

*English translation of the German original version for convenience only.
The German original version shall prevail.*

IMMOFINANZ

Supplementary Statement by the Executive Board

of

IMMOFINANZ AG

on the

Amendment of the Anticipatory Mandatory Takeover Offer
(Sections 22 et seq. of the Austrian Takeover Act)

by

CPI PROPERTY GROUP S.A.

Table of contents

1. Current situation Fehler! Textmarke nicht definiert.	
1.1 Share capital of the Target Company	5
1.2 Further agreed share acquisitions by CPIPG	5
2. Participation of the Bidder and obtaining of a controlling interest	6
3. Ratio to the Partial Offer of CEE Immobilien	6
4. Offer of CPIPG (Bidder)	7
4.1 Increased Offer Price for shares of IMMOFINANZ	7
4.2 Increased Offer Price for the Convertible Bonds	7
4.3 Condition precedent for the Offer: Merger control clearance	8
4.4 Acceptance Period and settlement of the Offer	8
4.4.1 Acceptance Period	8
4.4.2 Additional acceptance period.....	8
4.4.3 Settlement	8
4.5 Announcement and publication of the result	8
4.6 Equal treatment and statutory obligation for additional payments	8
5. Assessment of the Increased Offer Price for the IMMOFINANZ shares by the Executive Board	9
5.1 Increased Offer Price in relation to average stock exchange prices	9
5.2 Increased Offer Price in relation to IFRS book value, EPRA NAV and EPRA NTA	10
5.3 Analyst ratings of the IMMOFINANZ share.....	11
5.4 Increased Offer Price in relation to the Partial Offer of CEE Immobilien.....	12
5.5 Increased Offer Price in relation to selected European takeover transactions.....	12
6. Assessment of the increased offer price for the Convertible Bonds by the Executive Board	14
7. Presentation of the interests of IMMOFINANZ and its stakeholders	14
7.1 Business policy objectives and intentions of the Bidder regarding IMMOFINANZ	14
7.2 Impact on IMMOFINANZ and the shareholder structure.....	14
7.2.1 The shareholder block CEE Immobilien (S IMMO) no longer exists	14
7.2.2 Potential impact on IMMOFINANZ's shareholding in S IMMO.....	15
7.2.3 Effects on the financing strategy, access to capital and financing costs.....	16
7.2.4 (Other) financial effects on IMMOFINANZ and termination rights due to change of control events.....	16
7.3 Financing of the Bidder.....	17
8. IMMOFINANZ Executive Board's position to the Offer	17
8.1 Basic considerations.....	17
8.2 The following reasons speak in favour of accepting the Offer by shareholders	19
8.2.1 Premium to average stock exchange prices	19
8.2.2 The Increased Offer Price is at the current share price level	19
8.2.3 Exit option for shareholders with larger numbers of shares	19
8.2.4 Future share price development uncertain	19
8.2.5 Uncertainties in the development of business activities.....	20
8.2.6 Decline in free float – future realisation possibly more difficult	20
8.3 The following reasons speak against an acceptance of the Offer by shareholders	21
8.3.1 Increased Offer Price significantly below the price level before the outbreak of the COVID-19 pandemic	21
8.3.2 Increased Offer Price is significantly below EPRA NAV, EPRA NTA and IFRS book value per share	21
8.3.3 Increased Offer Price is below the average target price of analysts	21
8.3.4 Premium of the Increased Offer Price significantly lower than premiums of other public takeover transactions	22
8.3.5 Development and business outlook.....	22
8.3.6 Limited freedom of disposition with respect to tendered shares and Convertible Bonds ...	23
8.3.7 Acceptance of the Offer is still possible during statutory additional acceptance period	23
8.4 Additional considerations from the perspective of the Company	23
8.5 Summary assessment	24

Introduction

Bidder, Offer and Target Company

The bidder is CPI PROPERTY GROUP S.A. („**CPIPG**“ or the "**Bidder**"), which on 12 January 2022 issued an anticipatory mandatory takeover offer in accordance with Sections 22 et seq. of the Austrian Takeover Act ("*Übernahmegesetz*") ("**ATA**") to the holders of securities of IMMOFINANZ AG ("**IMMOFINANZ**" or "**Target Company**") for the acquisition of all outstanding ordinary shares (*Stammaktien*) of IMMOFINANZ (ISIN AT0000A21KS2) which are not held by the Bidder or a party acting in concert with the Bidder, and of all outstanding convertible bonds issued by IMMOFINANZ due 2024 (ISIN XS1551932046) ("**Convertible Bonds**") ("**the Offer**"). For this purpose, the Bidder published an offer document on 12 January 2022 (the "**Offer Document**"). Pursuant to this Offer Document, the offer price of CPIPG per share was EUR 21.20 (*cum dividend*).

On 25 January 2022, the Executive Board of the Target Company issued a statement on the Offer in accordance with Section 14 ATA ("**Executive Board Statement**").

On 10 February 2022, the Bidder published an amendment to the Offer (the "**Offer Amendment**") in accordance with section 15 para 2 ATA and increased the offer price per share from 21.20 (*cum dividend*) to EUR 23.00 (*cum dividend*) ("**Increased Offer Price**") and, accordingly, the offer price for the Convertible Bonds. According to the Offer Amendment, the terms and conditions of the Offer shall remain unaffected except for the changes to the Offer contained in the Offer Amendment.

Voluntary partial public takeover offer from CEE Immobilien GmbH and agreement to sell IMMOFINANZ shares to CPIPG

On 23 December 2021, CEE Immobilien GmbH, register number 217290 w ("**CEE Immobilien**"), an indirect 100% subsidiary of S IMMO AG, register number 58358 x ("**S IMMO**") issued a voluntary partial public takeover offer in accordance with Sections 4 et seq. ATA to the shareholders of IMMOFINANZ for the acquisition of up to 12,663,043 bearer shares of IMMOFINANZ (ISIN AT0000A21KS2) at the offer price per share of EUR 23.00 (*cum dividend*) (the "**Partial Offer**"). For this purpose, CEE Immobilien published an offer document on 23 December 2021 ("**Partial Offer Document**"). On 09 January 2022, the Executive Board issued a statement on the Partial Offer in accordance with Section 14 ATA.

According to the Offer Amendment, on 31 January 2022, CEE Immobilien has undertaken – in the event of an increase of the offer price by CPIPG to EUR 23.00 (*cum dividend*) – to sell and transfer to CPIPG (i) all 17,543,937 IMMOFINANZ shares currently held by CEE Immobilien (corresponding to approximately 12.69% of the current share capital), and (ii) any shares potentially acquired by CEE Immobilien through the Partial Offer as soon as the amended Offer of the Bidder becomes unconditional by virtue of the outstanding antitrust clearances; but no earlier than the settlement of the Offer of CPIPG.

Participations and agreed share purchases of CPIPG

According to the Offer Document and the Offer Amendment, CPIPG holds the following IMMOFINANZ shares and has agreed to purchase IMMOFINANZ shares. CPIPG holds (directly and indirectly) 26,621,030 IMMOFINANZ shares, corresponding to approximately 19.25% of the current share capital.

On 03 December 2021, CPIPG and RPPK Immo GmbH entered into a (conditional) share purchase agreement for the acquisition of 13,029,155 IMMOFINANZ shares ("**RPPK-Shares**"). The RPPK-Shares correspond to approximately 9.42% of the current share capital. On 26 January 2022, CPIPG and Petrus Advisers Investments Fund L.P. entered into a (conditional) share purchase agreement for the acquisition of further 9,413,253 IMMOFINANZ shares (corresponding to approximately 6.81% of the current share capital). Furthermore, CPIPG and CEE Immobilien have entered into the agreement mentioned above to sell all 17,543,937 IMMOFINANZ shares (corresponding to approximately 12.69% of the current share capital) currently held by CEE Immobilien (as well as any shares acquired by CEE Immobilien through the Partial Offer).

