

FINANCIAL INFORMATION

2023



Including the
Condensed consolidated interim financial statements
for the six-month period ended as at 30 June 2023
(Unaudited)

CPI FIM SA * Société Anonyme * 40 rue de la Vallée, L2661 Luxembourg

R. C. S. Luxembourg – B 44.996

SUMMARY

Part I.	Management report
Part II.	Declaration letter
Part III.	Condensed consolidated interim financial information

Management Report as at 30 June 2023

MESSAGE FROM THE MANAGEMENT	6
FIRST HALF 2023 AND POST-CLOSING KEY EVENTS	7
Annual general meeting of shareholders	7
Disposal of Mayhouse, Prague	7
New bank financing	7
Intergroup financing	7
The Russian invasion to Ukraine	7
MARKET ENVIRONMENT	8
OPERATIONS OF THE GROUP IN H1 2023	10
Financing of CPIPG Group	10
PROPERTY PORTFOLIO	11
Total Property Portfolio	11
Property Valuation.....	12
Office	16
Landbank	18
Residential	19
Hotels	21
Retail	22
Development	23
FINANCING.....	24
Cash and cash equivalents	24
Financial liabilities	24
RESULTS AND NET ASSETS.....	25
Income statement.....	25
Balance sheet.....	26
CORPORATE GOVERNANCE	28
Principles	28
Board of Directors.....	28
Committees of the Board of Directors.....	31
Description of internal controls relative to financial information processing	32
Remuneration and benefits	32
Corporate Governance rules and regulations	32
Additional information	34
SHAREHOLDING	37

Share capital and voting rights.....	37
Shareholder holding structure	37
Authorized capital not issued.....	37
CORPORATE RESPONSIBILITY	38
Environmental, social and ethical matters	38
Environmental matters	38
Social matters	38
Ethical matters.....	38
GLOSSARY & DEFINITIONS	39

CPI FIM SA, société anonyme (the “**Company**”) and its subsidiaries (together the “**Group**” or “**CPI FIM**”), is an owner of income-generating real estate and landbank primarily in Poland and in the Czech Republic. The Company is a subsidiary of CPI Property Group (also “**CPIPG**” and together with its subsidiaries as the “**CPIPG Group**”), which holds 97.31% of the Company shares. The Company is also involved in providing equity loans to other entities within the CPIPG Group.

The Company is a joint stock company incorporated for an unlimited term and registered in Luxembourg. The address of its registered office is 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg. The trade registry number of the Company is B 44 996.

The Company’s shares registered under ISIN code LU0122624777 are listed on the regulated markets of the Luxembourg Stock Exchange and the Warsaw Stock Exchange.

MESSAGE FROM THE MANAGEMENT

During the first half of 2023, the economic environment in Europe remained under pressure and the post-pandemic growth was slowing mainly due to the Russian invasion to Ukraine and higher inflation. However, the Group demonstrated resilient performance during that period. This was largely due to the Group's high exposure to office properties and landbank, the resilience of our tenants and careful cost management.

Total assets increased by €429.2 million (6%) to €7,296.8 million as at 30 June 2023. The EPRA Net Reinstatement Value (former EPRA NAV) per share as at 30 June 2023 was €1.29 compared to €1.19 as at 31 December 2022. At the end of H1 2023, the EPRA Net Disposal Value (former EPRA NNNAV) amounted to €1.17 per share compared to €1.07 at the end of 2022.

The Group achieved an operating profit of €13.8 million in H1 2023 compared to €44.7 million in H1 2022. Total net profit was €91.8 million in H1 2023 compared to €69.9 million in H1 2022.

Resulting from the Company's integration into CPIPG in 2016, one of its roles is to serve as an intergroup financing vehicle to the entities within the CPIPG Group. As at 30 June 2023, the outstanding balance of the loans provided to the CPIPG Group amounted to approximately €5,077.1 million.

During the first half of 2023, the Group completed two new bank loans, a €288 million bank loan encompassing three office properties in Warsaw, and a €58 million facility related to Czech residential assets.

In April 2023, the Group sold the Mayhouse property in Prague to S IMMO AG. As a result of this disposal, the Group's office gross leasable area decreased by 8,000 sqm.

The annual general meeting held in May 2023 (the "AGM") approved the statutory and consolidated accounts and the allocation of financial results for the financial year ending 31 December 2022. The AGM resolved to re-appoint Anita Dubost, David Greenbaum, Edward Hughes, and Scot Wardlaw to the Board of Directors of the Company. David Greenbaum and Martin Němeček were also re-appointed as Managing Directors (*administrateurs délégués*) of the Company.

The Group will continue to focus on efficient operational performance and the well-being of our tenants and employees.



David Greenbaum,
Managing Director

FIRST HALF 2023 AND POST-CLOSING KEY EVENTS

Annual general meeting of shareholders

The annual general meeting of shareholders (the “AGM”) of the Company was held on 31 May 2023 in Luxembourg, with approximately 97.41% of the voting rights present or represented.

The AGM approved the statutory annual accounts and consolidated annual accounts for the financial year ending 31 December 2022, as well as the allocation of financial results for the financial year ending 31 December 2022.

The AGM further granted a discharge to the members of the Company's Board of Directors as well as to the auditors for the performance of their duties during the financial year ending 31 December 2022.

The AGM also resolved to re-appoint the following persons as members of the Company's Board of Directors until the annual general meeting of 2024: Anita Dubost, David Greenbaum, Edward Hughes, and Scot Wardlaw. The AGM also re-approved Ernst & Young S.A., Luxembourg as an auditor of the Company until the annual general meeting of 2024.

The AGM re-elected David Greenbaum and Martin Němeček to serve as Managing Directors (délégués à la gestion journalière) of the Company.

Disposal of Mayhouse, Prague

In April 2023, the Group sold the Mayhouse office building in Prague 4 – Nusle to S IMMO AG. The property was built in May 2019 and it is located close to the Pankrác office district, with a gross leasable area of approximately 8,000 sqm and a rental income of €1.2 million per year. The modern building is easily accessible through public transport.

New bank financing

During the first half of 2023, CPI FIM completed two bank loans. In Poland, the Group signed a €288 million bank loan encompassing three office properties in Warsaw: Warsaw Financial Center, Eurocentrum and Equator IV. The loan has a 5-year term and was provided by Aareal Bank. In the Czech Republic, a subsidiary of the Company also signed a €58 million 4-year facility with Raiffeisen related to residential assets.

Intergroup financing

Resulting from the Company's integration into the CPIPG Group in 2016, one of its roles is to function as an intergroup financing vehicle to the entities within the CPIPG Group. In 2022, the Group continued to provide equity loans to other entities within the CPIPG Group. In H1 2023, loans provided slightly increased due to new borrowings of existing loans provided to related parties. As at 30 June 2023, the outstanding balance of the provided loans to CPIPG Group amounted to €5,077.1 million (31 Dec 2022: €4,713.0 million).

The Russian invasion to Ukraine

During the first half of 2023, the economic environment across Europe remained under pressure and the post-pandemic growth was slowing mainly due to the Russian invasion to Ukraine and higher inflation. However, the Group demonstrated resilient performance during that period. This was largely due to the Group's high exposure to office properties and landbank, the resilience of our tenants and careful cost management.

MARKET ENVIRONMENT

Global macro-economic conditions

Czech Republic¹

Following the widespread and historic GDP fall in nearly all CEE countries during the pandemic, the region's economies returned to growth in the second quarter of 2021, with healthy growth throughout 2022. In the first six months of 2023, GDP growth was notably slower as higher interest rates weighed on economic growth across European economies, with GDP in the Czech Republic expanding by 0.1% quarter-on-quarter in Q2 2023.

Unemployment continues to decline in the first six months of 2023 from already low levels, with the unemployment rate falling by -0.5% to 3.4% in the Czech Republic. The decline in unemployment is even more remarkable when considering the migration of refugees fleeing the war in Ukraine into its neighboring countries.

Inflation has been considerably higher in the CEE region over the last 12 to 24 months. Consequently, central banks across the regions raised interest rates several times, which started to reflect in declining inflation rates since the end of last year. In the Czech Republic, the annual inflation rate fell to 9.7% in June.

The Czech Koruna slightly appreciated compared to the Euro since the end of 2022. The Czech Republic continues to benefit from a low public debt-to-GDP ratio, which stood at 44.1% at year-end 2022.

Poland²

Over the last decade, the Polish economy has been one of the most dynamic in Europe, with above average growth rates for the region. Even during the pandemic year of 2020, GDP contracted only by a modest 2.5%, followed by a robust 6.8% expansion in 2021. Between 2012 and 2022, the Polish economy belonged among the top six fastest-growing economies in the EU28 bloc. In Q2 2023 Poland's gross domestic product shrank by 3.7% quarter-on-quarter, shifting from a 3.8% expansion in the three months to March. The labour market remained surprisingly robust despite all the uncertainty, with the latest unemployment rate falling by -0.1% to 3.9% in the first six months of 2023.

Inflation in Poland accelerated in 2022 from 9.4% at the beginning of the year to 16.6% at the end of December, reaching 18.4% as of February 2023. Consequently, the National Bank of Poland raised its key interest rates several times, and the tight policy brought annual inflation down to 11.5% in June 2023.

The Polish Zloty slightly appreciated compared to the Euro since the end of 2022.

¹ Sources: Czech Statistical Office, Trading Economics, Euler Hermes, Erstgroup.com, International Monetary Fund, Wikipedia

² Sources: Central Statistical Office of Poland, Trading Economics, Euler Hermes, Erstgroup.com, International Monetary Fund, Wikipedia, Google Finance – Exchange rates (<https://www.google.com/finance/quote/PLN-EUR>)

Selected market focus***Warsaw office market***³

At the end of June 2023, Warsaw's modern office stock amounted to 6.3 million sqm. The new supply delivered to the Warsaw office market in H1 2023 was only 18,700 sqm across three projects.

Currently, there is only 230,000 sqm of office space under construction between 2023 and 2025, which is around a third of previous years. The majority of supply is expected to be delivered in 2025 with further downward pressure on near-term vacancy rates due to the supply gap in 2023 and 2024.

Leasing activity was high with over 325,700 sqm of which 51% were new leasing arrangements, 45% renewals and 4% expansions.

Companies are also taking a more conservative approach to leasing, renegotiating existing leases rather than moving to new locations.

Since the start of the year, Warsaw's vacancy rate has declined by 0.2% p.p. to 11.4%, with lower rates inside central zones at 9.9%.

Prime office property rents increased by 2.9% YoY in the first half of 2023 to €26.75/sqm/ month in the city centre. Average rents increased by 5.8% YoY to €20.64/sqm/month.

Poland's commercial real estate investment market recorded €802 million in transactions across 33 transactions. Office properties represented 24% of the investment volume.

³ Source: PINK, CBRE, Avison Young, BNP Paribas Real Estate

OPERATIONS OF THE GROUP IN H1 2023

The Group is engaged in financing of entities within the CPIPG Group and also holds and operates a significant property portfolio.

Financing of CPIPG Group

The Group acts as an internal financing entity within the CPIPG Group and shall finance the real estate companies (SPVs) by intra-group loans. In order to fund the intra-group loans, CPIPG raises external financing and provides these funds to CPI FIM. Subsequently, CPI FIM provides the funds in a form of loans to the respective SPVs.

In H1 2023, the Group continued to provide the equity loans to other entities within the CPIPG Group.

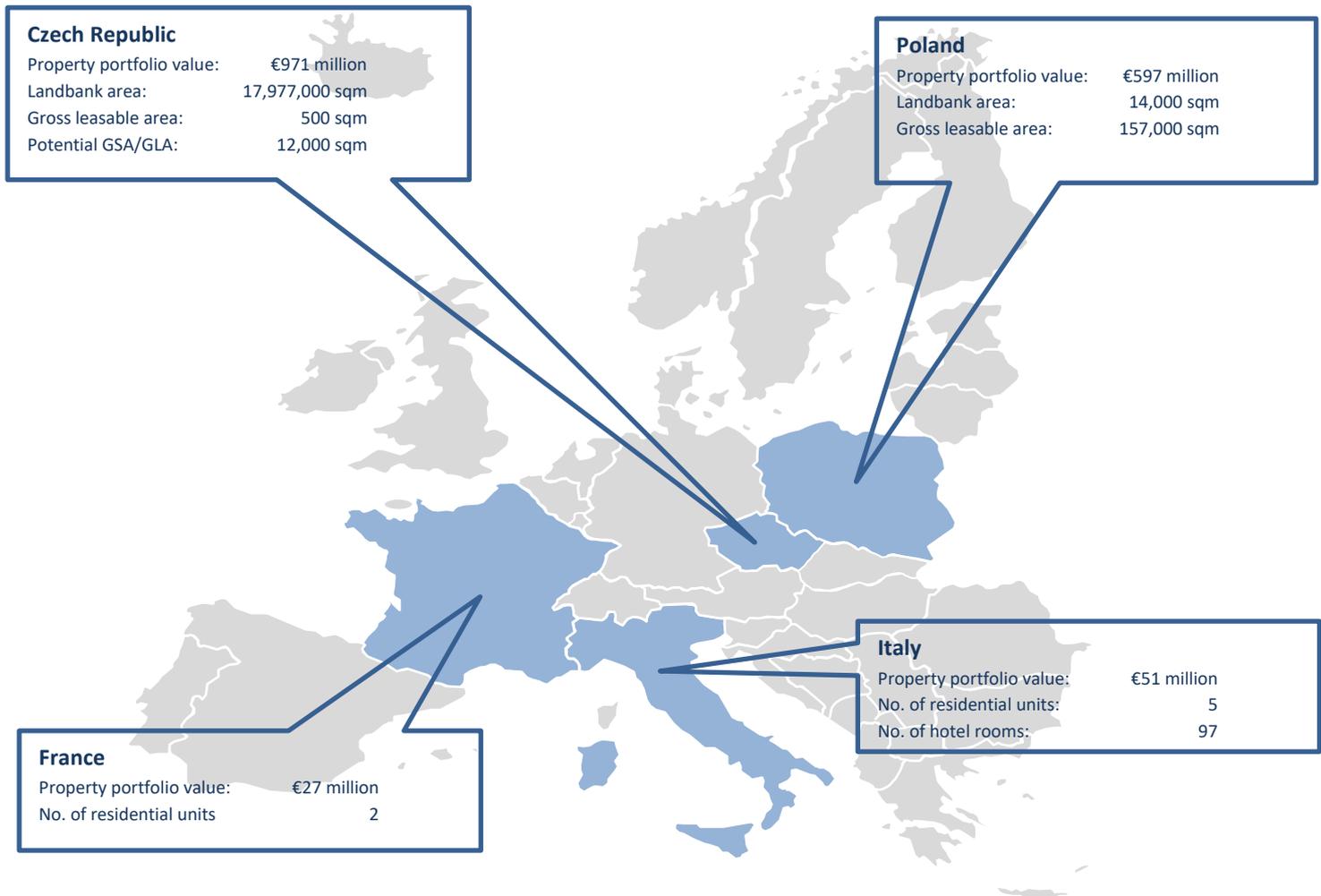
The Group generated interest income of €123 million in H1 2023, which represents an increase by €9.0 million, compared to H1 2022.

As at 30 June 2023, the Group provided loans to related parties in the amount of €5,077.1 million, which represents an increase by €364.1 million compared to 31 December 2022. As at 30 June 2023, the loans provided in the amount of €194.8 million and €4,882.3 million were classified as current and non-current, respectively.

PROPERTY PORTFOLIO

Total Property Portfolio

The Group concentrates on long-term investments and real-estate leases, primarily in the Central European region. The Group owns rental income-generating properties mainly in the office segment but is also focused on an extensive portfolio of land plots in the Czech Republic. Additionally, the Group has some development projects.



The property portfolio of the Group is reported on the balance sheet under the following positions:

- Investment property
- Property, plant and equipment
- Inventories
- Assets held for sale

“Investment property” consists of rental properties, investment property under development and landbank. Investment property under development represents projects currently in progress, which will be reclassified by the Group as rental properties after completion. Landbank represents properties held for development and/or capital appreciation.

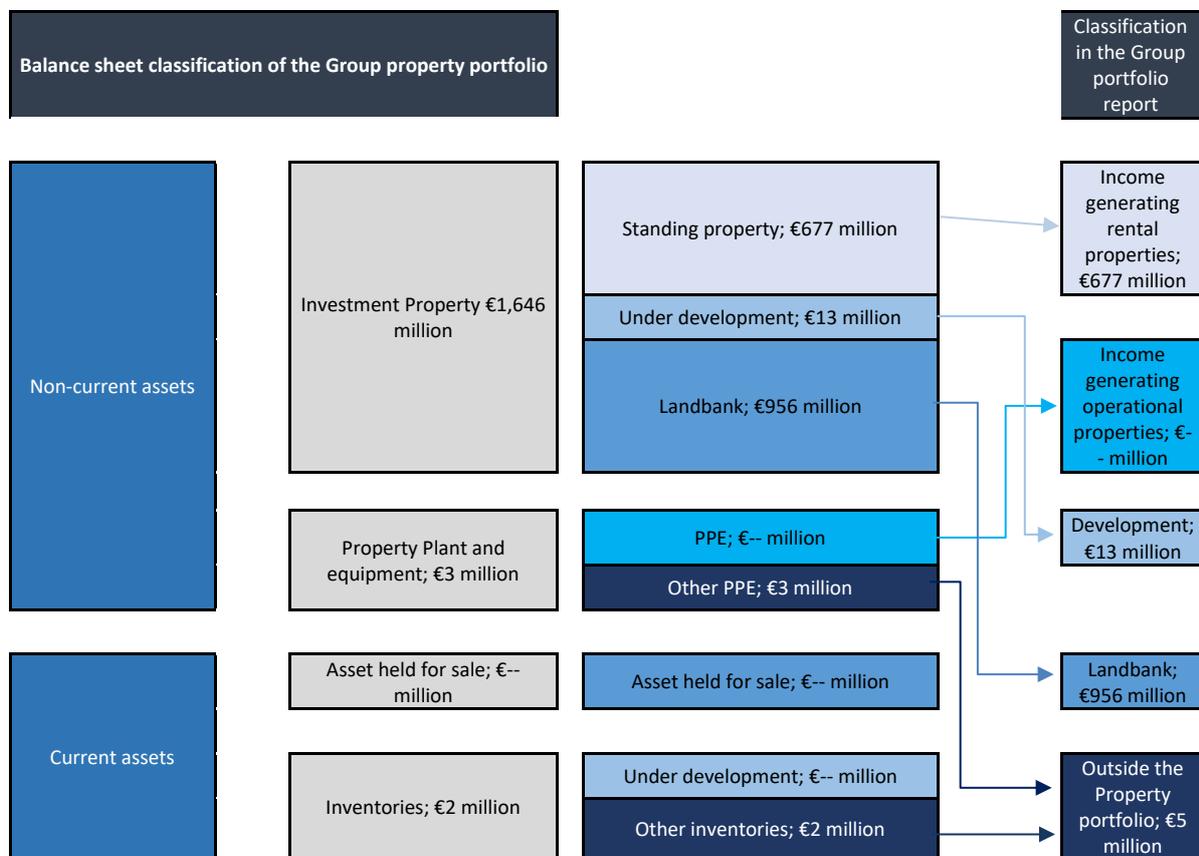
“Property, plant and equipment” comprises hotel properties or advances paid for construction works on the projects.

