Growing together

IMMOFINANZ
GROUP
Annual Report 2023

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IMMOFINANZ GROUP

Annual Report 2023

Key Figures

EUR 418.5 mn results of asset management

Earnings

		2023	2022	Change in %
Rental income	in MEUR	533.6	300.2	77.8
Results of asset management	in MEUR	418.5	226.1	85.1
Results of property sales	in MEUR	-38.3	4.6	n. a.
Results of property development	in MEUR	-25.6	-20.7	-23.7
Results of operations	in MEUR	285.1	154.3	84.7
Revaluations	in MEUR	-376.8	-105.7	≤ -100.0%
EBIT	in MEUR	-67.1	258.3	n. a.
Financial results	in MEUR	-246.1	-72.6	≤ -100.0%
EBT	in MEUR	-313.1	185.7	n. a.
Net profit for the period	in MEUR	-229.5	142.0	n. a.
FFO 1 before tax[1]	in MEUR	275.3	146.1	88.4

[1] See calculations in the section on "Business Development".

Assets

		31 12 2023	31 12 2022	Change in %
Balance sheet total	in MEUR	9,649.9	9,890.4	-2.4
Equity as % of the balance sheet total	in %	47.3	47.9	n. a.
Net financial liabilities	in MEUR	3,539.3	3,501.1	1.1
Cash and cash equivalents[1]	in MEUR	697.1	684.7	1.8
Loan-to-value ratio (net)	in %	42.1	40.7	n. a.
Gearing	in %	78.9	75.1	n. a.
Total average interest rate including costs for derivatives	in %	2.9	2.6	n. a.
Average term of financial liabilities	in years	4.0	4.3	-7.0

[1] Including cash and cash equivalents held for sale

Investment property

		31 12 2023	31 12 2022	Change in %
Total number of properties		518	627	-17.4
Rentable space	in sqm	3,558,305	3,531,706	0.8
Occupancy rate	in %	92.2	92.9	n. a.
Gross return[1]	in %	7.2	6.5	n. a.
Portfolio value[1]	in MEUR	8,174.3	8,363.8	-2.3
Unencumbered investment property	in MEUR	1,556.7	2,016.8	-22.8

[1] Based on data in the "Portfolio Report"

3,558,305 sqm of rentable space

42.8 %

EPRA loan-to-value ratio

EPRA[1]

		31 12 2023	31 12 2022	Change in %
EPRA net reinstatement value[2]	in MEUR	4,196.3	4,554.4	-7.9
EPRA net reinstatement value per share[2]	in EUR	30.41	33.01	-7.9
EPRA net tangible assets[2]	in MEUR	3,863.8	4,114.4	-6.1
EPRA net tangible assets per share[2]	in EUR	28.00	29.82	-6.1
EPRA net disposal value[2]	in MEUR	3,677.1	3,832.8	-4.1
EPRA net disposal value per share[2]	in EUR	26.65	27.78	-4.1
EPRA vacancy rate[3]	in %	5.1	6.5	n. a.
EPRA loan-to-value ratio	in %	42.8	42.5	n. a.

		2023	2022	Change in %
EPRA earnings	in MEUR	202.4	-109.7	n. a.
EPRA earnings per share	in EUR	1.47	-0.80	n. a.
EPRA earnings after company-specific adjustments	in MEUR	205.7	36.5	≥ +100.0
EPRA earnings per share after company-specific adjustments	in EUR	1.49	0.27	≥ +100.0
EPRA net initial yield	in %	6.2	5.7	n. a.
EPRA "topped-up" net initial yield	in %	6.4	6.1	n. a.
EPRA cost ratio including direct vacancy costs	in %	20.4	22.9	n. a.
EPRA cost ratio excluding direct vacancy costs	in %	19.0	19.6	n. a.
EPRA capital expenditure	in MEUR	509.2	2.950.8	-82.7

[1] See calculations in the section on "EPRA Financial Indicators".
[2] The comparative data was adjusted.
[3] The EPRA vacancy rate (excluding S IMMO) is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio.

Stock exchange data

		31 12 2023	31 12 2022	Change in %
Book value per share	in EUR	26.60	27.47	-3.2
Share price at end of period	in EUR	21.05	11.62	81.2
Discount of share price to EPRA NTA diluted per share	in %	24.8	61.0	n. a.
Total number of shares		138,669,711	138,669.711	0.0
thereof number of treasury shares		695,585	695,585	0.0
Market capitalisation at end of period	in MEUR	2,919.0	1,611.3	81.2

		2023	2022	Change in %
Earnings per share (basic)[1]	in EUR	-1.31	1.04	n. a.
Earnings per share (diluted)[1]	in EUR	-1.31	1.04	n. a.

[1] Number of shares for the calculation (basic/diluted): 137,974,126 for 2023 and 136,866,509 for 2022

The increase in the investment in S IMMO to 50% plus one share was completed at year-end 2022. The assets and liabilities held by S IMMO have therefore been included in IMMOFINANZ's consolidated financial statements since 31 December 2022, and the income statement positions were included beginning with the first quarter of 2023. The designation "IMMOFINANZ Group" is used for information that includes S IMMO, while information excluding S IMMO is referred to as "IMMOFINANZ".

The plus and minus signs assigned to the changes reflect the business point of view: improvements are shown with a plus sign (+), deteriorations with a minus sign (−). Very high positive or negative per cent changes are reported as ≥+100% or ≤−100%. The designation "not applicable" (n. a.) is used when there is a change in the sign (i.e. from plus to minus or from minus to plus) and for changes in percentage rates. Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates. References to persons in this financial report refer to all genders equally.

IMMOFINANZ
Strong portfolio.
Attractive markets.
High potential.

Content

Our Company

Corporate Governance

Group Management Report

Consolidated Financial Statements

IMMOFINANZ Group at a Glance

We deliver comprehensive real estate solutions for our customers from a portfolio that primarily consists of commercial properties in the office and retail asset classes and is focused on flexible and innovative properties. In doing so, we rely on three brands in particular: myhive for offices, VIVO! for shopping centers and STOP SHOP for retail parks.

In addition to the professional management of our standing investments, we generate value-creating growth through our own development projects and acquisitions in our core markets of Austria, Germany, Poland, the Czech Republic, Slovakia, Romania, Hungary and the Adriatic region.

The full consolidation of S IMMO by IMMOFINANZ now combines the portfolios of these two companies under a single umbrella – IMMOFINANZ Group.

EUR 8.2 billion carrying amount of the property portfolio

Our two core businesses – office and retail – are growing steadily based on our own development projects and acquisitions.

518 properties

Our standing investments – which represent roughly 96% of the total property portfolio – are our most important earnings driver.

3.6 million sqm of rentable space

Strengthening ties with existing tenants and acquiring new tenants are the focus of our daily business.

For our environment:
On the way to achieving our ESG targets we are implementing numerous measures and initiatives to improve our carbon footprint. You can find out more about this starting on page 83.

Key Figures on the Standing Investment Portfolio

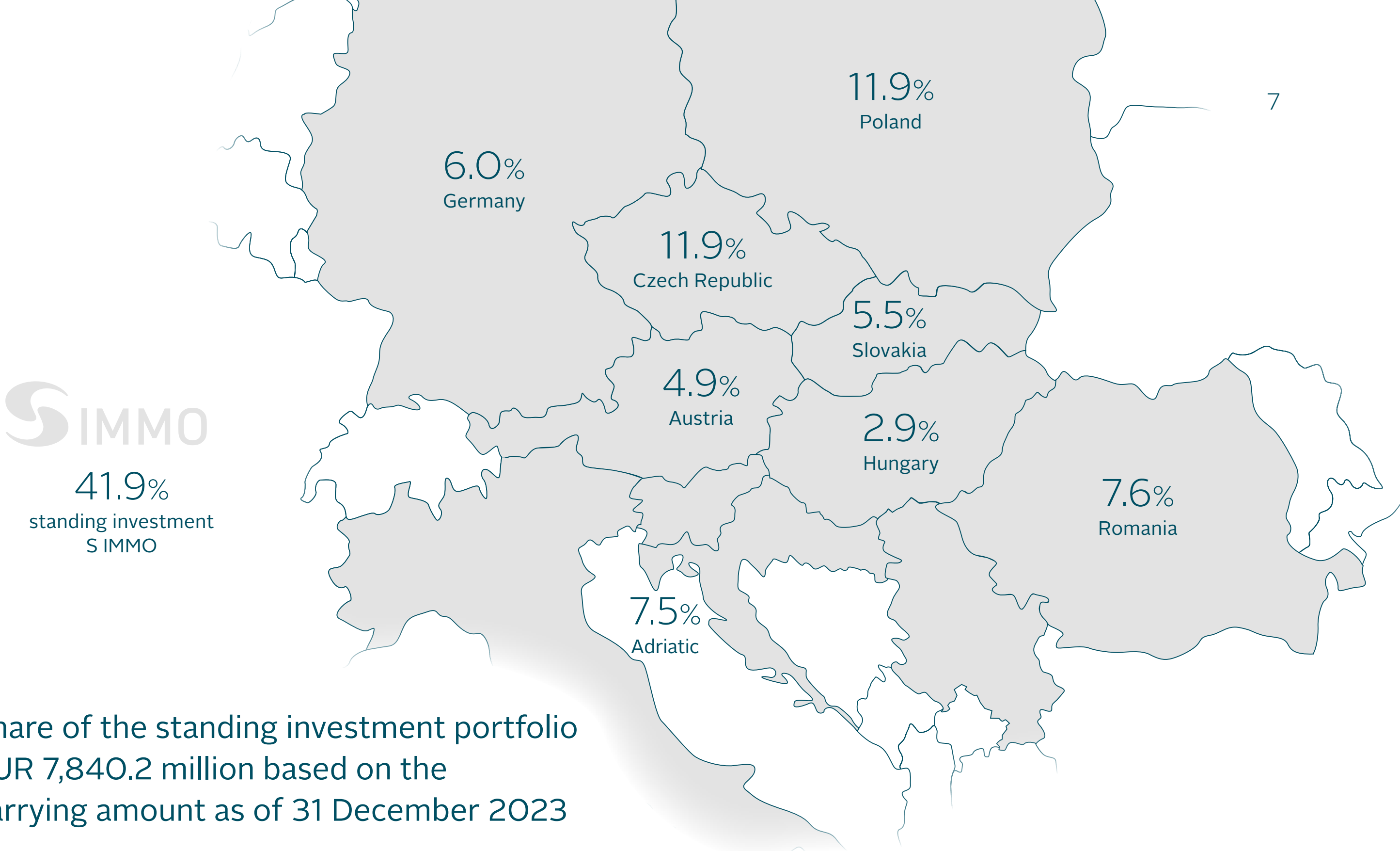
IMMOFINANZ Group by core market as of 31 December 2023

VIVO! Bratislava
Bratislava | SK
approx. 35,400 sqm
of rentable space

EUR 7.8 billion
carrying amount standing investments

STOP SHOP Simmering
Simmering | AT
approx. 4,400 sqm
of rentable space

myhive Metroffice
Bucharest | RO
approx. 20,900 sqm
of rentable space



Share of the standing investment portfolio EUR 7,840.2 million based on the carrying amount as of 31 December 2023

Poland

Number of properties	28
Carrying amount in MEUR	936.9
Carrying amount in %	11.9
Rentable space in sqm	400,173
Occupancy rate in %	96.4
Rental income Q4 2023 in MEUR	18.9
Gross return in %	8.1

Czech Republic

Number of properties	72
Carrying amount in MEUR	933.6
Carrying amount in %	11.9
Rentable space in sqm	381,364
Occupancy rate in %	97.1
Rental income Q4 2023 in MEUR	11.4
Gross return in %	4.9[1]

Romania

Number of properties	14
Carrying amount in MEUR	595.8
Carrying amount in %	7.6
Rentable space in sqm	329,912
Occupancy rate in %	90.1
Rental income Q4 2023 in MEUR	14.0
Gross return in %	9.4

Adriatic[2]

Number of properties	43
Carrying amount in MEUR	584.9
Carrying amount in %	7.5
Rentable space in sqm	387,304
Occupancy rate in %	99.6
Rental income Q4 2023 in MEUR	13.1
Gross return in %	9.0

Germany

Number of properties	3
Carrying amount in MEUR	467.6
Carrying amount in %	6.0
Rentable space in sqm	87,652
Occupancy rate in %	76.4
Rental income Q4 2023 in MEUR	6.7
Gross return in %	5.8

Slovakia

Number of properties	34
Carrying amount in MEUR	428.1
Carrying amount in %	5.5
Rentable space in sqm	258,986
Occupancy rate in %	95.7
Rental income Q4 2023 in MEUR	8.8
Gross return in %	8.2

Austria

Number of properties	18
Carrying amount in MEUR	381.7
Carrying amount in %	4.9
Rentable space in sqm	128,744
Occupancy rate in %	98.9
Rental income Q4 2023 in MEUR	5.9
Gross return in %	6.2

Hungary

Number of properties	16
Carrying amount in MEUR	224.8
Carrying amount in %	2.9
Rentable space in sqm	169,268
Occupancy rate in %	99.5
Rental income Q4 2023 in MEUR	6.3
Gross return in %	11.1[3]

S IMMO

Number of properties	204
Carrying amount in MEUR	3,286.8
Carrying amount in %	41.9
Rentable space in sqm	1,414,903
Occupancy rate in %	87.1
Rental income Q4 2023 in MEUR	56.2
Gross return in %	6.8

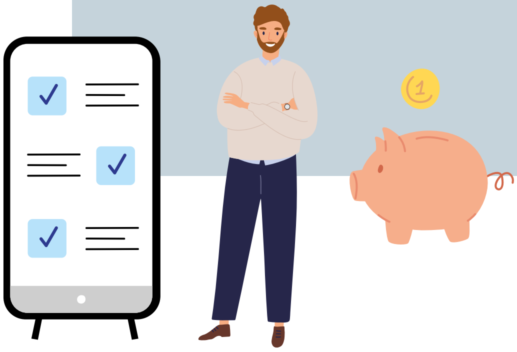
IMMOFINANZ Group

Number of properties	432
Carrying amount in MEUR	7,840.2
Carrying amount in %	100.0
Rentable space in sqm	3,558,305
Occupancy rate in %	92.2
Rental income Q4 2023 in MEUR	141.4
Gross return in %	7.2

[1] The gross return for the Czech Republic includes the rental income for the retail properties acquired in the fourth quarter 2023 only for Q4.
[2] In declining order based on the carrying amount: Serbia, Croatia, Slovenia and Italy
[3] The gross return in Hungary is primarily due to high turnover rents in Q4.

IMMOFINANZ Group – Equity Story

→ Solid fundamentals and growth through highly profitable properties



→ Active in stable and growing markets

→ Strategic diversification by asset classes and regions

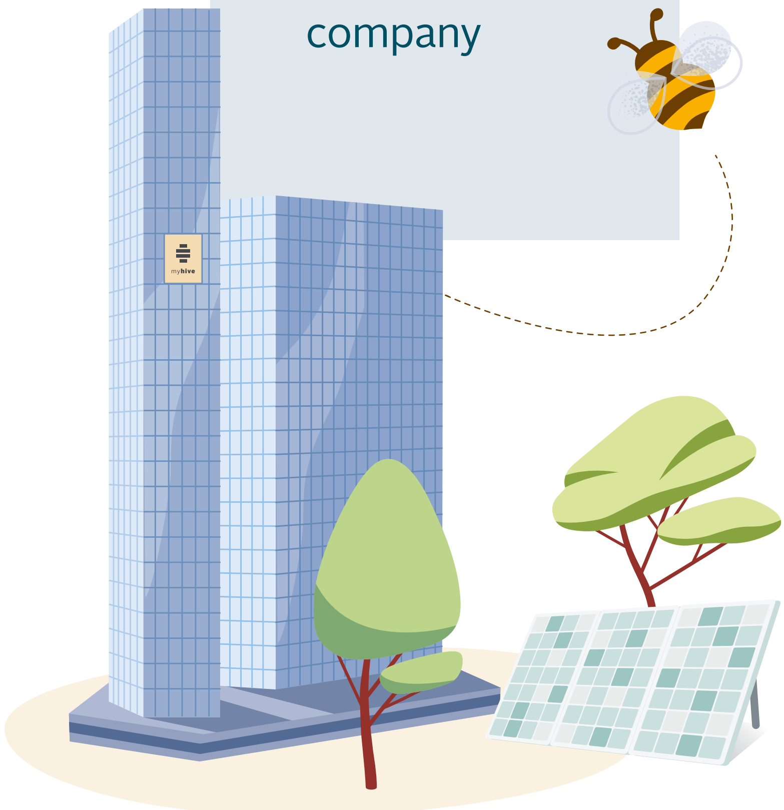
→ Portfolio based on flexible and innovative properties with strong customer orientation

→ Experienced and successful management

Specialist for commercial properties in Europe

→ Strong strategic majority owner with extensive CEE expertise

→ Commitment to sustainable action in all areas of the company



→ Robust financial and liquidity profile

Highlights 2023

March

9,000 sqm

successfully sold

IMMOFINANZ continues to pursue its portfolio strategy defined in 2022 with a clear focus on higher yielding retail properties and office solutions. The sale of the fully rented Bureau am Belvedere office property in Vienna to an Austrian investor is another important step in this direction.

May

EUR 170 million

for German office properties

IMMOFINANZ arranges a loan with a German consortium of banks to refinance two office properties in Düsseldorf's Medienhafen district. The volume amounts to EUR 170 million. IMMOFINANZ had already signed long-term leases for office space in the modern business complex with three tenants at the end of 2022.

July

Sale

of the Vienna Twin Towers

After signing a letter of intent to sell several office properties at the Wienerberg location in February 2023, IMMOFINANZ sells the Twin Towers to S IMMO. The two fully occupied office buildings will continue to be marketed under the myhive brand and therefore also be managed by the IMMOFINANZ team.

August

234,400 sqm

supplied with green energy

In mid-August, the standing investments of IMMOFINANZ in Austria comprise a combined area of roughly 234,400 sqm. The portfolio has been supplied exclusively with energy from renewable sources for several years. Thanks to a collaboration with the energy companies Stockenboi Energie and ENERGIE-ALLIANZ Austria, the portfolio's supply with roughly 19 GWh of green energy per year will now be secured in the long term – independent of developments on the electricity markets. In addition to positive environmental effects, IMMOFINANZ will also be protected from price fluctuations on the electricity markets.

August

EUR 58 million

for retail portfolio in Slovakia

In August and October, IMMOFINANZ concludes new portfolio financing for retail properties in Slovakia. The funds are provided by a consortium of Austrian banks. Totalling EUR 58 million, the loan will be used for refinancing properties which IMMOFINANZ had acquired from CPI Property Group in 2022.

September

11,000 t

of carbon dioxide saved

IMMOFINANZ opens myhive Urban Garden, a green office oasis covering an area of 17,600 sqm at the Wienerberg location. Its innovative office concept meets the highest sustainability standards. Rather than building a new property, a conscious decision was made to refurbish an existing building. By reusing a large part of the existing concrete and steel, 11,000 tonnes of CO_2 were saved compared to a new building. In addition, IMMOFINANZ is using green lease contracts for the first time, which assist tenants in meeting their responsibility towards people and the environment even better.

October

1st

place at the Office of the Year Award

myhive Urban Garden wins first place for co-working spaces at the CBRE "Office of the Year Award". In addition, nine buildings of IMMOFINANZ Group with a combined area of roughly 77,200 sqm receive BREEAM certification. The BREEAM certification system stands for the highest social and environmental sustainability standards.

October

EUR 92 million

for refinancing

A Czech consortium of banks provides IMMOFINANZ with EUR 92 million to refinance a retail portfolio in the Czech Republic. IMMOFINANZ had acquired this portfolio from CPI Property Group in 2022.

October

81,000 sqm

sold on Wienerberg

IMMOFINANZ sells further office properties to S IMMO. The portfolio comprises five office buildings and a hotel tower at the Wienerberg location with combined gross rentable space of approximately 81,000 sqm. IMMOFINANZ is thus taking another step in implementing its focused portfolio strategy with the aim to jointly capture synergies with S IMMO and to increase efficiency.

November

EUR 36 million

for retail properties in Hungary and Poland

In November and December 2023, IMMOFINANZ increases existing financing for its STOP SHOP retail parks in Hungary and Poland. The increases totalled EUR 36 million and serve to refinance the retail properties that IMMOFINANZ had acquired from CPI Property Group in 2022.

December

EUR 12 million

of annual rental income

The integration of IMMOFINANZ into CPI Property Group (CPIPG) breeds further success: IMMOFINANZ strengthens its presence in a highly attractive retail market by purchasing the Olympia Pilsen Shopping Center and a retail park in the Czech Republic from CPIPG. The combined usable space of the two properties totals roughly 49,200 sqm. The purchase price is roughly EUR 165.5 million, while annual rental income amounts to approx. EUR 12 million.

December

12

locations in Croatia

After opening six new STOP SHOPs in the 2023 financial year, IMMOFINANZ now operates 12 locations of the successful retail park brand across Croatia. The continuous expansion of the STOP SHOP portfolio marks another important step in developing the Croatian market and increasing the brand presence.

Letter from the Executive Board

Dear Shareholders,

Once again, we are looking back on a challenging financial year, characterised by high inflation, a rapid increase in interest rates, a slump in the property transaction market and generally poor economic prospects. Despite this difficult macroeconomic environment, IMMOFINANZ Group delivered a strong operating performance in 2023 based on our outstanding asset management. The results of operations was around EUR 285 million and our FFO 1 before taxes increased by more than 88% to around EUR 275 million. At the same time, the rental income of IMMOFINANZ Group increased significantly to EUR 534 million. This development resulted primarily from the full consolidation of S IMMO and successful strategic purchases.

Significant increase in turnover-based rents

Other factors contributing to the rise in rental income included adjustments to index-linked rental contracts resulting from sharp price increases on the one hand as well as higher turnover in the retail sector and, consequently, a rise in turnover-based rents on the other. This development clearly shows that our strategy to invest more heavily in higher yielding properties to strengthen our earnings power is bearing fruit.

Strengthening our balance sheet

In line with our strategy, we will ask the Supervisory Board to propose at the annual general meeting on 29 May 2024 to waive the dividend for the 2023 financial year and use the funds to strengthen the balance sheet.

Strategic focus on retail

Meanwhile, we also made significant progress at the organisational level, together with CPI Property Group in the past year, most notably in fully consolidating our investment in S IMMO. We can also look back on significant progress in the consistent implementation of our strategy for value-creating growth adopted in June 2022. This adapted strategy focuses on expanding IMMOFINANZ's retail portfolio: We aim to make our portfolio even more resilient by further diversifying it, and to participate in the positive development of footfall and turnover in the retail sector. Therefore, we are currently investing in buying and building new retail parks and shopping centers, but also in complementary products.

As part of this strategy, we acquired two almost fully rented retail portfolios from CPI Property Group in the Czech Republic in the fourth quarter of 2023 alone. The properties cover approximately

107,300 sqm of rentable space. The purchase price totalled roughly EUR 237 million and annual rental income amounts to roughly EUR 17 million (gross). These acquisitions underline the opportunities that arise from the close partnership with our majority owner.

Since CPI Property Group holds more than 75% of the IMMOFINANZ shares, all such transactions are subject to strict transparency and compliance requirements. But also in all other respects, we are committed to compliance with the highest corporate governance standards, thus underlining our sense of responsibility as a European property group.

In addition to the two acquisitions in the Czech Republic, our retail portfolio also grew due to new development projects in 2023: In Croatia, we opened six new STOP SHOP retail parks in the past financial year, and one retail park in Serbia was expanded. As a result, the share of the retail portfolio in the total IMMOFINANZ portfolio excluding S IMMO rose from 46% in 2022 to 56% at the end of December 2023.

"Solid liquidity, a balanced capital structure and maturity profile as well as optimised financing costs constitute the main pillars of our business strategy."

The Executive Board of IMMOFINANZ: Radka Doehring

Innovative and sustainable office solutions

The completion of myhive Urban Garden in Vienna in September 2023 not only strengthened our office portfolio, but also set a milestone in terms of sustainability. More than 11,000 tonnes of CO_2 were saved due to the resource-friendly refurbishment of an existing building rather than building a new one. With its overall concept in terms of sustainability, myhive Urban Garden is aiming for the BREEAM Outstanding certificate. For the first time, green lease contracts were concluded for the spaces of this project. Such contracts help us manage our properties even more sustainably, as they facilitate significant cost savings through lower energy consumption. On the other hand, they contribute to reducing emissions and waste. Green lease contracts therefore play an important part in environmental and climate protection, which in turn makes the property more attractive for financing and a potential sale. After myhive Urban Garden, we concluded further green leases for properties in Austria and other countries in the 2023 financial year.

With our flexible and innovative office solutions, we are consciously addressing an area of tension that has been building up over the past years: Many people have the need to work from home. Conversely, employers would like their employees to come to the office on a regular basis. In response to this situation, the office concepts of IMMOFINANZ Group deliberately focus on maximum flexibility, state-of-the-art infrastructure and community building, which makes these solutions more attractive for both our tenants and their employees.

Strategic sale programme

In addition to new openings and acquisitions, we also continued to successfully pursue our strategic sale programme in 2023: Including S IMMO, we sold properties with a combined value of approximately EUR 751 million. The programme most notably included the sale of office and residential properties in Germany as well as an office building in Croatia by S IMMO, and the sale of the Bureau am Belvedere office building in Vienna, a piece of land in Romania and a property in Turkey by IMMOFINANZ. In addition, we sold six office properties and a hotel tower with a gross rentable area totalling roughly 130,000 sqm to S IMMO. All of these measures are part of our focused portfolio strategy, based on which we intend to capture synergies together with S IMMO and increase our efficiency.

“Developing our office portfolio we deliberately focus on maximum flexibility, state-of-the-art infrastructure and community building.”

The Executive Board of IMMOFINANZ: Pavel Měchura

Robust financial policy

In doing so, we will adhere to our financial policy: Solid liquidity, a balanced capital structure and maturity profile as well as optimised financing costs constitute the main pillars in this context. In a recently highly volatile interest rate environment, we benefited especially from hedging against variable interest rates and the associated interest rate risk by using derivatives. Thanks to this far-sighted approach, the rapid and massive increase in interest rates only had a limited impact on the financial results of IMMOFINANZ Group in the 2023 financial year.

As part of CPI Property Group, which itself has an investment grade rating, IMMOFINANZ terminated its stand-alone rating by S&P Global Ratings for efficiency reasons in March 2023.

Challenging property markets

High inflation and the increased interest rate level confronted the entire real estate sector with significant challenges in 2023. The impacts of the tense macroeconomic situation were reflected above all in the results from the valuation of properties, with considerable valuation declines in nearly all markets. This also affected the portfolio of IMMOFINANZ Group.

Above all, the rise in interest rates had a negative impact on capitalisation rates – and consequently on valuation overall: if the capitalisation rate increases, the value of a property declines automatically. Consequently, the valuation results of 2023 were mostly lower than in 2022. Although these are predominantly non-cash effects, they may actually reduce the value of a property when it is sold.

While many buyers assumed that prices would be lower due to potential further valuation declines, sellers had higher price expectations with a view to their prior-year balance sheets. As a natural consequence, the property transaction market in Europe suffered a significant year-on-year drop of roughly 50% in 2023.

"More than 11,000 tonnes of CO_2 were saved at our office project myhive Urban Garden in Vienna due to the resource-friendly refurbishment of an existing building rather than building a new one."

Most recently, however, this development slowed down considerably. Accordingly, investment volumes could bottom out soon and the year 2024 could mark the beginning of a new cycle. In an analysis conducted in early 2024, CBRE assumed that the European Central Bank could lower its key interest rate again in the course of the year. As a result, the underlying sentiment in the real estate sector was recently positive. Transactions could therefore pick up again in the second half of 2024 based on lower interest rates and a stabilised yield level.

Synergies and integration

The first steps towards the integration of IMMOFINANZ and S IMMO had already been taken in 2022. Under the leadership of CPI Property Group, we joined forces in asset and property management as well as in other service segments. In this way, we succeeded in optimising our organisational structures and significantly increased efficiency overall.

We successfully continued to pursue this path in the 2023 financial year: in January 2023, we signed a framework agreement with S IMMO. This agreement provides for a review of possible alignment options, enhanced coordination, a possible merger or other forms of integration of IMMOFINANZ and S IMMO. As an active majority owner of IMMOFINANZ, CPI Property Group plays a constructive role in shaping this process. Concrete measures have been taken to identify and realise further synergies. In 2023, we concluded joint service contracts for compliance training, the standardisation of our IT systems, the harmonisation of processes as well as a harmonisation of our back office and finance departments.

Our main focus is, of course, still on our tenants. We will continue to offer them optimal property solutions going forward and, in this way, further consolidate our strong market position in the industry.

Ambitious in matters of sustainability

Along with measures to increase efficiency in the entire Group, we adopted a Group-wide adaptation and harmonisation of our ESG strategy within CPI Property Group in 2023. In addition to ecological sustainability, we are also focusing more strongly on social aspects and good corporate governance, aiming to make a comprehensive contribution to a sustainable development in the real estate industry.

Regarding environmental sustainability, we remain true to our goal to massively reduce greenhouse gas emissions. In this context, our primary focus is on energy from renewable sources and on energy efficiency. In addition, we also aim to lower our portfolio's water consumption and improve the recycling rate.

We concluded a power purchase agreement for the supply of sustainable energy with the green energy producer Stockenboi Energie as well as with ENERGIEALLIANZ Austria for our Austrian portfolio in 2023. This agreement not only helps us achieve our climate protection targets, but also protects us against price fluctuations on the energy markets. Our commitment to climate protection was also demonstrated by the commissioning of six photovoltaic systems in Austria and their integration into a virtual power plant in 2023.

With regard to social matters, we are striving to increase the share of buildings in our portfolio that are certified according to social sustainability criteria. In 2023 alone, 14 IMMOFINANZ buildings were awarded sustainability certificates. And, as previously mentioned, we introduced green lease agreements for the first time at the myhive Urban Garden office opened in Vienna in September 2023, which are intended to support our tenants on their path towards increased sustainability.

Another important goal is the promotion of female managers. Here, we aim to achieve a share of at least 33% women at the senior management level in the medium term. We continuously conduct surveys on employee satisfaction and will gradually increase the number of training hours for all employees in the Group.

"Over the past months, we have taken several important strategic steps and achieved first successes along the way."

The latter is also one of the focal points of our corporate governance goals. In any case, our employees will receive training on the content of our Code of Conduct at least once a year. In addition to this internal set of rules, a separate Supplier Code of Conduct specifies sustainability guidelines for our business partners. Finally, the remuneration of our Executive Board members is tied to specific and measurable ESG targets.

We are particularly proud of receiving the EPRA Sustainability Best Practices Recommendations Gold Award for our non-financial reporting in the 2022 Annual Report for the first time.

Outlook

Despite the challenges of the past year and the persisting difficult market environment, we look to the future with optimism. Over the past months, we have taken several important strategic steps and achieved first successes along the way. We currently expect to continue our growth course in the medium to long term, not least due to our successful cooperation with CPI Property Group.

Finally, we would like to thank you, our valued shareholders, for your trust and support. Our thanks also go out to our employees, who in the challenging environment of 2023 once again proved that we are capable of excellence as a strong team. Together, we will shape the future of IMMOFINANZ Group and are ready to take on the new challenges ahead of us.

Best regards

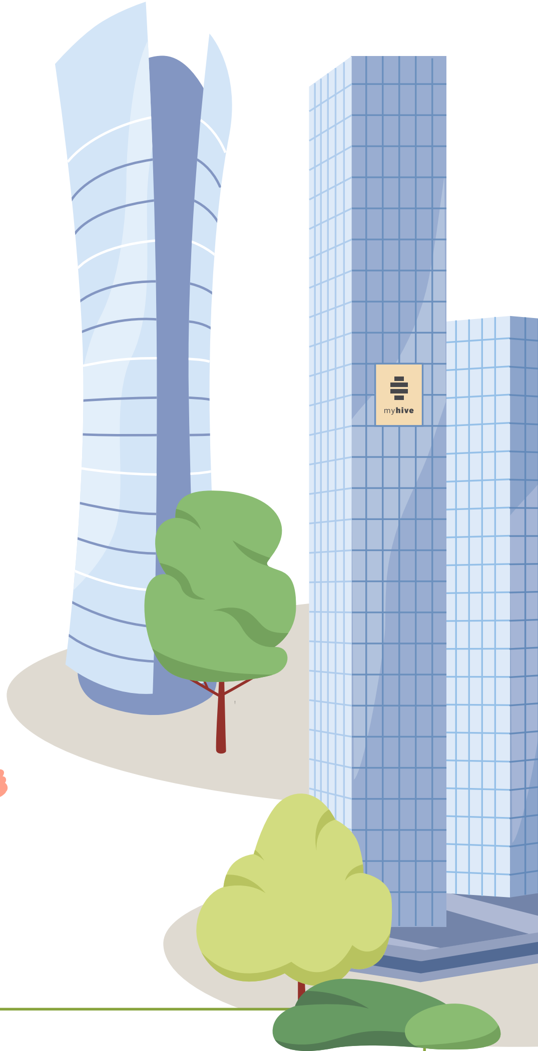
Radka Doehring   Pavel Měchura

Our
ESG Strategy

As a major player on the European commercial property market with a portfolio covering 3.6 million sqm of rentable space, we have a special responsibility for the environment, society and the economy. Against this backdrop, the reduction of our greenhouse gas emissions has high priority.

→ Our path to a sustainable future

Together with CPI Property Group and S IMMO we have set ambitious strategic goals. We will ensure environmental and social sustainability in our portfolio in the interests of all our stakeholders and along the entire value chain.



→ Measurable and comparable indicators

An important part of our ESG strategy is the collection of concrete data to make our progress in the key focus areas – environment, social and governance – measurable, transparent and comparable.

→ Smart reporting

We are planning to introduce smart meters throughout our entire portfolio, allowing us to reliably measure and monitor the power consumption of our properties. With these digital electricity meters, we will meet future reporting requirements and ensure that electricity is used efficiently. We are currently conducting pilot projects at two Austrian locations.

Responsibility along the supply chain

Through a separate code of conduct for our suppliers, we promote the respectful treatment of employees, fair working conditions and environmentally conscious business practices along the entire supply chain.

Attractive employer

The women and men who work for our company every day with great commitment are one of our most important success factors. As a responsible employer, we offer them an exciting working environment as well as numerous opportunities for professional and personal development.

Energy efficiency and electricity from renewable sources

Most of our portfolio properties have already been refitted with LED lighting to reduce our greenhouse gas emissions. Our plans for the coming years include the use of smart building technology and refurbishment projects to improve energy efficiency, as well as the extensive expansion of our photovoltaic capacity. In the 2023 financial year alone, we commissioned eight new photovoltaic systems. We want to completely ban fossil fuels from our portfolio over the medium term, for example by using heat pumps and switching to 100% green electricity in our external electricity supply.

Office Portfolio IMMOFINANZ

31
standing investments

With our office portfolio we concentrate on the capital cities of our core markets and on the major commercial locations in Germany.

Creating space for success.

You can find additional information on our office properties in the Portfolio Report beginning on page 49.

633,500 sqm
of rentable space

myhive S-Park
Bucharest | RO
approx. 34,300 sqm
of rentable space

EUR 1.9 billion
carrying amount

myhive Ungargasse
Vienna | AT
approx. 16,400 sqm
of rentable space

88%
occupancy rate

Our strong customer orientation and continuous investments in the quality of our buildings form the basis for a sustainably high occupancy rate in our offices. The flexible office solutions of our myhive offices offer additional benefits.