Together with these agreed share purchases, CPIPG's shareholding therefore currently amounts to approximately 48.18% of the current share capital of IMMOFINANZ.

Participations in S IMMO

IMMOFINANZ holds 19,499,437 S IMMO-shares, corresponding to approximately 26.49% of the current share capital of S IMMO.

CPIPG also holds an interest in S IMMO. According to the major holdings notification of 04 February 2022, CPIPG has increased its participation from 8,543,690 S IMMO-shares to 11,818,668 S IMMO-shares, corresponding to approximately 16.06% of the current share capital of S IMMO.

Basic principles and framework conditions for the submission of the supplementary statement

In view of the increase of the offer price by the Bidder and the acquisitions of IMMOFINANZ shares agreed by the Bidder with Petrus Advisers and CEE Immobilien (indirect subsidiary of S IMMO), the Executive Board issues a supplementary statement on the Offer Amendment of the Bidder. This supplementary statement does not repeat all points addressed in the Executive Board Statement, but the supplementary statement (only) addresses amended conditions and (re)emphasizes certain considerations. The addressees of the Offer are therefore advised that for the evaluation of the Offer, this supplementary statement shall be considered together with the Executive Board Statement.

The assessments of the Executive Board in this supplementary statement on the Increased Offer Price or the development of IMMOFINANZ also refer to future developments and forecasts and are based on assumptions made at the time of this supplementary statement's submission, which are naturally connected with estimation uncertainty. No liability will be accepted for the occurrence of these future developments and forecasts. The development of IMMOFINANZ as well as its group companies can be influenced by diverse factors, such as developments in the financial market, the economic situation in general or industry-specific economic conditions, or changes in the competitive environment etc. In connection with legal issues, it should be noted that the Austrian Takeover Commission and other decision-making bodies could reach different conclusions.

Finally, the Executive Board points out that the content of this supplementary statement only reflects the knowledge of the members of the Executive Board as of today's date and refers to the Offer Amendment published by the Bidder on 10 February 2022. Furthermore, this supplementary statement also contains information provided by the Bidder in the Offer Amendment, which the Executive Board cannot comprehensively verify for accuracy and has not done so.

Consequently, this supplementary statement cannot be a substitute for each holder of equity securities of IMMOFINANZ examining the Offer himself and on his own responsibility, using all sources of information, in order to make a decision on the basis of this information as to whether or not to accept the Offer.

Statement of the Supervisory Board

The Supervisory Board of IMMOFINANZ will also make a supplementary statement on the Offer Amendment.

The present supplementary statement of the Executive Board and the supplementary statement of the Supervisory Board are published, inter alia, on the website of the Target Company (www.immofinanz.com) and the website of the Takeover Commission (www.takeover.at).

1. Capital and shareholder structure of IMMOFINANZ

1.1 Share capital of the Target Company

At the date of this supplementary statement, the share capital of IMMOFINANZ amounts to EUR 138,257,760 and is divided into 138,257,760 bearer shares.

1.2 Further agreed share acquisitions by CPIPG

According to the Offer Amendment, the Bidder has agreed the following further acquisitions of IMMOFINANZ shares since the Executive Board Statement.

On 26 January 2022, the Bidder entered into a conditional share purchase agreement with Petrus Advisers Investments Fund L.P. ("**Petrus Advisers**") on the acquisition of further 9,413,253 IMMOFINANZ shares ("**Petrus Shares**") at the price of EUR 22.70 per share. Completion of the share purchase agreement is conditional upon merger control clearance (corresponding to the condition precedent pursuant to the Offer). The Petrus Shares correspond to 6.81% of the current share capital.

On 31 January 2022, the Bidder and CEE Immobilien have agreed that the Bidder undertakes to increase the offer price to EUR 23.00 (*cum dividend*) per IMMOFINANZ share. Against this undertaking, CEE Immobilien has undertaken to sell and transfer to the Bidder (i) all of its 17,543,937 IMMOFINANZ shares currently held (which correspond to approximately 12.69% of the current share capital) as well as (ii) any IMMOFINANZ shares potentially acquired through its Partial Offer (together the "**CEE Immobilien Shares**") as soon as the Bidder's amended Offer becomes unconditional (antitrust clearance), but not earlier than at the settlement of the Bidder's Offer (the "**CEE Immobilien Undertaking**").

Pursuant to the CEE Immobilien Undertaking, CEE Immobilien is obliged to enter into a share purchase agreement regarding the CEE Immobilien Shares at the purchase price per CEE Immobilien Share of EUR 23.00 *cum dividend*. Any cash price per share offered by the Bidder or a party acting in concert with the Bidder in any (further) amended Offer which exceeds the share purchase price per CEE Immobilien Share under the share purchase agreement to be entered into shall result in a respective increase of the share purchase price per CEE Immobilien Share.

According to the Offer Amendment, as a consequence of the increase of the offer price for the IMMOFINANZ shares, the purchase price per RPPK Share under the share purchase agreement with RPPK Immo GmbH will be increased to the Increased Offer Price of EUR 23.00 *cum dividend*.

Upon completion of these agreed share acquisitions and the acquisition of 13,029,155 RPPK Shares, the shareholding of the Bidder – together with the Bidder's current shareholding of 26,621,030 IMMOFINANZ shares (corresponding to 19.25% of the current share capital) – will thus comprise at least 66,607,375 shares according to the Offer Amendment, corresponding to approximately 48.18% of the current share capital of IMMOFINANZ.

2. Participation of the Bidder and obtaining of a controlling interest

As a result of the further agreed share acquisitions by CPIPG in IMMOFINANZ, CPIPG will acquire a shareholding of approximately 48.18% in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ and a controlling influence over IMMOFINANZ. It is also very likely that the Offer will also give CPIPG a majority of the voting rights in IMMOFINANZ (Section 244 para 2 no. 1 Austrian Commercial Code (“*Unternehmensgesetzbuch*”) (“**ACC**”)).

3. Ratio to the Partial Offer of CEE Immobilien

The voluntary public partial offer (Sections 4 et seq. ATA) published on 23 December 2021 by CEE Immobilien (indirect subsidiary of S IMMO) to the shareholders of IMMOFINANZ for the acquisition of up to 12,663,043 no-par value bearer shares of IMMOFINANZ at the offer price per share of EUR 23.00 (*cum dividend*) is in principle still unchanged. The acceptance period ends on 23 February 2022, 5:00 p.m. (Vienna local time) (end of the basic acceptance period of the CPIPG Offer). No statutory additional acceptance period pursuant to Section 19 para 3 ATA applies to the offer of CEE Immobilien as a partial offer (Sections 4 et seq. ATA). For further details and in particular the conditions precedent for the Partial Offer, please see the Partial Offer Document.

Pursuant to the CEE Immobilien Undertaking, CEE Immobilien and CPIPG agreed that CEE Immobilien shall sell and transfer all IMMOFINANZ shares that CEE Immobilien may acquire through the Partial Offer to the Bidder at the purchase price per IMMOFINANZ share of EUR 23.00 *cum dividend* (see above).

The Executive Board points out that the sale and transfer of IMMOFINANZ shares that CEE Immobilien may acquire through the Partial Offer from CEE Immobilien to CPIPG will not result in the provisions of the Offer of CPIPG then applying to shareholders who accept the Partial Offer, if any. For shareholders who accept the Partial Offer, only the provisions of the Partial Offer will apply.

Pursuant to Section 17 last sentence ATA, if several offers (here: Offer of CPIPG and Partial Offer of CEE Immobilien) are made and one of them (here: Offer of CPIPG) is improved, the holders of securities may revoke previous declarations of acceptance of the other offer (here: Partial Offer of CEE Immobilien).