“Inventories” comprise properties that are under development or have been finished and are intended for a future sale in the ordinary course of business.

“Assets held for sale” consist of properties presented in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations” which are to be sold due to the intention of the management.

The property portfolio report covers all properties held by the Group, independent of the balance sheet classification. These properties are reported as income-generating properties (generating rental income or income from operations), development projects (investment property projects under development and inventories) or landbank.

The following chart reconciles the property assets of the Group as reported on the balance sheet as at 30 June 2023 with the presentation in our portfolio report:



Property Valuation

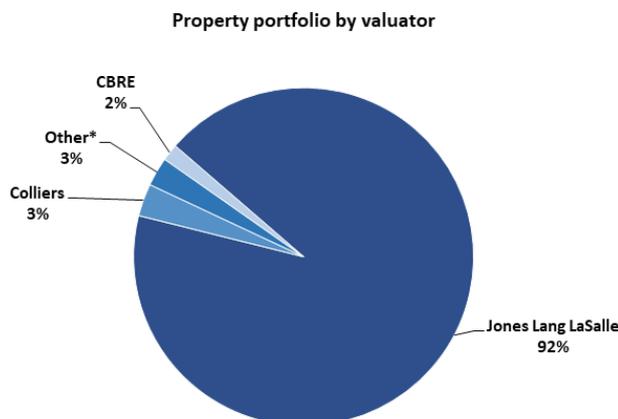
The condensed consolidated interim financial statements for the six months ended 30 June 2023 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by European Union, which include the application of the fair value method. Since the property portfolio owned by the Group must be stated at fair value, the regular valuation of these properties by independent experts is recommended.

The Group revalues the entire property portfolio on an annual basis; for the semi-annual period, CPI FIM only revalues properties where the performance or market conditions/development have been exceptional, either positively or negatively.

The Group’s management analysed the situation in the real estate market at the time and considered various factors used by independent valuers in their appraisals as of 31 December 2022. As a result, the fair value of the property portfolio as of 30 June 2023 was determined based on the management’s analysis described above and it does not significantly differ from the fair value as of 31 December 2022.

The property portfolio valuation as at 30 June 2023 is based on reports issued by:

- Jones Lang LaSalle (further “JLL”). JLL is a financial and professional services company specializing in real estate services and investment management. JLL has more than 102,000 employees in 44 countries and serve the local, regional and global real estate needs of their clients.
- Colliers is a leading diversified professional services and investment management company. Colliers operates in 66 countries and draws on the expertise of over 18,000 professionals working collaboratively to provide expert real estate and investment advice to clients.
- CBRE is a commercial real estate services and investment firm. It is the largest company of its kind in the world. It is based in Dallas, Texas and operates in 500 offices worldwide and serves clients in more than 100 countries, employing more than 115,000 global professionals.
- Cushman&Wakefield (also “C&W”). C&W is one of the leading commercial real estate services companies, providing a full range of services to real estate tenants, developers and investors on a local and international basis. C&W has about 400 offices in 60 countries, employing more than 52,000 professionals.
- RSM in CZ&SK (also “RSM”). RSM is part of the sixth largest network of professional firms RSM International. RSM International operates in 120 countries, has 830 offices and more than 57,000 professionals. RSM provides clients with services in the field of mergers & acquisitions, valuations, tax, trustee services, accounting and payroll.
- B.S.O. spol s.r.o. (also “BSO”). BSO provides knowledge and expert advice across business valuation, registered trademark valuation, valuation of receivables, movable asset valuation, real estate valuation and real burden valuation. BSO is a small local valuator.



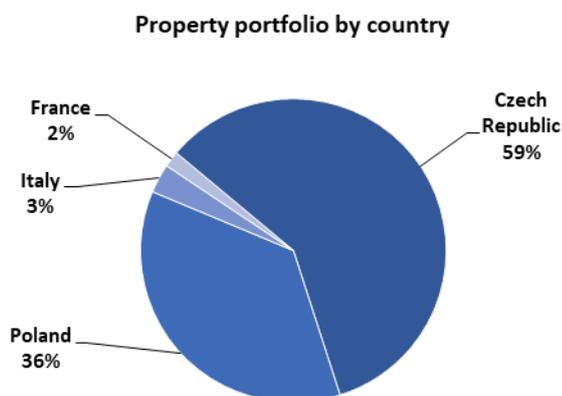
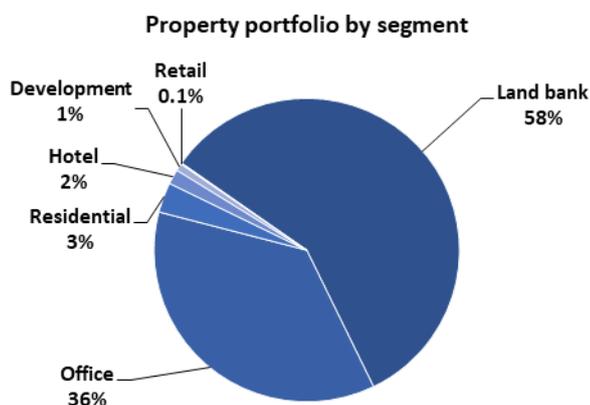
*Cushman&Wakefield, RMS CZ&SK, BSO, Acquisition costs, internal

The following table shows the carrying value of the Group's property portfolio as at 30 June 2023 and 31 December 2022:

PROPERTY PORTFOLIO as at	No of properties	No. of units	No. of hotel rooms	GLA thousand sqm	Office	Residential	Develop.	Hotel	Retail	Land bank	PP value	PP value
					€ million	€ million	€ million	€ million	€ million	€ million	€ million	%
30 June 2023												
Czech Republic	2	--	--	0.5	--	--	13	--	2	956	971	59%
Poland	4	--	--	157	597	--	--	--	--	0.4	597	36%
Italy	1	5	97	--	--	25	--	26	--	--	51	3%
France	--	2	--	--	--	27	--	--	--	--	27	2%
The GROUP	7	7	97	158	597	52	13	26	2	956	1,646	100%

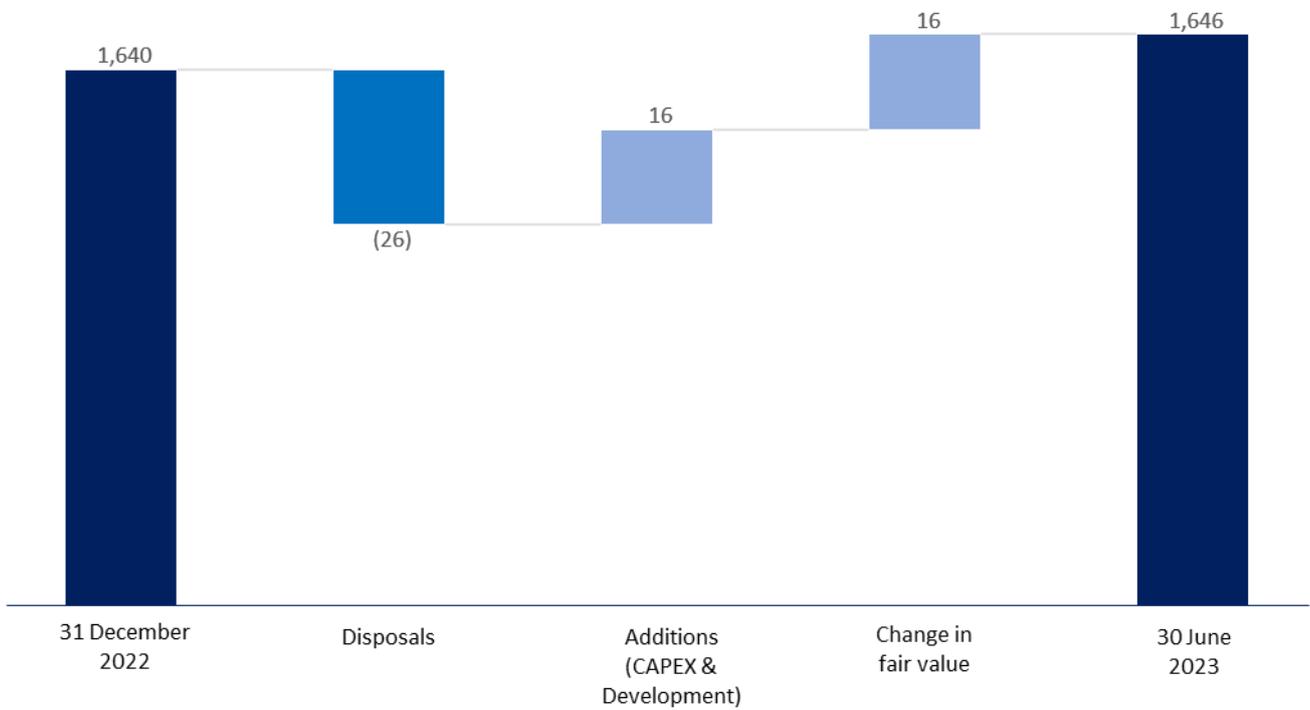
PROPERTY PORTFOLIO as at	No of properties	No. of units	No. of hotel rooms	GLA thousand sqm	Office	Residential	Develop.	Hotel	Retail	Land bank	PP value	PP value
					€ million	€ million	€ million	€ million	€ million	€ million	€ million	%
31 December 2022												
Czech Republic	3	--	--	9	25	--	13	--	2	930	970	59%
Poland	4	--	--	157	592	--	--	--	--	0.4	592	36%
Italy	1	5	97	--	--	25	--	26	--	--	51	3%
France	--	2	--	--	--	27	--	--	--	--	27	2%
The GROUP	8	7	97	166	617	52	13	26	2	930	1,640	100%

The Group's property value totals €1,646 million as at 30 June 2023 (31 Dec 2022: €1,640 million), of which 36% is represented by office and 58% is represented by landbank. The majority of the Group's property portfolio is located in the Czech Republic with 59%, Poland with 36%, followed by Italy with 3% and France with 2%.



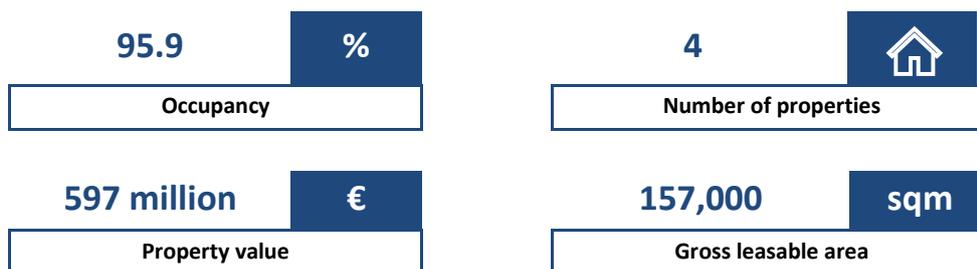
The total net change of €6 million in the portfolio value in H1 2023 was mainly attributable to the following:

- Disposals of €26 million, comprising primarily the sale an office property in Prague to S IMMO AG;
- Change in fair value of €16 million, represented by FX impact on the Czech assets in CZK;
- Additions of €16 million, mainly spent on Investment Property within the whole Group.



Office

Key Figures – June 2023



Office portfolio represents an important segment of investment activities of the Group. As at 30 June 2023, the Group owns buildings in Poland.

In April 2023, the Group sold the Mayhouse property in Prague to S IMMO AG.

OFFICE 30 June 2023	N° of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Poland	4	597	100%	157	95.9%	18.1	286
The GROUP	4	597	100%	157	95.9%	18.1	286

OFFICE 31 December 2022	N° of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Poland	4	592	96%	157	93.1%	18.0	--
Czech Republic	1	25	4%	8	76.4%	14.2	--
The GROUP	5	617	100%	165	92.3%	17.8	--

- **Eurocentrum Office, Warsaw**

Eurocentrum Office has the highest LEED certification level, i.e. PLATINUM and offers over 85,000 sqm of lettable space. Eurocentrum Office is a modern office building with many environmentally friendly solutions, for example: rainwater is used for flushing toilets and watering greenery in the atrium - savings in drinking water consumption; savings in electricity consumption for general building systems; reducing the heat island effect by using a highly light-reflecting roof membrane, etc.



Furthermore, Eurocentrum has 1,500 sqm atrium with natural vegetation, a wide range of shops and restaurants, excellent access to daylight as a result of large glazing areas, fresh air exchange process well above average, office space is not overheated in the summer and amenities dedicated to persons using alternative means of transportation: parking spaces for bicycles (over 200 parking places), changing rooms and showers and 22 charging stations for electric cars. In 2016, a sky apiary was created on the roof of the Eurocentrum office building.

- **Warsaw Financial Center, Warsaw**

Warsaw Financial Center, one of Warsaw’s most prestigious skyscrapers (LEED Gold), was completed in 1998 and offers almost 50,000 sqm of grade A office space across 32 floors. It was designed by the American architects Kohn Pedersen Fox Associates in cooperation with A. Epstein & Sons International. Warsaw Financial Center has a very good location. WFC is only 0.6 km from Warsaw Central Railway Station, 8.3 km from Warsaw Chopin International Airport and 39.3 km from Warsaw Modlin Airport.



Warsaw Financial Center is a 32-story high skyscraper with sixteen elevators, open space offices with colorful walls, huge Marilyn Monroe prints, and comfortable sofas for creative brainstorming, and classic timeless interiors in understated hues that support the uniqueness of the building. The first six floors of the building provide 350 parking spaces for cars and bicycles at all times of the day.

Currently, WFC ranks among the most prestigious high-rise buildings in Poland. Top Polish and international corporations have been attracted by its outstanding quality (Google, Bloomberg and Kompania Piwowarska).

- **Equator IV Offices, Warsaw**

Equator IV Offices was constructed in 2018 and has a modern A-class specification (BREEAM Very Good). It has 16 above-ground and 4 underground levels with 226 car parking spaces. The property consists of a freestanding office building with over 21,000 sqm of lettable space on a plot of land with a total area of 2,900 sqm.



Property is located in Warsaw within the Ochota district, in a distance of ca. 3 km to the Palace of Culture and Science, considered as a central point of Warsaw. The office building is situated at the main east-west arterial road in Warsaw – Al. Jerozolimskie within a third largest office district in Warsaw– “Jerozolimskie corridor”. The area is a recognized office location providing direct access and reasonable distance to the city centre as well as convenient access to the Warsaw ring road.

- **Diana Office, Warsaw**

The property was constructed in 2004 and comprises about 1,500 sqm of rentable area. The Property is located in Warsaw city centre, along Chmielna Street, which forms one of the best recognizable retail streets of the city. The building is of a reinforced concrete structure with hip roof. The property is fully let to one tenant - Goethe Institut.



Landbank

Key Figures – June 2023

956 million	€	17,991,000	sqm
Property value		Total area	

Landbank is comprised of an extensive portfolio of land plots primarily in the Czech Republic. Plots are often in attractive locations, either separate or adjacent to existing commercial buildings or in the city centre and their value continues to increase with the growth of surrounding infrastructure. Out of the total plots area, approximately 11.3% are with zoning.

LANDBANK 30 June 2023	Total area	Area with zoning	Area without zoning	PP value	PP value	Outstanding financing
	thds. sqm	thds. Sqm	thds. Sqm	€ million	%	€ million
Czech Republic	17,977	2,019	15,958	956	99.9%	18
Poland	14	14	--	0.4	0.1%	--
THE GROUP	17,991	2,033	15,958	956	100%	18

LANDBANK 31 December 2022	Total area	Area with zoning	Area without zoning	PP value	PP value	Outstanding financing
	thds. sqm	thds. Sqm	thds. Sqm	€ million	%	€ million
Czech Republic	17,977	2,019	15,958	930	99.9%	--
Poland	14	14	--	0.4	0.1%	--
THE GROUP	17,991	2,033	15,958	930	100%	--

The landbank portfolio includes:

- **Former brownfield:**
 - (1) **Praga** in Prague amounting to circa 64,200 sqm, which are zoned, are prepared for residential development;
 - (2) **Nová Zbrojovka** in Brno with 231,600 sqm that will be used for mixed development (Commercial & Residential).
- **Bubny** located close to the city centre. Bubny remains the last brownfield plot in the centre of Prague and the Group intends to develop mixed-use area consisting of residential and commercial units, offices and shops as well as educational, medical, and cultural facilities. In addition, a modern train terminal at Vltavská metro station and large green spaces will be incorporated. The main goal for the mid-term period is to continue the process of changing the Bubny masterplan. The plot of Bubny amounting to over 200,000 sqm of land in Prague 7 is at the core of the commercial development pipeline in Central Europe.
 On 26 June 2018, the Group disposed of an 80% stake of Bubny Development, s.r.o. In accordance with IFRS 10, through its remaining 20% stake the Group retained control over this subsidiary which is why it is consolidated by the Company.
- **Land plot Holešovice** (at the metro line C, station Nádraží Holešovice) of 10,000 sqm is strategically located nearby the Group's existing landbank in Bubny. The land plot was leased back to the seller and will continue to operate as a bus terminal.

Residential

Key Figures – June 2023



The Group currently owns 7 residential units. Two of them are located in the district of Saint-Anne and Mont Boron in France. A building with five residential units is located on Piazza della Pigna in Rome, Italy.

RESIDENTIAL 30 June 2023	PP value € million	PP value %	Occupancy* %	No. of units	No. of rented units	Outstanding financing € million
France	27	53%	0.0%	2	--	21
Italy	25	47%	0.0%	5	--	--
The GROUP	52	100%	0.0%	7	--	21

* Occupancy based on rented units

RESIDENTIAL 31 December 2022	PP value € million	PP value %	Occupancy* %	No. of units	No. of rented units	Outstanding financing € million
France	27	53%	0.0%	2	--	21
Italy	25	47%	0.0%	5	--	--
The GROUP	52	100%	0.0%	7	--	21

* Occupancy based on rented units

- **Villa Lou Paradou**

Neo provençal style villa dating from the 1970's is exposed to the South-West side and it is used as residential accommodation. It consists of walk-up basement, a ground floor with an adjoining service house (studio) below the main house and a swimming pool. There is also a horse stable at the entrance of the property.



- **Villa Mas Du Figuer**

The property consists of a private villa used as residential accommodation, arranged over a basement, a ground floor and first upper floor. There is also a guest house (comprised of 4 bedrooms and a guard house), a gym and a garage. The outside facilities include two swimming-pools and a tennis court.



