

**SECOND SUPPLEMENT DATED 11 SEPTEMBER 2024
TO THE BASE PROSPECTUS DATED 10 NOVEMBER 2023**



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

This second supplement (the "**Second 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 (the "**Base Prospectus**") by the *Autorité des marchés financiers* (the "**AMF**") as supplemented by the first supplement dated 3 May 2024 granted approval no. 24-136 on 3 May 2024 (the "**First Supplement**") 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 and this Second 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 Second Supplement.

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

This Second Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation for the purposes of (a) incorporating by reference into the Base Prospectus (as supplemented by the First Supplement) (i) the Issuer's half-year financial report for 2024 in the French language, which includes the unaudited condensed consolidated financial statements of the Issuer for the six-month period ended 30 June 2024 and the limited review report of the statutory auditors thereon (the "**2024 Half Year Financial Report**") and (ii) a press release in the French language in relation to the public offer by the Issuer for shares of Galimmo SCA, (b) updating the "Recent Developments" section of the Base Prospectus to include the press release in relation to the publication of the 2024 Half Year Financial Report and (c) updating the "General Information" section of the Base Prospectus.

A copy of this Second 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 Second Supplement and any other statement in or incorporated by reference in the Base Prospectus (as supplemented by the First Supplement), the statements in this Second Supplement will prevail.

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

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DOCUMENTS INCORPORATED BY REFERENCE

On page 25 of the Base Prospectus (as supplemented by the First Supplement), new paragraphs (a) and (b) should be added and the numbering of the subsequent paragraphs shall be adjusted accordingly:

- "(a) the press release in the French language in relation to the public offer by the Issuer for shares of Galimmo SCA (the "**Galimmo SCA Press Release**");
- (b) the sections identified in the cross-reference table below of the Issuer's half-year financial report for 2024 in the French language, which includes the unaudited condensed consolidated financial statements for the six-month period ended 30 June 2024 and the limited review report of the statutory auditors thereon (the "**2024 Half Year Financial Report**");"

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 of the prospectus unless that information is incorporated by reference into the prospectus	2023 Universal Registration Document: Page 278

4.1.5 Any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the issuer's solvency	2024 Half Year Financial Report: Pages 10 - 11 and 51 Galimmo SCA Press Release; Pages 1-18
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
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	2024 Half Year Financial Report: Pages 47 - 93 (unaudited) and 94 - 96 (limited review report) 2023 Universal Registration Document: Pages 196 - 243

	2022 Universal Registration Document: Pages 206 - 248
11.1.3 Accounting standard	2024 Half Year Financial Report: Pages 52 - 54 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	2024 Half Year Financial Report: Pages 47 - 50 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	2024 Half Year Financial Report: Pages 94 – 96 (limited review report) 2023 Universal Registration Document: Pages 240 - 243 2022 Universal Registration Document: Pages 246 - 248
<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
11.4. Significant change in the issuer's financial position	
11.4.1 A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial	2024 Half Year Financial Report: Page 92

<p>information have been published, or provide an appropriate statement that no such proceedings exist.</p>	
<p>12. MATERIAL CONTRACTS</p>	
<p>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.</p>	<p>2023 Universal Registration Document: Page 97</p>

RECENT DEVELOPMENTS

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

"On 24 July 2024, the Issuer published the following press release regarding the publication of its accounts for the half year ended 30 June 2024:

"2024 Half-Year Results

Key information

- **Recurring earnings per share of €0.87, up by 2.4% versus first-half 2023**
- **Guidance revised upwards: recurring earnings per share of €1.65 now expected in full- year 2024 (up 3.5% versus 2023)**
- **Acquisition of Galimmo SCA completed on 1 July 2024**
- **Launch of a new €10 million share buyback programme**

First-half 2024 trading and financial performance

- **Very good leasing momentum: 490 leases signed, positive reversion of 2.7%**
- **Financial occupancy at 96.0% (down 10 bps versus end-June 2023)**
- **Retailer sales up 1% versus first-half 2023**
- **Specialty Leasing and Pop-up Store revenue up 16% versus first-half 2023**
- **First-half collection rate of 96.8%**
- **Organic growth of 3.4% in net rental income versus first-half 2023**
- **Net income attributable to owners (IFRS) of €84.5 million**

Strong balance sheet

- **Stable portfolio value: unchanged versus end-December 2023 (Net Initial Yield of 6.58%)**
- **EPRA Net Tangible Assets (NTA) per share of €23.59 at end-June 2024 (down 2.4% versus end-December 2023)**
- **Loan-to-Value (LTV) ratio¹ of 38.0% at 30 June 2024, net debt to EBITDA ratio of 7.5x, ICR ratio of 4.5x**

¹ EPRA LTV ratio including transfer taxes.

