective was to use actual data for water consumption for the twelve-month period. To this end, automatically transmitted data (smart metering), read-out data and data from utility company invoices were used. Where no complete data was available, consumption was estimated using appropriate assumptions based on lettable space. Where no data was available for the full year reporting year, data from the previous year were used.

As direct measurement data based on automatically transmitting and utility company invoices were considered.

For the reporting year 2024 we newly added water in fire sprinkler tanks to water storage. Therefore, no changes in water storage are reported for 2023.

ESRS E5 Resource use and circular economy

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

See ESRS 2 IRO-1

(E5.IRO-1_01, E5.IRO-1_02)

Management approach

Material Impacts, risks and opportunities	(8) Generation of waste
Policies	Code of Business Ethics and Conduct
	Group Policy Environment and CSR
	Risk Management Policy
Targets	Elimination of waste sent to landfill wherever possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030
Key actions	Improvement of data quality with additional data collected
	Analysis of waste streams
	Waste prevention promotion
	Green lease agreements

The daily operation of buildings produces a substantial volume of waste. Therefore, CPI Europe undertakes a comprehensive assessment of waste generation within its portfolio. This process includes the collection of data pertaining to waste production, encompassing quantities, methods of disposal, and the types of analyses conducted on this data to discern patterns and identify opportunities for enhancement. In the course of identifying areas for improvement, waste assessments were performed across the portfolio to get actual data as a benchmark for the segment. An evaluation of the potential risks associated with various waste types was incorporated into a double materiality assessment, which considered potential environmental, health, and safety risks. Inadequate waste management practices, particularly in landfills, can lead to air pollution and the contamination of water and soil. These risks can be mitigated through proactive waste management, elevated recycling rates, and, most critically, the prevention of waste generation. As a Group, we have identified the predominant challenge as the reduction of mixed waste and have established our objectives in this domain accordingly.

E5-1 – Policies related to resource use and circular economy

(E5-1_03_AR 9 a and b, E5-3_13-27)

The internal guidelines that indirectly support our organization's circular economy principles are detailed in two key documents:

- the Code of Business Ethics and Conduct

This policy encapsulates the Group's proactive stance on environmental protection and its commitment to high standards of performance, use of natural and other resources as a critical component of a circular economy.

- the Group Policy on Environment and Corporate Social Responsibility (CSR)

This policy states the principles for The Group in terms of circular economy management designed to optimize the use of natural and other resources, minimize waste and promote reuse and recycling of raw materials, among other objectives.

Moreover, our waste management objectives are consistent with Directive (EU) 2018/851, that underscores the significance of sustainable waste management practices. Notably, Article 11(2) of Directive (EU) 2018/851 establishes member state recycling and reuse targets, which we are committed to achieving. Furthermore, the directive emphasizes the importance of improving the efficiency of resource usage and recognizing waste as a valuable resource, facilitating the shift towards a circular economic model. This transition involves adopting sustainable production and consumption practices and is anticipated to create substantial opportunities for local economies and stakeholders, including those in the real estate sector. Consequently, waste reduction practices are covered in our internal guidelines for suppliers and tenants.

E5-2 – Actions and resources related to resource use and circular economy

(E5.MDR-T_01-12, E5.MDR-T_01-13, E5.MDR-T_01-23, E5-3_09-25)

The Group has introduced following circular economy actions (particularly related to waste reduction):

- Introduced a new category of hazardous recyclables in 2024 in order to properly address this type of waste.
- Over time, we have analysed waste streams using waste scanning, primarily in shopping centers in the Czech Republic, to identify critical waste streams and develop more efficient, tailored waste management strategies.
- Waste prevention promotion via constantly updated education and awareness programs.
- A gradual increase in the number of green leases, mainly with major tenants, including clauses that encourage waste reduction practices.

Waste management is also governed by legislation, which we diligently monitor within each local jurisdiction. All assets adhere to local regulations and facilitate the segregation of waste into relevant categories for our buildings' operations. Furthermore, we actively encourage our tenants to adopt green lease agreements, reflecting our commitment to sustainability and environmental responsibility. Please see the Target and Materiality table as well.

Metrics and targets

E5-3 – Targets related to resource use and circular economy

(E5-3_06, E5-3_07, E5-3_09, E5-3_13, E5-5_12 to E5-5_14)

As a part of its Environmental, Social and Governance (ESG) strategy, the Group has adopted an objective (aligned with EU targets) to eliminate waste sent to landfill whenever feasible, plus the intention to achieve a 55% recycling rate by year end 2025 (increasing to 60% by 2030). We also ensure that our commitments are transparently communicated and publicly accessible. Our established processes are firmly rooted in the functions that bear day-to-day responsibility for ensuring adherence to our policies.

In 2024 the **waste recycling rate** across the entire portfolio was 36%.

Waste streams are contingent upon the particular segment of our portfolio. The most significant waste streams among recyclable materials are paper and plastic. These materials are generated in larger quantities due to documentation, and other operational activities, however, a gradual decline in their production is taking place with the advent of electronic documentation that does not necessitate a printed counterpart. While in sectors such as hospitality, biological waste including food scraps and organic matter is predominant. The primary non-recyclable waste stream across the various segments is municipal mixed waste. This category encompasses a diverse array of materials that are not readily separable for recycling purposes, including contaminated packaging, specific types of plastics, and various composite materials. Municipal mixed waste is significantly predominant across all sectors, rendering it a critical emphasis in our waste management strategies.

Initiatives are primarily concentrated on reducing and managing this category of waste in order to mitigate its environmental impact.

E5-5 – Resource outflows

(E5-5_07 to E5-5_16)

Resource outflows waste

Resource outflows – Waste	Unit	Total		Austria	
		2024	2023	2024	2023
Total waste generated	t	40,880.9	37,948.8	938.7	1,712.5
Total hazardous waste generated	t	1,347.6	829.7	25.2	241.9
Total hazardous waste recovery	t	52.7			
Preparation for reuse	t	n.a.	n.a.	n.a.	n.a.
Recycling	t	52.7			
Other recovery operations	t	n.a.	n.a.	n.a.	n.a.
Total hazardous waste disposal	t	1,294.9	829.7	25.2	241.9
Total incineration	t	n.a.	n.a.	n.a.	n.a.
incineration with energy recovery	t	n.a.	n.a.	n.a.	n.a.
incineration without energy recovery	t	n.a.	n.a.	n.a.	n.a.
Landfilling	t	n.a.	n.a.	n.a.	n.a.
Other disposal operations	t	n.a.	n.a.	n.a.	n.a.
Total radioactive waste generated	t		0.0		
Total non-hazardous waste generated	t	39,533.2	37,119.1	913.5	1,470.5
Total non-hazardous waste recovery	t	14,674.2	13,616.4	472.0	443.1
Preparation for reuse	t	418.2	281.6		
Recycling	t	14,041.5	13,329.4	472.0	443.1
Other recovery operations	t	214.5	5.4		
Total non-hazardous waste disposal	t	24,859.0	23,502.7	441.5	1,027.5
Total incineration	t	3,128.0	3,281.8	441.5	1,025.1
incineration with energy recovery	t	2,467.5	2,890.1	441.5	1,025.1
incineration without energy recovery	t	660.4	391.7		
Landfilling	t	20,002.5	18,998.0		
Other disposal operations	t	1,728.6	1,222.9		2.4
Total non-recycled waste	t	26,206.7	24,332.4	466.7	1,269.4
Share of non-recycled waste of total waste generated	%	64.1	64.1	49.7	74.1

Resource outflows – Waste	Unit	Germany		Poland	
		2024	2023	2024	2023
Total waste generated	t	1,126.9	1,126.9	1,946.6	2,153.2
Total hazardous waste generated	t			27.9	21.8
Total hazardous waste recovery	t			6.1	
Preparation for reuse	t	n.a.	n.a.	n.a.	n.a.
Recycling	t			6.1	
Other recovery operations	t	n.a.	n.a.	n.a.	n.a.
Total hazardous waste disposal	t			21.8	21.8
Total incineration	t	n.a.	n.a.	n.a.	n.a.
incineration with energy recovery	t	n.a.	n.a.	n.a.	n.a.
incineration without energy recovery	t	n.a.	n.a.	n.a.	n.a.
Landfilling	t	n.a.	n.a.	n.a.	n.a.
Other disposal operations	t	n.a.	n.a.	n.a.	n.a.
Total radioactive waste generated	t				
Total non-hazardous waste generated	t	1,126.9	1,126.9	1,918.7	2,131.4
Total non-hazardous waste recovery	t	671.7	671.7	714.7	1,026.2
Preparation for reuse	t			7.8	
Recycling	t	671.7	671.7	706.9	1,026.2
Other recovery operations	t				
Total non-hazardous waste disposal	t	455.2	455.2	1,203.9	1,105.2
Total incineration	t	455.2	455.2	160.1	248.4
incineration with energy recovery	t	455.2	455.2	47.3	25.5
incineration without energy recovery	t			112.8	222.9
Landfilling	t			1,038.8	851.8
Other disposal operations	t			5.0	5.0
Total non-recycled waste	t	455.2	455.2	1,231.8	1,127.0
Share of non-recycled waste of total waste generated	%	40.4	40.4	63.3	52.3

Resource outflows – Waste	Unit	Czech Republic		Hungary	
		2024	2023	2024	2023
Total waste generated	t	3,838.7	1,987.6	3,852.6	3,218.6
Total hazardous waste generated	t	435.082	122.2	119.94	129.54
Total hazardous waste recovery	t	8,295			
Preparation for reuse	t	n.a.	n.a.	n.a.	n.a.
Recycling	t	8.3			
Other recovery operations	t	n.a.	n.a.	n.a.	n.a.
Total hazardous waste disposal	t	426.8	122.2	119.9	129.5
Total incineration	t	n.a.	n.a.	n.a.	n.a.
incineration with energy recovery	t	n.a.	n.a.	n.a.	n.a.
incineration without energy recovery	t	n.a.	n.a.	n.a.	n.a.
Landfilling	t	n.a.	n.a.	n.a.	n.a.
Other disposal operations	t	n.a.	n.a.	n.a.	n.a.
Total radioactive waste generated	t				
Total non-hazardous waste generated	t	3,403.6	1,865.4	3,732.7	3,089.1
Total non-hazardous waste recovery	t	1,656.3	797.6	2,887.0	2,363.3
Preparation for reuse	t	154.6	25.6	8.6	
Recycling	t	1,501.8	772.0	2,878.3	2,363.3
Other recovery operations	t				
Total non-hazardous waste disposal	t	1,747.2	1,067.9	845.7	725.8
Total incineration	t	305.3	185.8	129.2	83.2
incineration with energy recovery	t	51.3	79.0	43.4	43.4
incineration without energy recovery	t	254.0	106.8	85.8	39.8
Landfilling	t	1,441.9	882.1	580.7	263.0
Other disposal operations	t			135.8	379.6
Total non-recycled waste	t	2,182.3	1,190.1	965.6	855.3
Share of non-recycled waste of total waste generated	%	56.9	59.9	25.1	26.6

Resource outflows – Waste	Unit	Romania		Slovakia	
		2024	2023	2024	2023
Total waste generated	t	3,984.2	5,277.3	3,273.0	3,023.5
Total hazardous waste generated	t	0.0	0.0	281.5	142.6
Total hazardous waste recovery	t				
Preparation for reuse	t	n.a.	n.a.	n.a.	n.a.
Recycling	t				
Other recovery operations	t	n.a.	n.a.	n.a.	n.a.
Total hazardous waste disposal	t	0.0	0.0	281.5	142.6
Total incineration	t	n.a.	n.a.	n.a.	n.a.
incineration with energy recovery	t	n.a.	n.a.	n.a.	n.a.
incineration without energy recovery	t	n.a.	n.a.	n.a.	n.a.
Landfilling	t	n.a.	n.a.	n.a.	n.a.
Other disposal operations	t	n.a.	n.a.	n.a.	n.a.
Total radioactive waste generated	t		0.0		
Total non-hazardous waste generated	t	3,984.2	5,277.3	2,991.5	2,880.9
Total non-hazardous waste recovery	t	1,006.1	902.7	1,822.5	1,633.9
Preparation for reuse	t	0.0	2.5	40.5	232.0
Recycling	t	1,006.1	900.2	1,567.5	1,396.4
Other recovery operations	t	0.0	0.0	214.5	5.4
Total non-hazardous waste disposal	t	2,978.1	4,374.6	1,169.0	1,247.1
Total incineration	t	0.0	5.3	4.0	113.7
incineration with energy recovery	t	0.0	5.3	4.0	113.7
incineration without energy recovery	t	0.0	0.0		
Landfilling	t	1,724.9	3,563.2	1,165.0	1,133.4
Other disposal operations	t	1,253.2	806.0		
Total non-recycled waste	t	2,978.1	4,374.6	1,450.5	1,389.6
Share of non-recycled waste of total waste generated	%	74.7	82.9	44.3	46.0

Resource outflows – Waste	Unit	Adriatic		S IMMO	
		2024	2023	2024	2023
Total waste generated	t	10,152.8	8,321.4	11,767.5	11,127.8
Total hazardous waste generated	t			458.0	171.7
Total hazardous waste recovery	t			38.3	
Preparation for reuse	t	n.a.	n.a.	n.a.	n.a.
Recycling	t			38.3	
Other recovery operations	t	n.a.	n.a.	n.a.	n.a.
Total hazardous waste disposal	t			419.7	171.7
Total incineration	t	n.a.	n.a.	n.a.	n.a.
incineration with energy recovery	t	n.a.	n.a.	n.a.	n.a.
incineration without energy recovery	t	n.a.	n.a.	n.a.	n.a.
Landfilling	t	n.a.	n.a.	n.a.	n.a.
Other disposal operations	t	n.a.	n.a.	n.a.	n.a.
Total radioactive waste generated	t				
Total non-hazardous waste generated	t	10,152.8	8,321.4	11,309.5	10,956.1
Total non-hazardous waste recovery	t	535.5	604.9	4,908.5	5,173.0
Preparation for reuse	t	0.5	3.0	206.2	18.5
Recycling	t	535.0	601.9	4,702.2	5,154.6
Other recovery operations	t				
Total non-hazardous waste disposal	t	9,617.3	7,716.5	6,401.1	5,783.1
Total incineration	t			1,632.7	1,165.1
incineration with energy recovery	t			1,424.9	1,143.0
incineration without energy recovery	t			207.8	22.1
Landfilling	t	9,312.6	7,716.5	4,738.5	4,588.0
Other disposal operations	t	304.7		29.9	29.9
Total non-recycled waste	t	9,617.3	7,716.5	6,859.1	5,954.8
Share of non-recycled waste of total waste generated	%	94.7	92.7	58.3	53.5

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

Data for waste is derived from invoices of the waste disposal companies. In case, tenants having their own waste management, the share of waste generated by tenants is completed with site-specific benchmarks.

Waste generation

Waste data is disclosed based on the invoices of the respective waste disposal companies. Where data was not available for individual assets, it was complemented with comparable figures, calculated using country- and asset-specific actual data, or estimated. Where no data was available for the full year 2024, data from 2023 was used. The waste generated by buildings acquired or sold during the year was considered for the full months in which these buildings were part of the portfolio.

Normalisation

Please see explanation for E1-5

(E5-5_17)

Data is collected based on waste disposal processes, reported in tons. In case no real data is available, appropriate estimations were made as described in ESRS 2.

For the reporting year 2024 we included hazardous waste recovery and disposal to our waste reporting for the first time.

Social information

ESRS S1 Own workforce

ESRS 2 General disclosures

Strategy

Disclosure Requirement related to ESRS 2 SBM-2 – Interests and views of stakeholders

See information under ESRS 2 SBM-3

Disclosure Requirement related to ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

(S1.SBM-3_01 to S1.SBM-3_12)

Motivated and well-educated employees are the key to success for our strategy and business model. It's our employees who are executing the strategy, seeking innovation and developing new ideas. Their skills, motivation and engagement directly impact productivity, quality, and overall business performance. CPI Europe strives to create a framework for its employees in which they can develop their potential, strengths and competencies to the best of their abilities.

Material impacts related to own workforce are disclosed under section ESRS 2 SBM-3 of this statement.

The report by CPI Europe includes all employees on whom direct influence can be exerted by the Group and hotel employees over whom the Group has no direct influence (even though the Group has employment contract with these employees). This refers to 566 employees in Austria and Hungary. They were considered during the Double Materiality Assessment and the management of material IRO's considering that there is only very limited information available, and that the management of the hotels is not subject to directives by the management of CPI Europe. The employees of the two hotels differ from the other employees in that CPI Europe has no responsibility for personnel management (selection, policies, target agreements, etc.). Hotel employees are included in all numerical data points; wherever processes, policies and work instructions are discussed, hotel employees are not included in the explanations.

The own workforce of CPI Europe consists of employees engaged either by CPI Europe AG, S IMMO AG or one of its subsidiaries and non-employees. Most non-employees relate to the Marriott Budapest Hotel and refer to employees sourced from third party undertakings to cover seasonal peaks.

The identified material negative impacts are widespread and systemic. They are not connected to any specific business segments, countries or assets.

Professional and personal training abilities and supporting diverse teams have already resulted in a material positive impact. These impacts relate to own operations, regardless of the country or segments.

The entire workforce of CPI Europe is engaged in real estate and hotel operations in Austria Germany, Hungary and Croatia as employees or non-employees. Considering the local circumstances, no individuals were identified with a greater risk of harm concerning negative impacts on their human rights.

Impact, risk and opportunity management

Management approach

Impacts, risks and opportunities	(9) Decreased productivity (potential negative impact) (10) Mental health issues (potential negative impact) (11) Increased Risk of Accidents and Injuries (potential negative impact) (12) Gender inequality (actual negative impact) (13) Enhanced Employee Performance and Productivity (actual positive impact) (14) Promote creativity and Innovation (actual positive impact)
Policies	Code of Business Ethics and Conduct Group Human Capital and Employment Relationships Policy Guideline on Education and Further Training Policy Statement on Respecting Human Rights Risk Management Policy
Targets	Minimum of 33% share of female senior managers At least eight hours of training per employee per year Biennial employee satisfaction surveys
Key actions	Appraisal interview Individual coaching Employee satisfaction survey Analysis of gender pay ratio Flexible working time arrangements and part-time working models Healthcare management with a focus on preventative healthcare and promotion of sporting activities

S1-1 – Policies related to own workforce

(S1.MDR-P_01-06)

Policies dealing with material impacts regarding our own workforce are listed above. For further details please refer to the policy overview under ESRS 2 MDR-P.

All policies and guidelines cover the Group's own workforce excluding hotel employees and are approved by the Group's Executive Board, which is responsible for regularly reviewing their validity.

The employees of CPI Europe AG in Vienna and S IMMO AG in Vienna are organised within the framework of a works council. This works council represents the interests of the employees vis-à-vis the employer.

Internal policies and guidelines are made available to employees via the intranet.

(S1-1_01 to S1-1_08)

The **Group Human Capital and Employment Relationships Policy** which was newly introduced in 2024 covers all material impacts, risks and opportunities related to Group's own workforce. This Policy thus, in connection and compliance with the Group's Code of Conduct, provides guiding principles relating to the treatment of the Group's own workforce and candidates and other topics relevant for human capital.

It defines the standards for working environment and relationships including the commitment to human rights and freedom of association. The policy covers following material impacts:

- diversity and equal treatment for all
- enhance employee creativity and productivity
- gender inequality
- mental Health issues
- increased risk of accidents and injuries

The **Guideline on Education and Further Training** specifies Group's approach to well-trained and experienced employees. The measures described therein shall enhance employee performance and productivity and mitigate the potential decrease in productivity.

The commitment to The Universal Declaration of Human Rights by the United Nations (UN), the UN Guidelines for Human Rights and Business, the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination against Women, the Fundamental Conventions of the International Labour Organisation (ILO), the Guidelines for Multinational Enterprises by the Organisation for Economic Co-operation and Development (OECD) and the ten principles of the UN Global Compact (UNGC) is laid down in the Code of business ethics and conduct which was updated in 2024. The Code of business conduct and ethics is unified within the whole group and is also available via our homepage. All subsequent policies and guideline are in line with the above-mentioned standards

Compliance with human rights including labour rights is secured via the human rights due diligence process which is carried out regularly.

Engagement with own workforce is usually carried out via works council which is described under S1-2.

The Group is subject to numerous laws, regulations and standards. All business transactions and processes must therefore be carried out in such a way as to always comply with the relevant laws, regulations, industry standards and best practices in the countries where the Group conducts its business activities, both formally and in terms of content, and thereby also observing the local social norms. The Human rights due diligence process in 2024 identified no material risk of trafficking in human beings, forced labour or compulsory labour and child labour within the own workforce of the Group. Therefore, and as a result of high governance standards applied in the Group, it was not considered necessary to explicitly mention these matters in the respective policies.

We are committed to creating an inclusive working environment in the Group, characterized by openness and mutual respect where every employee feels valued and heard.

The elimination of discrimination, the promotion of equal opportunities and other ways to advance diversity and inclusion form an integral part of the Group Human Capital and Employment Relationships Policy. This policy addresses all grounds for discrimination based on racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law. The entire workforce must be recruited, trained, supported and treated fairly and equally and only based on characteristics that relate to the work that they perform, such as their talent, skills, experience and potential. All companies of the Group are required to subject their human resources and employment related policies to continuous assessment to examine how they affect protected groups and to identify whether their policies help to achieve equality of opportunity for all these groups or whether they have an adverse impact.

(S1-1_09)

Accident prevention is covered by Human Capital and Employment Relationships Policy and also by workplace accident and prevention management system which is implemented in accordance with Austrian Legislation. It is regularly monitored and evaluated. Health and safety inspections are conducted at the Group's own office locations at least once a year by the safety officer, the Group's physician, the Works Council and the head of People & Culture. Occupational safety risks are evaluated and compliance with statutory workplace and safety regulations is monitored. Together with the head of the People & Culture department and the Executive Board, the inspection results are evaluated in a meeting and measures for improvement are approved. In addition to the annual meeting, the Group has specially trained employees who serve as safety officers and can address any issues related to accidents as they arise. Employees are also trained in first aid and as evacuation/fire protection officers.

S1-2 – Processes for engaging with own workers and workers' representatives about impacts

(S1-2_01 to S1-2_08)

The employees of CPI Europe excl. S IMMO formed a works council in 2012, the employees of S IMMO AG in 2021. This represents the interests of the employees to the management. The members of the works council are elected in internal democratic elections for a maximum of five years. The management and the works council are in constant dialogue regarding personnel issues in the group.

Communication with the management is carried out by works councils elected by the workforce. The works councils representatives are responsible for communicating directly with the company. Nevertheless, the company is free to collect feedback from the workforce in addition to this.

There is a bi-weekly exchange between the works council and human resources management. The executive board discusses the economic development of the company with the works council on a quarterly basis, and ad-hoc meetings are held when necessary, covering all material impacts.

The Executive Board of CPI Europe AG is the highest authority for ensuring dialogue with the workforce. The quarterly economic talks are conducted by the Executive Board. The final decision in personnel matters also lies with the company's Executive Board.

The cooperation between management and the Works Council is regulated by the Austrian Labour Constitution Act. This law is based on the European Convention on Human Rights, which has constitutional status in Austria. Management gains an insight into the workforce's perspective on the group's actions from the institutionalised employee survey and from exchanges with staff representatives. Their role is to convey the views of the workforce to management and for this reason they also have special protection against dismissal.

The Works Council collects feedback from the workforce on group's activities and communicates this to management. Furthermore, it is the responsibility of the works council to make agreements for the workforce. These group's agreements have the force of law. In the past, management and the works council have already reached several agreements that also improve the position of employees compared to the applicable labour law.

The management has set out the framework for the equal treatment of all employees in the Group Human Capital and Employment Relationships Guideline. The works council monitors the actions set by the management and points out problems with their implementation. Any problems that arise are resolved as quickly as possible.

S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

(S1-3_01, S1-3_02), (S1-3_05 to S1-3_10)

CPI Europe's goal is to avoid the need for remedy by setting up appropriate measures to avoid material negative impacts on the own workforce. Therefore, a human rights due diligence as well as a double materiality assessment are performed on a regular basis and appropriate measures are set up.

Issues or concerns can be raised either directly with the Compliance Officer or the Head of Internal Audit or via a third-party whistleblower system (EQS Integrity Line). The Group Compliance Officer serves as an independent and confidential point of contact and is available to employees at any time to answer questions. Both methods ensure anonymity to the reporter. Physical whistleblowing reports must be manually recorded by the Compliance Officer through the whistleblowing system before further steps are taken in order to document the correct processing of the whistleblowing report. The legal provisions for the protection of personal data must be strictly observed in doing so. The processing of whistleblowing reports must be documented in the whistleblowing system. The report is processed promptly in each instance by the Compliance Officer – in the event of Human Resources' responsibility, the Compliance Officer together with the Human Resources representative. When a report is received the Compliance Officer must promptly inform the Head of Internal Audit of the receipt of the whistleblowing report and the subject. The Internal Audit department is further involved in the processing as necessary. Once the investigation is completed, the Compliance Officer must present a report to the executive board including suggestions for remediation measures. They are drawn up taking the individual circumstances into account and have to be approved by the Executive Board. Review is carried out upon demand.

The annual mandatory compliance training also addresses the existence of grievance mechanisms to the own workforce. The whistleblower system is mentioned in the Code of Business Ethics and Conduct and other relevant policies. It is available for everybody on the companies homepage. Own workforces trust in processes and structures will be part of the next employee survey which is planned for 2025.

Further details of the whistleblowing process and policy are described under chapter G1-1 of this statement.

S1-4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

(S1.MDR-A 01-12)

The following key actions were carried out during 2024:

- Appraisal interview
- Individual coaching
- Employee satisfaction survey
- Analysis of gender pay ratio
- Flexible working time arrangements and part-time working models
- Healthcare management with a focus on preventive healthcare and promotion of sporting activities

They applied to the own workforce of CPI Europe (excluding Hotel-employees of S IMMO) and were carried out on regular basis during the whole reporting period and will continue for the next financial year.

(S1-4_01 to S1-4_09)

Our priorities include strengthening our appeal as an employer, supporting the growth and satisfaction of our workforce, promoting social responsibility, and championing diversity and equal opportunities. Derived from this, various actions have been carried out in the 2024 financial year to achieve policy objectives and targets.

In connection with employee development, the focus of training is on expanding professional- as well as personal- and leadership-skills. An important instrument in the context of performance management is the annual performance review between employees and their managers. These define clear targets and individual training activities. As in previous financial years, performance reviews were conducted with 100% of employees of CPI Europe excl. S IMMO in 2024. Within S IMMO AG, these reviews were held with 96,9% of employees. These interviews also include feedback from employees on several questions relating to personal well-being, further development and teamwork as well as suggestions for improvement. Individual training and coaching is provided in coordination with their managers as well as participations in conferences. Language courses as well as various types of individual and group trainings are offered on a regular basis and taken advantage of by employees. In the 2024 financial year, the largest share of training hours was accounted for by language courses, followed by compliance trainings and individual development. The majority of the trainings were held in Austria.

After the gender pay ratio was reported for the first time throughout the Group for the 2020 financial year, analyses and adaptations were made in the following years. As a result, the gender pay gap has already been reduced, especially in the group of the non-management employees. It is analysed regularly, and further equalization is being worked on.

To strengthen the mental health of our employees, CPI Europe offers workshops in cooperation with the ASZ Linz (Occupational Safety Center Linz) as well as an employee assistance program (EAP) which is available for the employees via phone or teams.

CPI Europe employees are offered flexible and partially flexible working hours, as well as part-time working models. In addition, a remote working policy was adopted in 2022, which allows our employees to also work outside the office. This allows them to better balance full-time employment and personal needs, which increases satisfaction and performance as well as the attractiveness of CPI Europe as an employer. The programmes of CPI Europe AG and S IMMO AG differ slightly.

CPI Europe supports its employees with a variety of offers outside of the workplace, with team building and promotion of work-life balance being at the forefront. These include, for example, a sixth week of vacation time after three years of service, sports options via the myclubs app and participation in the Vienna City Marathon.

To support our employees' healthcare needs, we offer a preventive healthcare scheme. In addition to measures offers to fulfil all legal requirements, responsibilities there are also offers like carrying out vaccinations, medical check-ups, eye tests and providing advice on preventive healthcare.

An employee survey on the topic of "psychological stress at the workplace" was conducted in cooperation with the ASZ Linz (Occupational Safety Center Linz) in 2023. The survey was carried out online and anonymously. The results were analysed in the fourth quarter and presented to the Executive Board. All employees were informed about the results in the course of the second quarter of 2024; in addition, workshops have been carried out in order to investigate the areas that scored below the industry average. The next survey is planned for financial year 2025.

Effectiveness is tracked via defined metrics and targets as well as individually for each employee in the own workforce during the course of the annual appraisal interview and the biannual employee satisfaction survey.

If there are any actions required to avoid negative impacts on our own workforce, they are identified during the annual appraisal interviews.

No material risks or opportunities were identified in the double materiality assessment.

The group provides funds from the personnel budget to secure a safe working environment, additional health care for employees and a budget for the works council. In addition, employee benefits are financed by the group.

Metrics and Targets

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

(S1.MDR-T 01-13)

The following targets were set in relation to own workforce

Minimum of 33% share of female senior managers

This target contributes to ensure gender equality. It is measured in percentage as the ratio of female senior managers to the total senior managers in head count at the end of each reporting period. It covers the own workforce (excluding non-employees) and is applicable for each reporting year. In the reporting period, the share of female senior managers within CPI Europe was 29%. Thus, this target was narrowly not met for the reporting period.

Completion of at least eight hours of training per employee per years

This target supports the enhanced employee performance and productivity and shall promote creativity and innovation as well as it mitigates potential decreased productivity. It is measured in total hours of trainings completed by the employees divided by the head count at the end of the reporting period. In the 2024 reporting year, CPI Europe employees completed 19,0 hours of training per Person on average. Thus, this target was met for the reporting period.

Both targets apply to the reporting period and are recurring.

(S1-5_01 to S1-5_03)

The targets were set in a group-wide ESG-working group during the course of harmonizing the ESG-Strategies of CPI PG; CPI Europe AG and S IMMO AG in 2023. Workers representatives of CPI Europe excl. S IMMO were part of the working group. Tracking performance and identifying improvements takes place within regular meetings between the people & culture department and the works council.

S1-6 – Characteristics of the undertaking's employees

(S1-6_01 to S1-6_06)

	2024	
	CPI Europe	thereof S IMMO
Total number of employees by gender¹		
Total number of employees	769	643
thereof female	401	320
thereof male	368	323
thereof other	0	0
thereof not reported	0	0

¹ Headcount as of 31 December excluding Executive Board and dormant employees

	2024	
	CPI Europe	thereof S IMMO
Total number of employees by country¹		
Total number of employees	769	643
thereof Austria	413	301
thereof Germany	61	47
thereof Croatia	1	1
thereof Hungary	294	294

¹ Headcount as of 31 December excluding Executive Board and dormant employees

2024					
Total number of employees by contract type and gender ^{1,2}	CPI Europe			thereof S IMMO	
	Total	Female	Male	Female	Male
Total number of employees	769	401	368	320	323
Breakdown by contract type					
thereof permanent	738	390	348	312	304
thereof temporary	31	11	20	8	19
Breakdown by employment type					
thereof non-guaranteed hours	0	0	0	0	0
thereof full-time	660	315	345	271	303
thereof part-time	109	86	23	49	20

¹ Headcount as of 31 December not including Management Board and dormant employees

² In the reporting year, no employees made use of the options "other" or "not reported" to indicate their gender, which is why only the categories "female" and "male" are shown in the presentation of employee data.

2024									
Total numbers of employees by contract type by country ¹	CPI Europe					thereof S IMMO			
	Total	Austria	Germany	Hungary	Croatia	Austria	Germany	Hungary	Croatia
Total number of employees	769	413	61	294	1	301	47	294	1
Breakdown by contract type									
thereof permanent	739	411	52	275	1	299	41	275	1
thereof temporary	30	2	9	19	0	2	6	19	0
Breakdown by employment type									
thereof non-guaranteed hours	0	0	0	0	0	0	0	0	0
thereof full-time	668	345	46	276	1	257	40	276	1
thereof part-time	101	68	15	18	0	44	7	18	0

¹ Headcount as of 31 December excluding Executive Board and dormant employees

(S1-6_11, S1-6_12)

2024								
New employees & employee turnover	CPI Europe				thereof S IMMO			
	New employees	Rate for new hires in %	Departures	Rate of fluctuation in % ¹	New employees	Rate for new hires in %	Departures	Rate of fluctuation in % ¹
Total number	280	36.4	315	34.7	262	40.7	285	36.6
Breakdown by gender²								
thereof female	146	52.1	166	52.7	136	42.5	155	39.2
thereof male	134	47.9	149	47.3	126	39.0	130	34.0
Breakdown by age group								
thereof under 30 years	176	62.9	169	53.7	170	76.9	160	72.4
thereof 30–50 years	92	32.9	114	36.2	81	29.8	94	34.6
thereof over 50 years	12	4.3	32	10.2	11	7.3	31	20.7
Breakdown by country								
thereof Austria	158	56.4	183	58.1	141	46.8	157	35.5
thereof Germany	12	4.3	38	12.1	11	23.4	34	60.1
thereof Croatia	0	0.0	1	0.3	0	0.0	1	0.0
thereof other countries	110	0.0	93	29.5	110	37.4	93	33.5

¹ The rate of fluctuation is calculated using the Confederation of German Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände) formula and does not distinguish between voluntary and involuntary departures (departures/average headcount in the period). Change of used formula in 2023: in previous years the Schlüter-Formula was used (exits/employees as of 1.1. + entries) and starting with the 2023 financial year: exits/average employees throughout the period.

² Headcount as of 31 December excluding Executive Board and dormant employees

(S1-6_16)

The high turnover rate is mainly caused by exits that were not replaced due to the new structure and synergies with S-IMMO AG and CPI Property Group and seasonal fluctuations in the hotel business. .

(S1-6_17)

The total number of employees as stated under S1-6 relates to the 686 employees including hotel employees based on annual average in the consolidated financial statement. It does not include employees on official leave.