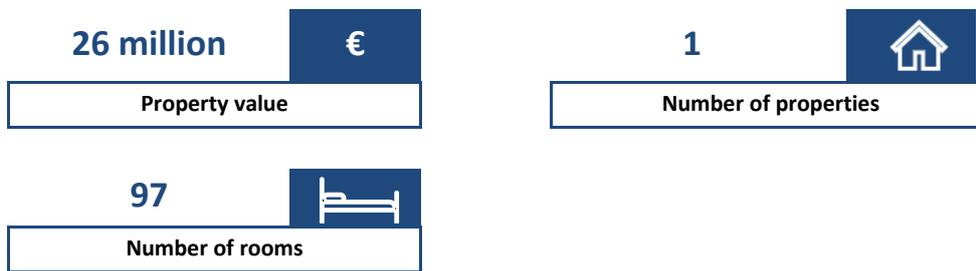
- **Residential property Piazza della Pigna**

The sixteenth-century building has five above-ground floors, a warehouse and car parking on the underground level, and a winter garden on the ground floor. The rooms are arranged around a staircase that connects the five floors, all decorated with high quality finishes and exquisite marble and wood inlays.



Hotels

Key Figures – June 2023



In 2021, the Group acquired the Acaya resort in Puglia, Italy.

HOTELS 30 June 2023	No. of properties	No. of rooms	PP value € million	PP value %	Outstanding financing € million
Italy	1	97	26	100%	--
The GROUP	1	97	26	100%	--

HOTELS 31 December 2022	No. of properties	No. of rooms	PP value € million	PP value %	Outstanding financing € million
Italy	1	97	26	100%	--
The GROUP	1	97	26	100%	--

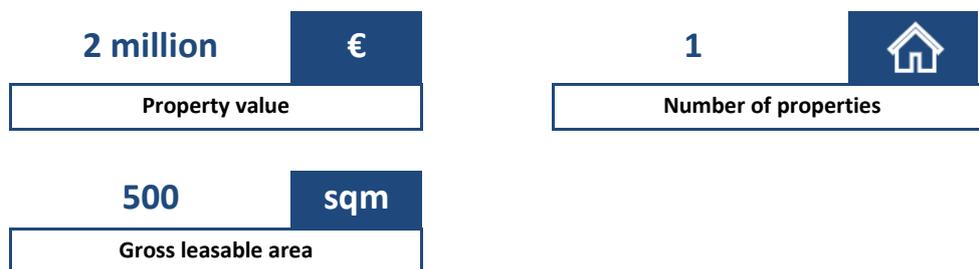
- **Hotel Acaya**

The Acaya resort is surrounded by the natural oasis of Le Cesine, with its extraordinary biodiversity, and is located less than five kilometres from the Adriatic Sea. It offers 97 rooms and suites, an 18-hole golf course, a football pitch, an extraordinary 1,200 sqm spa, indoor and outdoor pools.



Retail

Key Figures – June 2023



The Group currently owns about 500 sqm of a rentable space suitable for a fast food operator. In October 2021, the space was provided to McDonald's, which also offers a drive-thru service. The lease agreement with McDonald's was signed until September 2041. The property is located in the Vysočany district, Prague.

RETAIL 30 June 2023	N° of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Czech Republic	1	2	100%	0.5	100%	19.7	--
The GROUP	1	2	100%	0.5	100%	19.7	--

RETAIL 31 December 2022	N° of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Czech Republic	1	2	100%	0.5	100%	17.6	--
The GROUP	1	2	100%	0.5	100%	17.6	--

Development

Key Figures – June 2023



During the second half of 2022, the Group started the development project Kolbenova in Prague 9 - Vysočany. The project is divided into four phases. Phase 1 was started in May 2022 and is expected to be completed in June 2024. In total, the project will comprise seven residential buildings with approximately 900 modern apartments, ranging from small studio apartments to large 3-bedroom apartments. Most apartments will have a balcony, terrace or green terrace, a reserved parking space and basement storage.

DEVELOPMENT 30 June 2023	N° of properties	Potential GSA/GLA thds. sqm	Development € million	Development %	Outstanding financing € million
Czech Republic	1	12	13	100%	--
THE GROUP	1	12	13	100%	--

DEVELOPMENT 31 December 2022	N° of properties	Potential GSA/GLA thds. sqm	Development € million	Development %	Outstanding financing € million
Czech Republic	1	12	13	100%	--
THE GROUP	1	12	13	100%	--

FINANCING

Cash and cash equivalents

As at 30 June 2023, cash and cash equivalents consist of cash at bank of €195.3 million (2022: €104.1 million) and cash on hand of €2 thousand (2022: €2 thousand).

Financial liabilities

Financial debts amount to €5,188.0 million, including mainly loans from CPIPG (€4,268.2 million).

Compared to 31 December 2022, financial debts increased by €288.1 million in H1 2023, mainly due to new bank financing in Poland. The balance of loans received decreased from €4,874.7 million as at 31 December 2022 to €4,858.0 million as at 30 June 2023. The loans bear interest rate between 0.65% - 6.15% p.a.

RESULTS AND NET ASSETS

Income statement

Income statement for the six-month period ended 30 June 2023 corresponds to the semi-annual condensed consolidated financial statements. Reported income statement for the period of six months ended 30 June 2023 is as follows:

	six-month period ended	
	30 June 2023	30 June 2022
Gross rental income	17,897	17,413
Service charge and other income	8,812	6,105
Cost of service and other charges	(8,410)	(5,361)
Property operating expenses	(1,338)	(1,221)
Net service and rental income	16,911	16,936
Hotel revenue	853	--
Hotel operating expenses	(648)	--
Net service and rental income	205	--
Total revenues	27,562	23,518
Total direct business operating expenses	(10,446)	(6,582)
Net business income	17,116	16,936
Net valuation gain (loss) on investment property	(408)	24,402
Net gain on the disposal of investment property and subsidiaries	1,282	8,498
Amortization, depreciation and impairments	(1,090)	(2,582)
Administrative expenses	(2,992)	(2,694)
Other operating income	88	545
Other operating expenses	(172)	(415)
Operating result	13,824	44,690
Interest income	122,880	113,843
Interest expense	(68,700)	(94,176)
Other net financial result	25,214	5,083
Net finance income	79,394	24,750
Share of profit of equity-accounted investees (net of tax)	(609)	(410)
Profit before income tax	92,609	69,030
Income tax expense	(834)	867
Net profit from continuing operations	91,775	69,897

Service charge and other income

Service charge and other income increased to €8.8 million in H1 2023 (H1 2022: €6.1 million).

Net valuation gain

The net valuation loss amounts to €0.4 million in H1 2023 (valuation gain of €24.4 million in H1 2022) and comprises of valuation gain of €0.1 million and valuation loss of €0.5 million. The valuation loss was mainly attributable to the Polish office portfolio (€0.4 million).

Amortization, depreciation and impairments

Amortization, depreciation and impairment decreased to €1.1 million in H1 2023 compared to €2.6 million in H1 2022 primarily due to decrease of impairment of trade receivables.

Net finance income

Total net finance income has increased from €24.8 million in H1 2022 to €79.4 million in H1 2023. The interest income increased from €113.8 million in H1 2022 to €122.9 million in H1 2023. The increase in interest income reflects the increase of interest rates in loans provided by the Company to entities within the CPIPG Group and other related parties. The interest expense decreased from €94.2 million in H1 2022 to €68.7 million in H1 2023. The decrease in interest expense reflects the decrease in loans received by the Company from entities within the CPIPG Group and other related parties.

The other net financial result increased from a gain of €5.1 million in H1 2022 to a gain of €25.2 million in H1 2023. The net foreign exchange gain was driven by retranslation of loans provided to related parties in foreign currencies.

Balance sheet

Balance sheet as at 30 June 2023 corresponds to semi-annual condensed consolidated financial statements.

	30 June 2023	31 December 2022
NON-CURRENT ASSETS		
Intangible assets	880	842
Investment property	1,645,529	1,640,110
Property, plant and equipment	2,657	2,752
Equity accounted investees	9,115	9,724
Other investments	61,898	61,655
Loans provided	4,882,258	4,568,394
Trade and other receivables	76	76
Deferred tax asset	120,543	120,370
Total non-current assets	6,722,956	6,403,923
CURRENT ASSETS		
Inventories	1,581	402
Current tax receivables	826	522
Derivative instruments	1,652	13,730
Trade receivables	5,952	6,074
Loans provided	194,844	144,579
Cash and cash equivalents	195,300	104,082
Other receivables	166,663	188,058
Other non-financial assets	7,001	6,254
Total current assets	573,819	463,701
TOTAL ASSETS		
	7,296,775	6,867,624
EQUITY		
Equity attributable to owners of the Company	1,540,451	1,408,219
Non-controlling interests	309,298	310,726
Total equity	1,849,741	1,718,945
NON-CURRENT LIABILITIES		
Financial debts	4,969,404	4,653,862
Deferred tax liability	151,338	149,139
Other financial liabilities	7,005	5,383
Total non-current liabilities	5,127,747	4,808,384
CURRENT LIABILITIES		
Financial debts	218,557	246,013
Trade payables	7,529	12,623
Income tax liabilities	9,454	10,063
Other financial liabilities	81,893	70,307
Other non-financial liabilities	1,854	1,289
Liabilities held for sale	-	-
Total current liabilities	319,287	340,295
TOTAL EQUITY AND LIABILITIES		
	7,296,775	6,867,624

Total assets and total liabilities

Total assets increased by €429.2 million (6%) to €7,296.8 million as at 30 June 2023. The main reason is the increase of long-term loans provided to entities within the CPIPG Group.

Non-current and current liabilities total €5,447.0 million as at 30 June 2023 which represents an increase of €298.4 million (5.5%) compared to 31 December 2022, mainly due to new bank financing in Poland.

EPRA NRV (former EPRA NAV) and EPRA NDV (former EPRA NNNAV)

In October 2019, the European Public Real Estate Association (EPRA) published new Best Practice Recommendations (BPR). EPRA Net Asset Value (NAV) and EPRA Triple Net Asset Value (NNNAV) are replaced by three new Net Asset Valuation metrics: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets and EPRA Net Disposal Value (NDV). The Company provides below the calculation of EPRA NRV as an equivalent of former EPRA NAV and the calculation of EPRA NDV as an equivalent of former EPRA NNNAV.

As at 30 June 2023, the consolidated equity increased by €132.2 million. The main driver of this increase is the profit for the period amounting to €93.2 million, decrease of hedging reserve by €1.1 million and an increase of translation reserve by €39.9 million and of revaluation reserve by €0.3 million.

The EPRA Net Reinstatement Value per share as at 30 June 2023 is €1.29 compared to €1.19 as at 31 December 2022.

	<u>30 June 2023</u>	<u>31 December 2022</u>
Consolidated equity	1,540,451	1,408,219
Deferred taxes on revaluations	150,758	150,758
EPRA Net reinstatement value	1,691,209	1,558,977
Existing shares (in thousands)	1,314,508	1,314,508
Net reinstatement value in € per share	1.29	1.19
EPRA Net reinstatement value	1,691,209	1,558,977
Deferred taxes on revaluations	(150,758)	(150,758)
EPRA Net disposal value	1,540,451	1,408,219
Fully diluted shares	1,314,508	1,314,508
Net disposal value in € per share	1.17	1.07

The EPRA Net Disposal Value amounts to €1.17 per share as at 30 June 2023 compared to €1.07 at the end of 2022.

CORPORATE GOVERNANCE

Principles

Good corporate governance improves transparency and the quality of reporting, enables effective management control, safeguards shareholder interests and serves as an important tool to build corporate culture. The Company is dedicated to acting in the best interests of its shareholders and stakeholders. Toward these ends, it is recognized that sound corporate governance is critical. The Company is committed to continually and progressively implementing industry best practices with respect to corporate governance and has been adjusting and improving its internal practices in order to meet evolving standards. The Company aims to communicate regularly to its shareholders and stakeholders regarding corporate governance and to provide regular updates on its website.

Since the Company was founded in 1991, its accounts have been audited regularly each year. KPMG served as auditor of the Company since 2013. In 2019, the Company tendered for a new auditor. The Company's Audit Committee recommended an appointment of Ernst & Young S.A., Luxembourg as the Group's new auditor for the financial year commencing on 1 January 2019, which was approved by the shareholders' general meeting. The 2023 annual general meeting of shareholders resolved unanimously to appoint Ernst & Young S.A., Luxembourg, as the approved auditor (réviseur d'entreprises agréé) of the Company until the annual general meeting of shareholders of the Company to be held in 2024.

In addition, the Company's portfolio of assets is regularly evaluated by independent experts.

In 2007, the Company's Board of Directors adopted the Director's Corporate Governance Guide and continues to communicate throughout the Group based on the values articulated by this guide. As a company incorporated in Luxembourg, the Company's primary regulator is the Commission de Surveillance du Secteur Financier (the "CSSF"). The Company's procedures are designed to comply with applicable regulations, in particular those dealing with market abuse. The Company also has a risk assessment procedure designed to identify and limit risk. In addition, the Company aims to implement corporate governance best practices inspired by the recommendations applicable in Luxembourg and Poland.

On 23 May 2012, the Board of Directors elected the Ten Principles and their Recommendations of the Luxembourg Stock Exchange as a reference for its Corporate Governance Rules (<https://www.bourse.lu/corporate-governance>).

The Company's parent company CPIPG has implemented industry best practices with respect to corporate governance and external reporting. In 2019, the CPIPG Group approved the "Code of Business Ethics and Conduct of CPI Property Group" and also newly updated policies governing procurement, supplier and tenants' conduct, anti-bribery and corruption, anti-money laundering, sanctions and export controls, whistleblowing, human capital and employment and corporate social responsibility (CSR). These were adopted for the Group (for more details regarding the application of the CSR policies across the CPIPG Group kindly refer to annual report of CPIPG).

Board of Directors

The Company is administered and supervised by a Board of Directors made up of at least three members.

Appointment of Directors

The Directors are appointed by the general meeting of shareholders for a period of office not exceeding six years. They are eligible for re-election and may be removed at any time by decision of the general meeting of shareholders by simple majority vote. In the event of a vacancy in the office of a Director, the remaining Directors may provisionally fill such vacancy, in which case the general meeting of shareholders will hold a final election at the time of its next meeting.

Current Board of Directors

As at 30 June 2023 the Board of Directors consisted of 2 members representing the management of CPIPG Group, Mr. David Greenbaum and Mrs. Anita Dubost, and 2 independent members, Mr. Edward Hughes and Mr. Scot Wardlaw.

Anita Dubost, 1979 Tax Manager, executive member.

Anita Dubost was appointed to the Board of Directors in May 2019. Before joining CPIPG, she worked at Tristan Capital Partners as Senior Tax Manager within the Luxembourg Operations team. In her role she was in charge of overseeing the tax structuring of the Tristan-managed funds. She was also a member of the Investment Committee. Anita began her career at Atoz (member of the international Tax and network) where she was Senior Associate advising multi-national clients. Anita holds a Master's Degree in Law and in Business Administration specialized in finance and tax.

David Greenbaum, 1977, Chief Financial Officer of CPI Property Group, executive member.

David Greenbaum was appointed to the Board of Directors in May 2019. Before joining CPIPG, he worked for nearly 16 years at Deutsche Bank, where he was most recently co-head of debt capital markets for the CEEMEA region. David began his career at Alliance Capital Management in 1999. In 2000 he joined Credit Suisse First Boston before moving to Deutsche Bank in 2002. David graduated magna cum laude from Cornell University with a degree in English language and literature.

Edward Hughes, 1966, independent, non-executive member.

Edward Hughes has been a member of the Board of Directors since March 2014. He has been engaged in real estate investment, consultancy and brokerage activities in Central Europe for more than 20 years. Edward is an experienced real estate and finance professional having engaged in many significant asset acquisition, and development projects in the region. Edward is a Chartered Accountant, after starting his career with Arthur Andersen (London – 1988), in September 1991 he transferred to the Prague office. Since this time, he has been almost exclusively focused on Central Europe including during his employment as an Associate Director of GE Capital Europe. Edward is a graduate of Trinity College, Dublin where he majored in Business and Economics with Honours (1988).

Scot Wardlaw, 1967, independent, non-executive member.

Scot Wardlaw was appointed to the Board of Directors in May 2020. Scot has over two decades experience in project and process management in the fields of IT, software and product development in an international environment. He currently serves as Managing Director for various real estate investment platforms based in Luxembourg and is part of Central Business Development at SIMRES Real Estate where he manages the group's strategic development. Scot graduated magna cum laude from Savannah College of Art & Design with a degree in Computer Art and Art History.

The current members of the Board of Directors are appointed until the annual general meeting of 2024 concerning the approval of the annual accounts of the Company for the financial year ending 31 December 2023.

The independent directors are not involved in management, are not employees or advisors with a regular salary and do not provide professional services such as external audit services or legal advice. Furthermore, they are not related persons or close relatives of any management member or majority shareholder of the Company.

The Board of Directors meetings are held as often as deemed necessary or appropriate. All members, and in particular the independent and non-executive members, are guided by the interests of the Company and its business, such interests including but not limited to the interests of the Company's shareholders and employees.

Powers of the Board of Directors

The Board of Directors represents the shareholders and acts in the best interests of the Company. Each member, whatever his/her designation, represents the Company's shareholders.

The Board of Directors is empowered to carry out all and any acts deemed necessary or useful in view of the realization of the corporate purpose; all matters that are not reserved for the general meeting by law or by the present Articles of Association shall be within its competence. In its relationship with third parties, the Company shall even be bound by acts exceeding the Company's corporate purpose, unless it can prove that the third party knew such act exceeded the Company's corporate purpose or could not ignore this taking account of circumstances.

Deliberations

The Board of Directors may only deliberate if a majority of its members are present or represented by proxy, which may be given in writing, by telegram, telex or fax. In cases of emergency, the Directors may vote in writing, by telegram, telex, fax, electronic signature or by any other secured means.

The decisions of the Board of Directors must be made by majority vote; in case of a tie, the Chairman of the meeting shall have the deciding vote.

Resolutions signed unanimously by the members of the Board of Directors are as valid and enforceable as those taken at the time of a duly convened and held meeting of the Board.

The Board will regularly evaluate its performance and its relationship with the management. During H1 2023, the Board held 2 meetings, with all members being present or represented.

Delegations of powers to Managing Directors

The Board of Directors may delegate all or part of its powers regarding the daily management as well as the representation of the Company with regard to such daily management to one or more persons (administrateur délégué), who need not be Directors (a "Managing Director"). The realization and the pursuit of all transactions and operations basically approved by the Board of Directors are likewise included in the daily management of the Company. Within this scope, acts of daily management may include particularly all management and provisional operations, including the realization and the pursuit of acquisitions of real estate and securities, the establishment of financings, the taking of participating interests and the placing at disposal of loans, warranties and guarantees to group companies, without such list being limited.

David Greenbaum and Martin Němeček are elected as Managing Directors (administrateurs délégués) of the Company.

Signatory powers within the Board of Directors

The Company may be legally bound either by the joint signatures of any two Directors or by the single signature of a Managing Director.

Special commitments in relation to the election of the members of the Board of Directors

The Company is not aware of commitments that are in effect as of the date of this report by any parties relating to the election of members of the Board of Directors.