Due to the Offer Amendment, shareholders of IMMOFINANZ are entitled pursuant to Section 17 ATA to revoke any declarations of acceptance of the Partial Offer made prior to the publication of the Offer Amendment in accordance with the provisions of the Partial Offer. Pursuant to the Partial Offer Document, the revocation must be made in writing via the respective custodian bank, applying *mutatis*

mutandis the provisions on the acceptance of the Partial Offer (section 6.4 of the Partial Offer Document).

4. Offer of CPIPG (Bidder)

According to the Offer, the Bidder has reserved the right to improve the Offer. With regard to the conclusion of the share purchase agreement with Petrus Advisers and the CEE Immobilien Undertaking, the Bidder has improved the Offer pursuant to Section 15 para 1 ATA as follows.

4.1 Increased Offer Price for shares of IMMOFINANZ

The Bidder has increased the offer price by EUR 1.80 to EUR 23.00 per share *cum dividend* for the financial year 2021 and any other dividends resolved upon by the Target Company after the announcement of the Offer ("**Increased Offer Price**").

cum dividend means that the Increased Offer Price per share will be reduced by the amount of any dividend resolved upon by IMMOFINANZ after the announcement of the Offer and the settlement, provided that the settlement of the Offer takes place after the relevant record date for such dividend.

As the settlement of the Offer is currently announced for March 2022 and the ordinary shareholders' meeting of IMMOFINANZ is currently scheduled to take place on 12 July 2022 (with a record date for a dividend on 15 July 2022), shareholders who accept the Offer during the additional acceptance period or, if applicable, during the additional acceptance period are not expected to be affected by such an adjustment of the Increased Offer Price.

4.2 Increased Offer Price for the Convertible Bonds

Pursuant to the Offer, the Bidder offers an offer price for the Convertible Bonds of EUR 102,746.53 per EUR 100,000 nominal amount of Convertible Bonds.

According to the Offer Amendment, the Bidder improves the Offer and increases the offer price for the Convertible Bonds by EUR 8,723.76 to EUR 111,470.29 per EUR 100,000 nominal amount.

This increased offer price corresponds to the nominal value of the Convertible Bonds divided by the Conversion Price of EUR 20.6333 multiplied by the Increased Offer Price for the IMMOFINANZ shares of EUR 23.00.

The increased offer price for the Convertible Bonds will be adjusted by pro rata accrued interest for the period from the respective last interest payment date (inclusive) to the day of the respective settlement for tendered Convertible Bonds based on the following formula: Actual number of days during the relevant interest period divided by the product of (i) the number of days in the respective interest period (as defined in the terms and conditions) falling within the interest period and (ii) the number of interest periods (as defined in the terms and conditions) that normally end in a year.

The Bidder states in the Offer Amendment that, in addition, the terms and conditions of the Convertible Bonds provide for an adjustment of the conversion price in the event of a dividend and that, in this case, the conversion price will be reduced by an adjustment factor if the shareholders of the Target Company receive an ordinary or extraordinary dividend for the shares.

4.3 Condition precedent for the Offer: Merger control clearance

Regarding the condition precedent, reference is made to the Offer Document (section 4).

According to the Offer Amendment, as of the date of the Offer Amendment, the merger control authorities in Germany, Austria, Romania and the Czech Republic have cleared the transaction.

4.4 Acceptance Period and settlement of the Offer

4.4.1 Acceptance Period

The Acceptance Period of the Offer is still 6 (six) weeks. The Offer may be accepted from 12 January 2022 until 23 February 2022, 5:00 p.m. Vienna time (inclusive) (the "**Acceptance Period**").

4.4.2 Additional acceptance period

Since the Offer is structured as an anticipatory mandatory offer pursuant to Sections 22 et seq. ATA, an additional acceptance period pursuant to Section 19 para 3 ATA will be mandatory. The additional acceptance period shall start on the date of publication of the result of the Offer (Section 4.5) and shall last for 3 (three) months.

According to the Offer Document, the merger control clearance for Romania has already been obtained. Therefore, the risk set out in the Executive Board Statement that this condition precedent due to the period of 120 calendar days (from the expiry of the current acceptance period on 23 February 2022) may only occur after the expiry of the statutory three-month grace period no longer applies.

4.4.3 Settlement

For details of the settlement of the Offer, please refer to section 5 of the Offer Document.

4.5 Announcement and publication of the result

The Bidder is obliged to publish the result of the Offer as a notice in the official gazette of the Wiener Zeitung without undue delay after the expiry of the Acceptance Period. The result will also be published on the website of the Austrian Takeover Commission (www.takeover.at).

4.6 Equal treatment and statutory obligation for additional payments

The Bidder points out in the Offer Amendment that pursuant to Section 15 para 3 ATA an improvement of the (original) offer price for the shares and the Convertible Bonds shall also apply to securities already tendered, unless the respective holder of the securities objects to the improvement.

Pursuant to the Offer Amendment, shareholders of IMMOFINANZ must submit their declaration of objection to their custodian bank in accordance with section 5.3 of the Offer Document. The respective custodian bank is requested to immediately forward the declaration of objection to OeKB CSD without delay via the custody chain so that it can be forwarded to the Payment and Settlement Agent (Shares).

Holders of Convertible Bonds must submit their declaration of objection to J&T Banka, E: digi@jtbank.cz, in accordance with section 5.5 of the Offer Document.

For information on the statutory additional payment obligations please refer to the Offer Document and the Executive Board Statement.

According to the Offer Amendment, in case of an additional payment to be made by the Bidder or a party acting in concert with the Bidder pursuant to Section 16 para 7 ATA to the holders of securities who have accepted the Offer, such additional payment shall also be made in the same amount to Petrus Advisers per Petrus Share and to CEE Immobilien per CEE Immobilien Share.

5. Assessment of the Increased Offer Price for the IMMOFINANZ shares by the Executive Board

The Increased Offer Price is EUR 23.00 per share *cum dividend*.

5.1 Increased Offer Price in relation to average stock exchange prices

The volume weighted average prices ("**VWAP**") per IMMOFINANZ share for the last one, three, six and twelve calendar months prior to announcement of the intention to launch the Offer, as well as the absolute and percentage amounts by which the Increased Offer Price exceeds these prices, amount up to and including the closing price as of 02 December 2021 (last trading day prior to the announcement of the intention to launch the Offer):

Record date/Period	Closing price (02 Dec 2021)	1 Month	3 Months	6 Months	12 Months
Closing price/VWAP value, in EUR	21.20	20.88	20.80	20.35	18.61
Difference to Increased Offer Price, in EUR	1.80	2.12	2.20	2.65	4.39
Premium (Increased Offer Price to closing price/VWAP), in %.	8.49	10.16	10.59	13.04	23.61

Source: Vienna Stock Exchange AG (<https://www.wienerborse.at/>); own calculations of the Target Company.

Calculation periods (inclusive): 03 November 2021 to 02 December 2021 (1-month VWAP), 03 September 2021 to 02 December 2021 (3-month VWAP), 03 June 2021 to 02 December 2021 (6-month VWAP) and 03 December 2020 to 02 December 2021 (12-month VWAP).

It should be noted that share price developments and average prices may also be strongly influenced by the effects of the COVID-19 pandemic. Therefore, the following table shows both the daily closing price of the IMMOFINANZ share as of 21 February 2020, which is defined for the purposes of this document as the last day before the collapse of the European capital markets caused by uncertainties in the context of the COVID-19 pandemic, and the volume weighted average prices (VWAP) of the IMMOFINANZ share for the last one, three and six months up to that date. The Increased Offer Price of the Bidder shows a discount of approximately 12.88% compared to the closing price of EUR 26.40 on 21 February 2020 immediately prior to the outbreak of the COVID-19 pandemic in Europe and corresponding share price declines due to the pandemic on the European stock markets.

English translation of the German original version for convenience only.
The German original version shall prevail.