S1-7 – Characteristics of non-employee workers in the undertaking's own workforce

	2024	
	CPI Europe	thereof S IMMO
Total non-employees	92	92
thereof self-employed people	4	4
thereof people provided by undertakings primarily engaged in "employment activities"	88	88

¹ Headcount as of 31 December excluding Executive Board and dormant employees

(S1-7_06 to S1-7_10)

The majority of non-employees relate to the Marriott Budapest Hotel sourced from external providers to cover seasonal peaks.

S1-9 – Diversity metrics

(S1-9_01 to S1-9_05)

	2024			
	CPI Europe		S IMMO	
	Number of employees	Total number in %	Number of employees	Total number in %
Employee diversity				
Top Management	20	2.6	18	2.8
By gender				
thereof female	9	45.0	7	38.9
thereof male	11	55.0	11	61.1
By age group				
thereof under 30 years	0	0.0	0	0.0
thereof 30–50 years	12	60.0	10	55.6
thereof over 50 years	8	40.0	8	44.4
Total employees	769	100.0	643	100
By age group				
thereof under 30 years	242	38.2	221	0.0
thereof 30–50 years	359	56.7	272	0.0
thereof over 50 years	168	26.5	150	0.0
Percentage of top management in total number of employees		2.6		2.8

(S1-9_06)

The category "Top Management" includes senior managers who are in charge of country management for CPI Europe or in comparable positions at the hotels.

S1-13 – Training and skills development metrics

(S1-13_01 to S1-13_07)

	2024			
	CPI Europe		thereof S IMMO	
	Total hours	Per employee	Total hours	Per employee
Training hours				
Total	14,767	19	12,248	19
By gender				
thereof female	8,043	20	6,053	19
thereof male	6,725	18	6,195	19
By employee category				
thereof top management	718	36	687	38
thereof middle management	1,719	49	1,599	44
thereof entry-level management	2,487	35	2,322	40
thereof non-management level	9,842	16	7,638	14

¹ Training hours refer to the number of hours completed by active employees as of 31 December.

S1-14 – Health and safety metrics

(S1-14_01 to S1-14_07)

Health and safety metrics ¹	2024	
	CPI Europe ²	thereof S IMMO
Percentage of total employees who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines in %	100.0	100.0
Number of work-related accidents	62	61
Number of cases of work-related illness	61	61
Number of work-related injuries	61	61
Number of high-consequence work-related injuries (excl. fatalities)	0	0
Number of fatalities as a result of work-related injuries and work-related ill health	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	691.0	691.0
Number of cases of recordable work related ill health, subject to legal restrictions on the collection of data	20	20
Computing rate of work-related injuries ²	51.61	61.63

¹ Numbers cover the whole workforce.

² In computing the rate of work-related injuries, the undertaking shall divide the respective number of cases by the number of total hours worked by people in its own workforce and multiplied by 1,000,000. Thereby, these rates represent the number of respective cases per one million hours worked. A rate based on 1,000,000 hours worked indicates the number of work-related injuries per 500 full-time people in the workforce over a 1-year timeframe. For comparability purposes a rate based on 1,000,000 hours worked shall be used also for undertaking with less than 500 people in the workforce.

S1-16 – Compensation metrics (pay gap and total compensation)

(S1-16_01 to S1-16_04)

	2024	
	CPI Europe	S IMMO
Total gender pay gap	14.59	14.72
Breakdown by employee category		
thereof top management	17.16	20.71
thereof middle management	26.05	3.08
thereof entry-level management	26.54	22.47
thereof non-management level	-2.30	10.61
Annual total remuneration ratio ¹	70.35	81.16

¹ Annual total remuneration of the highest-paid person of the company (Executive Board member) divided by the median annual total remuneration of the employees (without the highest-paid person).

Methodology applied

The Gender Payment Gap shows the difference on an hourly level between the earnings of women and men. For the 2024 data the hourly pay was calculated for every employee within the Group. All employees of CPI Europe, S IMMO and S IMMO-owned Hotels were included with their fix and variable salaries as well as additional bonuses and benefits-in-kind. All employees were grouped into four categories: Top-management, middle-management, entry-management and non-management. For those categories as well as for all employees (excluding Board-members) the following formula was applied: average male salary – average female salary / average male salary. The data for the pay gap from the S IMMO owned hotels as well as the total remuneration ratio of S IMMO were already received on a calculated level, thus the consolidated numbers were calculated by using a weighted average.

S1-17 – Incidents, complaints and severe human rights impacts

(S1-17_01 to S1-17_12)

In FY 2024, one case of sexual harassment was reported. The allegation was discussed with the person involved and also reported to the works council. The company ultimately decided to terminate the employment of the accused. Details of the case are subject to data protection.

	2024	
	CPI Europe	S IMMO
Total number of incidents	1	0
thereof discrimination		
on the grounds of gender	0	0
on the grounds of racial or ethnic origin, nationality	0	0
on the grounds religion or belief, disability, age, others	0	0
on the grounds of sexual orientation	0	0
thereof sexual harassment	1	0
Total number of filed complaints	0	0
thereof via internal grievance mechanisms	0	0
thereof via the National Contact Points for OECD Multinational Enterprises	0	n/a
Financial impact of the incidents and complaints		n/a
Fines or penalties in EUR	0	n/a
Compensation payments in EUR	0	0
optional: (or to be mentioned in text part when 0)		
Total number of severe human rights incidents	0	0
thereof non-respecting UN Guiding Principles on Business and Human Rights	0	0
thereof non-respecting ILO Declaration on Fundamental Principles and Rights at Work	0	0
thereof non-respecting OECD Guidelines for Multinational Enterprises	0	0
Financial impact of severe human rights incidents		n/a
Fines or penalties in EUR	0	n/a
Compensation payments in EUR	0	n/a

Governance information

ESRS G1 Business conduct

ESRS 2 General disclosures

Governance

Disclosure Requirement related to ESRS 2 GOV-1 – The role of the administrative, supervisory and management bodies

(G1.GOV-1_01, G1.GOV-1_02)

The dual management structure of CPI Europe consists of an Executive Board and a Supervisory Board. These corporate bodies are strictly separated, in both their composition and functions, and can therefore independently carry out their assigned duties. The Executive Board is responsible for the management of the company, the Supervisory Board for monitoring.

For more detailed information concerning the composition of the governing bodies and their access to expertise and skills with regard to sustainability matters, please refer to section ESRS 2, GOV-1 in this report.

Impact, risk and opportunity management

Management approach

Impacts, risks and opportunities	(15) Lack of corporate culture forms the basis for unethical behaviour and can lead to corruption and bribery (16) Retaliation against whistleblowers (17) Inadequate processes and training
Policies	Anti-Corruption, Anti-Bribery and Countering of Frauds Policy Anti-Money Laundering and Counter-Terrorist Financing Policy Code of Business Ethics and Conduct Compliance Guideline Risk Management Policy Whistleblowing System – Directive
Targets	Mandatory annual employee training on Code of Business Ethics and Conduct and associated policies
Key actions	Appraisal interview Regular trainings

Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess IROs

Business conduct IROs

The identification of IROs as part of the ESRS governance standard is based on the assessment of the ESG project team in collaboration with the Compliance Officers and the Head of Internal Audit, as well as the analysis of Group-wide policies and internal guidelines.

The assessment of business conduct covers the entire CPI Europe Group, which is facilitated by an extensive and regular communication of business conduct procedures. This means that policies are generally in place across the CPI Europe Group and the strategy for corporate culture is aligned throughout the Group.

The assessment is based on discussions and surveys with the relevant stakeholders. In addition, the Austrian Code of Corporate Governance, the EU Whistleblower Directive, the UK Bribery Act 2019, the Foreign Corrupt Practices Act, as well as current and future EU anti-corruption laws and the OECD Guidelines for Multi-national Enterprises were considered and assessed against current practices.

The following impacts and risk were identified in connection with business conduct:

Topic	Goal	Impact/risk explanation
G1 Business conduct	Corporate culture (G1)	Potential negative impact Lack of corporate culture forms the basis for unethical behaviour and can lead to corruption and bribery.
G1 Business conduct	Protection of whistleblowers (G1)	Potential negative impact Retaliation against whistleblowers can have an impact on people and governance through a lack of confidence in the whistleblowing system, leading to an inability to detect wrongdoing, breaches of the right to privacy, labour rights, and legislation.
G1 Business conduct	Corruption and bribery (G1) - Prevention and detection including training	Risk Failure to comply with anti-bribery and anti-corruption laws and ethical standards can result in disciplinary action and imprisonment for employees and management, as well as decreasing employee satisfaction and management legitimacy, which has a negative impact on corporate culture.

Please see also section SBM3 of ESRS 2 for more detailed information on the double materiality analysis and for the risk identification process.

G1-1– Business conduct policies and corporate culture

(G.1MDR-P 01-06)

Policy Overview

Policies are in place for each identified material sustainability issue to prevent, mitigate and remediate actual and potential impacts, address risks and pursue opportunities. The most senior person responsible for implementation monitors effectiveness on an ongoing basis and reports actions alongside the relevant disclosures. Policies relating to specific sustainability matters are disclosed under each topic on the following pages:

Please see the disclosures under ESRS 2, MDR-P.

Business conduct and corporate culture

(G1-1_01)

CPI Europe is committed to business conduct based on integrity, honesty, fairness, transparency and responsibility. Mutual trust is the basis for constructive cooperation within the company and with business partners. All activities in the areas of compliance and the fight against corruption, sustainable procurement and human rights are carried out in accordance with these principles.

The CPI Europe Code of Business Ethics and Conduct serves as the basis for all business activities and internal decisions and includes clear guidelines on respect for basic rights, integrity and fairness, a ban on discrimination and rules for relations with competitors, customers and professional associations.

The principles of responsible management also include the clear commitment to and the support for internationally recognised human rights. In particular, CPI Europe is committed to social and societal responsibility through the participation in the United Nations Global Compact.

The Whistleblowing System – Directive sets out the communication channels and compulsory regulations for the receipt, submission, assessment and processing reports of violations of CPI Europe business principles and the Code of Business Ethics and Conduct or legal infringements concerning the company.

The CPI Europe Compliance Guidelines cover the legal prohibition on the use of insider information for insider trading and the unlawful disclosure of insider information.

CPI Europe's high standards were also formally established along the value chain in the financial year 2023 by introducing a Group-wide standardised Supplier Code of Conduct.

The Executive Board of CPI Europe has overall responsibility for issuing, implementing and monitoring compliance with the individual guidelines. Advice on the implementation of the organisation's policies and practices for responsible business conduct can be obtained from the persons responsible in the respective departments. The Corporate Legal Affairs and Compliance department as well as the Legal department are responsible for monitoring new legislation and requirements in the areas of corporate and operative law.

All Group guidelines are available to all employees on the intranet. All CPI Europe employees receive annual training on the above topics. Compliance with the guidelines is regularly reviewed by the internal audit department. The guidelines are also available to interested stakeholders on the company's website.

Reporting Violations and Whistleblowing

(G1-1_02, G1-1_05, G1-1_08)

In accordance with the national Whistleblower protection act (HinweisgeberInnenschutzgesetz) and EU-Whistleblower Directive (EU) 2019/193 the purpose of the Whistleblowing System – Directive is to establish a working environment in which employees feel at comfort reporting potential violations of the CPI Europe's business principles and the Code of Business Ethics and Conduct or violations of legal regulations which have been perceived by them personally to the best of their knowledge and belief without fear of personal consequences or other disadvantages.

Employees and other stakeholders are able to report issues such as harassment and discrimination, corruption, human rights violations and conflicts of interest via an electronic whistleblowing system, the 'EQS Integrity Line Whistleblowing Tool'. Reports can be submitted either anonymously or non-anonymously. The whistleblowing system is available to all on the CPI Europe website. Suspicious cases can also be reported directly to the Compliance Officer or the Head of Internal Audit in verbal or written form.

The Company has procedures for investigating business conduct incidents, including incidents of corruption and bribery, in a prompt, independent and objective manner. The Compliance Officer reports such cases to the Executive Board, which then decides whether the case should be investigated by Group's Internal Audit department or by an external expert. Following the conclusion of the proceedings, the Compliance Officer presents the result to the Executive Board, along with any recommended measures. In accordance with the procedure set out in the Whistleblowing System - Policy, the whistleblower will receive a confirmation of receipt of the report within 7 days and a response on the outcome of the investigation within a reasonable time, but not more than 3 months from the confirmation of receipt of the report.

In accordance with the Whistleblowing System – Directive, whistleblowers who have submitted reports in good faith may not be subject to any form of penalty, discrimination or disadvantage, even if the initial findings indicate no infringement, or if the facts of the matter turn out to be inaccurate or are not pursued further, provided that the whistleblower did not intentionally submit a false report.

All employees were trained on the topic of whistleblowing via e-learning in 2024. The Compliance Officer and the Head of Internal Audit, who are responsible for processing whistleblower reports, participated in external webinars or trainings as part of their professional development.

G1-3 – Prevention and detection of corruption and bribery

(G1-3_01)

Anti-bribery and anti-corruption

The CPI Europe Anti-Corruption, Anti-Bribery and Countering of Frauds Policy is based on the UN Convention against Corruption and outlines the principles of conduct and ethical requirements for dealing with corruption. This policy is supplemented by the Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy which is intended to ensure compliance with applicable laws relating to the AML and the CTF.

CPI Europe counters the risk of bribery through employee training, cost comparisons, payment authorizations, internal audits and the possibility for third parties to report possible cases of bribery through the whistleblowing tool. The company mitigates the risk of passive bribery is mitigated by the company by not providing financial or material resources for active attempts at corruption (e.g. against public officials).

The Anti-Corruption, Anti-Bribery and Countering of Frauds Policy and the Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy are published on the Group's website and intranet.

(G1-3_02, G1-3_03)

The 'EQS Integrity Line Whistleblowing Tool' allows employees and third parties to report violations. Any allegations of incidents that indicate potential violations of the Anti-Corruption, Anti-Bribery and Countering of Frauds Policy, as well as any action suspected to breach the anti-corruption and anti-bribery laws, are promptly investigated by the Compliance Officer and the Head of Internal Audit. Both can report to the Supervisory Board if a member of the Executive Board member is involved. If allegations are made against the Compliance Officer or the Head of Internal Audit, the Executive Board should be informed immediately.

The results of the investigation are brought to the attention of the Executive Board and, in the event of its involvement, to the Supervisory Board of the Group. It is the responsibility of the Executive Board and the Supervisory Board, respectively, to take concrete measures in regard to the case in question.

Business Conduct Training

(G1-1_10, G1-1_11)

CPI Europe has identified the following individuals and groups of persons as 'functions-at-risk' in relation to bribery and corruption:

- Purchasing managers
- Asset and transaction managers
- Executive and Supervisory Boards

However, all employees of CPI Europe are familiarised with the principles of the Code of Business Ethics and Conduct and the Anti-corruption, Anti-Bribery and Countering of Frauds Policy through mandatory, regular held training.

Metrics and targets

			2024		
			Employee including at-risk functions	Executive Board (EB)	Supervisory Board (SB)
Trainings	Delivery method	Frequency	Attendance of employees in %	Attendance EB in %	Attendance SV in %
Compliance basics including anti-corruption, gifts and benefits, anti-money laundering	E-Learning	annual	100.00%	100.00%	100.00%
Whistleblowing	E-Learning	annual	100.00%	100.00%	100.00%
Code of Conduct - principles of conduct and ethical requirements using practical examples and to raise employees' awareness of potential conflicts of interest	E-Learning	annual	100.00%	100.00%	100.00%
Issuer Compliance and Risk Management Training 2024	In person	annual	100.00%	100.00%	100.00%
Code of Business and Ethics and Conduct Anti-Corruption, Anti-Bribery and Countering of Fraud's Policy Anti-Money laundering and Counter-Terrorist Financing Policy Whistleblowing Issuer Compliance	In person	annual	n/a	n/a	100.00%

G1-4 – Incidents of corruption or bribery

There were no incidents, convictions or fines for violations of anti-bribery and anti-corruption laws or violations of procedures and standards related to anti-bribery and anti-corruption identified in 2024.

Furthermore, CPI Europe has not had any legal proceedings brought against any of its employees for corruption or bribery. Nor has the company identified any actual impact or incidents of corruption and bribery in which it is directly involved in through a business relationship in our value chain.

Research & Development

Technological and social transformation as well as the fight against climate change have an influence on the real estate sector. In order to be optimally positioned to also offer efficient and profitably manageable property solutions in the future, CPI Europe monitors the changes in work processes as well as the influence of environmental factors and tenants' demands on space and building concepts. The focus on training and continuing education has been increased to support internal innovation strength and sustainability efforts. CPI Europe also maintains regular contacts with other companies and organisations and is a member of numerous associations and institutions such as IG Lebenszyklus, the Austrian Council of Shopping Places and the Green Building Council. Apart from these diverse activities, CPI Europe did not invest any funds in 2024 that could be classified as conventional research and development. This type of information is therefore not provided.

Outlook

Expected market environment

The European real estate markets experienced a strong recovery in 2024. This positive momentum could also continue into 2025, supported by a stable interest environment and steady high demand for premium properties.

However, these positive expectations are jeopardised by a continuation of the challenging macroeconomic environment. Experts point to GDP growth of only 1.5% in the EU during 2025. Intensifying global conflicts and new financial market risks could have an additional negative impact on forecasted growth over the coming years. Declining energy prices led to a substantial drop in inflation in the EU during 2024, but this downward trend is projected to slow in 2025 due to ongoing pressure from the service sector. As a consequence, forecasts for the EU indicate a possible increase in inflation to 2.4% in 2025.

Developments on the European property market were encouraging in 2024. The transaction volume rose by roughly 27% to EUR 206.0 billion. The interest environment is currently characterised by rate cuts which should support a further improvement in both the market climate and transaction volumes in 2025. The trend towards premium properties could continue, whereby locations as well as ESG criteria are playing a progressively more important role. The influence of macroeconomic factors on the country selection is also increasing, and countries with the strongest transaction markets should experience above-average growth.

CPI Europe believes it is well positioned with its value-creating portfolio strategy to further optimise the portfolio and strengthen earnings.

Property portfolio and sustainability

The development of our real estate portfolio in 2024 was focused on targeted portfolio optimisation. In spite of strategic sales, the carrying amount declined by only –2.3% year-on-year to EUR 7,983.6 billion. Standing investments that generate stable rental income represented the largest component at EUR 7,797.6 billion, or 97.7%. Development projects were responsible for EUR 38.3 million, or 0.5%, of the portfolio, and pipeline projects for EUR 147.8 million, or 1.9%.

We follow a clear portfolio strategy based on retail and office properties, above all on our established myhive, STOP SHOP and VIVO! brands. The portfolio is also expanded to include targeted development projects and acquisitions in our core markets. The active optimisation of our standing investments portfolio is our primary objective, whereby sales of low yielding or non-strategic properties play an important role.

Our ESG commitment remains a central part of our strategy, with the further expansion of photovoltaic systems as a main focus. This will mark a further step in achieving emission-free coverage for the portfolio's entire electricity requirements. We are also continuing the roll-out of smart meters in Austria, Slovenia, Croatia and Serbia. These digitalisation measures should lead to greater cost transparency for our tenants and to significant changes in operating costs over the long term. These plans are supplemented by the continuous advancement of our green lease strategy, which establishes sustainable rental models that make an important contribution to the ecological and economic future of our portfolio.

Financing and the capital market

Further interest rate cuts by the European Central Bank are expected in 2025 and signal the definitive end of the interest highs in the eurozone. As expected, this will have a positive influence on the development of real estate and financing markets.

The capital structure of CPI Europe also remains solid and future-oriented in the current market environment. Our financing strategy is focused on the optimisation of debt costs, a balanced maturity structure and a strong liquidity position. We introduced targeted refinancing measures in 2024 and further strengthened our financial base through active balance sheet management. These activities will also continue in 2025.

Optimisation of corporate structures

The optimisation and simplification of corporate structures had high priority in 2024. A central milestone was the successful squeeze-out of S IMMO minority shareholders, and CPI Europe now holds 100% of the shares.

Integration and simplification remain focal points at the Group level. Included here, among others, are rebranding measures after the renaming to CPI Europe and the merger of business areas and departments to realise additional synergies and optimise cooperation even more in the CPI Property Group.

All in all, we therefore believe we are well positioned for the future. The central issues for 2025 will include additional portfolio adjustments, investments in standing assets, and the expansion of renewable energies and digitalisation. We will, of course, remain true to our principles and recipe for success by placing our tenants at the focal point of all our activities and considerations.

This outlook reflects the Executive Board's assessments as of 28 March 2025 and includes statements and forecasts concerning the future development of CPI Europe. The forecasts represent estimates that are based on the information available at the present time. If the underlying assumptions do not occur or risks – as indicated in the risk report – materialise, actual results could differ from the statements made here. This annual report does not represent a recommendation to buy or sell CPI Europe AG securities.

Significant events occurring after the end of the reporting year are discussed in section 7.7 of the consolidated financial statements.

Vienna, 28 March 2025

The Executive Board



Radka Doehring



Pavel Měchura

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Consolidated Balance Sheet

All amounts in TEUR	Notes	31 12 2024	31 12 2023
Investment property	4.1	7,678,645	7,830,746
Property under construction	4.2	38,280	142,960
Owner-operated properties	4.3	236,971	229,634
Other tangible assets	4.4	10,699	9,990
Intangible assets	4.5.1	21,009	20,547
Equity-accounted investments	4.6	16,651	33,151
Trade and other receivables	4.7	33,177	30,897
Income tax receivables		5	5
Other financial assets	4.8	96,058	164,119
Deferred tax assets	4.9	11,941	6,630
Non-current assets		8,143,436	8,468,679
Other receivables	4.7	169,832	202,785
Income tax receivables		22,208	17,664
Other financial assets	4.8	2,403	252
Assets held for sale	4.10	275,190	258,577
Real estate inventories	4.11	4,880	4,841
Cash and cash equivalents	4.12	527,360	697,119
Current assets		1,001,873	1,181,238
Assets		9,145,309	9,649,917
Share capital		138,670	138,670
Capital reserves		4,824,905	4,825,650
Treasury shares		-10,149	-10,149
Accumulated other equity		-112,237	-127,784
Retained earnings		-895,214	-1,156,590
Equity attributable to owners of CPI Europe AG		3,945,975	3,669,797
Non-controlling interests		5,622	893,287
Equity	4.13	3,951,597	4,563,084
Financial liabilities	4.14	4,064,763	3,850,773
Trade and other payables	4.15	71,972	92,348
Income tax liabilities		5	77
Provisions	4.16	34,932	31,044
Deferred tax liabilities	4.9	419,261	395,607
Non-current liabilities		4,590,933	4,369,849
Financial liabilities	4.14	266,228	432,758
Trade and other payables	4.15	250,432	197,603
Income tax liabilities		50,964	49,443
Provisions	4.16	8,357	11,245
Liabilities held for sale	4.10	26,798	25,935
Current liabilities		602,779	716,984
Equity and liabilities		9,145,309	9,649,917

Consolidated Income Statement

All amounts in TEUR	Notes	2024	2023
Rental income	5.1.1	589,231	533,601
Operating costs charged to tenants	5.1.2	217,215	190,615
Other revenues		1,977	2,740
Revenues from asset management		808,423	726,956
Expenses from investment property	5.1.3	-73,553	-75,396
Operating expenses	5.1.2	-245,268	-233,022
Results of asset management	5.1	489,602	418,538
Income from owner-operated hotels	5.2	76,503	70,023
Expenses from owner-operated hotels	5.2	-66,711	-68,011
Results from owner-operated hotels	5.2	9,792	2,012
Results of property sales	5.3	99	-38,327
Results of property development	5.4	-4,104	-25,591
Other operating income	5.5	8,397	7,853
Other operating expenses	5.6	-95,100	-79,367
Results of operations		408,686	285,118
Revaluation results from standing investments and goodwill	5.8	10,683	-352,207
Operating profit (EBIT)		419,369	-67,089
Financing costs		-230,278	-210,020
Financing income		87,468	91,987
Foreign exchange differences		-9,640	-8,845
Other financial results		-62,104	-119,519
Net profit or loss from equity-accounted investments	5.9	1,209	338
Financial results	5.10	-213,345	-246,059
Earnings before tax (EBT)		206,024	-313,148
Current income tax	5.11	-36,069	-57,190
Deferred income tax	5.11	-36,441	140,877
Net profit or loss		133,514	-229,461
thereof attributable to owners of CPI Europe AG		133,656	-180,316
thereof attributable to non-controlling interests		-142	-49,145
Basic earnings per share in EUR	5.12	0.97	-1.31
Diluted earnings per share in EUR	5.12	0.97	-1.31

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	2024	2023
Net profit or loss		133,514	-229,461
Other comprehensive income (reclassifiable)			
Currency translation adjustment		-12,585	59,473
thereof changes during the financial year		-13,698	11,526
thereof reclassification to profit or loss	2.5	1,113	47,947
Total other comprehensive income (reclassifiable)		-12,585	59,473
Other comprehensive income (not reclassifiable)			
Financial instruments at fair value through other comprehensive income	7.1.2	-2,119	1,104
thereof changes during the financial year		-2,558	1,187
thereof income taxes		439	-83
Revaluation of owner-operated properties		16,263	11,834
thereof changes during the financial year		19,144	13,004
thereof income taxes		-2,881	-1,170
Measurement of defined benefit plans		4	-10
thereof changes during the financial year		4	-14
thereof income taxes		0	4
Total other comprehensive income (not reclassifiable)		14,148	12,928
Total other comprehensive income after tax		1,563	72,401
Total comprehensive income		135,077	-157,060
thereof attributable to owners of CPI Europe AG		135,269	-121,935
thereof attributable to non-controlling interests		-192	-35,125

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	2024	2023
Earnings before tax (EBT)		206,024	-313,148
Fair value measurements of investment properties	5.8	-12,570	376,839
Goodwill impairment and subsequent price adjustments		0	174
Write-downs and write-ups on real estate inventories (including impending losses from forward sales)	5.4	0	100
Write-downs and write-ups on receivables and other assets		998	18
Net profit or loss from equity-accounted investments	5.9	-1,210	1,364
Fair value measurement of financial instruments	5.10	60,644	127,799
Net interest income/expense		160,035	119,923
Results from deconsolidation	2.5	-5,073	35,220
Other non-cash income/expense/reclassifications		49,576	6,639
Gross cash flow before tax		458,424	354,928
Income taxes paid		-71,023	-21,864
Gross cash flow after tax		387,401	333,064
Change in real estate inventories		3	78
Change in trade and other receivables		-24,256	15,138
Change in trade payables and other liabilities		36,799	69,764
Change in provisions		508	16,179
Cash flow from operating activities		400,455	434,223
Acquisition of investment property and property under construction		-107,042	-113,957
Business combinations and other acquisitions, net of cash and cash equivalents (EUR 1.4 million; 2023: 5.1 million)	6.	-410,214	-1,023,910
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents (EUR 11.4 million; 2023: EUR 33.7 million)	2.5	305,621	253,850
Acquisition of other non-current assets		-4,361	-3,624
Disposal of investment property and property under construction	5.3	375,117	322,259
Disposal of equity-accounted investments and cash flows from other net investment positions		0	-6,174
Dividends received from equity-accounted investments	4.6	7,881	5,948
Interest or dividends received from financial instruments		16,097	11,118
Cash flow from investing activities		183,099	-554,490
Increase in financial liabilities	6.	425,491	1,001,008
Repayment of financial liabilities	6.	-654,412	-762,681
Derivatives	6.	74,518	67,257
Interest paid	6.	-207,216	-155,654
Distributions/Dividend		-23,991	-19,048
Transactions with non-controlling interests	4.13	-366,383	-2,361
Other changes on the statement of equity		0	-1
Cash flow from financing activities		-751,993	128,520
Net foreign exchange differences		3,002	4,170
Change in cash and cash equivalents		-165,437	12,423
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		697,119	652,750
Plus cash and cash equivalents in disposal groups		0	31,946
Cash and cash equivalents at the beginning of the period	6.	697,119	684,696
Cash and cash equivalents at the end of the period	6.	531,682	697,119
Less cash and cash equivalents in disposal groups	4.10	4,322	0
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		527,360	697,119

Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares	Revaluation reserve	
Balance on 31 December 2023		138,670	4,825,650	-10,149	-2,431	
Other comprehensive income	4.13				-1,734	
Net profit or loss						
Total comprehensive income					-1,734	
Distributions/Dividend	4.13					
Transactions with non-controlling interests			-745		396	
Balance on 31 December 2024		138,670	4,824,905	-10,149	-3,769	
Balance on 31 December 2022		138,670	4,825,650	-10,149	-2,756	
Other comprehensive income					323	
Net profit or loss						
Total comprehensive income					323	
Distributions/Dividend						
Transactions with non-controlling interests					2	
Balance on 31 December 2023		138,670	4,825,650	-10,149	-2,431	

Accumulated other equity				Retained earnings	Equity attributable to the shareholders of CPI Europe AG	Non-controlling interests	Total equity
	IAS 19 reserve	Revaluation reserve IAS 16	Currency translation reserve				
	-388	5,932	-130,897	-1,156,590	3,669,797	893,287	4,563,084
	2	12,671	-9,326		1,613	-50	1,563
				133,656	133,656	-142	133,514
	2	12,671	-9,326	133,656	135,269	-192	135,077
					0	-23,991	-23,991
	-5	9,494	4,049	127,720	140,909	-863,482	-722,573
	-391	28,097	-136,174	-895,214	3,945,975	5,622	3,951,597
	-383	0	-183,061	-977,748	3,790,224	951,329	4,741,552
	-5	5,917	52,146		58,381	14,020	72,401
				-180,316	-180,316	-49,145	-229,461
	-5	5,917	52,146	-180,316	-121,935	-35,125	-157,060
					0	-19,048	-19,048
		15	18	1,474	1,509	-3,869	-2,360
	-388	5,932	-130,897	-1,156,590	3,669,797	893,287	4,563,084

Notes to the Consolidated Financial Statements

1. General Principles

1.1 Reporting company

IMMOFINANZ AG is the parent company of IMMOFINANZ GROUP (incl. S IMMO), a listed real estate company in Austria. Its registered headquarters are located at Wienerbergstrasse 9, 1100 Vienna. The business activities of IMMOFINANZ Group comprise the rental, acquisition, commercial utilisation and development of properties as well as the operation of hotels. The IMMOFINANZ AG share is listed in the Prime Market segment of the Vienna Stock Exchange and in the Main Market segment of the Warsaw Stock Exchange.

An extraordinary general meeting on 30 January 2025 approved a change in the name of IMMOFINANZ AG to CPI Europe AG. The new company name was recorded in the company register on 11 March 2025. The change in the name is reflected in these consolidated financial statements as follows:

- CPI Europe AG (formerly: IMMOFINANZ AG)
- CPI Europe for disclosures involving the entire group, including S IMMO (formerly: IMMOFINANZ Group)
- CPI Europe (excluding S IMMO) for disclosures without S IMMO (formerly: IMMOFINANZ).

CPI Property Group (CPIPG), which is headquartered in Luxembourg, is the parent company which prepares consolidated financial statements for the largest circle of companies. The consolidated financial statements are published at the corporate headquarters.

1.2 Basis of reporting

These consolidated financial statements of CPI Europe AG cover the financial year from 1 January to 31 December 2024. They were prepared in accordance with § 245a (1) of the Austrian Commercial Code and in agreement with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated financial statements are presented in the euro, which is the functional currency of the parent company. All financial information reported in the euro is rounded to thousand euros, unless indicated otherwise. The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts and percentage rates.

Uniform accounting policies are used to measure the assets and liabilities of all Group companies, whereby these items are basically measured individually. Disposal groups represent an exception to this practice and are reported under “assets held for sale” and “liabilities held for sale” (see section 4.10).

In addition, impairment losses are calculated in part on the basis of cash-generating units if the recoverable amount of specific assets (goodwill) cannot be determined separately (see section 4.5.2).

Assets and liabilities are generally measured at amortised cost. For financial assets and liabilities, this involves the application of the effective interest method. In contrast, different measurement methods are applied to the following material positions:

- Investment property, property under construction and owner-operated properties are measured at fair value.
- Derivative financial instruments are measured at fair value.
- Provisions are measured at the present value of the expected settlement amount.
- Deferred tax assets and deferred tax liabilities are measured at their nominal value based on the temporary differences as of the balance sheet date and the tax rate expected when the existing differences are realised.
- Non-current assets and disposal groups held for sale are measured at the lower of the carrying amount or fair value less costs to sell unless they are excluded from the valuation requirements defined in IFRS 5. This applies, in particular, to investment property that is measured based on the fair value model.