Management of the Company

The management is entrusted with the day-to-day running of the Company and among other things to:

- be responsible for preparing complete, timely, reliable and accurate financial reports in accordance with the accounting standards and policies of the Company;

- submit an objective and comprehensible assessment of the company's financial situation to the Board of Directors;
- regularly submit proposals to the Board of Directors concerning strategy definition;
- participate in the preparation of decisions to be taken by the Board of Directors;
- supply the Board of Directors with all information necessary for the discharge of its obligations in a timely fashion;
- set up internal controls (systems for the identification, assessment, management and monitoring of financial and other risks), without prejudice to the Board's monitoring role in this matter; and
- regularly account to the Board for the discharge of its responsibilities.

The members of the management meet on a regular basis to review the operating performance of the business lines and the containment of operating expenses.

As at 30 June 2023, the Company's management consisted of the following members:

David Greenbaum, Managing Director,

Martin Němeček, Managing Director,

Erik Morgenstern, Chief Financial Officer,

Anita Dubost, Tax Manager.

Committees of the Board of Directors

As at 30 June 2023 the Board of Directors has the following committees:

- Audit Committee; and
- Remuneration, Appointment and Related Party Transaction Committee.

The implementation of decisions taken by these committees enhances the Company's transparency and corporate governance.

Independent and non-executive directors are always in the majority of the members of these committees.

Audit Committee

The Audit Committee is now comprised of Mr. Edward Hughes, Mr. Scot Wardlaw, and Mrs. Anita Dubost. Mr. Edward Hughes is the president of the Audit Committee.

The Audit Committee reviews the Company's accounting policies and the communication of financial information. In particular, the Audit Committee follows the auditing process, reviews and enhances the Company's reporting procedures by business lines, reviews risk factors and risk control procedures, analyzes the Company's group structure, assesses the work of external auditors, examines consolidated accounts, verifies the valuations of real estate assets, and audits reports. The Audit Committee has therefore invited persons whose collaboration is deemed to be advantageous to assist it in its work and to attend its meetings.

During H1 2023, the Audit Committee held 2 meetings (with 100% attendance).

Remuneration, Appointment and Related Party Transaction Committee

Following the changes in the Board of Directors composition in 2020 the Remuneration, Appointment and Related Party Transaction Committee (the "Remuneration Committee") is now comprised of of Mr. Edward

Hughes, Mr. Scot Wardlaw, and Mr. David Greenbaum. Mr. Edward Hughes is the president of the Remuneration Committee.

The Remuneration Committee presents proposals to the Board of Directors about remuneration and incentive programs to be offered to the management and the Directors of the Company. The Remuneration Committee also deals with related party transactions.

The role of the Remuneration Committee is, among other things, to submit proposals to the Board regarding the remuneration of executive managers, to define objective performance criteria respecting the policy fixed by the Company regarding the variable part of the remuneration of top management (including bonus and share allocations, share options or any other right to acquire shares) and that the remuneration of non-executive Directors remains proportional to their responsibilities and the time devoted to their functions.

During H1 2023, the role of the Remuneration Committee has been assumed directly by the Board of Directors.

Description of internal controls relative to financial information processing.

The Company has organized the management of internal control by defining control environment, identifying the main risks to which it is exposed together with the level of control of these risks, and strengthening the reliability of the financial reporting and communication process.

Control Environment

For the annual closure, the Company's management completes an individual questionnaire so that any transactions they have carried out with the Company as "Related parties" can be identified.

The Audit Committee has a specific duty in terms of internal control; the role and activities of the Audit Committee are described in this Management Report.

Remuneration and benefits

Board of Directors

See note 1 of the Consolidated financial statements as at 30 June 2023.

Corporate Governance rules and regulations

In reference to the information required by paragraphs (a) to (k) of Article 11(1) of the Law of 19 May 2006 transposing Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, the Board of Directors states the following elements:

(a) The structure of the capital, including securities which are not admitted to trading on a regulated market in a Member State, where appropriate with an indication of the different classes of shares and, for each class of shares, the rights and obligations attaching to it and the percentage of total share capital that it represents:

The share capital of the Company is represented by only one class of shares carrying the same rights.

The Company shares (ISIN LU0122624777) had been listed on the regulated market of Euronext Paris since 2000 and until their delisting as at 18 February 2016. Out of 1,314,507,629 Company shares outstanding, the 314,507,629 Company shares (representing app. 23.9% of the total share capital) have been admitted to trading on the regulated markets of the Luxembourg Stock Exchange and the Warsaw Stock Exchange.

(b) Any restrictions on the transfer of securities, such as limitations on the holding of securities or the need to obtain the approval of the company or other holders of securities, without prejudice to Article 46 of Directive 2001/34/EC:

There is no restriction on the transfer of securities of the Company as at 30 June 2023.

(c) Significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC:

To the best of the Company’s knowledge, the following table sets out information regarding the ownership of the Company’s shares as at 30 June 2023. The information collected is based on the notifications received by the Company from any shareholder crossing the thresholds of 5%, 10%, 15%, 20%, 33 1/3%, 50% and 66 2/3% of the aggregate voting rights in the Company.

Shareholder	Number of shares	% of capital / voting rights
CPI PROPERTY GROUP (directly)	1,279,198,976	97.31%
Others	35,308,653	2.69%
Total	1,314,507,629	100.0%

(d) The holders of any securities with special control rights and a description of those rights:

None of the Company’s shareholders has voting rights different from any other holders of the Company’s shares. On 8 June 2016 CPI Property Group’s fully owned subsidiary Nukasso Holdings Limited directly and indirectly acquired approximately 97.31% of shares in the Company. As a consequence, Nukasso Holdings Limited from the CPI Property Group became obliged to launch a mandatory takeover bid to purchase any and all of the ordinary shares of the Company (the “Mandatory Takeover Offer”). On 22 August 2016, the Czech Office for the Protection of Competition granted the merger clearance for the acquisition of the Company by CPI Property Group, whereas its decision became final and binding on 23 August 2016.

On 8 December 2017 the CSSF published press releases in which it stated, inter alia, that it has decided not to approve the offer document in the Mandatory Takeover Offer as a consequence of the existence of an undisclosed concern action with respect to the Company. On 15 March 2018 the CSSF published a press release informing that the decisions detailed in the above-mentioned CSSF press releases of 8 December 2017 have been challenged before the Luxembourg administrative courts.

As of the date of this report, the Company has not received any formal decision in relation to the Mandatory Takeover Offer.

(e) The system of control of any employee share scheme where the control rights are not exercised directly by the employees:

This is not applicable. The Company has no employee share scheme.

(f) Any restrictions on voting rights, such as limitation on the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Company’s cooperation, the financial rights attaching to securities are separated from the holding of securities:

There is no restriction on voting rights.

(g) Any agreements between shareholders which are known to the company and may result in restrictions on the transfer of securities and/or voting rights within the meaning of Directive 2001/34/EC:

To the knowledge of the Company, no shareholder agreements have been entered by and between shareholders that are in effect as of the date of this report. 97.31% of shares in the Company are held directly by CPI PROPERTY GROUP.

(h) the rules governing the appointment and replacement of board members and the amendment of the articles of association:

See section Appointment of Directors of this report.

(i) the powers of board members, and in particular the power to issue or buy back shares:

The Company has no authorized but unissued and unsubscribed share capital in addition to the issued and subscribed corporate capital of €13,145,076.29.

(j) any significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following a takeover bid, and the effects thereof, except where their nature is such that their disclosure would be seriously prejudicial to the company; this exception shall not apply where the company is specifically obliged to disclose such information on the basis of other legal requirements:

Under the Securities Note and Summary dated 22 March 2007, with respect to the issue of the 2014 Warrants, the occurrence of a Change of Control (as described in Condition 4.1.8.1.2.1 of the Securities Note and Summary dated 22 March 2007) could result in a potential liability for the Company due to “Change of Control Compensation Amount”.

On 10 June 2016 the Company received a major shareholder notification stating that NUKASSO (CYP) and CPI PROPERTY GROUP, which are ultimately held by Mr. Radovan Vitek, hold directly and indirectly 1,279,198,976 of the Company’s shares corresponding to 97.31% of voting rights as at 8 June 2016. Accordingly, the Company issued a Change of Control Notice notifying the holders of the 2014 Warrants that the Change of Control, as defined in the Securities Note and the Summary for the 2014 Warrants, occurred on 8 June 2016.

In accordance with the judgement of the Paris Commercial Court (the “Court”) pronounced on 26 October 2015 concerning the termination of the Company’s Safeguard Plan, liabilities that were admitted to the Safeguard, but are conditional or uncalled (such as uncalled bank guarantees, conditional claims of the holders of 2014 Warrants registered under ISIN code XS0290764728, provided that they were admitted to the Safeguard plan), will be paid according to their contractual terms. Pre-Safeguard liabilities that were not admitted to the Company’s Safeguard will be unenforceable. As such, only claims of holders of the 2014 Warrants, whose potential claims were admitted to the Company’s Safeguard Plan, could be considered in respect of the present Change of Control. Claims of holders of the 2014 Warrants that were not admitted to the Company’s Safeguard will be unenforceable against the Company.

To the knowledge of the Company, no other agreements have been entered into by the Company.

(k) any agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid:

As at 30 June 2023, there are no potential termination indemnity payments in place payable to the members of the Company’s management in the event of termination of their contracts in excess of the compensation as required by the respective labour codes.

Additional information

Legal form and share capital

CPI FIM is a public limited company (“société anonyme”) incorporated and existing under Luxembourg law. Its corporate capital, subscribed and fully paid-up capital of €13,145,076.29 is represented by 1,314,507,629 shares without nominal value. The accounting par value price is €0.01 per share.

Date of incorporation and termination

The Company was incorporated by deed drawn on 9 September 1993 by Maître Frank Baden, for an indeterminate period of time.

Jurisdiction and applicable laws

The Company exists under the Luxembourg Act of 10 August 1915 on commercial companies, as amended.

Object of business

As described in article 4 of the updated Articles of Association of the Company, its corporate purpose is the direct acquisition of real estate, the holding of ownership interests and the making of loans to companies that form part of its group. Its activity may consist in carrying out investments in real estate, such as the purchase, sale, construction, valorization, management and rental of buildings, as well as in the promotion of real estate, whether on its own or through its branches.

It has as a further corporate purpose the holding of ownership interests, in any form whatsoever, in any commercial, industrial, financial or other Luxembourg or foreign companies, whether they are part of the group or not, the acquisition of all and any securities and rights by way of ownership, contribution, subscription, underwriting or purchase options, or negotiation, and in any other way, and in particular the acquisition of patents and licenses, their management and development, the granting to undertakings in which it holds a direct or indirect stake of all kinds of assistance, loans, advances or guarantees and finally all and any activities directly or indirectly relating to its corporate purpose. It may thus play a financial role or carry out a management activity in enterprises or companies it holds or owns.

The Company may likewise carry out all and any commercial, property, real estate and financial operations likely to relate directly or indirectly to the activities defined above and susceptible to promoting their fulfillment.

Trade register

RCS Luxembourg B 44 996.

Financial year

The Company's financial year begins on the first day of January and ends on the thirty-first day of December.

Distribution of profits and payment of dividends

Each year, at least five per cent of the net corporate profits are set aside and allocated to a reserve. Such deduction ceases being mandatory when such reserve reaches ten per cent of the corporate capital, but will resume whenever such reserve falls below ten per cent. The general meeting of shareholders determines the allocation and distribution of the net corporate profits.

Payment of dividends:

The Board of Directors is entitled to pay advances on dividends when the legal conditions listed below are fulfilled:

- an accounting statement must be established which indicates that the available funds for the distribution are sufficient;
- the amount to be distributed may not exceed the amount of revenues since the end of the last accounting year for which the accounts have been approved, increased by the reported profits and by the deduction made on the available reserves for this purpose and decreased by the reported losses and by the sums allocated to reserves in accordance with any legal and statutory provision;
- the Board of Directors' decision to distribute interim dividends can only be taken within two months after the date of the accounting statement described above;
- the distribution may not be determined less than six months after the closing date of the previous accounting year and before the approval of the annual accounts related to this accounting year;
- whenever a first interim dividend has been distributed, the decision to distribute a second one may only be taken at least three months after the decision to distribute the first one; and
- the statutory and independent auditor(s) in its (their) report to the Board of Directors confirm(s)

- the conditions listed above are fulfilled.

Under general Luxembourg law, the conditions for making advances on dividends are less stringent than the conditions listed above, however, the more restrictive provisions of the Company's Articles of Association will prevail as the recent changes under Luxembourg law have not yet been reflected in the Articles of Association of the Company.

When an advance distribution exceeds the amount of dividend subsequently approved by the general meeting of shareholders, such advance payment is considered an advance on future dividends.

Exceeding a threshold

Any shareholder who crosses a threshold limit of 5%, 10%, 15%, 33 1/3%, 50% or 66 2/3% of the total of the voting rights must inform the Company, which is then obliged to inform the relevant controlling authorities. Any shareholder not complying with this obligation will lose his voting rights at the next general meeting of shareholders, and until proper majority shareholding notification is made.

Documents on display

Copies of the following documents may be inspected at the registered office of the Company (tel: +352 26 47 67 1), 40 rue de la Vallée, L-2661 Luxembourg, on any weekday (excluding public holidays) during normal business hours:

1. Articles of Association of the Company;
2. Audited consolidated financial statements of the Company as of and for the years ended 31 December 2022, 2021, and 2020, prepared in accordance with IFRS adopted by the European Union;

The registration document(s) and most of the information mentioned are available on the Company's website:

www.cpifimsa.com

The registration document(s) is available on the website of Luxembourg Stock Exchange: www.bourse.lu.

External Auditors

Ernst & Young S.A., Luxembourg were elected as the Group's new approved auditor (réviseur d'entreprises agréé) for the financial year commencing on 1 January 2019. The 2023 AGM resolved to approve Ernst & Young S.A., Luxembourg as auditors for the financial year ending 31 December 2023.

Reporting

The consolidated management report and the stand-alone management report are presented under the form of a sole report.

SHAREHOLDING

Share capital and voting rights

The subscribed and fully paid-up capital of the Company of €13,145,076.29 is represented by 1,314,507,629 shares without nominal value. The accounting par value is €0.01 per share.

The Company has no authorized but unissued and unsubscribed share capital in addition to the issued and subscribed corporate capital of €13,145,076.29.

All the shares issued by the Company are fully paid up and have the same value. The shares will be either in the form of registered shares or in the form of bearer shares, as decided by the shareholder, except to the extent otherwise provided by law.

The shareholder can freely sell or transfer the shares. The shares are indivisible and the Company only recognizes one holder per share. If there are several owners per share, the Company is entitled to suspend the exercise of all rights attached to such shares until the appointment of a single person as owner of the shares. The same applies in the case of usufruct and bare ownership or security granted on the shares.

Joint owners of shares must be represented within the Company by one of them considered as sole owner or by a proxy, who in case of conflict may be legally designated by a court at the request of one of the owners.

Shareholder holding structure

To the best of the Company's knowledge, the following table sets out information regarding the ownership of the Company's shares as at 30 June 2023. The information collected is based on the notifications received by the Company from any shareholder crossing the thresholds of 5%, 10%, 15%, 20%, 33 1/3%, 50% and 66 2/3% of the aggregate voting rights in the Company.

Shareholder	Number of shares	% of capital / voting rights
CPI PROPERTY GROUP (directly)	1,279,198,976	97.31%
Others	35,308,653	2.69%
Total	1,314,507,629	100.0%

Authorized capital not issued

The Company has no authorized but unissued and unsubscribed share capital in addition to the issued and subscribed corporate capital of €13,145,076.29.

CORPORATE RESPONSIBILITY

Corporate responsibility and sustainable development is at the core of the strategy of the Company. The Group's top management actively foster best practices as an opportunity to improve the cost efficiency of internal processes and the value creation of our main activity - development of properties, provision of equity loans and management services to other entities within the CPIPG Group.⁴

Environmental, social and ethical matters

The Group is committed to high standards in environmental, social and ethical matters. Our staff receive training on our policies in these areas, and are informed when changes are made to the policy. Our environmental policy is to comply with all applicable local regulations, while pursuing energy-efficient solutions and green / LEED certification wherever possible. Ethical practice is a core component of our corporate philosophy; we have achieved top-quality standards in reporting and communications, and have invested in the best professionals. From a social perspective, we care deeply about all our stakeholders. Our corporate culture is centered around respect and professionalism, and we believe in giving back to our community.

Environmental matters

The Group follows a pragmatic approach to environmental aspects of its business. Environmental criteria are one of the main aspects of the Group's development and construction projects.

Before each potential asset investment, the Group examines the environmental risks. Project timing, progress and budgets are carefully monitored, mostly with the support of external project monitoring advisors. Health, safety and environmental risks are monitored before and during construction.

Health and safety, as well as the technical and security installations are periodically inspected for checking of their status and the conformity with applicable legislation and local regulation.

As a priority item for apartment building renovations, the Group replaces older heating systems with natural gas systems, and seeks to improve the overall level of thermal insulation in its buildings.

Social matters

The Group follows the Environmental, Social and Governance (ESG) framework of its parent company CPIPG.

The Group aims to promote personal development of its employees. The Group provides a work environment that is motivating, competitive and reflects the needs of the employees. The Group promotes diversity and equal opportunity in the workplace.

Employees of the Group conduct annual reviews with their managers, covering also the relationships of the employees with their work and working place, as well as the Group in general.

Ethical matters

The Group has policies addressing conduct, including conflicts of interest, confidentiality, abuse of company property and business gifts.

⁴ For the ESG related statements, also applicable to the Company, please refer to the management report of CPI PROPERTY GROUP.

GLOSSARY & DEFINITIONS

Alternative Performance Measures

The Company presents alternative performance measures (APMs). The APMs used in our report are commonly referred to and analysed amongst professionals participating in the Real Estate Sector to reflect the underlying business performance and to enhance comparability both between different companies in the sector and between different financial periods. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS. The presentation of APMs in the Real Estate Sector is considered advantageous by various participants, including banks, analysts, bondholders and other users of financial information:

- APMs provide additional helpful and useful information in a concise and practical manner.
- APMs are commonly used by senior management and Board of Directors for their decisions and setting of mid and long-term strategy of the Group and assist in discussion with outside parties.
- APMs in some cases might better reflect key trends in the Group's performance which are specific to that sector, i.e. APMs are a way for the management to highlight the key value drivers within the business that may not be obvious in the consolidated financial statements.

For new definitions of measures or reasons for their change, see below.

EPRA NRV (former EPRA NAV)

EPRA NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity. The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

The performance indicator has been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide, available on EPRA's website (www.epra.com).

EPRA NRV per share

EPRA NRV divided by the diluted number of shares at the period end.

EPRA NDV (former EPRA NNAV)

EPRA NDV represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. The objective of the EPRA NDV measure is to report net asset value including fair value adjustments in respect of all material balance sheet items which are not reported at their fair value as part of the EPRA NRV.

The performance indicator has been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide, available on EPRA's website (www.epra.com).

EPRA NDV per share

EPRA NDV divided by the diluted number of shares at the period end.

Equity ratio

Equity ratio is a measure that provides a general assessment of financial risk undertaken and is calculated as total equity as reported divided by total assets as reported.