Completion of the Galimmo acquisition

- Acquisition of 93% of Galimmo SCA's share capital on 1 July 2024
- Galimmo's 52 assets, mostly located in north-east France, valued at €675 million at end-December 2023
- Transaction immediately accretive to Carmila (recurring earnings up 5% on an annualized
- Per share pro forma EPRA NTA post-acquisition of €25.57 at end-June 2024 (up 5.8% versus end-December 2023)
- Pro forma LTV (including transfer taxes) of 39.7%

Marie Cheval, Chair and Chief Executive Officer of Carmila commented:

“Following the closing of the Galimmo acquisition, Carmila is announcing a solid operating and financial performance for the first half of the year, thanks to our growth strategy based on agile projects, the merchandise mix strategy and capital rotation.

The second half of the year will be marked by the integration of Galimmo, and based on the strength of our first-half performance, we are revising expected growth in recurring earnings for full- year 2024 upwards.”

1. Key financial highlights

	First-half 2024	First-half 2023	Change	Like-for-like change
Gross rental income (€m)	192.8	188.8	+2.1%	
Net rental income (€m)	176.3	175.0	+0.7%	+3.4%
EBITDA (€m)	155.1	153.2	+1.2%	
Recurring earnings (€m)	123.8	121.9	+1.6%	
Recurring earnings per share (€)	0.87	0.85	+2.4%	

	30 June 2024	31 Dec. 2023	Change
Property portfolio valuation including transfer taxes (€m)	5,886.9	5,884.5	+0.0%
Net Potential Yield	6.85%	6.68%	+17 bps

Net Initial Yield	6.58%	6.42%	+16 bps
EPRA LTV ratio including RETTs	38.0%	36.6%	+140 bps
EPRA LTV ratio	40.1%	38.6%	+150 bps
EPRA NDV ² per share (in euros)	23.36	23.80	-1.8%
EPRA NTA ³ per share (in euros)	23.59	24.17	-2.4%

2. Trading

Very good leasing momentum

Carmila saw good momentum in its leasing activity in first-half 2024, with the Company signing 490 leases for total minimum guaranteed rent (MGR) of €27.0 million (up 23.8% year on year), or 7.2% of the rental base. Reversion was a positive 2.7% for the first half of the year.

Leasing activity reflects Carmila's differentiating strategy in terms of its merchandise mix. The number of leases signed during the period, together with the positive reversion, underline the appeal for retailers of Carmila shopping centres anchored by Carrefour hypermarkets.

First-half highlights:

- Continued support for new retail trends such as sport and leisure (Decathlon, Speed Park, Intersport, L'Appart Fitness).
- Reduced exposure to the ready-to-wear segment (currently 29% of rental income) and the development of dynamic retailers such as Balaboosté and Grain de Malice.
- Strengthening of the healthcare offering.
- Success of Carmila Franchise, the support platform for franchisees (Jeff de Bruges, Leonidas, Adopt).

The Specialty Leasing and Pop-up Store businesses were particularly buoyant in the first half of the year, with revenue up 16% versus first-half 2023.

Financial occupancy stood at 96.0% at end-June 2024, down 10 basis points compared to end- June 2023.

Retailer sales up 1% versus first-half 2023

In the first half of 2024, retailer sales in Carmila centres were up 1% year on year. Footfall was down slightly by 1%, with very similar trends in all three countries. Carmila centres experienced a sharp increase

² EPRA net disposal value.

³ EPRA net tangible assets.

in footfall in first-half 2023, particularly in Spain, partly due to very favourable weather conditions and growth in tourism.

The average occupancy cost ratio of Carmila's tenants was 10.7% at 30 June 2024 (rolling 12 months), up 10 basis points on end-2023.