Reference date/Period	21 February 2020	1 Month	3 Months	6 Months
Closing price/VWAP value, in EUR	26.40	25.68	24.70	24.96
Difference to Increased Offer Price in EUR	3.40	2.68	1.70	1.96
Discount (Increased Offer Price to closing price/VWAP), in %	- 12.88	- 10.44	- 6.88	- 7.85

Source: Vienna Stock Exchange AG (<https://www.wienerborse.at/>); own calculations of the Target Company.

Calculation periods (inclusive): Daily closing price on 21 February 2020, 22 January 2020 to 21 February 2020 (1-month VWAP), 22 November 2019 to 21 February 2020 (3-month VWAP) and 22 August 2019 to 21 February 2020 (6-month VWAP).

The price level of the IMMOFINANZ share before the outbreak of the COVID 19 pandemic was significantly higher than the Increased Offer Price. In the view of the Executive Board, this price level also represents a significant reference point for the assessment of the Increased Offer Price based on the current general economic development and the prospects of IMMOFINANZ.

The highest and lowest closing prices of the share in the calendar years 2019, 2020, 2021 and 2022 were (in EUR):

	2019	2020	2021	2022
High	26.30	26.95	22.78	23.14
Low	21.08	11.50	16.17	22.36

Source: Vienna Stock Exchange AG (<https://www.wienerborse.at/>); own calculations of the Target Company.
Basis: daily closing prices.

On 14 February 2022 the daily closing price of the IMMOFINANZ share was EUR 22.96. The Increased Offer Price of EUR 23.00 per share is therefore slightly above the closing price of the share on 14 February 2022.

5.2 Increased Offer Price in relation to IFRS book value, EPRA NAV and EPRA NTA

	IFRS book value (diluted)	EPRA NAV (diluted)	EPRA NTA (diluted)
Value per share, in EUR	26.70	29.05	29.45
Increased Offer Price in EUR	23.00	23.00	23.00
Discount in EUR	- 3.70	- 6.05	- 6.45
Discount in %	- 13.87	- 20.82	- 21.90

Source: Book value per share, EPRA NAV per share and EPRA NTA per share according to IMMOFINANZ interim group statements as of 30 September 2021, calculated taking into account the issuance of 14,963,965 new IMMOFINANZ shares upon conversion of the Convertible Bonds and the remaining conversion rights from outstanding Convertible Bonds in the total nominal amount of EUR 11,700,000 (aggregate principal amount after deduction of EUR 2.7 million Convertible Bonds held by the Target Company) at the currently applicable conversion price of EUR 20.6333 ("Dilution").

EPRA NAV is the net asset value of IMMOFINANZ calculated in accordance with the principles of the European Public Real Estate Association (EPRA), as reported in the consolidated interim financial statements as of 30 September 2021.

In accordance with EPRA recommendations, IMMOFINANZ has published an expanded version of the net asset value (NAV) indicators, since the 2020 consolidated annual financial statements. The two familiar key figures Net Asset Value (NAV) and Triple Net Asset Value (NNAV) were replaced by the three new key figures Net Reinstatement Value (NRV), Net Tangible Assets (NTA) and Net Disposal Value (NDV).

The EPRA NTA is considered the most relevant indicator for the asset value of IMMOFINANZ and therefore serves as the new primary indicator for the net value of the assets of IMMOFINANZ.

EPRA NAV is still regularly identified as the most appropriate metric for value estimates in connection with transactions of shares in listed real estate companies and is commonly used in the real estate industry for such transactions.

From the perspective of the Executive Board of IMMOFINANZ, the Increased Offer Price should be put in relation to both key figures – EPRA NAV and EPRA NTA per share.

The Increased Offer Price

- is EUR 6.05 below the EPRA NAV per share and EUR 6.45 below the EPRA NTA per share (both as of 30 September 2021 (diluted)); and
- shows a discount of approximately 20.82% to the EPRA NAV per share and a discount of approximately 21.90% to the EPRA NTA per share (both as of 30 September 2021 (diluted)).

The Increased Offer Price of EUR 23.00 is thus significantly below the EPRA NAV and EPRA NTA of IMMOFINANZ (diluted).

For the future development of the EPRA NAV and EPRA NTA, the Executive Board believes that the positive potential from an expanded use of specialist retail properties (STOP SHOP) through IMMOFINANZ's entry into the asset class of affordable sustainable housing (TOP on STOP), which was announced in August 2021, should also be taken into account.

5.3 Analyst ratings of the IMMOFINANZ share

The table below shows the price targets published by equity research analysts prior to and after the announcement of the Bidder's intention to launch the Offer and the current price targets:

Financial institution	Date	Price targets prior to announcement of intention to launch the Offer, in EUR	Date	Price targets after announcement of intention to launch the Offer, in EUR	Current price targets
Deutsche Bank	20 Oct 2021	23.00	07 Feb 2022	23.00	23.00
Erste Group	13 Oct 2021	26.00	20 Dec 2021	26.00	26.00
Kepler Cheuvreux	31 Aug 2021	21.00	11 Jan 2022	21.00	21.00
PKO BP	03 Dec 2021	19.00	31 Jan 2022	22.40	22.40

Raiffeisen Bank International	29 Nov 2021	22.50	14 Jan 2021	26.25	26.25
Wiener Privatbank	02 Dec 2021	27.60			27.60
Average		23.18		23.73	24.38
Median		22.75		23.00	24.50

Source: Broker reports, Bloomberg.

From the Executive Board's point of view, the following four price targets stated in the Offer Document are not appropriate for the assessment: (i) Wood&Co with EUR 14.40, as this has not been updated since 10 September 2020 and, according to information from Wood&Co's analyst, an update is required. (ii) Société Générale with EUR 23.00, as Société Générale has discontinued its analyses and investment recommendations (equity research) regarding the IMMOFINANZ share. (iii) Baader Helvea with EUR 27.00, as this has not been updated since 28 May 2020 and according to information from the analyst at Baader Helvea, an update is required for this. (iv) HSBC with EUR 20.00 as of 30 June 2021, as HSBC is currently "restricted" according to information from HSBC's analyst due to HSBC's involvement on the Bidder's side.

The Increased Offer Price of EUR 23.00 is therefore below the average (EUR 24.38) and median (EUR 24.50) of the current price targets of the listed equity research analysts. Three of the listed equity research analysts indicate a target price significantly above the Increased Offer Price of EUR 23.00.

5.4 Increased Offer Price in relation to the Partial Offer of CEE Immobilien

The Increased Offer Price is equivalent to the offer price of the Partial Offer of CEE Immobilien. Regarding the agreed sale of the CEE Immobilien Shares and regarding the Partial Offer, reference is made to sections 1.2 and 3 of this supplementary statement.

5.5 Increased Offer Price in relation to selected European takeover transactions

In assessing the Offer Price and the Increased Offer Price, the Executive Board of the Target Company took into account premiums of public takeover transactions in the European real estate sector to acquire control and thus contain a control premium.

Buyer	Target company	Date	Premium / discount at		
			Closing price	3-month VWAP	EPRA NAV
SBB	Amasten	18 Nov 21	10.6%	31.5%	49.1%
Brookfield	alstria office REIT	04 Nov 21	21.5%	30.6%	6.8%
CTP N.V.	Deutsche Industrie REIT-AG	26 Oct 21	48.0%	45.8%	75.0%
Castellum	Kungsleden	02 August 21	7.5%	15.3%	21.2%
Vonovia	Deutsche Wohnen	01 August 21	17.8%	25.0%	0.6%
Blackstone/APG	GCP Student Living	02 July 21	30.7%	27.4%	9.2%
Starwood	RDI REIT Plc	26 Feb 21	33.1%	39.2%	-15.0%
Starwood	CA Immo	17 Dec 20	25.6%	38.1%	-10.1%
SBB	Offentliga	18 Dec 20	20.8%	19.4%	35.7%

English translation of the German original version for convenience only.
The German original version shall prevail.