Project Loan-to-Value

With respect to a structure of financing, the Group no longer provides the calculation of this measure, since it might be confusing for the reader.

EPRA NAV and EPRA NAV per share

The Group no longer provides the calculation of these measures, since they were replaced by the calculation of EPRA NRV and EPRA NRV per share.

EPRA NNNAV and EPRA NNNAV per share

The Group no longer provides the calculation of these measures, since they were replaced by the calculation of EPRA NDV and EPRA NDV per share.

Other definitions**EPRA**

European Public Real Estate Association.

Development for rental

Development for Rental represents carrying value of developed assets – ie. under development or finished assets – being held by the Group with the intention to rent the assets in the foreseeable future.

Development for sale

Development for Sale represents carrying value of developed assets – ie. under development or finished assets – being held by the Group with the intention to sell the assets in the foreseeable future.

Gross Asset Value (GAV) or Fair value of Property portfolio or Property portfolio value

The sum of fair value of all real estate assets held by the Group on the basis of the consolidation scope and real estate financial investments (being shares in real estate funds, loans to third parties active in real estate or shares in non-consolidated real estate companies).

Gross Leasable Area (GLA)

GLA is the amount of floor space available to be rented. GLA is the area for which tenants pay rent, and thus the area that produces income for the property owner.

Gross Saleable Area (GSA)

GSA is the amount of floor space held by the Group with the intention to be sold. GSA is the area of property to be sold with a capital gain.

Market value

The estimated amount determined by the Group's external valuer in accordance with the RICS Valuation Standards, for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing.

Occupancy rate

The ratio of leased premises to leasable premises.

Potential gross leasable area

Potential Gross Leasable Area is the total amount of floor space and land area being developed which the Group is planning to rent after the development is complete.

Potential gross saleable area

Potential Gross Saleable Area is the total amount of floor space and land area being developed which the Group is planning to sell after the development is complete.

CPI FIM S.A.
40 rue de la Vallée
L-2661 Luxembourg
R.C.S. Luxembourg B 44996
(the “Company”)

**DECLARATION LETTER
INTERIM FINANCIAL REPORTS
AS AT 30 JUNE 2023**

1.1. Person responsible for the Semi - Annual Financial Report

- Mr. David Greenbaum, acting as Managing Director of the Company, with professional address at 40 rue de la Vallée, L-2661 Luxembourg, Grand-Duchy of Luxembourg, email: D.Greenbaum@cpipg.com.

1.2. Declaration by the person responsible for the Semi - Annual Financial Report

The undersigned hereby declares that, to the best of his knowledge:

- the condensed consolidated interim financial statements of the Company as at 30 June 2023, prepared in accordance with the International Financial Reporting Standards (“IFRS”) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and results of the Company and its subsidiaries included in the consolidation taken as a whole; and
- that the Management Report as at 30 June 2023 provides a fair view of the development and performance of the business and the position of the Company and its subsidiaries included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Approved by the Board of Directors and signed on its behalf by Mr. David Greenbaum.

Luxembourg, on 31 August 2023



Mr. David Greenbaum
Managing Director

CPI FIM GROUP

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR
THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

Condensed consolidated interim statement of comprehensive income

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Six-month period ended	
		30 June 2023	30 June 2022
Gross rental income		17,897	17,413
Service charges and other income	5.1	8,812	6,105
Cost of service charges	5.1	(8,410)	(5,361)
Property operating expenses		(1,388)	(1,221)
Net service and rental income		16,911	16,936
Hotel revenue		853	-
Hotel operating expenses		(648)	-
Net hotel income		205	-
Total revenues	4.2	27,562	23,518
Total direct business operating expenses		(10,446)	(6,582)
Net business income		17,116	16,936
Net valuation gain/ (loss)	5.2	(408)	24,402
Net gain on the disposal of investment property and subsidiaries	5.3	1,282	8,498
Amortization, depreciation and impairments	5.4	(1,090)	(2,582)
Administrative expenses	5.5	(2,992)	(2,694)
Other operating income		88	545
Other operating expenses		(172)	(415)
Operating result		13,824	44,690
Interest income	5.6	122,880	113,843
Interest expense	5.6	(68,700)	(94,176)
Other net financial result	5.7	25,214	5,083
Net finance income		79,394	24,750
Share of loss of equity-accounted investees (net of tax)	6.2	(609)	(410)
Profit / (Loss) before income tax		92,609	69,030
Income tax expense	5.8	(834)	867
Net profit / (loss) from continuing operations		91,775	69,897
Items that may or are reclassified subsequently to profit or loss			
Translation difference	6.7	39,895	(6,080)
Cashflow hedges		(1,328)	-
Income tax on other comprehensive income items		212	-
Items that will not be reclassified subsequently to profit or loss			
Revaluation of hotel property		-	(1,609)
Income tax on other comprehensive income items		-	386
Fair value changes of financial assets		242	10,357
Other comprehensive income for the period, net of tax		39,021	3,054
Total comprehensive income for the period		130,796	72,951
Profit/ (loss) attributable to:	6.7		
Owners of the Company		93,211	55,782
Non-controlling interests		(1,436)	14,115
Profit/ (loss) for the period		91,775	69,897
Total comprehensive income attributable to:			
Owners of the Company		132,232	58,836
Non-controlling interests	6.7	(1,436)	14,115
Total comprehensive income for the period		130,796	72,951
Earnings per share			
Basic earnings in EUR per share	6.7	0.07	0.04
Diluted earnings in EUR per share		0.07	0.04

Condensed consolidated interim statement of financial position

The accompanying notes form an integral part of these consolidated financial statements.

	Note	30 June 2023	31 December 2022
Non-current assets			
Intangible assets		880	842
Investment property	6.1	1,645,529	1,640,110
Property, plant and equipment		2,657	2,752
Equity accounted investees	6.2	9,115	9,724
Other investments	6.3	61,898	61,655
Loans provided	6.4	4,882,258	4,568,394
Other receivables		76	76
Deferred tax assets	6.10	120,543	120,370
		6,722,956	6,403,923
Current assets			
Inventories		1,581	402
Income tax receivables		826	522
Derivative instruments		1,652	13,730
Trade receivables		5,952	6,074
Loans provided	6.4	194,844	144,579
Cash and cash equivalents	6.5	195,300	104,082
Other receivables	6.6	166,663	188,058
Other non-financial assets		7,001	6,254
		573,819	463,701
Total assets		7,296,775	6,867,624
Equity			
Equity attributable to owners of the Company	6.7	1,540,451	1,408,219
<i>Share capital</i>		13,145	13,145
<i>Share premium</i>		784,670	784,670
<i>Other reserves</i>		179,595	140,574
<i>Retained earnings</i>		563,041	469,830
Non-controlling interests	6.7	309,290	310,726
		1,849,741	1,718,945
Non-current liabilities			
Financial debts	6.8	4,969,404	4,653,862
Deferred tax liabilities	6.10	151,338	149,139
Other financial liabilities		7,005	5,383
		5,127,747	4,808,384
Current liabilities			
Financial debts	6.8	218,557	246,013
Trade payables		7,529	12,623
Income tax liabilities		9,454	10,063
Other financial liabilities	6.9	81,893	70,307
Other non-financial liabilities		1,854	1,289
		319,287	340,295
Total equity and liabilities		7,296,775	6,867,624

Condensed consolidated interim statement of changes in equity

The accompanying notes form an integral part of these consolidated financial statements.

		Share capital	Share premium	Translation reserve	Hedging reserve	Other reserves	Retained earnings	Equity attributable to owners of the company	Non controlling interests	Total equity
Balance at 1 January 2023	6.7	13,145	784,670	31,884	-	108,690	469,830	1,408,219	310,726	1,718,945
Profit for the period		-	-	-	-	-	93,211	93,211	(1,436)	91,775
Other comprehensive income		-	-	39,895	(1,116)	242	-	39,021	-	39,021
Total comprehensive income for the period		-	-	39,895	(1,116)	242	93,211	132,232	(1,436)	130,796
Balance at 30 June 2023		13,145	784,670	71,779	(1,116)	108,932	563,041	1,540,451	309,290	1,849,741

		Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Equity attributable to owners of the company	Non controlling interests	Total equity	
Balance at 1 January 2022	6.8	13,145	784,670	16,996	101,248	322,590	1,238,649	277,321	1,515,970	
Profit for the period		-	-	-	-	55,782	55,782	14,115	-	69,897
Other comprehensive income		-	-	(6,080)	9,134	-	3,054	-	-	3,054
Total comprehensive income for the period		-	-	(6,080)	9,134	55,782	58,836	14,115	-	72,951
Balance at 30 June 2022		13,145	784,670	10,916	110,382	378,372	1,297,485	291,436	-	1,588,921

Condensed consolidated interim statement of cash flows

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Six-month period ended	
		30 June 2023	30 June 2022
Profit/(loss) before income tax		92,609	69,030
<i>Adjusted by:</i>			
Net valuation gain on investment property	5.2	408	(24,402)
Gain on the disposal of investment property	5.3	(39)	(8,498)
Loss on the disposal of subsidiaries and investees	5.3	(1,243)	-
Depreciation, amortisation of tangible and intangible assets	5.4	3	23
Impairment of assets	5.4	1,087	2,559
Net finance income		(56,995)	(19,204)
Share of loss of equity accounted investees	6.2	609	410
Unrealized exchange rate and other non-cash differences		6,888	(3,928)
Profit before changes in working capital and provisions		43,327	15,990
Decrease in inventories		(1,179)	(394)
Increase in trade and other receivables		20,768	25,946
Increase in trade and other payables		11,657	32,664
Changes in provisions		-	(11)
Income tax paid		(1,530)	(167)
Net cash from operating activities		73,043	74,028
Acquisition of joint-ventures, net of cash disposed		-	(55)
Purchase and expenditures on investment property	6.1	(15,463)	(12,917)
Purchase and expenditures of property, plant and equipment		(187)	(1,506)
Proceeds from sale of investment property		139	65,345
Proceeds from disposal of subsidiaries, net of cash disposed		11,711	-
Loans provided		(474,693)	(1,115,111)
Loans repaid		203,507	85,611
Interest received		61,441	117,721
Net cash used in investing activities		(213,545)	(860,912)
Drawdowns of loans and borrowings		344,973	842,861
Repayments of loans and borrowings		(32,344)	(33,975)
Interest paid		(89,774)	(73,564)
Gain from financial derivatives		8,865	-
Net cash from financing activities		231,720	735,322
Net decrease in cash		91,218	(51,562)
Cash and cash equivalents at the beginning of the year		104,082	210,076
Cash and cash equivalents at the end of the six-month period ended		195,300	158,514

Notes to the condensed consolidated interim financial statements

1 General information

CPI FIM SA, *société anonyme* (the “Company”) and its subsidiaries (together the “Group” or “CPI FIM”) is an owner of income-generating real estate primarily in Poland and in the Czech Republic as well as of land bank and development projects intended for future rent. The Company is a subsidiary of CPI Property Group (also “CPI PG” and together with its subsidiaries as the “CPI PG Group”), which holds 97.31% of the Company shares. The Company is also involved in providing of equity loans and management services to other entities within the CPI PG Group.

The Company is a joint stock company incorporated for an unlimited term and registered in Luxembourg. The address of its registered office is 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg. The trade registry number of the Company is B 44 996.

The Company’s shares registered under ISIN code LU0122624777 are listed on the regulated markets of the Luxembourg Stock Exchange and the Warsaw Stock Exchange.

Description of the ownership structure

As at 30 June 2023, CPI PG directly owns 97.31% of the Company shares. CPI PG is a Luxembourg joint stock company (*société anonyme*), whose shares registered under ISIN code LU0251710041 are listed on the regulated market of the Frankfurt Stock Exchange in the General Standard segment. For more details, visit www.cpipg.com.

As at 30 June 2023, Radovan Vitek, the ultimate beneficial owner of the Group, indirectly owns 88.67% of CPI PG outstanding shares.

Board of Directors

As at 30 June 2023 the Board of Directors consists of the following directors:

Mrs. Anita Dubost

Mr. David Greenbaum

Mr. Edward Hughes

Mr. Scot Wardlaw

2 Basis of preparation and significant accounting policies

2.1 Basis of preparation of consolidated financial statements

(a) Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2023 have been prepared in accordance with IAS 34, ‘Interim Financial Reporting’.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2022.

The interim condensed consolidated financial statements were authorized for issue by the Board of Directors on 31 August 2023.

The interim condensed consolidated financial statements have not been audited.

All the figures in this report are presented in thousands of Euros, except if explicitly indicated otherwise.

The Group’s operations are not subject to any significant seasonal fluctuations.

(b) New and amended standards and interpretations adopted in the six-month period ended 30 June 2023

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2023, but do not have an impact on the consolidated financial statements of the Group.

3 The Group structure

CPI FIM SA is the Group’s ultimate parent company.

As at 30 June 2023 the Group comprises its parent company and 43 subsidiaries (at 31 December 2022 - 42 subsidiaries) and two joint ventures.

4 Entity-wide disclosures

The Group is engaged primarily in financing of CPI PG Group; the Group's other business activities consist of:

- rendering of advisory and other services to CPI PG Group;
- investing in land bank portfolio in the Czech Republic;
- renting of office portfolio in Poland;
- managing of residential portfolio in France and Italy and managing of one hotel in Italy.

4.1 Financing

Interest income by countries

	Six-month period ended			
	30 June 2023		30 June 2022	
	Amount	In %	Amount	In %
Luxembourg	120,826	98%	113,843	100%
Italy	2,054	2%	-	-
Total	122,880	100%	113,843	100%

Loans provided by country of the creditor

	Six-month period ended			
	30 June 2023		31 December 2022	
	Amount	In %	Amount	In %
Luxembourg	5,077,102	100%	4,712,973	100%
Non-current loans provided	4,882,258	96%	4,568,394	97%
Current loans provided	194,844	4%	144,579	3%
Total	5,077,102	100%	4,712,973	100%

4.2 Other business activities

Revenues by countries

	Six-month period ended			
	30 June 2023		30 June 2022	
	Amount	In %	Amount	In %
Czech Republic	1,297	5%	1,239	5%
- Land bank	709	3%	532	2%
- Office	528	2%	655	3%
- Retail	60	0%	52	0%
Luxembourg	2,342	8%	854	4%
- Other	2,342	8%	854	4%
Poland	23,070	84%	21,386	91%
- Office	23,070	84%	21,386	91%
Italy	853	3%	-	-
- Hospitality	853	3%	-	-
Monaco	-	-	39	0%
- Residential	-	-	39	0%
Total	27,562	100%	23,518	100%

4.3 Non-current assets per countries

Investment property by countries

	Six-month period ended			
	30 June 2023		31 December 2022	
	Amount	In %	Amount	In %
Czech Republic	970,048	59%	970,070	59%
- Development	12,770	1%	12,565	1%
- Land Bank	954,937	58%	930,083	57%
- Office	-	-	25,145	1%
- Retail	2,341	0%	2,277	0%
Poland	596,876	36%	591,990	36%
- Office	596,502	36%	591,635	36%
- Land bank	374	0%	355	0%
Other	78,605	5%	78,050	5%
- Residential	52,577	3%	52,100	3%
- Hospitality	26,028	2%	25,950	2%
Total	1,645,529	100%	1,640,110	100%

5 Condensed consolidated interim statement of comprehensive income

5.1 Net service charges and other income

	Six-month period ended	
	30 June 2023	30 June 2022
Service charge income	8,308	5,867
Service revenue	504	238
Service charge expense	(8,410)	(5,361)
Total sale of services	402	744

5.2 Net valuation gain

	Six-month period ended	
	30 June 2023	30 June 2022
Valuation gain	77	24,778
Valuation loss	(485)	(376)
Net valuation gain	(408)	24,402

In the six-month period ended 30 June 2023, the valuation loss was mainly generated by Polish office portfolio.

In the six-month period ended 30 June 2022, the valuation gain was mainly generated by Czech land bank portfolio.

5.3 Net gain on the disposal of investment property and subsidiaries

	Six-month period ended	
	30 June 2023	30 June 2022
Proceeds from disposal of investment property	139	65,346
Carrying value of investment property disposed of and related costs	(100)	(56,848)
Proceeds from disposal of subsidiaries	11,711	-
Carrying value of subsidiaries disposed of and related costs	(10,468)	-
Total gain on the disposal of investment property and subsidiaries	1,282	8,498

In the six-month period ended 30 June 2023, proceeds from disposal of investment property and subsidiaries and the related carrying value were primarily related to sale of one office to related party S IMMO group.

In the six-month period ended 30 June 2022, the proceeds from disposal of investment property and the related carrying value was primarily related to Czech land banks of EUR 8.5 million (one classified as asset held for sale as at 31 December 2021) and sale of SCP Reflets to related party CPI PG.

5.4 Amortization, depreciation and impairments

	Six-month period ended	
	30 June 2023	30 June 2022
Depreciation and amortization	(3)	(23)
Impairment of assets	(1,087)	(2,559)
Total amortization, depreciation and impairments	(1,090)	(2,582)

In the six-month period ended 30 June 2023, the Group decreased impairment related to trade receivables due to change in their default.

5.5 Administrative expenses

	Six-month period ended	
	30 June 2023	30 June 2022
Accounting, advisory and tax services	(2,109)	(1,695)
Personnel expenses	(373)	(384)
Other administrative expenses	(510)	(615)
Total administrative expenses	(2,992)	(2,694)

The Group has 8 employees as at 30 June 2023 (7 employees as at 30 June 2022).

5.6 Interest income and expense

Interest income on loans and receivables relates primarily to loans provided to related parties (see note 6.4 and 10).

Interest expense relates primarily to loans received from related parties (see note 6.8 and 10).

5.7 Other net financial result

	Six-month period ended	
	30 June 2023	30 June 2022
Bank and other charges	(255)	(475)
Net foreign exchange gain/(loss) on investment property	(30,943)	11,131
Other net foreign exchange gain/(loss)	56,412	(5,573)
Total other net financial result	25,214	5,083

Net foreign exchange loss on investment property in the six-month period ended 30 June 2023 incurred by Polish portfolio.

In the six-month period ended 30 June 2023 and 30 June 2022, the other net foreign exchange gain (loss) was driven by retranslation of loans provided to related parties in foreign currencies.

5.8 Income tax expense

Tax recognized in profit or loss

	Six-month period ended	
	30 June 2023	30 June 2022
Current income tax charge	(416)	(1,061)
Deferred income tax charge from temporary differences	(418)	1,928
Total income tax recognised in profit or loss	(834)	867

The Group recognized the deferred tax asset from tax losses carried forward by CPI FIM in the amount of EUR 115.0 million as at 30 June 2023 and 31 December 2022, respectively. The Group's perspective of tax losses utilization is based on the 10 years budget of CPI FIM's taxable profits.