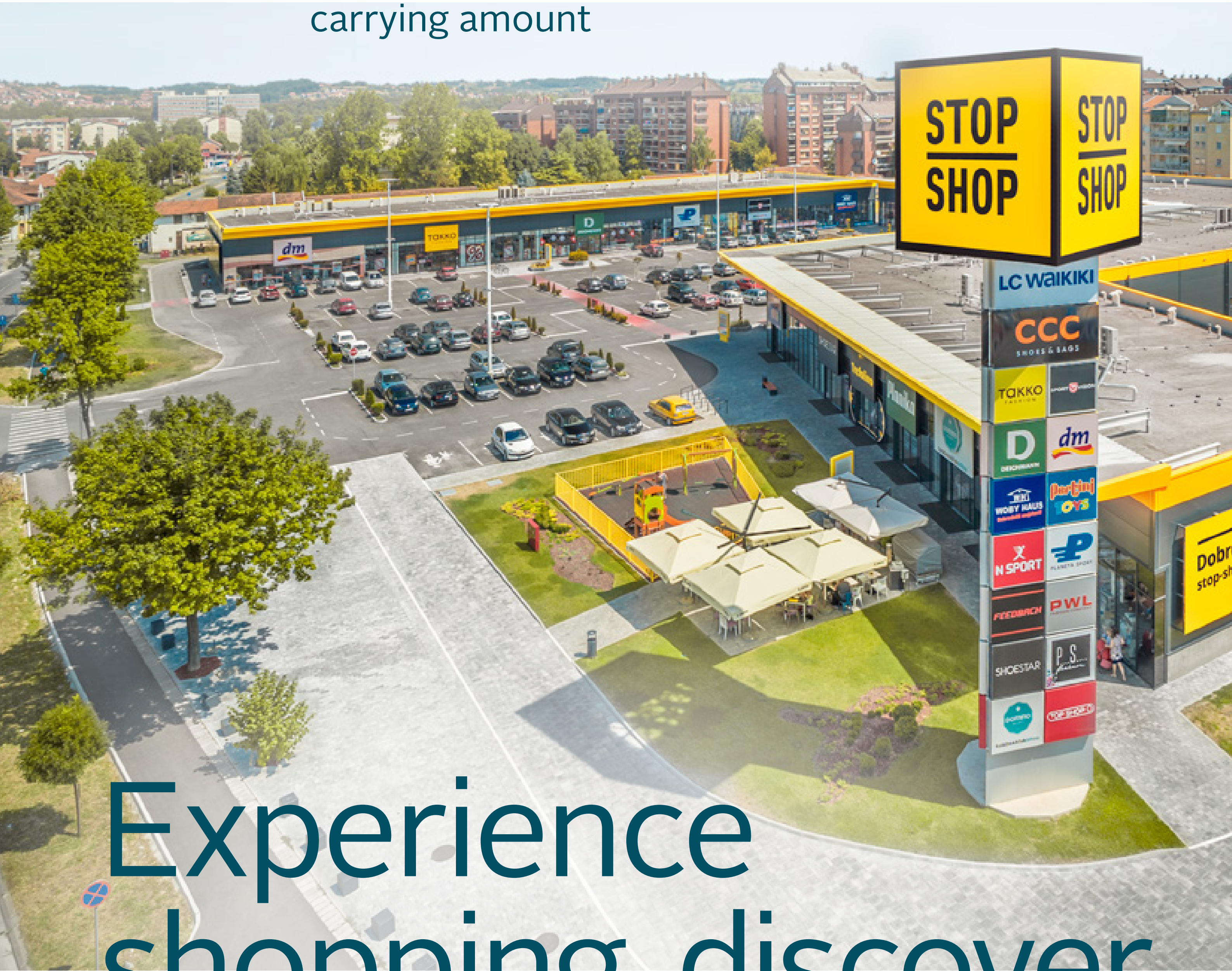
Float
Düsseldorf | DE
approx. 30,300 sqm
of rentable space

Retail Portfolio IMMOFINANZ

196
standing investments

Our retail portfolio primarily comprises STOP SHOP retail parks, VIVO! shopping centers and complementary retail properties.

EUR **2.6** billion
carrying amount



Experience shopping, discover diversity.

You can find additional information on our retail properties in the Portfolio Report beginning on page 49.

VIVO! Lublin
Lublin | PL
approx. 39,200 sqm
of rentable space

STOP SHOP Valjevo
Valjevo | RS
approx. 6,100 sqm
of rentable space

99%
occupancy rate

The high standardisation of our retail properties sets the stage for maximum cost efficiency. That is an important factor, above all for our tenants.

VIVO! Krosno
Krosno | PL
approx. 21,300 sqm
of rentable space

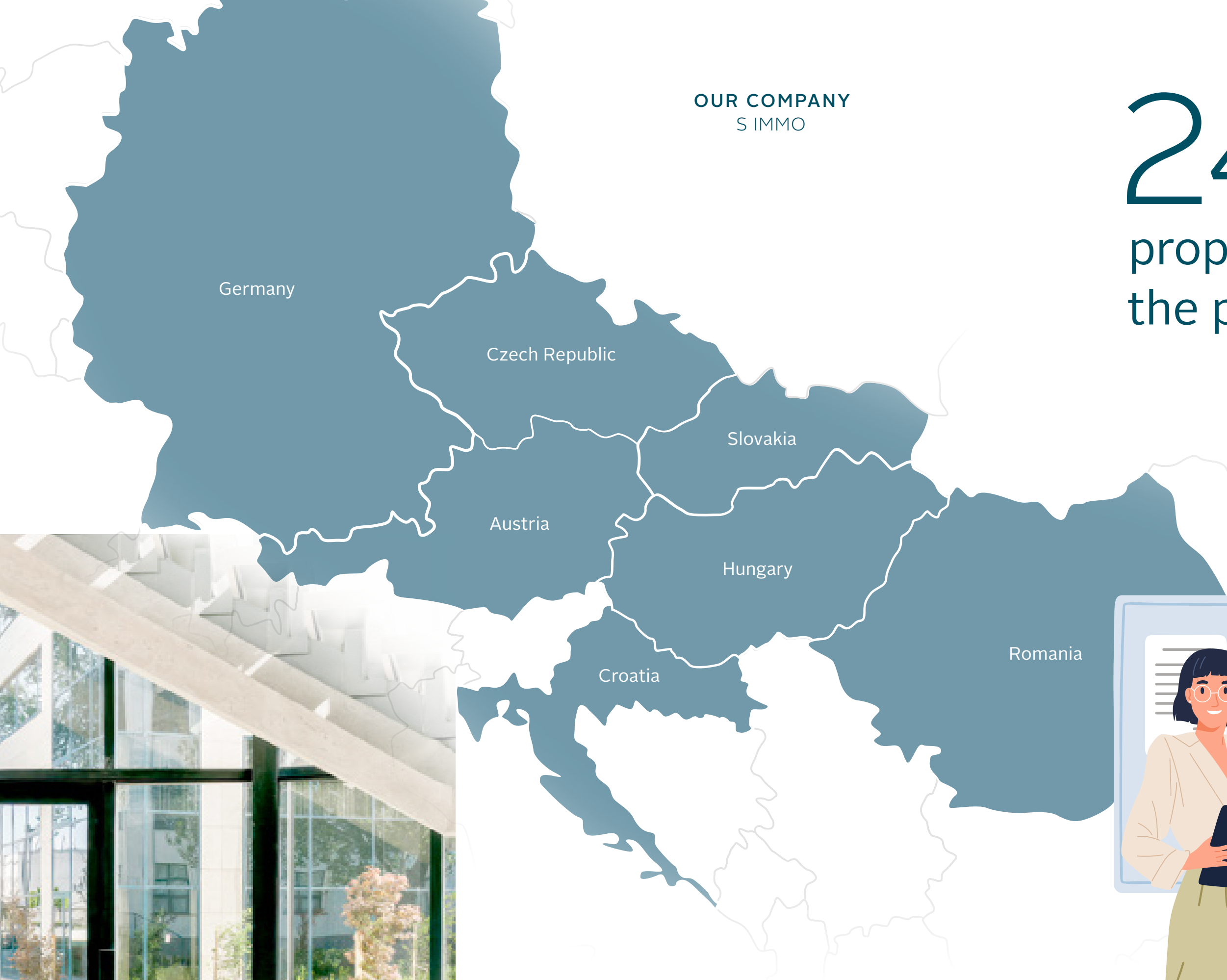
1,498,700 sqm
of rentable space

S IMMO

S IMMO AG is a real estate investment company with headquarters in Vienna. It has been listed on the Vienna Stock Exchange since 1987. The company invests 100% within the European Union and holds properties in Austria, Germany, Hungary, Romania, the Czech Republic, Slovakia and Croatia. The real estate portfolio consists primarily of offices, but also includes retail properties, hotels and residential properties.

S IMMO
BudaPart Gate
Budapest | HU
approx. 18,600 sqm
main usable space

EUR 3.4 billion
carrying amount
of the property portfolio



244
properties in the portfolio

S IMMO
Balance Hall
Budapest | HU
approx. 15,400 sqm
main usable space

S IMMO was fully consolidated by IMMOFINANZ at the end of 2022. This step substantially expanded IMMOFINANZ Group's portfolio through the integration of complementary properties.

S IMMO at a glance:

Markets
Austria, Germany, Hungary, Romania, Czech Republic, Slovakia and Croatia

Asset classes
Office, retail, hotel and residential properties

IMMOFINANZ on the Capital Market

The market environment and the IMMOFINANZ share

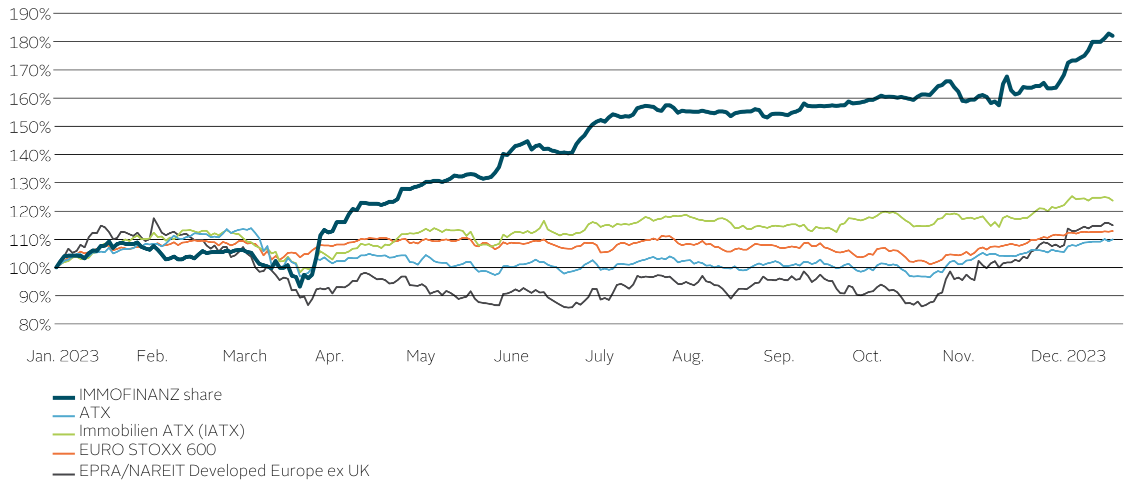
Positive trends dominated the international capital markets in 2023. The European economies were confronted with supply chain problems and ongoing high inflation combined with drastic interest rate hikes throughout the entire year, but the leading European exchanges recorded in part double-digit increases. The EURO STOXX 50 rose by roughly 14%, the German DAX by nearly 20% and the Austrian ATX by a solid 10%.

The momentum on the European stock exchanges was contrasted by a still challenging geopolitical and macroeconomic environment. Continuing high inflation combined with rising interest rates, in particular, had a negative influence on growth in the IMMOFINANZ core markets. The climate of higher financing costs that accompanied the increase in interest rates and risk premiums, the resulting effects on property valuation, and higher construction costs proved to be a burden for the European real estate sector. Nevertheless, real estate shares were strong performers. The pan-European EURO STOXX 600 rose by roughly 13% year-on-year at the end of December, and the broader EPRA Nareit Developed Europe (ex UK) real estate branch index increased by almost 15%. The Immobilien ATX closed the year at 320.93 points, or 23% higher than at the end of 2022.

The IMMOFINANZ share started the 2023 financial year at EUR 11.62 and rose by 81.2% to EUR 21.05 at the end of December – a development that made it the top performer on the Vienna Stock Exchange in 2023.

Development of the IMMOFINANZ share vs. selected indexes

Indexed as of 1 January 2023



Source: Bloomberg

Performance comparison

1 January to 31 December 2023	in %
IMMOFINANZ share	81.2
ATX	9.9
Immobilien ATX	23.5
EURO STOXX 600	12.7
EPRA/NAREIT Developed Europe ex UK	14.8

Source: Bloomberg

Key data on the share

ISIN	AT0000A21KS2
Segment	ATX, WIG
Reuters	IMFI.VI
Bloomberg	IIA:AV
Financial year	1 January to 31 December

Annual general meeting and distribution policy

The 30th annual general meeting of IMMOFINANZ AG, which involved voting on the 2022 financial year, took place on 3 May 2023. The event was again held as a virtual general meeting and transmitted in full on the Internet. IMMOFINANZ shareholders were therefore able to follow the proceedings online and exercise their right to ask questions during the general meeting.

The related documents and voting results from the annual general meetings can be found under https://immofinanz.com/en/investor-relations/general-meeting.

Dividend

The Executive Board and Supervisory Board of IMMOFINANZ proposed that the 30th annual general meeting on 3 May 2023 approve the waiver of a dividend for the 2022 financial year and the carry forward of profit to strengthen the company's balance sheet. The general meeting approved this proposal with a majority of over 99% of the valid votes cast.

In line with IMMOFINANZ's strategy, the Executive Board will ask the Supervisory Board to propose at the annual general meeting on 29 May 2024 to waive the dividend for the 2023 financial year and use the funds to strengthen the balance sheet.

Shareholder structure

IMMOFINANZ shares are primarily held in fixed ownership and by private investors in Austria and institutional index investors from the USA and Europe. Following is an overview of the shareholders who held an investment of more than 4% of the shares as of 31 December 2023:

	Voting rights in % (basis: share capital as of 31 12 2023)	Last reporting date
Radovan Vitek (via CPI Property Group S.A.)[1]	above 75	21 and 22 12 2023
Klaus Umek (via Petrus Advisers Investments Fund L.P.)[2]	5.46	22 12 2023

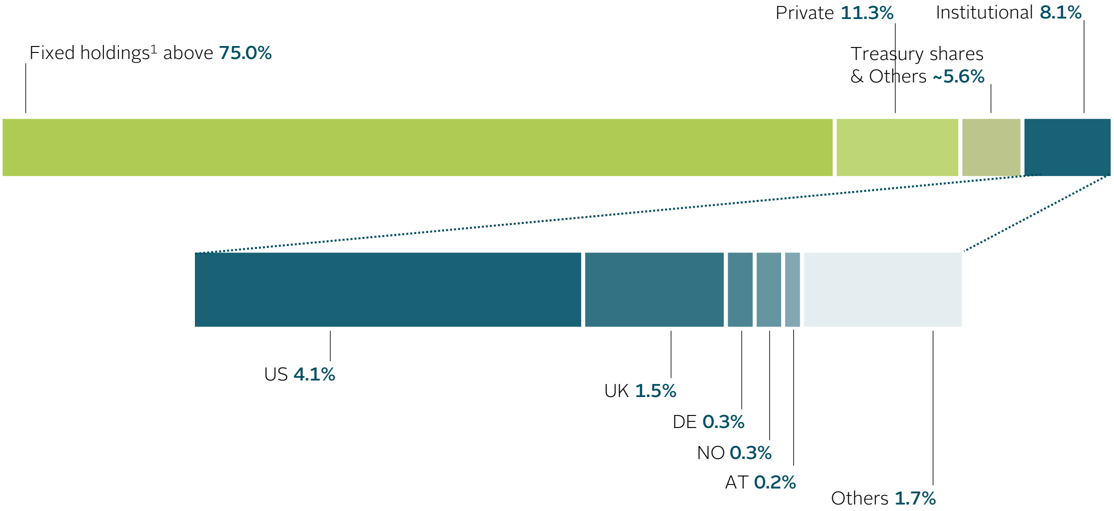
[1] Based on a holdings notification dated 21 December 2023 and a directors' dealings announcement dated 22 December 2023
[2] According to a notification dated 22 December 2023, Klaus Umek held an investment of 5.46% (1.06% in IMMOFINANZ shares and 4.40% via call options). Based on a notification dated 26 January 2024, his attributable voting rights had increased to 6.24% (1.12% in shares and 5.12% from financial/other instruments via call options).

There are no other reports of shareholdings above or below the reporting thresholds.

Detailed analysis

Regular shareholder surveys help us to define the regional focal points for investor relations activities. An analysis carried out in February 2024 shows the following picture: 11.3% of all IMMOFINANZ shares are held by private investors. Institutional investors hold 8.1% of the free float shares, whereby most come from the USA and the UK. Fixed shareholdings attributable to the majority shareholder CPI Property Group (CPIPG) represent above 75%. The remaining roughly 5.6% are attributable to treasury shares (0.5%) and to unidentified investors.

Structure of private and institutional investors



Source: S&P Global, February 2024
As defined by the Vienna Stock Exchange, Rule Book Prime Market (Regelwerk Prime Market). Treasury shares 0.5% as of 31 December 2023.
[1] Fixed holdings refers to CPI Property Group's position.

IMMOFINANZ and S IMMO

IMMOFINANZ acquired an investment of roughly 26.5% (19,499,437 shares) in S IMMO during 2018 and increased its holding through the purchase of 17,305,012 S IMMO shares from CPIPG at the end of December 2022. This transaction gave IMMOFINANZ a majority investment of 50% plus one share in S IMMO, and the company is therefore included through full consolidation in IMMOFINANZ's consolidated financial statements.

IMMOFINANZ met a long-term, strategic goal with the acquisition of this majority investment. The consolidation of the two companies creates value, leads to a stronger market position, and supports the realisation of synergies.

In January 2023, IMMOFINANZ and S IMMO signed a framework agreement for a joint process to evaluate the further alignment, coordination, fusion or other forms of integration for the two groups. CPIPG is participating in the project as a supporting shareholder. The goal is to identify potential synergies and opportunities to increase efficiency and to improve transparency and profitability for all stakeholders.

The S IMMO share

The S IMMO share started the 2023 financial year at EUR 12.48 and traded at EUR 12.50 at the end of December. That represents a year-to-date performance of 0.2%. The market capitalisation of S IMMO AG equalled EUR 920.1 million at the end of 2023.

Investor relations activities

Our goal is to communicate an accurate picture of the Group and thereby ensure an appropriate valuation of IMMOFINANZ's securities. We therefore maintain a transparent, extensive and continuous dialogue with our analysts, shareholders, bondholders and potential investors. In 2023 we took part in three investor events. Numerous individual meetings and telephone conferences were also held with investors and analysts to communicate key facts and figures, discuss the development of IMMOFINANZ Group, and explain various operating and capital measures.

The continuous and timely distribution of information is supported by the website of IMMOFINANZ (https://immofinanz.com) and our corporate newsletter. As an additional service, our investor relations app provides up-to-date information on the share price as well as financial reports, presentations and corporate news.

Analysts' recommendations

Several financial institutions publish regular evaluations on IMMOFINANZ. These evaluations are updated regularly and can be reviewed on our website under https://immofinanz.com/en/investor-relations/shares under "Analyses".

ESG ratings

Sustainability issues have become the focus of growing attention from investors, tenants and the general public. In order to increase transparency for our stakeholders, IMMOFINANZ again took part in several ESG ratings and rankings during the past year. Our activities in 2023 included, among others, an update to the Sustainalytics rating. The overall ESG risk assessment was classified as low and shows steady improvement from 15.6 in 2020 to 13.1 in 2021 and 12.5 for 2022 (on a scale of 0 to 100).

Financial calendar

19 May 2024	Record date for participation in the 31st annual general meeting
27 May 2024[1]	Announcement of results for the first quarter of 2024
29 May 2024	31st annual general meeting
3 June 2024	Expected ex-dividend date
4 June 2024	Expected date for the determination of dividend rights (record date)
5 June 2024	Expected dividend payment date
28 August 2024[1]	Announcement of results for the first half of 2024
28 November 2024[1]	Announcement of results for the first three quarters of 2024

[1] Publication after the close of trading on the Vienna Stock Exchange.

Your IR contact

We welcome your questions and will be happy to provide additional information on IMMOFINANZ and its share.

Simone Korbelius
T: +43 1 88090 2291
investor@immofinanz.com

Report of the Supervisory Board

Dear Shareholders,

In our capacity as the Supervisory Board, we accompanied and supported IMMOFINANZ and its Executive Board in all activities, took an active role as the Executive Board's sparring partner and, as in previous years, conscientiously performed the duties required by law and the articles of association. The Executive Board provided the Supervisory Board with extensive, ongoing and timely information on the development of business, the market and financing environment, the developments on the real estate and capital markets and in IMMOFINANZ's core countries as well as the company's asset, financial and earnings position and, in this way, met its information requirements at all times and in appropriate depth.

In the 2023 financial year ten Supervisory Board meetings were held, with an attendance rate of 93% of the shareholder representatives. In addition, four committee meetings with a total attendance of 94% took place. A detailed overview of the attendance of the individual members and committees can be found in the corporate governance report starting on page 37.

Outside the framework of these meetings, the Supervisory Board remained in regular contact with the Executive Board and adopted a number of decisions through circular resolutions. The cooperation between the Supervisory Board and the Executive Board was consistently characterised by open discussions and constructive teamwork.

In addition, the Supervisory Board completed a routine annual self-evaluation of its working efficiency, above all with regard to its organisation and operating procedures.

Focal points of our work

In June 2022, we had adopted a strategy update after becoming part of CPI Property Group and made significant progress in its implementation in 2023. Specifically, we are concentrating more than ever on a flexible and innovative property offering with a strong customer focus. A robust financial policy, which targets sufficient liquidity at all times, a balanced capital structure and maturity profile as well as optimising our financing costs, constitutes another cornerstone of this strategy.

With regard to its portfolio, IMMOFINANZ aims to achieve further optimisation through targeted acquisitions and, in some cases, through development projects, always with a focus on higher-yielding properties. The refurbishment of standing investments, in which we always give special consideration to aspects of sustainability, represents another central focus of our portfolio strategy. Moreover, strategic property sales also form part of our active portfolio management. Here, we are aiming to streamline our standing investments, thus creating the basis for further successful growth.

Changes in the Supervisory Board

In the past financial year, shareholder representative Gayatri Narayan resigned from the IMMOFINANZ Supervisory Board with effect from 31 December 2023, and employee representative Werner Ertelthalner with effect from 3 May 2023, both at their own request.

The shareholder representatives are thus Martin Němeček (Vice-Chairman), Martin Matula and I in my role as Chairwoman. The Supervisory Board is completed by Philipp Obermair and Anton Weichselbaum on the employee side, with whom we have very good cooperation.

On behalf of the entire Supervisory Board, I would like to thank the members who resigned from their functions for their professional work and their support of IMMOFINANZ.

Changes in the Executive Board

With effect from 16 June 2023, the Supervisory Board appointed Pavel Měchura as a member of the Executive Board. Pavel Měchura is a top-class manager, who has long-standing and comprehensive expertise in the finance and real estate sector as well as in transformation processes and strategic planning. The Executive Board thus consists of Radka Doehring and Pavel Měchura. Radka Doehring's mandate was extended early on 19 July 2023 for a total period of five years, hence until the end of April 2027.

Approval of the 2023 annual financial statements

The following documents were prepared by the Executive Board and audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., which was appointed as the auditor by the annual general meeting on 3 May 2023: the annual financial statements of IMMOFINANZ AG as of 31 December 2023 including the management report and the consolidated financial statements together with the group management report. All of these documents were awarded an unqualified opinion (see pages 272–278).

The annual financial statements and consolidated financial statements as well as the related auditor's reports were made available to all Supervisory Board members immediately after their completion. These documents were discussed by the Audit and Valuation Committee in detail in the presence of the auditor and the Executive Board and reviewed in accordance with § 96 of the Austrian Stock Corporation Act. Following this examination and discussion, the members of the Audit and Valuation Committee agreed to recommend the unqualified acceptance of these documents to the Supervisory Board. The Supervisory Board accepted the annual financial statements as of 31 December 2023, which are considered approved in accordance with § 96 (4) of the Austrian Stock Corporation Act. The consolidated financial statements as of 31 December 2023 were also accepted by the Supervisory Board. In accordance with L-Rule 60 of the Austrian Corporate Governance Code, the Supervisory Board reviewed and approved the expanded corporate governance report, which now also includes the consolidated corporate governance report and the non-financial statement.

On behalf of the Supervisory Board, I would like to thank the Executive Board and all employees of our company for their outstanding performance during the past financial year. IMMOFINANZ's position as a market leader for retail parks in Europe and its pioneering role in flexible office solutions were further expanded despite the difficult economic environment.

I would also like to thank you, our shareholders, for accompanying us on this journey.

Vienna, 27 March 2024

Miroslava Greštiaková
Chairwoman of the Supervisory
Board

Corporate Governance Report

expanded to include the Consolidated Corporate Governance Report

Commitment to the Austrian Corporate Governance Code

IMMOFINANZ pursues responsible business activities that are designed to create and maintain sustainable, long-term value. In line with this orientation, the company strives to achieve a high degree of transparency for all stakeholders. The Austrian Corporate Governance Code* provides Austrian stock companies with a framework for corporate management and monitoring. The Executive Board and Supervisory Board of IMMOFINANZ AG are committed to compliance with the code, in the currently applicable version, and to the related transparency and principles of good management. IMMOFINANZ complied with all provisions of the code – with the exception of the following temporary deviation – during the 2023 financial year.

Deviation from C-Rule 16

C-Rule 16 requires the Executive Board to have several members and a chairperson. Radka Doehring was the sole member of the Executive Board until 16 June 2023. With effect from 16 June 2023, Pavel Měchura was appointed a member of the Executive Board. Hence, the Executive Board now consists of Radka Doehring and Pavel Měchura. The Supervisory Board did not consider it necessary to appoint a CEO.

Corporate Bodies

Dual management structure

The dual management structure of IMMOFINANZ AG, as a listed stock corporation, consists of an Executive Board and a Supervisory Board. These corporate bodies are strictly separated, in both their composition and functions, and can therefore independently carry out their assigned duties. The Executive Board is responsible for the management of the company, the Supervisory Board for monitoring.

* The current version of the code (January 2023) is available on the website of IMMOFINANZ AG (https://immofinanz.com) and on the website of the Austrian Working Group for Corporate Governance (www.corporate-governance.at).

The Executive Board

Radka Doehring, Member of the Executive Board

– Member of the Executive Board since 1 May 2022
– Appointed up to 30 April 2027
– Born in 1966

Radka Doehring is responsible for all business areas together with Pavel Měchura. In addition, she serves as a managing director of the material IMMOFINANZ subsidiary IMBEA.

With effect from 16 June 2023, Radka Doehring was appointed a member of the Management Board of S IMMO AG.

Pavel Měchura, Member of the Executive Board

– Member of the Executive Board since 16 June 2023
– Appointed up to 1 December 2024
– Born in 1976

Pavel Měchura is responsible for all business areas together with Radka Doehring.

In his role as Group Finance Director of CPI Property Group, he has been responsible for the Group's accounting and reporting, consolidation, property valuation and strategic planning since 2014.

The Supervisory Board

Miroslava Greštiaková, Chairwoman of the Supervisory Board since 31 March 2022

– First appointment in 2022
– Term ends in 2024[1]
– Born in 1980

Experience: extensive management experience in the areas of legal, compliance and data protection

Other functions: none

Martin Němeček, Vice-Chairman of the Supervisory Board since 31 March 2022

– First appointment in 2022
– Term ends in 2025[2]
– Born in 1975

Experience: extensive and long-standing expertise in the areas of real estate, legal, M&A and transactions, corporate strategy and as CEO

Other functions:
CEO of CPI Property Group up to 20 November 2023
S IMMO AG: Vice-Chairman of the Supervisory Board

Martin Matula, Member of the Supervisory Board since 16 July 2022

– First appointment in 2022
– Term ends in 2025[2]
– Born in 1980

Experience: extensive expertise in the areas of legal and real estate

Other functions:
S IMMO AG: Chairman of the Supervisory Board

Philipp Obermair, Member of the Supervisory Board

– First appointment in 2014
– Born in 1979

Experience: currently serves as a risk, process and research manager as well as Head of ESG and previously as a senior controller at IMMOFINANZ

Delegated by the IMMOFINANZ Works Council

The terms of office of the members delegated to the Supervisory Board by the Works Council are unlimited

Anton Weichselbaum, Member of the Supervisory Board

– First appointment in 2023
– Born in 1988

Experience: currently serves as Asset Manager Retail Austria and Slovenia at IMMOFINANZ

Delegated by the IMMOFINANZ Works Council

The terms of office of the members delegated to the Supervisory Board by the Works Council are unlimited

[1] End of term: at the end of the annual general meeting which votes on the release from liability for the 2023 financial year (31st AGM in 2024)
[2] End of term: at the end of the annual general meeting which votes on the release from liability for the 2024 financial year (32nd AGM in 2025)

Term ended in 2023

Gayatri Narayan, Member of the Supervisory Board up to 31 December 2023

– First appointment in 2021
– Term ends in 2025
– Born in 1986

Experience: extensive expertise in the areas of capital markets, finance as well as digitalisation and ESG

Gayatri Narayan resigned from the Supervisory Board with effect from 31 December 2023.

Werner Ertelthalner, Member of the Supervisory Board up to 3 May 2023

– First appointment in 2021
– Born in 1987

Experience: served as a System Specialist Consolidation at IMMOFINANZ

Delegated by the IMMOFINANZ Works Council

Supervisory Board committees and attendance

Members of the Supervisory Board Committees

Audit and Valuation Committee	Strategy and ESG Committee	Personnel and Nominating Committee
Martin Němeček, Chairman (since 31 March 2022), financial expert	**Martin Matula,** Chairman (since 15 July 2022)	**Gayatri Narayan,** Chairwoman (up to 31 December 2023)
Martin Matula, Vice-Chairman (since 15 July 2022)	**Miroslava Greštiaková,** Vice-Chairwoman (since 31 March 2022)	**Miroslava Greštiaková,** Chairwoman (since 5 February 2024)
Gayatri Narayan (up to 31 December 2023), financial expert	**Gayatri Narayan** (up to 31 December 2023)	**Martin Matula,** Vice-Chairman (since 15 July 2022)
Philipp Obermair	**Martin Němeček** (since 31 March 2022)	**Martin Němeček** (since 31 March 2022)
Werner Ertelthalner (up to 3 May 2023)	**Philipp Obermair**	
Anton Weichselbaum (since 3 May 2023)	**Werner Ertelthalner** (up to 3 May 2023)	
Miroslava Greštiaková (since 5 February 2024)	**Anton Weichselbaum** (since 3 May 2023)	

The Supervisory Board monitors the Executive Board and provides support for the management of the company, particularly on decisions of fundamental importance. In addition to its primary function as a monitoring and support body, the Supervisory Board constantly strives to further improve the efficiency of its work through self-evaluation. At the beginning of the 2023 financial year, the Supervisory Board had four members who were elected by the annual general meeting (shareholder representatives) and two members delegated by the Works Council. Gayatri Narayan resigned from her function with effect from 31 December 2023. Ten Supervisory Board meetings were held in 2023. These meetings were attended by 93% of the shareholder representatives. Including the four individual committee meetings, total attendance was 93%.

Member	Member since	Meetings (Plenum)	in %	Audit and Valuation Committee	in %	Strategy and ESG Committee	in %	Personnel and Nominating Committee	in %	Total presence	Total presence in %
	Attendance										
Meetings/year		**10**		**4**						**14**	
Miroslava Greštiaková, Chairwoman	2022	10/10	100	4/4	100					14	100
Martin Němeček, Vice-Chairman	2022	10/10	100	4/4	100					14	100
Martin Matula	2022	10/10	100	4/4	100					14	100
Gayatri Narayan (up to 31 December 2023)	2021	7/10	70	3/4	75					10	71
Average meeting attendance		**37/40**	**93**	**15/16**	**94**					**52/56**	**93**

Audit and Valuation Committee

The Audit and Valuation Committee is responsible for monitoring accounting processes and supervising the audit of the separate and consolidated financial statements. This committee also monitors the effectiveness of the company's internal control system, risk management and internal audit. In the 2023 financial year, Martin Němeček and Gayatri Narayan served as the Audit and Valuation Committee's financial experts based on their professional experience and knowledge of finance and accounting. The committee members, as a whole, are well informed of the real estate sector. The Audit and Valuation Committee held four meetings in 2023. These meetings were attended by 94% of the shareholder representatives.

Strategy and ESG Committee

The Strategy and ESG Committee is responsible, above all, for the regular evaluation of the company's strategy and orientation, of which environmental, sustainability, social and governance topics (ESG) are an integral part. These responsibilities were fulfilled by the full Supervisory Board in the past financial year.

Personnel and Nominating Committee

The Personnel and Nominating Committee makes recommendations to the Supervisory Board for nominations to the Executive and Supervisory Boards and is responsible for determining the remuneration and preparing the employment contracts for the Executive Board members. In addition, the committee reviews the remuneration policy for the Executive Board at regular intervals. In its capacity as a remuneration committee, the Personnel and Nominating Committee consisted of Gayatri Narayan as Chairwoman and at least one member with knowledge and experience in remuneration policy until 31 December 2023. The responsibilities were exercised by the full Supervisory Board in the past financial year.

Supervisory Board qualification matrix

As in the previous years, the Supervisory Board also completed a routine annual self-evaluation of its working efficiency, above all with regard to its organisation and operating procedures. The focal points included, among others, the organisation of the Supervisory Board and the procedures at meetings, the activities of the committees, the provision of information to the Supervisory Board, the self-image of the Supervisory Board members as well as any recommendations for improvement.

	Sectoral expertise				Functional expertise					Governance expertise			GEO
	Real Estate	Capital Markets	Insurance	Finance	CEO/Management/ Division Mgt.	Compliance/Legal	Human Ressources	Accounting/Audit	Marketing	Digital/ Sustainability	Non Executive Dir. Experience	Governance (Corporate)	Geographic Experience
Miroslava Greštiaková	Secondary	Core	Tertiary	Secondary	Core	Core	Secondary	Core	Secondary	Secondary	Tertiary	Core	WE EE
Martin Němeček	Core	Core	Secondary	Core	Core	Secondary	Secondary	Secondary	Secondary	Secondary	Tertiary	Core	WE EE
Martin Matula	Secondary	Core	Secondary	Core	Core	Core	Secondary	Secondary	Tertiary	Secondary	Tertiary	Core	WE EE
Gayatri Narayan	Secondary	Core	Tertiary	Secondary	Tertiary	Secondary	Tertiary	Secondary	Secondary	Core	Tertiary	Secondary	WE EE

● Core competency ● Secondary competency ● Tertiary/not an apparent competency WE Western Europe EE Eastern Europe

Shareholdings of the Executive Board and Supervisory Board members as of 31 December 2023

Members of the IMMOFINANZ corporate bodies and closely related persons are required to report their transactions in financial instruments issued by the company. These reports ("Directors' Dealings") are published on the IMMOFINANZ website. Following is an overview of the direct and indirect shareholdings of these members as reported to the company:

Member	Number of IMMOFINANZ shares
Philipp Obermair	300

Working Procedures of the Executive Board and Supervisory Board

The cooperation between the Executive Board and Supervisory Board of IMMOFINANZ is based on open and constructive discussions. The Executive Board provides the Supervisory Board with regular, timely and comprehensive information on the development of business and related issues and also prepares the documentation for the Supervisory Board's meetings and resolutions. The rules of procedure for the Executive Board define the transactions and measures that require Supervisory Board approval. In addition, the Executive Board provides the Supervisory Board with information on issues of major importance outside the framework of scheduled meetings.

Independence and avoidance of conflicts of interest

The members of the Executive Board are required to take their decisions independent of any personal interests and the interests of controlling shareholders. Moreover, these decisions must be based on well-founded knowledge and comply with all relevant legal regulations. Persons serving on the Executive Board must disclose any personal interests in the company's transactions or other conflicts of interest to the Supervisory Board without delay and inform their board colleagues. The Executive Board members may only accept appointments to a supervisory board with the consent of the IMMOFINANZ Supervisory Board. Key company employees must also have the approval of the Executive Board and Supervisory Board before they may accept a position on the corporate body of a non-Group company. A legal restraint on competition is also in place.

The members of the Supervisory Board are required to represent the interests of the company and must disclose any conflicts of interest without delay. They may not accept positions on the corporate bodies of any companies that compete with IMMOFINANZ.

There are no contracts between the members of the Supervisory Board or companies in which a member of the Supervisory Board holds a significant financial interest, on the one hand, and IMMOFINANZ or one of its subsidiaries, on the other hand.

Criteria for the independence of the Supervisory Board

The Austrian Corporate Governance Code (C-Rule 53) requires the majority of the supervisory board members elected by the annual general meeting to be independent of the company and its management board. A supervisory board member is considered to be independent when he or she has no business or personal relations with the company or its management board that constitute a material conflict of interest and are therefore capable of influencing the member's behaviour.

