

FIRST SUPPLEMENT DATED 3 MAY 2024
TO THE BASE PROSPECTUS DATED 10 NOVEMBER 2023



Carmila
€1,500,000,000
Euro Medium Term Note Programme

This first supplement (the "**First Supplement**") constitutes a supplement to and must be read in conjunction with the base prospectus dated 10 November 2023 granted approval no. 23-466 on 10 November 2023 by the *Autorité des marchés financiers* (the "**AMF**") (such base prospectus, the "**Base Prospectus**") prepared by Carmila (the "**Issuer**") with respect to its outstanding Euro Medium Term Note Programme (the "**Programme**"). The Base Prospectus, as supplemented by the First Supplement, constitutes a base prospectus for the purpose of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as may be amended from time to time, the "**Prospectus Regulation**"). Terms defined in the Base Prospectus have the same meaning when used in this First Supplement.

Application has been made to the AMF for approval of this First Supplement in its capacity as competent authority pursuant to the Prospectus Regulation.

This First Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation for the purposes of (a) amending the "*Risk Factors*" section of the Base Prospectus, (b) incorporating by reference into the Base Prospectus the Issuer's 2023 universal registration document, in the French language, which included the audited consolidated financial statements of the Issuer for the year ended 31 December 2023, (c) updating the "*Recent Developments*" section of the Base Prospectus, (d) updating the "*Description of the Issuer*" section of the Base Prospectus and (e) updating the "*General Information*" section of the Base Prospectus.

A copy of this First Supplement will be available on the websites of (i) the Issuer (www.carmila.com) and (ii) the AMF (www.amf-france.org).

To the extent that there is any inconsistency between any statement in this First Supplement and any other statement in or incorporated in the Base Prospectus, the statements in this First Supplement will prevail.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of the Notes to be issued under the Programme since the publication of the Base Prospectus.

TABLE OF CONTENTS

RISK FACTORS	3
DOCUMENTS INCORPORATED BY REFERENCE.....	4
DESCRIPTION OF THE ISSUER	7
RECENT DEVELOPMENTS.....	8
GENERAL INFORMATION	10
PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SUPPLEMENT.....	11

RISK FACTORS

On pages 14 and 15 of the Base Prospectus, the sub-section entitled "*Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme*" shall be replaced in its entirety by the below sub-section:

"Factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme

In accordance with the EU Prospectus Regulation, Carmila updated the Group risk matrix in 2023, which incorporates the specific major risks to which it is exposed. These risks, selected according to their "gross" impact and likelihood – before taking into account risk management controls and policies – are nevertheless presented in the 2023 *Document d'enregistrement universel* in a matrix based on their estimated "net" impact, both in terms of impact and occurrence, after taking into account all of the measures taken by the Group to manage them along with any internal and external factors that mitigate the risks.

The risks that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme are set out in particular on pages 78 to 91 of the 2023 *Document d'enregistrement universel* of the Issuer for the year ended 31 December 2023 incorporated by reference into this Base Prospectus, as set out in the section "*Documents Incorporated by Reference*" on pages 25 to 29 of this Base Prospectus. The categories and headings of each risk factor are set out below:

CATEGORY 1: RISKS RELATING TO CARMILA'S BUSINESS SECTOR

1. Trends in the commercial real estate market
2. Trends in the social, economic and competitive environment
3. Geopolitical environment

CATEGORY 2: RISKS RELATING TO CARMILA'S BUSINESS

4. Health, well-being, safety and security, including risks associated with a health crisis
5. Relationship with and exposure to retail brands, counterparty risk
6. Property development
7. IT system security and data privacy

CATEGORY 3: LEGAL AND ETHICAL RISKS

8. Regulatory and legal developments
9. Ethical, corruption and fraud risks

CATEGORY 4: FINANCIAL RISKS

10. Costs and access to financing and financial markets
11. Taxation and REIT, SIIC and SOCIMI regimes

CATEGORY 5: ENVIRONMENTAL, CLIMATE AND SOCIETAL RISKS

12. Environmental, climate and societal issues
13. Talent management and engagement (recruitment, retention and succession)"