6 Condensed consolidated interim statement of financial position

6.1 Investment property

	Office	Land bank	Retail	Development	Residential	Hospitality	Total
Balance as at 1 January 2023	616,780	930,438	2,277	12,565	52,100	25,950	1,640,110
Development costs and other additions	4,965	9,943	-	-	477	78	15,463
Disposals	(25,585)	(105)	-	-	-	-	(25,690)
Net valuation loss	(408)	-	-	-	-	-	(408)
Net foreign exchange gain	(30,914)	(29)	-	-	-	-	(30,943)
Translation differences	31,664	15,064	64	205	-	-	46,997
Balance as at 30 June 2023	596,502	955,311	2,341	12,770	52,577	26,028	1,645,529

	Office	Land bank	Retail	Hospitality	Residential	Total
Balance as at 1 January 2022	640,465	811,648	1,617	-	60,700	1,514,430
Acquisitions of subsidiaries	1,164	6,376	-	5,126	250	12,916
Development costs and other additions	-	-	-	19,518	-	19,518
Disposals	-	(1,751)	-	-	(8,600)	(10,351)
Net valuation gain	(299)	23,092	-	1,609	-	24,402
Net foreign exchange loss	12,208	(1,076)	-	-	-	11,132
Translation differences	(12,143)	3,821	16	-	-	(8,306)
Balance as at 30 June 2022	641,395	842,110	1,633	26,253	52,350	1,563,741

Development costs and other additions

In the six-month period ended 30 June 2023, the development costs and other additions related primarily to Poland offices and new land banks in Prague of EUR 4.9 million and EUR 9.9 million, respectively.

In the six-month period ended 30 June 2022, the development costs and other additions related primarily to Italy hospitality property and new land banks in Prague of EUR 5.1 million and EUR 3.7 million, respectively.

Disposals

In the six-month period ended 30 June 2023, the Group disposed one office property of EUR 25.6 million.

Net foreign exchange loss

The net foreign exchange loss of EUR 30.9 million in the six-month period ended 30 June 2023 (net foreign exchange gain of EUR 11.1 million in the six-month period ended 30 June 2022) reflects foreign retranslation of investment property valued in EUR and recognized by the Group's subsidiaries which use non-EUR functional currencies.

Translation reserve

The increase of translation reserve of EUR 47.0 million in the six-month period ended 30 June 2023 (the decrease of translation reserve of EUR 8.3 million in the six-month period ended 30 June 2022) relates to investment property (valued either in EUR or non-EUR currencies) recognized by the Group's subsidiaries which use non-EUR functional currencies.

6.2 Equity accounted investees

The equity accounted investment in the amount of EUR 9.1 million as at 30 June 2023 (EUR 9.7 million as at 31 December 2022) represents investment in joint venture constituted in 2013 with Unibail Rodamco Westfield with aim to develop a shopping center in the Bubny area in Prague, the Czech Republic. The Group's shareholding is 35%.

	30 June 2023	31 December 2022
At 1 January	9,724	8,190
Share of profit/(loss)	(609)	1,481
Other	-	53
Total	9,115	9,724

Condensed interim financial statement of comprehensive income of Uniborc S.A.

	Six-month period ended	
	30 June 2023	30 June 2022
Administrative expenses	(48)	(53)
Rental income	116	-
Operating result	68	(53)
Interest expenses	(1,793)	(1,095)
Loss before taxes	(1,725)	(1,148)
Income taxes	(231)	(22)
Loss after income tax	(1,956)	(1,170)

Condensed interim financial statement of financial position of Uniborc S.A.

	30 June 2023	31 December 2022
Investment property	83,603	83,347
Cash and cash equivalents	357	136
Total assets	83,960	83,483
Non-current financial liabilities	(43,390)	(41,454)
Deferred tax liabilities	(13,832)	(13,817)
Current financial liabilities	(498)	(393)
Other current liabilities	(198)	(36)
Total liabilities	(57,918)	(55,700)
Net assets	26,042	27,783

6.3 Other investments

As at 30 June 2023 the Group holds 67,000,000 shares in CPI PG, which represents 0.75% of the CPI PG's shareholding and is valued at EUR 61.9 million (EUR 61.7 million as at 31 December 2022).

For the valuation of the CPI PG shares, held as at 30 June 2023, the EPRA NAV per CPI PG share was used. The same valuation approach was used as at 31 December 2022, when the Group used EPRA NAV per share of CPI PG as at 31 December 2022. EPRA NAV per share of CPI PG (EUR 0.93) differs from the price at the stock-exchange (EUR 0.88) as at 30 June 2023.

The change in the value of CPI PG shares of EUR 0.2 million is recognized in other comprehensive income by the Group.

The detailed calculation of CPI PG's EPRA NAV per share is presented in the CPI PG's half-year report. The Group adjusted the number of shares used in the calculation for the amount of shares owned by the Group as at 30 June 2023 and 31 December 2022. As at 30 June 2023, the EPRA NAV per share of EUR 0.93 (EUR 0.93 as at 31 December 2022) disclosed by CPI PG therefore differs from value used by the Group to value the CPI PG's shares owned.

6.4 Loans provided

	30 June 2023	31 December 2022
Loans provided - related parties and joint ventures	4,896,937	4,583,073
Impairment to non-current loans provided to related parties	(14,679)	(14,679)
Total non-current loans provided	4,882,258	4,568,394
Loans provided - related parties and joint ventures	194,844	144,579
Total current loans provided	194,844	144,579

Loans provided increased in the six-month period ended 30 June 2023 due to new drawing of existing loans provided to related parties. These loans bear interest rate between 0.48% - 15.14% p.a. (determined based on the Group's risk assessment) and mature in 2023 – 2030 (refer to note 11 for more information).

Loans provided to joint venture include loan principal including the interest provided to Uniborc S.A. (see note 6.3) in the amount of EUR 15.4 million and EUR 14.6 million as at 30 June 2023 and 31 December 2022. The loan is repayable in 2023.

6.5 Cash and cash equivalents

	30 June 2023	31 December 2022
Bank balances	195,298	104,080
Cash on hand	2	2
Total cash and cash equivalents	195,300	104,082

6.6 Other current receivables

	30 June 2023	31 December 2022
Cash pool receivables due from related parties	42,230	56,982
Other receivables due from related parties	88,661	98,026
Other receivables due from third parties	35,790	34,952
Impairment – other receivables due from other parties	(18)	(1,902)
Total other financial current assets	166,663	188,058

The Company agreed a cash-pool contracts with related subsidiaries of CPI PG Group. As at 30 June 2023 and 31 December 2022, other current receivables related to cash pool amounted to EUR 42.2 million and EUR 57.0 million, respectively.

6.7 Equity

Share capital and share premium

As at 30 June 2023 and 31 December 2022, the subscribed and fully paid-up capital of the Company of EUR 13,145,076.29 was represented by 1,314,507,629 ordinary shares with nominal value of EUR 0.01 each.

Translation reserve

The following table shows the movement of the translation reserve per related counter accounts in the period:

	30 June 2023	30 June 2022
Opening balance as of 1 January	31,884	16,996
Translation differences related to retranslation of investment property	46,997	(8,306)
- Valued in EUR (and recognized by subsidiaries with non-EUR functional currency)	30,943	(11,132)
- Valued in non-EUR currencies (and recognized by subsidiaries with non-EUR functional currency)	16,054	2,826
Translation differences related to retranslation of intra-group loans and other items	(7,102)	2,226
Closing balance	71,779	10,916

Mandatory takeover bid over Company shares

On 8 June 2016, CPI Property Group's fully owned subsidiary Nukasso Holdings Limited directly and indirectly acquired approximately 97.31% of shares in the Company. As a consequence, Nukasso Holdings Limited from the CPI Property Group became obliged to launch a mandatory takeover bid to purchase any and all of the ordinary shares of the Company (the "Mandatory Takeover Offer"). On 22 August 2016, the Czech Office for the Protection of Competition granted the merger clearance for the acquisition of the Company by CPI Property Group, whereas its decision became final and binding on 23 August 2016.

On 8 December 2017, the CSSF published press releases in which it stated, inter alia, that it has decided not to approve the offer document in the Mandatory Takeover Offer as a consequence of the existence of an undisclosed concert action with respect to the Company. On 15 March 2018, the CSSF published a press release informing that the decisions detailed in the above-mentioned CSSF press releases of 8 December 2017 have been challenged before the Luxembourg administrative courts.

As of the date of this report, the Company has not received any formal decision in relation to the Mandatory Takeover Offer.

Earnings per share

	30 June 2023	30 June 2022
At the beginning of the period	1,314,507,629	1,314,507,629
At the end of the period	1,314,507,629	1,314,507,629
Weighted average outstanding shares for the purpose of calculating the basic EPS	1,314,507,629	1,314,507,629
Weighted average outstanding shares for the purpose of calculating the diluted EPS	1,314,507,629	1,314,507,629
Net profit attributable to the Equity holders of the Company	93,211	55,782
Net profit attributable to the Equity holders of the Company after assumed conversions/exercises	93,211	55,782
Total Basic earnings in EUR per share	0.07	0.04
Diluted earnings in EUR per share	0.07	0.04

Non-controlling interests (NCI)

After the sale of 80% stake in Bubny Development, STRM Alfa, MQM Czech, Polygon BC (all with registered office at Vladislavova 1390/17, Prague 1, 110 00) and Vysočany Office (registered office at Pohořelec 112/24, Prague 1, 118 00) to related company GSG Europa, the Group continues to control and consolidate these entities as at 30 June 2023 and 2022.

As at 30 June 2023

	Bubny Development	STRM Alfa	MQM Czech	Polygon BC	Vysočany Office	Total
	Land bank	Land bank	Land bank	Land bank	Land bank	
Group's interest	20%	20%	20%	20%	20%	-
NCI - at the beginning of the period	155,224	55,427	24,952	68,597	6,526	310,726
NCI - profit for the period	(903)	(375)	(16)	(136)	(6)	(1,436)
Condensed interim financial information						
Non-current assets	283,324	86,253	39,104	123,709	12,770	545,160
Current assets	(202)	1,178	395	20,189	2	21,562
Total assets	283,122	87,431	39,499	143,898	12,772	566,722
Equity attributable to owners	192,899	68,816	31,168	85,578	8,150	386,611
Non-current liabilities and other	90,223	18,615	8,331	58,320	4,622	180,111
Total equity and liabilities	283,122	87,431	39,499	143,898	12,772	566,722
Profit/(Loss) for the year	(1,129)	(469)	(21)	(170)	(7)	(1,796)
Net increase/(decrease) in cash and cash equivalents	13	933	-	26,684	-	27,630

As at 30 June 2022

	Bubny Development Land bank	STRM Alfa Land bank	MQM Czech Land bank	Polygon BC Land bank	Vysočany Office Land bank	Total
Group's interest	20%	20%	20%	20%	20%	-
NCI - at the beginning of the period	143,789	48,088	16,321	63,038	6,085	277,321
NCI - profit for the period	(1,485)	15,598	(14)	22	(6)	14,115
Condensed interim financial information						
<i>Non-current assets</i>	250,473	21,746	24,231	95,062	11,546	403,058
<i>Current assets</i>	22	75,775	350	834	13	76,994
Total assets	250,495	97,521	24,581	95,896	11,559	480,052
<i>Equity attributable to owners</i>	177,880	79,608	20,384	78,825	7,599	364,296
<i>Non-current liabilities and other</i>	72,615	17,913	4,197	17,071	3,960	115,756
Total equity and liabilities	250,495	97,521	24,581	95,896	11,559	480,052
Profit/(Loss) for the year	(1,857)	19,497	(17)	27	(7)	17,643
Net increase/(decrease) in cash and cash equivalents	-	513	-	-	-	513

6.8 Financial debts

	30 June 2023	31 December 2022
Loans from related parties	4,639,744	4,628,903
Bank loans	324,984	20,525
Lease liabilities	4,676	4,434
Total non-current financial debts	4,969,404	4,653,862
Loans from related parties	218,285	245,749
Bank loans	25	30
Lease liabilities	247	234
Total current financial debts	218,557	246,013

In the six-month period ended 30 June 2023, bank loans increased by loans of Polish subsidiaries (EUR 304.4 million).

Balance of loans received from related parties decreased from EUR 4,874.7 million as at 31 December 2022 to EUR 4,858.0 million as at 30 June 2023. The loans bear interest rate between 0.65% - 6.15% p.a.

For details on the loans received from related parties, refer to note 11.

6.9 Other financial current liabilities

	30 June 2023	31 December 2022
Cash pool payables due to related parties	60,984	46,150
Other payables due to related parties	9,232	14,558
Other financial current liabilities due to third parties	11,677	9,599
Total other financial current liabilities	81,893	70,307

The Company agreed a cash-pool contracts with selected subsidiaries of CPI PG Group. As at 30 June 2023 and 31 December 2022, the other financial current liabilities related to cash pool amounted to EUR 61.0 million and EUR 46.2 million, respectively.

6.10 Deferred tax liabilities

Movement in the net deferred tax

	2023	2022
Net deferred tax asset / (liability) as at 1 January	(28,769)	3,055
Recognized in profit or loss	(418)	1,928
Recognized in other comprehensive income	-	386
Translation differences and other movements	1,608	(110)
As at 30 June	(30,795)	5,259

7 Fair value measurement

7.1 Fair value of financial instruments

Fair value measurements of financial instruments reported at fair value are classified by level of the following measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the six months ended 30 June 2023.

The following tables show the carrying amounts at fair value of financial assets and liabilities, including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	30 June 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at fair value				
CPI Property Group shares*	61,889	61,889	61,646	61,646
Other investments	9	9	9	9
Financial assets not measured at fair value				
Loans provided**	5,061,742	5,436,754	4,698,329	5,065,198
Loans provided to joint venture	15,360	15,360	14,644	14,644
Financial liabilities not measured at fair value				
Financial debt – other	5,167,428	5,012,323	4,879,320	4,702,563
Financial debt – bank loans (fixed rate)	20,533	22,128	20,533	18,551

* For the valuation as at 30 June 2023, the shares are valued using EPRA NAV per share of CPI PG as at 30 June 2023 (refer to note 6.3).

** The fair values of the financial assets and financial liabilities included in the level 3 category have been determined in accordance with generally accepted pricing models based on the discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties, with exception of loans provided to/ received from entities controlled by the majority shareholder of the Company, which bear limited credit risk from the Group's perspective.

7.2 Fair value measurement of investment property

The Group's investment properties were valued at 31 December 2022 in accordance with the Group's accounting policies. In cases where there were indicators of significant changes identified, the value of the asset would be updated based on the external or internal appraisal as of 30 June 2023. As at 30 June 2023, the Group did not identify any indicators of significant changes in the values of its investment property.

8 Litigations

Kingstown dispute in Luxembourg

On 20 January 2015, the Company was served with a summons containing petition of the three companies namely Kingstown Partners Master Ltd. of the Cayman Islands, Kingstown Partners II, LP of Delaware and Ktown LP of Delaware (together referred to as „Kingstown“), claiming to be the shareholders of CPI FIM SA, filed with the Tribunal d'Arrondissement de et a Luxembourg (the "Luxembourg Court"). The petition seeks condemnation of the Company together with CPI FIM SA and certain members of CPI FIM SA's board of directors as jointly and severally liable to pay damages in the amount of EUR 14.5 million and compensation for moral damage in the amount of EUR 5 million. According to Kingstown's allegation the claimed damage has arisen as a consequence of inter alia alleged violation of CPI FIM SA's minority shareholders rights.

To the best of Company's knowledge, Kingstown was not at the relevant time a shareholder of the Company. Therefore, and without any assumption regarding the possible violation, the Company believes that it cannot be held liable for the violation of the rights of the shareholders of another entity.

The Management of the Company has been taking all available legal actions to oppose these allegations in order to protect the corporate interest as well as the interest of its shareholders. Accordingly, the parties sued by Kingstown raised the exceptio judicatum solvi plea, which consists in requiring the entity who initiated the proceedings and who does not reside in the European Union or in a State which is not a Member State of the Council of Europe to pay a legal deposit to cover the legal costs and compensation procedure. On 19 February 2016 the Luxembourg Court rendered a judgement, whereby each claimant has to place a legal deposit in the total amount of EUR 90 thousand with the "Caisse de Consignation" in Luxembourg in order to continue the proceedings. Kingstown paid the deposit in January 2017, and the litigation, currently being in a procedural stage, is pending. In October 2018, Kingstown's legal advisers filed additional submission to increase the amount of alleged damages claimed to EUR 157.0 million. The Company continues to believe the claim is without merit.

On 21 June 2019 the Company received a first instance judgment, which declared that a claim originally filed by Kingstown in 2015 was null and void against CPIPG. The Court dismissed the claim against CPIPG because the claim was not clearly pleaded ("libellé obscur"). Specifically, Kingstown did not substantiate or explain the basis of their claim against CPIPG and failed to demonstrate how CPIPG committed any fault.

In December 2020, the Luxembourg Court declared that the inadmissibility of the claim against the Company and certain other defendants has not resulted in the inadmissibility of the litigation against the Company's subsidiary CPI FIM SA and the remaining defendants. Some defendants have decided to appeal against this judgment of which declared the claim admissible against CPI FIM SA. On 28 March 2023 the court of appeal has rejected the appeal and therefore the case will be heard on the merits before the first instance Luxembourg Court as of the second half of 2023.

Disputes related to warrants issued by the Company

The Company's subsidiary CPI FIM SA was sued by holders of the warrants holders of 2014 Warrants registered under ISIN code XS0290764728 (the "2014 Warrants"). The first group of the holders of the Warrants sued CPI FIM for approximately EUR 1.2 million in relation to the Change of Control Notice published by CPI FIM SA, notifying the holders of the 2014 Warrants that the Change of Control, as defined in the Securities Note and the Summary for the 2014 Warrants, occurred on 8 June 2016. The second holder of the 2014 Warrants sued CPI FIM SA for approximately EUR 1 million in relation to the alleged change of control which allegedly occurred in 2013. These litigations are pending. CPI FIM SA is defending itself against these lawsuits.

It is reminded that in accordance with the judgement of the Paris Commercial Court pronounced on 26 October 2015 concerning the termination of the CPI FIM SA's Safeguard Plan, liabilities that were admitted to the Safeguard, but are conditional or uncalled (such as uncalled bank guarantees, conditional claims of the holders of 2014 Warrants registered under ISIN code XS0290764728, provided that they were admitted to the Safeguard plan), will be paid according to their contractual terms. Pre-Safeguard liabilities that were not admitted to the CPI FIM SA's Safeguard will be unenforceable. As such, only claims of holders of the 2014 Warrants, whose potential claims were admitted to the CPI FIM SA's Safeguard Plan, could be considered in respect of the present Change of Control. Claims of holders of the 2014 Warrants that were not admitted to the CPI FIM SA's Safeguard will be unenforceable against CPI FIM SA. To the best of Company's knowledge, none of the holders of the 2014 Warrants who sued CPI FIM SA filed their claims 2014 Warrants related claims in the CPI FIM SA's Safeguard Plan.