Carmila keeps up its energy conservation plan

Carmila is targeting “net zero” Scopes 1 & 2 carbon emissions by 2030, and its 2019-2030 carbon pathway (1.5°C for Scopes 1 & 2 and 2°C for Scope 3) has been validated by the SBTi.

Thanks to its ambitious energy conservation plan based on a combination of technological innovation (artificial intelligence, building management systems, etc.), investment (replacing HVAC equipment, lighting) and careful management of facilities, Carmila has made substantial savings. Once again this year, Carmila was awarded six prizes in the Cube Flex challenge, organised by France’s Transmission System Operator (RTE), Action for Market Transformation (A4MT) and the French Institute for Building Performance (IFPEB).

3. Financial results

Net rental income up 0.7% versus first-half 2023, of which 3.4% in organic growth

In the first half of 2024, net rental income increased by 0.7% versus the same prior-year period, with the significantly improved performance mainly attributable to:

- a. organic growth of 3.4%, due to the effect of rent indexation;
- b. the impact of acquisitions and disposals was a negative €3.0 million or 1.7% (sale of the Tarnos, Montélimar and Torcy Bay 1 assets in France and four assets in Andalusia, Spain).

Stable portfolio valuation on a like-for-like basis: unchanged versus first-half 2023

As of 30 June 2024, the gross asset value of Carmila’s portfolio, including transfer taxes, stood at €5.9 billion, stable versus end-2023. There were no changes in scope during the period.

The stable like-for-like valuation is supported by the good performance of the rental base, which offset the impact of the increase in the portfolio's exit capitalisation rate (net initial yield), which rose 16 basis points compared with end-2023 to 6.58%.

EPRA NTA per share of €23.59 at end-June 2024

Carmila’s EPRA Net Tangible Assets (NTA) per share was €23.59, down 2.4% on the end-2023 figure. The decrease can be explained by stable like-for-like appraisal values, recurring earnings for the period (positive €0.87 impact), payment of the 2023 dividend (negative €1.20 impact) and other effects (negative €0.27 impact).

4. Guidance and launch of a new share buyback programme

Guidance revised upwards: recurring earnings per share of €1.65 now expected in full-year 2024

Full-year 2024 recurring earnings per share are expected to increase by 3.5% versus 2023, to €1.65.

This guidance takes into account the Group's solid performance in the first half as well as the impact of the Galimmo acquisition, which will contribute 3% to full-year growth (excluding synergies). As the integration took place with effect from 1 July, Galimmo's contribution to the Group's full-year 2024 growth is expected to be 1.5%. Synergies – estimated at €5 million – will take effect gradually from 2025.

Launch of a new €10 million share buyback programme

Carmila will launch a new €10 million share buyback programme and appoint an investment services provider to buy back shares for cash. The purchase period will begin on 29 July 2024 at the earliest and end on 31 December 2024 at the latest. The shares purchased will be earmarked for cancellation.

During the first half of 2024, Carmila initiated a €10 million share buyback programme, which was completed on 11 July 2024. The 601,616 shares bought back under the programme, representing around 0.4% of the share capital, are earmarked for cancellation.

5. Strong balance sheet

LTV ratio of 38.0% at 30 June 2024, net debt to EBITDA ratio of 7.5x, ICR ratio of 4.5x

Carmila's financial position is solid, with an LTV ratio of 38.0%, up 70 basis points compared with end-June 2023 and up 140 basis points compared with end-December 2023.

At 30 June 2024, the net-debt-to-EBITDA ratio stood at 7.5x, versus 7.3x at end-2023. The interest coverage ratio was also stable and stood at 4.5x.

Debt maturity and liquidity

The average maturity of Carmila's debt was 4.5 years at 30 June 2024⁴. In the first half of 2024, Carmila exercised the second option to extend its €550 million bank loan by one year to 2029.

At 30 June 2024, Carmila had liquidity of €1.3 billion, including €777 million in cash and cash equivalents and €540 million in an undrawn credit facility due in 2028. The next bond maturity

⁴ Excluding the bond maturing in September 2024, covered by Carmila's cash position.

of €539 million falling due in September 2024 is largely covered by Carmila's existing liquidity. Carmila has no other borrowings to repay prior to the €300 million bond due in May 2027.