Fair value is not always available as an observable market price, but must often be determined on the basis of various valuation parameters. Depending on the availability of observable parameters and the importance of these parameters for the general assessment procedure, the fair values are classified in different levels on the fair value hierarchy:

- Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities
- Level 2: valuation parameters that do not reflect the quoted prices defined for Level 1, but which can be derived directly (as a price) or indirectly (from prices) for the asset or liability
- Level 3: valuation parameters for assets or liabilities that are not based on observable market data

1.3 Judgements and estimation uncertainty

The preparation of consolidated financial statements in accordance with IFRS requires the Executive Board to make assumptions and estimates related to the application of accounting methods and the amounts reported for assets, liabilities, income and expenses. Actual results can vary from these estimates. The estimates and underlying assumptions are reviewed regularly, and any changes to these estimates are recognised prospectively. The following notes provide information on assumptions and estimation uncertainty which can lead to a significant risk that a material adjustment will be required during the next financial year:

- Full consolidation (see section 2.2.2): assessment of whether the acquisition of property companies represents business combinations in the sense of IFRS 3 (characteristics of a business)
- Functional currency (see section 2.6.1): determination of the functional currency of a foreign operation, above all when this currency differs from the currency of the subsidiary's headquarters country
- Rental income (see section 5.1.1): assessment of the term of rental agreements with regard to the use of extension options and assessment of whether the modification to a rental agreement substantively represents a new rental relationship
- Valuation assumptions and existing uncertainty (see section 4.1.3): determination of the fair value of investment property, property under construction and owner-operated properties
- Rights of use and lease liabilities (see sections 4.1.1 and 4.14): determination of the remaining term of a lease together with any extension or cancellation options
- Goodwill (see section 4.5.2): determination of the recoverable amount within the scope of impairment tests
- Trade receivables and other receivables: determination or estimate of necessary impairment losses (see section 7.1.2)

- Contingent receivables (see section 7.3.1): contingent receivables may only be recognised when their realisation as income is highly probable
- Deferred taxes (see section 4.9): assessment of the usability of deferred tax assets (above all from loss carryforwards)
- Provisions (see section 4.16): determination of the expected settlement amount and the related present value
- Financial instruments (see section 7.1.3): determination of the fair value of primary and derivative financial instruments
- Contingent liabilities and guarantees (see section 7.3.1): assessment of the expected claims from obligations not reported on the balance sheet

The current macroeconomic situation, with its declining interest rates and slow downward trend in inflation, has a potential impact on the following balance sheet positions. This has been manifested, above all, in falling Euribor values and long-term EUR SWAP rates for new borrowings and the valuation of interest derivatives. The fair value of interest derivatives declined further in 2024 due to the interest rate cuts expected in 2025. This had a significant impact on financial results and also on other comprehensive income. A quantitative evaluation of future developments is not possible at the present time. These developments have been reflected in both costs and earnings – in particular, through an upward trend in operating costs and revenues from the charge-out of these costs and, subsequently, in an inflation-driven increase in rents and an improvement in the like-for-like performance of rents. Rising prices are also visible in construction costs. Developments in the macroeconomic environment are also important for property valuation because the key valuation parameters are based on the prevailing market conditions as of the respective closing date. The substantial write-downs recognised in 2023 caused by higher interest rates and inflation were followed in 2024 by general stabilisation, which is reflected in “valuation results from standing investments and goodwill” (also see section 5.8). The future movements of discount and capitalisation rates are also impossible to predict in this area. There are currently no signs of substantial space or rent reductions, increased payment defaults by tenants, or concrete difficulties for CPI Europe to obtain new credit financing at acceptable conditions. These risks are addressed by proactive portfolio management. CPI Europe is not directly affected by the war in Ukraine because the Group holds no property and has no business relations in that country. The Group is, however, indirectly affected through the effects of the war in Ukraine on the overall economic situation. A quantitative estimate of these indirect effects on the Group is not possible at the present time.

A detailed evaluation of climate risks in connection with property valuation is provided under note 4.1.5 Assumptions and valuation methods for investment property.

1.4 First-time application of standards and interpretations

The following new or amended standards and interpretations were applied for the first time in 2024:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for CPI Europe	Effects on CPI Europe
Changes to standards and interpretations				
IAS 1	Changes to IAS 1 – Classification of Liabilities as Current and Non-current	23 January 2020 (19 December 2023)	1 January 2024	No
IAS 1	Changes to IAS 1 – Non-current Liabilities with Covenants	31 October 2022 (19 December 2023)	1 January 2024	Yes
IFRS 16	Changes to IFRS 16 – Lease Liabilities in a Sale and Leaseback Transaction	22 September 2022 (20 November 2023)	1 January 2024	No
IAS 7 and IFRS 7	Changes to IAS 7 and IFRS 7 – Supplier Finance Arrangements	25 May 2023 (15 May 2024)	1 January 2024	No

IAS 1: Changes to IAS 1 – Non-current Liabilities with Covenants

The changes clarify that the classification is only influenced by covenants which a company must fulfil on or before the reporting date. However, a company must disclose information in the notes that enable the users of financial statements to understand the risk that non-current liabilities with covenants which are under review as of the reporting date could become repayable within 12 months.

These changes had no material effect on accounting policies. The additionally required disclosures in the notes are included under section 4.14.

The other changes to standards and interpretations listed in the above table ("Changes to IAS 1 – Classification of Liabilities as Current and Non-current", "Changes to IFRS 16 – Lease Liabilities in a Sale and Leaseback Transaction" and "Changes to IAS 7 and IFRS 7 – Supplier Finance Arrangements") have no material effects on the consolidated financial statements.

1.5 Standards and interpretations applicable in the future

1.5.1 Standards and interpretations adopted by the EU, but not yet applied

The following changes to standards and interpretations had been adopted by the EU as of the balance sheet date, but did not require mandatory application in the 2024 financial year and were not applied prematurely:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for CPI Europe	Expected effects on CPI Europe
Changes to standards and interpretations				
IAS 21	Changes to IAS 21 – Lack of Exchangeability	15 August 2023 (12 November 2024)	1 January 2025	No

CPI Europe is evaluating the applicable changes to this standard and will apply them as of the mandatory application date. The revised standard is not expected to have a material effect on CPI Europe's consolidated financial statements.

1.5.2 Standards and interpretations announced, but not yet adopted by the EU

The following changes or revisions to standards and interpretations had been published as of the balance sheet date, but have not yet been adopted by the EU and are therefore not applicable:

Standard	Content	Published by the IASB	Expected mandatory application for CPI Europe	Expected effects on CPI Europe
New standards and interpretations				
IFRS 18	Presentation and Disclosure in Financial Statements	9 April 2024	1 January 2027	Yes
IFRS 19	Subsidiaries without Public Accountability; Disclosures	9 May 2024	1 January 2027	No
Changes to standards and interpretations				
IFRS 9 and IFRS 7	Changes to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	30 May 2024	1 January 2026	No
Annual improvements to IFRS – Volume 11	IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	18 July 2024	1 January 2026	No
IFRS 9 and IFRS 7	Changes to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	18 December 2024	1 January 2026	No

IFRS: 18 Presentation and Disclosure in Financial Statements

This is the new standard for presentation and disclosure in financial statements. It replaces IAS 1, whereby updating the income statement represents the focal point.

The most important new concepts introduced by IFRS 18 involve the following points:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to provide the most useful structured summaries for the presentation of expenses in the statement of profit or loss;
- mandatory disclosures as a single explanation in the financial statements for certain profit or loss indicators that are reported outside the company's financial statements (i.e. performance indicators defined by management); and
- expanded principles for aggregation and disaggregation that apply to the primary calculations and the notes.

With regard to IFRS 18, it is assumed that the application of the new standard will have material effects on the consolidated financial statements, especially concerning the presentation of the statement of profit or loss. The concrete effects on the consolidated financial statements are currently under evaluation.

The changes to revised and new versions of standards will be applied as of the mandatory application date. The new and revised standards not yet applied, with the exception of IFRS 18 – Presentation and Disclosure in Financial Statements, are not expected to have a material effect on CPI Europe's consolidated financial statements.

2. Scope of Consolidation

2.1 Development of the scope of consolidation

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 31 December 2023	282	1	9	292
Companies initially included				
Other acquisitions	7	0	0	7
New foundations	2	0	0	2
Companies no longer included				
Sales	-12	0	-1	-13
Mergers	-2	0	-1	-3
Liquidations	-2	0	0	-2
Balance on 31 December 2024	275	1	7	283
thereof foreign companies	197	1	1	199

An overview of the companies included in the CPI Europe consolidated financial statements is provided in section 8.

For one of the two companies liquidated in 2024, the tax authority assessment and deletion from the company register are still outstanding. This company was, however, presented as deconsolidated as of 31 December 2024 because it is immaterial. Subsequent tax payments or other obligations in this connection are not expected.

Initially consolidated subsidiaries which do not constitute a business on the acquisition date are not considered business combinations in the sense of IFRS 3 and are included in the above table as other acquisitions.

There were significant non-controlling interests in S IMMO Group. Detailed information is provided in section 2.4. All other subsidiaries with an investment of less than 100% (see section 8.) have no material non-controlling interests.

Restrictions defined by the articles of association, contracts or legal regulations as well as protective rights held by non-controlling interests can limit the ability of CPI Europe to gain access to the Group's assets, to transfer these assets between Group companies or to utilise the coverage potential of these assets to meet liabilities. Information on the existing limitations is provided in sections 7.1.4 and 7.3.1.

No business combinations in the sense of IFRS 3 were realised in 2024 or 2023.

2.2 Consolidation methods

2.2.1 Basis of consolidation

Standardised accounting and valuation principles as well as uniform options and judgements are applied by all companies included in the consolidated financial statements. Material interim profits – which arise, at most, from the intragroup transfer of investments in other companies, treasury shares, receivables or properties – are eliminated. The financial statements of all companies included through full consolidation and joint ventures accounted for at equity were prepared as of the same balance sheet date as the consolidated financial statements. For associates, the latest available financial statements form the basis for accounting. In cases where a different balance sheet date is used, any necessary adjustments are made when applying the equity method of accounting for material transactions or other events that occur between the associate's balance sheet date and CPI Europe's balance sheet date.

2.2.2 Full consolidation

A subsidiary is an entity that is controlled by a parent company. A subsidiary is included in the consolidated financial statements of CPI Europe through full consolidation from the date on which CPI Europe attains control over the subsidiary and up to the date on which control ends.

A controlling influence based on voting rights is generally presumed to exist when the direct or indirect interest in an entity exceeds 50%. In individual cases (see section 8.), interests over 50% are contrasted by statutory rights for a co-investor or the absence of a connection between CPI Europe's control over the investee and the receipt of variable returns. A co-investor may be assumed to have such statutory rights, above all, when there are wide-ranging requirements for unanimity or the co-investor's agreement on decisions over material activities (e.g. the sale of investment property). Investments with a share of voting rights less than 50% are reviewed to determine whether control is established by other factors.

The acquisition of a subsidiary requires a decision as to whether the entity represents a business in the sense of IFRS 3. Assessing whether acquired property assets represent a business in the sense of IFRS 3 involves discretionary judgement and, frequently, a detailed analysis of the acquired processes and structures, above all with respect to asset and property management. A concentration test is also performed on acquisitions to determine whether the entire fair value of the acquired gross assets is concentrated primarily in a single identifiable asset or in a group of comparable assets. When a business is acquired, the transaction is accounted for as a business combination under the acquisition method defined by IFRS 3. This also applies to an acquisition within the framework of a business combination achieved in stages. The related transaction costs are treated as an expense, and deferred taxes on temporary differences between the fair value of the acquired property assets and their respective tax bases are recognised in full. Goodwill for CPI Europe (see section 4.5.2) regularly results as a technical figure because of the obligation to record deferred taxes on the difference between the fair value and the tax base of the acquired real estate assets. The acquisition method is not applied if the acquired entity does not represent a business. The acquisition of shell companies and pure land owning companies does not normally involve a business. In these cases, the acquired financial assets and assumed liabilities are measured at fair value. The total of the financial assets and liabilities measured at fair value is then deducted from the transaction price. The remaining transaction price is then allocated to the remaining identifiable assets and liabilities (primarily investment property) based on the respective fair values on the acquisition date. Deferred taxes are not recognised (initial recognition exemption), and goodwill does not arise.

2.2.3 Equity method

The shares held by CPI Europe in equity-accounted investments comprise shares in joint ventures and associates.

IFRS 11 differentiates between joint ventures and joint operations. The joint arrangements in which CPI Europe is involved generally represent joint ventures. A joint venture is a joint arrangement under which the co-investors exercise joint control over a company and (only) have rights to the company's net assets. There are no direct claims or obligations arising from the company's assets and liabilities.

Associates are companies over which CPI Europe can exercise significant influence. Significant influence is the power to participate in an investee's financial and operating policy decisions without control or joint control. It is generally presumed (but can be refuted) when the direct or indirect interest in the investee equals or exceeds 20%. The possibilities for influence created by company law (e.g. through seats on a supervisory board) or other available opportunities can also lead to significant influence when an interest is less than 20%. With respect to shares in real estate funds, CPI Europe does not have significant influence, even with an interest of 20% or more, because it is not represented in the fund's operating management or this influence is excluded by the fund's legal structure (see section 8.).

In accordance with the equity method of accounting, investments in associates or joint ventures are initially recognised at cost, including transaction costs, as of the acquisition date. Any surplus of the acquisition cost over the acquired share of identifiable assets and assumed liabilities and contingent liabilities at fair value is recognised as goodwill. Negative differences are recognised immediately to profit or loss. Goodwill represents part of the carrying amount of the investment and is not tested separately for impairment. After initial recognition, the carrying amount of the investment is increased or decreased by the proportional share of the investee's profit or loss and other comprehensive income attributable to CPI Europe until significant influence or joint control ends. Any losses recorded by an associate or joint venture which exceed CPI Europe's investment in this entity are not recognised. Such losses are only recognised when the Group has a legal or actual obligation to cover the losses. The investments in companies accounted for at equity are assessed for indications of impairment as of every balance sheet date in accordance with IAS 28. If any such indications are identified, the investments are tested for impairment in accordance with IAS 36.

2.3 Acquisition of subsidiaries

In addition to the general disclosures on accounting and valuation methods (see sections 1.2. and 1.3), IFRS 3 requires additional detailed information on business combinations. There were no business combinations in the sense of IFRS 3 during 2023 or 2024, but transactions were carried out with CPI Property Group and are described in the next section.

Acquisition of subsidiaries from CPI Property Group in 2023 and 2024

Various transactions were concluded with CPI Property Group in 2023 and 2024, which did not qualify as business combinations in the sense of IFRS 3 because there were no business operations as defined by this standard

A portfolio of eight properties was acquired from CPI Property Group S.A. through share deals in the second quarter of 2024. The purchase prices (including ancillary costs) of EUR 175.2 million in total consisted entirely of cash and cash equivalents. Loans of EUR 235.7 million included in the debt of the acquired companies were repaid during the settlement of the acquisitions. The transaction also included the transfer of interest derivatives with a positive fair value of EUR 13.8 million on the acquisition date, which led to a corresponding reduction of the property acquisition costs. The real estate portfolio acquired in 2024 consists of office and retail properties and is entirely attributable to S IMMO (see section 3.6); they were recorded at the acquisition costs resulting from the purchase, together with the respective incidental acquisition costs. Standard market purchase price discounts for deferred taxes and other purchase price adjustments as well as the fair value of interest derivatives held by a higher-level interim holding company were also included and subsequently led to a revaluation of EUR 46.6 million to the properties in accordance with IAS 40.

The companies acquired from CPI Property Group through share deals in 2023 represented companies with properties in the office and retail asset classes in the Czech Republic and Hungary. Of the investment property acquired, EUR 219.3 million was allocated to the Czech Republic segment and EUR 601.2 million to the S IMMO segment (see section 3.6). The investment property was recognised at the acquisition costs resulting from the purchase transactions, including incidental acquisition costs. Standard market purchase price discounts for deferred taxes and other purchase price adjustments were recognised. An interest rate derivative carried at fair value in a higher-level intermediate holding company was also recognised and subsequently led to a revaluation of EUR 117.7 million to the property in accordance with IAS 40.

The following table shows the acquired assets and assumed liabilities as well as the purchase prices, which were paid in liquid funds, and the liabilities superseded in connection with the settlement of the acquisitions. These transactions are included on the consolidated cash flow statement under “business combinations and other acquisitions, net of cash and cash equivalents” at an amount of EUR -410.2 million (2023: EUR -686.4 million). In addition to the EUR -409.8 million included in the table, purchase price adjustments of EUR -0.4 million are also taken into account.

All amounts in TEUR	2024	2023
Investment property	414,589	820,455
Other tangible assets	1,368	0
Deferred tax assets	934	0
Receivables and other assets	8,501	24,550
Cash and cash equivalents	1,351	5,060
Financial liabilities	0	-126,721
Trade and other payables	-15,571	-34,705
Net assets acquired	411,172	688,639
Purchase prices paid in cash and cash equivalents	-175,184	-264,481
Superseded liabilities	-235,988	-424,157
Total consideration	-411,172	-688,638
Less cash and cash equivalents	1,352	5,060
Net outflow of cash and cash equivalents	-409,820	-683,578

2.4 Subsidiaries with material non-controlling interests

The change in non-controlling interests is shown in the following table:

All amounts in TEUR	2024	2023
Balance on 1 January	922,961	980,055
Net profit or loss for the period	1,064	-48,197
Other comprehensive income	-50	14,019
Transactions with non-controlling interest owners	-863,482	-3,869
Distributions/Dividend	-23,991	-19,048
Balance on 31 December	36,502	922,961

CPI Europe (excluding S IMMO) held a direct investment of 50% plus one share in S IMMO Group as of 31 December 2023 and, consequently, there were material non-controlling interests in S IMMO Group. The subsidiaries belonging to S IMMO Group are listed separately in section 8.

In 2024, a further 442,631 shares of S IMMO AG were acquired from a shareholder in July for a purchase price of EUR 9.8 million. A total of 28,241,094 shares of S IMMO AG were purchased from CPI Property Group in September for EUR 608.6 million, or EUR 21.55 per S IMMO share. This price represents the established cash settlement of EUR 22.05 per share for the non-controlling interests as part of the squeeze out less a discount of EUR 0.50 per share. The purchase was financed in part by a long-term credit facility (loan) of EUR 500.0 million from CPIPG at standard market conditions. After partial repayments in 2024, the outstanding balance of the loan (incl. interest) is carried under financial liabilities at EUR 365.6 million as of 31 December 2024 (see section 4.14).

On 14 October 2024, the annual general meeting of S IMMO AG approved the squeeze out of the company's non-controlling shareholders in accordance with the Austrian Act on the Squeeze-out of Minority Shareholders. The squeeze-out involved 4,804,033 shares of S IMMO AG, and CPI Europe now holds 100% of the shares in S IMMO AG. With recording in the company register on 3 December 2024, the squeeze-out took effect and all shares attributable to the non-controlling interests were transferred to CPI Europe. The minority shareholders received a cash settlement of EUR 105.9 million, or EUR 22.05 per share.

The share purchases and the squeeze-out are reported on the cash flow statement as part of cash flow from financing activities under "transactions with non-controlling interest owners" at EUR -365.6 million. In addition to the purchases, this position also includes EUR -0.7 million of transaction costs in connection with the purchase of shares in S IMMO.

The purchase of additional shares in S IMMO AG during July and September together with the subsequent squeeze-out led to a significant reduction of EUR -863.5 million in the non-controlling interests in S IMMO Group. As of 31 December 2024, the only non-controlling interests in S IMMO Group represented the non-controlling interests in subsidiaries of S IMMO AG.

The reduction of EUR 863.5 million in non-controlling interests through the purchase of shares (including the squeeze-out) is contrasted by purchase prices totalling EUR 724.3 million. In the consolidated statement of changes in equity, the total change from transactions with non-controlling interests amounts to as EUR 722.6 million, as the transaction costs and other transactions by S IMMO with non-controlling interests are included. The total difference between the purchase prices and the reduction in non-controlling interests of EUR 139.2 million was recorded under the part of equity attributable to the shareholders of CPI Europe AG, whereby EUR 13.9 million represents the reclassification of other comprehensive income from non-controlling interests and EUR 125.3 million was recorded under retained earnings without recognition to profit or loss. The reclassification of other comprehensive income is presented on the consolidated statement of changes in equity under accumulated other equity as part of the change in transactions with non-controlling interest owners. In addition to the EUR 125.3 million from the purchase of shares (including the squeeze-out), the EUR 127.7 million reported on the consolidated statement of changes in equity still include effects from other transactions by S IMMO AG with non-controlling interests.

The S IMMO non-controlling interests affected by the squeeze-out are entitled to a court review of the cash settlement of EUR 22.05 per share. Forty-five applications for review covering 310,214 shares were filed with the Commercial Court in Vienna. The Commercial Court in Vienna will now initiate the necessary steps to evaluate the amount of the cash settlement. After the evaluation process is completed, the Commercial Court in Vienna can confirm the original amount or make an adjustment of the cash settlement.

In addition to the S IMMO Group, there is one German subsidiary with non-controlling interests amounting to EUR -31.5 million (2023: EUR -30.3 million).

2.5 Sale of subsidiaries

An overview of the subsidiaries deconsolidated in 2024 is provided in section 8.

The following table summarises the effects on various balance sheet items as well as the deconsolidation results:

All amounts in TEUR	2024	2023
Investment property (see 4.1)	190,699	75,646
Property under construction (see 4.2)	0	1,025
Other tangible assets	262	54
Intangible assets (excl. goodwill)	0	6
Goodwill	345	43
Other financial instruments	1,629	0
Receivables and other assets	2,908	2,778
Deferred tax assets	0	266
Investment properties held for sale (see 4.13)	251,692	321,969
Assets held for sale	3,689	0
Cash and cash equivalents held for sale	2,047	0
Cash and cash equivalents	9,392	33,662
Financial liabilities	-96,915	-22,615
Trade payables	-3,638	-426
Other liabilities	-6,014	-66,932
Income tax liabilities	-95	-41
Provisions	-6,527	-3,871
Deferred tax liabilities	-16,994	-55,942
Liabilities held for sale	-37,234	0
Other assets/liabilities	0	1,023
Net assets sold	295,247	286,645
Consideration received in cash and cash equivalents	305,083	287,362
Outstanding purchase price receivables	0	11,212
Less net assets sold	-295,246	286,645
Less liabilities assumed by seller	-2,749	0
Less non-controlling interests	0	313
Reclassification of foreign exchange differences reserve to profit or loss	-2,015	-47,947
Results from deconsolidation	5,072	-35,219
Consideration received in cash and cash equivalents	305,083	287,362
Less cash and cash equivalents sold	-11,439	-33,662
Net inflow of cash and cash equivalents	293,644	253,700

In the consolidated cash flow statement, the line item "Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents" includes an additional EUR 12.0 million beyond the EUR 293.6 million presented in the table. EUR 7.0 million of this amount pertains to the purchase price receivable from the sale of the Russia portfolio in 2017, which was received in the first quarter of 2024. An additional EUR 5.0 million results from payments received for outstanding purchase price receivables from share sales reported as of 31 December 2023. As of 31 December 2024, outstanding purchase price receivables from share sales amount to EUR 16.2 million (see 4.7), of which EUR 9.8 million result from the sale of an associated company (see 4.6).

2.6 Foreign currency translation

2.6.1 Functional currency

The Group reporting currency is the euro. For subsidiaries and equity-accounted investments that prepare their financial statements in a foreign currency, the determination of the functional currency is based on the primary (macro)economic environment in which the respective company operates. A determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the relevant country.

When the functional currency of a subsidiary cannot be clearly identified, IAS 21 allows management to use its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions and events. Management has principally designated the euro as the functional currency for the subsidiaries in Romania, Poland, Czech Republic and Hungary; however, the local currency remains the functional currency for individual purchased property, service and management companies. This decision reflects the fact that macroeconomic developments in these countries are influenced by the euro-zone. In addition, the leases concluded by CPI Europe in these countries and real estate financing are generally denominated in the euro.

2.6.2 Translation of financial statements from foreign subsidiaries, joint ventures and associates

In accordance with IAS 21, the modified current rate method is used to translate the financial statements of the Group's subsidiaries, joint ventures and associates whose functional currency is not the euro. The assets and liabilities in the financial statements to be consolidated are translated at the mean exchange rate on the balance sheet date, while the income statement positions are translated at the weighted average exchange rate for the financial year.

Foreign currency translation is based on the exchange rates issued by the European Central Bank and by the respective national banks.

The following table lists the exchange rates in effect on the balance sheet date and the average exchange rates for the key currencies for CPI Europe:

Currency	Closing rate on 31 12 2024	Closing rate on 31 12 2023	Average rate 2024	Average rate 2023
BGN	1.95580	1.95580	1.95580	1.95580
CZK	25.18500	24.72500	25.12308	23.98231
HRK	7.53450	7.53450	7.53450	7.53450
HUF	410.09000	382.78000	396.21385	382.05000
PLN	4.27300	4.34800	4.30753	4.54079
RON	4.97410	4.97460	4.97478	4.95165
RSD	117.01490	117.17370	117.08446	117.25147
TRY	36.73720	32.65310	35.51957	25.77431

3. Information on Operating Segments

3.1 Internal reporting

The chief operating decision-maker of CPI Europe is the Executive Board. Internal reporting to the Executive Board is based on the classification of data into eight regional core markets (Austria, Germany, Poland, Czech Republic, Slovakia, Hungary, Romania and Adriatic). Within these core markets, rental income is reported by asset class (office, retail and others) together with the income from the non-performance-related components of operating costs. Regions with a lower volume of business are aggregated under "Other Countries". S IMMO is reported as a separate operating segment. The presentation of segment results is based on internal reporting to the Executive Board (management approach).

3.2 Transition from operating segments to Group results

There are no material transactions between the segments which would affect profit or loss and, consequently, separate information is not provided on the elimination of intersegment amounts in the transition from revenues and profit or loss from the operating segments to the Group. Central services are allocated to the operating segments based on actual expenses. Service companies that only work for a particular segment are allocated to that segment. Transactions in real estate assets between the segments do not form a basis for decisions by the responsible chief operating decision-maker and, consequently, a transition is not provided for these transactions.

Investments in holding companies that cannot be assigned to a specific segment and non-operating subsidiaries are included in the transition column. This column also includes the elimination of immaterial intersegment transactions.

3.3 Information on reportable operating segments

Segment assets consist primarily of investment properties, property under construction, goodwill, owner-operated properties, properties held for sale and real estate inventories. Segment investments include additions to investment property and property under construction as well as right-of-use assets as defined in IFRS 16. Liabilities are not allocated to the individual segments for internal reporting purposes.

The results of asset management and operating profit (EBIT) are used to assess performance and to allocate resources. The development of financial results and tax expense in the Group is managed centrally. Separate country boards, which report regularly to the chief operating decision-maker, were established for the core markets. EBIT in the "total" column reflects the same position on the consolidated income statement, which also shows the reconciliation to earnings before tax.

The accounting and valuation methods applied by the reportable segments comply with the accounting and valuation methods used to prepare CPI Europe's consolidated financial statements.

3.4 Regions as operating segments

The allocation of revenues and non-current assets to the individual regions is based on the location of the property.

- Austria: The business segment Austria includes office buildings like the myhive location in the Ungargasse. The myhive am Wienerberg commercial and office center was sold to S IMMO in 2023 and is therefore reported under the S IMMO segment. This portfolio also includes individual retail properties under the STOP SHOP brand.
- Germany: This portfolio includes the FLOAT office complex as well as the myhive Medienhafen Largo and Alto office properties.
- Poland: Standing office investments represent a focal point for this segment. The major office locations include the Warsaw Spire, myhive Park Postępu, myhive IO-1-Gebäude and myhive Nimbus Office in Warsaw. The Polish portfolio also includes VIVO! shopping centers in Lublin, Stalowa Wola, Piła and Krosno as well as STOP SHOP retail parks and other retail properties.
- Czech Republic: The portfolio mix in the Czech Republic includes, among others, the Na Příkopě office property and the myhive Palmovka and myhive Pankrác House in Prague. Other important properties are the Olympia Pilsen Shopping Center which was acquired from CPI Property Group in 2023, the VIVO! Hostivař shopping center and retail parks under the STOP SHOP brand plus other retail properties.
- Slovakia: The core business in Slovakia lies primarily in the retail asset class with the VIVO! Bratislava and the STOP SHOP retail parks as well as other retail properties. This portfolio also includes the myhive Vajnorská office property.
- Hungary: Retail properties represent the focal point of this portfolio. In addition to STOP SHOP retail parks, this real estate portfolio also includes two other retail properties.
- Romania: The business segment Romania covers retail properties such as the STOP SHOP Botosani retail park and the VIVO! Cluj-Napoca, VIVO! Constanta, VIVO! Baia Mare and VIVO! Pitești shopping centres. Also included are office properties like the myhive S-Park, myhive Victoria Park, myhive Metrooffice and IRIDE Business Park as well as several properties in the Other asset class.
- Adriatic: The property portfolio in the Adriatic region (Italy, Croatia, Serbia and Slovenia) includes STOP SHOP retail parks as well as land. The Grand Centre Zagreb office building was sold during the first quarter of 2024.
- The S IMMO real estate portfolio includes office buildings, commercial properties, residential properties and hotels.

3.5 Information on key customers

CPI Europe (excluding S IMMO) had no individual customers who accounted for 10% or more of revenues in the 2024 or 2023 financial year.

3.6 Segment reporting

Information on the reportable segments of CPI Europe is provided in the following section:

All amounts in TEUR	Austria		Germany	
	2024	2023	2024	2023
Office	6,149	24,041	18,291	18,930
Retail	10,626	11,121	0	0
Other	85	80	0	0
Income from non-performance-related components of operating costs	222	514	859	662
Rental income	17,082	35,756	19,150	19,592
Operating costs charged to tenants	3,382	9,903	4,800	3,516
Other revenues	203	261	113	158
Revenues from asset management	20,667	45,920	24,063	23,266
Expenses from investment property	-2,694	-9,090	-3,326	-4,059
Operating expenses	-3,762	-10,191	-8,077	-5,511
Results of asset management	14,211	26,639	12,660	13,696
Income from owner-operated hotels	0	0	0	0
Expenses from owner-operated hotels	0	0	0	0
Results from owner-operated hotels	0	0	0	0
Results of property sales	3,328	-8,321	-74	-191
Results of property development	-270	-4,808	-2,337	-1,895
Other operating income	231	582	491	1,563
Other operating expenses	-2,317	-2,377	-1,937	-1,846
Results of operations	15,183	11,715	8,803	11,327
Revaluation results from standing investments and goodwill	2,770	-69,264	-7,244	-105,172
Operating profit (EBIT)	17,953	-57,549	1,559	-93,845
	31 12 2024	31 12 2023	31 12 2024	31 12 2023
Investment property	240,120	263,924	461,500	467,600
Property under construction	0	0	0	0
Goodwill	0	0	0	0
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	152,717	0	0
Real estate inventories	0	0	4,485	4,485
Segment assets	240,120	416,641	465,985	472,085
	2024	2023	2024	2023
Segment investments	1,229	16,779	823	4,187

All amounts in TEUR	Poland		Czech Republic	
	2024	2023	2024	2023
Office	35,792	39,301	14,235	14,287
Retail	29,907	28,064	49,705	29,849
Other	0	0	0	0
Income from non-performance-related components of operating costs	4,131	4,253	372	209
Rental income	69,830	71,618	64,312	44,345
Operating costs charged to tenants	31,377	26,756	17,553	11,186
Other revenues	801	706	68	512
Revenues from asset management	102,008	99,080	81,933	56,043
Expenses from investment property	-9,991	-10,218	-4,973	-4,184
Operating expenses	-35,748	-32,716	-18,856	-12,424
Results of asset management	56,269	56,146	58,104	39,435
Income from owner-operated hotels	0	0	0	0
Expenses from owner-operated hotels	0	0	0	0
Results from owner-operated hotels	0	0	0	0
Results of property sales	-693	-60	-74	-10
Results of property development	826	-10,706	-652	-33
Other operating income	262	614	1,199	1,328
Other operating expenses	-3,234	-1,511	-4,755	-762
Results of operations	53,430	44,483	53,822	39,958
Revaluation results from standing investments and goodwill	-1,534	-43,015	15,617	41,343
Operating profit (EBIT)	51,896	1,468	69,439	81,301
	31 12 2024	31 12 2023	31 12 2024	31 12 2023
Investment property	964,431	962,035	951,500	933,600
Property under construction	0	33,350	0	0
Goodwill	32	32	2,921	2,921
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	964,463	995,417	954,421	936,521
	2024	2023	2024	2023
Segment investments	1,939	1,475	10,515	227,527

	Slovakia		Hungary	
All amounts in TEUR	2024	2023	2024	2023
Office	4,483	4,302	711	0
Retail	30,878	30,589	21,889	21,042
Other	0	0	0	0
Income from non-performance-related components of operating costs	415	733	758	718
Rental income	35,776	35,624	23,358	21,760
Operating costs charged to tenants	15,317	16,502	10,563	13,062
Other revenues	164	166	71	79
Revenues from asset management	51,257	52,292	33,992	34,901
Expenses from investment property	-9,576	-6,493	-1,586	-3,945
Operating expenses	-9,048	-14,926	-11,022	-14,047
Results of asset management	32,633	30,873	21,384	16,909
Income from owner-operated hotels	0	0	0	0
Expenses from owner-operated hotels	0	0	0	0
Results from owner-operated hotels	0	0	0	0
Results of property sales	-550	227	-374	-221
Results of property development	-64	-28	-19	0
Other operating income	634	354	32	1,047
Other operating expenses	-2,311	-1,932	-1,307	-398
Results of operations	30,342	29,494	19,716	17,337
Revaluation results from standing investments and goodwill	4,330	-21,889	7,837	-1,022
Operating profit (EBIT)	34,672	7,605	27,553	16,315
	31 12 2024	31 12 2023	31 12 2024	31 12 2023
Investment property	436,800	429,414	234,832	227,536
Property under construction	0	0	0	0
Goodwill	89	89	202	202
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	436,889	429,503	235,034	227,738
	2024	2023	2024	2023
Segment investments	4,170	5,049	2,071	423

All amounts in TEUR	Romania		Adriatic	
	2024	2023	2024	2023
Office	19,172	17,759	375	2,271
Retail	34,178	32,626	54,677	46,333
Other	1,511	752	0	0
Income from non-performance-related components of operating costs	3,819	3,628	653	632
Rental income	58,680	54,765	55,705	49,236
Operating costs charged to tenants	33,491	32,845	13,933	13,072
Other revenues	0	435	557	424
Revenues from asset management	92,171	88,045	70,195	62,732
Expenses from investment property	-8,451	-8,033	-5,916	-4,984
Operating expenses	-38,636	-38,556	-14,604	-14,217
Results of asset management	45,084	41,456	49,675	43,531
Income from owner-operated hotels	0	0	0	0
Expenses from owner-operated hotels	0	0	0	0
Results from owner-operated hotels	0	0	0	0
Results of property sales	-1,692	-215	880	-428
Results of property development	-755	-4,558	-814	-3,563
Other operating income	510	1,325	58	-2,372
Other operating expenses	-8,756	-14,153	-3,310	-3,623
Results of operations	34,391	23,855	46,489	33,545
Revaluation results from standing investments and goodwill	-5,701	-48,142	4,565	2,478
Operating profit (EBIT)	28,690	-24,287	51,054	36,023
	31 12 2024	31 12 2023	31 12 2024	31 12 2023
Investment property	631,000	649,186	648,300	619,520
Property under construction	0	65,070	21,300	28,030
Goodwill	12,886	12,887	654	999
Owner-operated properties	0	0	0	0
Investment properties held for sale	67,250	18,640	0	0
Real estate inventories	0	0	0	0
Segment assets	711,136	745,783	670,254	648,549
	2024	2023	2024	2023
Segment investments	7,530	4,270	46,147	58,400

All amounts in TEUR	S IMMO		Other Countries	
	2024	2023	2024	2023
Office	137,375	123,448	0	0
Retail	79,960	41,895	0	0
Other	19,534	27,281	0	0
Income from non-performance-related components of operating costs	8,469	8,281	0	0
Rental income	245,338	200,905	0	0
Operating costs charged to tenants	86,799	63,775	0	0
Other revenues	0	0	0	0
Revenues from asset management	332,137	264,680	0	0
Expenses from investment property	-27,040	-24,391	0	0
Operating expenses	-105,515	-90,433	0	0
Results of asset management	199,582	149,856	0	0
Income from owner-operated hotels	76,503	70,023	0	0
Expenses from owner-operated hotels	-66,711	-68,011	0	0
Results from owner-operated hotels	9,792	2,012	0	0
Results of property sales	-651	9,819	0	-38,520
Results of property development	-19	0	0	0
Other operating income	4,875	3,321	32	54
Other operating expenses	-44,857	-28,013	-13	-81
Results of operations	168,722	136,995	19	-38,547
Revaluation results from standing investments and goodwill	-9,957	-115,065	0	7,541
Operating profit (EBIT)	158,765	21,930	19	-31,006
	31 12 2024	31 12 2023	31 12 2024	31 12 2023
Investment property	3,110,162	3,277,932	0	0
Property under construction	16,980	16,510	0	0
Goodwill	2,183	2,183	0	0
Owner-operated properties	236,971	229,634	0	0
Investment properties held for sale	194,586	84,515	0	0
Real estate inventories	395	356	0	0
Segment assets	3,561,277	3,611,130	0	0
	2024	2023	2024	2023
Segment investments	449,782	624,212	0	0

	Total reportable segments		Reconciliation to consolidated financial statements		CPI Europe	
All amounts in TEUR	2024	2023	2024	2023	2024	2023
Office	236,582	244,338	0	0	236,582	244,338
Retail	311,822	241,518	0	0	311,822	241,518
Other	21,130	28,115	0	0	21,130	28,115
Income from non-performance-related components of operating costs	19,697	19,630	0	0	19,697	19,630
Rental income	589,231	533,601	0	0	589,231	533,601
Operating costs charged to tenants	217,215	190,615	0	0	217,215	190,615
Other revenues	1,977	2,740	0	0	1,977	2,740
Revenues from asset management	808,423	726,956	0	0	808,423	726,956
Expenses from investment property	-73,553	-75,396	0	0	-73,553	-75,396
Operating expenses	-245,268	-233,022	0	0	-245,268	-233,022
Results of asset management	489,602	418,538	0	0	489,602	418,538
Income from owner-operated hotels	76,503	70,023	0	0	76,503	70,023
Expenses from owner-operated hotels	-66,711	-68,011	0	0	-66,711	-68,011
Results from owner-operated hotels	9,792	2,012	0	0	9,792	2,012
Results of property sales	99	-37,921	0	-406	99	-38,327
Results of property development	-4,104	-25,591	0	0	-4,104	-25,591
Other operating income	8,324	7,816	73	37	8,397	7,853
Other operating expenses	-72,797	-54,696	-22,303	-24,671	-95,100	-79,367
Results of operations	430,916	310,158	-22,230	-25,040	408,686	285,118
Revaluation results from standing investments and goodwill	10,683	-352,207	0	0	10,683	-352,207
Operating profit (EBIT)	441,599	-42,049	-22,230	-25,040	419,369	-67,089
	31 12 2024	31 12 2023	31 12 2024	31 12 2023	31 12 2024	31 12 2023
Investment property	7,678,645	7,830,746	0	0	7,678,645	7,830,746
Property under construction	38,280	142,960	0	0	38,280	142,960
Goodwill	18,967	19,312	0	0	18,967	19,312
Owner-operated properties	236,971	229,634	0	0	236,971	229,634
Investment properties held for sale	261,836	255,872	0	0	261,836	255,872
Real estate inventories	4,880	4,841	0	0	4,880	4,841
Segment assets	8,239,579	8,483,365	0	0	8,239,579	8,483,365
	2024	2023	2024	2023	2024	2023
Segment investments	524,206	942,321	0	0	524,206	942,321

4. Notes to the Consolidated Balance Sheet

4.1 Investment property

Investment property includes land, buildings and/or parts of buildings that are held to generate rental income or for capital appreciation. The properties owned and operated by S IMMO Group (hotels) are reported under owner-operated properties. The space used by CPI Europe (excluding S IMMO) is immaterial and is therefore included under investment property. Properties acquired at the start of the development process are classified as property under construction when the necessary decisions have been taken as of the acquisition date. In all other cases, real estate acquisitions are recognised as investment property.