On 9 March 2023 the Luxembourg Court issued a judgment, rejecting the claims of the holders of the 2014 Warrants. The Luxembourg Court confirmed that any claim in relation to the change of control provision had to be made, in accordance with the provisions of the Paris Commercial Code, within 2 months as from the date of publication of the judgement opening the Safeguard Procedure in the French Official Gazette. Since the claimants did not comply with this obligation, their claim for payment under the change of control provision is not well-founded and has to be rejected. The claimants did not appeal and the case is closed now.

9 Capital and other commitments

Capital and other commitments

The Group has capital commitments of EUR 26.8 million in respect of capital expenditures contracted as at 30 June 2023 (EUR 35.8 million as at 31 December 2022).

10 Related party transactions

Transactions with key management personnel

Total compensation given as short-term employee benefits to the top managers for the six-month period ended 30 June 2023 was EUR 0.2 million (EUR 0.2 million in the six-month period ended 30 June 2022).

The Board and Committees attendance compensation for the six-month period ended 30 June 2023 was EUR 18 thousand (EUR 18 thousand in the six-month period ended 30 June 2022).

The remuneration of the key management personnel and members of Board of Directors

	30 June 2023	30 June 2022
Remuneration paid to the key management personnel and members of Board of Directors	206	150
Total remuneration	206	150

Breakdown of balances and transactions with related of the Group

Majority shareholder of the Group

Balances at	30 June 2023	31 December 2022
Trade receivables	-	116

Management

Balances at	30 June 2023	31 December 2022
Other payables	7	12
Advances received	136	435
Transactions	30 June 2023	30 June 2022
Administrative expenses	(18)	(18)

Entities over which the majority shareholder has control

Balances at	30 June 2023	31 December 2022
Trade receivables	14	19
Transactions	30 June 2023	30 June 2022
Rental income	10	10
Other income	15	15

Entities controlled by members of Board of Directors

Balances at	30 June 2023	31 December 2022
Trade payables	60	67

CPI PG Group

Balances at	30 June 2023	31 December 2022
Loans provided non-current (refer below for the detail)	4,881,845	4,568,638
Loans provided current (refer below for the detail)	194,576	144,370
Trade receivables	85	1,018
Other current receivables	130,891	155,008
Loans received non-current (refer below for the detail)	4,639,744	4,628,903
Loans received current (refer below for the detail)	218,285	245,749
Trade payables	612	4,983
Other current liabilities	70,216	60,708
Transactions	30 June 2023	30 June 2022
Service revenue	159	267
Advisory services	(2,262)	(2,369)
Interest income (refer below for the detail)	119,287	112,197
Interest expense (refer below for the detail)	(68,069)	(95,063)

Joint venture

Balances at	30 June 2023	31 December 2022
Loans provided non-current (refer below for the detail)	15,092	14,435
Loans provided current (refer below for the detail)	268	209
Transactions	30 June 2023	30 June 2022
Interest income (refer below for the detail)	716	449

Non-current loans provided to related parties

CPI PG Group	30 June 2023	31 December 2022
1 Bishops Avenue Limited	128,059	153,371
Andrássy Hotel Zrt.	3,680	3,620
Andrássy Real Kft.	-	11,857
Balvinder, a.s.	3,154	3,141
Baudry Beta, a.s.	10,943	10,475
BAYTON Alfa, a.s.	15,028	12,966
Best Properties South, a.s.	72,911	68,144
Brno Development Services, s.r.o.	3,373	7,662
Březiněves, a.s.	1,384	2,274
CAMPONA Shopping Center Kft.	52,458	48,053
Carpenter Invest, a.s.	2,649	2,558
Conradian, a.s.	5,236	5,001
CPI – Bor, a.s.	-	24,508
CPI - Horoměřice, a.s.	57	52
CPI - Orlová, a.s.	1,027	1,354
CPI - Real Estate, a.s.	2,929	3,057
CPI Beet, a.s.	249	263
CPI Blatiny, s.r.o.	3,221	3,026
CPI BYTY, a.s.	85,959	88,037
CPI East, s.r.o.	96,876	80,457
CPI Energo, a.s.	1,019	225
CPI Facility Slovakia, a.s.	5,432	5,682
CPI Green, a.s.	804	-
CPI Hotels, a.s.	22,560	22,211
CPI Hotels Properties, a.s.	18,369	18,067
CPI IMMO, S.a.r.l.	3,739	3,797
CPI Kappa, s.r.o.	1,067	858
CPI Národní, s.r.o.	88,133	93,983
CPI Office Business Center, s.r.o.	97,537	95,470
CPI Office Prague, s.r.o.	-	3,414
CPI Park Jablonné v Podještědí, s.r.o.	282	-
CPI PROPERTY GROUP S.A.	2,528,685	2,159,961
CPI Reality, a.s.	52,791	53,246
CPI Retail One Kft.	4,219	3,770
CPI Retail Portfolio Holding Kft.	14,681	24,788
CPI Retail Portfolio I, a.s.	15,263	12,869
CPI Retail Portfolio VIII s.r.o.	7,679	7,629
CPI Sekunda, s.r.o.	1,425	1,529
CPI Shopping MB, a.s.	35,812	36,717
CPI Shopping Teplice, a.s.	45,652	48,982
CPI Théta, a.s.	-	4,470
CPI Žabotova, a.s.	4,223	4,108
CPIPG Management S.à r.l.	166,622	173,084
Czech Property Investments, a.s.	419,413	421,981
Eclair Aviation s.r.o.	828	-
EMH South, s.r.o.	7,695	6,515
ENDURANCE HOSPITALITY FINANCE S.à.r.l.	8,043	8,043
Europeum Kft.	22,479	21,759
Farhan, a.s.	56,139	50,580
FL Property Development, a.s.	206	200
Futurum HK Shopping, s.r.o.	87,826	88,803
HD Investment s.r.o.	1	1
Hightech Park Kft.	3,647	3,236
Hraničář, a.s.	14,283	14,033
IS Nyír Ingatlanhasznosítóés Vagyonkezelő Kft.	2,819	2,650
IS Zala Ingatlanhasznosítóés Vagyonkezelő Kft.	7,828	7,250
Janáčkovo náměstí 15, s.r.o.	7,700	6,686
Kerina, a.s.	6,775	7,093
KOENIG Shopping, s.r.o.	47,479	47,402
Kunratická farma, s.r.o.	1,348	-
LD Praha, a.s.	4,718	4,813
Lockhart, a.s.	23,367	23,054
Lucemburská 46, a.s.	-	5,837
Marissa Omikrón, a.s.	15,922	15,886
Marissa Tau, a.s.	16,894	16,562
Marissa Théta, a.s.	352	388
Marissa West, a.s.	80,345	73,263
MARRETIM s.r.o.	479	484

CPI FIM GROUP

CPI PG Group	30 June 2023	31 December 2022
MUXUM, a.s.	7,406	7,234
Na Poříčí, a.s.	30,820	27,124
New Age Kft.	1,368	911
Nymburk Property Development, a.s.	2,160	1,701
Olomouc Building, a.s.	21,293	20,928
Orchard Hotel a.s.	6,140	6,023
OZ Trmice, a.s.	11,597	423
Ozrics Kft.	2,921	2,567
Platněřská 10 s.r.o.	84	75
Pólus Shopping Center Zrt.	63,320	58,639
Projekt Nisa, s.r.o.	77,364	81,102
Projekt Zlatý Anděl, s.r.o.	75,367	80,897
Prostějov Investments, a.s.	2,485	1,906
Real Estate Energy Kft.	26	26
Residence Belgická, s.r.o.	1,605	1,590
Residence Izabella, Zrt.	3,664	3,528
Rezidence Jančova, s.r.o.	1,328	1,207
Rezidence Malkovského, s.r.o.	4,382	1,849
Savile Row 1 Limited	76,141	70,365
SCP Reflets	8,668	8,653
Spojené elektrárny, s.r.o.	526	207
Spojené farmy a.s.	1,053	-
Statek Kravaře, a.s.	632	-
Statenice Property Development, a.s.	2,959	2,825
Tachov Investments, s.r.o.	36	-
Třinec Property Development, a.s.	3,279	3,617
Tyršova 6, a.s.	3,149	3,419
U svatého Michala, a.s.	3,548	3,465
Uchaux Limited	13,784	3,176
V Team Prague, s.r.o.	-	158
Vigano, a.s.	12,967	12,247
ZET.office, a.s.	-	31,521
Total loans provided non-current - related parties	4,881,845	4,568,638
Joint venture		
Uniborc S.A.	15,092	14,435
Total	4,896,937	4,583,073

Current loans provided to related parties

CPI PG Group	30 June 2023	31 December 2022
Andrássy Hotel Zrt.	70	69
Andrássy Real Kft.	-	229
Balvinder, a.s.	36	36
Baudry Beta, a.s.	197	600
BAYTON Alfa, a.s.	222	189
Best Properties South, a.s.	1,296	1,210
Brno Development Services, s.r.o.	61	181
Březiněves, a.s.	27	42
CAMPONA Shopping Center Kft.	1,190	1,093
Carpenter Invest, a.s.	41	39
Conradian, a.s.	83	79
CPI – Bor, a.s.	-	524
CPI - Horoměřice, a.s.	1	1
CPI - Orlová, a.s.	30	34
CPI – Real Estate, a.s.	34	37
CPI Beet, a.s.	4	4
CPI Blatiny, s.r.o. (formerly CPI Tercie, s.r.o.)	86	131
CPI BYTY, a.s.	850	873
CPI East, s.r.o.	1,196	1,068
CPI Energo, a.s.	33	1
CPI Facility Slovakia, a.s.	96	61
CPI Green, a.s.	4	-
CPI Hotels, a.s.	291	300
CPI Hotels Properties, a.s.	333	327
CPI IMMO, S.a.r.l.	14	29
CPI Kappa, s.r.o.	16	13
CPI Národní, s.r.o.	2,053	2,085
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	1,718	1,685
CPI Office Prague, s.r.o.	-	59
CPI Park Jablonné v Podještědí, s.r.o.	5	-
CPI PROPERTY GROUP S.A.	152,065	107,345

CPI FIM GROUP

CPI PG Group	30 June 2023	31 December 2022
CPI Reality, a.s.	888	896
CPI Retail One Kft.	61	54
CPI Retail Portfolio I, a.s.	212	202
CPI Retail Portfolio VIII s.r.o.	133	131
CPI RETAIL PORTFOLIO HOLDING Kft.	255	1,033
CPI Sekunda, s.r.o.	29	27
CPI Shopping MB, a.s.	550	504
CPI Shopping Teplice, a.s.	852	806
CPI Théta, a.s.	3	141
CPI Žabotova, a.s.	85	104
CPIPG Management S.à r.l.	6,264	4,287
Czech Property Investments, a.s.	9,824	5,215
Eclair Aviation s.r.o.	39	-
EMH South, s.r.o.	131	116
Europeum Kft.	439	430
Farhan, a.s.	997	915
FL Property Development, a.s.	3	3
Futurum HK Shopping, s.r.o.	1,571	1,435
Hightech Park Kft.	60	54
Hospitality Invest S.a r.l.	109	84
Hraničář, a.s.	195	193
IS Nyír Kft.	58	56
IS Zala Kft.	171	160
Janáčkovo nábřeží 15, s.r.o.	94	79
Kerina, a.s.	75	79
KOENIG Shopping s.r.o.	842	793
Kunratická farma, s.r.o.	48	-
LD Praha, a.s.	44	45
Lockhart, a.s.	322	318
Lucemburská 46, a.s.	-	43
Marissa Omikrón, a.s.	255	247
Marissa Tau, a.s.	272	266
Marissa Théta, a.s.	3	3
Marissa West, a.s.	1,423	1,325
MARRETIM s.r.o.	7	8
MUXUM, a.s.	86	83
Na Poříčí, a.s.	542	488
New Age Kft.	28	14
Nymburk Property Development, a.s.	23	23
Olomouc Building, a.s.	390	384
Orchard Hotel a.s.	109	107
OZ Trmice, a.s.	379	9
Ozrics, Kft.	49	44
Platněšská 10 s.r.o.	1	1
Pólus Shopping Center Zrt.	1,365	1,273
Projekt Nisa, s.r.o.	1,323	1,292
Projekt Zlatý Anděl, s.r.o.	1,150	1,059
Prostějov Investments, a.s.	38	24
Real Estate Energy Kft.	1	-
Residence Belgická, s.r.o.	19	19
Residence Izabella, Zrt.	79	75
Rezidence Jančova, s.r.o.	37	34
Rezidence Malkovského, s.r.o.	86	39
SCP Reflets	55	56
Spojené elektrárny, s.r.o.	14	-
Spojene farmy a.s.	5	-
Státek Kravaře, a.s.	20	-
Statenice Property Development, a.s.	49	40
Tachov Investments, s.r.o.	1	-
Třinec Property Development, a.s.	94	92
Tyršova 6, a.s.	23	25
U svatého Michala, a.s.	49	44
V Team Prague, s.r.o.	-	3
Vigano, a.s.	195	184
ZET.office, a.s.	-	562
Total loans provided current - related parties	194,576	144,370
Joint venture		
Uniborc S.A.	268	209
Total	194,844	144,579

Other current receivables (Cash pool)

CPI PG Group	30 June 2023	31 December 2022
Andrassy Hotel Zrt.	118	70
Balvinder, a.s.	28	-
Baudry Beta, a.s.	306	193
BAYTON Alfa, a.s.	220	446
Best Properties South, a.s.	823	5,635
Brno Development Services, s.r.o.	463	1,707
BRNO INN, a.s.	4	7
Březiněves, a.s.	65	6
CAMPONA Shopping Center Kft.	-	129
CPI - Bor, a.s.	-	1,466
CPI - Real Estate, a.s.	8	-
CPI - Zbraslav, a.s.	15	-
CPI Beet, a.s.	42	32
CPI BYTY, a.s.	34	18
CPI East, s.r.o.	1,722	192
CPI Energo, a.s.	1,420	-
CPI Facility Management Kft.	-	6
CPI Hotels Properties, a.s.	153	38
CPI Hungary Investments Kft.	502	-
CPI Hungary Kft.	1,638	202
CPI Kappa, s.r.o.	16	67
CPI Management, s.r.o.	-	2,839
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	207	211
CPI Office Prague, s.r.o.	-	633
CPI Poland Property Management sp. z o.o.	-	439
CPI Poland Sp. z o.o.	7,254	1,963
CPI PROPERTY GROUP S.A.	3,693	991
CPI Reality, a.s.	17	-
CPI Retail Portfolio I, a.s.	36	17
CPI Retail Portfolio VIII, a.s.	30	-
CPI Retails ONE, a.s.	80	68
CPI Services, a.s.	11,772	12,644
CPI Žabotova, a.s.	15	162
CPIPG Management S.à r.l.	539	246
CT Development sp. z o.o.	82	-
Czech Property Investments, a.s.	2,668	878
Diana Development sp. z o.o.	97	13
EMH South, s.r.o.	29	636
ENDURANCE HOSPITALITY ASSET S.à r.l.	6	6
ENDURANCE HOSPITALITY FINANCE S.à r.l.	6	6
Equator II Development sp. z o.o.	878	-
Equator Real sp. z o.o.	-	321
Europeum Kft.	232	242
Farhan, a.s.	932	6,932
FL Property Development, a.s.	-	6
Futurum HK Shopping, s.r.o.	66	5
Gadwall, Sp. z o.o.	-	2
GCA Property Development sp. z o.o.	7	4
Hightech Park Kft.	138	-
Hospitality invest S.à r.l.	7	13
HOTEL U PARKU, s.r.o.	6	6
Hraničář, a.s.	42	5
IS Nyír Kft.	91	1
IS Zala Kft.	102	135
Janáčkovo nábřeží 15, s.r.o.	192	402
Kerina, a.s.	14	-
KOENIG Shopping, s.r.o.	67	3
LD Praha, a.s.	6	-
Le Regina Warsaw Sp. z o.o.	5	2
Lockhart, a.s.	14	-
Marissa Théta, a.s.	2	-
Marissa West, a.s.	224	5,625
MARRETIM s.r.o.	3	-
MMR RUSSIA S.à r.l.	2	15
Moniuszki Office sp. z o.o.	-	23
MUXUM, a.s.	38	30
Na Poříčí, a.s.	-	3,265
New Age Kft.	9	69

CPI FIM GROUP

CPI PG Group	30 June 2023	31 December 2022
Nymburk Property Development, a.s.	115	-
Olomouc Building, a.s.	26	8
Orchard Hotel a.s.	23	-
Oxford Tower sp. z o.o.	-	4,347
OZ Trmice, a.s.	32	-
Ozrics Kft.	66	80
Platněřská 10 s.r.o.	3	3
Projekt Nisa, s.r.o.	169	160
Projekt Zlatý Anděl, s.r.o.	3	233
Prosta 69 Sp. z o.o.	2	467
Real Estate Energy Kft.	4,496	-
Residence Belgická, s.r.o.	10	-
Residence Izabella Zrt.	67	83
Tepelné hospodářství Litvínov s.r.o.	-	273
Třinec Property Development, a.s.	16	3
Tyršova 6, a.s.	3	3
U svatého Michala, a.s.	14	27
V Team Prague, s.r.o.	-	1,594
ZET.office, a.s.	-	629
Total	42,230	56,982

Non-current financial debts received from related parties

CPI PG Group	30 June 2023	31 December 2022
BPT Development, a.s.	-	80
Brno Property Development, a.s.	18,077	23,989
Byty Lehovec, s.r.o.	1,355	1,319
CPI - Bor, a.s.	13,703	-
CPI - Zbraslav, a.s.	444	546
CPI Finance CEE, a.s.	75	73
CPI Green, a.s.	84	83
CPI PROPERTY GROUP S.A.	4,068,076	4,068,068
Czech Property Investments, a.s.	10,728	9,577
Gebauer Höfe Liegenschaften GmbH	24,118	23,898
Gewerbesiedlungs-Gesellschaft mbH	76,128	75,433
GSG Asset GmbH & Co. Verwaltungs KG	4,134	4,073
GSG Berlin Invest GmbH	34,733	34,416
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG	22,468	22,169
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG	23,310	22,981
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG	76,726	75,815
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG	31,831	31,416
GSG Gewerbehöfe Berlin 5. GmbH & Co. KG	60,648	59,862
HOTEL U PARKU, s.r.o.	156	507
Jetřichovice Property, a.s.	240	239
PROJECT FIRST a.s.	4,731	5,080
ST Project Limited	167,979	169,110
Tachov Investments, s.r.o.	-	169
Total	4,639,744	4,628,903

Current financial debts received from related parties

CPI PG Group	30 June 2023	31 December 2022
BAYTON Gama, a.s.	-	3
BPT Development, a.s.	-	1
BRNO INN, a.s.	373	2,913
Brno Property Development, a.s.	134	181
Byty Lehovec, s.r.o.	6	14
CPI - Bor, a.s.	15	-
CPI - Zbraslav, a.s.	4	14
CPI Facility Management Kft.	536	461
CPI Finance CEE, a.s.	1	1
CPI Flats, a.s.	-	10
CPI Green, a.s.	1	3
CPI Hungary Investments Kft.	6,213	5,749
CPI Hungary Kft.	68	717
CPI PROPERTY GROUP S.A.	200,127	230,035
Czech Property Investments, a.s.	38	1,079
Gebauer Höfe Liegenschaften GmbH	706	220
Gewerbesiedlungs-Gesellschaft mbH	2,227	695
GSG Asset GmbH & Co. Verwaltungs KG	121	61
GSG Berlin Invest GmbH	1,016	317
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG	657	299