The following independence criteria were defined by the IMMOFINANZ Supervisory Board and reflect the standards listed in Annex 1 to the Corporate Governance Code:

- The Supervisory Board member did not serve as a member of the Executive Board or a key employee of IMMOFINANZ or one of its subsidiaries during the past five years.
- The Supervisory Board member does not currently, or did not in the past year, maintain any business relations with IMMOFINANZ or one of its subsidiaries of a scope considered significant for the Supervisory Board member. The same applies to business relationships with companies in which the Supervisory Board member holds a considerable economic interest, but not to exercising functions on IMMOFINANZ's corporate bodies. The approval of individual transactions by the Supervisory Board pursuant to L-Rule 48 does not automatically qualify the member as not independent.
- The Supervisory Board member did not act as an auditor of IMMOFINANZ or own an investment in the auditing company or work for the auditing company during the past three years.
- The Supervisory Board member is not a member of the management board of another company in which a member of the Executive Board of IMMOFINANZ serves on the supervisory board.
- The Supervisory Board member has not served on the Supervisory Board of IMMOFINANZ for more than 15 years. This does not apply to members who are shareholders with a direct investment in IMMOFINANZ or who represent the interests of such a shareholder.
- The Supervisory Board member is not closely related (direct offspring, spouse, life partner, parent, uncle, aunt, sibling, niece, nephew) to a member of the Executive Board or to persons specified in one of the above points.

In accordance with C-Rule 54 of the Austrian Corporate Governance Code, Miroslava Greštiaková and Gayatri Narayan (up to 31 December 2023) are free float representatives on the Supervisory Board. These two members of the Supervisory Board are neither shareholders with a stake of more than 10% nor do they represent the interests of shareholders with a stake of more than 10%.

Support for women on the Executive Board and Supervisory Board and in key functions

In the interest of the company, appointments to the Executive Board, Supervisory Board and key positions are based solely on professional and personal qualifications.

Women filled 32.3% of the management positions in 2023 (2022: 27.5%) and represented 59.1% of the total workforce (2022: 57.1%). One woman serves on the Executive Board. The Supervisory Board is chaired by Miroslava Greštiaková, and Gayatri Narayan was another member until 31 December 2023; the percentage of women among shareholder representatives thus remained unchanged at a high level of 50% at the reporting date. At IMMOFINANZ, women hold key management positions in central corporate functions and on the local country boards.

Additional measures to increase the share of women in management positions have not been defined to date. IMMOFINANZ supports the work-life balance through flexible and partially flexible working times as well as part-time work models for employees, parental leave for fathers or the one-month "new baby break for dads".

Men and women have equal opportunities for advancement at IMMOFINANZ, and all employees receive performance-based remuneration for their work.

Diversity concept

IMMOFINANZ does not follow an abstractly defined diversity concept for appointments to the Executive Board or Supervisory Board. The Supervisory Board, which is responsible for appointments to the Executive Board and for issuing recommendations to the annual general meeting for elections to the Supervisory Board, considers the diversity aspects listed in § 243c (2) no. 2a of the Austrian Commercial Code (age, gender, education and professional experience) and the international aspects for supervisory board members which are discussed in L-Rule 52 of the Austrian Corporate Governance Code to be very important. Accordingly, these aspects are acknowledged and considered in connection with specific appointment decisions or recommendations. However, the company does not consider it suitable or expedient to tie its decisions on recommendations or appointments to a diversity concept with abstractly defined goals.

External evaluation

IMMOFINANZ's compliance with the provisions of the Austrian Corporate Governance Code was evaluated by the auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., within the framework of a separate audit of the corporate governance report (pursuant to KFS/PG 13). The related auditor's report is available for review on IMMOFINANZ's website (https://immofinanz.com). The evaluation of the corporate governance report for 2023 did not result in any objections.

Vienna, 27 March 2024

The Executive Board

Radka Doehring

Pavel Měchura

Group Management Report

General Principles

IMMOFINANZ AG is the parent company of IMMOFINANZ Group. The increase in the investment in S IMMO to 50% plus one share was completed at year-end 2022. The assets and liabilities held by S IMMO have therefore been included in IMMOFINANZ's consolidated financial statements since 31 December 2022, and the income statement positions were included beginning with the first quarter of 2023. The designation "IMMOFINANZ Group" is used for information that includes S IMMO, while information excluding S IMMO is referred to as "IMMOFINANZ".

IMMOFINANZ and S IMMO have complementary portfolios and are both present in the following countries: Austria, Germany, Czech Republic, Slovakia, Hungary, Romania and Croatia. IMMOFINANZ is also active in Poland, Serbia, Slovenia and Italy. The real estate portfolios of IMMOFINANZ and S IMMO consist primarily of commercial properties in the office and retail asset classes, but S IMMO also owns hotels and residential properties.

Economic Overview and Property Markets of IMMOFINANZ Group

The following section presents a selection of key economic indicators on the core markets of IMMOFINANZ Group. Included here are statistics on GDP growth, the inflation rate and the unemployment rate based on the winter forecast published by the European Commission in February 2024 and on current Eurostat and/or OECD data. This information is followed by a summary of developments in the individual real estate market segments where IMMOFINANZ Group is active. The information was drawn from market reports prepared by BNP Paribas, CBRE, JLL, Savills and EHL (data as of the end of Q3 or Q4 2023 according to availability).

The global economy remained weak throughout 2023. Numerous political conflicts adversely affected economic activity across the world and had a negative impact on European exports. In the European Union, this climate was intensified by measures implemented to counter the high inflation – whereby actions differed between the individual member states. The Union, as a whole, was somewhat more stable than the eurozone. Year-end statistics show growth of 0.2% for the entire Union and 0.1% for the eurozone (2022: 1.7% and 1.9%, respectively). GDP forecasts point to an increase of 1.3% for the EU in 2024 and 1.7% in 2025. The estimate for the eurozone is slightly lower at 1.2% in 2024 and 1.6% in 2025. The high inflation caused by the strong increase in energy prices began to decrease during the year, but after-effects slowed the price declines for energy. Inflation equalled 3.4% in the EU and 2.9% in the eurozone at year-end 2023 (2022: 10.4% and 9.2%) and remained clearly above the ECB's target of 2.0%. The rapid acceleration of economic activity might impair the fight against inflation, but branch developments will vary significantly. Inflation is projected to equal 3.5% in 2024 and 2.4% in 2025 in the European Union and 3.2% and 2.2%, respectively, in the eurozone. Stable employment and a declining demographic trend led to a drop in unemployment, which equalled 5.9% in the EU (2022: 6.1%) and a slightly higher 6.4% in the eurozone at year-end 2023 (2022: 6.7%). Demographic developments are expected to support stable employment rates in the coming years. Unemployment in the

EU is estimated at 6.0% in 2024 and 5.9% in 2025. The eurozone should follow a similar course with an expected unemployment rate of 6.6% in 2024 and a decline to 6.4% in 2025.

The transaction volume on the European real estate market fell by roughly 47% to EUR 162.3 billion in 2023 (2022: EUR 305.2 billion). The fourth quarter volume amounted to EUR 44.9 billion, for a year-on-year decline of nearly 30% but an increase of 22% over the previous quarter. In contrast to the European trend, transaction volumes in the Scandinavian countries (+105%) and Southern Europe (+85%) were significantly higher compared with the fourth quarter of 2022. A sector analysis shows a drop of 40% to 60% on average in transaction volumes (office properties: -61%; retail properties: -42%). The hotel segment proved to be more crisis resistant with a decline of only 13% in the transaction volume.

A market recovery is expected in 2024 but will only become visible in the second half-year. Completed transactions show signs of a clear trend towards premium properties. The current market conditions will separate the wheat from the chaff, with a decline in the demand for second-class properties. A similar development is also apparent in the rental business: Tenants are now much more reserved when planning space than before the COVID-19 pandemic.

Austria

The Austrian economy suffered from high energy prices, rising unit labour costs and weak export activity in 2023. GDP growth in the fourth quarter was only 0.2% higher than in the previous quarter, and a review of the entire year shows a decline of 1.3% versus 2022 (2022: +4.8%). Growth rates of 1.0% and 1.3%, respectively, are forecasted for 2024 and 2025. Support is expected from the lower level of inflation and resulting increase in consumer demand. Inflation eased during 2023 and equalled 5.7% at year-end (2022: 8.6%). This trend should also continue in the coming years: Inflation is projected to equal 4.1% in 2024 and 3.0% in 2025. The unemployment rate increased during 2023 and reached 5.6% at the end of December (2022: 4.9%), but a gradual reduction to 5.4% and 5.3% is forecasted for the next two years.

The transaction volume on the Austrian real estate market totalled EUR 2.8 billion in 2023 (2022: EUR 4.0 billion), for a year-on-year decline of roughly 37%. Office properties were responsible for most of this volume at EUR 1.2 billion, followed by retail properties at EUR 785 million. Prime yields rose to 5.0% (2022: 3.5%) for offices and to 5.65% (2022: 5.0%) for retail parks.

OFFICE

The office market in Vienna had 11.6 million sqm of modern space at the end of 2023. Take-up was similar to the previous year at 174,000 sqm (2022: 171,000 sqm). New office completions dropped to 45,800 sqm (2022: 126,000 sqm). The vacancy rate fell slightly again to 3.6% (2022: 3.9%), while prime rents increased marginally to EUR 28.00/sqm/month.

RETAIL

The Austrian retail market covered 13.6 million sqm at year-end 2023. Consumer confidence in this country was below the European average during the past year and led to noticeable restraint on the part of buyers. Offside the premium locations, retailers were faced with turnover declines. Prime rents for retail parks equalled EUR 15.0/sqm/month, and prime yields increased to 5.65% (2022: 5.0%).

Germany

High inflation, declining purchasing power, a changing interest environment and weak export demand had a negative impact on growth in this country during 2023. The German GDP fell by 0.2% in year-on-year comparison (2022: +1.8%). Experts see an increase in private consumption during the next two years due to the decline in inflation and stronger export demand. These two factors should support growth of 0.8% in 2024 and 1.2% in 2025. Inflation fell to 3.8% at the end of 2023 (2022: 9.6%), and expert opinions point to a continuation of this trend. Consequently, inflation could equal 3.1% in 2024 and decline further to 2.2% in 2025. The unemployment rate equalled 3.1% at year-end (2022: 2.9%), and a stable level of 3.2% is projected for the following two years.

The commercial property market in Germany reported a volume of EUR 23.3 billion in 2023 (2022: EUR 54.1 billion), which represents a year-on-year decrease of roughly 57%. Significant declines were recorded, above all, at prime locations with a minus of 67% and apparently reflect the more difficult financing conditions. The transaction volume in Düsseldorf fell to EUR 882 million (2022: EUR 2.9 billion) and, with a reduction of 69%, followed the national trend. Prime yields rose to 4.2% in Munich, followed by Berlin and Hamburg with 4.25% each (2022: Munich 3.2%; Berlin 3.2%; Hamburg 3.3%). In Düsseldorf, prime yields rose from 3.4% in the previous year to 4.5%.

OFFICE

Düsseldorf had 9.7 million sqm of modern office space at the end of 2023. Take-up declined by 4% to 280,000 sqm primarily due to a weak first half-year (2022: 291,000 sqm). The production of new space was slightly lower at 290,000 sqm (2022: 343,000 sqm). Despite increased rent levels, vacancies fell to 9.4% (2022: 10.9%). The interest rate hikes were responsible for an increase in prime yields to 4.5% (2022: 3.4%). Prime rents in premium properties rose to EUR 40.0/sqm/month, and average rents ranged from EUR 19.40 to EUR 20.90/sqm/ month (2022: EUR 16.50 to EUR 19.40/sqm/month).

Romania

Experts' forecasts place growth for the Romanian economy in 2023 at 2.2% (2022: 5.0%). The sharp rise in energy and food prices weakened purchasing power and had a negative effect on economic momentum. The next two years are expected to bring an improvement in purchasing power and renewed growth of 3.1% and 3.4%. Inflation dropped to 7.0% at the end of the year (2022: 12.0%) but remained above the eurozone level. Declining prices should reduce inflation to 5.9% in 2024 and 3.4% in 2025. In spite of the challenging economic conditions, the unemployment rate in Romania was stable and equalled 5.4% at year-end (2022: 5.6%). The employment situation should remain constant with an unemployment rate of 5.2% and 5.3% in the coming two years.

With transactions totalling EUR 499 million (2022: EUR 1.3 billion), the volume on the Romanian commercial property market fell by more than 60% in 2023. The retail segment was responsible for most of the transactions with a market share of roughly 57% or EUR 284 million. Office property transactions declined to a market share of 17% or EUR 85 million. Prime yields for shopping centers rose by 50 basis points to 7.75% (2022: 7.25%) and for office properties by 75 basis points to 7.75% (2022: 7.0%).

OFFIC

The office market in Bucharest had 3.41 million sqm of modern space at year-end 2023. Completions totalled 110,000 sqm (2022: 124,400 sqm) and, at the time this report was prepared, a further 16,100 sqm were under construction. Take-up rose by 62% to 476,000 sqm (2022: 295,300 sqm), and vacancies increased to 14.7% at the end of December (2022: 14.1%). Prime rents in the city center equalled EUR 19.5/sqm/month.

RETAIL

Romania had 4.34 million sqm of modern retail space at the time this report was prepared. The properties completed in 2023 had a combined total of 251,000 sqm (2022: 86,700 sqm), whereby 87% represented locations outside the Bucharest metropolitan region. An additional 258,000 sqm (2022: 265,000 sqm) of retail space are currently under construction and should be completed in 2024. Rents in the high-turnover locations rose by 7%. Prime rents equalled EUR 80.0/sqm/month in shopping centers and EUR 8.0 to EUR 15.0/sqm/month in retail parks.

Poland

Economic growth was limited to 0.4% by high inflation and weak export activity in 2023 (2022: 4.9%), but a trend reversal is expected in 2024. Forecasts show an increase to 2.7% and further recovery to 3.2% by 2025. Inflation had fallen to 6.2% by the end of 2023 (2022: 13.2%) and is expected to remain at this level in 2024 but decrease to 3.8% in the following year due to a decline in energy and food prices. The Polish labour market is still characterised by scarce supply. The unemployment rate equalled 2.7% at year-end (2022: 2.9%) and should fluctuate only slightly in the next two years with 2.8% and 2.7%.

The commercial real estate market in Poland recorded a sharp drop of 65% to EUR 2.1 billion in 2023 (2022: EUR 5.9 billion). Industrial and logistics properties generated the highest transaction volume with a market share of 46% or EUR 965 million (2022: EUR 2.0 billion). Transactions in retail properties fell by nearly 70% to EUR 430 million (2022: EUR 1.5 billion) and a market share of 21%. Office properties ranked third with a decline of 79% to EUR 429 million (2022: EUR 2.1 billion) and a market share of 21%. Yields increased to 6.0% (2022: 5.25%) for office properties and to 6.5% (2022: 6.25%) for retail properties. Retail park yields equalled 7.25%.

OFFICE

Office space totalling 61,000 sqm was completed on the Warsaw office market in 2023 (2022: 232,000 sqm). That represents the lowest level since 2010 and brought the total supply to 6.2 million sqm. An additional 238,000 sqm were under construction at the time this report was prepared. Take-up declined by 13% to 748,800 sqm in 2023 (2022: 860,000 sqm). Vacancies fell to 10.4% (2022: 11.6%) by the end of the year, and prime rents in the Warsaw city center rose to EUR 29.0/sqm/month.

RETAIL

The supply of retail space grew by 563,400 sqm in 2023 (2022: 360,000 sqm), whereby 63% is attributable to the retail park segment. Poland had 13.8 million sqm of modern retail space at the end of the year; a further 430,000 sqm (2022: 350,000 sqm) are currently under construction and should be completed in 2024. Prime rents in the retail parks were stable and ranged from EUR 9.5 to EUR 12.0/sqm/month.

Slovakia

The Slovakian economy grew by 1.3% in 2023 (2022: 1.7%) according to the experts, notwithstanding the high inflation. This development was based on a high level of investments and extensive exports to the neighbouring European countries. In line with this trend, Slovakia could generate growth of 1.7% and 2.0% in the next two years. Inflation equalled 6.6% at the end of December 2023 (2022: 12.1%) and is forecasted to decline to 5.2% in 2024 and to 3.0% in 2025. The unemployment rate reflected the previous year with 5.8% at year-end (2022: 5.8%) and could decrease to 5.4% and 5.2% in the coming two years due to an improvement in the overall economic situation.

The transaction volume on the commercial investment market in Slovakia fell by 41% to EUR 664 million in 2023 (2022: EUR 1.1 billion). Office properties were the main driver with a market share of 70% or EUR 467 million (2022: EUR 624 million), followed ex aequo by retail properties with 14% or EUR 93 million (2022: EUR 350 million) and industrial and logistics properties with 14% or EUR 93 million (2022: EUR 147 million). Prime yields increased to 6.0% (2022: 5.5%) in the office segment and to 6.5% (2022: 6.3%) for shopping centers.

OFFICE

The market for modern office properties in Bratislava covered 2.1 million sqm at the end of 2023. Completions totalled 114,000 sqm, with a significant decline in the space under construction to 21,000 sqm (2022: 119,000 sqm). The vacancy rate rose noticeably to 14.2% (2022: 11.2%) and turnover amounted to 183,500 sqm. Prime rents increased from EUR 17.0 to EUR 18.0/sqm/month. Average rents followed this trend and equalled EUR 15.50/sqm/month at year-end.

RETAIL

The supply of retail space in Slovakia remained nearly unchanged in year-on-year comparison at 2.4 million sqm in 2023 (2022: 2.4 million sqm). A total of 76,000 sqm are currently under development (2022: 100,000 sqm). The high inflation rate was reflected in rental price adjustments during the past year. Prime rents equalled EUR 67.0/sqm/month for shopping centers in Bratislava and EUR 15.0/sqm/month for retail parks. Prime yields rose by 20 basis points to 6.5% for shopping centers and by 35 basis points to 7.15% for retail parks.

Czech Republic

The Czech economy virtually stagnated in 2023 with a decline of 0.2% (2022: +2.5%). Growth was slowed by measures introduced to reduce inflation and weak economic development in the neighbouring countries. Friendlier market conditions should support an increase of 1.4% in 2024 and further sound recovery to 3.0% in 2025. Inflation equalled 7.6% at the end of 2023 (2022: 14.8%) and should drop to 3.2% in 2024 due to a decline in energy prices before falling to 2.4% in 2025. The labour shortage in the Czech Republic was still visible at year-end. The unemployment rate equalled 2.8% at the end of December 2023 (2022: 2.3%) and should remain stable at 2.5% in each of the coming two years.

The transaction market in the Czech Republic declined by 16% to a volume of EUR 1.4 billion in 2023 (2022: EUR 1.6 billion), whereby the traditionally strong fourth quarter proved to be disappointing. Retail properties were the most popular asset class in the last 12 months with a share of 45%, followed by office properties at 26%. Prime yields increased from 4.8% to 5.4% for office properties and from 6.25% to 6.3% for retail properties.

OFFICE

The office market in Prague had roughly 3.9 million sqm of modern space at the end of 2023. Completions totalled 98,400 sqm, and an additional 100,000 sqm (2022: 293,600 sqm) were under construction at the time this report was prepared. Take-up reflected the previous year at 541,900 sqm (2022: 550,100 sqm), and the vacancy rate declined to 7.2% (2022: 7.7%) due to the limited construction activity. Prime rents increased to EUR 27.5/sqm/month, and average rents at good locations ranged from EUR 17.75 to EUR 18.25/sqm/month. Prime yields rose to 5.4%.

RETAIL

The supply of retail space remained constant during the past year and totalled roughly 2.5 million sqm at year-end. A total of 24,000 sqm are currently under construction. 18 months of declining retail turnover ended with a trend reversal in November 2023. Rising interest rates led to an increase of 10 basis points in prime yields to 6.35% for shopping centers as well as retail parks.

Hungary

Forecasts indicate a continuation of the recession in Hungary during 2023, which led to a GDP decline of 0.7% (2022: +4.9%). This development was a result of high inflation combined with tax and monetary measures. However, recovery is expected in 2024 with growth of 2.4% and a further increase to 3.6% in 2025. Inflation had fallen to 5.5% by the end of the year (2022: 15.3%) and, consistent with this trend, should decline further to 5.2% in 2024 and to 4.1% in 2025. The unemployment rate equalled 4.2% at the end of the year (2022: 4.0%) and should remain relatively constant at 4.2% and 4.1% in the next two years.

The transaction volume on the commercial real estate market in Hungary fell by 69% to EUR 441 million in 2023 (2022: EUR 1.4 billion). Prime yields rose to 6.75% (2022: 6.0%) for office properties, to 6.0% (2022: 5.75%) for shopping centers and to 7.25% (2022: 6.5%) for retail parks.

OFFICE

The office market in Budapest has 4.5 million sqm of modern space. Take-up fell by 10% to 352,000 sqm in 2023 (2022: 391,700 sqm). Completions totalled 180,000 sqm (2022: 247,000 sqm), and a further 180,000 sqm are currently under construction. The vacancy rate rose to 13.3% as a result of the new completions (2022: 11.3%). Average rents were slightly higher at EUR 14.2/sqm/month, and prime rents equalled EUR 25.0/sqm/month.

RETAIL

Retail turnover fell by 10% in 2023, primarily due to the high inflation. Completions totalled 10,300 sqm, and a further 27,000 sqm are in the development pipeline. Consequently, the supply of space will also be limited in the coming years and should generally lead to an increase in rents. Prime yields for shopping centers rose slightly to 6.0%.

Adriatic

IMMOFINANZ's Adriatic region includes Serbia, Slovenia, Croatia and Italy. The economies in these countries followed the European trend with growth ranging from 2.6% in Croatia to 0.7% in Italy. Serbia is expected to generate the strongest growth in the coming years with an increase of 3.1% in 2024 and 3.7% in 2025. Italy trails behind with expected growth of 0.9% in 2024 and 1.2% in 2025. The inflation rate equalled 8.1% in Croatia, followed by 7.5% in Slovenia and 6.1% in Italy at the end of 2023. Slovenia will presumably take longest for inflation to subside: The inflation rate is projected to equal 3.9% in 2024 and 2.4% in 2025. Unemployment was highest in Serbia with 9.4% at the end of the year. A dynamic reduction in unemployment is forecasted for Serbia and Croatia – down to 8.6% in Serbia in the next two years and from 6.5% in 2023 to 5.8% in Croatia. The labour markets in Slovenia and Italy have shown sidewards development, whereby Slovenia's unemployment rate should remain at a low 3.6%. According to the experts, Italy will only be able to marginally reduce its traditionally high unemployment to 7.3%.

Among the commercial property markets in this region, Italy is by far the most important. It declined by 49% to a transaction volume of EUR 6.1 billion in 2023 (2022: EUR 11.7 billion). Prime yields in Italy rose by 35 basis points to 4.25% (2022: 3.9%) for offices and by 1.2 percentage points to 7.5% (2022: 6.3%) for shopping centers. Prime yields in Serbia were uniform at 8.75% (2022: 8.0%) and, in Croatia, equalled 7.3% (2022: 6.8%) for retail properties and 8.3% (2022: 7.8%) for offices. In Slovenia, the prime yields for retail properties equalled 7.8% (2022: 7.3%).

Hotels

The Austrian hotel market continued along a recovery course in 2023. With nearly 151 million overnight stays, the record 2019 level was only just missed. Indicators reflected a similar level to 2022for domestic travellers in 2023, while growth was driven mainly by the return of international tourists. This segment increased by 13.5% year-on-year. According to CBRE, steady growth in overnight stays can be expected in 2024 – above all from overseas travellers.

The hotel market in the CEE region also recorded positive development, supported by the increasing recovery of tourism. This trend can be expected to continue.

Portfolio Report

IMMOFINANZ Group concentrates on its core business as a growth-oriented property owner and on the continuous optimisation of its portfolio. Its activities also include acquisitions and selected development projects, whereby the focus is on high-yield properties.

The portfolio strategy followed by IMMOFINANZ Group is based on flexible and innovative offers with high customer orientation. Active portfolio management ensures that the properties are attractive for tenants and consistent with the principle of sustainability from a social and environmental perspective. In this way, IMMOFINANZ Group is also optimally positioned to meet the future needs of tenants and consumers in the retail business and tenants and their staffs in the office sector.

The IMMOFINANZ Group's property portfolio

The IMMOFINANZ Group's property portfolio (IMMOFINANZ including S IMMO) included 518 properties* with a combined value* of EUR 8,174.3 million as of 31 December 2023 (31 December 2022: 627 properties with a carrying amount of EUR 8,363.8 million). Standing investments* represented the largest component at EUR 7,840.2 million, or 95.9% of the carrying amount, and 3.6 million sqm of rentable space* which generate steady rental income. Development projects* are responsible for EUR 138.3 million, or 1.7% of the carrying amount. A carrying amount of EUR 195.8 million, or 2.4%, is attributable to pipeline projects* and includes future planned development projects, undeveloped land and real estate inventories. The owner-operated S IMMO hotels (Vienna Marriott, Budapest Marriott and Novotel Bucharest City Center) with 61,075 sqm of total rentable space are not included in this portfolio report.

The application of IFRS 16 since the first quarter of 2019 leads to differences between the amounts presented in the portfolio report and on the balance sheet. Expert appraisals or internal valuation form the basis for the property values in the portfolio report. The reported property values on the balance sheet also include capitalised rights of use for building rights.

The presentation in the portfolio report is based on the primary use of the properties.

The IMMOFINANZ Group property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR[1]	Property portfolio in MEUR	Property portfolio in %
Austria	20	381.7	0.0	9.2	390.9	4.8
Germany	5	467.6	0.0	4.5	472.1	5.8
Poland	29	936.9	28.5	0.0	965.4	11.8
Czech Republic	72	933.6	0.0	0.0	933.6	11.4
Hungary	19	224.8	0.0	2.7	227.5	2.8
Romania	32	595.8	65.1	72.0	732.9	9.0
Slovakia	35	428.1	0.0	1.3	429.4	5.3
Adriatic[2]	62	584.9	28.0	34.6	647.6	7.9
S IMMO	244	3,286.8	16.7	71.5	3,375.0	41.3
IMMOFINANZ Group	**518**	**7,840.2**	**138.3**	**195.8**	**8,174.3**	**100.0**
in %		**95.9**	**1.7**	**2.4**	**100.0**	

[1] Including real estate inventories
[2] In declining order based on the carrying amount: Croatia, Serbia, Slovenia and Italy

* Including properties held by IMMOFINANZ Group that are held for sale and fall under IFRS 5 (31 December 2023: EUR 255.9 million; see section 4.10 in the consolidated financial statements for details).

The IMMOFINANZ Group portfolio by primary use and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR[1]	Property portfolio in MEUR	Property portfolio in %
Office	42	1,912.5	93.0	45.3	2,050.8	25.1
Retail	219	2,625.2	28.0	25.1	2,678.4	32.8
Others	13	15.7	0.6	53.8	70.1	0.9
S IMMO	244	3,286.8	16.7	71.5	3,375.0	41.3
IMMOFINANZ Group	**518**	**7,840.2**	**138.3**	**195.8**	**8,174.3**	**100.0**

[1] Including real estate inventories

The IMMOFINANZ property portfolio

The IMMOFINANZ property portfolio (IMMOFINANZ excluding S IMMO) covered 274 properties* as of 31 December 2023 (31 December 2022: 265 properties) with a combined value* of EUR 4,799.3 million (31 December 2022: EUR 5,199.6 million). These properties are located, above all, in the core markets of Austria, Germany, Poland, Czech Republic, Slovakia, Hungary, Romania and Adriatic (Croatia, Serbia, Slovenia and Italy). Standing investments* represent the largest component at EUR 4,553.4 million, or 94.9% of the carrying amount, and 2.1 million sqm of rentable space*. Development projects* are responsible for EUR 121.6 million, or 2.5% of the carrying amount. A carrying amount of EUR 124.3 million, or 2.6%, is attributable to pipeline projects*.

Acquisitions and sales by IMMOFINANZ

IMMOFINANZ continued the strategic expansion of its high-yield retail portfolio during 2023 by acquiring 22 complementary retail properties in the Czech Republic during the fourth quarter and, in a second step, a retail park and a shopping center from CPI Property Group (CPIPG). These properties have nearly 107,300 sqm of rentable space in total, are almost fully rented, and generate approximately EUR 17 million (gross) of annual rental income. The combined property value amounted to roughly EUR 237 million. These transactions will strengthen IMMOFINANZ's earning power and position on the attractive Czech retail market.

Property sales (including S IMMO) totalled EUR 751.1 million in 2023. Included here, among others, are the Bureau am Belvedere office building in Vienna with nearly 9,000 sqm as well as land in Romania and in Turkey. Other sales involved transactions by S IMMO in Germany and an office property in Croatia.

In February 2023, IMMOFINANZ signed a letter of intent to sell several office properties at the location on Vienna's Wienerberg to S IMMO. This transaction covered six standing investments with roughly 128,000 sqm of rentable space and one development project which was opened in the third quarter of 2023. The transaction volume totalled approximately EUR 411 million.

This agreement included the sale by IMMOFINANZ of the Vienna Twin Towers office building to S IMMO in July 2023. The agreement with S IMMO was completed with the sale of five further office properties and one hotel building in October 2023. The IMMOFINANZ team remains in charge of the administration and rental of the properties at the Wienerberg location, most of which operate under the innovative myhive brand.

As IMMOFINANZ holds a controlling interest of 50% plus one share in S IMMO, this transaction will have no effect on the Group's asset, financial or earnings position.

In addition, IMMOFINANZ sold the Grand Center Zagreb office building to a Croatian property company and two office properties in Vienna to an Austrian real estate investor after the reporting period in the first quarter 2024.

* Including properties held by IMMOFINANZ that are held for sale and fall under IFRS 5 (31 December 2023: EUR 171.4 million; see section 4.10 in the consolidated financial statements for details).

The S IMMO property portfolio

The S IMMO property portfolio (excluding owner-operated hotel properties) included 244 properties as of 31 December 2023. These properties had a combined carrying amount of EUR 3,375.0 million (31 December 2022: 362 properties with a carrying amount of EUR 3,164.2 million) and rentable space of 1.4 million sqm (31 December 2022: 1.4 million sqm).

For further information on the property portfolio, see the S IMMO AG annual report as of 31 December 2023.

The IMMOFINANZ Group's standing investments

The IMMOFINANZ Group's standing investment portfolio includes 432 properties. Acquisitions and the completion of development projects more than offset strategic sales, and the carrying amount of the portfolio totalled EUR 7,840.2 million as of 31 December 2023 (31 December 2022: 530 properties with a carrying amount of EUR 7,936.0 million). Of this total, 24.4% are attributable to office properties, 33.5% to retail properties and 41.9% to S IMMO. The focal point of the standing investments by segments based on the carrying amount are the markets in Poland (EUR 936.9 million), the Czech Republic (EUR 933.6 million) and Romania (EUR 595.8 million) as well as S IMMO (EUR 3,286.8 million). The rentable space in this portfolio totalled 3.6 million sqm. The standing investment portfolio had a gross return of 7.2% based on IFRS rental income, whereby rental incentives – e.g. the standard market practice of granting rent-free periods or allowances for fit-out costs – are accrued on a straight-line basis over the contract term in accordance with IFRS. The occupancy rate equalled 92.2% (31 December 2022: 92.9%).

The IMMOFINANZ Group's standing investments by core market

Standing investments	**Number of properties**	**Carrying amount in MEUR**	**Carrying amount in %**	**Rentable space in sqm**	**Rented space in sqm**	**Occupancy rate in %**
Austria	18	381.7	4.9	128,744	127,272	98.9
Germany	3	467.6	6.0	87,652	66,957	76.4
Poland	28	936.9	11.9	400,173	385,703	96.4
Czech Republic	72	933.6	11.9	381,364	370,489	97.1
Hungary	16	224.8	2.9	169,268	168,466	99.5
Romania	14	595.8	7.6	329,912	297,286	90.1
Slovakia	34	428.1	5.5	258,986	247,883	95.7
Adriatic[1]	43	584.9	7.5	387,304	385,860	99.6
S IMMO	204	3,286.8	41.9	1,414,903	1,232,106	87.1
IMMOFINANZ Group	**432**	**7,840.2**	**100.0**	**3,558,305**	**3,282,022**	**92.2**

Standing investments	**Rental income Q4 2023 in MEUR**	**Gross return in %**	**Carrying amount financing in MEUR**	**Financing costs incl. derivatives in %**	**LTV in %**
Austria	5.9	6.2	212.3	3.6	55.6
Germany	6.7	5.8	273.7	3.3	58.5
Poland	18.9	8.1	530.3	2.8	56.6
Czech Republic	11.4	4.9[2]	414.8	3.8	44.4
Hungary	6.3	11.1[3]	123.2	2.3	54.8
Romania	14.0	9.4	0.0	0.0	0.0
Slovakia	8.8	8.2	235.2	3.3	54.9
Adriatic[1]	13.1	9.0	138.3	5.1	23.6
S IMMO	56.2	6.8	1,488.1	2.4	45.3
IMMOFINANZ Group	**141.4**	**7.2**	**3,415.9**	**3.0**	**43.6**
Development projects and pipeline projects	2.2		0.0	0.0	
Rental income from sold properties and adjustments	1.0		0.0	0.0	
Group financing IMMOFINANZ	0.0		234.8	2.5	
Group financing S IMMO	0.0		585.7	0.0	
IMMOFINANZ Group	**144.6**		**4,236.4**	**2.9**	
Market value property portfolio in MEUR					8,174.3
Cash and cash equivalents[4] in MEUR			-697.1		
Property value of owner-operated properties S IMMO in MEUR			0.0		228.5
IMMOFINANZ Group in MEUR			**3,539.3**		**8,402.8**
Net LTV in %					**42.1**

[1] In declining order based on the carrying amount: Serbia, Croatia, Slovenia and Italy
[2] The gross return for the Czech Republic includes the rental income for the retail properties acquired in the fourth quarter 2023 only for Q4.
[3] The gross return in Hungary is primarily due to high turnover rents in Q4.
[4] Cash and cash equivalents, including cash and cash equivalents from assets held for sale

The IMMOFINANZ standing investments

The 228 standing investments held by IMMOFINANZ had a carrying amount of EUR 4,553.4 million as of 31 December 2023 (31 December 2022: 208 standing investments with a carrying amount of EUR 4,852.1 million). Of this total, 42.0% are attributable to office properties and 57.7% to retail properties. The rentable space totalled 2.1 million sqm (31 December 2022: 2.2 million sqm). The properties in this portfolio have a gross return of 7.5% based on IFRS rental income.

Occupancy rate increased to 95.6%

The occupancy rate increased to 95.6% (31 December 2022: 94.3%). According to the EPRA's calculation formula, the vacancy rate equalled 5.1% (31 December 2022: 6.5%). The EPRA vacancy rate is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio. Take-up in the standing investments and development projects (excluding standing investments in the Other asset class) amounted to 374,300 sqm in 2023 (2022: 317,300 sqm). This take-up includes roughly 129,400 sqm of new rentals and roughly 244,900 sqm of contract extensions. The average unexpired lease term weighted by rental income (WAULT*) equalled 3.6 years as of 31 December 2023 (31 December 2022: 3.5 years).

Contract expiration profile for IMMOFINANZ: standing investments (total)

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space[1], excluding S IMMO):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
14	13	17	12	16	19	7

[1] Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

Sustainability certification

The certified space totalled roughly 958,800 sqm at the end of December 2023 in buildings with a combined carrying amount of EUR 2.6 billion. Sustainability certificates have therefore been issued for 57.5% of the carrying amount, respectively 44.7% of the total space in the standing investment portfolio. In the office business, certification covered 90.4% of the properties based on the carrying amount and 77.3% of the total space.

Further sound growth of 8.5% in like-for-like rental income for IMMOFINANZ

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted to facilitate comparison with earlier periods) shows a further improvement of 8.5%, or EUR 22.9 million, to EUR 292.3 million in 2023, after EUR 269.5 million in the previous year. Positive development was reported by all core markets. The driving factors included, among others, the indexing of rents and higher turnover-based rents in the retail properties.

* Weighted Average Unexpired Lease Term: The calculation for fixed-term contracts is based on the term or – where available – the time up to the break option (special cancellation right for tenants). For open-ended contracts, the remaining term equals at least two years or a longer period if the break option is later than this two-year period.