CPI Europe filed applications for an immaterial amount of investment subsidies for investment property and property under construction (see section 4.2) in the Austrian companies during 2024. Investment subsidies are principally accounted for through a deduction to the acquisition cost when the asset is initially recognised (net method as per IAS 20.24).

4.1.1 Development of investment property

Details on the development of the fair value of investment property are presented in the following section. Foreign exchange differences resulting from the translation of foreign company assets at the rates in effect at the beginning and the end of the year are presented separately.

The development of investment property is as follows:

All amounts in TEUR	2024	2023
Beginning balance	7,830,746	7,707,196
Disposals following the sale of subsidiaries (see 2.5)	-190,699	-75,646
Additions following the acquisition of subsidiaries (see 2.3)	414,589	821,079
Currency translation adjustments	-11,063	-5,625
Additions	79,473	73,279
Disposals	-79,103	-187,999
Measurement at fair value	10,746	-353,154
Reclassifications	83,446	98,088
Reclassification from assets held for sale	0	9,400
Reclassification to assets held for sale	-459,490	-255,872
Ending balance	7,678,645	7,830,746

Disposals following the sale of subsidiaries were related, above all, to commercial properties in Germany and an office property in Zagreb. The additions following the acquisition of subsidiaries resulted from the purchase of a portfolio of office and commercial properties in the Czech Republic by S IMMO from CPI Property Group. The additions primarily involved investments in portfolio properties in the Czech Republic, Hungary, Romania, Slovakia and Serbia. Investment property disposals were related chiefly to the sale of two office properties in Vienna and office properties in Austria attributable to the S IMMO segment. Details on measurements at fair value are provided in sections 3.6 and 5.8.

The reclassifications consisted almost entirely of transfers from property under construction to investment property. In 2023, EUR 139.4 million was reclassified from property under construction to investment property and EUR -55.5 million from investment property to property under construction. The reclassifications to assets held for sale involve, in particular, an office property and land in Romania as well as the following properties from the S IMMO portfolio: office, residential and retail properties in Germany, an office property in Zagreb, two office properties in Austria, one office property in Hungary and land in Romania (see section 4.10).

IFRS 16

CPI Europe leases real estate for rental to third parties (in particular building rights) and, to a lesser extent, leases buildings, land and other assets (autos and other items of business and operating equipment). The IFRS 16 rights of use resulting from the building rights are allocated to investment property. Information on the IFRS 16 rights of use related to owner-operated properties is provided in section 4.3, while information on the IFRS 16 rights of use included under other tangible assets can be found in section 4.4. For short-term leases (under 12 months) and low-value leases (under EUR 5,000), CPI Europe applies the practical expedients defined by IFRS 16 and records the costs for these contracts under other operating expenses (see section 5.6). The option to waive the separation of lease and non-lease components was not applied.

The rights of use for investment property and property under construction are subsequently measured at fair value in accordance with IAS 40 (see section 5.8 for the valuation effect) and represent the respective lease liabilities as of the measurement date (see section 4.14). Lease liabilities are subsequently measured at amortised cost with the application of the effective interest method and include any foreign exchange increases or decreases (see section 5.10). Lease payments on the rights of use for building rights are normally indexed and, consequently, regularly represent the current market price. As a rule, the leases for building rights do not include any purchase options.

The rights of use included under investment property totalled EUR 56.7 million as of 31 December 2024 (2023: EUR 55.3 million). No rights of use were reclassified to assets held for sale in 2024 (see section 4.10). Information on the lessor's accounting treatment is provided in section 5.1.1.

4.1.2 Accounting policies

The fair value of the standing investments held by CPI Europe as of 31 December 2024 and in the previous year was generally determined with the so-called hardcore and top-slice version of the investment method.

Under the hardcore and top-slice version, the net income generated by a property – up to the market rent (the so-called hardcore component) – is capitalised at a normal market interest rate as a perpetual yield over the entire term (term of the rental contract plus subsequent rental). The top-slice component (i.e. the net income that exceeds or falls below the market rent) is then discounted at a risk-adjusted market interest rate if necessary. The amount of the risk premium is dependent on the probability of vacancy.

Quantitative information on the parameters used for valuation is provided in section 4.1.3.

The valuation of undeveloped land held by CPI Europe is based on a comparable value method. This method uses the realised purchase prices from other sites with a similar location and size to determine the value of the target property.

Properties under development and investment properties that were acquired for possible redesign and renovation (redevelopment) are measured with the residual value method by CPI Europe. The appraiser is responsible for selecting the valuation method. Differences to the above-mentioned procedure are therefore possible.

Changes in the fair value of investment properties, properties under construction, properties held for sale and properties sold are recognised to profit or loss (see section 5.8).

Valuation results are calculated on a quarterly basis. Therefore, the valuation results for property sales are included under valuation results from standing investments, respectively property under construction, up to the quarter before the sale or reclassification to held for sale – and under the results of property sales after that time (see section 5.3).

The accounting for investment property in accordance with the fair value model requires regular revaluation. At CPI Europe, effectively all properties are valued by independent appraisers in accordance with the recommendations of the European Public Real Estate Association (EPRA).

CBRE served as the appraiser for most of the properties held by CPI Europe as of 31 December 2024 and in the previous year. Jones Lang LaSalle (Poland) and iO Partners (Hungary) were responsible for additional appraisals. A very limited number of valuations were carried out internally.

The valuations by these appraisers are based on their market knowledge and the inspection of the properties as well as supplied information, e.g. rental lists, rental contracts, land register excerpts and maintenance and investment budgets. This data is reviewed by the appraisers, who verify its plausibility through comparisons with market data. The experts also make estimates, among others, for the occupancy, future rental income, scheduled investments and expected returns. This process is accompanied by the members of CPI Europe's asset management and controlling staffs. The results of the property valuation process are reviewed by internal experts in CPI Europe for plausibility and coordinated with the Executive Board.

A guideline issued by CPI Europe and the contract concluded with the appraiser require the inspection of all properties as part of the initial valuation. Starting with the first follow-up valuation, the appraisers are required to inspect at least 10% of the properties in each country of their assigned portfolio. The on-site inspection of the property by the appraiser may not be older than three years.

The CPI Europe properties are appraised for the preparation of the consolidated financial statements as of 31 December and, in part, also for the preparation of the consolidated interim financial statements as of 30 June. Internal valuations are carried out for the preparation of the interim financial statements as of 31 March and 30 September.

4.1.3 Valuation assumptions and existing valuation uncertainty

IFRS 13 requires the classification of assets and liabilities measured at fair value in three fair value hierarchy levels based on the determining input factors. All investment properties are classified under Level 3 of the fair value hierarchy because of the various parameters used in property valuation that are not directly or indirectly observable on the market (see the following table for information on the most important non-observable input factors).

The classes are defined according to the respective characteristics, features and risks associated with the assets. The allocation criteria include the business segments and asset classes (office, retail and others). The office, retail and others asset classes are aggregated into country groups based on specific homogeneity criteria: West (Austria, Germany), CEE (Poland, Czech Republic, Slovakia, Hungary, Romania) and Other Countries (Italy, Croatia, Serbia and Slovenia).

This aggregation results in the following classes:

- **Office** – in each of the country groups West, CEE, Other Countries
- **Retail** – in each of the country groups West, CEE, Other Countries
- **Other** – in each of the country groups West, CEE, Other Countries

The following table shows the input factors used for valuation and lists the key input parameters for each class of standing investments. A minimum and maximum value is shown for each input parameter in the class; consequently, the various parameters are generally not related to the same property. In addition to the minimum and maximum amounts, a weighted average and median amount are provided for each input parameter within the individual classes.

The input parameters presented in the following tables for 2024 and 2023 are to be understood as follows:

- Lettable space in sqm: the total gross space available for rental by tenants (excluding parking areas)
- Market rent per sqm and month in EUR: the appraiser's estimate of the monthly rent for which a property could be rented by knowledgeable and willing parties under appropriate conditions and without compulsion in an arm's length transaction
- Actual net rent per sqm and month in EUR: the monthly rent in square metres based on expected rents for the first year after the deduction of costs carried by the renter
- Capitalisation rate in %: yield based on the expected income from the property; the exit yield is reported for properties held by the S IMMO Group which are valued according to the DCF method
- Vacancy rate in %: the actual vacancy rate as of the balance sheet date

Depending on the estimates of risk – which are based, in general, on the asset class, the country and current market circumstances and, in particular, on the condition of the building, its location and occupancy rate – different interest rates are applied to the individual properties. The assumptions underlying the valuation, e.g. for market rents, rental default risks, vacancies or maintenance costs, are based on market assessments, derived data or the appraisers' experience. Comparable rental contracts and property transactions on the market are regularly monitored, filed and evaluated by the appraisers. These market benchmarks are then transferred to the target properties and estimates for future rents or a potential market price, in the event of a sale, are calculated.

The following tables also include the investment property classified held for sale (see section 4.10), in cases where current appraisals were available as of the balance sheet date.

Office						
		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate or exit yield in %	Vacancy rate in %
2024						
West	min	2,194	6.69	9.95	4.15	0.00
	max	65,706	27.64	38.94	7.25	67.25
	weighted average	17,693	18.00	18.18	5.33	14.01
	median	16,348	16.41	19.13	5.15	4.04
CEE	min	519	4.62	4.39	5.20	0.00
	max	71,643	29.18	28.04	11.00	64.85
	weighted average	17,000	16.73	16.06	7.56	11.42
	median	15,402	15.54	14.76	7.50	5.99

Retail						
		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate or exit yield in %	Vacancy rate in %
2024						
West	min	2,206	6.32	5.56	5.35	0.00
	max	14,834	17.30	16.71	6.70	14.29
	weighted average	5,909	12.57	11.52	6.14	4.11
	median	5,572	12.39	10.36	6.20	0.73
CEE	min	762	3.54	4.68	4.80	0.00
	max	80,345	61.77	63.24	10.25	64.60
	weighted average	8,444	14.13	13.70	7.11	1.56
	median	5,852	10.82	10.38	7.00	0.00
Other Countries	min	1,657	8.12	7.95	8.00	0.00
	max	33,164	15.17	14.20	9.25	11.43
	weighted average	9,061	10.81	10.58	8.63	1.07
	median	8,355	10.67	10.48	8.50	0.00

Other						
		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate or exit yield in %	Vacancy rate in %
2024						
West	min	7,156	10.09	10.02	7.05	0.27
	max	7,156	10.09	10.02	7.05	0.27
	weighted average	7,156	10.09	10.02	7.05	0.27
	median	7,156	10.09	10.02	7.05	0.27

Office						
		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
2023						
West	min	2,194	6.50	5.85	4.10	0.00
	max	66,259	27.64	38.94	7.15	52.47
	weighted average	11,992	15.50	15.91	5.45	10.40
	median	8,217	13.23	13.04	5.48	5.59
CEE	min	519	4.59	4.36	5.10	0.00
	max	71,609	25.44	26.75	10.00	63.06
	weighted average	17,485	15.67	15.37	7.58	12.21
	median	15,404	15.35	13.62	7.75	8.41
Other Countries	min	15,633	12.85	12.77	8.75	0.39
	max	26,029	14.53	14.29	8.75	1.37
	weighted average	20,831	13.90	13.73	8.75	0.88
	median	20,831	13.69	13.53	8.75	0.88

Retail

2023		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
West	min	1,782	5.71	4.96	5.05	0.00
	max	14,834	17.77	22.54	6.65	36.16
	weighted average	5,963	11.88	11.32	6.05	5.17
	median	5,572	11.97	9.40	6.08	0.00
CEE	min	762	3.54	3.38	5.00	0.00
	max	81,528	49.57	50.06	9.75	64.60
	weighted average	8,362	13.51	13.22	7.22	2.17
	median	5,806	10.48	10.40	7.25	0.00
Other Countries	min	1,657	8.12	7.95	8.00	0.00
	max	33,126	14.82	14.50	9.25	6.71
	weighted average	9,070	10.62	10.37	8.62	0.25
	median	8,355	10.35	10.15	8.50	0.00

Other

2023		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
West	min	282	6.18	5.18	2.80	0.00
	max	13,586	12.50	13.07	7.00	57.11
	weighted average	1,294	8.86	8.57	4.19	11.42
	median	828	8.56	7.86	4.25	8.15

An increase in the price per square metre would lead to an increase in fair value, while a decrease in this parameter would cause a decrease in fair value. An increase in the capitalisation rate would lead to a reduction in fair value, while a reduction in this input factor would result in a higher fair value.

The following tables show the input factors for properties valued with the sales comparison approach (vacant buildings):

Office 2024		Land in sqm	Price per sqm in EUR
West	min	1,478	865.53
	max	8,723	1,048.71
	weighted average	5,101	892.07
	median	5,101	957.12
CEE	min	2,162	555.04
	max	2,162	555.04
	weighted average	2,162	555.04
	median	2,162	555.04

Retail 2024		Land in sqm	Price per sqm in EUR
CEE	min	24,582	29.12
	max	37,889	34.31
	weighted average	31,127	32.13
	median	30,910	32.54
Other Countries	min	30,000	36.67
	max	39,471	81.07
	weighted average	34,736	61.90
	median	34,736	58.87

Other 2024		Land in sqm	Price per sqm in EUR
CEE	min	1,508	329.85
	max	12,066	1,923.08
	weighted average	6,669	711.53
	median	6,551	816.95
Other Countries	min	7,951	1,546.98
	max	7,951	1,546.98
	weighted average	7,951	1,546.98
	median	7,951	1,546.98

Office 2023		Land in sqm	Price per sqm in EUR
West	min	1,478	870.11
	max	8,723	1,062.25
	weighted average	5,101	897.95
	median	5,101	966.18
CEE	min	1,508	440.22
	max	20,308	1,797.08
	weighted average	8,436	677.16
	median	5,964	771.49

Retail 2023		Land in sqm	Price per sqm in EUR
CEE	min	30,910	32.35
	max	37,889	36.95
	weighted average	34,400	34.88
	median	34,400	34.65
Other Countries	min	30,000	36.67
	max	39,471	81.07
	weighted average	34,736	61.90
	median	34,736	58.87

Other 2023		Land in sqm	Price per sqm in EUR
West	min	391	0.59
	max	287,936	414.74
	weighted average	69,966	29.20
	median	42,519	28.12
CEE	min	1,790	5.99
	max	29,866	599.70
	weighted average	9,215	85.56
	median	3,335	222.35
Other Countries	min	7,951	1,672.75
	max	7,951	1,672.75
	weighted average	7,951	1,672.75
	median	7,951	1,672.75

An increase in the price per square metre would lead to an increase in fair value, while a decrease would result in a lower fair value.

The following tables show a transition calculation from the beginning balance to the ending balance for the various property classes:

Office				
All amounts in TEUR	West	CEE	Other Countries	Total
Balance on 1 January 2023	1,847,410	2,390,637	127,200	4,365,247
Disposals following the sale of subsidiaries	-31,500	0	-26,500	-58,000
Additions following the acquisition of subsidiaries	0	355,578	0	355,578
Foreign exchange differences	0	-2,025	0	-2,025
Additions	10,631	21,602	2,251	34,484
Disposals	-86,963	-4,099	0	-91,062
Revaluation of properties in the portfolio as of the balance sheet date	-228,459	-107,885	1,986	-334,358
Reclassifications	8,108	-30,316	63	-22,145
Reclassification from assets held for sale	9,400	0	0	9,400
Reclassification to assets held for sale	-162,167	-18,640	0	-180,807
Balance on 31 December 2023	1,366,460	2,604,852	105,000	4,076,312
Balance on 1 January 2024	1,366,460	2,604,852	105,000	4,076,312
Disposals following the sale of subsidiaries	0	0	-30,000	-30,000
Additions following the acquisition of subsidiaries	211,577	0	0	211,577
Foreign exchange differences	0	-1,031	0	-1,031
Additions	2,825	22,209	-235	24,799
Disposals	-71,077	-3,490	0	-74,567
Revaluation of properties in the portfolio as of the balance sheet date	-49,862	5,033	1,502	-43,327
Reclassifications	-330,523	255,760	253	-74,510
Reclassification to assets held for sale	-94,586	-66,851	-76,520	-237,957
Balance on 31 December 2024	1,034,814	2,816,482	0	3,851,296

Retail				
All amounts in TEUR	West	CEE	Other Countries	Total
Balance on 1 January 2023	342,872	1,912,213	498,800	2,753,885
Disposals following the sale of subsidiaries	0	-2,800	0	-2,800
Additions following the acquisition of subsidiaries	0	441,315	0	441,315
Foreign exchange differences	0	-2,927	221	-2,706
Additions	3,794	12,418	20,630	36,842
Disposals	-5,513	-1,016	0	-6,529
Revaluation of properties in the portfolio as of the balance sheet date	-26,996	80,894	746	54,644
Revaluation of properties no longer in the portfolio as of the balance sheet date	0	-910	0	-910
Reclassifications	-223	7,712	55,823	63,312
Reclassification to assets held for sale	-17,000	0	0	-17,000
Balance on 31 December 2023	296,934	2,446,899	576,220	3,320,053
Balance on 1 January 2024	296,934	2,446,899	576,220	3,320,053
Disposals following the sale of subsidiaries	-123,340	0	0	-123,340
Additions following the acquisition of subsidiaries	0	203,011	0	203,011
Foreign exchange differences	0	-10,033	248	-9,785
Additions	2,607	36,999	10,057	49,663
Disposals	-1,932	0	-134	-2,066
Revaluation of properties in the portfolio as of the balance sheet date	-6,216	99,804	5,565	99,153
Reclassifications	125,287	-6,677	44,044	162,654
Reclassification to assets held for sale	-21,320	0	0	-21,320
Balance on 31 December 2024	272,020	2,770,003	636,000	3,678,023

Other				
All amounts in TEUR	West	CEE	Other Countries	Total
Balance on 1 January 2023	409,684	156,679	21,701	588,064
Disposals following the sale of subsidiaries	0	0	-14,846	-14,846
Additions following the acquisition of subsidiaries	0	24,186	0	24,186
Foreign exchange differences	-198	0	-696	-894
Additions	606	1,192	155	1,953
Disposals	-81,948	-8,460	0	-90,408
Revaluation of properties in the portfolio as of the balance sheet date	-56,875	468	-155	-56,562
Revaluation of properties no longer in the portfolio as of the balance sheet date	-16,500	-7,010	7,542	-15,968
Reclassifications	57,593	-271	-401	56,921
Reclassification to assets held for sale	-2,665	-55,400	0	-58,065
Balance on 31 December 2023	309,697	111,384	13,300	434,381
Balance on 1 January 2024	309,697	111,384	13,300	434,381
Disposals following the sale of subsidiaries	-37,359	0	0	-37,359
Foreign exchange differences	0	-247	0	-247
Additions	4,957	54	0	5,011
Disposals	0	-2,470	0	-2,470
Revaluation of properties in the portfolio as of the balance sheet date	-41,406	-2,674	-1,000	-45,080
Reclassifications	-6,709	2,012	0	-4,697
Reclassification to assets held for sale	-192,419	-7,794	0	-200,213
Balance on 31 December 2024	36,761	100,265	12,300	149,326

The following table shows a reconciliation from the various classes of investment properties to the total investment property reported on the consolidated balance sheet:

All amounts in TEUR	31 12 2024	31 12 2023
Office	1,034,814	1,366,460
Retail	272,020	296,934
Other	36,761	309,697
Total West	1,343,595	1,973,091
Office	2,816,482	2,604,852
Retail	2,770,003	2,446,899
Other	100,265	111,384
Total CEE	5,686,750	5,163,135
Office	0	105,000
Retail	636,000	576,220
Other	12,300	13,300
Total Other Countries	648,300	694,520
Total (as per consolidated balance sheet)	7,678,645	7,830,746

Sensitivity analysis of valuation results

The fair values determined by the property appraisals are heavily dependent on the input factors underlying the valuation. For example: a change in the assumed rental income from a property or in the capitalisation rate has a direct effect on the fair value of the property and, in turn, on the valuation results reported by CPI Europe. Therefore, the derived fair values are directly related to the underlying parameters. Even minor changes in the economic or property-specific assumptions used for valuation can have a significant influence on CPI Europe's consolidated earnings.

The following tables show the per cent change in the fair value of investment property as of 31 December 2024 and 31 December 2023 that would have resulted from changes in market rents and interest rates:

Sensitivity of fair value as of 31 December 2024		Interest rate	
Market rent	Δ -0.25 bps	Δ 0.0 bps	Δ +0.25 bps
Δ -5.0%	-1.4%	-5.2%	-8.6%
Δ 0.0%	3.8%	0.0%	-3.5%
Δ +5.0%	9.2%	5.2%	1.5%

For example: if the interest rate fell by 0.25 basis points and market rents remained unchanged, the fair value of CPI Europe's investment property would increase by 3.8%.

Sensitivity of fair value as of 31 December 2023		Interest rate	
Market rent	Δ -0.25 bps	Δ 0.0 bps	Δ +0.25 bps
Δ -5.0%	-1.2%	-5.0%	-8.5%
Δ 0.0%	4.0%	0.0%	-3.7%
Δ +5.0%	9.2%	5.0%	1.1%

The above data are based on the properties in the standing investment portfolio, which were valued by external appraisers according to the hardcore and top-slice or DCF method. Rights of use classified as held for sale in accordance with IFRS 5 and properties under construction are excluded. The investment property held by CPI Europe had a carrying amount of EUR 7,678.6 million as of 31 December 2024 (31 December 2023: EUR 7,830.7 million). Of this total, the carrying amount of the portfolio properties which flowed into the sensitivity analysis equalled EUR 7,281.7 million, or 95% of the standing investment portfolio (31 December 2023: EUR 7,580.3 million or 97%).

In addition to the previously discussed valuation-relevant input parameters, changes in exchange rates also have an effect on the fair value measurement of the properties. Interest rate fluctuations no longer have a material effect on the valuation of investment properties since the functional currency of all core countries is the euro and only a few non-core countries have a different functional currency. The sensitivity analysis for this input parameter was therefore discontinued.

4.1.4 Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. CPI Europe consciously reduces these risks through the sector and regional diversification of its property portfolio. In addition to sector and regional factors, the diversification of the tenant structure represents another focal point and is designed to prevent the loss of a tenant from significantly influencing the company. CPI Europe has a well-balanced and varied tenant mix. No single tenant is responsible for more than 10.0% of total rental income (also see section 3.5).

4.1.5 Climate risks

The real estate sector is responsible for roughly one-third of global energy consumption and greenhouse gas emissions. Major efforts are therefore directed to reducing this component through new regulations. CPI Europe prepared a comprehensive climate plan in 2024, which calls for the successive reduction of greenhouse gas emissions and sets a goal to reach net zero emissions by 2050. This plan is based on the 1.5°C goal set by the Paris Agreement and the requirements of the European Green Deal, which defines the EU's legal framework for a sustainable transformation. Over the coming years, the company also plans to increase its focus on measures to improve energy efficiency. The energy efficiency of buildings – together with energy generation – also plays a central role in the EU Taxonomy Regulation. CPI Europe has launched numerous projects for the installation of photovoltaic equipment on its properties and the thermal improvement of buildings, and intends to continue these projects in the coming years. This important contribution to decarbonisation is an integral part of the company's ESG strategy.

In the area of climate risks, modelling shows a stronger increase in the temperatures in CPI Europe's core markets as well as a greater probability of longer dry periods. Both of these trends are integrated in building refurbishment projects and flow into project development analyses. Risks related to long-term weather changes were also identified, whereby the focal point lies on the availability of water resources and water supplies in Italy and Romania. Modelling for natural hazards has forecasted an increase in extreme weather events, with flooding representing one of the greatest risks. Acute dangers classified as extreme primarily involve areas near rivers. Buildings in Slovenia, Croatia and Italy are particularly at risk from heavy rains, while heavy snowfall creates an increased risk for the Czech Republic and Slovakia. These risks are minimised through structural measures. All CPI Europe properties are insured against natural hazards. The properties owned and operated by CPI Europe are not exposed to a high overall climate risk and, therefore, there are no indications of a possible loss in value or a need to adjust the useful life.

CPI Europe also sees opportunities, above all, in the energy transformation. The focus here is on the conversion from fossil fuels to renewable energy sources and the diversification of these energy sources. Information for and cooperation with tenants should lead to the reduction of CO₂ emissions. Other measures will involve the areas of water, climate and biodiversity, supported by investments in innovative, sustainable building technologies.

Based on the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the requirements of the EU Taxonomy Regulation, CPI Europe carried out climate risk analyses for all its properties in 2024 and 2023.

Sustainability and environmental aspects also represent an integral part of the approach to the valuation of real estate, for investment property as well as owner-operated property. The term sustainability is understood to include factors such as the environment and climate change, health and wellbeing as well as the entrepreneurial responsibilities that can or could influence the valuation of a property. In a valuation context, sustainability covers a broad spectrum of physical, social, ecological and economic factors that could influence value.

The spectrum ranges from fundamental environmental risks like flooding, energy efficiency and climate to issues involving design, furnishings, accessibility, legal regulations, management and tax considerations as well as current and historical space utilisation. Sustainability also has an influence on the value of a property, even if it is not explicitly mentioned in the appraisal.

The effects of sustainability on valuation reflect the appraiser's understanding as to how market participants include sustainability factors in their offers and the influence of these factors on the market's valuation. Sustainability criteria or ESG ratings have an increasing influence on the value of properties, above all through realisable rents and the capitalisation rate that reflects the risks inherent in an investment. These market factors are closely monitored by the appraisers and incorporated in their valuations.

Some appraisers also draw on their own studies and analyses to identify and understand market trends. These studies and analyses supply comparative data for the rents and prices realisable in the respective market segment which, also in the context of sustainability and environmental aspects, are the most important input factors for valuation. Based on the regular monitoring of the behaviour of market participants by the appraisers and ESG-specific information on the individual properties, the appraisers adjust the estimate for market rents, vacancy periods and capitalisation rates.

An increasing readiness to include premiums for green buildings is already visible among both tenants and investors. These premiums are still relatively low but are expected to increase substantially in the coming years because of the higher discounts on rents and prices for "brown" buildings.

Climate risks can change the market interest rates or rents which flow into valuation, depending on their development. They can also lead to a situation where green financing, e.g. issued green bonds, are not available or only available under less advantageous conditions.

S IMMO is currently using several green bonds to finance and refinance projects that are aligned with its sustainable bond framework. This framework follows the Green Bond and Social Bond Principles of the International Capital Market Association (ICMA) and requires the use of proceeds solely for green buildings, energy efficiency, renewable energy and/or affordable housing. At the present time, all financed projects are assigned and allocated to green building-certified properties.

No climate risks have been identified to date which would have required the recognition of provisions or the disclosure of contingent liabilities. Moreover, the reduction targets for greenhouse gas emissions and energy consumption set by S IMMO as part of its corporate ESG strategy have no concrete effects on the financial statements.

In this connection it should be noted that ESG measures and investments have a positive influence on rents and possibly also on lower operating costs or costs that cannot be passed on to tenants. This effect does not often have an equal impact on the value of the respective property over the short term. These types of investments, however, counteract a future decline in rents and prevent a property from classification as a “stranded asset” in an increasingly sensitive market due to an unfavourable ESG rating.

Climate risks currently have no material influence on the consolidated financial statements of CPI Europe.

4.2 Property under construction

Property under construction includes the properties under development as well as standing investments which were reclassified over time from standing investments to property under construction due to refurbishment or redevelopment. CPI Europe views refurbishment and renovation as the structural-technical restoration or modernisation of one or more floors, the communal areas or an entire property to raise the overall standard. Above all, it involves preserving the value of the building substance and/or modernising the property to improve its potential. This involves the facade as well as the building core (floors, rental areas, communal areas, plant rooms etc.). Major renovation extends beyond normal maintenance and repairs and beyond a maintenance backlog. Important criteria for classification as renovation include the investment volume and a reduced occupancy level. A major renovation project is, as a rule, considered to exist when the investment volume equals or exceeds 10% of the property's current fair value and the occupancy rate has fallen below 50%.

Property under construction is reclassified to investment property when the development measures are finalised and the project is completed. This completion includes the transfer of general contractor activities, transfer to the asset management process and the approval of the Executive Board.

Borrowing costs directly attributable to the acquisition, construction or production of assets whose purchase or development requires a substantial period of time are generally capitalised as part of the acquisition or production cost. In accordance with IAS 23, the application of this accounting procedure is not mandatory if the acquired or developed assets are measured at fair value. CPI Europe (excluding S IMMO) has elected to use the fair value model for the subsequent measurement of investment property (see section 1.2), and borrowing costs are therefore not capitalised on property accounted for according to IAS 40. The capitalisation of interest on construction financing according to IAS 23 was immaterial for S IMMO Group in 2024 and 2023.

The development of property under construction is shown in the following table:

All amounts in TEUR	2024	2023
Beginning balance	142,960	198,500
Disposals following the sale of subsidiaries (see 2.5)	0	-1,025
Additions	36,670	47,963
Disposals	-27,469	-2,100
Measurement at fair value	70	-20,792
Reclassifications	-80,848	-79,586
Reclassification to assets held for sale	-33,103	0
Ending balance	38,280	142,960

The additions are related chiefly to investments in STOP SHOP locations in Croatia, while disposals involved the sale of an office property under construction in Romania. Reclassifications resulted mainly from the transfer of property under construction to investment property. The reclassification to assets held for sale involved the sale of a portfolio in Warsaw consisting of three properties under construction.