Buyer	Target company	Date	Premium / discount at		
			Closing price	3-month VWAP	EPRA NAV
SEGRO Plc	Sofibus Patrimoine	15 Dec 20	46.6%	67.5%	NA
Optima Investments	Globe Trade Centre	06 April 20	0.2%	-28.2%	-45.3%
Covivio	Godewind	13 Feb 20	14.1%	37.4%	4.9%
Blackstone	Hansteen	18 Dec 19	10.3%	18.0%	11.6%
SBB	Hemfosa Fastigheter	15 Nov 19	22.7%	31.1%	50.6%
Aedifica	Hoivatilat Oyj	04 Nov 19	26.0%	35.9%	98.8%
Vonovia	Hembla	23 Sept 19	11.5%	15.6%	18.6%
Growthpoint	Capital & Regional	11 Sept 19	71.6%	92.5%	-39.8%
LondonMetric	A&J Mucklow Group PLC	23 May 19	19.7%	28.2%	14.5%
Henderson Park	Green REIT	15 April 19	24.7%	30.8%	2.3%
Swiss Life	Terreis	09 Feb 19	48.9%	61.6%	5.3%
Kildare Partners	Technopolis	28 Aug 18	13.7%	19.7%	0.0%
Vonovia	Victoria Park	03 May 18	19.5%	24.7%	22.3%
Blackstone	Hispania	05 April 18	8.4%	10.5%	17.7%
ADLER Real Estate AG	Brack Capital Properties	18 Feb 18	12.3%	10.1%	12.1%
Average			23.6%	30.3%	15.1%
Median			20.2%	29.4%	11.6%
Bidder's Increased Offer Price (EUR 23.00)			8.5%	10.6%	- 20.8%
Difference to average, in percentage points			- 15.1	- 19.7	- 35.9
Difference to median, in percentage points			- 11.7	- 18.8	- 32.4

Source: Major holdings notifications, annual reports, FactSet and Merger Market, own analyses (as of 24 January 2022).

The Increased Offer Price of the Bidder implies a premium to the unaffected closing price of the IMMOFINANZ share on 02 December 2021 (EUR 21.20) of approximately 8.5% and of approximately 10.6% in relation to the 3-month VWAP.

In contrast, other public takeover transactions in the European real estate sector (comparable transactions) have consistently offered higher premiums compared to the (unaffected) closing price (average 23.6% and median 20.2%). The implied premium of the Increased Offer Price to the 3-month VWAP is also significantly below the average and median of the premiums offered at the 3-month VWAP in the comparable transactions.

The Increased Offer Price of the Bidder shows a discount to the EPRA NAV of IMMOFINANZ as of 30 September 2021 (diluted) of approximately 20.8%.

In contrast, premiums compared to the EPRA NAV were consistently offered in the comparable transactions. The average of the premiums was around 15.1%; the median was around 11.6%.

6. Assessment of the increased offer price for the Convertible Bonds by the Executive Board

The increased offer price for the Convertible Bonds tendered into the Offer during the Acceptance Period or during the additional acceptance period pursuant to Section 19 para 3 ATA amounts to EUR 111.470,29. In addition, pro rata accrued interest will be compensated (see section 4.2).

For the assessment of the increased offer price for the Convertible Bonds, the statements in the Executive Board Statement apply mutatis mutandis, to which reference is made (see section 6 of the Executive Board Statement).

7. Presentation of the interests of IMMOFINANZ and its stakeholders

7.1 Business policy objectives and intentions of the Bidder regarding IMMOFINANZ

With regard to the Bidder's objectives, no new substantive information is provided in the Offer Amendment. The Bidder states that with regard to the Target Company's participation in S IMMO, a range of potential future scenarios remain possible which the Bidder is evaluating, but the possible implementation of which depends on various legal, economic and other influencing factors. In this regard, the Bidder refers in the Offer Amendment to section 6.2 of the Offer Document.

According to the Offer Amendment, due the future participation in the Target Company, CPIPG's expectation is reinforced to gain a high level of control in the future and the ability to strongly and lastingly influence future strategic actions of the Target Company, always complying with the Austrian Corporate Governance Code as well as other rules and regulations, and in close collaboration with management and other stakeholders for the benefit of the Target Company.

7.2 Impact on IMMOFINANZ and the shareholder structure

The Executive Board Statement describes under section 7.4 the impacts on IMMOFINANZ and the shareholder structure. These are supplemented with regard to the acquisitions of IMMOFINANZ shares agreed by the Bidder (CPIPG) with Petrus Advisers and CEE Immobilien (indirect subsidiary of S IMMO).

7.2.1 The shareholder block CEE Immobilien (S IMMO) no longer exists

The participation of CEE Immobilien (S IMMO) in IMMOFINANZ together with the results of the Partial Offer by CEE Immobilien (S IMMO) could so far lead to the fact that CPIPG and S IMMO, two shareholders with significant shareholdings in the Target Company, are opposed to each other with possibly different strategic interests, with possible complications for the decision-making process at the IMMOFINANZ shareholders' meeting.

Following completion of the acquisition of CEE Immobilien Shares by CIPIG as agreed between CIPIG and CEE Immobilien (see point 1.2), CEE Immobilien (S IMMO) will no longer hold a shareholding in IMMOFINANZ. As a result, the previous possible effects as explained in the Executive Board Statement are no longer applicable.

7.2.2 Potential impact on IMMOFINANZ's shareholding in S IMMO

CIPIG has increased its shareholding in S IMMO by approximately 4.45% compared to the status of the Executive Board Statement. According to a major holdings notification, CIPIG holds 11,818,668 S IMMO-shares, corresponding to approximately 16.06% of the current share capital of S IMMO.

IMMOFINANZ holds 19,499,437 S IMMO shares, corresponding to approximately 26.49% of the current share capital of S IMMO.

a) Possible effects on voting power in the shareholders' meeting of S IMMO

As a result of the agreed further share acquisitions by CIPIG in IMMOFINANZ, CIPIG will acquire a shareholding of approximately 48.18% in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ. It is also very likely that CIPIG will acquire a majority of the voting rights in IMMOFINANZ (Section 244 para 2 no. 1 ACC) as a result of the Offer.

Pursuant to Section 13 para 3 of S IMMO's articles of association, a maximum voting right applies. Accordingly, the voting right of each shareholder in the shareholders' meeting is limited to 15% (fifteen percent) of the issued shares. The maximum voting right limits the voting weight in relation to voting majorities; no limitation applies to capital majorities.

For the purposes of the maximum voting right, the two blocks of shares (IMMOFINANZ, CIPIG) are generally to be considered separately. Pursuant to the provisions of the articles of association, however, shares of companies constituting a group within the meaning of Section 15 of the Austrian Stock Corporation Act shall be aggregated. The same shall apply for shares held by a third party for the account of the respective shareholders or for the account of a group company with which such shareholder is affiliated. The shares of shareholders acting in concert for the exercise of their voting rights on the basis of a contract or coordination shall also be aggregated.

In connection with the shareholding that CIPIG will acquire in IMMOFINANZ, it is very likely that the shareholdings of IMMOFINANZ and CIPIG will have to be aggregated and will be limited to 15% for the voting rights combined, whereby it is not regulated by law to what extent the reduction of the voting rights of the combined shareholdings has to take place respectively.

b) Possible takeover obligations of IMMOFINANZ with regard to S IMMO

As a result of the agreed further share acquisitions by CIPIG in IMMOFINANZ, CIPIG will acquire a shareholding of approximately 48.18% in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ. It is also very likely that CIPIG will acquire a majority of the voting rights in IMMOFINANZ (Section 244 para 2 no. 1 ACC) as a result of the Offer.