DOCUMENTS INCORPORATED BY REFERENCE

On page 25 of the Base Prospectus, paragraphs (a), (b) and (d) shall be deleted and the below paragraph shall be added as new paragraph (a):

"(a) the sections identified in the cross reference table below of the 2023 universal registration document of the Issuer in the French language filed with the AMF under no. D.24-0118 on 15 March 2024 and which includes the audited consolidated financial statements of the Issuer for the year ended 31 December 2023 and the report of the statutory auditors thereon (the "**2023 Universal Registration Document**");"

For the avoidance of doubt, the numbering of the subsequent paragraphs on page 25 shall be adjusted accordingly.

The cross-reference table on pages 26 to 28 shall be amended and replaced as follows:

Cross-reference list in respect of information incorporated by reference	
<i>Annex 7 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019</i>	
<i>Registration document for wholesale non-equity securities</i>	
INFORMATION INCORPORATED BY REFERENCE	RELEVANT DOCUMENT AND PAGES IN THE RELEVANT DOCUMENT
3. RISK FACTORS	
3.1 A description of the material risks that are specific to the issuer and that may affect the issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed "Risk Factors". In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.	2023 Universal Registration Document: Pages 78 - 91
4. INFORMATION ABOUT THE ISSUER	
<u>4.1 History and development of the Issuer</u>	
4.1.1 The legal and commercial name of the issuer	2023 Universal Registration Document: Page 278
4.1.2 The place of registration of the issuer, its registration number and legal entity identifier ("LEI")	2023 Universal Registration Document: Page 278
4.1.3 The date of incorporation and the length of life of the issuer, except where the period is indefinite	2023 Universal Registration Document: Page 278
4.1.4 The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part	2023 Universal Registration Document: Page 278

of the prospectus unless that information is incorporated by reference into the prospectus	
5. BUSINESS OVERVIEW	
<u>5.1 Principal activities</u>	
5.1.1 A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed	2023 Universal Registration Document: Pages 40 - 47
5.1.2 The basis for any statements made by the issuer regarding its competitive position	2023 Universal Registration Document: Page 13
6. ORGANISATIONAL STRUCTURE	
6.1 If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure	2023 Universal Registration Document: Pages 72 - 74
9. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES	
9.1 Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital	2023 Universal Registration Document: Pages 152, 156 - 170
10. MAJOR SHAREHOLDERS	
10.1 To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused	2023 Universal Registration Document: Page 272
10.2 A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	2023 Universal Registration Document: Page 276
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
<u>11.1 Historical financial information</u>	
11.1.1 Historical financial information covering the latest two financial years (at least 24 months) or such shorter period as the issuer has been in operation and the audit report in respect of each year	2023 Universal Registration Document: Pages 196 - 243 2022 Universal Registration Document: Pages 206 - 248

11.1.3 Accounting standard	2023 Universal Registration Document: Pages 202 - 203 2022 Universal Registration Document: Pages 212 - 213
11.1.5 Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document	2023 Universal Registration Document: Pages 196 - 243 2022 Universal Registration Document: Pages 206 - 248
11.1.6 Age of financial information The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document	2023 Universal Registration Document: Page 245
<u>11.2 Auditing of Historical financial information</u>	
11.2.1 A statement that the historical annual financial information has been audited	2023 Universal Registration Document: Pages 240 - 243 2022 Universal Registration Document: Pages 246 - 248
11.2.1a Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, the reason must be given, and such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full.	Not applicable
<u>11.3 Legal and arbitration proceedings</u>	
11.3.1 Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	2023 Universal Registration Document: Page 97
12. MATERIAL CONTRACTS	
12.1 A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligations to security holders in respect of the securities being issued.	2023 Universal Registration Document: Page 97

DESCRIPTION OF THE ISSUER

On page 71 of the Base Prospectus, the paragraph shall be replaced in its entirety by the below paragraph:

"The description of the Issuer is set out in the 2023 Universal Registration Document incorporated by reference herein (please see the section headed "*Documents Incorporated by Reference*" on pages 25 to 29 of this Base Prospectus)."