The residual value method is generally used to value property under construction. Standing investments that were transferred to property under construction due to upcoming refurbishment or upgrading are valued as standing investments until detailed redevelopment plans are available. As soon as these plans are available, valuation is based on the residual value method. Residual value is understood to represent the amount remaining after the deduction of all project development costs and the imputed project development profit (developer profit) from the property's estimated market price after completion. The unrealised imputed project development profit declines with the progress on the project. The most important input factors for this valuation method are the future rental income from the project, the discount rate (these two parameters generally determine the estimated fair value on completion) and the outstanding project development costs. The capitalisation rates for CPI Europe's development projects range from 8.5% to 8.85% (2023: 6.5% to 8.85%) while the project development profit ranges from 4.8% to 6.7% (2023: 5.0% to 17.5%). The estimated fair values of the projects on completion range from EUR 10.7 million to EUR 12.2 million (2023: EUR 9.3 million to EUR 108.9 million), and the estimated outstanding construction costs by project from EUR 8.9 million to EUR 10.1 million (2023: EUR 6.3 million to EUR 78.0 million).

Information on other parameters relevant for valuation and on valuation uncertainty is provided in section 4.1.3.

As of 31 December 2024, property under construction did not include any rights of use (2023: EUR 4.9 million). No rights of use had been reclassified to assets held for sale as of that date (2023: EUR 0.0 million) (see section 4.10).

4.3 Owner-operated properties

Owner-operated properties represent hotels owned by S IMMO Group which were recognised at fair value in the consolidated financial statements. These hotels are operated by the owner, generally in the form of management contracts, which means the occupancy risk lies with CPI Europe. These types of hotels are not covered by the scope of application of IAS 40 but are accounted for as property, plant and equipment in accordance with IAS 16. Owner-operated properties are measured in accordance with the revaluation model defined by IAS 16. They are carried at the respective revaluation amounts, which represent fair value on the revaluation date less subsequent accumulated depreciation and subsequent accumulated write-downs. If these owner-operated properties were valued at cost, depreciated cost would have equalled EUR 91.8 million as of 31 December 2024 (31 December 2023: EUR 97.5 million).

All amounts in TEUR	2024	2023
Fair value - beginning balance	228,500	230,600
Additions through business combinations	0	0
Additions	425	261
Disposals	-1,036	-99
Depreciation	-12,958	-13,441
Impairment/Reversals of impairment	1,825	-1,825
Revaluation	19,144	13,005
Currency translation adjustments	0	0
Fair value - ending balance	235,900	228,500
Accumulated depreciation - beginning balance	-15,266	0
Depreciation	-12,958	-13,441
Impairment/Reversals of impairment	1,825	-1,825
Currency translation adjustments	0	0
Accumulated depreciation - ending balance	-26,399	-15,266

The discounted cash flow method (DCF method) was used to determine fair value. CBRE and Cushman & Wakefield were responsible for the fair value measurement of the owner-operated properties. Similar to investment properties, owner-operated properties are assigned to Level 3 on the fair value hierarchy (see section 4.1 for details on the valuation). The rentable space in the owner-operated properties held by CPI Europe ranges from 13,798 to 28,470 sqm (31 December 2023: 13,798 to 27,600 sqm), the net realisable rent per sqm and month from EUR 11.58 to EUR 25.27 (31 December 2023: EUR 11.40 to EUR 24.70), and the capitalisation rate from 7.65% to 9.50% (31 December 2023: 7.65% to 9.80%).

Leases as defined in IFRS 16 also cover buildings used by the owner. The resulting rights of use are reported under "owner-operated properties" and totalled EUR 1.1 million as of 31 December 2024 (2023: EUR 1.1 million). These rights of use are amortised on a straight-line basis over the term of the lease.

4.4 Other tangible assets

As of 31 December 2024, other tangible assets included IFRS 16 rights of use totalling EUR 0.3 million (2023: EUR 0.5 million).

4.5 Intangible assets

4.5.1 Composition of intangible assets

The carrying amount of goodwill and other intangible assets is shown in the following table:

All amounts in TEUR	31 12 2024	31 12 2023
Goodwill	18,967	19,312
Other intangible assets	2,042	1,235
Total	21,009	20,547

4.5.2 Goodwill

The development of goodwill is shown in the following table:

All amounts in TEUR	2024	2023
Acquisition cost - beginning balance	215,633	278,872
Disposals following the sale of subsidiaries	-6,820	-63,239
Acquisition cost - ending balance	208,813	215,633
Accumulated depreciation - beginning balance	-196,321	-259,342
Disposals following the sale of subsidiaries	6,475	63,196
Currency translation adjustments	0	-1
Impairment losses to continuing operations	0	-174
Accumulated depreciation - ending balance	-189,846	-196,321
Carrying amount as of the balance sheet date	18,967	19,312

Goodwill regularly results as a technical figure when the acquisition of a subsidiary represents a business combination as defined in IFRS 3 and does not result in another acquisition (see section 2.2.2) because of the obligation to recognise deferred taxes on the difference between the fair value and the tax base of the acquired real estate assets. This goodwill is tested for indications of impairment each year. CPI Europe determines the recoverable amount based on fair value less costs to sell and not according to the value in use, whereby it is normally assumed that net yields above the market level are not sustainable on real estate markets.

The cash-generating units generally represent individual properties or property portfolios. Due to the extensive number of properties held by CPI Europe, the carrying amount of goodwill is aggregated by segments for presentation (see section 3.6).

The recoverable amount of the cash-generating units is based on the fair value of the included properties as determined by an expert opinion and includes the deferred taxes that are not transferrable to a hypothetical buyer as well as costs to sell. If the hypothetical transaction underlying the determination of the recoverable amount is assumed to be structured in a way that does not change the tax base of the assets – which is regularly the case with share deals – the deferred tax liabilities would be implicitly included in the recoverable amount at zero. Experience from recent transactions has shown that the determination of the selling price through negotiations generally leads to an equal allocation of the deferred tax liabilities between the seller and the buyer.

The recoverable amount of the cash-generating unit is then compared with the carrying amount of the included properties plus any goodwill and minus the deferred tax liabilities attributable to the respective properties. Deferred taxes are included in accordance with IAS 36 because these items are implicitly included in the determination of the recoverable amount.

Information on property valuation and the related estimation uncertainty is provided in sections 4.1.2 and 4.1.3. The selling costs for CPI Europe are estimated at 0.5% to 2.0% of the respective property value and result primarily from brokerage services and legal advising.

The key valuation-relevant input parameters as of 31 December 2024 and 31 December 2023 for properties that carry goodwill are summarised in the following table, classified by segments:

Segment		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
2024						
Poland	min	21,252	18.25	15.39	7.60	0.00
	max	21,252	18.25	15.39	7.60	0.00
	weighted average	21,252	18.25	15.39	7.60	0.00
	median	21,252	18.25	15.39	7.60	0.00
Czech Republic	min	4,247	9.77	9.58	6.50	0.00
	max	6,788	11.69	11.45	6.75	6.90
	weighted average	4,660	9.27	9.25	5.78	1.64
	median	4,869	10.48	10.26	6.55	0.00
Slovakia	min	6,636	10.19	9.68	7.25	0.00
	max	6,809	11.33	11.71	7.25	6.20
	weighted average	6,722	10.76	10.70	7.25	3.10
	median	6,722	10.76	10.70	7.25	3.10
Hungary	min	7,210	10.35	10.38	7.50	0.00
	max	38,810	17.03	17.31	8.35	22.40
	weighted average	22,494	13.37	13.10	7.86	6.68
	median	21,978	13.04	12.35	7.80	2.15
Romania	min	10,515	10.39	10.61	8.50	0.99
	max	63,527	23.69	25.01	10.25	16.93
	weighted average	29,252	16.24	16.86	9.35	8.49
	median	21,127	15.81	15.80	9.75	8.10

Segment		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
2023						
Poland	min	21,263	17.53	17.73	7.50	2.37
	max	21,263	17.53	17.73	7.50	2.37
	weighted average	21,263	17.53	17.73	7.50	2.37
	median	21,263	17.53	17.73	7.50	2.37
Czech Republic	min	4,247	9.56	9.32	6.60	0.00
	max	19,033	15.35	16.15	7.15	8.57
	weighted average	7,039	10.76	10.64	6.70	1.07
	median	5,493	10.06	9.81	6.60	0.00
Slovakia	min	6,366	9.54	11.59	7.50	0.00
	max	6,809	10.55	12.68	7.50	0.00
	weighted average	6,588	10.04	12.13	7.50	0.00
	median	6,588	10.04	12.13	7.50	0.00
Hungary	min	6,833	10.98	10.98	8.00	0.00
	max	38,923	16.66	13.79	8.60	21.25
	weighted average	21,837	14.73	12.70	8.24	7.14
	median	20,796	15.64	13.02	8.18	3.66
Romania	min	10,515	10.39	11.82	8.25	0.17
	max	62,800	23.48	22.87	9.75	22.67
	weighted average	29,102	16.54	17.15	9.15	9.07
	median	21,127	16.40	16.23	9.50	5.65

Impairment testing of the cash-generating units in the continuing operations which carry goodwill resulted in the recognition of impairment losses totalling EUR 0.1 million as of 31 December 2024 (31 December 2023: EUR 0.2 million).

Impairment losses are reported on the consolidated income statement under “revaluation results from standing investments and goodwill”. The impairment losses to goodwill result from a decline in the value of the related properties or property portfolios and/or through an evidence-based change in deferred taxes. Impairment losses to goodwill are not deductible for tax purposes.

4.6 Equity-accounted investments

4.6.1 Investments in joint ventures

As of 31 December 2024 and 31 December 2023, IPD – International Property Development, s.r.o. was the only joint venture held by CPI Europe.

The following table provides aggregated financial information on the joint venture, including a reconciliation to the carrying amounts and shares of profit or loss reported in CPI Europe's consolidated financial statements.

All amounts in TEUR	31 12 2024	31 12 2023
Non-current assets	61,413	60,563
thereof investment property	61,400	60,500
Current assets	1,997	3,396
thereof cash and cash equivalents	1,256	1,608
Non-current liabilities	35,948	36,067
thereof non-current financial liabilities	29,939	30,759
Current liabilities	1,482	2,364
thereof current financial liabilities	800	800
Equity	25,980	25,528
Equity interest of CPI Europe in the investment	15,588	15,317
Carrying amount as of 31 December	15,588	15,317
	2024	2023
Rental income	3,346	3,480
Expenses charged on and other revenue	1,570	1,608
Revenues	4,916	5,088
Net profit or loss for the period	452	-315
thereof depreciation	-50	-113
thereof interest income	11	13
thereof interest expense	-1,847	-1,602
thereof income taxes	-386	-793
thereof attributable to non-controlling interests	271	-189
thereof attributable to shareholders of the investment	181	-126
Share of net profit or loss attributable to CPI Europe	271	-189
Share of net profit or loss from equity-accounted investments attributable to CPI Europe	271	-189
Total comprehensive income	452	-315
thereof attributable to shareholders of the investment	452	-315
Dividends received	0	0

4.6.2 Investments in associates

IAS 28.40 requires a company that applies the equity method, including the recognition of the associate's losses, to determine whether there are any objective indications of significant or lasting impairment to its net investment in the associate. Since the associates are not listed, the impairment test was based on qualitative criteria. An impairment loss of EUR -5.5 million was recognised to an investment in associates as of 31 December 2023 and is reported under other adjustments in the following table.

BGM - EB-Grundstücksbeteiligungen GmbH & Co KG, an entity attributable to the S IMMO segment, was sold for EUR 9.8 million in 2024. The sale proceeds have not yet been received. The share of net profit or loss from equity-accounted investments therefore includes a deconsolidation gain of EUR 0.6 million (see section 5.9).

There were no individual material associates as of 31 December 2024, and the following table therefore shows the aggregated financial information for the associates including a transition to the carrying amount and share of earnings in the consolidated financial statements of CPI Europe. Section 8 includes a list of the associates.

	Total 31 12 2024	Total 31 12 2023
All amounts in TEUR		
Non-current assets	361	50,921
thereof investment property	0	50,500
Current assets	4,844	26,193
Non-current liabilities	0	7,637
Current liabilities	2,234	4,245
Equity	2,971	65,232
thereof attributable to non-controlling interests	233	15,544
thereof attributable to shareholders of the investment	2,738	49,688
Equity interest of CPI Europe in the investment	1,063	17,839
Other adjustments	0	-5
Carrying amount as of 31 December 2024	1,063	17,834
Cumulative losses not recognised as of 31 December 2024	0	0
	2024	2023
Rental income	2,766	2,541
Expenses charged on and other revenue	24,362	22,565
Revenues	27,127	25,106
Net profit or loss for the period	6,742	19,531
thereof attributable to non-controlling interests	887	620
thereof attributable to shareholders of the investment	5,855	18,911
Share of net profit or loss attributable to CPI Europe	2,150	6,053
Other adjustments	0	-5,526
Share of net profit or loss from equity-accounted investments attributable to CPI Europe	2,150	527
Total comprehensive income	6,742	19,531
thereof attributable to non-controlling interests	887	620
thereof attributable to shareholders of the investment	5,855	18,911
Share of CPI Europe in total comprehensive income for the period	2,150	6,053
Other adjustments	0	-5,526
CPI Europe's total comprehensive income from equity-accounted investments	2,150	527
Dividends received	7,881	5,846

4.7 Trade and other receivables

CPI Europe carries trade receivables and other financial receivables at amortised cost. Recognisable individual risks are reflected in appropriate valuation adjustments. Non-financial receivables, e.g. claims against administrative authorities for the reimbursement of input VAT, are also carried at amortised cost after the deduction of any necessary write-downs.

The following table shows the composition and remaining terms of trade and other receivables.

All amounts in TEUR	31 12 2024	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years
Rents receivable	61,087	61,087	0	0	58,966	58,966	0	0
Miscellaneous	16,653	16,653	0	0	21,926	21,926	0	0
Total trade accounts receivable	77,740	77,740	0	0	80,892	80,892	0	0
Restricted funds	45,591	17,564	22,130	5,897	39,289	18,965	18,867	1,457
Financing	3,652	0	0	3,652	3,932	0	0	3,932
Property management	8,882	8,806	76	0	12,353	12,082	266	5
Outstanding purchase price receivables - sale of properties	1,443	1,443	0	0	12,100	12,100	0	0
Outstanding purchase price receivables - sale of shares in other companies	16,190	16,190	0	0	18,361	18,361	0	0
Miscellaneous	37,742	36,320	1,372	50	52,943	46,573	1,489	4,881
Total other financial receivables	113,500	80,323	23,578	9,599	138,978	108,081	20,622	10,275
Tax authorities	11,769	11,769	0	0	13,812	13,812	0	0
Total other non-financial receivables	11,769	11,769	0	0	13,812	13,812	0	0
Total	203,009	169,832	23,578	9,599	233,682	202,785	20,622	10,275

Restricted funds consist primarily of prepayments on apartment sales which were pledged to banks and bank balances pledged as collateral for property financing.

The default risk associated with receivables due from tenants is generally low because credit standings are monitored on a regular basis and the tenant is usually required to provide a deposit of one to five months' rent or an appropriate bank guarantee when the contract is signed. Individual valuation adjustments are recognised for receivables that carry an increased risk of default. Consequently, all uncollectible receivables were written off and valuation adjustments were recorded to all doubtful receivables as of the balance sheet date. These valuation adjustments are included in the results of asset management and are not reported on a separate line on the income statement, as required by IAS 1.82, because the related amounts are not considered material.

Valuation adjustments (resp. revaluations) to trade and other receivables are reported on the income statement under the write-off of receivables from asset management, which represent part of the expenses from investment property (see section 5.1.3), or under miscellaneous expenses as part of other operating expenses (see section 5.6).

Valuation adjustments totalling EUR -1.5 million were recorded to trade and other receivables in 2024 (2023: EUR -0.1 million). Detailed information on the change in impairment and default risk is provided in section 7.2.2.

4.8 Other financial assets

Other financial assets include derivatives and securities as shown below:

All amounts in TEUR	31 12 2024	31 12 2023
Securities and investments	14,317	16,785
Derivative financial instruments	84,144	147,585
Total	98,461	164,371

Securities consist of investments in companies and include EUR 8.2 million (31 December 2023: EUR 8.1 million) carried at fair value through profit or loss and EUR 6.1 million (31 December 2023: EUR 8.7 million) at fair value through other comprehensive income.

Derivatives are accounted for as stand-alone financial instruments and are used to reduce the risks associated with interest rate fluctuations. Derivative transactions are only concluded with financial institutions that have first rate credit standings. Of the EUR 84.1 million (31 December 2023: EUR 147.6 million) reported in the above table, EUR 81.7 million (31. December 2023: EUR 147.3 million) are long-term and EUR 2.4 million (31 December 2023: EUR 0.3 million) are short-term. Derivatives are carried at fair value through profit or loss as of the balance sheet date. Hedge accounting in the sense of IFRS 9 is not applied.

Information on the development of the other financial assets is provided in section 7.

4.9 Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities as of 31 December 2024 resulted from the following temporary accounting and valuation differences between the carrying amounts according to IFRS in CPI Europe's consolidated financial statements and the respective tax bases.

All amounts in TEUR	31 12 2024		31 12 2023	
	Assets	Liabilities	Assets	Liabilities
Investment property	10,856	460,813	6,620	481,344
Other financial assets and miscellaneous assets	29,839	55,825	24,506	50,475
Total	40,695	516,638	31,126	531,819
Other liabilities and provisions	17,791	25,728	18,225	40,016
Total	17,791	25,728	18,225	40,016
Tax loss carryforwards	227,055	0	283,425	0
Real differences from the elimination of intragroup liabilities	0	150,495	0	149,918
Deferred tax assets and deferred tax liabilities	285,541	692,861	332,776	721,753
Offset of deferred tax assets and deferred tax liabilities due to the same taxation authority	-273,600	-273,600	-326,146	-326,146
Net deferred tax assets and deferred tax liabilities	11,941	419,261	6,630	395,607

Deferred taxes are calculated for temporary differences that lead to taxable or deductible amounts for the determination of taxable profit in future financial years. These temporary differences are calculated by comparing the carrying amounts of the assets and liabilities in the consolidated financial statements with the respective tax bases at the subsidiary level. Deferred taxes are recognised when the existing differences are expected to reverse in the future. With regard to the differences arising from the fair value measurement of investment property (see section 4.1), it is generally assumed that the temporary differences will reverse when the property is sold.

Deferred taxes are not recognised for temporary differences arising from the initial recognition of goodwill or the initial recognition of an asset or a liability from a transaction which does not represent a business combination as defined in IFRS 3 and which does not influence pre-tax earnings or taxable income on the transaction date. This applies, above all, to the acquisition of property companies that are not classified as business combinations in the sense of IFRS 3 (see section 2.2.2).

Deferred tax liabilities are not recognised for temporary differences resulting from shares in subsidiaries, joint ventures or associates (outside-basis differences) in cases where their reversal can be controlled by CPI Europe and is not probable in the foreseeable future. For this reason, deferred tax liabilities were not recognised for temporary differences of EUR 2,964 million in 2024 (31 December 2023: EUR 1,980.9 million).

Deferred tax assets are recognised on tax loss carryforwards when it is probable that sufficient taxable income will be available to utilise these tax loss carryforwards in the future. Deferred tax assets are also recorded in cases where sufficient deferred tax liabilities relating to the same tax subject and taxation authority were recognised and are assumed to reverse at the same time as the deferred tax assets on the unused loss carryforwards.

The recognition of deferred tax assets, in general, and deferred taxes on unused tax loss carryforwards and deductible temporary partial depreciation charges on investments ("Siebentelabschreibung"), in particular, is based on expectations by CPI Europe's management concerning the availability of sufficient taxable profits in the future. These expectations reflect the previous history of tax losses, limits on the utilisation of tax losses, membership in a tax group and the possible expiration of tax loss carryforwards in some countries. Accounting decisions over the recognition or recoverability of deferred taxes are based, on the one hand, on the latest data from tax planning over a five-year forecast period and, on the other hand, on assumptions for the timing of the reversal of deferred tax liabilities and the availability of tax planning opportunities to utilise previously unused tax losses in Austria and other countries.

The recoverability of deferred tax assets by Group companies that recorded losses in 2024 or 2023 (EUR 11.9 million, 2023: EUR 6.6 million) is dependent on the generation of future taxable profits that are higher than the earnings effect from the reversal of the existing taxable temporary differences.

The following table shows the loss carryforwards for which deferred tax assets were not recognised. These tax loss carryforwards can generally be carried forward for an unlimited period unless designated as "expiry". Deferred tax assets were not recognised for deductible temporary partial depreciation charges on investments ("Siebentelabschreibung") of EUR 591.49 million (31 December 2023: EUR 114.5 million).

Country	Tax rate	Loss carryforwards not recognised 31 12 2024	thereof expiry within 1–5 years	Loss carryforwards not recognised 31 12 2023
Austria	23.00%	1,946,618	0	1,735,081
Germany (corporate income tax)	15.83%	406,942	0	362,938
Germany (trade tax)	14.35%–16.625%	384,653	0	374,808
Poland	9.00%–19.00%	30,553	–24,338	14,789
Romania	16.00%	44,959	18,827	39,878
Slovakia	21.00%–24.00%	8,782	–8,782	3,500
Czech Republic	21.00%	22,256	–22,256	7,116
Hungary	9.00%	33,851	–21,665	35,900
Croatia	10.00%–18.00%	193	–193	29
Serbia	15.00%	114	–114	86
Bulgaria	10.00%	16,409	–16,409	19,843
Netherlands	19.00%–25.80%	1,559	195	1,610
Total		2,896,889	–74,735	2,595,578

The calculation of deferred taxes is based on the tax rate that is expected to apply when the temporary differences are presumed to reverse. The applicable local tax rate is used for foreign Group companies.

The tax rates used to value deferred taxes in the core countries of CPI Europe are as follows:

Country	Applicable tax rate 31 12 2024	Applicable tax rate 31 12 2023
Germany ¹	15.83%-32.45%	15.83%-32.45%
Austria	23.00%	23.00%
Poland ²	9.00%/19.00%	9.00%/19.00%
Romania	16.00%	16.00%
Slovakia	21.00%/24.00%	21.00%
Czech Republic	21.00%	21.00%
Hungary	9.00%	9.00%
Adriatic	10.00%-24.00%	10.00%-24.00%
Other Countries	10.00%-25.80%	10.00%-25.80%

¹The tax rate can vary and is dependent on the company's headquarters and trade tax liability.

²The tax rate can vary and is dependent on the company's size.

International minimum taxation – Pillar II model

In December 2022, the member states of the European Union approved an EU directive on the implementation of a global minimum tax for multinational enterprise groups and large-scale domestic groups in the Union (EU Directive No. 2022/2523 from 14 December 2022). The guideline required implementation by the EU member states into national law by 31 December 2023 with enactment as of 1 January 2024. This directive was implemented into national law by most of the EU member states in 2023 with an effective date of 1 January 2024.

The takeover of CPI Europe AG and S IMMO AG by CPI Property Group S.A. resulted in total revenues that exceed the threshold of EUR 750 million. CPI Europe AG and the member companies of CPI Europe AG are therefore subject to the provisions of this EU Directive, respectively local minimum tax laws. CPI Property Group S.A. is the ultimate parent company of CPI Europe AG and the CPI Europe Group member companies.

However, CPI Europe AG is classified as a parent company in part ownership because over 20% of its shares are held by parties outside the Group. CPI Europe AG is therefore subject to the provisions of the Minimum Tax Reform Act on the low-taxed business units under its control and is required to pay a minimum tax in Austria.

All major countries (with the exception of Poland) where CPI Europe is active have enacted national tax regulations for minimum taxation in accordance with the EU directive which took effect at the end of 2022. These countries have implemented the regulations through a national top-up tax that took effect as of 1 January 2024. It is expected that top-up tax will be chargeable to the CPI Europe companies in Hungary (9%), Cyprus (12.5%), Croatia (10%, resp. 18%), Poland (9%, resp. 19%) and Bulgaria (10%) because the applicable nominal tax rates in these countries are currently below 15%. It is also expected that, in the end, a national top-up tax will be introduced in all countries.

CPI Europe AG can require compensation from the other business units for the minimum tax it pays in line with the regulations defined by company law but no compensatory agreements have been concluded to date.

The country-specific report (CbCR) prepared by CPI Property Group S.A. involved an assessment in the individual jurisdictions based on the jurisdictional blending approach to determine whether and to what extent a top-up tax could result in the individual jurisdictions in 2024 which would have been payable by CPI Europe AG as a parent company in part ownership.

The basis for the analysis of a need for a provision as of 31 December 2024 was formed by the country-specific report for 2023 because it includes the latest calculations for a possible provision. This analysis assumed that the companies in all jurisdictions carried out similar activities at a similar scope in 2024 compared to 2023, against the background of constant economic conditions.

These analyses indicated that no material top-up taxes would be expected in 2024 due to the effective tax rates of over 15% in the individual jurisdictions. Only Hungary and Cyprus could be affected by a possible top-up tax. In Hungary, however, the effective tax burden is also expected to exceed 15% due to the local business (innovation) tax. The analysis for Cyprus did not identify any material top-up taxes. A provision for Hungary and Cyprus is, consequently, not required.

The temporary exception from the accounting requirements for deferred taxes in IAS 12, which was announced by the IASB in May 2023, was applied in 2024. Accordingly, deferred taxes arising from the application of the Minimum Tax Reform Act were not recognised.

4.10 Assets and liabilities held for sale

IFRS 5 requires non-current assets and groups of assets (disposal groups) to be classified as held for sale if they can be sold in their present condition and if appropriate documentation shows a highly probable intention by management to sell the assets within 12 months. A documented intention by CPI Europe's management to sell an asset is, as a rule, reflected in a resolution by the Executive Board and also by the Supervisory Board if the transaction requires the approval of this corporate body.

Non-current assets and groups of assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. The following items, among others, are excluded from the IFRS 5 valuation requirements: investment properties that are measured at fair value, financial assets and deferred tax assets. These non-current assets must be presented separately according to IFRS 5. A separate provision is generally recorded when an impairment loss must be recognised to a disposal group because expected selling costs must be deducted from fair value and these adjustments cannot be allocated to assets covered by the valuation rules in IFRS 5.

The intention to sell investment properties or groups of assets that include such properties can result (e.g. in the event of a change-of-control clause) in the premature repayment of financial liabilities. The changes to IAS 1 involving the classification of long-term versus short-term liabilities clarify that management's intention concerning premature repayment are not the sole factor for reclassification to short-term liabilities. The same applies to events or circumstances that become known after the reporting date but during the preparation of the financial statements. A reclassification to short-term liabilities only takes place when the purchase contract that triggers the change-of-control clause was signed prior to 31 December and only the actual closing is outstanding. Financial liabilities attributable to a disposal group are reported under "liabilities held for sale"; in all other cases, they are reclassified to current financial liabilities. Related prepayment penalties represent changes in estimates for the cash flows from the financial liabilities and lead to an adjustment of the carrying amount through profit or loss. If the purchase contract was signed after 31 December, the liability must be reported as long-term as of the reporting date. Financial liabilities with a carrying amount of EUR 13.2 million as of 31 December 2024 are therefore classified as long-term but premature repayment is expected.

Details on the assets and liabilities classified as held for sale are provided below:

All amounts in TEUR	Carrying amount as of 31 12 2024	Carrying amount as of 31 12 2023
Investment property	261,836	255,872
Other tangible assets	0	2,705
Deferred tax assets	33	0
Trade and other receivables	149	0
Other financial assets	8,850	0
Cash and cash equivalents	4,322	0
Assets held for sale	275,190	258,577
Financial liabilities	14,401	14,786
Trade and other payables	2,185	856
Deferred tax liabilities	10,212	10,293
Liabilities held for sale	26,798	25,935

Of the assets and liabilities classified as held for sale as of 31 December 2023, one office property in Vienna and land in Bucharest as well as commercial and residential properties held by S IMMO, for a total of EUR 209.1 million, were sold in 2024. Management remains by its intention to sell the EUR 44.3 million of assets classified as held for sale as of 31 December 2023 which had not been sold as of 31 December 2024.

The following properties were classified as assets held for sale in 2024: one office property and land in Romania, and the following properties from the S IMMO portfolio: office, residential and retail properties in Germany, one land site in Romania, and one office property each in Austria and Hungary.

The following properties were reclassified as held for sale during 2024 and sold as of 31 December 2024: one portfolio in Warsaw consisting of three properties under construction, two land sites in Romania, and the following properties from the S IMMO portfolio: office, residential and retail properties in Germany, an office building in Zagreb, and an office building in Austria.

Property held for sale does not include any IFRS 16 rights of use.

All sales, respectively divestment resolutions by the Executive Board and Supervisory Board are intended to align the portfolio with CPI Europe's strategic focus.

4.11 Real estate inventories

The properties held for sale by CPI Europe during the course of ordinary business operations do not fall under the scope of application of IAS 40, but are treated as inventories in accordance with IAS 2. As a rule, these inventories represent residential properties.

Inventories of residential properties are valued according to the moving average price method. Disposals are calculated on the basis of square meters and, after the recognition of additions, measured at the average price applicable to the respective quarter. A provision is recognised for any outstanding construction work required after the transfer of a property, which increases the production costs of the sold inventories as well as the book value disposals. The net selling prices used for valuation as of the balance sheet date are normally based on current list prices less outstanding project development costs and flat-rate marketing costs; to a lesser extent, they are measured at the appraised fair value as of the balance sheet date for simplification purposes. Estimation uncertainty in the determination of the net selling price, e.g. concerning the outstanding project development costs, could lead to negative margins on the sale of the inventories (in spite of previous loss-free measurement) if construction cost overruns occur at a later date.

All amounts in TEUR	31 12 2024	31 12 2023
Inventories carried at net realisable value less costs to sell	4,485	4,485
Inventories carried at acquisition or production cost	395	356
Total	4,880	4,841

No write-downs were recognised to real estate inventories in 2024 (2023: EUR 0.2 million).

4.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, funds in transit and deposits with financial institutions with a term up to three months and, to a lesser extent, with a longer term that includes a one-month cancellation option. These items are carried at the value applicable on the balance sheet date.

The balance sheet shows cash and cash equivalents of EUR 527.4 million as of 31 December 2024 (31 December 2023: EUR 697.1 million). In addition, other financial receivables include various bank deposits whose use is restricted (restricted funds, see section 4.7). The assets held for sale included cash and cash equivalents of EUR 4.3 million as of 31 December 2024 (31 December 2023: EUR 0.0 million).

4.13 Equity

Share capital totalled EUR 138.7 million as of 31 December 2024 (31 December 2023: EUR 138.7 million). It is divided into 138,669,711 (31 December 2023: 138,669,711) zero par value shares, each of which represents a stake of EUR 1.00 in share capital. All shares are fully paid in.

The number of shares developed as follows:

Number of shares	2024	2023
Balance at the beginning of the financial year	138,669,711	138,669,711
Balance at the end of the financial year	138,669,711	138,669,711

The Executive Board is not aware of any agreements between shareholders of CPI Europe AG that restrict voting rights or the transfer of shares. All shares are bearer shares and entitle the holders to participate in the annual general meeting and to exercise their voting rights. Each bearer share is entitled to one vote.

CPI Europe held 695,585 treasury shares as of 31 December 2024 (2023: 695,585 treasury shares). No treasury shares were purchased or sold in 2024.

Convertible bond and conditional capital

The annual general meeting on 29 May 2024 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 174 (2) of the Austrian Stock Corporation Act to issue convertible bonds up to a total nominal value of EUR 563,553,701.00 which are connected with exchange and/or subscription rights for up to 13,866,971 bearer shares of the company with a proportional share of EUR 13,866,971.00 in share capital. These convertible bonds may be issued in multiple tranches and within a period of five years. Moreover, the Executive Board was authorised to determine all other conditions as well as the issue and exchange procedures for the convertible bonds. The convertible bonds can be issued in exchange for cash or contributions in kind. The subscription rights of shareholders are excluded.

Share capital was conditionally increased by up to EUR 13,866,971.00 through the issue of up to 13,866,971 new bearer shares. The purpose of this conditional capital increase is the issue of shares to the holders of the convertible bonds which were issued in accordance with a resolution of the annual general meeting on 29 May 2024.

The authorisation for the issue of convertible bonds has not been used to date and is therefore available in full.

Authorisations of the annual general meeting to purchase and sell treasury shares

The annual general meeting on 29 May 2024 authorised the Executive Board, in accordance with § 65 (1) no. 8 and (1a) and (1b) of the Austrian Stock Corporation Act, to repurchase the company's shares, with the consent of the Supervisory Board, at an amount equalling up to 10% of share capital during a period of 30 months. The shares may be purchased over the stock exchange or over the counter. The Executive Board was also authorised, with the consent of the Supervisory Board, to exclude the proportional subscription rights of shareholders.

The Executive Board was also authorised for a period of five years, with the consent of the Supervisory Board and in accordance with § 65 (1b) of the Austrian Stock Corporation Act, to sell or use the company's treasury shares, also in another manner than over the stock exchange or through a public offer. The subscription rights of shareholders can be excluded.

The authorisation for the purchase and sale of treasury shares has not been used to date and is therefore available in full

Authorised capital

The annual general meeting on 29 May 2024 authorised the Executive Board for the period up to 8 October 2029, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new shares in exchange for cash or contributions in kind. The Executive Board is also authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in full or in part. The shares issued based on this authorisation in exchange for cash contributions and under the exclusion of share holders' subscription rights may not exceed EUR 13,866,971.00, which represents roughly 10% of the company's share capital at the time the resolution was passed by the annual general meeting.

This authorisation to increase share capital has not been used to date and is therefore available in full.

Squeeze-out of S IMMO AG by CPI Europe AG

On 14 October 2024, the annual general meeting of S IMMO AG approved the squeeze-out of the minority shareholders of S IMMO AG in accordance with the Austrian Shareholder Squeeze-out Act. This resolution resulted in the transfer of the S IMMO shares held by the minority shareholders to CPI Europe AG as the main shareholder. It involved 4,804,033 S IMMO shares and took effect with recording in the company register on 3 December 2024. All shares held by the minority shareholders were transferred to the main shareholder, CPI Europe AG, on the effective date, and stock exchange trading in shares of S IMMO AG was no longer possible as of that date. The involved minority shareholders received a cash settlement of EUR 22.05 per S IMMO AG share based on a resolution of the annual general meeting, which was determined by a valuation opinion. Details are provided in section 2.4.