IMMOFINANZ's standing office investments

The carrying amount of the 31 standing office investments held by IMMOFINANZ (excluding S IMMO) totalled EUR 1,912.5 million as of 31 December 2023 (31 December 2022: 40 standing investments with a carrying amount of EUR 2,537.1 million). These assets represented 42.0% of the standing investment portfolio and 34.7% of the rental income from standing investments in the fourth quarter of 2023. The occupancy rate in the office portfolio equalled 88.4% at the end of December (31 December 2022: 88.1%). The take-up for standing investments and development projects in the office business totalled roughly 162,700 sqm in 2023 (2022: 144,800 sqm), with 60,400 sqm related to new rentals and 102,300 sqm to contract extensions.

The tenant structure of the office portfolio remains balanced. The ten largest tenants occupy 27.1% of the space in the office standing investments, and no single tenant has rented more than 4.6% of the total space in these properties (31 December 2022: 21.6% and 3.6%). The WAULT* equalled 3.5 years as of 31 December 2023 (31 December 2022: 3.6 years).

Contract expiration profile: IMMOFINANZ standing office investments

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space[1]; excluding S IMMO):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
19	12	15	9	17	20	9

[1] Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

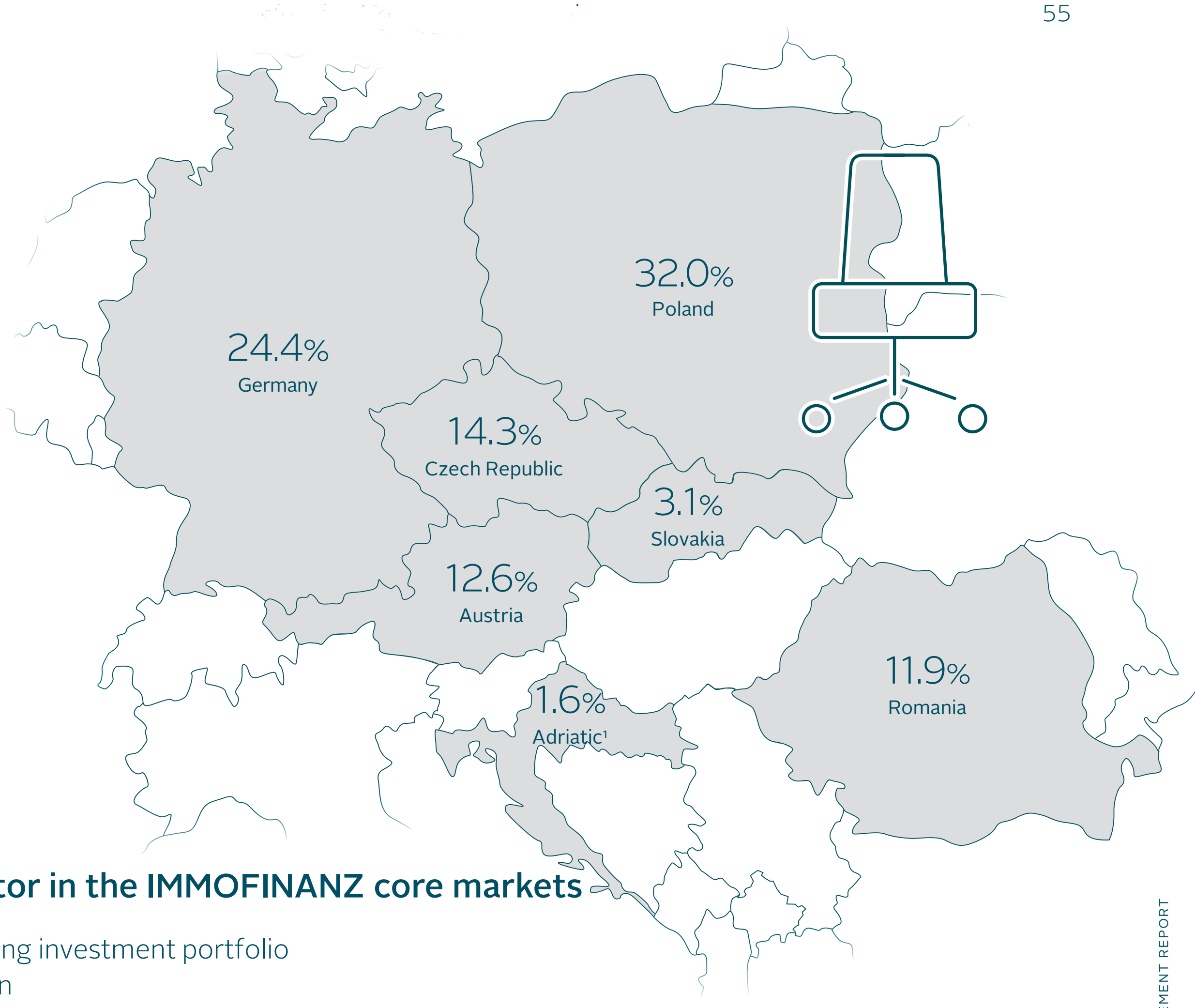
An overview of the IMMOFINANZ office properties can be found under https://immofinanz.com/en/office/office-search.

Key data on the IMMOFINANZ standing office investments by category

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
IMMOFINANZ	**31**	**1,912.5**	**100.0**	**633,479**	**559,873**	**88.4**
thereof myhive	17	1,041.0	54.4	385,428	347,528	90.2
thereof office other	14	871.5	45.6	248,051	212,345	85.6

Standing investments	Rental income Q4 2023 in MEUR	Gross return in %	Carrying amount financing in MEUR	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	**29.5**	**6.2**	**925.2**	**2.8**	**48.4**
thereof myhive	16.7	6.4	478.2	2.3	45.9
thereof office other	12.8	5.9	447.0	3.3	51.3

* Weighted Average Unexpired Lease Term: The calculation for fixed-term contracts is based on the term or – where available – the time up to the break option (special cancellation right for tenants). For open-ended contracts, the remaining term equals at least two years or a longer period if the break option is later than this two-year period.



The office sector in the IMMOFINANZ core markets

Share of the standing investment portfolio
EUR 1,912.5 million
as of 31 December 2023

Poland

Number of properties	7
Carrying amount in MEUR	612.2
Carrying amount in %	32.0
Rentable space in sqm	189,741
Occupancy rate in %	93.6
Rental inc. Q4 2023 in MEUR	10.5
Gross return in %	6.8

Germany

Number of properties	3
Carrying amount in MEUR	467.6
Carrying amount in %	24.4
Rentable space in sqm	87,652
Occupancy rate in %	76.4
Rental inc. Q4 2023 in MEUR	6.7
Gross return in %	5.8

Czech Republic

Number of properties	6
Carrying amount in MEUR	273.6
Carrying amount in %	14.3
Rentable space in sqm	79,639
Occupancy rate in %	91.6
Rental inc. Q4 2023 in MEUR	3.1
Gross return in %	4.5

Austria

Number of properties	4
Carrying amount in MEUR	241.1
Carrying amount in %	12.6
Rentable space in sqm	55,982
Occupancy rate in %	99.6
Rental inc. Q4 2023 in MEUR	3.2
Gross return in %	5.4

Romania

Number of properties	8
Carrying amount in MEUR	228.3
Carrying amount in %	11.9
Rentable space in sqm	168,929
Occupancy rate in %	82.2
Rental inc. Q4 2023 in MEUR	4.5
Gross return in %	7.8

Slovakia

Number of properties	2
Carrying amount in MEUR	59.7
Carrying amount in %	3.1
Rentable space in sqm	35,623
Occupancy rate in %	90.0
Rental inc. Q4 2023 in MEUR	1.0
Gross return in %	6.6

Adriatic[1]

Number of properties	1
Carrying amount in MEUR	30.0
Carrying amount in %	1.6
Rentable space in sqm	15,913
Occupancy rate in %	99.1
Rental inc. Q2 2023 in MEUR	0.6
Gross return in %	7.5

IMMOFINANZ

Number of properties	31
Carrying amount in MEUR	1,912.5
Carrying amount in %	100.0
Rentable space in sqm	633,479
Occupancy rate in %	88.4
Rental inc. Q4 2023 in MEUR	29.5
Gross return in %	6.2

[1] Croatia

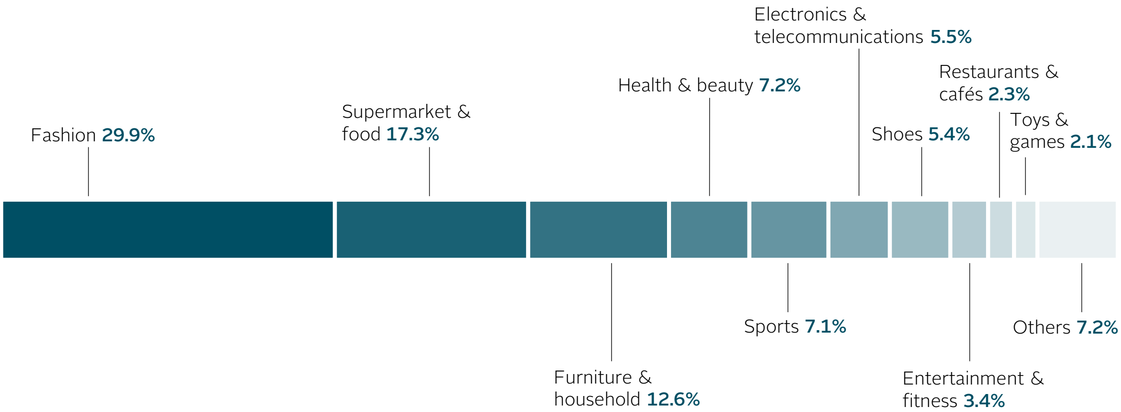
IMMOFINANZ's standing retail investments

The carrying amount of the 196 standing retail investments held by IMMOFINANZ (excluding S IMMO) totalled EUR 2,625.2 million as of 31 December 2023 (31 December 2022: 167 standing investments with a carrying amount of EUR 2,297.8 million). These properties represented 57.7% of the standing investment portfolio and generated 65.0% of the rental income from standing investments in the fourth quarter of 2023. The occupancy rate equalled a high 98.7% as of 31 December 2023 (31 December 2022: 98.8%). The occupancy rates in the STOP SHOP/retail parks and VIVO! shopping centers equalled 99.0% and 97.3%, respectively. Take-up for the standing investments and development projects in the retail business totalled roughly 211,600 sqm in 2023 (2022: 172,500 sqm), whereby roughly 69,000 sqm were attributable to new rentals and 142,600 sqm to contract extensions.

IMMOFINANZ relies on a balanced tenant mix to create an optimal environment for retailers and their customers. All larger retail properties have solid international and local anchor tenants, but no single retailer has rented more than 4.1% of the total space in these properties. The WAULT* equalled 3.5 years as of 31 December 2023 (31 December 2022: 3.5 years).

Branch mix – Retail

Only rented space in the IMMOFINANZ standing investments as of 31 December 2023



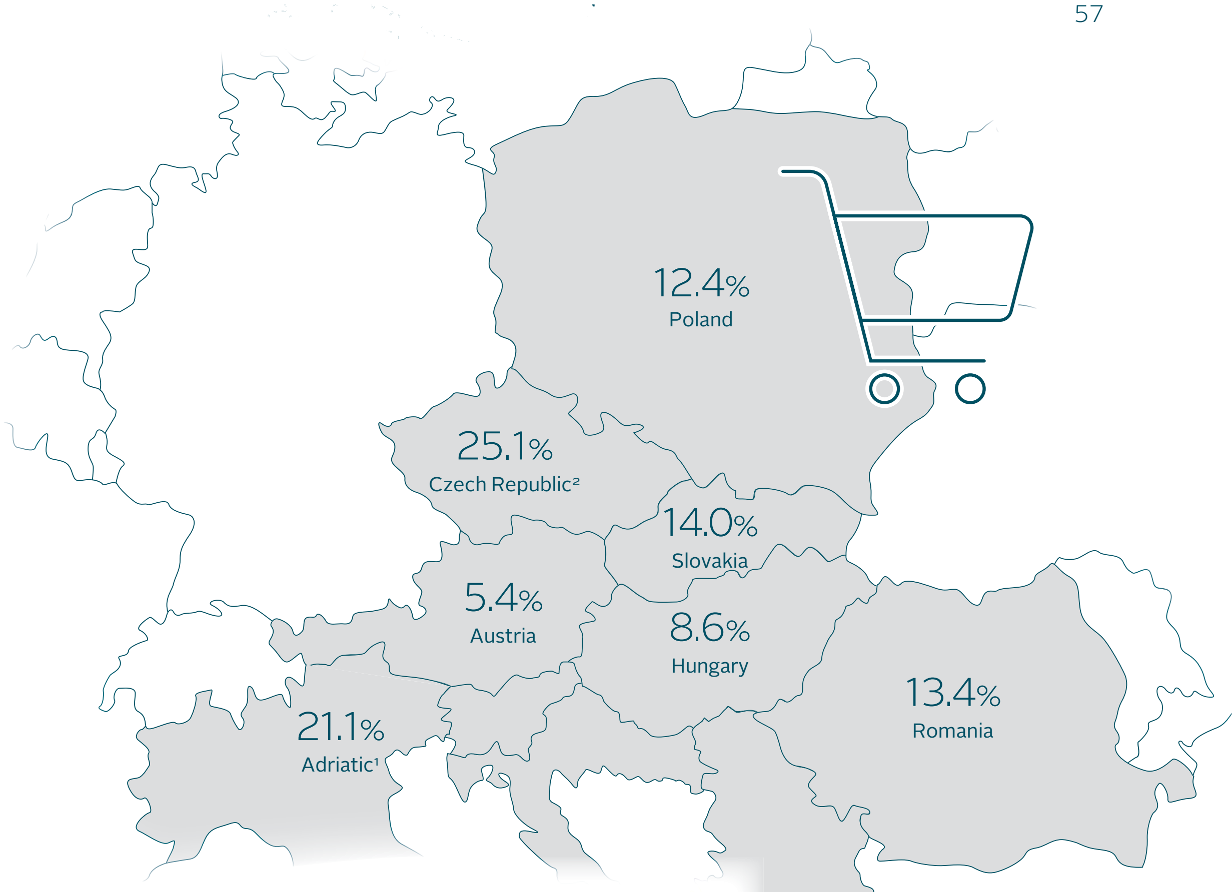
Contract expiration profile: IMMOFINANZ standing retail investments

Fixed-term contracts until the end of the term and open-ended contracts as of the earliest possible exit date in relation to the total rented space (in GLA space[1]; excluding S IMMO):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
12	14	19	13	15	18	6

[1] Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

* Weighted Average Unexpired Lease Term: The calculation for fixed-term contracts is based on the term or – where available – the time up to the break option (special cancellation right for tenants). For open-ended contracts, the remaining term equals at least two years or a longer period if the break option is later than this two-year period.



The retail sector in the IMMOFINANZ core markets

Share of the standing investment portfolio
EUR 2,625.2 million
as of 31 December 2023

Czech Republic

Number of properties	66
Carrying amount in MEUR	660.0
Carrying amount in %	25.1
Rentable space in sqm	301,726
Occupancy rate in %	98.6
Rental inc. Q4 2023 in MEUR	8.3
Gross return in %	5.0

Adriatic[1]

Number of properties	42
Carrying amount in MEUR	554.9
Carrying amount in %	21.1
Rentable space in sqm	371,391
Occupancy rate in %	99.7
Rental inc. Q4 2023 in MEUR	12.6
Gross return in %[2]	9.1

Slovakia

Number of properties	32
Carrying amount in MEUR	368.4
Carrying amount in %	14.0
Rentable space in sqm	223,363
Occupancy rate in %	96.6
Rental inc. Q4 2023 in MEUR	7.8
Gross return in %	8.5

Romania

Number of properties	5
Carrying amount in MEUR	351.8
Carrying amount in %	13.4
Rentable space in sqm	149,748
Occupancy rate in %	98.3
Rental inc. Q4 2023 in MEUR	9.2
Gross return in %	10.5

Poland

Number of properties	21
Carrying amount in MEUR	324.7
Carrying amount in %	12.4
Rentable space in sqm	210,432
Occupancy rate in %	98.9
Rental inc. Q4 2023 in MEUR	8.5
Gross return in %	10.4

Hungary

Number of properties	16
Carrying amount in MEUR	224.8
Carrying amount in %	8.6
Rentable space in sqm	169,268
Occupancy rate in %	99.5
Rental inc. Q4 2023 in MEUR	6.3
Gross return in %	11.1

Austria

Number of properties	14
Carrying amount in MEUR	140.6
Carrying amount in %	5.4
Rentable space in sqm	72,761
Occupancy rate in %	98.3
Rental inc. Q4 2023 in MEUR	2.7
Gross return in %	7.6

IMMOFINANZ

Number of properties	196
Carrying amount in MEUR	2,625.2
Carrying amount in %	100.0
Rentable space in sqm	1,498,688
Occupancy rate in %	98.7
Rental inc. Q4 2023 in MEUR	55.4
Gross return in %[2]	8.4

[1] In declining order based on the carrying amount: Serbia, Slovenia, Croatia and Italy
[2] The gross return for the Czech Republic includes the rental income for the retail properties acquired in the Q4 2023 only for the Q4.
[3] The gross return in Hungary is primarily due to high turnover rents in the Q4.

Key data on IMMOFINANZ's retail standing investments by category

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
IMMOFINANZ	**196**	**2,625.2**	**100.0**	**1,498,688**	**1,478,808**	**98.7**
thereof VIVO!/ shopping center	11	827.7	31.5	352,837	343,353	97.3
thereof STOP SHOP/ retail park	142	1,598.9	60.9	1,019,679	1,009,772	99.0
thereof retail other	43	198.6	7.6	126,172	125,683	99.6

Standing investments	Rental income Q4 2023 in MEUR	Gross return in %	Carrying amount financing in MEUR	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	**55.4**	**8.4**	**1,002.6**	**3.9**	**38.2**
thereof VIVO!/shopping center	16.8	8.1	275.6	3.2	33.3
thereof STOP SHOP/retail park	35.8	9.0	671.9	4.1	42.0
thereof retail other	2.7	5.5	55.2	5.5	27.8

An overview of the IMMOFINANZ retail properties can be found under https://immofinanz.com/en/retail/retail-search.

S IMMO standing investments

The 204 standing investments* held by S IMMO had a carrying amount of EUR 3,286.8 million as of 31 December 2023. The occupancy rate equalled 87.1%*.

For further information on the portfolio, see the S IMMO AG annual report as of 31 December 2023.

The IMMOFINANZ Group's development projects

The IMMOFINANZ Group's development projects had a carrying amount of EUR 138.3 million as of 31 December 2023 (31 December 2022: EUR 198.5 million), which represents 1.7% of the total property portfolio (31 December 2022: 2.4%). This amount includes EUR 61.5 million of active development projects, all of which are attributable to IMMOFINANZ, and EUR 76.8 million of projects in the preparation or conception phase for which outstanding construction costs are not yet available. The expected fair value of the active projects on completion amounts to EUR 122.6 million. The core markets Adriatic and Romania represent the focal point with an expected fair value after completion of EUR 82.8 million and EUR 39.8 million, respectively. S IMMO had no development projects in progress as of the end of 2023.

* Excluding owner-operated hotels. For details on the initial consolidation of S IMMO, see the consolidated financial statements of IMMOFINANZ Group and the revaluation of owner-operated properties (section 2.3 in the consolidated financial statements).

The IMMOFINANZ Group's development projects

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR	Expected rental income at full occupancy in MEUR	Expected yield after completion in %[1]
Romania	1	39.1	63.6	0.7	21,127	39.8	3.2	8.1
Adriatic[2]	6	22.4	36.4	55.6	57,340	82.8	8.3	10.7
Active projects IMMOFINANZ	**7**	**61.5**	**100.0**	**56.2**	**78,467**	**122.6**	**11.5**	**9.8**
Projects in preparation IMMOFINANZ		60.1						
Projects in preparation S IMMO		16.7						
IMMOFINANZ Group		**138.3**						

[1] Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs
[2] Croatia

The current focus of IMMOFINANZ's development activities

Adriatic
In Croatia, six new STOP SHOP retail parks are under development in Đakovo (8,400 sqm), Dugo Selo (9,000 sqm), Krapina (8,100 sqm), Sinj (7,400 sqm), Vukovar (9,000 sqm) and Virovitica (9,800 sqm). The STOP SHOP retail park in Đakovo opened in November 2023.

Romania
The myhive Victoria Park, an existing office property in Bucharest, underwent extensive modernisation and integration in the flexible myhive office concept. The project was completed in the fourth quarter of 2023.

The IMMOFINANZ Group's pipeline projects

Pipeline projects include future planned development projects, undeveloped land and/or temporarily suspended projects. These projects had a carrying amount of EUR 195.8 million as of 31 December 2023 and represent 2.4% of the IMMOFINANZ Group's total portfolio. Of this total, EUR 124.3 million, or 2.6%, are attributable to IMMOFINANZ, excluding S IMMO (31 December 2022: EUR 159.3 million, or 3.1%). S IMMO is responsible for EUR 71.5 million. The focal point of the IMMOFINANZ Group's pipeline projects is Romania with a volume of EUR 72.0 million. IMMOFINANZ Group plans to further reduce the scope of its pipeline projects – especially the land reserves in Romania – through strategic sales.

Property Valuation

IMMOFINANZ Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and arranges for the regular appraisal of its properties by independent experts. This external valuation is carried out at least once every year as of 31 December and reflects the EPRA's Best Practices Policy Recommendations for the application of the fair value method as defined in IFRS.

The valuation includes property-related factors like the occupancy rate, rental income and the length of the rental contracts as well as the age and quality of the buildings. External factors are also taken into account, e.g. the development of the regional and general market environments, the economy and the financing climate. ESG aspects such as the risks arising from climate change, energy efficiency and the social added value of the properties are also examined and the potential impact on property values in the future are identified. CBRE, an independent company, was responsible for appraising 55.8% of IMMOFINANZ Group's portfolio (EUR 8.2 billion) as of 31 December 2023. S IMMO and its valuation covered 41.3%, and only 2.9% were valued internally by IMMOFINANZ Group.

IMMOFINANZ Group: development of property valuation in 2023

Total revaluations (including property development and property sales) for IMMOFINANZ Group equalled EUR -376.8 million in 2023 (2022: EUR -105.7 million) and reflect the challenging market environment with its sharp rise in interest rates and continuing high construction costs. The revaluation results for investment property (standing investments and land reserves) amounted to EUR -352.0 million, compared with EUR -110.5 million in the previous year. The S IMMO portfolio was responsible for -3.5% of the carrying amount. The IMMOFINANZ office properties recorded valuation declines of EUR -242.3 million, or -13.4% of the carrying amount as of 31 December 2023, whereby the largest individual effects were recorded from office buildings in Düsseldorf, Vienna and Warsaw. Revaluation increases in the retail segment equalled EUR 5.0 million, or 0.2% of the carrying amount, and are mainly attributable to the acquisitions made in the Czech Republic in the fourth quarter.

Investment property	Carrying amount in MEUR	Valuation effects 2023 in MEUR	Ratio of valuation to carrying amount in %
Austria	263.9	-69.3	-26.2
Germany	467.6	-105.2	-22.5
Poland	962.0	-43.0	-4.5
Czech Republic	933.6	41.4	4.4
Hungary	227.5	-1.0	-0.4
Romania	649.2	-48.1	-7.4
Slovakia	429.4	-21.8	-5.1
Adriatic	619.5	2.5	0.4
Other countries[1]	0.0	7.5	0.0
IMMOFINANZ	**4,552.8**	**-237.0**	**-5.2**
S IMMO	3,277.9	-115.1	-3.5
IMMOFINANZ Group	**7,830.7**	**-352.0**	**-4.5**

[1] Turkey

Investment property	Carrying amount in MEUR	Valuation effects 2023 in MEUR	Ratio of valuation to carrying amount in %
Office	1,807.9	-242.3	-13.4
Retail	2,679.9	5.0	0.2
Others	65.0	0.4	0.5
IMMOFINANZ	**4,552.8**	**-237.0**	**-5.2**
S IMMO	3,277.9	-115.1	-3.5
IMMOFINANZ Group	**7,830.7**	**-352.0**	**-4.5**

IMMOFINANZ: development of property valuation like-for-like

A like-for-like analysis – i.e. after an adjustment for new acquisitions, completions and sales to improve comparability – shows a negative valuation effect of EUR -186.8 million for 2023 (2022: EUR -90.3 million).

IMMOFINANZ standing investments like-for-like by core market

Standing investments like-for-like[1]	Number of properties	Carrying amount in MEUR	Carrying amount in %	Valuation effects 2023 in MEUR
Austria	18	381.7	9.7	-35.8
Germany	2	344.5	8.8	-79.9
Poland	27	927.9	23.6	-30.5
Czech Republic	48	672.2	17.1	-2.0
Hungary	14	194.1	4.9	-0.1
Romania	14	595.8	15.2	-26.7
Slovakia	19	313.3	8.0	-16.1
Adriatic[2]	36	494.2	12.6	4.4
IMMOFINANZ	**178**	**3,923.7**	**100.0**	**-186.8**

[1] This calculation only includes the properties which were fully owned by IMMOFINANZ during both financial years. In other words, the calculation excludes new acquisitions, completions and sales.
[2] In declining order based on the carrying amount: Serbia, Slovenia, Italy and Croatia

IMMOFINANZ standing investments like-for-like by asset class

Standing investments like-for-like[1]	Number of properties	Carrying amount in MEUR	Carrying amount in %	Valuation effects 2023 in MEUR
Office	**29**	**1,785.7**	**45.5**	**-165.1**
thereof myhive	17	1,041.0	26.5	-52.3
thereof office other	12	744.7	19.0	-112.9
Retail	**148**	**2,122.3**	**54.1**	**-19.2**
thereof VIVO!/shopping center	10	668.8	17.0	-16.5
thereof STOP SHOP/retail park	122	1,384.4	35.3	-2.3
thereof retail other	16	69.1	1.8	-0.4
Others	1	15.7	0.4	-2.4
IMMOFINANZ	**178**	**3,923.7**	**100.0**	**-186.8**

[1] This calculation only includes the properties which were fully owned by IMMOFINANZ during both financial years. In other words, the calculation excludes new acquisitions, completions and sales.

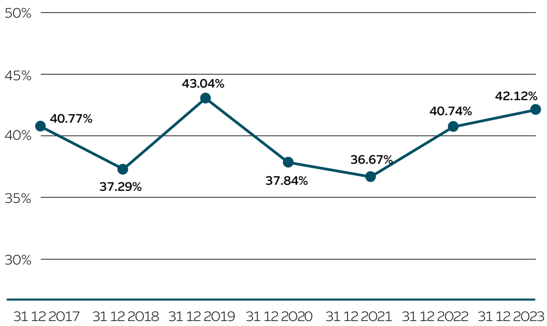
Financing

Financing strategy and further optimisation of the capital structure

The objectives of IMMOFINANZ's financing strategy are to ensure sufficient liquidity at all times, to achieve and maintain a balanced capital structure and maturity profile, and to optimise financing costs. The best possible structuring of debt financing is an important priority and, in addition to successful property management, represents a decisive factor for the results generated by the company's business activities.

IMMOFINANZ Group had a robust balance sheet structure with an equity ratio of 47.3% as of 31 December 2023 (31 December 2022: 47.9%) and a solid net loan-to-value ratio (net LTV) of 42.1% (31 December 2022: 40.7%). The financial liabilities* held by IMMOFINANZ Group totalled EUR 4.2 billion as of 31 December 2023 (31 December 2022: EUR 4.2 billion). Cash and cash equivalents amounted to EUR 697.1 million (including cash and cash equivalents in assets held for sale). Net debt, i.e. debt after the deduction of cash and cash equivalents, equalled EUR 3.5 billion (31 December 2022: EUR 3.5 billion).

Development of net LTV in IMMOFINANZ Group



Calculation of net LTV for IMMOFINANZ Group as of 31 December 2023

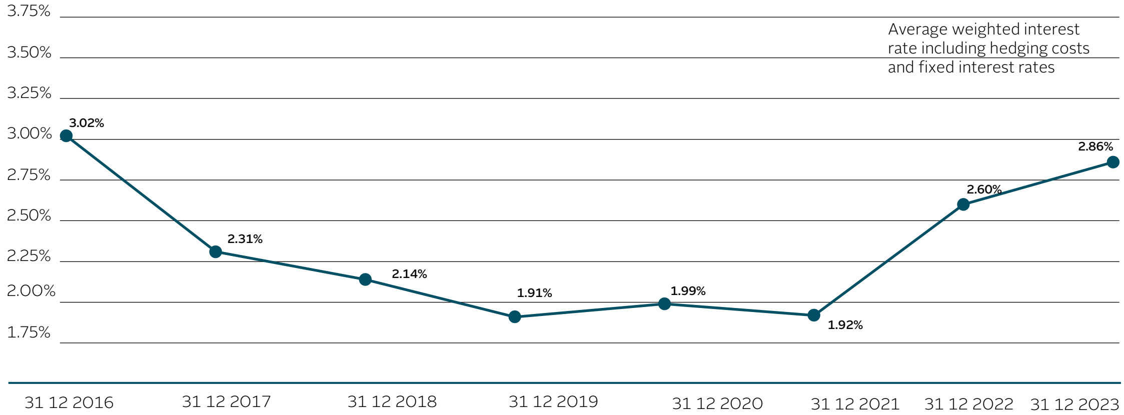
Amounts in TEUR	
Carrying amount of financing[1]	4,236,435.9
- Cash and cash equivalents[2]	-697,118.5
Net carrying amount of financing	3,539,317.4
Carrying amount of property[3]	8,402,774.6
Net LTV in %	**42.1**

[1] Including IFRS 5 values, excluding IFRS 16 values
[2] Cash and cash equivalents, including cash and cash equivalents in assets held for sale
[3] Excluding rights of use values as per IFRS 16
[4] Based on a recommendation of the European Public Real Estate Association (EPRA), the EPRA loan-to-value indicator is published in the section on EPRA Financial Indicators.

* Excluding leasing liabilities of EUR 61.9 million; in accordance with the application of IFRS 16; including IFRS 5

Financing costs

The average total financing costs for IMMOFINANZ Group, including derivatives, equalled 2.86% per year as of 31 December 2023 (31 December 2022: 2.60% per year). The increase resulted primarily from rising market interest rates.

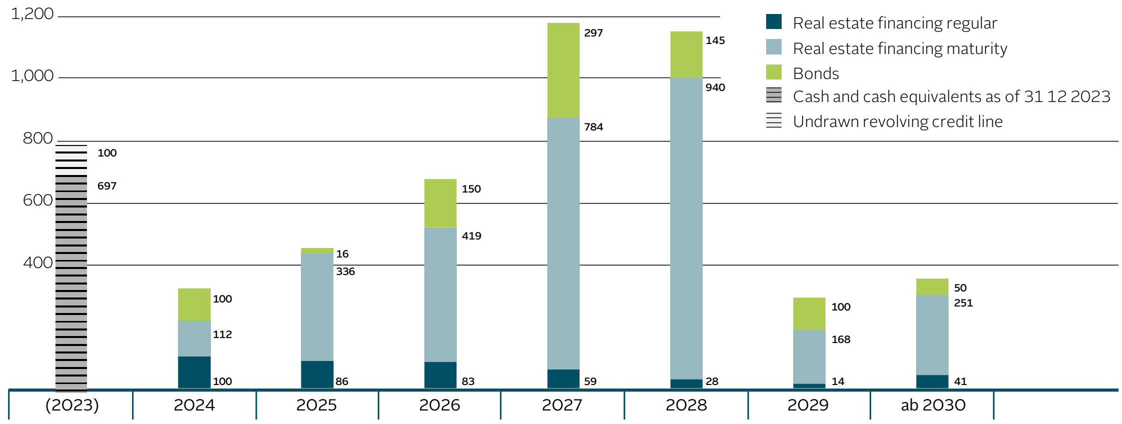


Term structure

The weighted average remaining term of financial liabilities for IMMOFINANZ Group equalled 4.00 years (2022: 4.25 years). The following graph shows the term structure by year for IMMOFINANZ Group as of 31 December 2023.

Term structure of financial liabilities for IMMOFINANZ Group

by financial year as of 31 December 2023, in MEUR



The unsecured, revolving corporate credit line of EUR 100.0 million concluded in March 2020 can be used at the company's discretion up to 30 June 2025. The credit line was unused as of 31 December 2023 and is therefore available in full.

Composition of financial liabilities

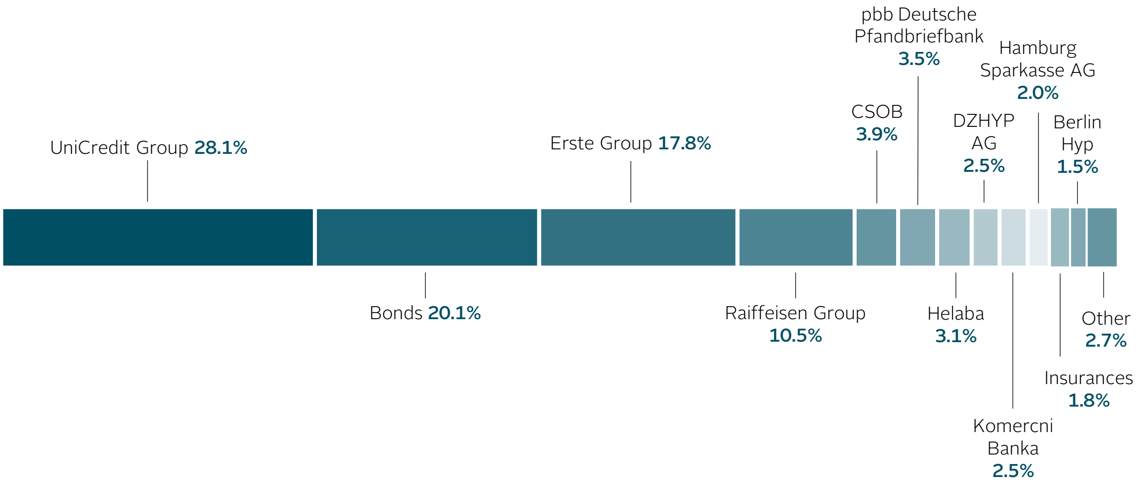
The financial liabilities held by IMMOFINANZ Group include amounts due to financial institutions, insurance companies and liabilities from bonds. The composition of these liabilities as of 31 December 2023 is as follows:

Weighted average interest rate of the financial liabilities	Outstanding liability in TEUR as of 31 12 2023	Total average interest rate incl. expenses for derivatives in %[1]
Corporate bond IMMOFINANZ	234,834.5	2.50
Bank and other financial liabilities[2]	1,927,823.9	3.37
S IMMO	2,073,777.6	2.44
IMMOFINANZ Group	**4,236,435.9**	**2.86**

[1] Based on nominal remaining debt
[2] Including IFRS 5; exkluding lease liabilities IFRS 16

The remaining balance of the financial liabilities held by the IMMOFINANZ Group totalled EUR 4,236.4 million as of 31 December 2023 and consists entirely of Euro financings. IMMOFINANZ Group focuses on the diversification of its financing sources and benefits from long-term business relationships with major European banks.

Financing sources for IMMOFINANZ Group as of 31 December 2023



Derivatives held by IMMOFINANZ Group

IMMOFINANZ Group uses derivatives to hedge against interest rate increases. The volume of financial liabilities hedged through interest rate derivatives amounted to EUR 3,108.3 million as of 31 December 2023 (31 December 2022: EUR 2,634.1 million). In total, 95.1% of financial liabilities were hedged against interest rate risk (31 December 2022: 87.0%); 72.6% were covered by interest rate derivatives, while a further 22.5% represent financial liabilities with fixed interest rates.