Thanks to its interest rate derivatives portfolio, Carmila is 100% hedged against rises in interest rates in 2024 and 2025. The market value of these derivatives is recognised in the consolidated financial statements at 30 June 2024 for €53.5 million. Carmila's active interest rate risk management enabled it to benefit from an attractive interest rate of 2.8% on its debt over the first half of the year.

6. Acquisition of Galimmo Acquisition of 93% of Galimmo SCA

On 1 July 2024, Carmila announced the closing of the acquisition of 93% of Galimmo SCA's share capital for a total consideration of €272 million, or €9.02 per share. The closing took place at the same time as the acquisition by Carrefour of Cora and Match in France.

The 52 assets in Galimmo's portfolio, mainly located in the north-east of France, were valued at €675 million at end-December 2023, with 13 leading shopping destinations in their catchment areas accounting for 79% of the value of the portfolio (€535 million).

The geographic complementarity of Carmila and Galimmo assets offer the opportunity to integrate a high-quality portfolio into an efficient platform and to roll out Carmila's strategy over a larger scope.

The purchase price allocation of the assets acquired and liabilities assumed suggest that the transaction will result to a badwill estimated at €158 million, to be recognised in Carmila's consolidated financial statements in the second half of the year. The badwill, reflecting the difference between the purchase price and the fair value of the net assets acquired, reflects the simultaneous acquisition of Cora and Match in France by Carrefour.

At 30 June 2024, Carmila's post-acquisition NAV NTA is estimated at €25.57 and its NAV NDV at €24.48 (up 5.8% and 2.9% compared to end-2023, respectively). Carmila's post-acquisition EPRA LTV (including transfer taxes) is estimated at 39.7% (with an increase of 175 basis points compared to June 2024 attributable to the acquisition of Galimmo).

The transaction will be immediately accretive to Carmila's shareholders as regards recurring earnings per share (approximately 5% including annualised run-rate synergies). Estimated annualised run-rate synergies amount to €5 million, mostly related to overhead costs.

Potential increase in Galimmo SCA stake to 99.9%

On 28 June 2024, Carmila granted Primonial REIM France a put option to sell its entire 7% stake in Galimmo SCA, exercisable until 30 July 2024, for approximately €27 million (i.e., €11.93 per share).

In the event the put option is exercised by Primonial REIM France, Carmila will own 99.9% of the share capital of Galimmo SCA, representing a total investment of €299 million, an average acquisition price of €9.22 per share and a 38% discount to the NDV EPRA NAV at 31 December 2023.

Carmila will file a tender offer in the coming weeks, followed – in the event the put option is exercised – by a squeeze-out, for the remaining shares in Galimmo SCA.

The tender offer price will depend on the implementation of a squeeze-out. In any event, this tender offer price will not be lower than €11.93 and will remain subject to the work of the independent expert to be appointed by Galimmo SCA in accordance with legal and regulatory provisions.

Additional information

The presentation of Carmila's 2024 half year results will be broadcast live on 25 July 2024 at 11:30 a.m. (CET) on Carmila's website (www.carmila.com).

The presentation in English will be made available on Carmila's website on the following page: <https://www.carmila.com/en/finance/financial-presentation/>

A replay of the webcast will then be available online during the day on 25 July 2024.

The Half-year Financial Report, including the condensed interim consolidated financial statements and the Statutory Auditors' report, will be available on Carmila's website at the following page: <https://www.carmila.com/en/finance/financial-press-releases/>." "

GENERAL INFORMATION

On page 94 of the Base Prospectus, paragraph 5 of the "*General Information*" section (as supplemented by the First Supplement) shall be replaced in their entirety by the below paragraph:

"5. Except as disclosed on page 92 of the 2024 Half Year Financial Report, there has been no significant change in the financial position or financial performance of the Issuer or of the Group since 30 June 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 (as supplemented by the First Supplement) 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*. Deloitte & Associés and KPMG S.A. have also issued a review report in respect of the Issuer's unaudited consolidated financial statements for the half-year ended 30 June 2024."

PERSONS RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SUPPLEMENT

To the best knowledge of the Issuer, the information contained in this Second 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 11 September 2024



Autorité des marchés financiers

This Second Supplement has been approved on 11 September 2024 by the AMF in its capacity as competent authority under Regulation (EU) 2017/1129, as amended.

The AMF has approved this Second 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 Second Supplement has been given the following approval number: 24-397.