4.14 Financial liabilities

The following table shows the composition and remaining terms of the financial liabilities as of 31 December 2024 and 2023:

All amounts in TEUR	31 12 2024	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years
Amounts due to financial institutions	3,174,455	228,081	2,751,096	195,278	3,296,541	235,076	2,025,244	1,036,221
thereof secured by collateral	3,174,455	228,081	2,751,096	195,278	3,296,354	234,889	2,025,244	1,036,221
thereof not secured by collateral	0	0	0	0	187	187	0	0
Liabilities arising from the issue of bonds	730,760	33,011	652,744	45,005	820,539	120,810	573,189	126,540
Other financial liabilities	425,776	5,136	374,548	46,092	166,451	76,872	40,571	49,008
Total	4,330,991	266,228	3,778,388	286,375	4,283,531	432,758	2,639,004	1,211,769

The liabilities from the issue of bonds represent fixed-interest, unsecured, non-subordinated bonds. They include one bond issued by CPI Europe AG with an outstanding nominal value of EUR 237.8 million (31 December 2023: EUR 237.8 million) and eight bonds issued by S IMMO AG with a total outstanding nominal value of EUR 520.6 million (31 December 2023: nine bonds, nominal value: EUR 620.6 million).

Details on the issued bonds are provided below:

ISIN	Issuer	Nominal value 31 12 2024 in TEUR	Coupon	Maturity
AT0000A1DBM5	S IMMO AG	15,890	3.250%	09.04.2025
AT0000A285H4	S IMMO AG	150,000	1.875%	22.05.2026
AT0000A2UVR4	S IMMO AG	25,059	1.250%	11.01.2027
AT0000A1DWK5	S IMMO AG	34,199	3.250%	21.04.2027
XS2243564478	CPI Europe AG	237,800	2.500%	15.10.2027
AT0000A2MKW4	S IMMO AG	70,450	1.750%	04.02.2028
AT0000A35Y85	S IMMO AG	75,000	5.500%	12.07.2028
AT0000A2AEA8	S IMMO AG	100,000	2.000%	15.10.2029
AT0000A1Z9C1	S IMMO AG	50,000	2.875%	06.02.2030

The bonds issued by CPI Europe AG with a carrying amount of EUR 235.9 million (31 December 2023: EUR 235.9 million) require compliance with standard market financial covenants, which are determined on the basis of the IFRS financial statements. Compliance with these financial covenants is monitored regularly. There were no concrete indications as of the reporting date of facts or circumstances that could lead to non-compliance with these covenants during the next 12 months.

The thresholds for the financial covenants are listed in the following table:

Financial covenant	Threshold in %	Value as at 31 12 2024 in %
Net Debt to Value Ratio	Max. 60.0	44.4
Secured Net Debt to Value Ratio	Max. 45.0	30.8
Interest Coverage Ratio	Min. 150.0	220.1

The other financial liabilities include a liability of EUR 365.6 million (31 December 2023: EUR 29.4 million) to CPI Property Group, EUR 2.0 million (31 December 2023: EUR 75.2 million) due to insurance companies, and EUR 58.1 million (31 December 2023: EUR 61.9 million) of lease liabilities. The financial liabilities due to CPI Property Group represent a long-term loan of EUR 359.4 million (plus interest), which was used for the purchase of 28,241,094 shares of S IMMO AG from CPI Property Group.

As of 31 December 2024 and 31 December 2023, no lease liabilities were included in liabilities held for sale. The cash outflows for leases totalled EUR 3.2 million in 2024 (2023: EUR 4.7 million). The loan has a term ending on 30 September 2029, whereby premature payments are possible, and variable interest that is based on the 12-month Euribor plus a margin of 2.5% per year.

The conditions of the major financial liabilities are as follows:

31 12 2024		Interest rate		Nominal value of remaining liability	Carrying amount
	Currency	fixed/variable	Weighted average interest rate	TEUR	TEUR
Total amounts due to financial institutions	EUR	variable	3.17%	3,203,014	3,174,455
Liabilities arising from the issue of bonds	EUR	fixed	2.57%	758,397	730,760
Other financial liabilities					425,776
Total					4,330,991

31 12 2023		Interest rate		Nominal value of remaining liability	Carrying amount
	Currency	fixed/variable	Weighted average interest rate	TEUR	TEUR
Total amounts due to financial institutions	EUR	variable	2.96%	3,315,983	3,296,541
Liabilities arising from the issue of bonds	EUR	fixed	2.47%	858,397	820,539
Other financial liabilities					166,451
Total					4,283,531

Bank liabilities generally represent secured property financing which, in each case, was concluded by the respective real estate company as the borrower. Real estate financing with a remaining nominal value of EUR 3,170.2 million includes standard market obligations (financial covenants) for compliance with specific financial indicators by the property company. The financing banks are entitled to call the outstanding loan prematurely in individual cases if the borrower fails to comply with specific financial covenants or does not implement contractually defined, accepted measures to remedy the situation. The calculation of the financial covenants is based on the outstanding obligation, and compliance is monitored on a regular basis. The following table shows the band widths for the thresholds of the financial covenants:

Bandwidths in %	Threshold	Actual value	Threshold residual debt weighted	Actual value residual debt weighted
Debt service coverage ratio min.	100%–275%	130%–977%	126.00%	200.00%
Net debt to value ratio (loan-to-value) max.	50%–80%	19%–63%	63.00%	49.00%

There were no concrete indications as of the reporting date of facts or circumstances that could lead to non-compliance with these covenants during the next 12 months. As of 31 December 2023, there was a covenant breach, which led to the reclassification of a loan liability amounting to EUR 6.7 million from long-term other financial liabilities to short-term other financial liabilities. Furthermore, in the 2023 financial year, a company fell below a legally defined equity ratio, granting banks in Slovakia the right to demand early repayment of loans. As a result, an amount of EUR 90.3 million was reclassified from long-term financial liabilities to short-term financial liabilities. Both covenant breaches no longer existed as of 31 December 2024.

4.15 Trade payables and other liabilities

All amounts in TEUR	31 12 2024	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years
Trade payables	95,776	94,079	1,663	34	93,122	91,779	1,335	8
Derivative financial instruments (liabilities)	18,972	0	18,518	454	25,600	0	19,354	6,246
Property management	5,359	5,359	0	0	4,133	4,133	0	0
Deposits and guarantees received	62,552	15,741	41,853	4,958	53,950	12,380	38,326	3,244
Prepayments received on property sales	671	671	0	0	739	739	0	0
Construction and refurbishment	179	177	2	0	340	330	10	0
Outstanding purchase prices (acquisition of properties)	149	21	128	0	149	21	128	0
Miscellaneous	47,980	44,776	2,975	229	53,156	31,440	19,740	1,976
Total other financial liabilities	135,862	66,745	63,476	5,641	138,067	49,043	77,558	11,466
Tax authorities	17,690	17,690	0	0	11,423	11,423	0	0
Rental and lease prepayments received	38,883	37,725	48	1,110	42,738	40,757	630	1,351
Prepayments received on property sales	30,611	30,611	0	0	0	0	0	0
Other contractual liabilities	3,582	3,582	0	0	4,601	4,601	0	0
Total other non-financial liabilities	90,766	89,608	48	1,110	58,762	56,781	630	1,351
Total	322,404	250,432	65,187	6,785	289,951	197,603	79,523	12,825

In the annual report 2023 as of 31 December 2023, other financial liabilities included EUR 16.9 million. in the line “Outstanding purchase prices (share deals)”, which related to miscellaneous financial liabilities. This presentation has been adjusted in the annual report 2024.

4.16 Provisions

Provisions are recognised at the present value of the expected settlement amount. The provision is based on the best estimate at the time the consolidated financial statements are prepared. The best estimate of the amount required to meet the present obligation is the amount the company would rationally pay to settle the obligation at the balance sheet date or to transfer the obligation to a third party at that time. The risks and uncertainties that inevitably surround many events and circumstances must be taken into account in determining the best estimate. Valuation is therefore based in part on expert opinions and, above all, on past experience, probabilities for the outcome of legal disputes or proceedings under tax law, future cost trends, assumptions over interest rates, etc.

The provisions developed as follows in 2024:

All amounts in TEUR	2024
Balance at the beginning of the financial year	42,289
Foreign exchange differences	9
Additions	14,499
Disposals	-6,276
Use	-7,385
Reclassifications	153
Balance at the end of the financial year	43,289
thereof current	8,357
thereof non-current	34,932

This position includes provisions of EUR 32.4 million (2023: EUR 28.7 million) for legal proceedings, EUR 4.4 million (2023: EUR 6.2 million) for work outstanding and warranties following the transfer of properties in the core market of Germany, and other provisions. The other provisions consist primarily of provisions for tax risks (above all, withholding, VAT and property tax), contractual obligations and obligations to employees.

Restitution proceedings are currently in progress over land on which a Romanian subsidiary constructed a shopping center and over parts of another parcel of land in Romania. The provision for this issue was increased by a further EUR 4.6 million to EUR 30.8 million in 2024. The court decision from 2023 is not yet legally binding.

The use of provisions in 2024 was related, above all, to completions and warranty claims. Detailed information on the provisions for legal proceedings is not provided in accordance with IAS 37 because it could, under certain circumstances, seriously prejudice CPI Europe's position.

Provisions include the following for employees of S IMMO: provisions of EUR 0.5 million (2023: EUR 0.5 million) for entitlements to termination payments and provisions of EUR 0.5 million (2023: EUR 0.5 million) for entitlements to service anniversary bonuses. The actuarial calculation of these obligations was based on a discount rate of 2.90% (2023: 2.95% to 3.03%), an expected increase of 2.6% (2023: 2.6%) in salaries and wages, and a flat-rate discount of 0% to 24.8% (2023: 0% to 26.0%) for employee turnover. The provisions for termination benefits do not include an adjustment for employee turnover. The requirement to create a provision for termination benefits is based on the applicable regulations under labour law. Legal regulations require S IMMO to make a one-off payment to employees who joined the company in Austria prior to 1 January 2003 in the event of termination by the employer or at retirement. The amount of the payment is dependent on the number of service years and the compensation at the end of employment and ranges from two to twelve months' wages/salaries.

5. Notes to the Consolidated Income Statement

5.1 Results of asset management

5.1.1 Rental income

The following table shows the classification of rental income by asset class:

All amounts in TEUR	2024	2023
Office	236,582	244,338
Retail	311,822	241,518
Other	21,130	28,115
thereof hotel	9,076	7,366
thereof residential	10,458	19,915
thereof other	1,596	834
Income from non-performance-related components of operating costs	19,697	19,630
Total	589,231	533,601

The year-on-year increase in rental income resulted primarily from the acquisition of retail properties. The decline in rental income from the office asset class is attributable to the reduction of the portfolio through sales.

All leases in which CPI Europe serves as the lessor are classified as operating leases, and all leased property is therefore carried on CPI Europe's balance sheet. The resulting rental income is distributed on a straight-line basis over the term of the lease. The lease term includes the non-cancellable contract periods as well as option periods when the exercise of the extension option is sufficiently certain at the beginning of the lease. Incentives granted for the conclusion or extension of leases (e.g. rent-free periods, reduced rents for a certain period, graduated rents that increase at fixed rates over the lease term, fit-outs for individual tenants or the assumption of relocation costs) are included in the determination of the fair value of investment property and recognised as an adjustment to rental income on a straight-line basis over the term of the lease. Contractually agreed, inflation-based rental price adjustments are recognised when the adjustments take effect and not on a straight-line basis over the term of the lease. Contingent rental income (generally turnover based rents) is only recognised when it is realised. The contingent rental income totalled EUR 20.0 million in 2024 (2023: EUR 18.2 million) and is included in the rental income from the retail asset class. Penalties for the premature cancellation of leases amounted to EUR 1.2 million (2023: EUR 4.6 million).

When renegotiation, additions or amendments lead to a material change in the cash flows realisable over the remaining term of a rental agreement, the previous accruals from incentive agreements – with the exception of fit-outs that will be reused – are derecognised as a reduction of rental income. If there is no material change in the rental agreement, the previously accrued incentives remain unchanged and are recognised on a straight line basis. The general rules for the recognition of rental income on the initial conclusion of a rental agreement also apply when there is a substantial change in the rental agreement.

The rental income from the contracts in effect as of 31 December is as follows:

All amounts in TEUR	2024	2023
Within 1 year	495,391	498,661
Between 1 and 5 years	1,168,648	1,172,767
Over 5 years	459,825	485,047
Total	2,123,864	2,156,475

Future rental income shown was adjusted to exclude the contracts related to disposal groups and discontinued operations as of the balance sheet date. Special cancellation rights or additional rental income from turnover based rents are not included. The reported income from existing leases with CPI Europe includes future index-based adjustments, whereby an average term of 15 years was applied to open-end rental contracts.

Rental income includes the revenues which are not contrasted by the provision of services in the narrower sense of the term, but only represents the reimbursement of costs connected with legal ownership of the property (i.e. property tax and building insurance). The income from the non-performance-related components of operating costs has been presented since 2021 independent of the office, retail and other asset classes. The revenues from advertising space and telecommunications equipment are also reported as rental income in accordance with IFRS 16. The rental income from property taxes and building insurance totalled EUR 19.7 million in 2024 (2023: EUR 19.6 million), and the revenues from advertising space and telecommunications equipment amounted to EUR 3.7 million (2023: EUR 3.5 million).

5.1.2 Operating costs charged to tenants and operating expenses

The income from operating costs charged to tenants represents revenue in the sense of IFRS 15 (Revenue from Contracts with Customers) and is recognised over time. Operating costs are generally charged on a monthly basis and do not include any material financing components. The segment report provides information on the allocation of revenue from operating costs charged to tenants to the individual CPI Europe regional core markets (see section 3.6).

The income from operating costs charged to tenants totalled EUR 217.2 million in 2024 (2023: EUR 190.6 million). In individual countries (e.g. Hungary, Slovakia and Poland), this income also includes contractually agreed flat-rate administrative costs or mark-ups to operating costs that are also collected from tenants. Section 5.1.1, last paragraph, includes information on the income from operating costs charged to tenants, which is reported under rental income in accordance with IFRS 16.

Operating expenses include EUR -238.9 million (2023: EUR -225.9 million) of operating costs which are charged to tenants as well as expenses of EUR -6.3 million (2023: EUR -7.5 million) from vacancies.

5.1.3 Expenses from investment property

All amounts in TEUR	2024	2023
Commission expenses	-2,749	-2,499
Maintenance	-28,394	-27,961
Operating costs charged to building owners	-17,588	-17,221
Property marketing	-2,724	-2,719
Personnel expenses from asset management (see 5.7)	-10,025	-9,706
Other expenses from asset management	-6,912	-4,276
Fit-out costs	-1,965	-1,661
Write-off of receivables from asset management	-1,455	-6,279
Other expenses	-1,741	-3,074
Total	-73,553	-75,396

Maintenance costs are attributable to extraordinarily urgent measures at several office properties as well as regular building maintenance.

Concessions made retroactively to tenants are recognised as write-offs to receivables. The comparatively high receivables write-offs in 2023 resulted from the difficult financial situation of tenants in the gastronomy business in Poland.

Rental deferrals granted for future periods are accounted for similar to rental incentives and are recognised to rental income over the remaining term of the underlying contract.

Government grants are deducted directly from the related expenses (net method) in accordance with IAS 20.29. CPI Europe received government grants of EUR 0.4 million in 2024 (2023: EUR 1.0 million).

5.2 Results of owner-operated hotels

All amounts in TEUR	2024	2023
Revenue from room rental	46,306	43,435
Revenue from gastronomy sector	22,836	20,788
Other revenue	7,361	5,801
Income from owner-operated hotels	76,503	70,023
Personnel expenses owner-operated hotels	-23,595	-21,614
Maintenance owner-operated hotels	-4,357	-5,763
Management fee owner-operated hotels	-5,205	-5,293
Costs of goods sold owner-operated hotels	-7,761	-6,837
Other expenses owner-operated hotels	-14,660	-13,238
Expenses from owner-operated hotels	-55,578	-52,745
Depreciation on owner-operated hotels	-12,958	-13,441
Impairment/Reversals owner-operated hotels	1,825	-1,825
Depreciation and impairment/reversal on owner-operated hotels	-11,133	-15,266
Total	9,792	2,012

The owner-operated properties represent hotels held by S IMMO Group.

5.3 Results of property sales

All amounts in TEUR	2024	2023
Office	219,473	49,062
Retail	29,975	570
Other	84,356	302,442
Proceeds from property sales	333,804	352,074
Less carrying amount of sold properties	-333,804	-352,074
Net gain/loss from property sales	0	0
Gains/losses from deconsolidation (see 2.5)	5,072	-35,219
Sales commissions	-362	-1,288
Personnel expenses from property sales (see 5.7)	-596	-728
Legal, auditing and consulting fees from property sales	-1,095	-1,006
Income and expenses related to written-off receivables from property sales	0	7,000
VAT adjustments from the sale of properties	-1,606	-682
Other expenses	-3,071	-2,389
Expenses from property sales	-6,730	907
Valuation results from properties sold and held for sale (see 5.8)	1,757	-4,015
Total	99	-38,327

Results from the sale of properties show the income from asset deals involving IAS 40 and IFRS 5 properties. This income represents the fair value of the property on the transaction date and is therefore generally contrasted by a book value disposal of the same amount. The differences between the carrying amounts on the last balance sheet date and the last quarter prior to the sale are recorded under the valuation results from standing investments, respectively property under construction. In contrast, the differences between the carrying amounts in the last quarter and the sale proceeds are recorded under the revaluation of investment property sold and held for sale. Real estate trading is not part of CPI Europe's ordinary business activities. Therefore, the results of property sales do not represent revenue in the sense of IFRS 15 (Revenue from Contracts with Customers) but are classified as revenues from the sale of IAS 40 and IFRS 5 properties.

The sales in 2024 involved, above all, office and residential properties in Germany and two office properties in Austria by the S IMMO Group, two office properties in Vienna and one portfolio in Warsaw consisting of three properties under construction, as well as one office property and two land sites in Romania.

Of the revenues recognised from property sales in 2024 (EUR 333.8 million), no partial payments were received in 2023. The revenues recognised from property sales in 2023 (EUR 352.1 million) included one partial payment in 2022. As of 31 December 2024, the outstanding purchase price receivables from property sales totalled EUR 1.4 million (31 December 2023: EUR 12.1 million; see section 4.7). The outstanding purchase price receivables from property sales reported as of 31 December 2023 (EUR 12.1 million) were paid in 2024. The outstanding purchase price receivables reported as of 31 December 2022 (EUR 6.1 million) were paid in 2023. Prepayments of EUR 30.6 million were received in 2024 for properties sold in 2025.

Expenses from property sales include all personnel and operating expenses directly related to the sale process for a property or property company.

Valuation results reflect the adjustment of fair value when a property is sold and the valuation of investment property held for sale at the respective selling price.

5.4 Results of property development

All amounts in TEUR	2024	2023
Write-down of real estate inventories	0	-180
Other expenses from real estate inventories	-2,337	-1,788
Expenses from real estate inventories	-2,337	-1,968
Expenses from property development	-1,837	-2,831
Revaluation results from properties under construction (see 5.8)	70	-20,792
Total	-4,104	-25,591

The results of property development also include charges of EUR 0.3 million (2023: EUR 1.0 million) for personnel costs.

5.5 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	2024	2023
Expenses charged on	650	460
Insurance compensation	2,535	670
Income from derecognised liabilities	481	3,792
Reimbursement for penalties	0	397
Miscellaneous	4,731	2,534
Total	8,397	7,853

5.6 Other operating expenses

Other operating expenses include the following items:

All amounts in TEUR	2024	2023
Administrative expenses	-26,126	-5,655
Legal, auditing and consulting fees	-16,148	-13,924
Penalties and insurance costs	-682	-1,846
Taxes and levies	-3,975	-4,517
Expenses for general meeting and Supervisory Board	-652	-346
Advertising	-2,177	-3,113
EDP and communications	-3,577	-4,370
Expert opinions	-1,428	-1,022
Personnel expenses (see 5.7)	-25,397	-23,469
Addition to/reversal of provision related to restitution proceedings regarding land in Romania	-4,578	-10,462
Other write-downs	-4,710	-4,335
Miscellaneous	-5,650	-6,306
Total	-95,100	-79,367

Administrative expenses include the outsourcing of various activities to the service companies of CPI Property Group and the related administrative charges. Directly attributable administrative costs are reported under the respective functional operating area. If direct allocation is not possible, the administrative expenses are included under other operating expenses. Of the miscellaneous operating expenses, EUR 26.1 million (2023: EUR 5.9 million) represent administrative fees paid to CPI Property Group. The year-on-year increase resulted, on the one hand, from the expansion of the portfolio through acquisitions in 2024 and, on the other hand, from the adjustment of the range of services and additional IT services resulting from changes in the IT landscape.

Miscellaneous other operating expenses in 2023 included EUR 10.5 million arising from a court decision and represented the adjustment of a provision related to restitution proceedings for land on which a Romanian subsidiary constructed a shopping center. This provision was increased by a further EUR 4.6 million in 2024. The court decision issued in 2023 is not yet binding (also see section 4.16).

Other write-downs include write-downs of EUR 0.4 million (2023: EUR 0.5 million) to right-of-use assets for other tangible assets (IFRS 16).

The costs for short-term leases and low-value leases equalled EUR 0.2 million in 2024 (2023: EUR 0.2 million). Other main components of miscellaneous other operating expenses are the costs connected with owner-operated properties, impairment losses and write-downs to other receivables, Supervisory Board remuneration and the costs for the annual general meeting as well as insurance premiums and costs for bank transactions.

Miscellaneous other operating expenses in 2023 also included TEUR 12.6 for research on office solutions in cooperation with Stanford University. No research expenses were recognised in 2024.

5.7 Personnel expenses

Personnel costs for the employees of CPI Europe totalled EUR 36.3 million in 2024 (2023: EUR 34.9 million).

Employee benefits include EUR 0.2 million (2023: EUR 0.2 million) for pensions, EUR 0.5 million (2023: EUR 0.5 million) for severance payments and contributions to employee benefit funds, and EUR 2.9 million (2023: EUR 3.4 million) for statutory social security contributions as well as payroll-based duties and mandatory contributions.

Personnel expenses were allocated to the following sections of the consolidated income statement as follows:

All amounts in TEUR	2024	2023
Results of asset management	10,025	9,706
Results of property sales	596	728
Results of property development	281	1,004
Other operating expenses	25,395	23,469
Personnel expenses	36,297	34,907

The functional operating areas include only directly allocated personnel expenses. In cases where direct allocation is not possible, the personnel expenses are included under other operating expenses.

The average number of employees in the companies included in the consolidated financial statements totalled 220 in 2024 (2023: 250 employees), excluding the employees in hotel operations and 686 persons (2023: 761 persons) including these employees. The average number of employees does not include any employees on official leave (maternity, parental, military).

5.8 Valuation results from investment property and goodwill

The results from the valuation of investment properties and goodwill included valuation results of EUR 10.7 million (2023: EUR -352.0 million) and impairment losses to goodwill of EUR -0.1 million (2023: EUR -0.2 million).

The valuation results from the standing investments include the revaluation of rights-of-use assets in accordance with IFRS 16 (EUR -0.3 million; 2023: EUR 0.2 million).

The valuation at fair value results from property under construction are included on the consolidated income statement under the results of property development (see section 5.4). The valuation results from properties sold and held for sale are reported as part of the results of property sales (see section 5.3).

The following table shows the valuation gains and losses on investment property:

All amounts in TEUR	2024			2023		
	Valuation gains	Valuation losses	Total	Valuation gains	Valuation losses	Total
Investment property	244,072	-233,327	10,745	235,727	-587,761	-352,034
Property under construction	2,333	-2,263	70	1,380	-22,172	-20,793
Properties sold and held for sale	2,823	-1,066	1,757	170	-4,185	-4,015
Total	249,228	-236,655	12,572	237,277	-614,118	-376,841

The valuation gains on investment property in 2024 include EUR 41.9 million (2023: EUR 117.7 million) of purchase price adjustments that were deducted from the acquisition cost of real estate holding companies (see section 2.3). The remainder is primarily attributable to the revaluation of properties in the retail asset class.

The following tables show the revaluation gains (write-ups) and losses (write-downs) by segment and asset class.

All amounts in TEUR	2024			2023		
	Valuation gains	Valuation losses	Total	Valuation gains	Valuation losses	Total
Austria	4,531	-1,241	3,290	24	-76,846	-76,822
Germany	75	-7,319	-7,244	0	-105,172	-105,172
Poland	20,944	-22,150	-1,206	14,318	-67,189	-52,871
Czech Republic	26,571	-10,949	15,622	53,419	-12,044	41,375
Slovakia	16,010	-11,622	4,388	4,369	-26,756	-22,388
Hungary	8,304	-467	7,837	1,976	-2,998	-1,022
Romania	19,878	-24,593	-4,715	9,318	-61,562	-52,244
Adriatic	13,735	-9,175	4,560	17,123	-17,297	-173
Other Countries	0	0	0	7,542	0	7,542
S IMMO	139,180	-149,138	-9,957	129,188	-244,254	-115,066
Total	249,228	-236,655	12,572	237,277	-614,118	-376,841

All amounts in TEUR	2024			2023		
	Valuation gains	Valuation losses	Total	Valuation gains	Valuation losses	Total
Office	86,595	-124,473	-37,878	65,058	-421,174	-356,115
Retail	138,049	-39,099	98,950	157,221	-106,581	50,640
Other	24,584	-73,083	-48,499	14,997	-86,363	-71,366
Total	249,228	-236,655	12,572	237,277	-614,118	-376,841

5.9 Share of profit or loss from equity-accounted investments

All amounts in TEUR	2024	
	Joint ventures	Associates
Share of profit or loss for the period	271	2,150
Gains/losses on the sale of equity-accounted investments	0	-1,212
Total	271	938

The gains/losses of EUR -1.2 million on the sale of equity-accounted investments resulted from the sale of BGM - EB-Grundstücksbeteiligungen GmbH & Co KG, which was allocated to the S IMMO segment.

All amounts in TEUR	Joint ventures	Associates	2023
			Total
Share of profit or loss for the period	-189	6,053	5,864
Other adjustments	0	-5,526	-5,526
Total	-189	527	338

Other adjustments in 2023 include an impairment loss of EUR -5.5 million.

Aggregated financial information on the joint ventures and associates is presented in section 4.6.

5.10 Financial results

All amounts in TEUR	2024	2023
For financial liabilities AC	-230,278	-178,152
For derivative financial instruments	0	-31,868
Total financing costs	-230,278	-210,020
For financial receivables AC	14,786	12,036
For financial receivables FVPL	0	30
For derivative financial instruments	72,682	79,921
Total financing income	87,468	91,987
Foreign exchange differences	-9,640	-8,845
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-2,859	-1,901
Valuation of financial instruments at fair value through profit or loss	-60,644	-118,980
Distributions	1,402	1,316
Valuation adjustments and impairment of receivables	-2	76
Negative interest on cash and cash equivalents	-1	-30
Other financial results	-62,104	-119,519
Net profit or loss from equity-accounted investments (see 5.9)	1,209	338
Total	-213,345	-246,059

AC: financial assets/liabilities measured at amortised cost

The financing costs for financial liabilities measured at amortised cost include interest expense of EUR -2.3 million (2023: EUR -2.3 million) for IFRS 16 lease liabilities.

Foreign exchange differences include foreign exchange gains of EUR 1.0 million (2023: EUR 2.0 million) and foreign exchange losses of EUR -1.5 million (2023: EUR -4.1 million) from IFRS 16 lease liabilities.

The results from the measurement of financial instruments at fair value through profit or loss include the following:

All amounts in TEUR	2024	2023
Valuation results from derivative financial instruments	-60,731	-119,244
Other	87	264
Total	-60,644	-118,980

Information on the net gains and losses from financial instruments is provided in section 7.1.2.

5.11 Income taxes

This position includes income taxes paid or owed by the parent company and subsidiaries as well as deferred taxes. Interest and penalties from tax proceedings are also included here. An overview of deferred tax assets and deferred tax liabilities is presented in section 4.9.

All amounts in TEUR	2024	2023
Current income tax	-36,069	-57,190
thereof from current period	-40,469	-57,936
thereof from prior periods	4,400	746
Deferred income tax	-36,441	140,877
thereof from current period	-33,388	146,856
thereof from changes in tax rates	-3,030	2,271
Total	-72,510	83,687

Current income tax from prior periods includes income of EUR 3.6 million from the conclusion of tax proceedings in Germany. A contingent receivable was not recorded in earlier consolidated financial statements because the refund of previous payments was not sufficiently probable.

The difference between calculated income tax expenses and the actual income tax expenses shown on the income statement is attributable to the following factors:

All amounts in TEUR	2024		2023	
Earnings before tax	206,024		-313,148	
Income tax expense at 23% tax rate (2023: 24%)	-47,386	23.0%	75,156	24.0%
Effect of different tax rates	4,193	-2.0%	-12,008	-3.8%
Effect of changes in tax rates	-4,466	2.2%	-4,665	-1.5%
Impairment losses to goodwill/negative differences recognised in profit or loss	0	0.0%	-32	0.0%
Changes from valuation allowances and unrecognized loss carryforwards	-14,360	7.0%	91,488	29.2%
Non-deductible income and expenses	-26,905	13.1%	-23,044	-7.4%
Write-downs and write-ups to deferred tax assets	-2,019	1.0%	-15,497	-4.9%
Effects related to other periods	-83	0.0%	-15	0.0%
Effects of deferred taxes on investments in subsidiaries, joint ventures and associates and effects from consolidation measures	10,181	-4.9%	-20,909	-6.7%
Other non-temporary differences	8,335	-4.0%	-6,787	-2.2%
Effective tax rate	-72,510	35.2%	83,687	26.7%

The impact of the different tax rates on the effective tax rate for the Group results from the difference between the Austrian corporate tax rate of 23% and the respective local tax rates (see section 4.9).

The non-deductible income and expenses consist mainly of non-deductible interest expense and non-deductible management salaries.

In the 2004/05 financial year, the Austrian CPI Europe companies (excluding S IMMO) joined together into a corporate group in the sense of § 9 of the Austrian Corporate Tax Act. CPI Europe AG serves as the lead company of this group. The lead company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. Each member with positive results must pay a tax charge to the lead company. The charge equals 24% of the assessment base and is based on the tax rate defined in § 22 (1) of the Austrian Corporate Tax Act. Any losses by the group members are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Group members with registered tax losses are not required to make payments to the lead company; no payments for (negative) charges are made by the lead company to the group members.

Another corporate tax group was established in 2009/10 pursuant to § 9 of the Austrian Corporate Tax Act. CPB Enterprise GmbH serves as the lead company of this group. Based on the group and tax assessment agreement concluded on 22 December 2009, the taxable income generated by the members of this group is allocated to CPB Enterprise GmbH, as the lead company of the group, after an offset against any pre-group losses. The group contract also calls for a tax charge as settlement for the transfer of taxable income. The tax charge procedure for this tax group is the same as the new tax charge agreement implemented for the CPI Europe AG corporate group; it took effect starting in the 2011/12 financial year.

S IMMO Group also had a corporate tax group pursuant to § 9 of the Austrian Corporate Tax Act with S IMMO AG as the lead company of this group. This tax group was integrated in the CPI Europe tax group during 2023. Based on the tax assessment agreement concluded between the CPI Europe AG and S IMMO companies, S IMMO AG with its subsidiaries forms a separate accounting entity for the tax charge. If S IMMO AG generates positive results, it is required to pay a (positive) tax charge to the head of the group equal to 20% of the assessment base. The generation of positive results by the S IMMO group members results in the payment of a (positive) tax charge to S IMMO AG equal to 24% of the assessment base. Losses incurred by the tax subgroup, respectively by the S IMMO group members are registered and can be offset in full against taxable profit recorded by the respective tax subgroup or S IMMO group member in subsequent years. Payments by S IMMO AG to the lead company or by an S IMMO group member to S IMMO AG are not required when registered losses are utilised. No payments for (negative) charges are made by the lead company to S IMMO AG or by S IMMO AG to the S IMMO group members.

5.12 Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing net profit for the period attributable to the shareholders of CPI Europe AG by the weighted average number of shares outstanding.

	2024	2023
Weighted average number of shares (basic)	137,974,126	137,974,126
Weighted average number of shares (diluted)	137,974,126	137,974,126
Net profit or loss attributable to shareholders of CPI Europe AG in EUR	133,656,000	-180,316,000
Net profit or loss attributable to the shareholders of CPI Europe AG in EUR (diluted)	133,656,000	-180,316,000
Basic earnings per share in EUR	0.97	-1.31
Diluted earnings per share in EUR	0.97	-1.31

There were no diluting effects in 2024 or in the previous year. The calculation of the number of shares as of 31 December 2024 included the 695,585 treasury shares held by CPI Europe (31 December 2023: 695,585 shares).

6. Notes to the Consolidated Cash Flow Statement

The cash flow statement of CPI Europe shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the financial year. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities. Interest paid is reported under cash flow from financing activities, while interest and dividends received are reported under cash flow from investing activities. Cash flow from operating activities is calculated using the indirect method.

Cash and cash equivalents comprise the following as of the balance sheet dates shown below:

All amounts in TEUR	31 12 2024	31 12 2023
Cash and cash equivalents (see 4.12)	527,360	697,119
Cash and cash equivalents held by disposal groups (see 4.10)	4,322	0
Cash and cash equivalents	531,682	697,119

Foreign currency cash flows are translated at the weighted average exchange rate for the respective local currency and quarter. Translation differences arising from the use of this exchange rate and the mean exchange rate on the balance sheet date are charged or credited to foreign exchange differences.

The position “business combinations and other acquisitions, net of cash and cash equivalents” totalling EUR -410.2million resulted almost entirely from transactions with CPI Property Group. Information on these transactions is provided in section 2.3.

