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**IMMOFINANZ**

**Supplementary statement  
by the Supervisory Board**

on the amendment to the anticipatory mandatory takeover offer  
pursuant to sections 22 et seq. of the Austrian Takeover Act (*Übernahme-  
gesetz*)

by

CPI PROPERTY GROUP S.A.

IMMOFINANZ AG  
Wienerbergstraße 9  
1100 Vienna  
Austria  
FN 114425 y CC Vienna (*HG Wien*)  
ISIN (shares): AT0000A21KS2  
ISIN (convertible bonds): XS1551932046

## **1 Improved anticipatory mandatory takeover offer by the BIDDER and supplementary statement of the EXECUTIVE BOARD**

### **1.1 The BIDDER and the CPI-OFFER**

1.1.1 CPI PROPERTY GROUP S.A. is a stock cooperation under Luxembourg law with its registered office in Luxembourg and its business address at 40, rue de la Vallée, L-2661 Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number B102254 ("**BIDDER**"). On 12 January 2022, the BIDDER has published an anticipatory mandatory takeover offer pursuant to sections 22 et seq. of the Austrian Takeover Act ("**ATA**") towards the holders of equity securities of IMMOFINANZ AG ("**IMMOFINANZ**" and shares in IMMOFINANZ the "**SHARES**") to acquire all outstanding SHARES which are not held by the BIDDER or any legal entity acting in concert with the BIDDER, and all convertible bonds issued by IMMOFINANZ due 2024 (ISIN XS1551932046) ("**CB**") (the "**CPI-OFFER**"; the offer document regarding the CPI-OFFER, the "**OFFER DOCUMENT**"). The offer price per SHARE was amounting to EUR 21,20 (*cum* dividend for the financial year 2021 and any further dividend declared by IMMOFINANZ after 12 January 2022) ("**SHARE-OFFER PRICE**") and per CB nominal amount of EUR 100,000 was amounting to EUR 102,746.53 ("**CB-OFFER PRICE**"; with the SHARE OFFER PRICE, the "**OFFERED CONSIDERATION**").

1.1.2 On 25 January 2022, the executive board of IMMOFINANZ ("**EXECUTIVE BOARD**") and the supervisory board of IMMOFINANZ ("**SUPERVISORY BOARD**") each issued a reasoned statement on the CPI-OFFER (the statement of the EXECUTIVE BOARD, the "**EB-STATEMENT**"; the statement of the SUPERVISORY BOARD, the "**SB-STATEMENT**"; together, the "**STATEMENTS**"). The STATEMENTS contained an assessment on whether the OFFERED CONSIDERATION and the other contents of the CPI-OFFER adequately take into account the interest of all holders of equity securities of IMMOFINANZ and what effects the CPI-OFFER is likely to have on IMMOFINANZ, in particular the employees, the creditors and the public interest based on the strategic planning of the BIDDER for IMMOFINANZ. EXECUTIVE BOARD and SUPERVISORY BOARD concluded in the STATEMENTS that the OFFERED CONSIDERATION was not adequate and recommended addressees of the CPI-OFFER to not accept the CPI-OFFER.

1.1.3 On 26 January 2022, the BIDDER entered into a conditional share purchase agreement with Petrus Advisers Investments Fund L.P. regarding the acquisition of additional 9,413,253 SHARES (corresponding to a participation of approximately 6.81% in IMMOFINANZ' registered nominal share capital). On 31 January 2022, the BIDDER agreed with CEE Immobilien GmbH, FN 217290 w ("**CEE IMMOBILIEN**"), which is an indirect 100% subsidiary of S IMMO AG, FN 58358 x ("**S IMMO**"), to increase the SHARE OFFER PRICE to EUR 23.00 per SHARE (*cum* dividend). In return, CEE IMMOBILIEN has undertaken towards the BIDDER to transfer to the BIDDER all of its SHARES (currently 17,543,937 SHARES, i.e. a participation of approximately 12.69% in IMMOFINANZ' registered nominal share capital) and all of

those SHARES which it may acquire through its pending PARTIAL OFFER<sup>1</sup> for SHARES as soon as the CPI-OFFER becomes unconditional (merger control clearances), but not earlier than at the time of the first settlement of the CPI-OFFER. After the merger control clearances have been obtained, the BIDDER will therefore hold a participation which corresponds approximately to 48.18% in IMMOFINANZ' registered nominal share capital. S IMMO will no longer hold any SHARES in IMMOFINANZ.