This may result in the aggregation of the shareholdings of IMMOFINANZ and CIPIG in S IMMO under takeover law and thus in the aggregation exceeding 30% of the voting rights in S IMMO and in the acquisition of a formal controlling interest (Section 22 ATA). Due to the statutory 15% maximum voting

right at S IMMO (Section 13 para 3 of S IMMO's articles of association), an exception from the obligation to launch an offer under takeover law is applicable in this case (Section 24 para 2 no 3 ATA), whereby the Austrian Takeover Commission (in its opinion of 25 June 2019, 2019/3/1-21) expressed the view that the exception does not appear justified if a qualified capital majority (75%) would be reached due to the usual presence at the shareholders' meeting or if de facto control can be exercised over the corresponding shareholding. Therefore, it cannot be excluded that any de facto control at S IMMO is relevant, that such control may also arise as a result of (further) changes in the shareholding ratios which cannot be influenced by IMMOFINANZ, and that IMMOFINANZ in this context is then affected by takeover-related obligations to make an offer pursuant to Section 23 para 3 ATA with respect to S IMMO.

On 26 January 2022, S IMMO announced with ad-hoc notification that on 26 January 2022, S IMMO received a request from the shareholder EVAX Holding GmbH (pursuant to major holdings notifications EVAX Holding GmbH is controlled by EUROVEA Services s.r.o. which is controlled by Peter Korbačka) requesting the convocation of an extraordinary shareholders' meeting of S IMMO AG in order to vote on the cancellation of the maximum voting right incorporated in Section 13 para 3 of the articles of association of S IMMO without substitution. As of the date of this supplementary statement, no convocation of an extraordinary shareholders' meeting of S IMMO has been published. If the articles of association of S IMMO are amended to cancel the maximum voting right, the aforementioned exception from the obligation to launch an offer under takeover law (Section 24 para 2 no 3 ATA) will no longer apply, which, if the existing shareholdings of IMMOFINANZ and CIPIG in S IMMO are aggregated, will in any case result in a material controlling interest and thus trigger a takeover obligation of CIPIG and IMMOFINANZ.

c) Dissolution of the cross-shareholding

As a result of completion of the acquisition of the CEE Immobilien Shares by CIPIG as agreed between CIPIG and CEE Immobilien, CEE Immobilien (S IMMO) will no longer hold a shareholding in IMMOFINANZ. This will dissolve the existing cross-shareholding between IMMOFINANZ and S IMMO, which is viewed critically by the capital market.

7.2.3 Effects on the financing strategy, access to capital and financing costs

As regards the effects on the financing strategy, access to capital and financing costs, reference is made to section 7.4.3 of the Executive Board Statement.

7.2.4 (Other) financial effects on IMMOFINANZ and termination rights due to change of control events

For creditors of IMMOFINANZ, in the view of the Executive Board, no deterioration of the current position is apparent as a result of the agreed further share acquisitions of CIPIG in IMMOFINANZ and the Offer. However, new aspects are to be considered as follows:

As a result of the agreed further share acquisitions by CIPIG in IMMOFINANZ, CIPIG will acquire a shareholding of approximately 48.18% in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ. It is also very likely that CIPIG will acquire a majority of the voting rights in IMMOFINANZ (Section 244 para 2 no. 1 ACC) as a result of the Offer.

However, the Executive Board points out – as in the Executive Board Statement – that it cannot be excluded that, as a result of the change of control, repayment obligations of the Target Company or termination rights of creditors of the Target Company as well as certain other termination rights may be triggered.

Under the terms and conditions of the corporate bonds 2019-2023 issued in January 2019 (aggregate nominal amount EUR 482.8 million) and the corporate bonds 2020-2027 issued in October 2020 (aggregate nominal amount EUR 500 million), in the event of a change of control event (as defined in the terms and conditions), creditors are entitled to terminate their notes and may demand immediate redemption at 101% of the principal amount plus accrued interest. A change of control event occurs under the terms and conditions of the corporate bonds 2019-2023 and 2020-2027 if a controlling interest in IMMOFINANZ is obtained, triggering a mandatory offer¹. It can be assumed that a change of control event will occur under the terms and conditions upon execution of the share purchase agreement between CPIPG and RPPK Immo GmbH and transfer of the RPPK-Shares to CPIPG.

With regard to the currently unused EUR 100 million group credit line of IMMOFINANZ, it can also be assumed that a right of termination for cause will be triggered accordingly.

With respect to material real estate financing transactions entered into by IMMOFINANZ and its subsidiaries, termination rights of creditors may be triggered for a total credit volume of approximately EUR 1.37 billion whereby termination rights for approximately half of this total credit volume are triggered for one part (i) in the event CPIPG gains a material controlling interest and for the other half (ii) in the event CPIPG gains a majority shareholding in IMMOFINANZ or such acquisition of control are subject to the approvals of the lenders.

The exercise of termination rights by creditors due to change of control events in relation to the corporate bonds and material real estate financing may result in a significant liquidity requirement, also in connection with a significant refinancing requirement. A liquidity and refinancing requirement may have a negative impact on the business development and, in particular, on the growth strategy pursued by IMMOFINANZ in accordance with the published capital market guidance for the 2022 financial year and the dividend distribution target announced by IMMOFINANZ.

7.3 Financing of the Bidder

According to the Offer Amendment and the confirmation of the Bidder's expert (Section 9 ATA), the Bidder has the funds to finance the Offer at the Increased Offer Price.

8. IMMOFINANZ Executive Board's position to the Offer

8.1 Basic considerations

The Executive Board Statement in connection with this supplementary statement contains an assessment of whether the consideration offered and the other contents of the Offer adequately take into account the interest of all shareholders and holders of securities.

¹ A change of control event shall be deemed to have occurred if one or more persons acting in concert or a third person or persons acting on behalf of such person or persons acquire at any time, directly or indirectly, a controlling interest within the meaning of the Austrian Takeover Act (which shall also include any lower threshold provided for in the articles of association of IMMOFINANZ), thereby triggering a mandatory offer.

Pursuant to Section 14 ATA the Executive Board shall, if no definite recommendation to the offer is made, set out the arguments for the acceptance or rejection of the offer and in doing so underscore key considerations.

The decision to accept or reject the offer is incumbent on the individual shareholders and holders of securities, who must decide on this on the basis of their individual starting base and interests.

Thus, the Executive Board has presented the reasons that may speak in favour of or against the acceptance of the Offer by shareholders and holders of securities prior to its recommendation to the shareholders and holders of securities in IMMOFINANZ not to accept the Offer. The reasons given also apply mutatis mutandis to the Convertible Bonds, as their value is derived primarily from the value of the shares in the Target Company.

The statement of reasons that may speak in favour of or against the acceptance of the Offer by shareholders and holders of securities is supplemented in this supplementary statement with regard to the acquisitions of IMMOFINANZ shares agreed by the Bidder (CPIPG) with Petrus Advisers and CEE Immobilien (indirect subsidiary of S IMMO) and the Increased Offer Price.

In view of the fact that CPIPG will acquire a shareholding of approximately 48.18% in IMMOFINANZ through the further agreed share acquisitions in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ and that it is very likely that CPIPG will acquire the majority of voting rights in IMMOFINANZ through the Offer, the Executive Board does not make any recommendation to the shareholders and holders of Convertible Bonds to accept or reject the Offer.

The following statements are intended to provide the holders of securities with information and aspects that speak for or against an acceptance of the Offer. However, such presentation cannot be conclusive; in particular, individual circumstances cannot be taken into account. The decision as to whether or not the Offer is advantageous for an IMMOFINANZ shareholder or holder of securities in detail must therefore be made by each shareholder or holder of securities based on his or her individual situation (among other things depending on: acquisition price, long-term or short-term investment, investment strategy, tax situation, etc.) on the basis of an independent assessment and taking into account uncertainties in the aspects listed below. In addition, this decision also depends to a large extent on the future development of the capital market or the real estate sector expected by the respective shareholder or holder of securities as well as the assessment of how the enterprise value of the Target Company and thus ultimately also the price of the IMMOFINANZ share will develop in the future.