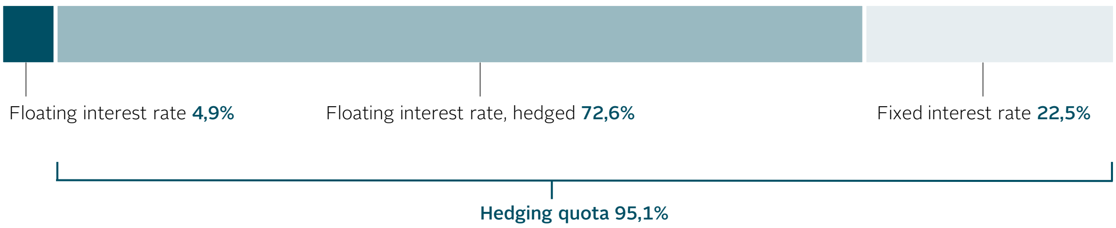
Interest rate derivative[1]	Floating leg	Market value incl. interest & CVA/DVA as of 31 12 2023 in TEUR	Notional amount in TEUR[1]	Average hedged reference interest rate in %[1]
Interest rate swaps IMMOFINANZ	3-M-EURIBOR	35,324.7	1,665,549.8	1.37
Interest rate swaps IMMOFINANZ	6-M-EURIBOR	1,837.6	70,288.0	1.66
Interest rate swaps S IMMO	3-M-EURIBOR	86,039.8	1,352,549.9	0.92
Interest rate caps S IMMO	3-M-EURIBOR	159.3	19,930.5	2.50
IMMOFINANZ Group		**123,361.4**	**3,108,318.2**	**1.19**

[1] Excluding forward start instruments

An interest rate swap exchanges floating for fixed interest payments. Therefore, floating rate liabilities that are hedged with a swap can be regarded as fixed interest rate liabilities from an economic standpoint.

The interest rates used for discounting and the calculation of variable payment flows are based on interest rate curves for each currency and matching maturities that are observable on the market. In accordance with IFRS 13 (Fair Value Measurement), the resulting market values are adjusted to include a credit value adjustment (CVA) and a debt value adjustment (DVA).

Financial liabilities held by IMMOFINANZ Group – type of interest rate as of 31 December 2023



Bonds issued by IMMOFINANZ Group

The following table lists the outstanding nominal value of the IMMOFINANZ Group bonds as of 31 December 2023:

Bond	ISIN	Maturity	Coupon in %	Nominal value as of 31 12 2023 in TEUR
Corporate bond IMMOFINANZ	XS2243564478	15 10 2027	2.50	237,800
Corporate bonds S IMMO			2.47[1]	620,597
IMMOFINANZ Group			**2.47[1]**	**858,397**

[1] Weighted coupon in % based on the nominal value as of 31 December 2023

Details on the S IMMO bonds are provided in the S IMMO AG 2023 annual report.

IMMOFINANZ's issuer rating

In the first quarter of 2019, IMMOFINANZ AG received a long-term issuer rating of BBB- with stable outlook from S&P Global Ratings. This rating and outlook were confirmed during the annual review process in January 2022. The rating was raised to BBB (outlook: negative) in June 2022 based on IMMOFINANZ's membership in CPI Property Group (CPIPG). In October 2022, CPIPG's rating was adjusted to BBB- (outlook: stable), and IMMOFINANZ AG's rating also changed to BBB- (outlook: stable). IMMOFINANZ withdrew its individual rating for efficiency reasons in March 2023 due to its group affiliation to CPIPG.

In connection with the issue of the corporate bond 2020–2027, IMMOFINANZ has committed to comply with the following standard financial covenants. These covenants are calculated on the basis of the consolidated IFRS financial statements:

Financial covenant	Threshold in %	Value as of 31 12 2023 in %
Net Debt to Value Ratio[1]	Max. 60.0	41.3
Secured Net Debt to Value Ratio[1]	Max. 45.0	31.9
Interest Coverage Ratio	Min. 150.0	245.6

[1] The values are based on the latest calculation as per the bond terms on or before 31 December 2023.

Business Development

IMMOFINANZ Group generated strong growth in rental income and operating results in 2023. This sound development was supported, above all, by the full consolidation of S IMMO and the acquisition of retail properties as well as a substantial improvement in like-for-like rental income. Rental income rose by roughly 78% year-on-year to EUR 533.6 million, and the results of asset management were even 85.1% higher than the previous year at EUR 418.5 million. The results of property sales amounted to EUR -38.3 million (2022: EUR 4.6 million) and were influenced primarily by the reclassification to profit or loss of historical foreign exchange effects following the deconsolidation of a subsidiary in Turkey during the second quarter of 2023 (EUR -45.8 million). The results of operations increased substantially by nearly 85% to EUR 285.1 million in spite of this effect.

Revaluations (including property development and property sales) totalled EUR -376.8 million, compared with EUR -105.7 million in the previous year. This reduction reflects the challenging market environment, which is influenced by the sharp rise in interest rates. Financial results declined to EUR -246.1 million (2022: EUR -72.6 million), primarily due to the absence of positive non-cash valuation effects from 2022. In addition, the earnings contributions from S IMMO are no longer included under financial results due to the full consolidation. Net profit recorded by IMMOFINANZ Group for the 2023 financial year therefore decreased to EUR -229.5 million and earnings per share equalled EUR -1.31.

Income statement

All amounts in TEUR	**2023**	**2022**
Rental income	533,601	300,170
Results of asset management	**418,538**	**226,103**
Results of owner-operated hotel properties	**2,012**	**0**
Results of property sales	**-38,327**	**4,623**
Results of property development	**-25,591**	**-20,684**
Other operating income	7,853	10,377
Other operating expenses	-79,367	-66,078
Results of operations	**285,118**	**154,341**
Revaluation result from standing investments and goodwill	**-352,207**	**103,974**
Operating profit (EBIT)	-67,089	258,315
Financial results	**-246,059**	**-72,617**
Earnings before tax (EBT)	**-313,148**	**185,698**
Net profit or loss	**-229,461**	**141,969**

Rental income recorded by IMMOFINANZ Group rose by 77.8% to EUR 533.6 million in 2023. This increase is chiefly attributable to the full consolidation of S IMMO and the acquisition of retail properties as well as a substantial 8.5% increase in like-for-like rental income. The improvement in the results of asset management exceeded the increase in rental income with a plus of 85.1% to EUR 418.5 million (2022: EUR 226.1 million).

IMMOFINANZ Group continued its strategic property sales in 2023 with a volume of EUR 751.1 million. These sales consisted primarily of strategic transactions by S IMMO in Germany and an office property in Croatia as well as the sale of a Vienna office property and land in Turkey and in Romania by IMMOFINANZ. The results of property sales amounted to EUR -38.3 million (2022: EUR 4.6 million), whereby a negative earnings effect of EUR -45.8 million resulted from the deconsolidation of a subsidiary in Turkey during the second quarter of 2023 (2022: EUR 5.4 million). This negative element resulted almost entirely from the reclassification to profit or loss of historical foreign exchange effects due to the devaluation of the Turkish lira since the initial consolidation. These foreign exchange effects were previously recorded under comprehensive income without recognition to profit or loss. A contrasting factor was a purchase price receivable of EUR 7.0 million which was recognised in 2023 financial year and was paid in 2024. It resulted from the sale of the Russian portfolio in 2017 and was scheduled for settlement in the first half of 2022. Due to the war in Ukraine and the related sanctions imposed against the Russian Federation together with the related effects – especially the payment restrictions imposed in Russia – management viewed this receivable as presumably uncollectible and the receivable was subsequently written off in full at EUR -12.9 million in 2022.

The results of property development amounted to EUR -25.6 million (2022: EUR -20.7 million) and reflected market trends and rising construction costs.

Results of operations

Other operating expenses rose to EUR -79.4 million (2022: EUR -66.1 million), mainly due to the full consolidation of S IMMO, the outsourcing of various activities to the service companies of CPI Property Group together with the related management fees that cannot be directly allocated to asset management, and to provisions for legal disputes in Romania. Legal, audit and consulting fees declined from EUR -19.4 million in 2022 to EUR -13.9 million in 2023. This reduction reflected the absence of expenses recognised in 2022 for a Group-wide digitalisation project and expenses related to the takeover offers by CPI Property Group and S IMMO.

The results of operations increased by a substantial 84.7% to EUR 285.1 million (2022: EUR 154.3 million).

Valuation results and EBIT

Results from the valuation of standing investments and goodwill reflected the general market trends and turned negative at EUR -352.2 million, compared with EUR 104.0 million in the previous year. The decline in IMMOFINANZ Group's portfolio equalled -4.5% of the carrying amount as of 31 December 2023. Negative valuation results were responsible for a decrease in operating profit (EBIT) to EUR -67.1 million (2022: EUR 258.3 million) despite the strong operating results recorded in 2023.

Financial results

Financing costs rose to EUR -210.0 million (2022: EUR -77.8 million), chiefly due to the full consolidation of S IMMO as well as an increase in financing costs. Other financial results fell to EUR -119.5 million (2022: EUR 149.1 million) based on the non-cash valuation of interest rate derivatives which followed the decline in long-term eurozone interest rates during 2023. The settlement payments from derivatives were, in contrast, positive and made an important contribution to financing income of EUR 92.0 million (2022: EUR 5.6 million). As the investment in S IMMO is no longer accounted for at equity, the share of profit/loss from equity-accounted investment amounted to EUR 0.3 million (31 December 2022: EUR -151.9 million due to the final valuation of the equity interest in S IMMO at fair value). Financial results totalled EUR -246.1 million in 2023 (2022: EUR -72.6 million).

Net profit

Profit before tax amounted to EUR -313.1 million (2022: EUR 185.7 million), and income taxes equalled EUR 83.7 million (2022: EUR -43.7 million). Included here is deferred tax income of EUR 140.9 million, which resulted primarily from the write-downs recognised to investment property during the reporting period. Net profit for the 2023 financial year totalled EUR -229.5 million (2022: EUR 142.0 million) and represents earnings per share* of EUR -1.31 (2022: EUR 1.04).

* Number of shares included for 2023: 137,974,126; number of shares included for 2022: 136,866,509

Balance sheet

The condensed balance sheet is shown below:

All amounts in TEUR	31 12 2023	in %	31 12 2022	in %
Investment property	7,830,746		7,707,196	
Property under construction	142,960		198,500	
Owner-operated properties	229,634	87.7	231,827	87.9
Real estate inventories	4,841		4,963	
Assets held for sale[1]	258,577		548,484	
Other assets	219,207	2.3	301,867	3.1
Equity-accounted investments	33,151	0.3	36,284	0.4
Trade and other receivables	233,682	2.4	208,491	2.1
Cash and cash equivalents	697,119	7.2	652,750	6.6
Assets	**9,649,917**	**100.0**	**9,890,362**	**100.0**
Equity	**4,563,084**	**47.3**	**4,741,552**	**47.9**
Financial liabilities	4,283,531	44.4	4,167,470	42.1
Trade and other payables	289,951	3.0	256,613	2.6
Other liabilities	117,744	1.2	177,064	1.8
Deferred tax liabilities	395,607	4.1	547,663	5.5
Equity and liabilities	**9,649,917**	**100.0**	**9,890,362**	**100.0**

[1] Includes investment property as well as other assets that will be transferred to the buyer in the event of a sale.

IMMOFINANZ Group's balance sheet totalled EUR 9.6 billion as of 31 December 2023. Of this total, EUR 8.5 billion, or 87.7%, are attributable to the property portfolio. The decline since year-end 2022 resulted mainly from market-related write-downs and from property sales in line with the strategy. Cash and cash equivalents increased to EUR 697.1 million.

The owner-operated properties with a carrying amount of EUR 229.6 million (31 December 2022: EUR 231.8 million) represent hotels held by S IMMO. These hotels are owner-operated, for the most part on the basis of management contracts.

With an equity ratio of 47.3% (31 December 2022: 47.9%) and cash and cash equivalents of EUR 697.1 million, IMMOFINANZ Group has a very solid balance sheet structure.

EPRA Financial Indicators

IMMOFINANZ is a member of the European Public Real Estate Association (EPRA), the interest group for listed real estate companies which is headquartered in Brussels. EPRA's mission is to promote, develop and represent the European public real estate sector. Its objectives are achieved through the provision of better information to investors and stakeholders, active involvement in the public and political debate, improvement of the general operating environment, promotion of best practices, and the cohesion and strengthening of the real estate industry.

With its Best Practices Recommendations, the EPRA has created a standardised framework for improving the comparability between real estate companies – above and beyond IFRS. IMMOFINANZ Group publishes detailed information on the EPRA indicators based on these recommendations (also see www.epra.com) as part of its commitment to full transparency. The non-financial statement (starting on page 83) also provides further non-financial indicators on IMMOFINANZ's performance, including environmental and employee-related issues, in line with the principles and criteria defined in the "EPRA Sustainability Best Practices Recommendations Guidelines".

EPRA net asset value for IMMOFINANZ Group

In accordance with the EPRA recommendations, IMMOFINANZ Group has published an expanded version of the net asset value indicators (NAV indicators) since the financial statements for 2020. IFRS equity forms the starting point and is adjusted to provide stakeholders with the most transparent information on the market value of the real estate company's assets and liabilities under various scenarios. The EPRA's net tangible assets (NTA) is the most relevant indicator for IMMOFINANZ Group's business activities and, consequently, serves as the primary indicator for net assets. An exact definition of the indicators can be found on the EPRA website (www.epra.com).

EPRA NAV indicators for IMMOFINANZ Group

	31 12 2023			31 12 2022		
All amounts in TEUR	Net reinstatement value (NRV)	Net tangible assets (NTA)	Net disposal value (NDV)	Net reinstatement value (NRV)	Net tangible assets (NTA)	Net disposal value (NDV)
IFRS equity excluding non-controlling interests	3,669,797	3,669,797	3,669,797	3,790,223	3,790,223	3,790,223
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options as well as undisclosed reserves[1]	**3,669,797**	**3,669,797**	**3,669,797**	**3,790,223**	**3,790,223**	**3,790,223**
Fair value of derivative financial instruments	-123,064	-123,064	-	-242,142	-242,142	0
Deferred taxes on derivative financial instruments	9,993	9,993	-	44,498	44,498	0
Deferred taxes on investment property	388,890	262,934	-	609,220	441,495	0
Goodwill	-19,312	-19,312	-19,312	-19,530	-19,530	-19,530
Intangible assets	-	-1,233	-	0	-886	0
Effect of fair value measurement of financial liabilities	-	-	35,028	0	0	81,750
Deferred taxes on the fair value measurement of financial liabilities	-	-	-8,407	0	0	-19,620
Real estate transfer tax and other purchaser's costs	270,036	64,643	0	372,121	100,790	0
EPRA NAV indicators[1]	**4,196,339**	**3,863,757**	**3,677,106**	**4,554,390**	**4,114,449**	**3,832,824**
Number of shares excluding treasury shares	137,974,126	137,974,126	137,974,126	137,974,126	137,974,126	137,974,126
EPRA NAV indicators per share in EUR[1]	**30.41**	**28.00**	**26.65**	**33.01**	**29.82**	**27.78**

[1] The comparative data were adjusted.

EPRA NTA per share fell by -6.1% to EUR 28.00 as of 31 December 2023 (31 December 2022: EUR 29.82). This decline resulted primarily from the loss recorded for 2023 financial year and reflects the market-related write-downs to investment property. The write-downs to investment property also led to a reduction in deferred taxes.

The IFRS book value per share declined by -3.2% to EUR 26.60 (31 December 2022: EUR 27.47).*

EPRA earnings per share for IMMOFINANZ Group

All amounts in TEUR	2023	2022
Weighted average number of shares in 1,000	**137,974**	**136,867**
Net profit or loss from continuing operations excluding non-controlling interests	**-180,316**	**142,601**
Revaluation of investment properties, properties under construction and other effects	372,825	121,052
Results of property sales	38,328	-4,624
Goodwill impairment, negative differences and earn-out effects on purchase price adjustments	174	-214,323
Changes in fair value of financial instruments	120,880	-149,933
Taxes in respect of EPRA adjustments	-104,480	8,804
EPRA adjustments in respect of joint ventures and non-controlling interests	-44,961	-13,268
EPRA earnings	**202,450**	**-109,690**
EPRA earnings per share in EUR	**1.47**	**-0.80**
Company-specific adjustments		
One-time effects in other operating expenses		11,173
Valuation S IMMO		182,940
Foreign exchange gains and losses	8,847	-2,332
Deferred taxes in respect of company-specific adjustments	-2,825	-45,632
EPRA adjustments in respect of joint ventures and non-controlling interests for company-specific adjustments	-2,742	14
Company-specific adjusted EPRA earnings	**205,730**	**36,472**
EPRA earnings per share after company-specific adjustments in EUR	**1.49**	**0.27**

EPRA earnings per share equalled EUR 1.47 in 2023, compared with EUR -0.80 in the previous year. This positive development resulted, above all, from strong operating performance and the full consolidation of S IMMO. After company-specific adjustments, EPRA earnings per share equalled EUR 1.49.

* Number of shares included for 2023 and 2022: 137,974,126

EPRA net initial yield for IMMOFINANZ Group

All amounts in TEUR	2023	2022
Investment property[1]	8,031,324	5,006,720
less undeveloped land	-119,779	-154,320
Total property portfolio	**7,911,545**	**4,852,400**
Allowance for estimated purchaser's costs	176,016	177,341
Gross value of total standing investment portfolio	**8,087,561**	**5,029,741**
Annualised cash rental income	533,600	317,147
Non-recoverable property operating expenses	-29,141	-29,269
Annualised net rental income	**504,458**	**287,878**
Notional rent expiration of rent-free periods or other lease incentives	15,615	16,793
"Topped-up" net annualised rents	**520,073**	**304,671**
EPRA net initial yield in %	**6.2**	**5.7**
EPRA "topped-up" net initial yield in %	**6.4**	**6.1**

[1] For comparability of yields, 2022 is shown excluding S IMMO.

The EPRA net initial yield increased to 6.2% and the "topped up" NIY to 6.4% due to the positive operating performance. This is primarily attributable to the sound growth in rental income in the 2023 financial year with a comparatively lower increase in costs.

EPRA cost ratio for IMMOFINANZ Group

All amounts in TEUR	2023	2022
Expenses from investment property	-75,397	-60,115
Net operating costs, excluding indirect costs that are recharged through rents but not invoiced separately	-31,100	-6,058
EPRA costs (including direct vacancy costs)	**-106,497**	**-66,173**
Vacancy costs	-7,517	-9,434
EPRA costs (excluding direct vacancy costs)	**-98,979**	**-56,739**
Gross rental income including service fees and service charge cost components	533,600	300,167
Less service fees and service charge cost components of gross rental income	11,349	11,292
Gross rental income	**522,251**	**288,875**
EPRA cost ratio (including direct vacancy costs) in %	**20.4**	**22.9**
EPRA cost ratio (excluding direct vacancy costs) in %	**19.0**	**19.6**

The EPRA cost ratio, including direct vacancy costs, improved to 20.4% (2022: 22.9%). Excluding direct vacancy costs, the ratio declined from 19.6% in the previous year to 19.0%. Positive effects were provided, above all, by the sound growth in rental income with a proportionately lower increase in costs from the full consolidation of S IMMO.

For the calculation of the EPRA cost ratio, IMMOFINANZ Group capitalises only those expenses which will lead to a future economic benefit for the respective property. This is regularly the case for maintenance and expansion costs for real estate assets and for development costs related to property under construction. Overheads and operating costs are generally not capitalised.

EPRA capital expenditure for IMMOFINANZ Group

All amounts in TEUR	2023	2022
Acquisitions	422,859	2,804,898
Development projects	47,963	109,981
Investment property[1]	38,362	35,908
thereof no incremental lettable space	40,379	28,895
thereof tenant incentives	-2,017	7,012
EPRA capital expenditure	**509,185**	**2,950,786**

Joint ventures are included in capital expenditure in accordance with the EPRA requirements but are not reported because of missing values.

The EPRA capital expenditure for IMMOFINANZ Group in 2022 was influenced, above all, by the acquisition costs for the increase in the investment in S IMMO and the addition of the S IMMO portfolio.

Investments in 2023 involved development projects in office buildings in Vienna and in Bucharest as well as several STOP SHOP retail parks in Croatia and the expansion of two STOP SHOP retail parks in Serbia**.** Additional details can be found in the "Portfolio report".

Capital expenditure therefore declined to EUR 509.2 million in 2023.

EPRA loan-to-value of IMMOFINANZ Group

	31 12 2023			31 12 2022
All amounts in TEUR	IMMOFINANZ AG	S IMMO AG (50.0% + 1 share)	Total (proportionated)	Total (proportionated)
Include:				
Liabilities due to financial institutions and intragroup liabilities	1,930,966	760,758	2,691,723	2,748,911
Securities and IFRS 16 lease liabilities	56,240	0	56,240	53,667
Bonds	237,800	310,299	548,099	697,699
Other liabilities (net)	9,609	27,899	37,507	8,155
Exclude:			**0**	
Cash and cash equivalents	251,701	225,859	477,560	545,965
Net debt (a)	**1,982,913**	**873,096**	**2,856,009**	**2,962,466**
Include:				
Owner-operated properties	0	114,817	114,817	115,914
Investment property at fair value	4,552,815	1,671,330	6,224,145	6,404,741
Properties held for sale	171,357	42,258	213,615	264,566
Properties under construction	126,450	0	126,450	188,200
Net receivables	0	0	0	0
Financial assets	667	0	667	1,414
Total property value (b)	**4,851,290**	**1,828,405**	**6,679,695**	**6,974,834**
EPRA loan-to-value in % (a/b)	**40.9**	**47.8**	**42.8**	**42.5**

The loan-to-value shows the relation of debt to the fair value of the properties as a percentage and is calculated in accordance with EPRA Best Practices Recommendations. The EPRA LTV equalled 42.8% at the end of December 2023.

This EPRA LTV calculation differs from IMMOFINANZ Group's conventional net LTV calculation primarily due to the following points:

	EPRA LTV	IMMOFINANZ Group net LTV
Financial liabilities	Nominal remaining debt	Carrying amount
Current receivables/liabilities	Net amount is included as an asset or a liability	Not included
Material subsidiaries included through full consolidation (S IMMO)	Assets and liabilities are included as a percentage of total capital	Included at 100%
IFRS-16 carrying amounts	Assets and liabilities are included	Not included

EPRA vacancy rate for IMMOFINANZ

EPRA vacancy rate by core market

	31 12 2023				31 12 2022
Standing investments	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in %
Austria	128,744	0.0	1.7	0.9	2.5
Germany	87,652	0.5	2.1	22.4	28.7
Poland	400,173	0.2	6.0	3.6	2.4
Czech Republic	381,364	0.2	5.1	3.1	4.0
Hungary	169,268	0.0	1.8	0.6	0.9
Romania	329,912	0.4	5.1	8.2	13.7
Slovakia	258,986	0.1	2.9	5.2	4.6
Adriatic[1]	387,304	0.0	3.8	0.6	1.1
IMMOFINANZ	**2,143,402**	**1.5**	**28.5**	**5.1**	**6.5**

[1] Serbia, Slovenia, Italy and Croatia

EPRA vacancy rate by asset class and brand

	31 12 2023				31 12 2022
Standing investments	Rentable space in sqm	Market rent for vacant space/month in MEUR	Total market rent/month in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in %
Office	**633,479**	**1.2**	**10.6**	**11.3**	**11.4**
thereof myhive	385,428	0.6	6.5	8.7	11.7
thereof office other	248,051	0.6	4.1	15.5	10.6
Retail	**1,498,688**	**0.3**	**17.7**	**1.5**	**1.3**
thereof VIVO!/shopping center	352,837	0.1	6.2	2.3	1.6
thereof STOP SHOP/retail park	1,019,679	0.1	10.3	1.1	1.2
thereof retail other	126,172	0.0	1.2	0.4	0.7
Others	**11,235**	**0.0**	**0.2**	**0.0**	**100.0**
IMMOFINANZ	**2,143,402**	**1.5**	**28.5**	**5.1**	**6.5**

The EPRA vacancy rate declined to 5.1% as of 31 December 2023 (31 December 2022: 6.5%) and was influenced primarily by property-specific factors (increase in the occupancy rate, especially in Germany and Romania) as well as by the sale of properties. The office portfolio was stable at 11.3%. The retail portfolio was nearly fully rented with a vacancy rate of 1.5%, whereby the STOP SHOP retail parks had the lowest vacancy rate at 1.1%. Additional details can be found in the "Portfolio report".

Risk Report

As an international real estate investor, property owner and project developer, IMMOFINANZ Group is exposed to a variety of general and branch-specific risks in its business operations. An integrated risk management process provides the Group with a sound basis for the timely identification of potential risks and the assessment of the possible consequences.

Risks represent the possibility of deviating from planned targets as the result of "coincidental" disruptions caused by the unpredictable nature of the future. In this connection, negative variances are considered risks in the strict sense of the term and positive variances are seen as opportunities.

Principles of integrated risk management

The structure of IMMOFINANZ's risk management is based on the rules of the Austrian Corporate Governance Code and the integrated framework of the COSO ERM*, an internationally recognised concept for the design of risk management systems.

Based on the hedging and management instruments currently in use, no material risks can be identified at the present time that would endanger the company's standing as a going concern. The overall risk situation for the company and for the entire market in 2023 was influenced by the challenging political and macroeconomic environment. The major risk categories are discussed in greater detail at the end of this risk report.

The procedures for handling risk are anchored in a Group-wide risk management system which is integrated in operating practices and reporting paths and has a direct influence on processes and strategic decisions. Risk management takes place at all levels through internal guidelines, reporting systems and the internal control system (ICS) which is monitored by the internal audit department.

Monitoring and control of the risk management system
The risk management system is monitored and controlled through two corporate channels. On the one hand, internal audit evaluates the effectiveness of risk management and contributes to its improvement. On the other hand, the auditor reviews the functionality of risk management in accordance with C-Rule 83 of the Austrian Corporate Governance Code (in the version released in January 2023) and reports to the Executive Board on the results of this analysis.

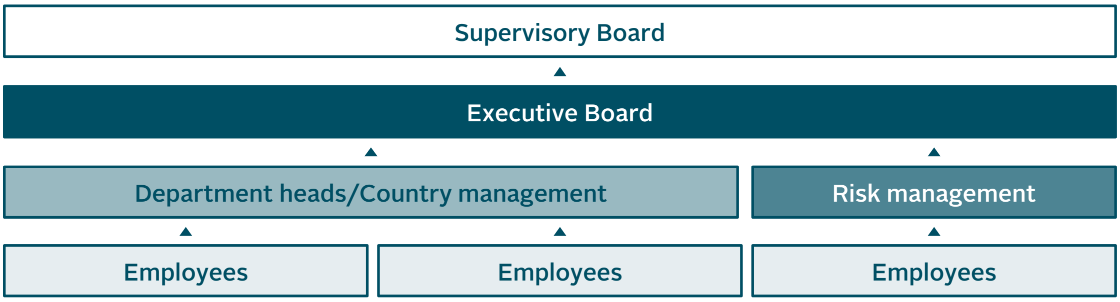
Evaluation of the functionality of the risk management system
Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna, evaluated the effectiveness of IMMOFINANZ's risk management system during the period from December 2023 to February 2024. This analysis covered the design and implementation of the measures and organisational procedures instituted by the company, but not their application in the sense of operating effectiveness. The conclusions by Ernst & Young indicated that the risk management system instituted by IMMOFINANZ as of 31 December 2023 – based on the COSO comprehensive framework for corporate risk management – is functional.

Structure of risk management

The goal of risk management at IMMOFINANZ is to implement the strategy defined by the Executive Board with a minimum of risk. The Group's strategic goals are transferred to the operating processes where the measures for the identification, prevention and management of risks are located.

* Committee of Sponsoring Organizations of the Treadway Commission – Enterprise Risk Management; coso.org

Responsibilities and reporting paths

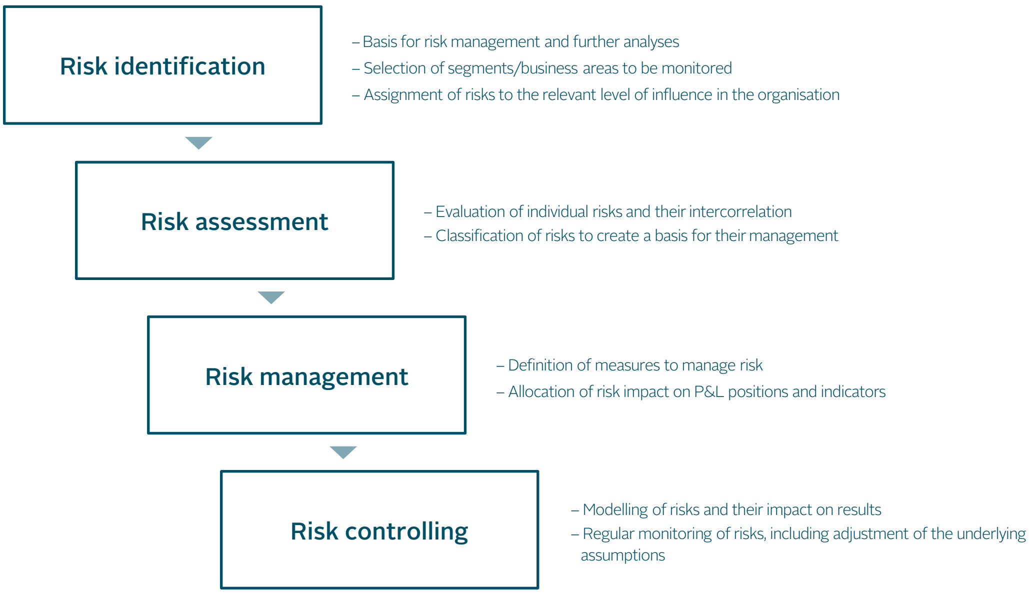


The Executive Board is responsible for risk management in the IMMOFINANZ and defines the corporate goals and related risk strategy.

Risk management is a staff function which reports directly to the Executive Board. It monitors the corporate risks that are not related to specific business areas, aggregates risk data and reports, and actively supports the business areas and country organisations in the identification of risks and economically feasible countermeasures. Risk management reports regularly to the Executive Board and quarterly to the Supervisory Board.

At the country organisation level, the heads of the respective units are responsible for risk management. Risk positions are reported to the Executive Board at least once each quarter by the business area and country managers. Acute risks are reported immediately to the Executive Board.

Risk management process



Material risk categories

The risk categories relevant for IMMOFINANZ follow the company's value chain and are also focused on environmental, governance and social opportunities and risks. IMMOFINANZ has defined a broad range of measures to address and counter risks. These measures represent an integral part of all corporate processes and, consequently, form the basis for the reduction of risk.

Risk category	Description	Countermeasures
Business risks	These risks are related to the general framework conditions for business activities and exceed the scope of property-specific risks.	These risks are countered by strategic decisions at the corporate level.
	Financial risks are related to lenders or the terms and conditions for the provision of cash and cash equivalents (see section 7.2 in the consolidated financial statements).	The continuous monitoring of asset and liability positions as well as proactive analyses form the basis for strategic measures to safeguard the company's financial strength.
	Operational risk can arise through detrimental actions by corporate bodies and/or employees to the disadvantage of the company.	The company's activities are separated into individual processes and relevant process steps are controlled internally.
	Other risks represent individual risks with a Group-wide impact.	These risks are countered by strategic decisions at the corporate level.
Risks of improper business practices	IMMOFINANZ is committed to responsible and transparent actions and to compliance with legal rules and regulations. Risks in this area arise from deviations from these general principles.	Guidelines have been issued to cover the actions of corporate bodies and employees in individual areas to prevent these risks from occurring.
Social risks	The company is responsible for its employees as well as other service providers in the broader sense of the term. Risks arising from the company's role as an employer in the broader sense of the term are aggregated in this risk category.	IMMOFINANZ's commitment to compliance with all fundamental and human rights as well as regular surveys of employees' needs represent the cornerstones of risk minimisation in this area.
Environmental and climate risks	Climate risks arise from the meteorological conditions at a property's location. In addition, environmental risks arise from the construction and operation of buildings.	Measures are implemented on a timely basis to prevent any negative effects on a property. When new buildings are constructed, a special focus is also placed on minimising the negative impact on the environment.
	The attainment of the planned climate neutrality and the development of a circular economy are connected with risks arising from the technological and regulatory transition.	IMMOFINANZ takes the necessary steps to support the technological improvement and sustainable management of its buildings. It also supports the creation of a greater awareness for these issues by all stakeholders.
Project development risks	Planning risks are risks which occur during the planning phase of a property. This phase extends from the design to the approval of a project.	Project development risks are prevented by the exact inspection of new locations, the timely involvement of all stakeholders and measures to anticipate future negative developments.
	Realisation risks represent the risks arising in connection with the construction of a building, beginning with the receipt of the building permit.	Realisation risks are prevented through quality assurance measures in processes as well as measures to externalise risk.
	Marketing risks are related to the commercialisation of a project and are very important in regard to profitability.	Marketing risks are precluded by timely risk and opportunity analyses as well as long-term market monitoring.
Asset management risks	Earnings risks are risks connected with the generation of steady income from the standing investments.	IMMOFINANZ is taking steps to evolve from a conventional landlord to a service provider who reacts early on to market trends.
	Usage risks, as a group, represent the risks involved with the management of a property and, consequently, have a significant influence on the company's earning power.	Active portfolio management and the continuous technical monitoring of properties are designed to reduce usage risks.
	Owners, tenants and facility mangers are exposed to management risks during the ongoing operation of a property.	IMMOFINANZ follows a clear externalisation strategy with regard to management risks.
Portfolio and valuation risks	Portfolio and valuation risks include the factors that would lead to a change in the value of a portfolio.	Active portfolio management and the expertise from long-term market monitoring help IMMOFINANZ to identify potential problems at an early stage.
Transaction risks	Transaction risks are connected with the acquisition and sale of properties and include additional irregularities on the transaction market.	Process measures and regular monitoring of the transaction markets are designed to minimise existing risks. Market problems are managed with risk prevention measures.

Features of the internal control system

IMMOFINANZ's internal control system (ICS) comprises a wide range of measures and processes to protect assets and to ensure the accuracy and reliability of accounting. The goal of the ICS is to prevent or identify errors and therefore allow for early correction. The ICS also supports compliance with major legal directives and the business policies defined by the Executive Board.

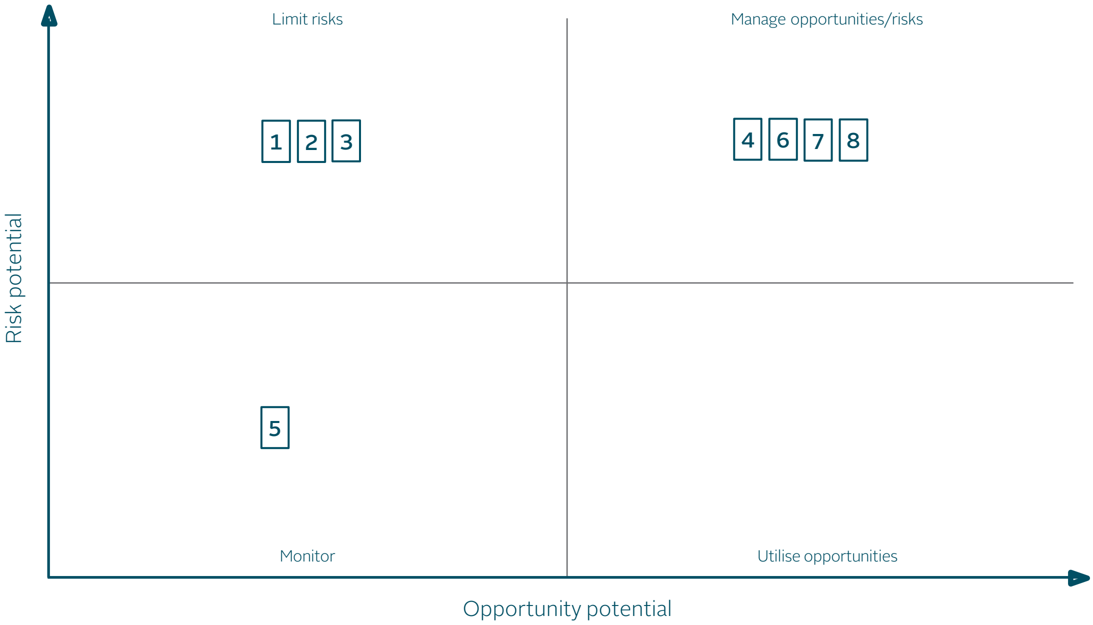
The ICS is integrated in all corporate processes. Its key features involve the appropriate segregation of duties, the application of the four-eyes principle within the framework of relevant corporate processes, compliance with internal guidelines (e.g. IMMOFINANZ's IFRS accounting manual), the review of accounting data by Group controlling for correctness, plausibility and completeness, the integration of preventive and detective controls in processes as well as automatic key controls through specific software settings.