1.1.4 Based on these premises, on 10. February 2022, the BIDDER has published an amendment to the CPI-OFFER pursuant to section 15 para 2 ATA (the "**IMPROVED CPI-OFFER**"; the amended OFFER DOCUMENT regarding the IMPROVED CPI-OFFER, the "**AMENDED OFFER DOCUMENT**") and has improved the OFFERED CONSIDERATION: The SHARE-OFFER PRICE will be increased to EUR 23.00 (*cum* dividend) ("**IMPROVED SHARE-OFFER PRICE**"); the CB-OFFER PRICE will be increased to EUR 111,470.29 per EUR 100.000 nominal CB ("**IMPROVED CB-OFFER PRICE**"; with the IMPROVED SHARE-OFFER PRICE, the "**IMPROVED CONSIDERATION**"). The BIDDER points out that apart from the changes contained in the AMENDED OFFER DOCUMENT, the terms and conditions of the CPI-OFFER remain unaffected.

## 1.2 Supplementary statement of the EXECUTIVE BOARD on the IMPROVED CPI-OFFER

1.2.1 In the light of the changed participation structure in IMMOFINANZ, the EXECUTIVE BOARD has issued a supplementary statement on the IMPROVED CPI-OFFER which will be published on the websites of IMMOFINANZ and the Austrian Takeover Commission on 16 February 2022 ("**SUPPLEMENTARY EB-STATEMENT**"). The SUPPLEMENTARY EB-STATEMENT addresses (only) the amended terms of the IMPROVED CPI-OFFER and (re)emphasizes certain considerations, which is why the addressees of the CPI-OFFER are advised to take the (original) SUPPLEMENTARY EB-STATEMENT into account when assessing the IMPROVED CPI-OFFER.

1.2.2 On the basis of the further agreed share acquisitions in IMMOFINANZ as described in section 1.1.3, the EXECUTIVE BOARD, in the SUPPLEMENTARY EB-STATEMENT, has (a) assessed the IMPROVED CONSIDERATION in detail and still qualified it as not adequate, (b) presented further arguments in favour of and against accepting the IMPROVED CPI-OFFER and (c) no longer made a final recommendation to accept or reject the IMPROVED CPI-OFFER due to the changed general conditions resulting from the expected acquisition of material control and the highly probable acquisition of the majority of voting rights in IMMOFINANZ by the BIDDER.

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<sup>1</sup> On 23 December 2021 CEE IMMOBILIEN published a voluntary public partial takeover offer pursuant to sections 4 et seq. ATA towards the shareholders of IMMOFINANZ for the acquisition of up to 12,663,043 SHARES at an offer price per SHARE of EUR 23.00 (*cum* dividend) ("**PARTIAL OFFER S IMMO**"). On 9 January, the SUPERVISORY BOARD issued a separate statement on the PARTIAL OFFER S IMMO pursuant to section 14 para 1 ATA.

1.2.3 The works council of IMMOFINANZ has not issued a separate statement on the IMPROVED CPI-OFFER.

## **2 Statement of the SUPERVISORY BOARD on the IMPROVED CPI-OFFER**

### **2.1 Statement on the IMPROVED CONSIDERATION**

2.1.1 For the evaluation of the financial adequacy of the IMPROVED CONSIDERATION, the SUPERVISORY BOARD has again appointed Ithuba Capital AG ("**ITHUBA**") as independent financial advisor for the analysis of the IMPROVED CPI-OFFER and to support the SUPERVISORY BOARD with the preparation of this statement; this appointment also comprises the issuance of an updated opinion on the financial adequacy of the IMPROVED CONSIDERATION.

2.1.2 In its updated opinion dated 15 February 2022, ITHUBA concludes that, subject to the assumptions and restrictions contained therein and at the time of the issuance of their statement, the IMPROVED CONSIDERATION to be paid to the equity securities holders of IMMOFINANZ accepting the IMPROVED CPI-OFFER according to the AMENDED OFFER DOCUMENT remains below the valuation range from a financial point of view.

2.1.3 The SUPERVISORY BOARD has also analyzed the assessments and conducted analyses of the IMPROVED SHARE-OFFER PRICE by the EXECUTIVE BOARD as set out in sections 5.1 to 5.5 of the SUPPLEMENTARY EB-STATEMENT, as well as the assessment of the IMPROVED CB-OFFER PRICE by the EXECUTIVE BOARD as set out in section 6 of the SUPPLEMENTARY EB-STATEMENT and conducted an independent critical assessment thereof.

2.1.4 Based on the information set out in this section 2.1, the SUPERVISORY BOARD concludes unanimously that also the IMPROVED CONSIDERATION – in the amount of EUR 23.00 (*cum* dividend) per SHARE in cash and derived therefrom EUR 111,470.29 per EUR 100,000 nominal CB in cash – is not adequate.