RECENT DEVELOPMENTS

On page 72 of the Base Prospectus, the following press releases should be added to the section entitled "*Recent Developments*":

◦ On 24 April 2024, the Issuer published the following press release:

Launch of a share buyback program for €10 million

Carmila has signed a cash share buyback mandate with an investment service provider for a maximum amount of €10 million.

The purchase period will start on 29 April 2024 and end, at the latest, on 31 July 2024.

Approximately 70 000 shares repurchased will be used for the 2021 free share plan for senior executives and employees. The remainder will be held by Carmila with a view to their future cancellation.

This operation falls within the framework of Carmila's share buyback program, as authorized by the General Meeting of shareholders of 24 April 2024.

◦ On 17 April 2024, the Issuer published the following press release:

First-quarter 2024 Financial Information

- **Net rental income up +4.0% like-for-like versus first quarter 2023**
- **Excellent commercial momentum: 210 leases signed in the first quarter (+19%), positive reversion (+3.4%)**
- **Financial occupancy at 95.9% (versus 96,0% at end-March 2023)**
- **Retailer sales up +2.0% and footfall up +0.9% versus first quarter 2023**
- **Launch of solar energy project in Spain**
- **Confirmation of guidance: Recurring earnings per share of at least €1.63 in 2024 (growth of at least 2% versus 2023)**
- **Closing of the acquisition of Galimmo expected this summer**
- **Dividend of €1.20 per share, in cash, for 2023 (versus €1.17 for 2022)**

Marie Cheval, Chair and Chief Executive Officer of Carmila commented: « *First quarter results once again show the appeal of Carmila centres for retailers and their customers. In 2024 Carmila continues to roll out its growth strategy, with the acquisition of Galimmo, the pivot of the merchandising mix and transformation projects, notably including new investments in solar energy in Spain.* »

	First 2024	quarterFirst 2023	quarterChange	Like-for-like change
Gross Rental Income (€m)	97.5	95.9	+1.7%	
Net Rental Income (€m)	87.4	86.4	+1.1%	+4.0%
France	58.1	57.8	+0.4%	
Spain	23.3	23.0	+1.5%	
Italy	6.0	5.6	+7.2%	

Net rental income up +4.0% versus the first quarter of 2023

In the first three months of 2024, net rental income is up +4.0% on a like-for-like basis, driven by the indexation of rents to inflation.

As published, following the sale of three assets in France and four assets in Spain, net rental income is up +1.1% versus the first quarter of 2023.

The collection rate for the first quarter 2024 was 95%, up 1 point versus the first quarter of 2023 at the same date.

Excellent commercial momentum

Leasing activity in the first quarter of 2024 has been very strong, with 210 new leases signed (+19% in terms of number of leases versus the same period in 2023).

Notable new business signed since the beginning of the year includes:

- Innovative and sector-leading names such as Adopt', Rituals, Le Comptoir de Mathilde, Normal, Mango, Tramas+ and Jeff de Bruges ;
- A leisure complex at Rennes Cesson of more than 7000m², including a karting track (Speed Park) and an new adventure concept (Fort Boyard);
- Healthcare retailers such as Optic 2000 and Soloptical, as well as a new pharmacy.

Reversion was +3.4% on average for the leases signed in the first quarter, demonstrating the strength of demand from retailers for space in Carmila centres.

Financial occupancy stood at 95.9% at end March 2024, at a similar level to end March 2023 (96.0%), and reflecting the typical seasonality after the end of year holiday period.

Revenues of the specialty leasing and temporary retail activity (pop-up stores and sales events) were up +15% versus the first quarter of 2023, driven by the success of new concepts, such as the sale of undelivered parcels, and the development of "second hand" in clothing and accessories.

Retailer sales up +2.0% and footfall up +0.9% versus first quarter 2023

In the first quarter of 2024, retailer sales were up +2.0% on average vs. the first quarter of 2023 (+1.7% in France, +3.2% in Spain and +0.3% in Italy). Footfall is also up (+0.9% on average versus the first quarter of 2023, of which +0.8% in France, +1.1% in Spain and +1.9% in Italy), supported by the appeal of Carrefour hypermarkets.