Monitoring by internal audit
Internal audit is responsible for the independent review of the effectiveness of the ICS and, in this way, contributes to its quality assurance. This department also evaluates the effectiveness of risk management and supports its continuous improvement. Based on an annual audit plan approved by the Supervisory Board, the internal audit department independently and regularly reviews operating processes and business transactions. The priorities for this schedule are defined in accordance with risk criteria and organisational goals.

The results of the audits are reported to the IMMOFINANZ Executive Board on a regular basis and to the Supervisory Board twice each year. As part of an annual report, the internal audit department explains its activities and summarises the major audit areas and results.

Opportunity and risk position in 2023

Overview of opportunities and risks as of 31 December 2023



Macroeconomic conditions (1)
The 2023 financial year was influenced by an increase in political tensions throughout the world. Armed conflicts resulted in individual cases and were accompanied by a negative impact on raw material markets and the disruption of international trading and logistics routes. The consequence was a further deterioration of the already weakening global economy. At the present time, the expansion of or increase in these conflicts carries the greatest inherent potential for risk. IMMOFINANZ Group is not directly affected by this potential development, but a possible impact on financial and transaction markets or the demand for rental properties cannot be excluded. These developments are the focus of regular monitoring and the best possible hedging of the related risks by IMMOFINANZ Group. Specific components of these risks are discussed in detail in the following paragraphs.

Financial market risks (2)
The war in Ukraine triggered a sharp rise in inflation during 2022. The European Central Bank as well as central banks outside the eurozone reacted with a rapid and sizeable increase in interest rates during 2023, which continues to have a strong negative impact on the real estate branch today. On the one hand, this policy shift led to a substantial increase in interest expense for this business sector. IMMOFINANZ Group is continuing its hedging strategy in this context. The hedging-quota for financial liabilities equalled 95.1% at year-end 2023 (31 December 2022: 87.0%). On the other hand, borrowing has become much more difficult for the business sector. The after-effects were bankruptcies by real estate companies across Europe. The changing framework conditions on the capital markets reflected these effects, also in the area of asset allocation – which is discussed in greater detail under the following point.

Liquidity risk on the real estate market (3)
The last few years were characterised by a low-interest policy. The prevailing negative interest rates led to the investment of enormous volumes of capital in real estate due to the lack of viable alternatives. This rising demand supported the construction industry and drove construction to new highs. The demand for properties in good locations frequently exceeded the offering by far. The following sharp rise in interest rates has changed the framework conditions on financial markets, and investors are again able to choose from a larger range of alternatives. Even government bonds have become interesting for institutional investors due to the higher interest rates. The result has been a substantial decline in buyers' interest for real estate. IMMOFINANZ Group reduced its property developments early on and did not start any speculative new construction projects. The current expansion of the STOP SHOP retail parks in Croatia will continue as planned. The completed retail parks are fully rented on opening, and IMMOFINANZ Group therefore views the related risk as manageable. IMMOFINANZ Group is only affected by the decline in transaction volumes to a very limited extent. Its sale programme was announced and launched already in June 2022. IMMOFINANZ Group (including S IMMO) sold properties with a combined value of roughly EUR 751 million in 2023. This programme covered, in particular, the sale of office and residential properties in Germany by S IMMO, as well as the Bureau am Belvedere office building in Vienna, a plot of land in Romania and land in Turkey by IMMOFINANZ. In addition, IMMOFINANZ sold six office properties and a hotel tower with gross rentable space totalling roughly 130,000 sqm to S IMMO. All these measures are part of the focused portfolio strategy that will form the basis for IMMOFINANZ to realise synergies and increase efficiency together with S IMMO.

Risks from climate change (4)
The real estate sector is responsible for roughly one-third of global energy consumption and greenhouse gas emissions. Major efforts are therefore directed to reducing this component through new regulations. IMMOFINANZ Group has gone to great lengths in recent years to reduce the greenhouse gas emissions from its portfolio. Over the coming years, the company plans to increase its focus on measures to improve energy efficiency. The energy efficiency of buildings – together with energy generation – also plays a central role in the EU Taxonomy Regulation. For this reason, IMMOFINANZ Group has been installing photovoltaic equipment on its properties and plans to continue doing so in the coming years. This important contribution to decarbonisation is an integral part of the company's ESG strategy.

In the area of climate risks, modelling shows a stronger increase in the temperatures in the IMMOFINANZ Group core markets as well as a greater probability of longer dry periods. Both of these trends are integrated in building refurbishment projects and flow into project development analyses. Properties near the coasts in Poland and Croatia – and here, only a limited number of retail parks are involved – are exposed to the risk of rising sea levels. Natural hazards represent a further aspect since the models forecast an increasing danger of forest fires due to the longer dry periods. This phenomenon is already visible in the Mediterranean region and will spread northward in the coming years. The related risks are addressed with construction measures that include a focus on the design and expansion of green areas and, in addition, all IMMOFINANZ Group properties are insured against natural hazards.

IMMOFINANZ Group also sees opportunities in the area of biodiversity. Future plans include the replacement of water-intensive grassy areas with planting that supports biodiversity. These areas not only save water and energy but require less care and can help to achieve a slight reduction in operating costs.

Legal proceedings (5)
As in the previous years, IMMOFINANZ Group is involved in restitution claims related to the VIVO! locations in Cluj and Constanța. The proceedings related to the VIVO! Cluj resulted in a final judgment that rejected IMMOFINANZ Group's ownership title to the land. For the shopping center itself, all instances to date have confirmed IMMOFINANZ's ownership. In the legal proceedings over the VIVO! Constanța, witnesses have been called.

Valuation risks (6)
The inflation rates in 2023 were the highest since the early 1970's. Central banks in the IMMOFINANZ Group core countries reacted by raising interest rates which, in turn, has increased the attractiveness of alternative investments as well as investors' expectations of higher returns from real estate. The result has been an increase in yields in nearly all submarkets. These rising expectations are reflected in lower market values and lead to the necessary recognition of write-downs.

An analysis of the successful transactions in 2023 shows a significant increase in the demand for EU taxonomy-aligned properties and properties with a strong focus on ESG aspects. IMMOFINANZ Group is working to bring its entire property portfolio up to taxonomy-aligned standards. The necessary technical measures range from the installation of photovoltaic equipment to thermal refurbishment and the digitalisation of building technology. This will prevent rental risks such as a decline in demand or rentals and counter the loss of value in the standing investment portfolio. As part of its sustainable portfolio strategy, IMMOFINANZ Group wants to create an upward valuation potential for properties with high ESG standards – which will also improve the rental performance of these properties in the coming years.

Revaluation results totalled EUR -376.8 million in 2023.

IT risks (7)
Digitalisation is also increasing in the real estate sector. Business processes must be accelerated and become more transparent to meet the growing reporting requirements. In this connection, IMMOFINANZ Group is currently working to upgrade its ERP system. Properties must also become "smarter" in the future. Electronic controls help to save energy, reduce emissions and lower operating costs. However, the digitalisation of standing investments is connected with additional costs which require appropriate resources.

IMMOFINANZ Group has taken extensive precautions to protect its IT systems and places high priority on employee training. In addition, corporate processes are being optimised to guarantee the highest possible level of security. Based on the procedures already established, the risk to critical corporate processes can be considered low.

Portfolio risks (8)
The occupancy rate in IMMOFINANZ Group's standing investment portfolio equalled 92.2% as of 31 December 2023 (31 December 2022: 92.9%). The retail properties were practically fully rented at 98.7% (31 December 2022: 98.8%). In the office properties, the occupancy rate remained stable at 88.4% (31 December 2022: 88.1%).

IMMOFINANZ Group's active development projects (properties under construction) have a combined carrying amount of EUR 61.5 million (31 December 2022: EUR 126.6 million). The outstanding construction costs for these projects totalled EUR 56.2 million at the end of 2023 (31 December 2022: EUR 47.6 million). Pipeline projects, including real estate inventories, had a carrying amount of EUR 195.8 million as of 31 December 2023 (31 December 2022: EUR 229.2 million).

Information on Equity

The share capital of IMMOFINANZ equalled EUR 138,669,711.00 as of 31 December 2023 (31 December 2022: EUR 138,669,711.00) and was divided into 138,669,711 zero par value shares with voting rights, each of which represented a proportional share of EUR 1.00 in share capital.

Treasury shares

Treasury shares held

IMMOFINANZ held 695,585 treasury shares with a proportional share of EUR 695,585.00 in share capital as of 31 December 2023 (31 December 2022: 695,585 treasury shares with a proportional share of EUR 695,585.00 in share capital). This holding represented approximately 0.5% of share capital.

No treasury shares were purchased or sold during the 2023 financial year.

Authorisations of the annual general meeting to purchase and sell treasury shares

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1a) and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital during a period of 30 months. The shares may be purchased over the stock exchange or over the counter. The Executive Board was also authorised, with the consent of the Supervisory Board, to exclude the proportional subscription rights of shareholders.

The Executive Board was also authorised, with the consent of the Supervisory Board, to sell or use treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act during a period of five years, whereby the proportional subscription rights of shareholders can be excluded.

The authorisation for the purchase and sale of treasury shares has not been used to date and is therefore available in full.

Authorised capital

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new shares in exchange for cash or contributions in kind. The authorisation is valid up to 21 July 2028. The Executive Board is also authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in full or in part. The shares issued based on this authorisation in exchange for cash contributions and under the exclusion of shareholders' subscription rights may not exceed EUR 13,866,971.00, which represents roughly 10% of the company's share capital at the time the resolution was passed by the annual general meeting.

This authorisation to increase share capital has not been used to date and is therefore available in full.

Convertible bonds and conditional capital

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 174 (2) of the Austrian Stock Corporation Act to issue convertible bonds up to a total nominal value of EUR 618,092,498.00 which are connected with exchange and/or subscription rights for up to 69,334,855 bearer shares of the company with a proportional share of EUR 69,334,855.00 in share capital. These convertible bonds may be issued in multiple tranches and within a period of five years. Moreover, the Executive Board was authorised to determine all other conditions as well as the issue and exchange procedures for the convertible bonds. The convertible bonds can be issued in exchange for cash or contributions in kind. The subscription rights of shareholders are excluded.

Share capital was conditionally increased by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new bearer shares in accordance with §159 (2) no. 1 of the Austrian Stock Corporation Act. The purpose of this conditional capital increase is the issue of shares to the holders of the convertible bonds which were issued in accordance with a resolution of the annual general meeting on 3 May 2023.

The authorisation for the issue of convertible bonds has not been used to date and is therefore available in full.

Change of control provisions

Corporate bond 2020–2027

The terms and conditions of the corporate bond 2020–2027 (XS2243564478) issued in October 2020 entitle the bondholders to terminate their bonds and demand immediate repayment at 101% of the nominal value plus accrued interest as of the respective date when a controlling investment (also taking into account the reduced threshold defined by the articles of association) in the company, as defined in the Austrian Takeover Act, is acquired and results in a mandatory takeover offer. Details on these provisions are provided in the issue terms of the bonds.

Property financing

The material property financing agreements concluded by IMMOFINANZ and its subsidiaries generally include standard market cancellation rights for the lenders in the event of a change of control.

Corporate credit line

IMMOFINANZ concluded an unsecured, revolving corporate credit line of EUR 100.0 million. It includes a termination right in the event of a change of control. As of 31 December 2023, the corporate credit line had not been used and is therefore available in full.

Bonds issued by S IMMO AG

S IMMO is included through full consolidation based on the investment of 50% plus one share held by IMMOFINANZ (for information on full consolidation, also see section 2.3 in the consolidated financial statements). Following is a listing of the bonds issued by S IMMO which include change-of-control clauses that take effect in connection with an indirect change of control at the IMMOFINANZ level.

The following bonds issued by S IMMO include change-of-control provisions: the 3.25% S IMMO Bond 2015– 2025 issued in April 2015 (volume as of 31 December 2023: EUR 15,890,000.00), the 3.25% S IMMO Bond 2015–2027 issued in April 2015 (volume as of 31 December 2023: EUR 34,199,000.00), the 1.75% S IMMO Bond 2018–2024 (volume as of 31 December 2023: EUR 100,000,000.00) and the 2.875% S IMMO Bond 2018–2030 both issued in February 2018 (volume as of 31 December 2023: EUR 50,000,000.00), the 1.875% S IMMO Bond 2019–2026 issued in May 2019 (volume as of 31 December 2023: EUR 150,000,000.00), the 2.0% S IMMO Bond 2019–2029 issued in October 2019 (volume as of 31 December 2023: EUR 100,000,000.00), the 1.75% S IMMO Green Bond 2021–2028 issued in February 2021 (volume as of 31 December 2023: EUR 70,449,500.00), the 1.25% S IMMO Green Bond 2022– 2027 issued in January 2022 (volume as of 31 December 2023: EUR 25,058,500.00), and the 5.5% S IMMO Green Bond 2023–2028 issued in July 2023 (volume as of 31 December 2023: EUR 75,000,000.00). The terms and conditions of the bonds issued in 2014 and 2015 and the green bonds issued in 2021, 2022 and 2023 entitle the bondholders, in the event of a change of control, to put their bonds and demand immediate repayment. The terms and conditions of the bonds issued in 2018 and 2019 entitle the bondholders, in the event of a change of control, to put their bonds if the change of control materially impairs the ability of S IMMO to meet its obligations under the bond. A change of control as defined in the bond terms and conditions occurs when one or more persons acting in consort, or a third party or persons acting for such a person or persons, at any time, directly or indirectly (i) hold(s) more than 50% of the voting rights connected with the issuer's shares (excluding the maximum voting right) or (ii) has(have) the right to determine the majority of the issuer's management board members and/or shareholder representatives on the issuer's supervisory board. According to the terms and conditions of the bonds issued in 2019, a change of control is also assumed to take place when the maximum voting right is legally cancelled and one or more persons acting in consort, or a third party or persons acting for such person or persons, at any time, directly or indirectly, has(have) purchased more than 30% of the voting rights connected with the issuer's shares. According to the terms and conditions of the green bonds issued in 2021, 2022 and 2023, a change of control is also assumed to take place when one or more persons acting in consort, or a third party or persons acting for such person or persons, at any time, directly or indirectly, acquire(s) a controlling interest as defined in the Austrian Takeover Act which triggers a mandatory takeover offer.

Executive Board und Supervisory Board

The Executive Board contracts with Radka Doehring and Pavel Měchura do not include a change-of-control clause.

There are no such agreements for the members of the Supervisory Board or for employees.

The company has no other significant agreements which would enter into force, change or terminate in the event of a change of control that results from a takeover bid.

Amendments to the articles of association, board appointments and dismissals

In accordance with § 21 of the articles of association, the annual general meeting passes its resolutions based on a simple majority of the votes cast and, for resolutions that require a majority of capital, based on a simple majority of the share capital represented at the time of voting, unless legal regulations require a different majority. The same applies to amendments to the articles of association and to the premature dismissal of members from the Supervisory Board.

The person chairing the respective meeting casts the deciding vote in the event of a tie in voting on the Supervisory Board in accordance with the articles of association. This also applies to the election to and dismissal of members from the Executive Board.

The corporate governance report included in this annual report, which was expanded to include the consolidated corporate governance report, is available on the company's website under https://immofinanz.com.

Significant holdings

Information reported to the company, directors' dealings notifications and other disclosures show the following investments and attributed voting rights which exceeded 4% of share capital as of 31 December 2023:

- Radovan Vitek (via CPI Property Group S.A.): above 75% (based on a holdings notification dated 21 December 2023 and a directors' dealings announcement dated 22 December 2023)
- Klaus Umek (via Petrus Advisers Investments Fund L.P.): 5.46% (1.06% in shares and 4.40% in financial/other instruments; based on a notification dated 22 December 2023)

Setting the course for a future worth living

Dear reader,

The operation of buildings is one of the main sources of CO_2 emissions worldwide. On the way to climate neutrality, measures to promote energy efficiency and the use of energy from renewable sources are an important lever in reducing climate-damaging emissions. At the same time, the way buildings are designed today must allow their optimal use under changed environmental conditions in the future.

These considerations were central to the alignment of our sustainability strategy, which we adopted together with CPI Property Group and S IMMO in the past financial year. The Group-wide strategy comprises numerous measures aiming to make the portfolio of IMMOFINANZ Group future-proof and environmentally friendly. We reaffirm our commitment to the Ten Principles of the Global Compact of the United Nations in the areas of human rights, labour, environment and anti-corruption. In this report, we are disclosing our continuous progress in integrating the Ten Principles in our business strategy and our everyday operations, thus contributing to the goals of the United Nations and the UN Sustainable Development Goals.

We took effective measures in all ESG areas in 2023. We successfully concluded a power purchase agreement with an Austrian energy company which will supply our Austrian portfolio with electricity from renewable sources in the long term. With this agreement, we are not only pursuing our green electricity strategy, but also protecting ourselves from price fluctuations on the international energy markets. In addition, we continued our ambitious photovoltaics initiative: in 2023 alone, photovoltaic systems with a total capacity of approximately 3,400 KWp were installed at our locations.

In addition, we adopted a Group-wide standardised Supplier Code of Conduct in 2023 with the intention to raise awareness of sustainable business operations among our partners and suppliers. We are thus taking responsibility beyond the boundaries of our company along the entire supply chain of IMMOFINANZ Group.

ESG topics also represented one of the focus areas of our most recent employee survey, which we conducted in autumn 2023. Overall, two thirds of all colleagues participated in the survey. The results serve as important indications for further improvements in terms of workplace quality and sustainability.

We are currently working intensively on preparing our reporting for the Corporate Sustainability Reporting Directive (CSRD), which will take effect in the 2024 financial year, and the European Sustainability Reporting Standards (ESRS). The disclosure obligations stipulated in these frameworks place significant demands on the entire company. We consider this a welcome opportunity to further improve the quality of our non-financial reporting.

Today we are setting the course for a future worth living, together with our employees, tenants and business partners. We are convinced that we can make a significant contribution with our measures in terms of sustainability.

Best regards

Radka Doehring

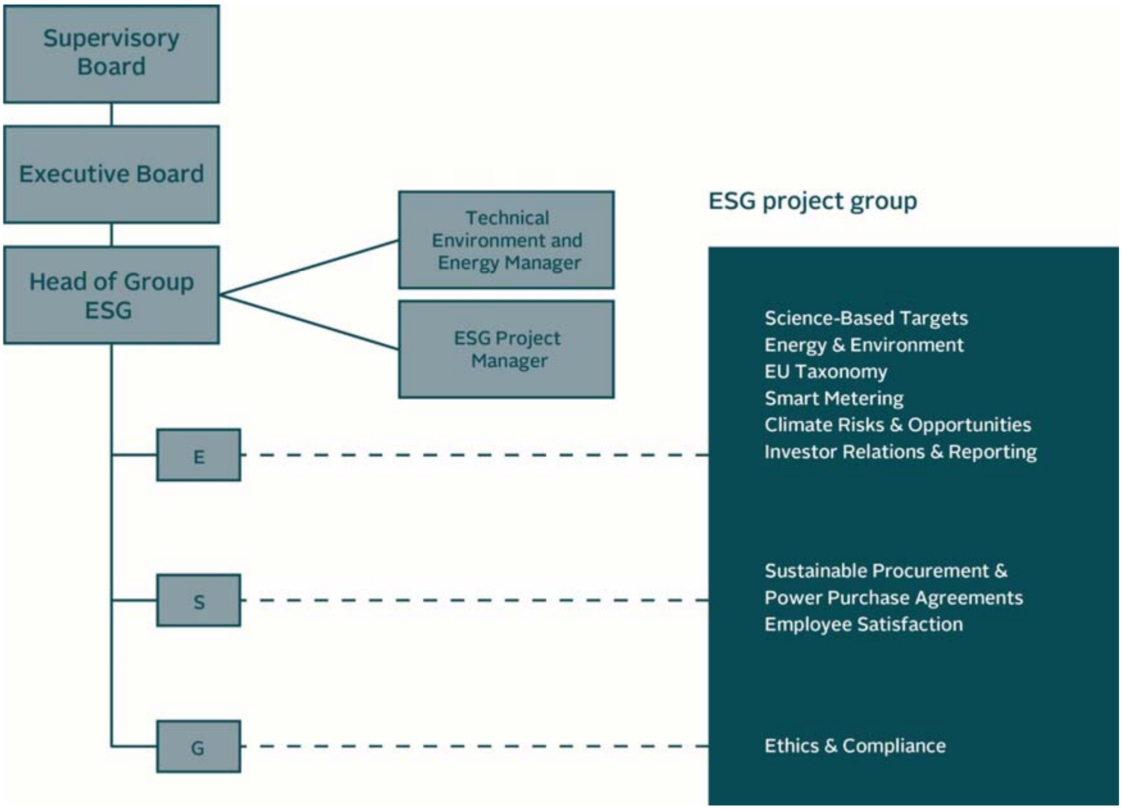
Pavel Měchura

General information

ESG governance

ESG governance structure
The ESG Committee of IMMOFINANZ is responsible for all sustainability matters, discusses and exchanges information on current projects and conducts regular reviews of progress, relevant opportunities and risks. It also works on continuously embedding sustainability in the Group, as well as on advancing and optimising the sustainability strategy. Within the Group, the Executive Board is responsible for sustainability topics and formally reports to the Supervisory Board at least once a year, while an informal exchange also takes place on a regular basis.

The ESG staff position has been responsible for the Group-wide coordination and implementation of IMMOFINANZ's sustainability strategy since the beginning of February 2022 and for chairing the cross-functional ESG Committee. This committee is also implementing the development of sustainable supply chain management in the company.



S IMMO
As IMMOFINANZ acquired a majority investment in S IMMO at the end of December 2022, S IMMO is fully consolidated in the 2023 annual report. The figures included in the non-financial reporting therefore comprise the entire IMMOFINANZ Group. In analogy to financial reporting, S IMMO is presented as a stand-alone segment to allow comparability with the previous year.

ESG strategy

In the first half of 2023, IMMOFINANZ, CPI Property Group (CPIPG) and S IMMO standardised their ESG targets. Creating these synergies has further strengthened the joint position, allowing the companies to continue offering tenants optimal property solutions. The ESG targets are now summarised under the categories environmental, social and governance. The reported key indicators and calculation methods were standardised, thus increasing the transparency and soundness of reporting. Where possible, the requirements of the European Sustainability Reporting Standards (ESRS) were already taken into account. A new materiality analysis is scheduled for the 2024 financial year, during which the ESG targets will be challenged and, if necessary, adapted to the results of the analysis and the ESRS requirements.

According to the portfolio report, the property portfolio of IMMOFINANZ Group (IMMOFINANZ including S IMMO) comprised 518 properties as of 31 December 2023 with a combined value of EUR 8.2 billion, including 432 standing investments, 15 development projects and 71 pipeline projects including real estate inventories. As in the previous year, properties that are held for sale and fall under IFRS 5 are included in this non-financial statement (31 December 2023: EUR 258.6 million; see section 4.10 of the consolidated financial statements of the 2023 annual report for details).

The goal of IMMOFINANZ is the continuous expansion of a high-quality, sustainable property portfolio generating strong returns, while achieving long-term climate neutrality along the entire value chain in accordance with the targets of the Green Deal of the European Union.

Materiality

IMMOFINANZ prioritises ESG topics according to their relevance for and impact on its business activities and its stakeholders. IMMOFINANZ's material topics were adopted for the 2023 financial year based on the materiality analysis of 2020 including the revisions made in 2022. As a result, the following material topics continue to be applicable:

Key areas	Material topics
Governance & ethics	– Governance body – Business compliance and ethics – Anti-bribery and anti-corruption – Data privacy and data protection – Risk management
Green & climate-resilient buildings	– CO_2 reduction – Energy efficiency – Renewable energy – Building circularity and life cycle management – Green mobility – Biodiversity and responsible land use
Socially sustainable spaces & customer satisfaction	– Customer centricity – Socially sustainable spaces
Socially sustainable workplaces & employee satisfaction	– Employee development – Diversity, equality and inclusion – Employee satisfaction – Community investment
Sustainable supply chain	– Environmental and social impact across the supply chain

A Group-wide standardised and renewed materiality analysis according to the ESRS criteria of double materiality is planned for the 2024 financial year.

Focus area	Goal	By	Progress
Environment	Reduction of greenhouse gas intensity of the property portfolio, including biomass, by 32.4% (target was validated by the Science Based Target Initiative in July 2022 and is consistent with the well below 2°C scenario of the Paris Agreement)	2030 (2019 baseline)	Greenhouse gas intensity was already reduced by almost 50% in 2023 compared to 2019.
	100% of electricity procurement from renewable energy sources	2024	In 2023, around 70% of electricity was procured from renewable sources.
	Reduction of energy intensity of the property portfolio by 10%	2030 (2019 baseline)	Progress is evaluated at Group level.
	Reduction of water intensity of the property portfolio by 10%	2030 (2019 baseline)	Progress is evaluated at Group level.
	Greatest possible avoidance of landfilling, waste recycling rate of 55% by the end of 2025, increase rate to 60% by 2030	2030	In 2023, the proportion of recycled waste remained almost constant. Minor deviations are due to the improvement in data quality.
Social	Gradual increase in the share of taxonomy-aligned economic activities at the consolidated Group level	ongoing	Share of taxonomy-aligned revenues, CapEx and OpEx increased significantly in 2023
	Increase in share of certified buildings (Access4you, BREEAM, DGNB, EDGE, Green Key, Green Star, HQE, LEED, WELL)	ongoing	Nearly 50% of the total lettable area of the standing investments has green building certification.
	Group-wide standardised green lease contracts for all new commercial leases and extensions	ongoing	The green lease contract was introduced in 2023; first contracts have been concluded, gradual rollout in the coming years.
	Share of female managers at least 33%	ongoing	In 2023, the share of female managers was 33%.
	At least eight training hours per employee per year	ongoing	13.6 training hours per employee were completed in 2023.
	Employee satisfaction surveys every two years	ongoing	Employee survey conducted in 2023
Governance	Acknowledgement of Code of Conduct by all employees	ongoing	Code of Conduct has been acknowledged by all existing employees
	Annual mandatory employee training on the Code of Conduct and the related directives	ongoing	Training conducted in 2023
	Every new and extended supply contract is subject to the Group-wide Supplier Code of Conduct	ongoing	Supplier Code of Conduct introduced in 2023
	Alignment of Executive Board remuneration to ESG criteria	ongoing	Individual remuneration agreements for 2023 incorporating ESG criteria

Stakeholder engagement

The core business of IMMOFINANZ comprises the rental and management of office and retail properties, the purchase and sale of properties as well as development projects. Ongoing communication and the acceptance of the business by our various stakeholders are very important to the economic success of our business model. We actively include their views and concerns into the orientation of our business and the further development of our product offering.

IMMOFINANZ views itself as a partner to its stakeholders and is above all committed to its tenants, their customers and employees with the promise of quality and safety. Sustainability aspects are integrated in the planning, construction and operation of our properties in order to meet the needs of our stakeholders.

Investors

In our reporting we want to further increase transparency towards our investors and other stakeholders, who are increasingly interested in climate-related topics. To this end, IMMOFINANZ participated in multiple ESG ratings and rankings in 2023. The company's environmental data was again fully and formally disclosed to the Carbon Disclosure Project (CDP) as part of the consolidated reporting of CPIPG in 2023 and received a "B" rating (2022 IMMOFINANZ: D). Moreover, the result of the Sustainalytics rating also improved again compared to the previous year. With a rating of 12.5, the ESG risk was considered to be low, compared with 13.1 and 15.6 in the preceding years (on a scale from 0 to 100).

Tenants
A special focus in the previous year was on the inclusion of our tenants in the value chain. Regular meetings with our tenants took place throughout the year, during which we presented our ESG strategy and looked for ways of working together. We want to be a reliable partner for our tenants in this context, maintain regular contact in order to learn from each other and thus mutually support each other in decarbonisation.

Employees
The engagement with our employees takes place in both physical and virtual meetings. The myNet intranet is available for internal communication. New policies are communicated to our employees on a regular basis. The year 2023 was characterised by strong change, which was on the one hand due to the challenging economic environment, and on the other hand due to the integration of IMMOFINANZ into the corporate structure of CPIPG.

Suppliers
IMMOFINANZ continued to work on improving sustainability along the value chain in 2023. A standardised Supplier Code of Conduct for the entire Group was established, which suppliers are required to sign whenever a contract is concluded or extended.

Communities
Although the operations of IMMOFINANZ are decentralised, the engagement with the communities takes place at both the local and Group levels. The focus is on a variety of topics and current events. In this context, our local teams worked closely with NGOs and local authorities to provide assistance as fast as possible.

Cooperation and initiatives
IMMOFINANZ is a member of numerous associations and institutions such as IG Lebenszyklus or Austrian Council of Shopping Places and thus regularly engages with other companies and organisations.

Reporting – international standards and frameworks
IMMOFINANZ adheres to leading international standards in its sustainability reporting. For example, the non-financial statement is published in accordance with the standards of the Global Reporting Initiative (GRI Universal Standards, see GRI index, page 144). The key indicators reported are also based on the Sustainability Best Practices Recommendations Guidelines (2017) of the European Public Real Estate Association (EPRA, see EPRA index, page 143). IMMOFINANZ was awarded as "Rising Star of the Year" at the Austrian Financial Communications Awards (AFCA), which places the company in the top 10 of the industry. In addition, several ESRS requirements have already been considered in the key indicators. IMMOFINANZ also meets the legal requirements resulting from the EU Non-Financial Reporting Directive.

IMMOFINANZ follows leading standards and frameworks

Carbon Disclosure Project (CDP)	Full annual climate submission to CDP as part of the consolidated reporting of CPI Property Group
Global Reporting Initiative (GRI)	Non-financial reporting in compliance with GRI Universal Standards
UN Global Compact	Participant in the UN Global Compact committed to the UN SDGs
EU Taxonomy	Reporting meets the EU Non-Financial Reporting Directive
Sustainalytics	Further improvement in ESG rating: low risk with an ESG risk rating of 12.5 (scale from 0 to 100)
European Public Real Estate Association (EPRA)	EPRA Sustainability Best Practices Recommendations GOLD

IMMOFINANZ's sustainability management is aligned with the 17 Sustainable Development Goals (SDGs) of the United Nations and continuously advances the SDGs falling under its core business. Since 2022, IMMOFINANZ has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, environment and anti-corruption. By signing the UN Global Compact, IMMOFINANZ supports the world's largest sustainability initiative for businesses, thus confirming its social responsibility.

EU Taxonomy
As part of the voluntary disclosure of the non-financial statement, IMMOFINANZ Group also reports information in accordance with the EU Taxonomy (see section "EU Taxonomy", page 153ff).

Local authorities
Policymakers, especially at the local level, are important partners in the implementation of construction-related measures and development projects. In this area IMMOFINANZ maintains professional contact with all parties involved and aims to take the concerns of the population as well as the respective overall urban development into account.

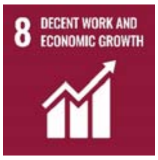
Governance

Introduction
The business model of IMMOFINANZ Group is oriented towards long-term, sustainable value creation that is aligned with environmental, economic and social considerations. For further information on this topic, please see the income statement, FFO, personnel expenses and the indicators for employees, economy and society.

The acceptance of gifts, corruption, bribery, discrimination, and conflicts of interest constitute a reputational risk and a risk of financial damage for IMMOFINANZ. In line with our zero-tolerance approach to bribery and corruption, several directives are in place to mitigate these risks. There are currently no indications of systematic corruption risks. We encourage awareness raising among employees via regular courses and anti-corruption training.

We have made a clear commitment to our social and societal responsibility and to respecting human rights through our membership in the UN Global Compact and recognition of its Ten Principles. Therefore, a due diligence process to identify actual and potential human rights abuses along the value chain will be conducted in the future on a regular basis. We consider there to be a low risk in relation to human rights abuses of employees due to the prevailing legal situation in the countries in which IMMOFINANZ operates. Our newly introduced Supplier Code of Conduct, our internal Group procurement directive, which defines the rules and procedures for procurement for IMMOFINANZ, and careful and responsible selection of suppliers help us to further manage the risk of human rights abuses in the supply chain.

Governance and ethics



Governance body

The Executive Board is responsible for IMMOFINANZ's strategic direction and company performance in relation to sustainability. The Supervisory Board supports and advises the Executive Board. Further details on the composition and working practices of the Strategy and ESG Committee, which was established by the Supervisory Board, are provided in the corporate governance report of the 2023 annual report beginning on page 34. This corporate governance report also contains further information on governance diversity KPIs (Gov-Board, Gov-Select, Gov-Col).

Business compliance and ethics

Management approach	
Impacts, risks and opportunities	Ensuring compliance with legal and voluntary obligations and principles
	Potential loss of reputation in case of non-compliance
	Potential convictions and fines
Policies and obligations	Compliance directives
	Code of Conduct
	Policy statement on respecting human rights
	Supplier Code of Conduct
Objectives and targets	Acknowledgement of Code of Conduct by all employees
	Annual mandatory employee training on the Code of Conduct and related directives
	Alignment of Executive Board remuneration to ESG criteria
Measures taken	Compliance training
	Anti-corruption training
Relevant key indicators	GRI 207-1 Approach to tax
	GRI 207-2 Tax governance, control and risk management
	GRI 207-3 Stakeholder engagement and management of concerns related to tax
	GRI 207-4 Country-by-country reporting

IMMOFINANZ employees are familiarised with the principles of the Code of Conduct and the compliance guidelines in regularly held training sessions. During the past financial year, an interactive e-learning course on the handling of insider information was held for employees at the headquarters. The members of the IMMOFINANZ Supervisory Board received in-person training. In addition, all employees and the Executive Board were trained on compliance issues, also via an e-learning tool. This also covered how to recognise and act in the event of possible money laundering activity. In 2023, a Group-wide anti-corruption course was also carried out using an e-learning tool. The members of the IMMOFINANZ Supervisory Board received in-person training also on this topic.

The IMMOFINANZ Code of Conduct forms the basis for the fulfilment of our responsibility and for all business activities and decisions within the company. This code defines the basic principles and values for responsible corporate governance at IMMOFINANZ. It forms the basis for morally, ethically, and legally sound conduct of all employees of the Group. In particular, the Code of Conduct includes guidelines for respecting fundamental rights, integrity and fairness, for relationships with competitors, customers and associations as well as a ban on discrimination. The active consent to the Code of Conduct of all current employees was obtained.

IMMOFINANZ's high standards were also formally established along the value chain in the 2023 financial year by introducing a Group-wide standardised Supplier Code of Conduct.

In addition, the Code of Conduct, the anti-corruption and anti-bribery strategy and the strategy against money-laundering and terrorism funding were updated by the IMMOFINANZ Executive Board. These requirements apply to all employees of the company and Group companies and are communicated to them on a regular basis. The employees are regularly trained on these topics. All Group policies are available to all employees on the intranet.

The IMMOFINANZ compliance directive covers the legal prohibition on the use of insider information for insider trading and the unlawful disclosure of insider information. In addition to regular training sessions, the compliance officer is available to employees at any time to answer questions.

Advice on the implementation of the organisation's policies and practices for responsible business conduct can be obtained from the persons responsible in the respective departments. The Corporate Legal Affairs and Compliance departments as well as the Legal department are responsible for monitoring new legislation and requirements in the areas of corporate and operative law.

Anti-bribery and anti-corruption

Management approach	
Impacts, risks and opportunities	Ensuring ethical principles
	Avoidance of financial damage
	Reputational loss
Policies and obligations	Anti-corruption directive
	Management approach to tax compliance
	Tax risk management process
	DAC 6 EU Directive in accordance with the Mandatory Disclosure Regime (MDR)
Objectives and targets	100% of the Executive Board and employees trained on ethics, compliance and ESG
Measures taken	Anti-corruption training
Relevant key indicators	GRI 205-1 Operations assessed for risks related to corruption
	GRI 205-2 Communication and training about anti-corruption policies and procedures
	GRI 205-3 Confirmed incidents of corruption and actions taken
	GRI 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
	GRI 207-1 Approach to tax
	GRI 207-2 Tax governance, control and risk management
	GRI 207-3 Stakeholder engagement and management of concerns related to tax
	GRI 207-4 Country-by-country reporting
	GRI 415-1 Political contributions

In accordance with the UN Convention against Corruption and the tenth principle of the UN Global Compact, IMMOFINANZ summarises all principles of conduct and requirements for dealing with corruption in its anti-corruption directive. The goal of this guideline is to ensure that employees, business partners and customers act in accordance with the law, to prevent conflicts of interest from arising and to protect employees from criminal acts as well as to prevent damage to IMMOFINANZ's reputation due to inappropriate donations. The guideline includes regulations on the acceptance and granting of benefits, donations and sponsoring, the use of intermediaries and the prevention of money laundering.