### **2.2 Statement on the changed general conditions regarding IMMOFINANZ**

2.2.1 Through the further agreed share acquisitions in IMMOFINANZ as described in section 1.1.3, the BIDDER will acquire a material controlling participation und highly probable also a majority of voting rights in IMMOFINANZ. This eliminates current alternative and further offer and takeover scenarios regarding IMMOFINANZ.

2.2.2 In addition, reference is made to the potential impacts on the participation of IMMOFINANZ in S IMMO and the potential consequences of the exercise of termination rights of creditors due to change of control events with regard to the corporate bonds and significant real estate financing of IMMOFINANZ which are described by the EXECUTIVE BOARD in sections 7.2.2 and 7.2.4 of the SUPPLEMENTARY EB-STATEMENT.

2.2.3 These reasons and the possibility of the BIDDER to significantly influence the

corporate governance, the strategy and the business policy of IMMOFINANZ in future may also lead to a deviation from the business development communicated by the EXECUTIVE BOARD to the capital market and to a changed dividend policy of IMMOFINANZ towards its shareholders. Also in this regard, reference is made to the explanations of the EXECUTIVE BOARD in section 8.4 of the SUPPLEMENTAL EB-STATEMENT.

2.2.4 **After intensive dealing with the IMPROVED CPI-OFFER and a comprehensive review, discussion and financial evaluation thereof, the SUPERVISORY BOARD therefore agrees with the explanations in the SUPPLEMENTARY EB-STATEMENT and concurs unanimously with the concluding assessment of the EXECUTIVE BOARD.**

2.3 Interests of the members of the EXECUTIVE BOARD and the SUPERVISORY BOARD

2.3.1 The interests of the members of the EXECUTIVE BOARD and the SUPERVISORY BOARD have not changed since the publication of the SB-STATEMENT.

2.3.2 As of today, no member of the SUPERVISORY BOARD holding SHARES intends to accept the IMPROVED CPI-OFFER in whole or in part with the SHARES held by each of them.

2.3.3 The resolution of the SUPERVISORY BOARD on this statement was passed unanimously in the extraordinary general meeting on 15 February 2022.

2.4 Independent review by equity security holders of IMMOFINANZ

The SUPERVISORY BOARD points out that section 1.2 of the SB-STATEMENT forms an integral part of this statement. Therefore, all equity security holders of IMMOFINANZ have to review independently the IMPROVED CPI-OFFER and the AMENDED OFFER DOCUMENT. The assessments and recommendations of the SUPERVISORY BOARD contained in this statement shall in no way bind the holders of equity securities in IMMOFINANZ. It is the responsibility of each equity security holder of IMMOFINANZ to take note of the AMENDED OFFER DOCUMENT, to form an opinion on the IMPROVED CPI-OFFER and, if necessary, to take the required measures.

### **3 Summary assessment of the SUPERVISORY BOARD**

3.1 The IMPROVED CONSIDERATION continues to be below the valuation range for IMMOFINANZ updated by ITHUBA on 15 February 2022 and also does not take into account an adequate control premium. Based on the information set out in section 2.1, the SUPERVISORY BOARD therefore unanimously assesses the **IMPROVED CONSIDERATION** – EUR 23.00 (*cum* dividend) per SHARE in cash and derived therefrom EUR 111,470.29 per EUR 100,000 nominal CB in cash – as **still not adequate**.

3.2 However, after thorough consideration of all relevant aspects, the **SUPERVISORY**

**BOARD**, in accordance with the EXECUTIVE BOARD and in view of the elimination of current alternative and further offer and takeover scenarios as well as the changed general conditions, **refrains from making an explicit recommendation** to the equity security holders of IMMOFINANZ **regarding the acceptance or non-acceptance of the IMPROVED CPI-OFFER.**

- 3.3 Each equity security holder of IMMOFINANZ must make a decision on the acceptance or non-acceptance of the IMPROVED CPI-OFFER on the basis of its own investment strategy and its individual assessment of the opportunities and risks of the further business development of IMMOFINANZ, the future possibilities of influence of the BIDDER and the intentions disclosed by the BIDDER with respect to IMMOFINANZ.

Subject to statutory provisions, the SUPERVISORY BOARD is not responsible if the acceptance or non-acceptance of the IMPROVED CPI-OFFER subsequently leads to adverse economic consequences for any equity security holder of IMMOFINANZ.

Vienna, on 15 February 2022

*The legally binding German version of this statement was signed on 15 February 2022 by the Presidium of the Supervisory Board of IMMOFINANZ AG.*