The following table reconciles financial liabilities and derivatives, including cash flow from financing activities, as of 1 January 2024 and 31 December 2024:

All amounts in TEUR	Financial liabilities				Derivatives	Total
	Amounts due to financial institutions	Finance lease liabilities	Liabilities arising from the issue of bonds	Other financial liabilities		
Balance on 1 January 2024	3,296,541	61,882	820,539	104,569	-121,984	4,161,548
Interest equalization payment					74,518	74,518
Repayments of bonds issued			-100,000			-100,000
Interest paid	-184,643	-343	-19,667	-2,563		-207,216
Increase in financial liabilities	349,450			76,041		425,491
Repayment of financial liabilities	-381,201			-178,600	8,623	-551,178
Repayment of finance lease liabilities		-3,235				-3,235
Transactions with non-controlling interests				-140,584		-140,584
Total change in cash flow from financing activities	-216,394	-3,578	-119,667	-245,706	83,141	-502,204
Changes arising from obtaining or losing control of subsidiaries or other businesses	-96,915				-16,812	-113,727
Effect of changes in foreign exchange rates	-1,062	460			-633	-1,235
Changes in fair value					60,731	60,731
Other changes	17,216	-4,210			3,524	16,530
Interest expense	175,068	2,232	29,888	8,792		215,979
Accrued interests					-73,139	-73,139
New lease contracts		1,335				1,335
Transactions with non-controlling interests				500,000		500,000
Total liability-related other changes	94,307	-183	29,888	508,792	-26,329	606,474
Balance on 31 December 2024	3,174,454	58,121	730,760	367,654	-65,171	4,265,818

All amounts in TEUR	Financial liabilities				Derivatives	Total
	Amounts due to financial institutions	Finance lease liabilities	Liabilities arising from the issue of bonds	Other financial liabilities		
Balance on 1 January 2023	2,766,246	59,551	922,825	418,847	-235,983	3,931,486
Interest equalization payment					67,257	67,257
Repayments of bonds issued			-187,100			-187,100
Interest paid	-133,036		-10,856	-11,762		-155,654
Increase in financial liabilities	1,001,008					1,001,008
Repayment of financial liabilities	-570,929			-337,448		-908,377
Repayment of finance lease liabilities		-4,652				-4,652
Total change in cash flow from financing activities	297,043	-4,652	-197,956	-349,210	67,257	-187,519
Changes arising from obtaining or losing control of subsidiaries or other businesses	104,106				34,066	138,172
Effect of changes in foreign exchange rates	1,487	2,015			-674	2,828
Changes in fair value					-119,244	-119,244
Other changes	127,659	4,968	95,671	34,932	132,595	395,825
Total liability-related other changes	233,252	6,984	95,671	34,932	46,742	417,581
Balance on 31 December 2023	3,296,541	61,882	820,539	104,569	-121,984	4,161,548

7. Other Disclosures

7.1 Information on financial instruments

The primary financial instruments held by CPI Europe which are reported under assets consist primarily of trade accounts receivable, financing receivables, loans and other receivables, real estate fund shares, miscellaneous other financial instruments and cash and cash equivalents. The primary financial instruments recorded under liabilities consist primarily of financial liabilities, liabilities arising from convertible bonds and trade accounts payable. The non-derivative financial instruments recorded under assets are carried at fair value through profit or loss (shares in other companies), at fair value through other comprehensive income (shares in other companies) or at amortised cost. Non-derivative financial liabilities are carried at amortised cost. Fair value is based on market prices or calculated in accordance with recognised valuation methods.

Derivative financial instruments are used to hedge the interest rate risk arising from business operations (see section 7.2.5).

7.1.1 Classes and categories of financial instruments

IFRS 7 requires the breakdown of financial instruments by classes as well as the reconciliation of these classes with the line items shown on the balance sheet. Since the reporting company is entitled to define these classes, they generally differ from the categories defined by IFRS 9 for the measurement of financial instruments.

The definition of the reportable classes reflects the different characteristics of the major financial instruments held by CPI Europe. Accordingly, similar financial instruments are grouped together into a class. These factors led to the definition of the following classes: trade accounts receivable, financing receivables and other receivables (including restricted funds), derivatives, miscellaneous other financial instruments, and cash and cash equivalents (asset classes) as well as liabilities arising from bonds, liabilities with financial institutions, other financial liabilities, trade accounts payable, derivatives and miscellaneous other liabilities (liability classes).

In addition to the assignment of financial instruments to classes, IFRS 7 requires the disclosure of the carrying amount of financial assets and financial liabilities in accordance with the categories defined in IFRS 9. The following table presents the carrying amount and fair value of each class of financial assets and financial liabilities as well as each IFRS 9 category and reconciles these amounts to the appropriate balance sheet line items.

Assets	FVOCI Equity instruments	FVPL mandatory	AC	Cash and cash equivalents	Non-FI	Carrying amount 31 12 2024	Fair value 31 12 2024
All amounts in TEUR							
Trade accounts receivable	0	0	77,740	0	0	77,740	77,740
Financing receivables	0	0	3,652	0	0	3,652	3,652
Other receivables	0	0	109,848	0	11,769	121,617	121,617
Trade and other receivables	0	0	191,240	0	11,769	203,009	203,009
Derivatives	0	84,144	0	0	0	84,144	84,144
Securities and investments	6,107	8,209	0	0	0	14,316	14,316
Other financial assets	6,107	92,353	0	0	0	98,460	98,460
Cash and cash equivalents	0	0	0	527,360	0	527,360	527,360
Total assets	6,107	92,353	191,240	527,360	11,769	828,829	828,829

Equity and liabilities	FVPL mandatory	AC	Non-FI	Carrying amount 31 12 2024	Fair value 31 12 2024
All amounts in TEUR					
Bonds	0	730,760	0	730,760	714,019
Amounts due to financial institutions	0	3,174,455	0	3,174,455	3,168,616
Other financial liabilities	0	425,776	0	425,776	404,341
Financial liabilities	0	4,330,991	0	4,330,991	4,286,976
Trade payables	0	95,776	0	95,776	95,776
Derivatives	18,972	0	0	18,972	18,972
Miscellaneous other liabilities	0	116,890	90,766	207,656	207,656
Trade and other payables	18,972	212,666	90,766	322,404	322,404
Total equity and liabilities	18,972	4,543,657	90,766	4,653,395	4,609,380

FVOCI: financial assets at fair value through other comprehensive income

FVPL: financial assets/liabilities at fair value through profit or loss

AC: financial assets/liabilities measured at amortised cost

Non-FI: non-financial assets/liabilities

Assets	FVOCI Equity instruments	FVPL mandatory	AC	Cash and cash equivalents	Non-FI	Carrying amount 31 12 2023	Fair value 31 12 2023
All amounts in TEUR							
Trade accounts receivable	0	0	80,892	0	0	80,892	80,892
Financing receivables	0	0	3,932	0	0	3,932	3,932
Other receivables	0	0	135,046	0	13,812	148,858	148,858
Trade and other receivables	0	0	219,870	0	13,812	233,682	233,682
Derivatives	0	147,585	0	0	0	147,585	147,585
Securities and investments	8,650	8,135	0	0	0	16,785	16,785
Other financial assets	8,650	155,720	0	0	0	164,370	164,370
Cash and cash equivalents	0	0	0	697,119	0	697,119	697,119
Total assets	8,650	155,720	219,870	697,119	13,812	1,095,171	1,095,171

Equity and liabilities	FVPL			Carrying amount	Fair value
All amounts in TEUR	mandatory	AC	Non-FI	31 12 2023	31 12 2023
Bonds	0	820,539	0	820,539	734,422
Amounts due to financial institutions	0	3,296,541	0	3,296,541	3,263,676
Other financial liabilities	0	166,451	0	166,451	164,288
Financial liabilities	0	4,283,531	0	4,283,531	4,162,386
Trade payables	0	93,122	0	93,122	93,122
Derivatives	25,600	0	0	25,600	25,600
Miscellaneous other liabilities	0	112,467	58,762	171,229	171,229
Trade and other payables	25,600	205,589	58,762	289,951	289,951
Total equity and liabilities	25,600	4,489,120	58,762	4,573,482	4,452,337

FVOCI: financial assets at fair value through other comprehensive income

FVPL: financial assets/liabilities at fair value through profit or loss

AC: financial assets/liabilities measured at amortised cost

Non-FI: non-financial assets/liabilities

The fair values shown in the above table were derived from stock exchange prices or determined by applying recognised valuation methods, depending on the class (see section 7.1.3).

Trade account receivables are generally considered to be current or are carried net of any necessary valuation adjustments and, for this reason, fair value generally reflects the carrying amount. The same applies to cash and cash equivalents.

The fair value of financial receivables and other receivables also generally approximates the carrying amount because impairment losses have already been deducted.

The fair values shown in the above table for amounts due to financial institutions were calculated as the present value of future interest and principal payments. The discount rate includes a margin for CPI Europe's own credit risk, and the valuation method used to determine fair value therefore represents Level 3 in the fair value hierarchy under IFRS 13. Information on the method used to determine the debt value adjustment is provided in section 7.1.3. The discount rates used to calculate the present value of the amounts due to financial institutions were based on the listing shown below, which reflects the market interest rates as of 31 December 2024 and the average credit spreads for the loans held as of the balance sheet date.

Discount rates as of	min	2024 max
01 01 2025	4.007%	6.197%
01 01 2026	3.872%	6.062%
01 01 2027	3.888%	6.078%
01 01 2028	3.919%	6.109%
01 01 2029	3.948%	6.138%
01 01 2030	3.980%	6.170%
01 01 2031	4.011%	6.201%
01 01 2032	4.041%	6.231%
01 01 2033	4.070%	6.260%
01 01 2034	4.098%	6.288%
01 01 2035	4.124%	6.314%

The fair value of the bonds is based on the market price or, for inactive markets, the present value of future interest and principal payments. The fair value of the miscellaneous other liabilities corresponds to the present value (financial liabilities) or to the carrying amount (all other cases).

7.1.2 Net gains and losses

The net gains and losses which must be presented in accordance with IFRS 7 for each category of financial instrument defined in IFRS 9 comprise the following:

				31 12 2024
All amounts in TEUR	Measurement at fair value	Income from disposals/repurchase	Other gains/losses	Net gain/loss
FVOCI	-2,558	0	425	-2,133
thereof recognised to the consolidated income statement	0	0	425	425
thereof designated and recorded under other comprehensive income	-2,558	0	0	-2,558
FA-FVPL	-60,620	0	525	-60,095
thereof mandatory	-60,620	0	525	-60,095
FA-AC	0	0	-1,477	-1,477
FL-FVPL	-24	0	0	-24
thereof mandatory	-24	0	0	-24
FL-AC	0	0	-2,407	-2,407

FVOCI: financial assets at fair value through other comprehensive income
FA-FVPL/FL-FVPL: financial assets/liabilities at fair value through profit or loss
FA-AC/FL-AC: financial assets/liabilities measured at amortised cost

				31 12 2023
All amounts in TEUR	Measurement at fair value	Income from disposals/repurchase	Other gains/losses	Net gain/loss
FVOCI	1,187	0	535	1,722
thereof recognised to the consolidated income statement	0	0	535	535
thereof recorded under other comprehensive income	1,187	0	0	1,187
FA-FVPL	-119,029	0	484	-118,545
thereof mandatory	-119,029	0	484	-118,545
FL-FVPL	49	0	0	49
thereof mandatory	49	0	0	49
FL-AC	0	0	-1,604	-1,604

FVOCI: financial assets at fair value through other comprehensive income
FA-FVPL/FL-FVPL: financial assets/liabilities at fair value through profit or loss
FA-AC/FL-AC: financial assets/liabilities measured at amortised cost

Information on interest expense and interest income is provided in section 5.10.

7.1.3 Hierarchy of financial instruments carried at fair value

The following section includes an analysis of the financial instruments carried at fair value. A three-level classification was developed for this analysis in accordance with the measurement hierarchy defined in IFRS:

- Level 1: quoted prices for identical assets or liabilities on an active market (without any adjustments)
- Level 2: inputs that can be derived directly (e.g. as prices) or indirectly (e.g. based on prices) for the individual assets or liabilities and cannot be classified under Level 1
- Level 3: inputs for assets or liabilities that are not based on observable market data and are significant for the measurement

				31 12 2024
All amounts in TEUR	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Securities and investments	-	-	6,107	6,107
Financial assets at fair value through profit or loss				
Derivative financial instruments	-	84,144	-	84,144
Securities and investments	8,209	-	-	8,209
Financial liabilities at fair value through profit or loss				
Derivative financial instruments	-	18,972	-	18,972

				31 12 2023
All amounts in TEUR	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Securities and investments	-	-	8,650	8,650
Financial assets at fair value through profit or loss				
Derivative financial instruments	-	147,585	-	147,585
Securities and investments	8,043	-	92	8,135
Financial liabilities at fair value through profit or loss				
Derivative financial instruments	-	25,600	-	25,600

The following table reconciles the beginning and ending balances of the financial instruments classified under Level 3:

	Securities and investments	
All amounts in TEUR	2024	2023
Beginning balance	8,742	7,717
Recognised in the consolidated income statement	-77	-162
Recognised in other comprehensive income	-2,558	1,187
Additions	0	0
Disposals	0	0
Ending balance	6,107	8,742

CPI Europe calculates the fair value of derivatives by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty. Derivatives with a positive fair value represent receivables for CPI Europe; in these cases, a CVA calculation is used to calculate the amount of the receivable. One parameter for this calculation is the probability of default for the counterparty. CPI Europe contracts with over 15 financial institutions, and observable CDS spreads are available on the market for many of them. In exceptional cases, average branch benchmarks are used as a substitute for unavailable spreads. These benchmarks represent Level 1 and 2 input factors on the fair value measurement hierarchy. Derivatives with a negative fair value represent liabilities for CPI Europe; in these cases, a DVA calculation is used to calculate the amount of the liability and the own probability of default must be determined. CPI Europe generally concludes derivatives at the level of the property company that manages a particular property. Neither observable market CDS spreads, nor benchmarks are available for these property companies. Credit margins are therefore used to estimate CDS spreads which, in turn, form the basis for deriving the probability of default. The determination of the credit margins includes information from signed credit agreements and term sheets as well as indicative credit margin offers from banks based on the respective countries and asset classes. The plausibility of the calculated credit margins is also verified by comparison with external market reports. This procedure results in market-conform credit margins that can be used as estimates for valuing the company's own credit risk. These input

factors represent Level 3 on the IFRS 13 measurement hierarchy but have an overall insignificant effect on the valuation. The loss given default (LGD) is the relative value that would be lost on default. CPI Europe uses an ordinary market default rate to calculate the CVA and DVA. The exposure at default represents the expected amount of the asset or liability at the time of default. The calculation of the exposure at the time of default is based on a Monte Carlo simulation. Consequently, all derivatives represent Level 2 on the IFRS 13 fair value hierarchy.

7.1.4 Collateral

The collateral for loans related to project financing is normally provided by the respective group company. Financing is generally concluded at the individual project level. As security for the loan, the lending bank receives a package of collateral that can be used to satisfy its receivables in the event a loan is called. This security package can include the following types of collateral:

- Mortgage on the land or the land and the building
- Pledge of shares in the project company
- Pledge of receivables (from rental agreements, insurance contracts, property management contracts etc.)
- Pledge of bank accounts (accounts for rental payments or other project-related accounts)
- Promissory notes
- Shares in subsidiaries

The conditions, type and scope of collateral are defined on an individual basis (for each company and property) and are dependent on the project volume and the amount and term of the loan.

Investment property with a carrying amount of EUR 6,508.2 million (31 December 2023: EUR 6,562.8 million) was pledged as collateral for debt financing of EUR 3,190.0 million (31 December 2023: EUR 3,420.4 million).

No property under construction was pledged as collateral as of 31 December 2024 or 31 December 2023.

For property financing concluded by CPI Europe, shares in the respective subsidiary serve as additional collateral in 70 cases (31 December 2023: 77 cases). The limitations on disposal end when the financial liability is repaid or when other collateral is provided.

In 2024 CPI Europe did not accept liabilities or guarantees on behalf of third parties (31 December 2023: EUR 15.6 million). The probability of occurrence for these contingent liabilities is linked to the fulfilment or non-fulfilment of future conditions and was considered low as of the balance sheet date.

7.2 Financial risk management

7.2.1 General information

CPI Europe (excluding S IMMO) has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct influence on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout the corporation to support the monitoring, evaluation and control of risks related to the operating business. Risk management is a staff function which reports directly to the Executive Board. It autonomously monitors the corporate risks, aggregates risk data and reports, and actively supports the department and country organisations in the identification of risks and the implementation of economically suitable countermeasures. At the department and country organisation levels, the department head or country manager are responsible for risk management. The department heads and country managers report their risk positions to the Executive Board at least once each quarter, whereby acute risks are communicated immediately. CPI Europe also works to continuously improve the internal control system (ICS) to support the early identification and monitoring of risks. A description of the ICS is provided in the management report.

As an international corporation, CPI Europe is exposed to various financial risks. The major financial risks for the Group arise from possible changes in foreign exchange rates and interest rates and from the deterioration of the credit standing and solvency of its customers and business partners.

7.2.2 Default/credit risk

Default or credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations and CPI Europe incurs financial damages as a result. The maximum credit risk represents the carrying amounts reported under assets on the balance sheet. Default risk is reflected in appropriate valuation adjustments.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, CPI Europe works together with local project developers. This cooperation can represent a risk for CPI Europe if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, activities and goal attainment are monitored regularly by the development department.

The risk of default on receivables due from tenants is generally low because tenants are regularly required to provide security deposits – cash deposits for residential properties, bank guarantees or cash deposits for commercial properties – and their credit standing is monitored on a regular basis. Individual valuation adjustments are generally recorded to receivables that are exposed to an increased risk of default.

The default risk associated with receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. Counterparty and concentration risks are limited by continuous monitoring, fixed investment limits and the diversification of financial institutions. Banks are aggregated into a banking group and evaluated according to a common default probability. Receivables are combined and reviewed against appropriate limits.

A default event is assumed to occur when the debtor is not expected to meet his or her obligations in full. A receivable is written off (derecognised) when it is overdue more than 365 days and collection measures have ceased or when the receivable is considered uncollectible in full even if it is not overdue more than one year.

Financial receivables are assigned to the following classes of financial instruments in CPI Europe:

- Trade accounts receivable
- Financing receivables
- Other receivables

The next two tables present the following information in summarised form: the gross amount for each category of receivables as of the balance sheet date, the recognised impairment losses and resulting net receivables, a reconciliation of the beginning balance to the ending balance of the valuation allowances, and explanatory comments on the creation of the valuation allowances for each of the three receivables classes.

	2024			2023		
All amounts in TEUR	Gross receivable	Impairment	Net receivable	Gross receivable	Impairment	Net receivable
Trade accounts receivable	96,680	–18,940	77,740	99,990	–19,098	80,892
Financing receivables	7,487	–3,835	3,652	7,767	–3,835	3,932
Other receivables	110,296	–448	109,848	141,901	–6,855	135,046
Total	214,463	–23,223	191,240	249,658	–29,788	219,870

Valuation allowances for trade accounts receivable

All amounts in TEUR	2024	2023
Beginning balance	–19,098	–14,851
Currency translation adjustments	–142	–686
Additions following the acquisition of subsidiaries	0	–205
Write-offs	1,604	2,362
Write-downs	–1,455	–6,284
Reclassifications and other developments	151	566
Ending balance	–18,940	–19,098

The trade accounts receivable held by CPI Europe comprise rents receivable, operating costs receivable and receivables from the sale of real estate inventories. The calculation of impairment for all these receivables is based on the simplified approach defined by IFRS 9.5.5.15, which requires the recognition of a loss allowance equal to the lifetime expected credit losses as of the initial recognition date as well as in subsequent periods. The application of the simplified approach to rents receivable, which represent lease receivables, is based on the option provided by this standard. The remaining trade receivables fall within the scope of application of IFRS 15 and do not include any material financing components. The application of the simplified approach is therefore mandatory.

Impairment losses are based on historical experience in accordance with the number of days overdue. However, the calculation also includes more specific information on expected return flows or forward-looking assumptions if this information is available and if it is assumed that these factors will influence the amount of the impairment loss.

The following table shows the gross receivables and impairment losses recognised for rents and operating costs receivable based on the time overdue as of 31 December 2024 as well as the average impairment in relation (%) to the average time overdue as of 31 December 2019, 2021, 2022 and 2023 (2020 was not included in the comparative data due to distortions caused by the COVID-19 pandemic):

All amounts in TEUR	Gross receivable	Impairment	Impairment in %	Average impairment in prior years
Not due until 90 days overdue	75,214	-1,811	2.41%	4.22%
91–365 days overdue	5,688	-2,613	45.93%	54.28%
More than 365 days overdue	15,778	-14,518	92.01%	88.65%
Ending balance	96,680	-18,941		

Valuation allowances for financing receivables

Financing receivables consist primarily of financing for property companies which is collateralised by the property and the related return flows. Consequently, impairment losses were generally not required for these items. The write-off in the amount of EUR 3.8 million (31 December 2023: EUR 3.8 million) is related solely to a receivable that was written off in full.

Valuation allowances for other receivables

All amounts in TEUR	2024			2023		
	12-month expected credit loss	Lifetime expected credit loss – impaired credit standing	Total	12-month expected credit loss	Lifetime expected credit loss – impaired credit standing	Total
Beginning balance	-4	-6,851	-6,855	-41	-13,584	-13,625
Write-offs	0	6,404	6,404	0	739	739
Write-downs	0	0	0	37	6,184	6,221
Reclassifications and other developments	0	3	3	0	-190	-190
Ending balance	-4	-444	-448	-4	-6,851	-6,855

Restricted funds represent the largest component of the assets reported under other receivables. These deposits with financial institutions have only a minimal risk of default, and it can therefore be assumed that the default risk has not increased significantly since initial recognition. The loss of receivables expected within the next 12 months was therefore determined in accordance with IFRS 9. For the remaining other receivables, an impairment loss was not required due to available collateral or an impairment loss was recognised because of an assumed default event at the amount of the expected loss over the lifetime of the financial instrument.

7.2.3 Liquidity risk

Liquidity risks are minimised by careful planning with regular variance analyses. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

CPI Europe also uses long-term financing in which the financial capability of the individual properties (interest coverage ratio, debt service coverage ratio) and present value (loan-to-value ratio) are reflected in appropriate contract clauses.

In order to prevent cost overruns and the resulting excess outflow of liquidity, CPI Europe routinely monitors budgets and the progress of construction on all development projects and maintenance work.

The following table shows the term structure of derivative and non-derivative financial liabilities based on the contractually defined outflow of funds. In particular, the reported amounts include current and bullet repayments for financial liabilities, interest payments and net payments from derivatives.

All amounts in TEUR	Cash outflows (-)/Cash inflows (+) under 1 year	Cash outflows (-)/Cash inflows (+) between 1 and 5 years	Cash outflows (-)/Cash inflows (+) over 5 years	Total	Carrying amount as of 31 12 2024
Liabilities arising from the issue of bonds	-35,392	-739,903	-51,438	-826,733	730,760
Amounts due to financial institutions	-349,823	-3,049,037	-221,827	-3,620,687	3,174,455
Miscellaneous	-182,260	-482,770	-116,434	-781,464	638,442
Total non-derivative financial liabilities	-567,475	-4,271,710	-389,699	-5,228,884	4,543,657
Positive derivative financial instruments	32,613	55,837	8,621	97,071	84,144
Negative derivative financial instruments	-5,033	-12,982	-11	-18,026	-18,972
Derivative financial instruments (Net position)	27,580	42,855	8,610	79,045	65,172

All amounts in TEUR	Cash outflows (-)/Cash inflows (+) under 1 year	Cash outflows (-)/Cash inflows (+) between 1 and 5 years	Cash outflows (-)/Cash inflows (+) over 5 years	Total	Carrying amount as of 31 12 2023
Liabilities arising from the issue of bonds	-121,270	-671,854	-154,879	-948,003	820,539
Amounts due to financial institutions	-269,389	-3,047,534	-495,306	-3,812,229	3,296,541
Miscellaneous	-221,819	-79,492	-156,430	-457,741	372,040
Total non-derivative financial liabilities	-612,478	-3,798,880	-806,615	-5,217,973	4,489,120
Positive derivative financial instruments	40,381	85,906	14,406	140,693	147,585
Negative derivative financial instruments	-5,615	-18,867	-3,140	-27,622	-25,600
Derivative financial instruments (Net position)	34,766	67,040	11,266	113,072	121,985

Miscellaneous non-derivative financial liabilities include, among others, amounts due to CPI Property Group, lease liabilities, trade accounts payable and liabilities from deposits received.

The amounts due to financial institutions by CPI Europe are broadly diversified by region and counterparty, and the exposure to a change in the risk policy of an individual financial institution is therefore considered low.

As of 31 December 2023, the total net inflows from derivative financial instruments were reported as TEUR 143,709 due to an editorial error. This amount was corrected retroactively to TEUR 113,072.

7.2.4 Foreign exchange risk

CPI Europe is exposed to various forms of foreign exchange risk in connection with its accounting data and cash flows. Fluctuations in foreign exchange rates can influence the Group's earnings position and also have an impact on the Group's asset position.

Effect on the asset and earnings position

The individual Group companies record transactions in a currency that differs from their functional currency at the mean exchange rate on the date of the respective transaction. Foreign currency monetary assets and liabilities are translated at the mean exchange rate in effect on the balance sheet date. The resulting foreign exchange gains and losses are recognised in profit or loss for the financial year.

As of 31 December 2024, all liabilities to financial institutions were denominated in euros.

The risk of devaluation associated with foreign currency bank deposits and cash balances is offset by the earliest possible conversion of these funds into the euro.

Cash and cash equivalents are held in the following currencies:

All amounts in TEUR	31 12 2024	31 12 2023
EUR	448,463	581,691
PLN	16,903	36,205
RON	29,732	26,751
HUF	10,004	32,353
CZK	13,164	8,490
RSD	9,061	11,585
Other	33	44
Total	527,360	697,119

7.2.5 Interest rate risk

As an international corporation, CPI Europe is exposed to the risk of interest rate fluctuations on real estate submarkets. Increases in interest rates can have a negative impact on Group earnings by increasing the cost of floating rate financing.

A change in interest rates has a direct influence on financial results through its impact on floating rate financing. CPI Europe limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all swaps). These derivative financial instruments are accounted for as stand-alone derivatives and not as hedging instruments in the sense of IFRS 9.

The following table shows the classification of financial liabilities by type of interest rate:

All amounts in TEUR	31 12 2024	31 12 2023
Fixed interest financial liabilities	790,892	986,990
Floating rate financial liabilities	3,540,099	3,296,541
Total interest-bearing financial liabilities	4,330,991	4,283,531

Of the floating rate financial liabilities, a nominal value of EUR 3,097.3 million (31 December 2023: EUR 3,088.4 million) is hedged through interest rate swaps. This results in a fixed interest rate based on the combined interest effect of the financial liability and the derivative. Financial liabilities with a nominal value of EUR 9.9 million (31 December 2023: EUR 19.9 million) are hedged with caps.

The following table shows the fair values and conditions of all derivative financial instruments that were purchased and held as of 31 December 2024 to hedge interest rates:

	Type	Reference value as of 31.12. 2024 in TEUR	Fair value incl. interest in TEUR ¹	Maturity
Interest rate under or equivalent to 0.00%	Interest rate swap	40,335	495	2025
	Interest rate swap	243,889	9,094	2026
	Interest rate swap	198,259	9,633	2027
	Interest rate swap	311,785	20,977	2028
Number of derivatives: 22		794,268	40,199	
Interest rate over 0.00% to 1.00%	Interest rate swap	25,000	198	2025
	Interest rate swap	126,058	2,714	2026
	Interest rate swap	29,029	841	2027
	Interest rate swap	102,678	6,655	2028
	Interest rate swap	45,207	2,306	2029
	Interest rate swap	33,326	2,759	2030
	Interest rate swap	106,800	14,623	2034
Number of derivatives: 15		468,098	30,096	
Interest rate over 1.00%	Interest rate swap	85,000	569	2025
	Interest rate swap	17,229	-209	2026
	Interest rate swap	543,102	-557	2027
	Interest rate swap	442,084	-11,975	2028
	Interest rate swap	544,170	5,213	2029
	Interest rate swap	103,400	227	2032
	Interest rate swap	100,000	1,599	2033
Number of derivatives: 86		1,834,985	-5,133	
Interest rate over 1.00%	Interest rate cap	9,931	10	2026
Number of derivatives: 1		9,931	10	
Total number of derivatives: 124		3,107,282	65,172	

¹Fair value includes a credit risk adjustment

The reference value forms the basis value for derivatives outstanding as of the balance sheet date. The fair value represents the amount that the respective company would receive or be required to pay if the transaction were terminated as of the balance sheet date.

A change in the market interest rate will influence the valuation of interest rate derivatives. Net present value calculations based on the DCF method – which is also used to value derivatives – discount future cash flows with current interest rate curves to determine market value. Rising interest rates lead to a higher discount factor and to a reduction in the present value of the derivative. Sensitivity analyses are used to illustrate the risk associated with interest rate fluctuations. They show the effects of changes in market interest rates on market values and interest payments as well as interest income and expense.

The following sensitivity analysis shows the effects of a change in the interest rate level on the fair value of the interest rate derivatives. An increase, respectively decrease of 50 and 100 basis points was assumed. The fair values exclude both accrued interest and credit risk premiums.

Sensitivity of derivatives		Interest rate	
		Δ 50 basis points	Δ 100 basis points
All amounts in TEUR	31 12 2024		
Fair value based on increase in interest rate	64,568	111,504	156,782
Fair value based on decrease in interest rate	64,568	16,978	-32,332

Sensitivity of derivatives		Interest rate	
		Δ 50 basis points	Δ 100 basis points
All amounts in TEUR	31 12 2023		
Fair value based on increase in interest rate	122,405	176,734	229,356
Fair value based on decrease in interest rate	122,405	66,310	8,444

A further sensitivity analysis shows the influence of floating market interest rates on the interest expense associated with financial liabilities, including interest derivatives. It shows the effect of an assumed average increase, respectively decrease of 50 and 100 basis points in market interest rates on interest expense, including the interest income from derivatives, in 2024. The analysis assumes that all other variables remain constant. Changes in the valuation of interest derivatives caused by fluctuations in market interest rates were not included.

Sensitivity of interest expense		Interest rate	
		Δ 50 basis points	Δ 100 basis points
All amounts in TEUR	2024		
Interest expense based on increase in interest rate	157,596	159,863	162,128
Interest expense based on decrease in interest rate	157,596	155,331	153,066

Sensitivity of interest expense		Interest rate	
		Δ 50 basis points	Δ 100 basis points
All amounts in TEUR	2023		
Interest expense based on increase in interest rate	130,046	132,251	141,969
Interest expense based on decrease in interest rate	130,046	112,816	103,099

Since most of CPI Europe's floating rate financial liabilities are hedged through interest rate swaps, the risk of an increase in interest expense as the result of changes in interest rates is considered low.

Details on the conditions of financial liabilities are provided in section 4.14.

In addition to financial liabilities, securities and receivables – above all financing receivables (loans granted to third parties) – can be sensitive to interest rate changes. The current financing receivables generally carry fixed interest rates and, consequently, they carry no or only limited interest rate risk.

7.2.6 Capital management

The goal set by CPI Europe's management is to protect the Group's short-, medium- and long-term liquidity and to create and maintain a strong capital base in order to earn the trust of investors, creditors and the markets and safeguard the Group's sustainable positive development. The Executive Board regularly monitors the development of the share price, the discount of the share price to net asset value (net tangible assets, NTA), and the amount of recommended dividend payments to the shareholders of CPI Europe AG.

The Group's capital structure is determined by financial liabilities and by equity (excluding treasury shares) of EUR 8,277.0 million (31 December 2023: EUR 7,953.3 million). CPI Europe intends to further optimise its capital structure by arranging for new financing and by terminating, extending or restructuring older financing. The average financing costs for CPI Europe including derivatives used for interest rate hedging, equalled 3.2% in 2024 (2023: 2.9%).

The Executive Board monitors the Group's capital structure by means of the LTV ratio. This indicator shows the relation between financial liabilities, including net financial liabilities held for sale, minus cash and cash equivalents and the value of the real estate portfolio (consisting of investment property, property under construction, owner-operated properties, real estate inventories and properties held for sale). The LTV ratio equalled 46.4% as of 31 December 2024 (31 December 2023: 42.5%).

Calculation of net LTV for CPI Europe

All amounts in TEUR	31 12 2024	31 12 2023
Financial liabilities	4,330,989	4,283,531
Net financial liabilities held for sale ¹	10,079	14,786
- Cash and cash equivalents	-527,360	-697,119
Carrying amount of property	8,220,612	8,464,053
Net LTV in %	46.4%	42.5%

¹Financial liabilities held for sale less cash and cash equivalents held for sale

Gearing (secured and unsecured) and the interest coverage ratio also represent a minimum capital requirement by external stakeholders. All requirements regarding financial covenants were met during the 2024 financial year. The financial covenants related to the financial liabilities are covered in chapter 4.14.

7.3 Financial obligations

7.3.1 Contingent liabilities and guarantees

Contingent liabilities represent possible or existing obligations arising from past events, in cases where it is not probable that an outflow of resources will be required to settle the obligation (also see section 7.1).

The contingent liabilities arising from sureties, guarantees and other liabilities that are not recognised on CPI Europe's balance sheet are evaluated regularly with respect to the probability of their occurrence. If an outflow of resources embodying economic benefits is neither sufficiently probable to require the recognition of a provision nor improbable, the obligations are recognised as contingent liabilities. The estimates are made by specialists based on market-related inputs (where possible) and expert opinions (in individual cases).

A preliminary injunction over the shares in a Romanian subsidiary (carrying amount of net assets: EUR 97.8 million; 31 December 2023: EUR 92.4 million) was in effect as of 31 December 2024 and limits the power to dispose over these shares. The involved subsidiary remains under CPI Europe's control and is included in the consolidated financial statements through full consolidation. The preliminary injunction was lifted in March 2025 due to a positive decision in the first instance. Moreover, legal uncertainty can arise in connection with land ownership in individual East European countries (e.g. Romania).

The assessment of risks related to uncertainties over income tax treatments as of 31 December 2024 identified one issue in Poland. CPI Europe evaluated the basis for the accounting treatment of the related tax risks by way of scenario analyses and estimates from the involved attorneys and tax advisors. This led to the conclusion that the recognised risks have been appropriately included since the start of the proceedings. Following these analyses, it is still assumed that the competent courts will acknowledge the procedural uncertainties of EUR 13.2 million (31 December 2023: EUR 16.3million) in favour of the taxpayer and cancel the findings by the fiscal authorities. Since the decisions of tax authorities in Austria and other countries are not easy to predict and the refund of payments previously made is not considered sufficiently probable for the recognition of a contingent receivable, these items were not included in the preparation of the consolidated financial statements for 2024.