The Group-wide anti-corruption course held in 2023 aimed to provide training on principles of conduct and ethical requirements using practical examples and to raise employees' awareness of potential conflicts of interest. It was attended by 100% of the employees and the Executive Board. All members of the Supervisory Board received in-person training. The focus was on the definition of corruption, dealing with public officials and persons from the private environment, gifts and benefits as well as consultants and intermediaries. Anti-corruption training is mandatory for all employees and is held on an annual basis. In addition, employees and other stakeholders can report relevant information or suspicions of corruption confidentially and anonymously via the specially established whistleblower system (https://immofinanz.whistleblowernetwork.net/). No confirmed cases of corruption were reported in the 2023 financial year. There were also no legal proceedings pending due to anti-competitive behaviour or the formation of cartels and monopolies.

The management approach to tax compliance at IMMOFINANZ is based on a commercially-oriented tax strategy with the overriding goal of complying with applicable tax regulations in all of our countries in a transparent manner. This strategy is monitored by the Executive Board, and significant tax-relevant business transactions must be approved by the Executive Board each time.

In order to achieve this goal, the IMMOFINANZ internal Tax department is integrated into all business-related processes. The Tax department is staffed with experienced tax experts. Reporting is made directly to the Executive Board and the Tax department is involved in the approval process for relevant business decisions in a standardised manner.

The tax compliance process includes a four-eyes principle. In addition to internal controls, external advisers are also involved in the review process of tax returns.

In addition, tax risk reporting is collected quarterly throughout the Group and each individual company is critically analysed in terms of its tax risk level including ongoing reporting of all tax audits and litigation. This tax risk management process is also embedded in the Group-wide risk management function. The tax risk management process was audited in the 2022 financial year by a firm of certified public accountants in the form of a maturity analysis based on the legal requirements of the Austrian tax control system. The audit resulted in a very good assessment of the functioning of the tax risk management system.

The success of this low-risk approach has been evident in tax audits over the last decade, during which no material findings were identified.

As part of the ongoing assessment of tax returns, there are regular consultations with the relevant tax offices. In addition to regular telephone consultations, supplementary requests and questions are answered in writing via the tax office's online portal. In all communications with the tax authorities, care is taken to ensure that all questions are answered comprehensively, on time and in full. Care is always taken to ensure professional and respectful cooperation, striving for open communication on tax matters. In case of material tax matters, tax rulings are obtained from the tax authorities. No active political influence is exercised on tax matters. We attach great importance to compliance with tax regulations in all relationships with business partners, employees and other stakeholders.

In the event that errors are identified during the course of internal controls, comprehensive and timely disclosure is made in the form of corrected tax returns or – if legally required – by means of a voluntary disclosure to avoid penalty.

In addition to local tax requirements, IMMOFINANZ also carefully observes international reporting requirements. For example, a customised reporting process has been implemented to meet the requirements of the DAC 6 EU Directive in accordance with the Mandatory Disclosure Regime (MDR).

Until now, country-by-country reporting (CbCR) requirements did not apply to IMMOFINANZ, as the relevant revenue threshold of EUR 750 million was not exceeded. This changed in the 2022 financial year insofar as CPI Property Group acquired a majority shareholding in both IMMOFINANZ and S IMMO, and revenue of the entire Group including IMMOFINANZ now exceeds this revenue threshold. As the ultimate parent company, CPIPG is required to submit the country-by-country report annually for the entire Group. This reporting obligation and the relevant deadlines are met by CPIPG. In addition, each individual Group company is required to submit a report on the identity and domicile of the company subject to the reporting obligation to the local tax authorities. This reporting obligation and the relevant deadlines are met.

In addition, as in the past, comprehensive transfer price documentation is prepared annually in accordance with OECD principles.

Starting in the 2024 financial year, a separate top-up tax equal to the difference between the global minimum tax rate of 15% and the lower effective tax rate will be imposed in order to bring up the effective tax rate of low-taxed corporate entities to a globally standardised minimum taxation level. This minimum taxation system was adopted as an EU Council Directive in December 2022 and had to be implemented into national law by the individual EU member states by 31 December 2023. The minimum taxation system applies to companies and permanent establishments of all groups with combined annual revenue of more than EUR 750 million. Once these regulations enter into force, every single group company or permanent establishment is required to file a top-up tax information return – even if no top-up tax is incurred for the individual companies or the group as a whole. As the revenue threshold of EUR 750 million will be exceeded, all IMMOFINANZ Group companies are subject to the new minimum taxation system. The Group companies will meet the new obligations of the minimum taxation system and the relevant deadlines.

As shown in the list of Group companies (section 8 of the consolidated financial statements of the 2023 annual report) IMMOFINANZ now has only a very small number of subsidiaries in Cyprus and the Netherlands. These companies were acquired along with the underlying structures during historical portfolio purchases – predominantly before 2008 – and were not for the purpose of tax advantages. Until the point of liquidation, they are being held solely for corporate legal purposes and have no active income (in some cases interest and dividend income). As part of a structural simplification programme that has been underway since 2015, the total number of consolidated companies has already been significantly reduced. The goal is to close all of these holding companies in Cyprus and the Netherlands. All operating income in IMMOFINANZ Group – in particular rental income and capital gains – is generated and taxed exclusively in Austria and in the operating country companies.

IMMOFINANZ Group does not make political donations.

Data privacy and data protection

Management approach	
Impacts, risks and opportunities	Ensuring that corporate conduct adheres to data protection law
	Protecting the rights of data subjects
	Potential data protection violations and financial penalties
Policies and obligations	Data protection directive
	IT directive (data security)
	General Data Protection Regulation (GDPR)
Objectives and targets	100% of employees received training
Measures taken	Interactive online training on data protection, IT directive and cybersecurity
	Implementation of operational measures for monitoring and reaction to data protection violations and cyber attacks
	Initiative for data classification and risk assessment
Relevant key indicators	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

IMMOFINANZ dealt proactively with the increased requirements for the protection of personal data resulting from the General Data Protection Regulation (GDPR), which came into force in May 2018. This regulation not only entails an extensive expansion of the obligations of those responsible and the rights of those affected, but also a very substantial increase in the penalties for data protection violations. Compliance with applicable data protection regulations is therefore essential for IMMOFINANZ and a legal requirement.

The measures and investments required for compliance with the GDPR were defined and implemented by the Corporate Legal Affairs and Compliance, Legal, and IT departments, together with all business units.

The data protection directive sets out mandatory requirements for the processing of personal data in accordance with data protection standards and the associated obligations of all IMMOFINANZ employees. Compliance with this guideline is intended to ensure that the company acts in accordance with data protection law, in particular to safeguard data subject rights, define processes for dealing with these data subject rights and avoid financial penalties resulting from data protection violations.

The IT directive forms the basis for data security as well as responsible and cost-conscious use of the information technology facilities. It also regulates, among other things, access to IT systems, usage of IT resources and smartphones and the procedure for dealing with IT security incidents. The guideline is an integral part of employment contracts.

Part of the organisational measures to protect data and ensure compliance with data privacy law is mandatory training of employees by the data protection coordinator. In the past fiscal year, another interactive online training course was held on the topics of data protection, the IT directive and cybersecurity. In the event of more extensive changes to existing systems or the introduction of new applications, internal and external reviews are also carried out. For the 2023 financial year, IMMOFINANZ is not aware of any substantiated complaints, either from third parties or regulatory authorities, regarding breaches of customer data protection.

Risk management
IMMOFINANZ Group has established a Group-wide risk management system. The risk catalogue includes, among others, environmental, social and governance risks. In recent years, IMMOFINANZ Group has placed a special focus on the identification of existing climate risks in the portfolio and their mitigation. These climate risks are identified and analysed by internal and external experts based on annually updated climate models for each location. While the area of natural hazards has already been taken into consideration in the past and IMMOFINANZ Group insures its properties against damage resulting from natural hazards, climate change poses new risks (see climate risk analysis, page 95) that require increased attention for mitigation. The risk position of IMMOFINANZ Group is addressed in detail in the risk report of the 2023 annual report beginning on page 74.

Climate and environment

Introduction
The acute climate crisis and the associated economic and ecological impacts are the most pressing challenges of our time. As one of the leading commercial property groups in Central and Eastern Europe with a property portfolio totalling EUR 8.2 billion, IMMOFINANZ Group is aware of its responsibility. Our stakeholders also place high priority on environmental issues. Sustainable and energy-efficient properties that meet the criteria of the EU Taxonomy will therefore become an even greater focus for tenants in the future – with potential effects on occupancy, rental income and property valuations.

In the past year, we focused on improving our CO_2 footprint and on further developing renewable energy sources. Reducing our greenhouse gas emissions is a key strategic priority in this respect. In 2023, the calculation method for CO_2 emissions was standardised across the Group to allow comparability of the key indicators. All environmental indicators for 2022 were also recalculated using the standardised method and considering adjusted assumptions, and are presented in the adjusted tables. These indicators now also include the figures for S IMMO. We want to continue being a reliable partner for our tenants on their path to decarbonisation and drew up a standardised green lease contract for the entire Group in the past year. Implementing this contract is another key milestone in achieving our ESG goals and in continuously improving data quality.

We are making an important contribution to the fight against climate change with our standardised sustainability strategy within the Group. The target to reduce the greenhouse gas intensity of the property portfolio by 32.4% by 2030, which is contained in the strategy and was validated for CPIPG by the Science Based Target Initiative, is in line with the well below 2°C scenario of the Paris Agreement.

Climate risk analysis
The climate crisis poses numerous risks to the business of IMMOFINANZ Group, at both an operational and strategic level. These climate risks can be roughly divided into physical and transition risks. Physical risks include, for example, droughts, floods or severe storms, but also permanent effects such as the rising sea level or increasingly longer periods of heat. Transition risks are risks arising from economic change. For example, some business models will no longer be successful in the future due to new technologies, rising CO_2 prices or changes in consumer behaviour.

Based on the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the requirements of the EU Taxonomy, climate risk analyses were carried out for all properties of IMMOFINANZ Group in 2022 and 2023.

Green & climate resilient buildings

CO_2 reduction

Management approach	
Impacts, risks and opportunities	Material contribution to achieving the climate targets of the European Green Deal by transforming the portfolio to zero-emission and climate-resilient assets
	Physical impacts of climate change on buildings due to longer periods of drought and heat
	Rising carbon pricing
	Lower demand for CO_2-intensive and energy-inefficient buildings
	Climate lawsuits
Policies and obligations	Group-wide ESG strategy
	CDP reporting
	Green lease strategy
Objectives and targets	Reduction of greenhouse gas intensity of the property portfolio by 32.4% by 2030 compared to the 2019 baseline (target was validated by the Science Based Target Initiative in July 2022 and is in line with the well below 2°C scenario of the Paris Agreement)
	Gradual increase in the share of taxonomy-aligned economic activities at the consolidated Group level
Measures taken	Full calculation of greenhouse gas emissions
	Full CDP reporting
	Entire portfolio was analysed and reported for EU Taxonomy alignment
	Implementation of the green lease strategy and rollout of a pilot project
Relevant key indicators	GRI 305-1 Direct (Scope 1) GHG emissions
	GRI 305-2 Indirect energy-related GHG emissions (Scope 2)
	GRI 305-3 Other indirect GHG emissions (Scope 3)
	GRI 305-4 GHG emission intensity in tCO_2e/sqm
	CRE 3 GHG intensity of buildings
	EPRA GHG-Int, GHG-Indir-Abs, GHG-Dir-Abs
	Taxonomy: CapEx, OpEx, revenue

A strategic goal for the coming years is the further development of our energy and sustainability management and the consistent implementation of our ESG strategy. This strategy includes solid and specific targets and milestones. The main goal is to reduce the intensity of climate-damaging greenhouse gas emissions by 32.4% by 2030 compared to 2019. A reduction of almost 50% was already achieved in the 2023 financial year, meaning that the reduction target of 32.4% from the ESG strategy has already been significantly exceeded. Based on the requirements of the European Sustainability Reporting Standards, ambitious goals are expected for the coming financial years.

In the reporting year, the 2019 baseline was adjusted using the standardised calculation method, taking into account the changes in the portfolio. In addition, we continuously monitor any structural changes and assess whether these require an additional adjustment of the baseline.

Based on a detailed analysis of the landlord and tenant spaces, emissions caused by tenants were allocated to Scope 3, category 13 (Downstream Leased Assets) in the 2022 financial year. In the course of the standardisation of the calculation method within the Group and the full consolidation of S IMMO, these emissions were largely reassigned to Scopes 1 and 2.

The key levers in reducing IMMOFINANZ's greenhouse gas emissions are the electrification of heating systems and the vehicle fleet, the expansion of photovoltaic systems, and the switch to renewable energy sources, in terms of both the energy purchased by the company and tenants' energy consumption.

The green lease strategy is one of the measures taken as part of the ESG targets. A green lease is a lease intended to enable both the tenant and the landlord to use or manage a leased property in a way that is as sustainable as possible. The advantages of green leases include cost savings due to lower consumption on the one hand, while contributing to environmental and climate protection through a reduction of emissions and waste on the other; this, in turn, makes the property more attractive for financing or a sale. In the 2023 financial year, the first green lease contracts were already concluded in Austria and other countries.

In 2023, greenhouse gas emissions are reported for IMMOFINANZ Group for the first time. In 2023 we reduced our greenhouse gas emissions (market-based) by 44.1% in comparison with the 2019 baseline. Due to the full consolidation of S IMMO, the total CO_2 equivalent emissions (market-based) of IMMOFINANZ Group amounted to 208,891 tonnes (2022: 242,814 tonnes) in the reporting period, compared to 373,861 tonnes in 2019. IMMOFINANZ Group's greenhouse gas intensity has already been reduced by almost 50% compared to the recalculated 2019 baseline, which means the ESG strategy target has already been significantly exceeded. The following table shows the split of emissions in Scopes 1, 2 and 3:

CO_2 emissions IMMOFINANZ Group

	2023				Baseline 2019			
	Market-based in t CO_2e		Location-based in t CO_2e		Market-based in t CO_2e		Location-based in t CO_2e	
Category	**IMMOFINANZ Group**	**S IMMO**	**IMMOFINANZ Group**	**S IMMO**	**IMMOFINANZ Group**	**S IMMO**	**IMMOFINANZ Group**	**S IMMO**
Scope 1	18,189	11,554	18,189	11,554	13,788	11,001	13,788	11,001
Scope 2	21,629	8,369	24,491	8,525	42,601	14,967	39,999	13,479
Scope 3	169,074	50,835	160,836	39,246	317,472	56,154	302,251	50,489
IMMOFINANZ Group	**208,891**	**70,758**	**203,516**	**59,326**	**373,862**	**82,121**	**356,038**	**74,969**

	2023				Baseline 2019			
	Emission intensity market-based in kg CO_2e/sqm[1]		Emission intensity location-based in kg CO_2e/sqm[1]		Emission intensity market-based in kg CO2e/sqm[1]		Emission intensity location-based in kg CO2e/sqm[1]	
Category	**IMMOFINANZ Group**	**S IMMO**	**IMMOFINANZ Group**	**S IMMO**	**IMMOFINANZ Group**	**S IMMO**	**IMMOFINANZ Group**	**S IMMO**
Scope 1	5.3	8.7	5.3	8.7	4.5	11.2	4.5	11.2
Scope 2	6.3	6.3	7.2	6.4	13.9	15.2	13.1	13.7
Scope 3	49.6	38.3	47.2	29.5	103.8	57.1	98.9	51.3
IMMOFINANZ Group	**61.3**	**53.2**	**59.7**	**44.6**	**122.3**	**83.5**	**116.5**	**76.2**

[1] sqm equal to reference gross lettable area

CO_2 emissions are calculated according to the GHG Protocol based on the principle of operational control. The reported CO_2 emissions represent gross emissions. The CO_2 equivalents for all greenhouse gases from the Kyoto Protocol (CO_2, CH_4, N_2O, HFKW, PFC, SF_6 and NF_3) were considered in the calculation. Scope 3 greenhouse gas emissions include all categories with the exception of 3.8, 3.9, 3.10, 3.12 and 3.14. The areas not included were considered to be immaterial for IMMOFINANZ Group.

Energy efficiency

Management approach	
Impacts, risks and opportunities	Creating transparency towards our stakeholders
	Lower operating costs due to reduced energy consumption
	Creating climate-resilient buildings
	Higher energy consumption due to extreme weather events, e.g. increased cooling
Policies and obligations	EU Taxonomy
	Building certifications according to BREEAM, LEED, Access4you, DGNB, EDGE, Green Key, Green Star, HQE and WELL
	Ongoing energy data management
	Local regulations regarding building efficiency
Objectives and targets	Reducing energy intensity of the property portfolio by 10% by 2030 compared to the 2019 baseline
	Digitalisation of consumption data and rollout of smart metering
Measures taken	Screening and analysis of energy performance certificates of the entire portfolio
	Climate-resilient construction, e.g. architectural features providing shade, green façades
	Exchange of cooling systems with heat recovery using refrigerants with limited global warming potential
	Implementation of structural and technical building optimisations
Relevant key indicators	GRI 302-1 Energy consumption within the organisation
	GRI 302-3 Energy intensity
	GRI 302-4 Reduction of energy consumption
	CRE 1 Building energy intensity
	CRE 8 Sustainability certification
	Cert-Tot Type and number of sustainably certified assets
	EPRA Elec-Abs, Elec-Lfl, DH & C Abs, DH&C Lfl, Fuels-Abs, Fuels-Lfl, Energy-Int

Buildings are a major source of greenhouse gas emissions. IMMOFINANZ Group therefore relies on continuous measures to ensure and improve the energy efficiency and to avoid greenhouse gas emissions of its standing investments as much as possible (GHG, see risk report in the 2023 annual report, beginning on page 74). With respect to development projects, we are responding to this challenge by an efficient use of resources, ensuring that operations are carbon-neutral and considering potential climate changes at an early stage through climate risk analysis.

Continuous energy management is carried out in cooperation with the property and facility managers. Energy management essentially comprises the regular services in the day-to-day business (e.g. energy controlling), the development of optimisation measures and their implementation. The goal of IMMOFINANZ Group is to continually reduce the use of resources by means of energy-saving measures and responsible energy utilisation while maintaining or improving the quality of building usage. Potential energy saving measures are regularly evaluated and implemented in the process. Examples include the implementation of combined heat and cooling plants at myhive am Wienerberg |Twin Towers, which led to savings of more than 50% in district heating consumption, or upgrading variable volumetric flow controllers to enable demand-oriented ventilation. In addition, refrigerants with high greenhouse gas potential will be replaced.

In 2023, a pilot project that allows actively accessing the building management system (BMS) by means of autonomous AI algorithms was launched to increase thermal comfort and air quality while at the same time reducing CO_2 emissions and operating costs. To this end, weather forecasts, rate structures of utility companies or occupancy density in different areas are taken into account, and the building zones affected are managed in a targeted, autonomous and energy-efficient manner to meet the building users' highest expectations of comfort.

IMMOFINANZ is currently working on digitally and centrally recording all energy consumption data such as electricity, cooling, heating, water or natural gas. The collected data can then be linked nearly in real time, profound and reliable analyses can be made fully automatically and, if necessary, corrective action can be taken to improve energy efficiency and thus further reduce energy costs in the long run. Moreover, future reporting requirements can be met efficiently in this way. In order to examine the technical feasibility and scalability of this project, two pilot projects with more than 80 digital metering points were successfully implemented in the 2023 financial year. In addition, a comprehensive real-time reporting system including data processing and KPI calculation was developed.

Due to the expansion of energy data management in 2022, the degree of coverage of buildings is 100%.

Total energy consumption amounts to 714,419 MWh (2022: 742,363 MWh) including S IMMO. Energy consumption thus declined by nearly 4% compared to the previous year. Overall, CO_2 emissions (market-based) caused by the operation of our properties were reduced by around 44% compared to the 2019 baseline year.

Details on energy consumption can also be found in the table on pages 117ff.

Development projects and standing investments in the office and retail segment are to be certified in accordance with environmental standards. For office buildings BREEAM and LEED certifications are used, shopping centers and retail parks should primarily receive a certification according to BREEAM.

As planned, the proportion of certified space of IMMOFINANZ Group was significantly increased in the past financial year. Additional office buildings in Vienna received BREEAM certifications, version "In use V6.0", in the categories "Good" to "Excellent". With the exception of the Urban Garden building, for which the aim is BREEAM certification of the category "Outstanding", all office buildings in Austria have been awarded BREEAM certificates. After the BREEAM certification of another three VIVO! shopping centers and one STOP SHOP in Romania, the entire retail portfolio there has now received green building certificates. In addition, STOP SHOPs in Austria and Croatia were awarded BREEAM certificates for the first time in 2023.

The certified space of IMMOFINANZ Group at the end of 2023 added up to approximately 1,685,000 sqm or just under 50% of the total lettable area of the standing investment portfolio. The portfolio of IMMOFINANZ accounted for roughly 958,800 sqm (2022: 903,107 sqm) and the portfolio of S IMMO for roughly 726,400 sqm (2022: 496,375 sqm). In relation to the respective total lettable area, 44.7% (IMMOFINANZ 2022: 41.9%) and 51.3% (S IMMO 2022: 34.8%) of the space were certified. The year-on-year increase for IMMOFINANZ amounted to roughly 6.2%.

Renewable energy

Management approach	
Impacts, risks and opportunities	Conversion to renewable energies as an important contribution to the ESG strategy
	Clean and green alternatives to gas are more cost-effective than conventional energy sources in the short and medium term
	Potential reputational damage due to high CO_2 emissions among various stakeholders (banks, tenants, investors, etc.)
	Potential higher CO_2 emissions block transformation
Policies and obligations	ESG strategy
	Phase-out of fossil fuels
Objectives and targets	100% of electricity procurement from renewable energy sources by the end of 2024
	60% STOP SHOP rooftops equipped with photovoltaic systems by 2030
Measures taken	Installation of photovolatic systems
	Conversion of electricity supply to renewable energy sources
	Power purchase agreements concluded
Relevant key indicators	GRI 302-1 Energy consumption within the organisation
	GRI 302-3 Energy intensity
	GRI 302-4 Reduction of energy consumption
	CRE 1 Building energy intensity

IMMOFINANZ is implementing a large-scale programme of measures to reduce greenhouse gas emissions and energy consumption in order to meet the targets of its ESG strategy. Therefore, IMMOFINANZ will massively expand its own renewable energy production by installing photovoltaic equipment on the rooftops of its STOP SHOPs and other retail parks. In 2023, our installed photovoltaic systems already produced more than 1,600 MWh of green energy.

IMMOFINANZ Group aims to obtain 100% of the electricity purchased from renewable sources by the end of 2024. This target was already met for Austria in 2023 with the conclusion of a long-term power purchase agreement. IMMOFINANZ is securing the supply of all Austrian standing investments with electricity generated by photovoltaic systems and hydroelectric power from Austria based on an innovative partnership with Stockenboi Energie and ENERGIEALLIANZ Austria. 100% of the electricity comes from renewable energy sources in Austria and ensures predictability over the entire term of the contract for both contractual parties due to the fixed terms and conditions. In addition, a power purchase agreement was concluded for the entire German portfolio of S IMMO.

In 2023, photovoltaic systems with a capacity of 3.4 MWp were installed in Austria, Croatia, the Czech Republic and Serbia, with the installation of another 9 MWp planned for the current financial year.

Building circularity and life cycle management

Management approach	
Impacts, risks and opportunities	Use of pollutant-free construction materials to avoid environmental damage
	Responsible use of resources
	Loss of value due to insufficient information on materials used
	Potentially higher consumption of resources leads to pressure on raw materials and biodiversity as well as higher CO_2 emissions
	Potentially higher waste generation with low circularity
Policies and obligations	Standardised building and equipment specifications
	Compliance with minimum requirements of building certifications for new buildings and renovations
Objectives and targets	Greatest possible avoidance of landfilling, waste recycling rate of 55% by the end of 2025, increase rate to 60% by 2030
	Reduction of water intensity of the property portfolio by 10% by 2030 compared to the 2019 base line
Measures taken	Improvement of data quality
	Use of cradle-to-cradle products such as carpet tiles
Relevant key indicators	GRI 303-1 Water as a shared resource
	GRI 303-3 Water withdrawal
	GRI 306-1 Waste generation and significant waste-related impacts
	GRI 306-2 Management of significant waste-related impacts
	GRI 306-3 Waste generated
	GRI 306-4 Waste diverted from disposal
	GRI 306-5 Waste directed to disposal
	CRE 2 Building water intensity
	EPRA Water-Abs, Water-Lfl, Water-Int, Waste-Abs, Waste-Lfl

Usage of construction materials containing harmful substances during development projects or refurbishments can have a negative impact on the environment. IMMOFINANZ takes precautions to ensure sustainable construction and careful selection of its business partners through highly standardised building and equipment specifications. In 2023, for example, all newly built mycowork spaces throughout the Group were furnished with cradle-to-cradle carpet tiles. The cradle-to-cradle principle describes a closed cycle of raw materials based on the model of nature, where all raw materials of a product remain in the cycle after the usage period and can be reused. When developing office space, we rely on system partition walls for tenant fit-out which can be moved according to tenants' needs. This way, no waste is created when conventional (e.g. plasterboard) partitioning walls are taken down or reinstalled.

Measurable targets for waste generation have been defined as a new objective in the standardised ESG strategy of IMMOFINANZ, S IMMO and CPIPG. Avoiding landfilling to the greatest extent possible based on a recycling rate of 55% by the end of 2025, and increasing this rate to 60% by 2030 will make a significant contribution in this context. In 2023, the share of recycled waste in the total portfolio including S IMMO amounted to 37.6% (2022:39.2%). The slight decrease is due to improved data quality. The waste generated in the reporting area of IMMOFINANZ Group primarily consisted of municipal waste and similar commercial waste as well as recyclables (glass, metals, plastics, paper and cardboard).

We have also set a quantifiable target for water consumption. Although own consumption of water and energy and the environmental impact resulting from the operation of its own office locations constitute only a small proportion of the total portfolio, IMMOFINANZ Group nevertheless aims to further minimise its water consumption. Specifically, the target is to reduce the water intensity of our portfolio by 10% by 2030 compared with the 2019 baseline. Water consumption amounted to 1,995,231 m^3 (including S IMMO) in 2023 (2022: 2,019,897 m^3). Of this total, 423,640 m^3 of water was sourced from areas with water scarcity in Germany, Romania and Serbia. For the definition of areas with water scarcity, the climate risk analyses for the respective locations were used.

76% of the water used comes from municipal sources. The remaining share is attributable to groundwater withdrawal and rainwater harvesting. Here, the largest part is accounted for by the withdrawal of groundwater for cooling purposes at a location in Germany, all of which is returned to groundwater.

Green mobility

Management approach	
Impacts, risks and opportunities	Enabling the transformation towards green mobility through installation of e-charging stations
	Pioneering role regarding the trend towards e-mobility, expansion of infrastructure to the extent of future needs
	Lack of attractiveness of locations due to lack of e-mobility offers
Policies and obligations	Car policy with incentive to use e-mobility
Objectives and targets	Creation of relevant infrastructure to enable conversion to environmentally friendly mobility
Measures taken	Installation of e-charging stations
Relevant key indicators	Number of charging stations

IMMOFINANZ Group supports the transformation towards e-mobility and the use of renewable energies and aims to play a pioneering role in providing the necessary infrastructure for this. The goal is therefore to continuously expand the number of charging stations for electric vehicles, with 729 charging stations already available at the Group's locations at the end of 2023. This way, we want to contribute to CO_2 reduction, while ensuring that properties of IMMOFINANZ Group remain preferred places for shopping and working given the increasing trend towards e-mobility.

In 2023, e-charging stations were commissioned in two parking garages at the myhive am Wienerberg location. A total of 39 new charging points are available exclusively to office tenants and their employees. Thanks to shared use of the infrastructure (without allocation of parking spaces), utilisation is expected to be higher than would be the case for reserved parking spaces. Optimal use of the infrastructure is therefore ensured. As no high one-off costs arise for the users of the e-charging zones, easy access to e-mobility is also facilitated for small and medium-sized companies.

Biodiversity and responsible land use

Management approach	
Impacts, risks and opportunities	Responsible management of soil sealing due to construction activity
	Measures to preserve biodiversity
	Minimisation of impact and compensation measures
	Recultivation and improvement of biodiversity
	Non-compliance leads to vulnerable ecosystems, pressure on biodiversity remains high
	Clean environment depends on biodiversity
Policies and obligations	EU Taxonomy
Objectives and targets	Support of local ecosystems by transforming the environment of properties
Measures taken	Urban forest project based on the Miyawaki afforestation method
	Implementation of the myhive Urban Garden office project
	Keeping bee colonies
Relevant key indicators	GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas
	GRI 304-2 Significant impacts of activities, products, and services on biodiversity
	GRI 304-3 Habitats protected or restored
	GRI 304-4 IUCN (International Union for Conservation of Nature) Red List species and national conservation list species with habitats in areas affected by operations

In its risk report for 2024, the World Economic Forum ranks global risks by their short and long-term severity. According to the report, biodiversity loss and ecosystem collapse consequently represent the third largest risk for our planet over a timeframe of ten years. IMMOFINANZ Group contributes to reducing the risk and has already taken first measures.

One example in this area is the myhive Urban Garden office project in Vienna, which was completed in September 2023. For this project, an existing building with a total area of approximately 17,600 sqm was extensively refurbished. It features several green spaces as well as state-of-the-art and energy-efficient technology. Green façades, roofs and terrace landscapes provide a feel-good atmosphere and an attractive microclimate for tenants. In addition, tenants commit to responsible energy consumption and the greatest possible waste avoidance through green lease contracts. The entire energy demand of the property is covered by 100% green electricity from renewable sources. Facilities also include public e-charging stations and a mobility concept offering the option to use e-scooters and e-bikes. The project is currently undergoing the certification process to obtain a BREEAM certification in the category "Outstanding".

In cooperation with local beekeepers, IMMOFINANZ Group has been placing beehives on the rooftops of its properties for several years now to support biodiversity and the enrichment of local ecosystems. The tenants can then enjoy the harvested honey.

After the successful test pilot project for an urban forest based on the Miyawaki afforestation method at STOP SHOP Lazarevac in Serbia, another three of these small urban forests were realised at the locations in Sremska Mitrovica, Vršac and Subotica. In this project, the trees are planted closely together so that they only receive sunlight from above and therefore grow upwards more strongly than outwards. In addition to creating small urban forests for the population, the main targets are the preservation of biodiversity as well as the improvement of air quality and the increase of the water holding capacity of the soil.

Social

Introduction

Our society is faced with multiple crises, including the war in Ukraine, the energy crisis, climate change, extreme weather events, as well as supply chain disruptions and ongoing inflation. These multiple crises and the complex challenges they present have a strong impact on the economy and require a high level of adaptability. Cost of living crisis and natural disasters and extreme weather events are classified as the highest risks for the next two years in the 2023 risk report of the World Economic Forum.

In times like this, IMMOFINANZ Group wants to remain a reliable partner and employer and make a sustainable contribution to customer and employee satisfaction. IMMOFINANZ has a number of ways to contribute to a more sustainable world. On the customer side, we achieve this via a high level of customer orientation and the creation of socially sustainable spaces. We offer our employees numerous opportunities for professional and personal development and see benefits such as workplace health promotion or flexible working models as a matter of course. We also play our part in society and work continuously to increase the standards along our value chain in terms of sustainability and transparency.

Socially sustainable spaces & customer centricity

Customer centricity

Management approach	
Impacts, risks and opportunities	Tenant loyalty and attraction of new tenants through high customer satisfaction
	Reduced demand for unsustainable products
	Unfavourable environments affect the health and well-being of users
Policies and obligations	High degree of customer orientation and proactive letting management
	Catalogues of criteria for planning, facilities and design
	Investment in property quality and further development of innovative products
	Temporary support agreements in case of crisis, e.g. rent reductions
	Legal building and safety regulations
Objectives and targets	Conduction of regular customer satisfaction assessments
	Customer-oriented operations with services tailored to tenants' needs
	Consistent focus on customer needs and sustainability requirements
Measures taken	Innovative property portfolio
	Broad tenant mix and needs-oriented, individual property solutions
	Regular tenant surveys and regular communication
Relevant key indicators	GRI 416-1 Assessment of the health and safety impacts of product and service categories
	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services
	EPRA H&S-Asset

We support our tenants with a wide range of information and advice. We help potential tenants to explore their individual needs in terms of space and facilities. Existing tenants are supported on a day-to-day basis by property and facility managers in all property-specific matters. We are also continuously working to further increase customer satisfaction and user experience through digitalisation measures.

In addition to individual discussions with tenants, regular tenant surveys have been conducted for several years to evaluate customer satisfaction in the office sector. Site-specific optimisation measures, such as those based on a survey on the gastronomic offerings at the myhive Wienerberg location, are derived from the results. Suggestions and requests from various tenant surveys have also been incorporated into the design of new product offerings, such as the increased flexibility at myhive. In addition, community managers act as a central interface for the wishes and suggestions of tenants and their employees.

In the retail area, tenant satisfaction is also regularly analysed using different types of survey methods. On the one hand, regular meetings with our tenants take place in order to evaluate past and future cooperation. On the other hand, we also conduct structured tenant surveys in the retail area as needed. In addition, our center management teams in the shopping centers serve as points of contact for all tenant concerns. Moreover, a marketing and event plan is developed annually in collaboration with the tenants to ensure that activities and initiatives in which tenants can participate take place on a regular basis. If an office property is located next to a retail property, the office employees will receive special discounts for shopping and the food court.

IMMOFINANZ Group is responsible for compliance with construction and safety regulations to protect building users and the neighbourhood. We therefore aim to ensure a safe environment for tenants and other users of our property portfolio, to prevent potential safety hazards and, if the need arises, to identify and eliminate them in good time – all in accordance with the applicable legislative framework as well as relevant standards and policies. This applies, for example, to all safety-specific aspects relating to fire protection, safety and well-being of people and the environment, and organisational safety measures. Our properties are constructed and operated in accordance with the applicable legal provisions and adapted where necessary to new legal requirements.

Socially sustainable spaces

Management approach	
Impacts, risks and opportunities	Climate change
	Soil sealing
	Lack of social interaction reduces sense of belonging and participation
	Neglect of social activities can lead to reduced performance
Policies and obligations	Green lease strategy
Objectives and targets	Group-wide standardised green lease contracts for all new commercial leases and extensions
	Development of criteria for sustainable and healthy spaces by 2024
	Increase in the share of certified buildings
	Building a tenant community
Measures taken	Rollout and green lease pilot project in 2023
	Achievement of top building certifications and recertifications
Relevant key indicators	GRI 203-1 Infrastructure investments and services supported

An important element of IMMOFINANZ Group's ESG strategy is the introduction and implementation of the green lease strategy in our portfolio. As part of this process a Group-wide standardised model green lease contract has been developed and rolled out to the entire portfolio of IMMOFINANZ Group. In accordance with the green lease strategy, all tenants are called upon to apply this model contract. As of 31 December 2023, green lease contracts had already been signed in five different countries.

The myhive offices score points with a feel-good atmosphere in the common areas, numerous services and the best infrastructure. They offer space for communicative and lively interaction between tenants and their employees, for example in attractive communication zones and tenant lounges, and during regular events such as after-work events, business breakfasts with expert lectures or the organisation of sports activities.

Particular importance is attached to networking among tenants. Dedicated community managers are the central point of contact for tenants and their employees. They take care of the exchange among tenants, identify opportunities for cooperation, arrange appropriate contacts and organise events. The cross-border myhive app provides information about all news in the respective office building and the myhive community, facilitates communication with experts from other companies at the location and supports central services provided by IMMOFINANZ, for example through a direct feedback tool. This makes it possible to communicate registrations for events, suggestions and requests or damage reports quickly and easily.

The use of social media has also been continuously expanded. Currently, almost 4,200 users use the myhive app and the number of followers on social media (Instagram, Facebook, LinkedIn) totals more than 860,000.

Socially sustainable workplaces & employee satisfaction

We are committed to creating an inclusive working environment in the Group, characterised by openness and mutual respect where every employee feels valued and heard. The focus is on our attractiveness as an employer and on employee retention. Derived from this, employee development and satisfaction, our social commitment as well as diversity, equal opportunities and inclusion are material topics in this focus area.

After the majority takeover of IMMOFINANZ by CPIPG, the work on optimising the structure in Austria continued throughout 2023.