In order to also be able to take into account developments that occur after the preparation of this supplementary statement of the Executive Board, it could be advantageous for the individual IMMOFINANZ shareholder or holder of securities to make the decision on the acceptance or rejection of the Offer (in a timely manner) towards the end of the Acceptance Period, taking into account the relevant deadlines.

Tax considerations may also be decisive for the decision to accept or reject the Offer, which is why the Executive Board expressly requests the shareholders or holders of securities to obtain information on the tax consequences from a qualified advisor (such as a tax consultant).

8.2 The following reasons speak in favour of accepting the Offer by shareholders

In the view of the Executive Board, the following considerations may speak in favour of accepting the Offer (the order does not necessarily reflect the weight of the individual arguments):

8.2.1 Premium to average stock exchange prices

Compared to the weighted average prices (VWAP) of the last 1, 3, 6 and 12 months prior to the announcement of the intention to launch a takeover offer, the premium amounts to (approximately) 10.16%, 10.59%, 13.04% and 23.61%.

The Increased Offer Price of EUR 23.00 implies a premium of 8.49% to the closing price of the IMMOFINANZ share on 02 December 2021 (EUR 21.20) (day prior to the publication of the intention to launch the Offer).

8.2.2 The Increased Offer Price is at the current share price level

The Increased Offer Price of EUR 23.00 is per 14 February 2022 slightly above the current price level of the IMMOFINANZ share as of 14 February 2022 (daily closing price of the share on the Vienna Stock Exchange on 14 February 2022 of EUR 22.96).

8.2.3 Exit option for shareholders with larger numbers of shares

By accepting the Offer within the Acceptance Period or the additional acceptance period, higher numbers of IMMOFINANZ shares can also be sold without negatively affecting the pricing. Whether the Offer is attractive for shareholders with larger numbers of shares depends on their entry prices. A consideration equal to or higher than the Offer could be more difficult to obtain in the future for larger volumes of shares after the Offer has been discontinued and the liquidity of the share has been limited.

8.2.4 Future share price development uncertain

The IMMOFINANZ share price developed very positively until the start of the COVID-19 pandemic in spring 2020. Since the COVID-19 pandemic related price collapse (after 21 February 2020) (lowest daily closing price of the IMMOFINANZ share on 30 October 2020: EUR 11.50), the price has risen continuously again. It is not certain whether this trend will continue and thus a pre-crisis price level will be reached again.

The price targets of equity research analysts for the IMMOFINANZ share are in part significantly higher than the Increased Offer Price (see section 5.3). However, it is uncertain whether these price expectations will actually materialize.

It is also uncertain whether in the future the stock exchange price will fully reflect the good business development of IMMOFINANZ (see results for Q3 2021) and the EPRA NAV/share and EPRA NTA/share (diluted), which are significantly above the Increased Offer Price.

In connection with future share price developments, general market developments are also relevant and, in particular, an intensification of the crisis between Russia and Ukraine can have a negative impact on the capital markets.

8.2.5 Uncertainties in the development of business activities

IMMOFINANZ shareholders who do not accept the Offer will directly bear the risk of the future development of IMMOFINANZ's business activities and other risks relating to IMMOFINANZ.

In this context, it should also be noted that as a result of the agreed further share acquisitions by CPIPG in IMMOFINANZ, CPIPG will acquire a shareholding of approximately 48.18% in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ. It is also very likely that CPIPG will acquire a majority of the voting rights in IMMOFINANZ (Section 244 para 2 no. 1 ACC) as a result of the Offer.

The exercise of termination rights by creditors due to change of control events in relation to the corporate bonds and material real estate financing may result in a significant liquidity requirement may also arise in conjunction with a significant refinancing requirement (see item 7.2.4), which may have a negative impact on business activities and in particular on the growth strategy of IMMOFINANZ pursued in accordance with the published capital market guidance for the 2022 financial year and the dividend distribution target announced by IMMOFINANZ.

The profitability of IMMOFINANZ's business activities and thus also its future growth potential depend on a large number of factors whose future development is uncertain, such as demand for office and retail space, costs for the operation and maintenance of the properties managed by IMMOFINANZ, personnel and administrative costs, costs and availabilities for debt financing (interest rate development), tax burden, regulatory framework conditions as well as other factors and risks.

8.2.6 Decline in free float – future realisation possibly more difficult

Until the beginning of December 2021, the free float at IMMOFINANZ was approximately 65% of the share capital; no shareholder held more than 15% of the Target Company's share capital. Since then, the composition of the shareholder base has changed significantly.

Pursuant to the Offer Document and the Offer Amendment, CPIPG holds a shareholding of approximately 19.25% of the current share capital of IMMOFINANZ. Upon completion of the agreed share acquisitions of CPIPG with RPPK Immo GmbH, Petrus Advisers and CEE Immobilien (S IMMO), CPIPG's shareholding in IMMOFINANZ increases to approximately 48.18% of the current share capital of IMMOFINANZ.

The free float thus currently amounts to approximately 51.82%. The Offer is likely to allow the Bidder to further increase its stake in IMMOFINANZ, which will further reduce the free float.

Accordingly, decreasing average daily trading volumes of the IMMOFINANZ share, i.e. lower liquidity after settlement of the Offer, cannot be excluded. Lack of liquidity could impair the attractiveness of the IMMOFINANZ share and make future divestments more difficult. In any case, it might be more difficult for shareholders in the future to achieve the Increased Offer Price or a higher price when selling their shares on the stock exchange.

IMMOFINANZ shares are currently listed in the ATX and WIG-Real Estate. A reduction in the free float can also lead to IMMOFINANZ share no longer meeting the inclusion criteria of the respective index providers or only being included in an index with a low weighting, which can have a negative impact

on investments in the IMMOFINANZ share by institutional investors who invest in an index-dependent or index-oriented manner and thus also lead to negative effects on the share price.

8.3 The following reasons speak against an acceptance of the Offer by shareholders

In the view of the Executive Board, the following considerations may speak against the acceptance of the Offer (the order does not necessarily reflect the weight of the individual arguments):

8.3.1 Increased Offer Price significantly below the price level before the outbreak of the COVID-19 pandemic

The IMMOFINANZ share price has risen continuously since the lows during the peak of the COVID-19 pandemic. Nevertheless, the IMMOFINANZ share continues to trade below its 52-week high of EUR 26.95 (as of 17 February 2020) prior to the COVID-19 pandemic-related share price collapse (after 21 February 2020), with the Increased Offer Price showing a discount of approximately 14.66% to this price.

On 21 February 2020, the last day prior to the COVID-19 pandemic-related price collapse, the closing price of the IMMOFINANZ share was EUR 26.40 and thus EUR 3.40 above the Increased Offer Price. This corresponds to a discount of approximately 12.88% compared to this value. In addition, the Increased Offer Price is approximately 10.44% below the 1-month VWAP, approximately 6.88% below the 3-month VWAP and approximately 7.85% below the 6-month VWAP, in each case prior the COVID-19 pandemic-related share price collapse.

Naturally, future share price developments are associated with uncertainties.

8.3.2 Increased Offer Price is significantly below EPRA NAV, EPRA NTA and IFRS book value per share

The Increased Offer Price is significantly below the (diluted) EPRA NAV per share as of 30 September 2021 of EUR 29.05 and below the (diluted) EPRA NTA per share as of 30 September 2021 of EUR 29.45. The discount to the EPRA NAV (diluted) is approximately 20.82% and the discount to the EPRA NTA (diluted) is approximately 21.90%.

The Increased Offer Price is also significantly below the (diluted) IFRS book value of the IMMOFINANZ shares as of 30 September 2021 of EUR 26.70, which corresponds to a discount of approximately 13.87%.

8.3.3 Increased Offer Price is below the average target price of analysts

The Increased Offer Price is below the current expectations of analysts who forecast a target price of EUR 24.38 (average) and EUR 24.50 (median). Three of the securities analysts quoted give price targets of EUR 26.00 to EUR 27.60, significantly above the Increased Offer Price (see section 5.3).