CPI FIM GROUP

CPI PG Group	30 June 2023	31 December 2022
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG	682	329
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG	2,245	910
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG	931	415
GSG Gewerbehöfe Berlin 5. GmbH & Co. KG	1,774	786
HOTEL U PARKU, s.r.o.	2	4
Jetřichovice Property, a.s.	2	2
PROJECT FIRST, a.s.	37	38
Tachov Investments, s.r.o.	-	5
Telč Property Development, a.s.	-	47
Tepelné hospodářství Litvínov s.r.o.	369	440
Total	218,285	245,749

Other current liabilities (Cash pool)

CPI PG Group	30 June 2023	31 December 2022
Andrassy Hotel Zrt.	99	242
Atrium Complex sp. z o.o.	441	251
Balvinder, a.s.	-	34
Baudry Beta, a.s.	479	150
Best Properties South, a.s.	4	-
Brno Development Services, s.r.o.	5	-
BRNO INN, a.s.	115	204
Březiněves, a.s.	-	566
CAMPONA Shopping Center Kft.	613	81
Central Tower 81 sp. z o.o.	464	160
City Gardens Sp. z o.o.	916	492
CPI - Bor, a.s.	268	419
CPI - Real Estate, a.s.	85	108
CPI - Zbraslav, a.s.	75	58
CPI BYTY, a.s.	4,397	3,159
CPI East, s.r.o.	68	2,769
CPI Energo, a.s.	898	434
CPI Facility Management Kft.	43	38
CPI Facility Slovakia, a.s.	161	165
CPI Hotels Properties, a.s.	-	1
CPI Hungary Investments Kft.	-	820
CPI Hungary Kft.	-	215
CPI Management, s.r.o.	1,039	888
CPI Národní, s.r.o.	2,759	2,165
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	697	704
CPI Office Prague, s.r.o.	-	257
CPI Poland Property Management sp. z o.o.	1,441	775
CPI Poland Sp. z o.o.	8,679	2,860
CPI Property Group S.A.	545	853
CPI Reality, a.s.	1,242	1,460
CPI Retail Portfolio I, a.s.	354	329
CPI Retail Portfolio VIII s.r.o.	310	212
CPI Services, a.s.	3,318	-
CPI Shopping MB, a.s.	934	803
CPI Shopping Teplice, a.s.	943	1,058
CT Development sp. z o.o.	44	94
Czech Property Investments, a.s.	-	2,162
EMH South, s.r.o.	341	-
Equator Real sp. z o.o.	570	56
Europeum Kft.	929	1,210
Farhan, a.s.	1,106	2,192
FL Property Development, a.s.	1	-
Futurum HK Shopping, s.r.o.	1,949	1,795
Gadwall, Sp. z o.o.	33	74
GCA Property Development sp. z o.o.	624	353
Hightech Park Kft.	-	32
Hraničář, a.s.	142	60
IS Nyír Kft.	120	217
IS Zala Kft.	369	323
Kerina, a.s.	165	164
KOENIG Shopping, s.r.o.	809	1,022
LD Praha, a.s.	43	118
Le Regina Warsaw Sp. z o.o.	28	167
Lockhart, a.s.	81	21
Lucemburská 46, a.s.	-	303
Marissa Omikrón, a.s.	274	313

CPI FIM GROUP

CPI PG Group	30 June 2023	31 December 2022
Marissa Tau, a.s.	385	423
Marissa Théta, a.s.	34	30
Marissa West, a.s.	946	174
MARRETIM s.r.o.	25	16
Moniuszki Office sp. z o.o.	179	72
Na Poříčí, a.s.	725	238
Nymburk Property Development, a.s.	666	426
Olomouc Building, a.s.	339	38
Orchard Hotel a.s.	-	15
Oxford Tower sp. z o.o.	7	-
OZ Trmice, a.s.	1,585	9
Ozrics Kft.	-	4
Pólus Shopping Center Zrt.	1,502	951
Projekt Nisa, s.r.o.	1,590	1,446
Projekt Zlatý Anděl, s.r.o.	2,023	1,610
Prosta 69 Sp. z o.o.	176	100
Real Estate Energy Kft.	10,984	6,057
Residence Belgická, s.r.o.	17	16
Residence Izabella Zrt.	196	228
Tepelné hospodářství Litvínov s.r.o.	431	-
Třinec Property Development, a.s.	137	134
Tyršova 6, a.s.	17	159
V Team Prague, s.r.o.	-	19
ZET.office, a.s.	-	579
Total	60,984	46,150

Interest income from related parties

	Six-month period ended	
	30 June 2023	30 June 2022
1 Bishops Avenue Limited	2,693	2,863
AIRPORT CITY Kft.	-	64
Airport City Phase B Kft.	-	10
ALIZÉ PROPERTY a.s.	-	2
Andrássy Hotel Zrt.	144	145
Andrássy Real Kft.	146	455
Arena Corner Kft.	-	1,191
Balvinder, a.s.	73	87
Baudry Beta, a.s.	397	396
BAYTON Alfa, a.s.	441	364
BC 99 Office Park Kft.	-	1,040
Beroun Property Development, a.s.	-	366
Best Properties South, a.s.	2,618	2,404
Brandýs Logistic, a.s.	-	326
Brno Development Services, s.r.o.	249	64
BRNO INN, a.s.	1	0
Březiněves, a.s.	65	75
Buy-Way Dunakeszi Kft.	-	149
Buy-Way Soroksár Kft.	-	120
CAMPONA Shopping Center Kft.	2,341	2,667
Carpenter Invest, a.s.	81	72
CB Property Development, a.s.	-	48
Conradian, a.s.	165	150
CPI – Bor, a.s.	1,129	613
CPI - Horoměřice, a.s.	2	1
CPI - Orlová, a.s.	68	42
CPI - Real Estate, a.s.	70	71
CPI - Zbraslav, a.s.	2	-
CPI Beet, a.s.	10	6
CPI Blatiny, s.r.o.	170	-
CPI BYTY, a.s.	2,047	1,972
CPI Delta, a.s.	-	56
CPI East, s.r.o.	2,221	2,168
CPI Energo, a.s.	103	-
CPI Facility Management Kft.	12	-
CPI Facility Slovakia, a.s.	74	83
CPI Green, a.s.	4	-
CPI Hotels, a.s.	581	641
CPI Hotels Properties, a.s.	667	623
CPI Hungary Investments Kft.	34	1
CPI Hungary Kft.	118	7

	Six-month period ended	
	30 June 2023	30 June 2022
CPI IMMO, S.a.r.l.	28	28
CPI Kappa, s.r.o.	35	25
CPI Management, s.r.o.	19	54
CPI Národní, s.r.o.	4,125	-
CPI Office Business Center, s.r.o.	3,432	3,239
CPI Office Prague, s.r.o.	123	88
CPI Park Jablonné v Podještědí, s.r.o.	5	-
CPI Poland Sp. z o.o.	151	-
CPI PROPERTY GROUP S.A.	44,776	37,170
CPI Reality, a.s.	1,793	1,726
CPI Retail One Kft.	122	168
CPI Retail Portfolio Holding Kft.	252	361
CPI Retail Portfolio I, a.s.	421	216
CPI Retail Portfolio II, a.s.	-	118
CPI Retail Portfolio IV, s.r.o.	-	44
CPI Retail Portfolio V, s.r.o.	-	111
CPI Retail Portfolio VI, s.r.o.	-	62
CPI Retail Portfolio VIII s.r.o.	267	155
CPI Retails ONE, a.s.	-	313
CPI Retails ROSA s.r.o.	-	92
CPI Retails THREE, a.s.	-	603
CPI Retails TWO, a.s.	-	262
CPI Sekunda, s.r.o.	57	15
CPI Services, a.s.	352	51
CPI Shopping MB, a.s.	1,106	1,039
CPI Shopping Teplice, a.s.	1,713	1,667
CPI Théta, a.s.	255	-
CPI Žabotova, a.s.	169	107
CPIPG Management S.à r.l.	2,651	3,603
CT Development sp. z o.o.	15	-
Czech Property Investments, a.s.	11,032	10,459
Čadca Property Development, s.r.o.	-	43
Čáslav Investments, a.s.	-	74
Diana Development sp. z o.o.	1	1
Eclair Aviation s.r.o.	39	-
EMH South, s.r.o.	259	244
Equator II Development sp. z o.o.	10	-
Equator Real sp. z o.o.	-	2
Europeum Kft.	890	894
Farhan, a.s.	2,027	1,894
FL Property Development, a.s.	6	6
Futurum HK Shopping, s.r.o.	3,162	2,994
FVE CHZ s.r.o.	-	4
Gateway Office Park Kft.	-	250
HD Investment s.r.o.	-	2
HECF Vestec 2 s.r.o. (formerly CPI Vestec, s.r.o.)	-	66
Hightech Park Kft.	124	116
Hospitality invest S.à r.l.	1	1
HOTEL U PARKU, s.r.o.	-	1
Hraničář, a.s.	391	377
IGY2 CB, a.s.	-	29
IS Nyír Ingatlanhasznosítóés Vagyonkezelő Kft.	119	103
IS Zala Ingatlanhasznosítóés Vagyonkezelő Kft.	347	337
Janáčkovo nábřeží 15, s.r.o.	195	236
Jeseník Investments, a.s.	-	84
Kerina, a.s.	154	152
KOENIG Shopping, s.r.o.	1,687	1,653
Komárno Property Development, a.s.	-	26
Kunratická farma, s.r.o.	48	39
LD Praha, a.s.	89	89
Levice Property Development, a.s.	-	75
Lockhart, a.s.	645	679
Lucemburská 46, a.s.	49	86
Marissa Omikrón, a.s.	510	484
Marissa Tau, a.s.	545	529
Marissa Théta, a.s.	6	10
Marissa West, a.s.	2,850	2,782
Marissa Ypsilon, a.s.	-	1,225
MARRETIM s.r.o.	15	28

	Six-month period ended	
	30 June 2023	30 June 2022
Michalovce Property Development, a.s.	-	45
MUXUM, a.s.	171	161
Na Poříčí, a.s.	1,086	1,003
New Age Kft.	65	25
Nymburk Property Development, a.s.	49	58
OC Nová Zdaboř a.s.	-	295
OC Spektrum, s.r.o.	-	542
Olomouc Building, a.s.	780	749
Orchard Hotel a.s.	218	205
Oxford Tower sp. z o.o.	-	1
OZ Trmice, a.s.	413	-
Ozrics, Kft.	100	88
Pelhřimov Property Development, a.s.	-	92
Platněřská 10 s.r.o.	3	2
Pólus Shopping Center Zrt.	2,687	2,631
Považská Bystrica Property Development, a.s.	-	11
Prievidza Property Development, a.s.	-	39
Projekt Nisa, s.r.o.	2,795	2,685
Projekt Zlatý Anděl, s.r.o.	2,337	2,140
Prosta 69 Sp. z o.o.	2	15
Prostějov Investments, a.s.	75	40
Příbor Property Development, s.r.o.	-	18
Real Estate Energy Kft.	192	3
Residence Belgická, s.r.o.	38	41
Residence Izabella, Zrt.	162	141
Rezidence Jančova, s.r.o.	72	64
Rezidence Malkovského, s.r.o.	142	1
Savile Row 1 Limited	1,936	1,869
SCP Reflets	109	54
Spojené elektrárny, s.r.o.	13	-
Spojené farmy a.s.	5	-
Statek Kravaře, a.s.	20	-
Statenice Property Development, a.s.	97	68
Svitavy Property Alfa, a.s.	-	300
Tachov Investments, s.r.o.	1	-
Tepelné hospodářství Litvínov, s.r.o.	1	6
Třebíšov Property Development, s.r.o.	-	46
Třinec Investments, s.r.o.	-	69
Třinec Property Development, a.s.	190	110
Tyršova 6, a.s.	47	50
U svatého Michala, a.s.	98	91
Uchaux Limited	469	23
V Team Prague, s.r.o.	-	198
Vigano, a.s.	388	337
ZET.office, a.s.	732	1,127
Ždírec Property Development, a.s.	-	21
Total interest income - related parties	119,287	112,197
Joint venture	716	449
Uniborc S.A.	716	449
Total interest income - related parties and joint ventures	120,003	112,646

Interest expense from related parties

	Six-month period ended	
	30 June 2023	30 June 2022
Andrassy Hotel Zrt.	2	-
Andrássy Real Kft.	-	1
Atrium Complex sp. z o.o.	19	17
Baudry Beta, a.s.	6	3
BAYTON Alfa, a.s.	-	2
BC 99 Office Park Kft.	-	1
Beroun Property Development, a.s.	-	6
Best Properties South, a.s.	19	1
BPT Development, a.s.	1	2
Brandýs Logistic, a.s.	-	2
Brno Development Services, s.r.o.	152	21
BRNO INN, a.s.	49	50
Brno Property Development, a.s.	285	353
Březiněves, a.s.	6	4
Buy-Way Dunakeszi Kft.	-	1

	Six-month period ended	
	30 June 2023	30 June 2022
Buy-Way Soroksár Kft.	-	1
Byty Lehovec, s.r.o.	12	46
CAMPONA Shopping Center Kft.	34	-
Central Tower 81 sp. z o.o.	13	6
City Gardens Sp. z o.o.	30	29
CPI - Bor, a.s.	25	1
CPI - Real Estate, a.s.	3	-
CPI - Zbraslav, a.s.	9	7
CPI Beet, a.s.	1	-
CPI BYTY, a.s.	395	240
CPI Delta, a.s.	-	1
CPI East,s.r.o.	50	25
CPI Energo, a.s.	79	12
CPI Facility Management Kft.	3	3
CPI Facility Slovakia, a.s.	3	-
CPI Finance CEE, a.s.	1	1
CPI Flats, a.s.	-	12
CPI Green, a.s.	1	1
CPI Hotels Properties, a.s.	3	-
CPI Hungary Investments Kft.	150	21
CPI Hungary Kft.	7	17
CPI Management, s.r.o.	20	5
CPI Národný, s.r.o.	39	568
CPI Office Business Center, s.r.o.	31	11
CPI Office Prague, s.r.o.	1	9
CPI Poland Property Management sp. z o.o.	40	5
CPI Poland Sp. z o.o.	137	20
CPI PROPERTY GROUP S.A.	55,175	90,431
CPI Reality, a.s.	39	18
CPI Retail Portfolio I, a.s.	10	5
CPI Retail Portfolio II, a.s.	-	4
CPI Retail Portfolio IV, s.r.o.	-	2
CPI Retail Portfolio V, s.r.o.	-	2
CPI Retail Portfolio VI, s.r.o.	-	3
CPI Retail Portfolio VIII, s.r.o.	8	2
CPI Retails ONE, a.s.	-	4
CPI Retails THREE, a.s.	-	5
CPI Retails TWO, a.s.	-	6
CPI Services, a.s.	19	18
CPI Shopping MB, a.s.	14	9
CPI Shopping Teplice, a.s.	17	10
CPI Théta, a.s.	-	1
CPI Žabotova, a.s.	2	-
CPIPG Management S.à r.l.	5	-
CT Development sp. z o.o.	-	1
Czech Property Investments, a.s.	168	1,559
Čadca Property Development, s.r.o.	-	1
Čáslav Investments, a.s.	-	2
Diana Development sp. z o.o.	1	-
EMH South, s.r.o.	10	12
Equator II Development sp. z o.o.	-	11
Equator Real sp. z o.o.	8	1
Europeum Kft.	9	1
Farhan, a.s.	21	2
Futurum HK Shopping, s.r.o.	26	45
Gadwall, Sp. z o.o.	4	6
Gateway Office Park Kft.	-	1
GCA Property Development sp. z o.o.	18	13
Gebauer Höfe Liegenschaften GmbH	706	-
Gewerbesiedlungs-Gesellschaft mbH	2,227	-
GSG Asset GmbH & Co. Verwaltungs KG	121	30
GSG Berlin Invest GmbH	1,016	-
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG	657	132
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG	682	151
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG	2,245	291
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG	931	167
GSG Gewerbehöfe Berlin 5. GmbH & Co. KG	1,774	317
HOTEL U PARKU, s.r.o.	6	8
Hraničář, a.s.	4	3

	Six-month period ended	
	30 June 2023	30 June 2022
IS Nyír Kft.	2	1
IS Zala Kft.	4	-
Jeseník Investments, a.s.	-	1
Jetřichovice Property, a.s.	4	4
Kerina, a.s.	6	1
KOENIG Shopping, s.r.o.	37	31
LD Praha, a.s.	2	1
Le Regina Warsaw Sp. z o.o.	3	-
Lockhart, a.s.	4	4
Lucemburská 46, a.s.	3	-
Marissa Omikrón, a.s.	5	4
Marissa Tau, a.s.	7	2
Marissa West, a.s.	33	17
Marissa Ypsilon, a.s.	-	11
Moniuszki Office sp. z o.o.	6	9
MUXUM, a.s.	-	1
Na Pořičí, a.s.	14	15
Nymburk Property Development, a.s.	13	7
OC Nová Zdoboš a.s.	-	7
OC Spektrum, s.r.o.	-	4
Olomouc Building, a.s.	9	7
Orchard Hotel a.s.	2	1
Oxford Tower sp. z o.o.	21	8
OZ Trmice, a.s.	27	-
Pelřimov Property Development, a.s.	-	1
Pólus Shopping Center Zrt.	39	1
PROJECT FIRST a.s.	76	74
Projekt Nisa, s.r.o.	19	8
Projekt Zlatý Anděl, s.r.o.	18	7
Prosta 69 Sp. z o.o.	3	-
Radom Property Development sp. z o.o.	-	1
Real Estate Energy Kft.	132	4
Rembertów Property Development sp. z o.o.	-	2
Residence Belgická, s.r.o.	1	-
Residence Izabella Zrt.	2	-
Residence Malkovského, s.r.o.	-	5
Svitavy Property Alfa, a.s.	-	5
Tachov Investments, s.r.o.	-	2
Telč Property Development, a.s.	-	1
Tepelné hospodářství Litvínov s.r.o.	18	16
Třebiřov Property Development, s. r. o.	-	1
Třinec Investments, s.r.o.	-	2
Třinec Property Development, a.s.	3	1
Tyrřova 6, a.s.	3	2
U svatého Michala, a.s.	1	1
V Team Prague, s.r.o.	-	3
Zamořć Property Development sp. z o.o.	-	2
Zamořć Sadowa Property Development sp. z o.o.	-	3
ZET.office, a.s.	3	5
Zgorzelec Property Development sp. z o.o.	-	1
Total interest expense - related parties	68,069	95,063

Resale of CD Property

On 10 March 2023, the Group sold to the related party S IMMO its subsidiary CD Property for selling price of EUR 11.7 million.

11 Events after the reporting period

There were no material events after reporting period.