Launch of solar energy project in Spain

In Q1 2024, Carmila launched the first phase of a project to install solar panels on six centres in Spain.

This first investment will enable Carmila to reduce consumption by its centres from the electricity grid in favour of "green" autogeneration. The project will result in annual energy savings of 3 044MWh and will reduce the carbon footprint of the group by the equivalent of 16 538 tonnes of CO₂.

The initiative is part of Carmila's ambitious CSR roadmap, which includes a target to reach net zero on Scopes 1 and 2 by 2030.

Confirmation of earnings guidance

As announced on February 13, with the publication of 2023 annual results, recurring earnings per share are expected to be at least €1.63 in 2024, corresponding to growth of at least +2% versus 2023.

This expected growth in recurring earnings per share assumes organic growth in rental income, driven by indexation, at a similar level to 2023, as well as the partial contribution of recurring earnings of Galimmo, following the closing of the acquisition expected this summer.

The full annual accretion to recurring earnings (+3-5% pro forma) from the Galimmo acquisition is expected in 2025.

Dividend of €1.20 per share, in cash, for 2023

As also announced on 13 February, the Annual meeting of Carmila shareholders, which will take place on 24 April 2024, will vote on a proposed dividend of €1.20 per share for 2023, to be paid in cash (versus €1.17 for the prior year).

This dividend represents a payout of 75% of recurring earnings. As a reminder, the dividend policy of Carmila for 2022 to 2026 is a minimum of 1 euro per share, in cash, and a target payout ratio of 75% of recurring earnings.

The ex-dividend date will be 29 April 2024 and dividends will be paid from 2 May 2024."

GENERAL INFORMATION

On page 94 of the Base Prospectus, paragraphs 3, 4 and 5 of the "*General Information*" section shall be replaced in their entirety by the below paragraphs:

"3. For this purpose, on 26 June 2019 the Board of Directors (*Conseil d'administration*) of the Issuer has authorised the Programme for a maximum aggregate amount of Notes outstanding at any one time of €1,500,000,000. On 13 February 2024, the Board of Directors (*Conseil d'administration*) authorised, for a duration of one year from 13 February 2024, the issue of Notes up to an aggregate nominal amount of €1,500,000,000."

"4. As at the date of this Base Prospectus, to the extent known by the Issuer, no conflict of interest is identified between the duties of the members of the Board of Directors (*Conseil d'administration*) and the Chief Executive Officer with respect of the Issuer and their private interest and other duties."

"5. There has been no significant change in the financial position or financial performance of the Issuer or of the Group since 31 March 2024 and no material adverse change in the prospects of the Issuer since 31 December 2023."

On page 95 of the Base Prospectus, paragraph 10 of the "*General Information*" section shall be replaced in its entirety by the below paragraph:

"10. Deloitte & Associés and KPMG S.A. have audited the Issuer's consolidated financial statements for the years ended 31 December 2022 and 31 December 2023, without qualification, prepared in accordance with generally accepted accounting principles in France. Deloitte & Associés and KPMG S.A. are members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre* and carry out their duties in accordance with the principles of the *Compagnie Nationale des Commissaires aux Comptes*."

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SUPPLEMENT

To the best knowledge of the Issuer, the information contained in this First Supplement is in accordance with the facts and contains no omission likely to affect the import of such information.

Carmila

25, rue d'Astorg
75008 Paris
France

Duly represented by:

Pierre-Yves Thirion, *Directeur Financier*

Dated 3 May 2024



Autorité des marchés financiers

This First Supplement has been approved on 3 May 2024 by the AMF in its capacity as competent authority under Regulation (EU) 2017/1129, as amended.

The AMF has approved this First Supplement after having verified that the information contained in the Base Prospectus, as supplemented, is complete, coherent and comprehensible in accordance with Regulation (EU) 2017/1129, as amended.

This approval should not be considered as a favourable opinion on the Issuer and on the quality of the Notes described in the Base Prospectus, as supplemented. Investors should make their own assessment of the opportunity to invest in such Notes.

This First Supplement has been given the following approval number: 24-136.