8.3.4 Premium of the Increased Offer Price significantly lower than premiums of other public takeover transactions

In assessing the Offer Price and the Increased Offer Price, premiums of successful public takeover transactions in the European real estate sector have also been taken into account (comparable transactions), which were aimed at acquiring control and thus contained a control premium (see section 5.5).

The Increased Offer Price of the Bidder implies a premium to the unaffected closing price of the IMMOFINANZ share on 02 December 2021 (EUR 21.20) of only approximately 8.49% and of only approximately 10.58% in relation to the 3-month VWAP.

In contrast, consistently higher premiums compared to the (unaffected) closing price were offered throughout comparable transactions (average 23.6% and median 20.2%). The implied premium of the Increased Offer Price compared to the 3-month VWAP is also significantly below the average (30.3%) and the median (29.4%) of the premiums at the 3-month VWAP in comparable transactions.

In comparable transactions, premiums were consistently offered in comparison to the EPRA NAV. The average of the premiums was approximately 15.1%; the median was approximately 11.6%.

In contrast, the Increased Offer Price of the Bidder shows a discount to the (diluted) EPRA NAV of IMMOFINANZ as of 30 September 2021 of approximately 20.82%.

8.3.5 Development and business outlook

IMMOFINANZ is on an upward trend, which is reflected in the sustained improvement in key figures and the positive business outlook in IMMOFINANZ's publication of 29 November 2021 on the consolidated results for the first three quarters of 2021.

For the 2022 financial year, the Executive Board assumes for the business development in the 2022 financial year, according to published capital market guidance and based on a moderate impact of COVID-19 influences,

- a growth of the portfolio from EUR 5 billion to approximately EUR 6 billion (completion of project developments and acquisitions in the sectors retail (STOP SHOP) and office (myhive)),
- a target for FFO 1 before tax of more than EUR 135 million, of which 70% shall be distributed as dividend payment (proposal for the appropriation of the balance sheet profit to the shareholders' meeting),
- an unchanged financial policy with a debt ratio measured by net LTV at a conservative level of 36.6% as of 30 September 2021, of still below 45% in the medium term, and maintenance of the investment grade rating from S&P Global Ratings of BBB-/Stable (BBB-/Stable outlook).

IMMOFINANZ's entry into the asset class of affordable sustainable housing (TOP on STOP), which was announced in August 2021, also offers additional positive potential for the expanded use of the specialist store properties (STOP SHOP).

A potential continuation of the current positive economic developments in IMMOFINANZ's core markets with continuous economic growth could provide a good prerequisite for further stable business development, which could be reflected in an increasing company value and share price.

In addition, a continued positive fundamental development of the real estate markets with high occupancy rates, rising rents and declining purchase yields can also represent a positive effect for both the operational earning power (FFO) and the equity growth (NAV, NTA) of the company in the future.

Shareholders who do not accept the Offer have the opportunity to continue to participate in this positive development.

In connection with the business outlook, the Executive Board points out that a liquidity requirement, also in connection with a refinancing requirement due to the exercise of termination rights by creditors due to change of control events in relation to the corporate bonds and material real estate financing (see section 7.2.4), may have a negative impact on business activities and in particular on the growth strategy of IMMOFINANZ pursued in accordance with the published capital market guidance for the 2022 financial year and the dividend distribution target announced by IMMOFINANZ.

It should also be noted that CPIPG, by way of its controlling interest, may materially influence and change the strategy and business policy of the Target Company, which may lead to a change in the distribution policy to the shareholders and also to a business development deviating from the guidance of the management (see section 8.4 in this regard).

8.3.6 Limited freedom of disposition with respect to tendered shares and Convertible Bonds

Shareholders and holders of Convertible Bonds are temporarily restricted in their power of disposition with respect to the shares or Convertible Bonds for which they have accepted the Offer because tendered shares or Convertible Bonds cannot be traded on the stock exchange until the settlement of the Offer.

8.3.7 Acceptance of the Offer is still possible during statutory additional acceptance period

Shareholders and holders of Convertible Bonds who do not wish to accept the Offer during the Acceptance Period may still accept the Offer during the statutory additional acceptance period of three months after the expiry of the (initial) Acceptance Period for the Offer.

8.4 Additional considerations from the perspective of the Company

As described in the Executive Board Statement, CPIPG sets out in the Offer Document as reasons for the Offer that the acquisition of a controlling interest in IMMOFINANZ represents an optimal strategic fit for its business and that IMMOFINANZ has an excellent real estate portfolio in the Central European region. CPIPG expects to remain a long-term, active shareholder of the Target Company and to support the development and growth of the Target Company, highlighting CPIPG's experience in the consolidation of publicly listed platforms in the Central European region.

According to the Offer Amendment, CPIPG's expectation is reinforced to gain a high level of control in the future and the ability to strongly and lastingly influence future strategic actions of the Target Company, always complying with the Austrian Corporate Governance Code as well as other rules and

regulations, and in close collaboration with management and other stakeholders for the benefit of the Target Company.

The acquisition of a shareholding by CPIPG may in accordance with the opinion set out in the Offer Amendment therefore have a positive effect on the further economic development of IMMOFINANZ with regard to influencing the strategy in cooperation with the management and the support and development of the growth of IMMOFINANZ expressed in the Offer Document and additionally support the achievement of the sustainable growth targets.

Notwithstanding the above, IMMOFINANZ has in the recent past also independently pursued its successful corporate policy and business strategy in the interest of all shareholders and for their value maximization. By way of controlling interest, the Bidder may significantly influence and change the strategy and business policy of the Target Company, which may also lead to a corporate success deviating from the guidance of the management and to a changed dividend policy for the shareholders.

8.5 Summary assessment

As described in the Executive Board Statement, the acquisition of the shareholding and the Offer of CPIPG as a long-term strategic investor in the Central European region underlines the successful development of IMMOFINANZ and the positive outlook for the future business development of IMMOFINANZ's business.

In the view of the Executive Board, also the Increased Offer Price of EUR 23.00 per IMMOFINANZ share, and derived therefrom, the increased offer price for the Convertible Bonds do not reflect this successful development of IMMOFINANZ and do not take into account an appropriate control premium in relation to the Bidder's acquisition of control over IMMOFINANZ.

The Executive Board considers the Increased Offer Price of EUR 23.00 per IMMOFINANZ share and the increased offer price for the Convertible Bonds derived therefrom, in particular based on the key figures for the IMMOFINANZ share (IFRS book value, EPRA NAV and EPRA NTA per IMMOFINANZ share), the price level of the share prior to the outbreak of the COVID-19 pandemic and in view of premiums of other public takeover transactions in the European real estate sector, as well as the sustainably improved key figures in the current business activities of IMMOFINANZ and the positive business outlook as inappropriate.

The Executive Board hereby points out that CPIPG, through the further agreed share acquisitions in IMMOFINANZ, will acquire a shareholding of approximately 48.18% in IMMOFINANZ and thus a material controlling interest in IMMOFINANZ and that it is very likely that CPIPG will acquire the majority of voting rights in IMMOFINANZ through the Offer. In connection with the acquisition of control by CPIPG, the present Offer offers a respective exit opportunity for shareholders and holders of Convertible Bonds and a liquidity event for the IMMOFINANZ share, in particular for larger share volumes. Against this background, the Executive Board emphasizes that a decision to accept the Offer is to be made by each shareholder and holder of Convertible Bonds himself, in particular also under consideration of the advantages and disadvantages, the individual situation and in accordance with its own assessment of future developments.

*English translation of the German original version for convenience only.
The German original version shall prevail.*

Vienna, on 15 February 2022

The Executive Board of IMMOFINANZ AG

Mag. Dietmar Reindl

Mag. Stefan Schönauer BA