7.3.2 Other financial obligations

The following table shows the financial obligations arising from previously contracted construction services, maintenance and other contractual obligations for the construction or acquisition of properties:

All amounts in TEUR	2024	2023
Outstanding construction costs	22,488	32,534
Contracted maintenance	2,835	3,538
Contractual obligations for the construction or acquisition of properties	0	6,080
Total	25,323	42,152

Contractual obligations for the construction or acquisition of properties as of 31 December 2023 included EUR 6.1 million attributable to S IMMO Group.

7.4 Outstanding legal disputes

Several legal proceedings involving CPI Europe were outstanding as of 31 December 2024. However, management considers the related amounts, individually as well as in total, to be immaterial.

Two subsidiaries of S IMMO AG, S IMMO Germany GmbH and SIAG Deutschland Beteiligungs GmbH & Co. KG, sold all shares in SIAG Berlin Wohnimmobilien GmbH. The related sale contract closed on 31 March 2023. The buyer filed an objection against the financial statements prepared as of the reporting date and the final purchase price calculation, and the selling companies subsequently initiated arbitration proceedings on 10 October 2023 in accordance with the sale contract. The arbitration proceedings are still in progress, and their outcome cannot be predicted with sufficient certainty at the present time. However, S IMMO considers the buyer's objections to be unfounded and is not aware of any material circumstances that would counter the fulfilment of the claims from the sale contract. A gross purchase price receivable of EUR 6.8 million was outstanding as of 31 December 2024.

S IMMO AG and PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG, a related entity under company law, hold registered shares in a property (EZ 1753, KG 01004) which establish condominium ownership. On 8 November 2023, the apartment owner of the property's garage filed a petition with the district court against all other apartment owners for the performance of maintenance works in accordance with § 30 (1) no. 1 of the Austrian Apartment Ownership Act in connection with § 52 (1) no. 3 of this same legal act. The petition asks the district court to approve maintenance works to parts of the property located in the garage. The proceedings before the district court are still in progress, and the hearing to collect evidence was postponed to the second quarter of 2025. Apart from these proceedings before the district court, there have been out-of-court contacts between the parties which have, however, not yet led to the termination of the proceedings. The outcome of this legal dispute is therefore not possible to estimate at the present time.

As in previous years, CPI Europe is pursuing legal proceedings concerning restitution claims against the VIVO! Cluj and Constanța locations. In the case of VIVO! Cluj, CPI Europe was denied ownership of the land in a final ruling. However, ownership of the shopping center itself has so far been granted to CPI Europe by all instances (see also 4.16). The legal dispute over VIVO! Constanța was won by CPI Europe in the first instance.

7.5 Transactions with related parties

Related parties in the sense of IAS 24 include all subsidiaries, joint ventures and associates (see section 8.). In addition to persons who have a controlling or significant influence over CPI Europe, related parties include the members of the Executive Board and Supervisory Board of CPI Europe AG and CPI Property Group, as well as their close family members. CPI Property Group is also considered a related party due to its majority shareholding.

As part of the remuneration for the members of the Executive Board, CPI Europe AG makes payments to APK Pensionskasse AG. These payments are related to company pensions for the Executive Board members and reflect standard market conditions. The contributions made in 2024 are reported in section 7.5.2.

Transactions between fully consolidated subsidiaries are eliminated during the consolidation and are therefore not explained in detail.

The following transactions were carried out with CPI Property Group in 2024:

All amounts in TEUR	31 12 2024	31 12 2023
Relations with CPI Property Group		
Receivables	12,064	12,481
Liabilities	378,205	39,364
All amounts in TEUR	2024	2023
Relations with CPI Property Group		
Other income	5,113	2,536
Other expenses	-46,891	-23,791
Interest income	0	21
Interest expense	-8,829	-12,072

CPI Europe AG concluded a framework service agreement with CPI Property Group S.A. which covers the provision of asset management services and administrative services (accounting, tax, controlling, HR, legal, financial, IT) by the local management companies of CPI Property Group S.A. for the local property companies of CPI Europe AG in selected CEE countries. The details for the provision of these services and the amount of the service fees are regulated by implementing agreements concluded between the local CPI management companies and the local property holding companies of CPI Europe AG in the Czech Republic, Poland, Romania, Slovakia, Hungary, Serbia, Croatia and Italy.

Various transactions were also concluded with CPI Property Group in 2024. Information on these transactions is provided in section 2.3.

In September 2024, shares of S IMMO AG were purchased from CPI Property Group. Details are provided in chapter 2.4. The liabilities to CPI Property Group include a long-term loan amounting to EUR 365.6 million (EUR 359.4 million plus interest). The related disclosures are provided in section 4.14.

7.5.1 Joint ventures and associates

All amounts in TEUR	2024	2023
Relations with associated companies		
Other income	0	237
Other expenses	-1	-2,581

Transactions with joint ventures and associates are carried out at standard market prices and conditions. The financing for joint ventures is frequently arranged between CPI Europe and its co-investors at a ratio that frequently differs from the respective interest in capital.

7.5.2 Members of management in key positions

The members of management in key positions as defined in IAS 24 are active solely in the corporate bodies of CPI Europe AG and include the following persons:

Executive Board

Radka Doehring – Member

Pavel Měchura – Member

Supervisory Board

Miroslava Greštiaková – Chairwoman

Martin Matula – Vice-Chairman since 29 May 2024

Martin Němeček – Vice-Chairman up to 29 May 2024

Iveta Krašovicová – Member since 29 May 2024

Matús Sura – Member since 29 May 2024

Members delegated to the Supervisory Board by the Works Council

The following persons were delegated to the Supervisory Board by the Works Council of CPI Europe AG:

Philipp Amadeus Obermair – Member

Anton Weichselbaum – Member

The extraordinary general meeting on 30 January 2025 approved an increase from four to six in the number of Supervisory Board members elected by the annual general meeting. Vladislav Jirka and Matej Csenky were elected to the Supervisory Board for a term of office beginning with the end of the extraordinary general meeting and up to the end of the annual general meeting which votes on the release from liability for the 2026 financial year (annual general meeting in 2027).

The members of management in key positions received the following remuneration:

	2024			2023		
All amounts in TEUR	Supervisory Board	Executive Board	Total	Supervisory Board	Executive Board	Total
Short-term employee benefits	241	1,463	1,704	230	744	974
Post-employment benefits	-	86	86	-	53	53
Total	241	1,549	1,790	230	797	1,027

The short-term employee benefits for the members of the Executive Board comprise a fixed component (gross salary and compensation in kind) as well as a variable component (bonuses).

The amounts reported under post-employment benefits represent the contributions by CPI Europe to a pension fund. These contributions result from defined contribution pension commitments to the members of the Executive Board, which were outsourced to a pension fund.

In addition, the members of the Executive Board of S IMMO received short-term benefits of EUR 3.5 million (2023: EUR 3.1 million) and post-employment benefits of EUR 0.1 million (2023: EUR 0.1 million).

The Supervisory Board remuneration reported under short-term benefits reflects the expenses for the respective financial year. However, this remuneration is only paid out after the approval of the annual general meeting which decides on the release from liability of the Supervisory Board members. The members of the Executive Board and Supervisory Board held a total of 300 shares as of 31 December 2024 (31 December 2023: 300 shares).

No advances or loans were granted to the members of the Executive Board or Supervisory Board. Moreover, there are no share-based payments for the Executive Board.

7.6 Auditor's fees

The fees charged by Ernst & Young Österreich for services provided in 2024 comprise TEUR 711.6 (2023: TEUR 670.3) for the audit of the separate and consolidated financial statements, TEUR 134.9 (2023: TEUR 11.0) for other consulting services, TEUR 0.0 (2023: TEUR 14.0) for tax advising and TEUR 44.0 (2023: TEUR 20.7) for miscellaneous services.

7.7 Subsequent events

Two properties in Austria belonging to the S IMMO segment were sold during January 2025: Lerchenfelder Gürtel with a carrying amount of EUR 9.7 million as of 31 December 2024 and Franz-Jonas-Platz with a carrying amount of EUR 28.4 million as of 31 December 2024. Two other closings from the S IMMO segment also took place at the beginning of 2025: the sale of REGA Property Invest s.r.o. in the Czech Republic on 8 January and the sale of the Maros Business Center in Hungary on 16 January. The carrying values of the involved properties totalled EUR 31.3 million, respectively EUR 12.8 million as of 31 December 2024. Twenty-three properties from the S IMMO portfolio in Germany with a combined carrying amount of EUR 58.6 million were sold during the period from January to March 2025.

An agreement over the sale of a real estate portfolio in Bratislava to WOOD & Company was reached in February 2025. This office and retail complex consists of two myhive office buildings, one VIVO! Shopping center, and a 3,200 sqm land site which had a combined carrying value of EUR 140 million as of 31 December 2024. The sale will take the form of a share deal in two tranches up to the end of 2026. Tranche 1 calls for the founding of a joint venture, while Tranche 2 covers the full sale of the portfolio. The conclusion of Tranche 1 is expected to take place in the first half of 2025, contingent upon standard contract conditions including regulatory approvals.

In March 2025, CPI Europe closed the sale of two sub-sections of the myhive Pankrac House office property in Prague. The carrying amount of the building equalled EUR 44.5 million as of 31 December 2024. The sale was carried out in the form of a share deal.

8. Group Companies

The following list covers the subsidiaries, joint ventures and associates of CPI Europe. It was prepared in accordance with § 245a (1) of the Austrian Commercial Code in connection with § 265 (2) of the Austrian Commercial Code. This list also includes individual subsidiaries that were not fully consolidated for materiality reasons and joint ventures that were not included at equity as well as associates and other investments held by CPI Europe. The Group companies included in the consolidated financial statements following the full consolidation of S IMMO are listed separately in the table. The companies deconsolidated during the 2024 financial year are reported in the column 'type of consolidation' as sold, liquidated or merged.

CPI Europe (excluding S IMMO)

Company	Country	Headquarters	2024		2023	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
AAX Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
Adama Adviso SRL	RO	Bucharest	100.00%	F	100.00%	F
Adama Holding Public Ltd	CY	Nicosia	100.00%	F	100.00%	F
Adama Management SRL	RO	Bucharest	100.00%	F	100.00%	F
Adama Romania Ltd.	CY	Nicosia	100.00%	F	100.00%	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
ALPHA REAL d.o.o.	SI	Ljubljana	100.00%	F	100.00%	F
ARMONIA CENTER ARAD S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
ARO Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
Atom Centrum, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Baron Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Bauteil M Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Berceni Estate Srl	RO	Bucharest	100.00%	F	100.00%	F
Bertie Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Bloczek Ltd	CY	Nicosia	100.00%	F	100.00%	F
Business Park Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Business Park West-Sofia EAD - In liquidation	BG	Sofia	100.00%	F	100.00%	F
Cadca Property Development, s.r.o.	SK	Ružomberok	100.00%	F	100.00%	F
Capri Trade s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
CENTER INVEST Kft.	HU	Budapest	100.00%	F	100.00%	F
CHB Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
City Market Dunakeszi Kft.	HU	Budapest	100.00%	F	100.00%	F
City Market Soroksár Kft.	HU	Budapest	100.00%	F	100.00%	F
City Tower Vienna Errichtungs- und Vermietungs-GmbH	AT	Vienna	100.00%	F	100.00%	F
Constantia Treuhand und Vermögensverwaltungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Contips Limited	CY	Nicosia	100.00%	F	100.00%	F
Cora GS s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
CPB Enterprise GmbH	AT	Vienna	100.00%	F	100.00%	F
CPI East, s.r.o.	CZ	Pilsen	100.00%	F	100.00%	F
CPI Europe AG	AT	Vienna	100.00%	F	100.00%	F
CPI Retail Portfolio I, a.s.	CZ	Prague	100.00%	F	100.00%	F
CPI Retail Portfolio II, a.s.	CZ	Prague	100.00%	F	100.00%	F
CPI Retail Portfolio IV, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
CPI Retail Portfolio VIII s.r.o.	CZ	Prague	100.00%	F	100.00%	F
CPI Retails ONE, a.s.	CZ	Prague	100.00%	F	100.00%	F
CPI Retails ROSA, s.r.o.	SK	Ružomberok	100.00%	F	100.00%	F
CPI Retails THREE, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
CPI Retails TWO, a.s.	CZ	Prague	100.00%	F	100.00%	F
Credo Immobilien Development GmbH	AT	Vienna	100.00%	F	100.00%	F
CREDO Real Estate GmbH	AT	Vienna	100.00%	F	100.00%	F
Dapply Trading Ltd.	CY	Nicosia	100.00%	F	100.00%	F
DUS Plaza GmbH	DE	Cologne	0.00%	Merged	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

Company	Country	Headquarters	2024		2023	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
Eastella Beteiligungsverwaltungs GmbH	AT	Vienna	100.00%	F	0.00%	n. a.
EHL Gewerbeimmobilien GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Immobilien Bewertung GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Immobilien GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Investment Consulting GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Wohnen GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
Elmore Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Elona Projekt d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Equiem Holdings Pty Ltd	AU	Melbourne	0.75%	NC	0.72%	NC
Erlend Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
EUREDES Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
Eye Shop Targu Jiu s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Fawna Limited	CY	Nicosia	100.00%	F	100.00%	F
FMZ Baia Mare Imobiliara s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
FMZ Lublin Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
GAL Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Galeria Zamek Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Geiselbergstraße 30-32 Immobilienbewirtschaftungs-gesellschaft m.b.H in Liq.	AT	Vienna	100.00%	F	100.00%	F
GENA NEUN Beteiligungsverwaltung GmbH	AT	Vienna	100.00%	F	100.00%	F
Gena Vier Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
GENA ZEHN Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
Gendana Ventures Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Gila Investment SRL	RO	Bucharest	100.00%	F	100.00%	F
Global Emerging Property Fund L.P.	GB	Jersey	25.00%	Fonds	25.00%	Fonds
Global Trust s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
GORDON INVEST Kft.	HU	Budapest	100.00%	F	100.00%	F
Grand Centar d.o.o.	HR	Zagreb	0.00%	Sold	100.00%	F
Hadas Management SRL	RO	Bucharest	100.00%	F	100.00%	F
Harborside Imobiliara s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
HDC IMOB Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
IE Equuleus NL B.V.	NL	Amsterdam	100.00%	F	100.00%	F
I-E-H Immoeast Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMBEA Immoeast Beteiligungsverwaltung GmbH	AT	Vienna	100.00%	F	100.00%	F
IMF Float GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOEAST (Silesia) Holding Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IMMOEAST Acquisition & Management GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST ALLEGRO Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Immoeast Baneasa Airport Tower srl	RO	Bucharest	100.00%	F	100.00%	F
IMMOEAST Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Iride IV Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
IMMOEAST PRESTO Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Almansor Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Aries Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt DESPINA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Equuleus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Omega Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Pantheus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Septendecimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Artemis Immobilien Vermietung GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Deutschland GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Float GmbH & Co. KG	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Float Verwaltungs GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Friesenquartier GmbH	DE	Cologne	92.70%	F	92.70%	F
IMMOFINANZ Friesenquartier II GmbH	DE	Cologne	100.00%	F	100.00%	F
Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Immofinanz Medienhafen GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ MONTAIGNE Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Immofinanz Polska Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

Company	Country	Headquarters	2024		2023	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
Immofinanz Services and Management d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
IMMOFINANZ Services Czech Republic, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Immofinanz Services d.o.o. Beograd-Novi Beograd	RS	Belgrade	100.00%	F	100.00%	F
IMMOFINANZ Services Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
Immofinanz Services Poland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOFINANZ Services Romania s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
IMMOFINANZ Services Slovak Republic, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
ImmoPoland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOWEST Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOWEST IMMOBILIEN ANLAGEN GMBH	AT	Vienna	100.00%	F	100.00%	F
Irasci Holdings Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IRIDE S.A.	RO	Bucharest	100.00%	F	100.00%	F
JAVO IMOBILIARE S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
Komárno Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Lagerman Properties Limited	CY	Nicosia	100.00%	F	100.00%	F
Larius International SRL	RO	Bucharest	100.00%	F	100.00%	F
Levice Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
M.O.F. Immobilien GmbH	AT	Vienna	0.00%	Liquidated	20.00%	Fonds
Marissa Omikrón, a.s.	CZ	Prague	100.00%	F	100.00%	F
MBP I Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Merav Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Merav Finance BV	NL	Amsterdam	100.00%	F	100.00%	F
Metropol Consult SRL	RO	Bucharest	100.00%	F	100.00%	F
Michalovce Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Monorom Construct SRL	RO	Bucharest	100.00%	F	100.00%	F
myhive offices Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
myhive offices SRL	RO	Bucharest	100.00%	F	100.00%	F
Nimbus Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Norden Maritime Services Limited	CY	Nicosia	100.00%	F	100.00%	F
Norden Maritime SRL	RO	Bucharest	100.00%	F	100.00%	F
NP Investments a.s.	CZ	Prague	100.00%	F	100.00%	F
OC Spektrum, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
OIY Czech, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
ORADEA RESIDENCES S.R.L.	RO	Bucharest	0.00%	Sold	0.00%	n. a.
Palmovka Offices s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Perlagonia 1 Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Polus a.s.	SK	Bratislava	100.00%	F	100.00%	F
Polus Transilvania Companie de Investitii S.A.	RO	Floresti Cluj	100.00%	F	100.00%	F
Považská Bystrica Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Prelude 2000 SRL	RO	Bucharest	100.00%	F	100.00%	F
Prievidza Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Prinz-Eugen-Straße Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Radom Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Real Habitation s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Rembertów Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Retail Park Four d.o.o. Beograd	RS	Belgrade	100.00%	F	100.00%	F
Ronit Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Roua Vest SRL	RO	Bucharest	100.00%	F	100.00%	F
S.C. Baneasa 6981 s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Brasov Imobiliara S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Flash Consult Invest s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. IE Baneasa Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. IMMOEAST Narbal Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Meteo Business Park s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Retail Development Invest 1 s.r.l.	RO	Baia Mare	100.00%	F	100.00%	F
S.C. Stupul de Albine s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Union Investitii S.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Sapir Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
SaW II Beteiligungs GmbH	AT	Vienna	26.00%	NC	26.00%	NC
SBF Development Praha spol.s r.o.	CZ	Prague	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

Company	Country	Headquarters	2024		2023	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
SC Czech AGL s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Shaked Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Sharespace Sp. z o.o.	PL	Warsaw	20.00%	NC	20.00%	NC
Shir Investment SRL in Ligu.	RO	Ilfov	0.00%	Liquidated	100.00%	F
SITUS Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
SITUS L Liegenschafts Vermietungs GmbH & Co. Kaiserstraße 44-46 KG	AT	Vienna	100.00%	NC	100.00%	NC
SITUS L Liegenschafts Vermietungs GmbH & Co. Neubaugasse 26 KG	AT	Vienna	100.00%	NC	100.00%	NC
SITUS L Liegenschafts Vermietungs GmbH & Co Seidengasse 39 KG	AT	Vienna	100.00%	NC	100.00%	NC
Snagov Lake Rezidential SRL	RO	Bucharest	100.00%	F	100.00%	F
S-Park Offices s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
STOP SHOP CZ, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Stop Shop d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
STOP SHOP Development d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Stop Shop Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Stop Shop Italia S.R.L.	IT	Bolzano	100.00%	F	100.00%	F
Stop Shop Poland Sp.z.o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP SHOP RO RETAIL ONE SRL	RO	Bucharest	100.00%	F	100.00%	F
STOP SHOP SERBIA d.o.o.	RS	Belgrade	100.00%	F	100.00%	F
STOP.SHOP. Slovakia s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Tamar Imob Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
Tarnów Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Termaton Enterprises Limited	CY	Nicosia	100.00%	F	100.00%	F
Topaz Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Trebišov Property Development, s.r.o.	SK	Ružomberok	100.00%	F	100.00%	F
Trinec Property Development, a.s.	CZ	Prague	100.00%	F	100.00%	F
Tripont Invest s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
VCG Immobilienbesitz GmbH	AT	Vienna	0.00%	Merged	100.00%	F
Ventilatorul Real Estate SRL	RO	Bucharest	100.00%	F	100.00%	F
Vitrust Ltd.	CY	Nicosia	100.00%	F	100.00%	F
VIVO! Poland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Warsaw Spire Tower Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Ysiona Beteiligungsverwaltungs GmbH	AT	Vienna	0.00%	Sold	100.00%	F
Zamosc Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Zamosc Sadowa Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Zgorzelec Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F

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S IMMO

Company	Country	Headquarters	2024		2023	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
S IMMO AG	AT	Vienna	100.00%	F	50% + 1 share	F
Wienerberg City Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
A.D.I. Immobilien Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
AKIM Beteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
Andrássy Real Kft.	HU	Budapest	100.00%	F	100.00%	F
Arena Corner Kft.	HU	Budapest	100.00%	F	100.00%	F
Átrium Park Kft.	HU	Budapest	100.00%	F	100.00%	F
Bank-garázs Kft.	HU	Budapest	100.00%	F	100.00%	F
Baudry Beta, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
Bauteile A+B Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Bauteile C+D Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
BC 99 Office Park Kft.	HU	Budapest	100.00%	F	100.00%	F
BGM - EB-Grundstücksbeteiligungen GmbH & Co KG	AT	Vienna	0.00%	Sold	23.60%	E-AS
BUDA Kft.	HU	Budapest	100.00%	F	100.00%	F
BudaPart Auratus Kft.	HU	Budapest	100.00%	F	100.00%	F
CD Property s.r.o.	CZ	Prague	100.00%	F	100.00%	F
CEE Beteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE CZ Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE Immobilien GmbH	AT	Vienna	0.00%	Liquidated	100.00%	F
CEE Property-Invest Hungary 2003 Kft.	HU	Budapest	89.90%	F	89.90%	F
CEE PROPERTY-INVEST Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE Property-Invest Kft.	HU	Budapest	100.00%	F	100.00%	F
City Center Irodaház Kft.	HU	Budapest	100.00%	F	100.00%	F
CPI Národný, s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
CPI Office Business Center, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
CPI Office Prague, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
CPI Shopping MB, a.s.	CZ	Prague	100.00%	F	100.00%	F
CPI Shopping Teplice, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
DUAL CONSTRUCT INVEST SRL	RO	Bucharest	100.00%	F	100.00%	F
Duna Szálloda Zrt.	HU	Budapest	100.00%	F	100.00%	F
E.I.A. eins Immobilieninvestitionsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
E.V.I. Immobilienbeteiligungs GmbH	AT	Vienna	89.90%	F	89.90%	F
ELTIMA PROPERTY COMPANY s.r.o.	CZ	Prague	0.00%	Sold	100.00%	F
Essence Garden Kft.	HU	Budapest	100.00%	F	100.00%	F
EXPO BUSINESS PARK S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
Farhan a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
Futurum KH Shopping, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
GALVÁNIHO 2, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
GALVÁNIHO 4, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Galvániho Business Centrum, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Gateway Office Park Kft.	HU	Budapest	100.00%	F	100.00%	F
German Property Invest Immobilien GmbH	AT	Vienna	89.90%	F	89.90%	F
H.S.E. Immobilienbeteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Ikaruspark GmbH	DE	Berlin	89.90%	F	89.90%	F
IPD – International Property Development, s.r.o.	SK	Bratislava	60.00%	E-JV	60.00%	E-JV
Lucemburská 46, a.s.	CZ	Prague	100.00%	F	100.00%	F
Lützwow-Center GmbH	DE	Berlin	0.00%	Sold	89.90%	F
Maior Domus Hausverwaltungs GmbH	DE	Berlin	89.90%	F	89.90%	F
Marissa Tau, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
Markt Carree Halle Immobilien GmbH	DE	Berlin	89.90%	F	89.90%	F
Maros utca Kft.	HU	Budapest	100.00%	F	100.00%	F
Na Poříčí, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
Nagymező Kft.	HU	Budapest	100.00%	F	100.00%	F
Nergal Immobilienverwertungs GmbH	AT	Vienna	89.90%	F	89.90%	F
Nergal Immobilienverwertungs GmbH E58 & Co KG	AT	Vienna	89.90%	F	89.90%	F

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Company	Country	Headquarters	2024		2023	
			Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
Nergal Immobilienverwertungs GmbH F3 & Co KG	AT	Vienna	0.00%	Sold	89.90%	F
Nergal Immobilienverwertungs GmbH M3 & Co KG	AT	Vienna	89.90%	F	89.90%	F
Neutorgasse 2–8 Projektverwertungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Nusku Beteiligungsverwaltungs GmbH	AT	Vienna	100.00%	F	100.00%	F
PCC-Hotellerrichtungs- und Betriebsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
PCC-Hotellerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG	AT	Vienna	91.42%	F	91.42%	F
Projekt RDSF GmbH & Co KG	AT	Vienna	100.00%	F	0.00%	n. a.
Projekt Zlatý Anděl, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
QBC Management und Beteiligungen GmbH	AT	Vienna	35.00%	E-AS	35.00%	E-AS
QBC Management und Beteiligungen GmbH & Co KG	AT	Vienna	0.00%	Merged	35.00%	E-AS
REGA Property Invest s.r.o.	CZ	Prague	100.00%	F	100.00%	F
S IMMO APM Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
S IMMO APM ROMANIA S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
S IMMO Berlin Finance GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Berlin I GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Berlin II GmbH	DE	Berlin	0.00%	Sold	89.90%	F
S IMMO Berlin III GmbH	DE	Berlin	0.00%	Sold	83.61%	F
S IMMO Berlin V GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Beteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
S IMMO Croatia d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
S IMMO Germany GmbH	DE	Berlin	89.90%	F	89.90%	F
S Immo Geschäftsimmobilien GmbH	DE	Berlin	0.00%	Sold	89.90%	F
S IMMO Group Finance GmbH	AT	Vienna	100.00%	F	100.00%	F
S IMMO Property Acht GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Eins GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Fünf GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Invest GmbH	AT	Vienna	100.00%	F	100.00%	F
S IMMO Property Sechs GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Sieben GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Vier GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Berlin VI GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Property Elf GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Neun GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Zehn GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Zwölf GmbH	AT	Vienna	89.90%	F	89.90%	F
Savska 32 d.o.o.	HR	Zagreb	0.00%	Sold	100.00%	F
SC Czech AHG, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
SIAG Deutschland Beteiligungs GmbH & Co. KG	DE	Berlin	85.32%	F	85.32%	F
SIAG Deutschland Beteiligungs-Verwaltungs GmbH	DE	Berlin	89.90%	F	89.90%	F
SIAG Fachmarktzentren, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SIAG Hotel Bratislava, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SIAG Leipzig Wohnimmobilien GmbH	DE	Berlin	89.67%	F	89.67%	F
SIAG Multipurpose Center, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SIAG Property I GmbH	DE	Berlin	89.90%	F	89.90%	F
SIAG Property II GmbH	DE	Berlin	89.90%	F	89.90%	F
SMART OFFICE DOROBANTI S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
SO Immobilienbeteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
SOCIETATE DEZVOLTARE COMERCIAL SUDULUI (SDCS) SRL	RO	Bucharest	100.00%	F	100.00%	F
SPC DELTA PROPERTY DEVELOPMENT COMPANY SRL	RO	Bucharest	100.00%	F	100.00%	F
SPC SIGMA PROPERTY DEVELOPMENT COMPANY SRL	RO	Bucharest	100.00%	F	100.00%	F
Talent Ágazati Képzőközpont Nonprofit Kft.	HU	Budapest	20.00%	E-AS	20.00%	E-AS
Tölz Immobilien GmbH	DE	Berlin	0.00%	Sold	89.67%	F
Váci 113 Offices B Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
VICTORIEI BUSINESS PLAZZA SRL	RO	Bucharest	100.00%	F	100.00%	F
Zagrebtower d.o.o.	HR	Zagreb	0.00%	Sold	100.00%	F
ZET.office, a.s.	CZ	Prague	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

9. Release of the Consolidated Financial Statements

These consolidated financial statements were completed and signed by the Executive Board of CPI Europe AG on 28 March 2025 and subsequently distributed to the Supervisory Board. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether or not it approves these documents.

Vienna, 28 March 2025

The Executive Board of CPI Europe AG

A handwritten signature in black ink, appearing to read 'Radka Doebling', with a stylized, cursive script.

Radka Doebling

A handwritten signature in black ink, appearing to read 'Pavel Měchura', with a stylized, cursive script.

Pavel Měchura

Auditor's Report^{*)}

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

CPI Europe AG, Vienna,

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2024 and its financial performance for the year then ended in accordance with the International Financial Reportings Standards (IFRS) as adopted by EU, and the additional requirements under Section 245a Austrian Company Code UGB.

Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following are the key audit matters that we identified:

Valuation of Investment Property

Risk

CPI Europe AG reports investment properties in the amount of EUR 7,678.6 mio in its consolidated financial statements as of December 31, 2024. Moreover, the consolidated financial statements as of December 31, 2024 report a positive "revaluation result from standing investments and goodwill" amounting to EUR 10.7 mio.

Investment properties are measured based on valuation reports from external, independent valuation experts according to IAS 40 in connection with IFRS 13 at fair value.

The valuation of investment properties is subject to material assumptions and estimates. The material risk for every individual property exists when determining these assumptions and estimates such as the discount/capitalization rate and rental income. A minor change in these assumptions and estimates can have a material impact on the valuation of investment properties.

The respective disclosures relating to accounting policies and significant judgements, assumptions and estimates are shown in Section "4.1 Investment property" as well as "5.8 Revaluation results from investment property and goodwill" in the consolidated financial statements.

Consideration in the audit

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures with involvement of our internal property valuation experts:

- Assessment of concept and design of the underlying property valuation process
- Assessment of design and effectiveness of relevant key controls in the underlying process based on a sample
- Assessment of the competence, capability and objectivity of the external valuation experts engaged by management
- For selected property valuation reports: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions and estimates (eg. rental income, discount/capitalization rate, vacancy rate) by means of comparison with market data as well as comparison whether the fair values as per property valuation reports are within our own developed range of fair values
- Check of certain input-data as included in the valuation reports with data in the accounting system or underlying agreements
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

Accounting for and valuation of acquisitions of real estate entities from related parties

Risk

In the financial year 2024, CPI Europe AG acquired real estate entities from CPI Property Group. CPI Property Group is a related party in the meaning of IAS 24.

The purchase prices of the acquired real estate entities are based on property values determined by external valuation experts. To evaluate whether the contractual arrangements of the acquisitions are at arm's length, CPI Europe AG engaged an additional independent external expert.

Recognition and measurement of these acquisitions require the application of complex accounting rules, in particular the assessment of whether the transaction constitutes the acquisition of a business under IFRS 3 or is to be recognized as an acquisition of assets. The real estate values on which the purchase prices are based, are subject to material assumptions and estimates.

There is a risk that acquisitions are not accounted for according to the applicable accounting rules. In addition, the property values determined on which the purchase prices are based could be derived from inappropriate valuation assumptions and therefore lead to purchase prices that are not at arm's length.

The respective disclosures relating to accounting policies and significant judgements, assumptions and estimates are shown in Section "2.3 Acquisition of subsidiaries" and "7.5 Transactions with related parties" in the consolidated financial statements.

Consideration in the audit

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures:

- Analysis of the relevant contracts and documents to gain an understanding of the framework and conditions and assessment whether the transactions were recorded in accordance with the applicable accounting rules.
- Assessment of the competence, capability and objectivity of the external experts engaged by management
- Analysis and assessment of the external experts' assessment whether the acquisitions are at arm's length
- Critical assessment of the change in property values between acquisition date and date of the consolidated financial statements
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report and the annual financial report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and of the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU, and the additional requirements under Section 245a Austrian Company Code UGB for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to examine whether it has been prepared, to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements, comprising accurate disclosures pursuant to Section 243a UGB (Austrian Company Code), and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional information in accordance with article 10 EU regulation

We were elected as auditor by the ordinary general meeting at May 29, 2024. We were appointed by the Supervisory Board on February 17, 2025. We are auditors since the financial year 2023.

We confirm that the audit opinion in the Section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Austrian Certified Public Accountant

The engagement partner is Alexander Wlasto, Certified Public Accountant.

Vienna, March 28, 2025

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Alexander Wlasto mp

Wirtschaftsprüfer / Certified Public Accountant

Isabelle Vollmer mp

Wirtschaftsprüferin / Certified Public Accountant

*) This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

Statement by the Executive Board

We confirm to the best of our knowledge that the consolidated financial statements of CPI Europe provide a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the group management report of CPI Europe provides a true and fair view of the development and performance of the business and position of the Group, together with a description of the principal risks and uncertainties faced by the Group.

We confirm to the best of our knowledge that the separate financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of CPI Europe AG as required by the applicable accounting standards and that the management report provides a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties faced by the company.

Vienna, 28 March 2025

The Executive Board of CPI Europe AG

A handwritten signature in black ink, appearing to read 'Radka Doehring', with a stylized, flowing script.

Radka Doehring

A handwritten signature in black ink, appearing to read 'Pavel Měchura', with a stylized, flowing script.

Pavel Měchura

Financial calendar 2025

10 May 2025	Record date for participation in the 32nd annual general meeting
20 May 2025 ¹	32nd annual general meeting
23 May 2025	Expected ex-dividend date
26 May 2025	Expected date for the determination of dividend rights (record date)
27 May 2025	Expected dividend payment date
28 May 2025 ¹	Announcement of results for the first quarter of 2025
28 August 2025 ¹	Announcement of results for the first half of 2025
28 November 2025 ¹	Announcement of results for the first three quarters of 2025

¹ Publication after the close of trading on the Vienna Stock Exchange

Imprint

Photos: CPI Europe AG, katsey (portrait Radka Doebling), CPI Property Group (portrait Pavel Měchura), Michael Hierner, Pawel Baczewski, Detlev Overmann, Christian Stemper, Staudinger + Franke, Hans-Georg Esch, Klaus Vyhnalek

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Disclaimer

We have prepared this report and verified the data herein with the greatest possible caution. However, errors arising from rounding, transmission, typesetting or printing cannot be excluded. This report contains assumptions and forecasts that were based on information available at the time this report was prepared. If the assumptions underlying these forecasts are not realised, actual results may differ from the results expected at the present time. This report is published in German and English, and can be downloaded from the investor relations section of the CPI Europe website. In case of doubt, the German text represents the definitive version. This report does not represent a recommendation to buy or sell shares of CPI Europe.

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

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