IMMOFINANZ Group had 237 employees in 2023, with 137 of them working for IMMOFINANZ and 100 for S IMMO (2022: IMMOFINANZ Group: 300, IMMOFINANZ: 170, S IMMO: 130). The decline in the number of employees is largely due to the takeover of the IMMOFINANZ country organisations by CPIPG. The package of measures of IMMOFINANZ agreed with the Works Council in 20022 to prevent, eliminate and mitigate the implications of the restructuring was extended for 2023. This package includes, in particular, voluntary severance payments and one-off payments and is designed to mitigate potential negative economic consequences for employees. It was applied to individual employees in Austria.

In the 2023 financial year, two persons worked for S IMMO who are not employees.

Employee development

Management approach	
Impacts, risks and opportunities	Supporting employees in their current and future roles
	Ensuring competitiveness
	High engagement and motivation of employees
	Talent management
	Potential increase in costs for recruiting
	Potential lack of innovative strength
	Potential increase in turnover rate
Policies and obligations	Performance management
	Performance review of employees
	Training and development programmes
Objectives and targets	Empowering employees to be successful in their current and future roles based on career and succession planning
	At least eight hours of training per employee per year
Measures taken	Apprenticeship programmes
	Individual coaching
Relevant key indicators	GRI 404-1 Average hours of training per year and employee
	GRI 404-2 Programmes for upgrading employee skills and transition assistance programmes
	GRI 404-3 Percentage of employees receiving regular performance and career development reviews
	GRI 401-1 New employee hires and employee turnover
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	GRI 401-3 Parental leave
	EPRA Emp-Training, Emp-Dev

IMMOFINANZ strives to create a framework for its employees in which they can develop their potential, strengths and competencies to the best of their abilities. We lead our employees in a trusting manner and place great value on open and respectful interaction with each other. The People & Culture department is responsible for strategic personnel development and further development of the corporate culture in close cooperation with the Executive Board, which discusses current company developments with the Works Council at least once a month.

In connection with employee development, the focus of training is on expanding professional as well as personal and leadership skills. An important instrument in the context of performance management is the annual performance review between employees and their managers. This defines clear targets and individual training activities. As in previous financial years, performance reviews were conducted with 100% of employees of IMMOFINANZ in 2023. These interviews also include feedback from employees on several questions relating to personal well-being, further development and teamwork as well as suggestions for improvement.

Employee development

Developing strong leaders and appropriately trained and motivated employees is essential to overcome the complex and multifaceted challenges arising from the current multiple crises and to develop the necessary skills to address them effectively. IMMOFINANZ supports its employees by providing appropriate methods and tools. In coordination with their managers, employees can participate in individual training and coaching (especially for leaders). Finally, employees can also participate in conferences as part of this offering.

Language courses as well as various types of individual and group training are offered on a regular basis and taken advantage of by employees.

In the 2023 financial year, around 3,221 hours of training were completed by the employees of IMMOFINANZ Group (thereof IMMOFINANZ 2,216, S IMMO 1,005, 2022: IMMOFINANZ 2,630, S IMMO not disclosed), equivalent to 13.6 hours per employee (IMMOFINANZ 16.2, S IMMO 10.1, 2022: IMMOFINANZ 16.2, S IMMO not disclosed) and thus significantly exceeding the Group-wide target of eight hours per employee. The largest share of training hours was accounted for by compliance training, followed by external training and language courses. The majority of the training courses were held in Austria.

Diversity, equality and inclusion

Management approach	
Impacts, risks and opportunities	Cultural diversity
	Strengthening innovative power and ability to find solutions based on diverse teams
	Increased productivity and motivation
	Strengthening team spirit
	Promotion of equal opportunities
	Prevention of social discrimination
Policies and obligations	Code of Conduct
Objectives and targets	Share of female managers at least 33%
	Ensure gender and national diversity in the entire organisation at Group and local level
Measures taken	Analysis of gender pay ratios
Relevant key indicators	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	GRI 401-3 Parental leave
	GRI 405-1 Diversity of governance bodies and employees
	GRI 405-2 Ratio of basic salary and remuneration of women to men
	GRI 406-1 Incidents of discrimination and corrective actions taken
	EPRA Diversity-Emp, Diversity-Pay

At IMMOFINANZ, we firmly believe that a diverse and inclusive work environment benefits not only our employees but also our company. By valuing and embracing the unique perspectives and backgrounds of our team members, which is established in our Code of Conduct, we foster a culture of engagement and open communication. We know that our employees are more likely to work innovatively and share their ideas when they feel valued and included. In this way, they contribute to the growth and success of our company. Therefore, diversity characteristics, especially with regard to age, gender, national or ethnic origin, religion, sexual orientation, disability and educational and professional background are very important to us as an employer.

At the end of December 2023, six persons with a non-temporary physical, mental or psychological impairment or an impairment of the sensory functions were employed at S IMMO.

As of 31 December 2023, 16 different nationalities were represented among the employees of IMMOFINANZ. The average age was 38.2 years at IMMOFINANZ and 44.1 years at S IMMO (IMMOFINANZ and S IMMO 2022: 37.7 and 44.4, respectively). The share of women in management positions reporting directly to the Executive Board was 23% (2022: 40%). The decline is mainly due to the transfer of female managers to CPIPG. The share of women in all management positions at IMMOFINANZ Group was 33%. The target was therefore met. Women account for 67% (2022: 66%) of non-management positions at IMMOFINANZ. After the gender pay ratio was reported for the first time throughout the Group for the 2020 financial year, analyses and adaptations were made in the following years. As a result, the gender pay gap has already been significantly reduced for both managers and non-managers. The indicator represents the ratio of the total average remuneration of female employees (per category of employee). It is analysed regularly, and further equalisation is being worked on.

In the past years, a wrong figure was reported for the total gender pay gap due to a transfer error. In the following table the figure for 2022 has already been corrected.

Gender pay ratio

	2023		2022	
	IMMOFINANZ Group	S IMMO	IMMOFINANZ Group[1]	S IMMO
Total gender pay gap	**1.39**	**1.42**	**1.57**	**n. a.**
Breakdown by employee category				
thereof top management	1.38	n. a.	1.05	n. a.
thereof middle management	1.13	1.17	1.18	n. a.
thereof entry-level management	1.16	n. a.	1.13	n. a.
thereof non-management level	1.16	1.23	1.32	n. a.
Annual total remuneration ratio[2]	18.00	18.38	n. a.	n. a.

[1] 2022 only includes the data for IMMOFINANZ.
[2] Annual total remuneration of the highest-paid person of the company (Executive Board member) divided by the median annual total remuneration of the employees (without the highest-paid person).

In the event of questions or potential conflicts, the Group Compliance Officer serves as an independent and confidential point of contact. In 2023, there were no known cases of discrimination including harassment due to ethnic origin or nationality, language, social origin, age, gender, gender identity, sexual orientation, religion, political or other beliefs, mental or physical ability or others. No cases of human rights violations were reported, nor were there any resulting court convictions or penalties.

Employee satisfaction

Management approach	
Impacts, risks and opportunities	Satisfaction with the corporate culture and one's own job
	Good working atmosphere
	Employee involvement and promotion of employee health
	Identification with the employer
	Work-life balance
	Potential increase in the absentee rate
Policies and obligations	Flexible working time arrangements and part-time working models
	Healthcare management with a focus on preventive healthcare and promotion of sporting activities
	Collective agreement for salaried employees in property management companies and additional company agreements
Objectives and targets	Conducting an employee engagement survey (EES) every two years starting in 2023
	Entry into force of the remote working directive by 2022
Measures taken	Rollout of the remote working policy
Relevant key indicators	GRI 401-1 New employee hires and employee turnover
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	GRI 401-3 Parental leave
	EPRA H&S-Emp, Emp-Turnover

In order to strengthen the health of our employees and promote their motivation for further training, IMMOFINANZ implements targeted measures in the areas of personnel development and health management. This strengthens the well-being and health of our employees.

As a real estate manager and developer, IMMOFINANZ's business is largely office-based and therefore has a comparatively low risk of occupational accidents. Health management therefore focuses on preventive healthcare and the promotion of sports activities.

IMMOFINANZ employees are offered flexible and partially flexible working hours, as well as part-time working models. In addition, a remote working policy was adopted in 2022, which allows our employees to also work outside the office. This allows them to better balance full-time employment and personal needs, which increases satisfaction and performance as well as the attractiveness of IMMOFINANZ as an employer.

IMMOFINANZ supports its employees with a variety of offerings outside of the workplace, with team building and promotion of work-life balance being at the forefront. These include, for example, a sixth week of vacation time after three years of service, sports options via the myclubs app and participation in the Vienna City Marathon.

To support our employees' healthcare needs, we offer a preventive healthcare scheme. In addition to measures meeting all legal requirements, responsibilities include carrying out vaccinations, medical check-ups, eye tests and providing advice on preventive healthcare. In the 2023 financial year, the absence rate due to sickness at IMMOFINANZ declined slightly to 3.4% (2022: 3.9% at IMMOFINANZ).

All employees of IMMOFINANZ Group are insured against loss of income due to illness, unemployment, occupational accidents as well as incapacity for work, parental leave and retirement in accordance with the respective local legal requirements.

In addition to health care, IMMOFINANZ offers other company benefits. No distinction is made between full-time and part-time employees. For example, all employees can choose between an endowment and death insurance. The Executive Board is also entitled to disability and invalidity insurance as well as a retirement pension. Other company benefits, such as share participation, are not offered.

An employee survey on the topic of "psychological stress at the workplace" was conducted in cooperation with the Occupational Safety Center Linz in 2023. The survey was carried out online and anonymously. The results were analysed in the fourth quarter and presented to the Executive Board. It is planned to inform all employees about the results in the course of the second quarter of 2024; in addition, workshops will be held to work on improvements for those areas which scored below the industry average according to the analysis.

Health and safety inspections are conducted at IMMOFINANZ's own office locations at least once a year by the safety officer, the company physician, the Works Council and the head of People & Culture. Occupational safety risks are evaluated and compliance with statutory workplace and safety regulations is checked. Together with the head of the People & Culture department and the Executive Board, the inspection results are evaluated in a meeting and measures for improvement are decided. In addition to the annual meeting, IMMOFINANZ has specially trained employees who serve as safety officers and can address any issues as they arise. Employees are also trained in first aid and as evacuation/fire protection officers.

All employees of IMMOFINANZ Group are covered by the respective local occupational and safety regulations.

Collective agreements apply to 67.1% of the employees of IMMOFINANZ Group. Within IMMOFINANZ, the share is 84.7% (2022: 88.8%), at S IMMO it is 39% (2022: 35.4%). 100% of the IMMOFINANZ Group employment contracts in Austria are governed by the collective agreement for salaried employees in property management companies resp. employees in industry. For employees not covered by the tariff, salary schemes customary within the country and industry apply so that all employees of IMMOFINANZ Group receive adequate remuneration.

IMMOFINANZ has also entered into a number of agreements with the Works Council, which are based on social partnership and are designed to improve the position of employees.

In addition, our Code of Conduct includes a commitment to respect employees' rights to freedom of association. We strive for and maintain a long-term and constructive dialogue with employee representatives.

In 2023, the number of employees leaving the company was higher than in the previous year. The current employee turnover rate at IMMOFINANZ Group is 34.8%; viewed separately it is 37.4% (IMMOFINANZ) and 31.0% (S IMMO, 2022: 21.6% IMMOFINANZ and 14.0% S IMMO). This is mainly due to the Group-wide restructuring and a change in the calculation method. The calculation logic was adjusted in coordination with CPIPG and S IMMO.

The average employment with the company was 6.6 years and 8.0 years, respectively, in 2023 (IMMOFINANZ and S IMMO 2022: 5.7 and 7.1 years respectively).

Community investment

Management approach	
Impacts, risks and opportunities	Social commitment as corporate responsibility Promotion of charitable work Part of corporate culture Creating value for the company and its communities in the medium and long term
Policies and obligations	Development of a Community Investment Strategy and Guideline by 2023
Objectives and targets	Definition of IMMOFINANZ's core themes for community investment
Measures taken	Projects and partnerships with non-profit organisations
Relevant key indicators	GRI 413-1 Operations with local community engagement, impact assessments, and development programmes

As part of its social commitment, IMMOFINANZ aims to provide support not only financially but also through the diverse resources and competencies of the company and its employees. In this way, sustainable benefits can be created for our different stakeholders. Through our social commitment, we would also like to encourage employee engagement, thus strengthening employee loyalty.

Engagement with our communities, i.e. all those people who work and shop at our properties or live in the neighbourhood, plays an important role for IMMOFINANZ. We always aim to view our properties in the context of their surroundings and people living there. The integration of a property into its immediate surroundings and the quality of implementing this integration increase the value of the respective premises and thus of the individual property.

In addition to the physical and online events for our tenants described above, we regularly launch initiatives for our communities, including blood donation campaigns or clothing collections for people in need.

Every year, as part of a Christmas campaign, IMMOFINANZ supports charitable projects and associations both in Austria and in other countries in which we operate. This year's donations of EUR 20,000 each went to St. Anna Children's Hospital and the children's hospice "Netz" in Vienna. In addition, the myhive community participated in the Christmas campaign of Caritas. 40 letters with Christmas wishes from children and adults from Caritas houses were received and handed over in person at the respective locations by the team of the myhive Community & Operations Managements.

We are working on developing further key performance indicators related to our engagement with society and will integrate them into our reporting in accordance with our comprehensive ESG strategy in the future.

Sustainable supply chain

Management approach

Impacts, risks and opportunities	Ensuring compliance with social and environmental standards along the supply chain
	Longer-term, reliable and resilient business relationships with our suppliers
	Support of local suppliers in the operating markets
	Ensuring resilience of our supply chain
Policies and obligations	Group procurement directive
	Code of Conduct
	Supplier Code of Conduct
Objectives and targets	Every new and extended supply contract is subject to the Group-wide Supplier Code of Conduct
	Establishment of an audit programme for assessment, definition of preventive measures and monitoring by 2024
Measures taken	Supplier Code of Conduct introduced in 2023
Relevant key indicators	GRI 204-1 Proportion of spending on local suppliers
	GRI 308-1 New suppliers that were screened using environmental criteria
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken
	GRI 408-1 Operations and suppliers at significant risk for incidents of child labour
	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour
	GRI 414-1 New suppliers that were screened using social criteria
	GRI 414-2 Negative social impacts in the supply chain and actions taken

Building a sustainable and transparent supply chain is one of the greatest challenges in sustainability management for many companies. Various crises have demonstrated the importance of resilient value chains. This is also reflected in current regulations on corporate due diligence, in particular the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) or the Corporate Sustainability Due Diligence Directive (CSDDD). In this context, IMMOFINANZ is also working continuously to establish sustainable supply chain management.

Thus suppliers commissioned by IMMOFINANZ during the reporting period are broadly diversified and range from construction companies and property management firms to consulting service providers, insurance companies and IT companies. In the 2023 financial year, IMMOFINANZ procured services and products from more than 3,000 suppliers (2022: 3,000) with a total order volume of more than EUR 210 million (2022: EUR 201.5 million). As an international company, IMMOFINANZ worked with suppliers from 26 countries in the 2023 financial year. In order to ensure that procurement practices are sustainable and to maintain long-term, partnership-based relationships with our suppliers, 91% (2022: 97%) of all providers come directly from the markets in which IMMOFINANZ operates. Supporting these local suppliers and contributing to value creation in our core operating markets are therefore central considerations.

The process of selecting business partners is based on the internal Group procurement directive, which defines the procedures and specifications for IMMOFINANZ's procurement activities. In line with the Code of Conduct, these guidelines call for the careful selection of suppliers. A key concern is to minimise supplier risks resulting from child, forced or compulsory labour as well as risks arising from inadequate social assessment of the supplier. To this end, work is currently underway on a risk mapping process that will be applied to IMMOFINANZ's suppliers. The Procurement department reviews every new supplier based on their external presence (e.g. website) for indications which might call the company's integrity and authenticity into question. In addition, Procurement conducts credit risk assessments for potential suppliers which are expected to be material. In the event of a negative rating, the suppliers will not be listed. In addition to the responsible selection of suppliers, continuous efforts are made to intensify the exchange of communication between IMMOFINANZ and its business partners.

As part of its ESG strategy, IMMOFINANZ developed a Group-wide standardised Supplier Code of Conduct during the reporting year. This code is a mandatory contract component for every new contract and for contract extensions. It can be viewed on our website at https://immofinanz.com/en/sustainability.

Basis for preparation

As a company of public interest, IMMOFINANZ voluntarily prepares a non-financial statement in accordance with § 267a of the Austrian Commercial Code (UGB) and thus also discloses information pursuant to the EU Taxonomy (beginning on page 153).

Reporting standards
This report has been drawn up in accordance with the GRI standards. For the first time, IMMOFINANZ received the EPRA Sustainability Best Practices Recommendations Gold Award for its non-financial reporting in the 2022 annual report. The key indicators reported are based on the Sustainability Best Practices Recommendations Guidelines (2017) issued by the European Public Real Estate Association (EPRA). In addition, the tables in this report have been adapted to the European Sustainability Reporting Standards (ESRS), which are applicable starting from 2024, in accordance with the current interpretation.

Reporting period
The non-financial statement covers the period from 1 January to 31 December 2023. The indicators for 2022 are reported to allow comparability.

Scope of companies and portfolio
This report covers IMMOFINANZ AG and all consolidated subsidiaries including S IMMO (see section 8 of the consolidated financial statements of the 2023 annual report). The portfolio of the company including S IMMO comprised 432 standing investment properties as of 31 December 2023.

The indicators published concentrate on the activities of IMMOFINANZ Group in Austria, Germany, Poland, the Czech Republic, Romania, Hungary, Slovakia, Slovenia, Serbia, Croatia and Italy. The properties are included in the reporting in accordance with the financial control principle. The operational control principle was used for the greenhouse gas accounting.

Coverage and segment analysis
This report refers to the portfolio of IMMOFINANZ Group. To enable a meaningful analysis, the portfolio has been presented as a whole and split into segments in line with the structure of our financial reporting. In the EPRA tables, the indicators are presented separately according to our two main portfolio sectors, “office” and “retail” as well as by segment. Further information can be found in the table on pages 128ff. Due to different calculation methods and reference values, the ESRS and EPRA figures may differ.

The coverage rate regarding the evironmental indicators amounts to 100%.

Information on the company’s own business premises
The consumption figures for the operation of IMMOFINANZ Group’s own office spaces are no longer reported separately as their share is immaterial. The business premises are largely owned by IMMOFINANZ and usage is shared with tenants. Therefore, the consumption of IMMOFINANZ Group’s business premises is included in the totals.

Consumption data

The objective was to use real data for all types of energy consumption (gas, electricity, district heating) , as well as water consumption for the twelve-month period. To this end, automatically transmitted data (smart metering), read-out data and data from utility company invoices were used. Where no complete data was available, consumption was estimated using appropriate assumptions based on lettable space. Where no data was available for the full year 2023, data from 2022 was used. The consumption of buildings purchased or sold during the year was considered for the full months in which these buildings were part of the portfolio.

Waste

Waste data is disclosed in absolute figures again this year. These are based on the invoices of the respective waste disposal companies. Where data was not available for individual sites, it was complemented with comparable figures, calculated using country- and asset-specific real data, or estimated. Where no data was available for the full year 2023, data from 2022 was used.

External audit

This report has not undergone an external audit.

CO_2 footprint

The CO_2 footprint calculation is based on the GHG Protocol Corporate Standard. Emissions are stated in CO_2-equivalent (CO_2e) terms. The CO_2e values for electricity and district heating are based on information by the energy suppliers and on publicly available sources, including the European data from the Association of Issuing Bodies (AIB) as well as the government conversion factors of the British Department for Energy Security. As in 2022, missing Scope 3 emissions were estimated based on real data and spaces. Where no data was available for the reporting period, data from the previous year was used. CO_2 emissions are verified at Group level.

Employee indicators

All indicators in the employee section are stated based on the headcount (HC) at all fully consolidated companies including S IMMO as of 31 December 2023 (excluding the Executive Board and inactive employees). If an indicator is calculated on a different basis, this is shown in a footnote. The data underlying the calculation of the indicators is produced by the IMMOFINANZ personnel management software and complemented with the data provided by S IMMO.

Boundaries of reporting – landlord and tenant utility consumption

IMMOFINANZ Group reports the water and energy consumption of the owner (IMMOFINANZ) ("within the organisation"). In cases where tenants obtained energy or water directly from the utility company and the data was not provided, this share was added based on comparative values specific to the building ("outside of the organisation").

Normalisation

For the intensity indicators (energy intensity, water intensity, CO_2 intensity) the reference total area of the buildings was used as the denominator. In addition to the total lettable area of properties that formed part of the portfolio throughout the year, the total lettable area of properties that were purchased or sold during the year were normalised on a monthly basis so that the area is equivalent to the number of months relevant for the report on a pro rata basis. The intensity calculated contains the consumption obtained as described above.

Indicators and indexes

Climate and environmental indicators

Energy consumtpion and mix

Energy consumption and mix (inside the organisation)	Unit	IMMOFINANZ Group 2023	IMMOFINANZ Group 2022	Austria 2023	Austria 2022
(1) Fuel consumption from coal and coal products	MWh	0	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	749	2,436	99	0
(3) Fuel consumption from natural gas	MWh	72,581	69,668	2,596	304
(4) Fuel consumption from other fossil sources	MWh	0	38	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	77,290	79,835	7,026	470
(a) Electricity	MWh	17,954	24,578	0	54
(b) Heat and cooling	MWh	59,336	55,257	7,026	416
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**150,621**	**151,976**	**9,721**	**774**
Share of fossil sources in total energy consumption	%	51.4	59.1	47.2	22.8
(7) Consumption from nuclear sources	**MWh**	**3,626**	**n. a.**	**0**	**n. a.**
Share of consumption from nuclear sources in total energy consumption	%	1.2	n. a.	0.0	n. a.
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**201,217**	**315,091**	**21,478**	**43,868**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	137,998	104,300	10,872	2,253
(a) Electricity	MWh	136,791	102,440	10,872	2,253
(b) Heat and cooling	MWh	1,207	1,860	0	0
(10) Consumption of self-generated non-fuel renewable energy	MWh	793	673	15	364
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	**138,791**	**104,972**	**10,887**	**2,617**
Share of consumption from renewable sources in total energy consumption	%	47.4	40.9	52.8	77.2
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**220,163**	**170,323**	**5,863**	**16,662**
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	**293,039**	**256,949**	**20,608**	**3,391**
Total energy consumption inside and outside the organisation	**MWh**	**714,419**	**742,363**	**47,950**	**63,921**
Self-generated non-renewable energy production	MWh	2,165	482	0	0
Self-generated renewable energy production	MWh	1,622	763	669	364

Energy intensity	Unit	IMMOFINANZ Group 2023	IMMOFINANZ Group 2022	Austria 2023	Austria 2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	**MWh/MEUR**	**895**	**1,088**	**1,045**	**1,190**
Net revenue from activities in high climate impact sectors	MEUR	798.7	682.6	45.9	53.7
Total energy consumption inside the organisation per reference gross leasable area	**MWh/sqm**	**0.086**	**0.075**	**0.104**	**0.014**
Total energy consumption outside the organisation per reference gross leasable area	**MWh/sqm**	**0.124**	**0.142**	**0.137**	**0.246**
Total energy consumption per reference gross leasable area	**MWh/sqm**	**0.210**	**0.217**	**0.241**	**0.259**
Total reference gross leasable area	sqm	3,406,431	3,416,967	198,847	246,357

Energy consumption and mix (inside the organisation)	Unit	Germany 2023	Germany 2022	Poland 2023	Poland 2022
(1) Fuel consumption from coal and coal products	MWh	0	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	0	0	0	0
(3) Fuel consumption from natural gas	MWh	0	0	2,697	2,186
(4) Fuel consumption from other fossil sources	MWh	0	0	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	0	181	24,559	27,547
(a) Electricity	MWh	0	181	8,635	12,585
(b) Heat and cooling	MWh	0	0	15,923	14,962
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**0**	**181**	**27,256**	**29,733**
Share of fossil sources in total energy consumption	%	0.0	50.0	56.8	63.6
(7) Consumption from nuclear sources	**MWh**	**0**	**n. a.**	**0**	**n. a.**
Share of consumption from nuclear sources in total energy consumption	%	0.0	n. a.	0.0	n. a.
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**0**	**10,826**	**24,343**	**31,986**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	2,752	181	20,722	17,042
(a) Electricity	MWh	2,752	181	20,722	17,042
(b) Heat and cooling	MWh	0	0	0	0
(10) Consumption of self-generated non-fuel renewable energy	MWh	41	0	0	0
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	**2,793**	**181**	**20,722**	**17,042**
Share of consumption from renewable sources in total energy consumption	%	100.0	50.0	43.2	36.4
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**7,173**	**2,257**	**16,431**	**9,850**
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	**2,793**	**361**	**47,979**	**46,775**
Total energy consumption inside and outside the organisation	**MWh**	**9,966**	**13,444**	**88,753**	**88,611**
Self-generated non-renewable energy production	MWh	0	0	0	0
Self-generated renewable energy production	MWh	41	0	0	0

Energy intensity	Unit	Germany 2023	Germany 2022	Poland 2023	Poland 2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	**MWh/MEUR**	**428**	**731**	**896**	**941**
Net revenue from activities in high climate impact sectors	MEUR	23.3	18.4	99.1	94.2
Total energy consumption inside the organisation per reference gross leasable area	**MWh/sqm**	**0.032**	**0.005**	**0.120**	**0.123**
Total energy consumption outside the organisation per reference gross leasable area	**MWh/sqm**	**0.082**	**0.179**	**0.102**	**0.110**
Total energy consumption per reference gross leasable area	**MWh/sqm**	**0.114**	**0.184**	**0.222**	**0.232**
Total reference gross leasable area	sqm	87,652	73,201	400,173	381,463

		Czech Republic		Hungary	
Energy consumption and mix (inside the organisation)	**Unit**	**2023**	**2022**	**2023**	**2022**
(1) Fuel consumption from coal and coal products	MWh	0	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	0	0	0	14
(3) Fuel consumption from natural gas	MWh	6,252	4,995	382	4,555
(4) Fuel consumption from other fossil sources	MWh	0	0	0	38
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	3,505	2,934	0	4,530
(a) Electricity	MWh	274	263	0	2,070
(b) Heat and cooling	MWh	3,231	2,671	0	2,460
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**9,757**	**7,929**	**382**	**9,137**
Share of fossil sources in total energy consumption	%	54.5	60.4	8.9	51.7
(7) Consumption from nuclear sources	**MWh**	**161**	**n. a.**	**0**	**n. a.**
Share of consumption from nuclear sources in total energy consumption	%	0.9	n. a.	0.0	n. a.
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**16,642**	**11,529**	**4,482**	**27,850**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	7,918	5,193	3,912	8,544
(a) Electricity	MWh	7,918	5,193	2,705	6,684
(b) Heat and cooling	MWh	0	0	1,207	1,860
(10) Consumption of self-generated non-fuel renewable energy	MWh	53	0	0	0
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	**7,971**	**5,193**	**3,912**	**8,544**
Share of consumption from renewable sources in total energy consumption	%	44.6	39.6	91.1	48.3
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**14,502**	**19,217**	**21,344**	**4,043**
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	**17,889**	**13,123**	**4,295**	**17,680**
Total energy consumption inside and outside the organisation	**MWh**	**49,033**	**43,869**	**30,120**	**49,573**
Self-generated non-renewable energy production	MWh	0	0	0	0
Self-generated renewable energy production	MWh	53	0	0	0

		Czech Republic		Hungary	
Energy intensity	**Unit**	**2023**	**2022**	**2023**	**2022**
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	**MWh/MEUR**	**876**	**962**	**863**	**1,022**
Net revenue from activities in high climate impact sectors	MEUR	56.0	45.6	34.9	48.5
Total energy consumption inside the organisation per reference gross leasable area	**MWh/sqm**	**0.063**	**0.056**	**0.025**	**0.069**
Total energy consumption outside the organisation per reference gross leasable area	**MWh/sqm**	**0.110**	**0.132**	**0.153**	**0.124**
Total energy consumption per reference gross leasable area	**MWh/sqm**	**0.173**	**0.188**	**0.178**	**0.193**
Total reference gross leasable area	sqm	283,409	232,935	169,268	256,693

Energy consumption and mix (inside the organisation)	Unit	Romania 2023	Romania 2022	Slovakia 2023	Slovakia 2022
(1) Fuel consumption from coal and coal products	MWh	0	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	0	0	8	2
(3) Fuel consumption from natural gas	MWh	3,500	3,285	4,620	4,458
(4) Fuel consumption from other fossil sources	MWh	0	0	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	4,275	6,473	6,353	2,827
(a) Electricity	MWh	3,908	6,473	593	590
(b) Heat and cooling	MWh	367	0	5,760	2,236
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**7,775**	**9,758**	**10,981**	**7,286**
Share of fossil sources in total energy consumption	%	25.8	35.1	36.1	29.1
(7) Consumption from nuclear sources	**MWh**	**971**	**n. a.**	**898**	**n. a.**
Share of consumption from nuclear sources in total energy consumption	%	3.2	n. a.	3.0	n. a.
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**41,999**	**69,518**	**13,970**	**6,345**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	21,445	18,029	18,544	17,797
(a) Electricity	MWh	21,445	18,029	18,544	17,797
(b) Heat and cooling	MWh	0	0	0	0
(10) Consumption of self-generated non-fuel renewable energy	MWh	0	0	0	0
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	**21,445**	**18,029**	**18,544**	**17,797**
Share of consumption from renewable sources in total energy consumption	%	71.0	64.9	61.0	71.0
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**66,654**	**49,846**	**11,369**	**10,312**
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	**30,190**	**27,787**	**30,423**	**25,084**
Total energy consumption inside and outside the organisation	**MWh**	**138,844**	**147,151**	**55,763**	**41,741**
Self-generated non-renewable energy production	MWh	0	0	0	0
Self-generated renewable energy production	MWh	0	0	0	0

Energy intensity	Unit	Romania 2023	Romania 2022	Slovakia 2023	Slovakia 2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	**MWh/MEUR**	**1,578**	**1,952**	**1,066**	**1,182**
Net revenue from activities in high climate impact sectors	MEUR	88.0	75.4	52.3	35.3
Total energy consumption inside the organisation per reference gross leasable area	**MWh/sqm**	**0.092**	**0.084**	**0.118**	**0.097**
Total energy consumption outside the organisation per reference gross leasable area	**MWh/sqm**	**0.329**	**0.362**	**0.099**	**0.065**
Total energy consumption per reference gross leasable area	**MWh/sqm**	**0.421**	**0.446**	**0.217**	**0.162**
Total reference gross leasable area	sqm	329,912	329,567	257,207	257,267

		Adriatic		S IMMO	
Energy consumption and mix (inside the organisation)	**Unit**	**2023**	**2022**	**2023**	**2022**
(1) Fuel consumption from coal and coal products	MWh	0	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	158	0	484	2,420
(3) Fuel consumption from natural gas	MWh	2,958	11	49,576	49,873
(4) Fuel consumption from other fossil sources	MWh	0	0	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	1,985	759	29,587	34,115
(a) Electricity	MWh	1,369	759	3,175	1,603
(b) Heat and cooling	MWh	616	0	26,412	32,512
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**5,101**	**770**	**79,647**	**86,408**
Share of fossil sources in total energy consumption	%	61.2	55.3	61.0	71.2
(7) Consumption from nuclear sources	**MWh**	**0**	**n. a.**	**1,597**	**n. a.**
Share of consumption from nuclear sources in total energy consumption	%	0.0	n. a.	1.2	n. a.
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**16,654**	**34,244**	**61,649**	**78,925**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	2,811	623	49,022	34,638
(a) Electricity	MWh	2,811	623	49,022	34,638
(b) Heat and cooling	MWh	0	0	0	0
(10) Consumption of self-generated non-fuel renewable energy	MWh	427	0	257	309
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	**3,238**	**623**	**49,279**	**34,947**
Share of consumption from renewable sources in total energy consumption	%	38.8	44.7	37.8	28.8
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**28,739**	**17,890**	**48,087**	**40,247**
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	**8,339**	**1,393**	**130,523**	**121,355**
Total energy consumption inside and outside the organisation	**MWh**	**53,732**	**53,526**	**240,258**	**240,527**
Self-generated non-renewable energy production	MWh	0	0	2,165	482
Self-generated renewable energy production	MWh	427	0	432	399

		Adriatic		S IMMO	
Energy intensity	**Unit**	**2023**	**2022**	**2023**	**2022**
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	**MWh/MEUR**	**857**	**1,050**	**714**	**923**
Net revenue from activities in high climate impact sectors[1]	MEUR	62.7	51.0	336.5	260.5
Total energy consumption inside the organisation per reference gross leasable area	**MWh/sqm**	**0.024**	**0.004**	**0.098**	**0.092**
Total energy consumption outside the organisation per reference gross leasable area	**MWh/sqm**	**0.129**	**0.165**	**0.083**	**0.090**
Total energy consumption per reference gross leasable area	**MWh/sqm**	**0.153**	**0.169**	**0.181**	**0.182**
Total reference gross leasable area	sqm	350,944	315,842	1,329,019	1,323,643

[1] Net revenue for S IMMO includes revenue from hotel operations which is reported as “income from owner-operated properties” in IMMOFINANZ’s consolidated financial statements.

Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions

		IMMOFINANZ Group			S IMMO		
GHG emissions	**Unit**	**2023**	**2022**	**Base year 2019**	**2023**	**2022**	**Base year 2019**
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	t CO_2eq	18,189	18,134	13,788	11,554	12,337	11,001
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	t CO_2eq	24,491	26,407	39,999	8,525	8,115	13,479
Gross market-based Scope 2 GHG emissions	t CO_2eq	21,629	23,472	42,601	8,369	8,806	14,967
Significant Scope 3 GHG emissions							
Total gross indirect Scope 3 GHG emissions	t CO_2eq	169,074	201,208	317,472	50,835	58,689	56,154
1. Purchased goods and services	t CO_2eq	17,742	13,082	13,003	2,008	2,115	2,130
2. Capital goods	t CO_2eq	31,901	28,938	28,938	8,511	8,511	8,511
3. Fuel and energy-related activities	t CO_2eq	98,437	140,709	258,525	34,065	40,944	41,058
4. Upstream transportation and distribution	t CO_2eq	2,316	763	763	618	618	618
5. Waste generated in operations	t CO_2eq	12,076	13,264	12,788	3,403	4,062	1,302
6. Business traveling	t CO_2eq	91	788	788	74	77	77
7. Employee commuting	t CO_2eq	169	300	300	63	103	103
8. Upstream leased assets	t CO_2eq	0	0	0	0	0	0
9. Downstream transportation	t CO_2eq	0	0	0	0	0	0
10. Processing of sold products	t CO_2eq	0	0	0	0	0	0
11. Use of sold products	t CO_2eq	69	72	56	35	61	45
12. End-of-life treatment of sold products	t CO_2eq	0	0	0	0	0	0
13. Downstream leased assets	t CO_2eq	5,569	2,550	1,569	1,355	1,456	1,569
14. Franchises	t CO_2eq	0	0	0	0	0	0
15. Investments	t CO_2eq	703	742	742	703	742	742
Proportion of emissions calculated from primary data	%	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
Total GHG emissions							
Total GHG emissions (location-based)	**t CO_2eq**	**203,516**	**244,551**	**356,038**	**59,326**	**67,005**	**74,969**
Total GHG emissions (market-based)	**t CO_2eq**	**208,891**	**242,815**	**373,862**	**70,758**	**79,833**	**82,121**

		IMMOFINANZ Group			S IMMO		
GHG intensity	**Unit**	**2023**	**2022**	**Base year 2019**	**2023**	**2022**	**Base year 2019**
Total GHG emissions (location-based) per net revenue	**t CO_2eq/ MEUR**	**254.8**	**358.3**	**617.0**	**176.3**	**257.2**	**356.3**
Total GHG emissions (market-based) per net revenue	**t CO_2eq/ MEUR**	**261.5**	**355.7**	**647.9**	**210.3**	**306.5**	**390.3**
Net revenue[1]	MEUR	798.8	682.6	577.1	336.5	260.5	210.4
Total GHG emissions (location-based) per reference gross leasable area	**t CO_2eq/sqm**	**0.060**	**0.072**	**0.116**	**0.045**	**0.051**	**0.076**
Total GHG emissions (market-based) per reference gross leasable area	**t CO_2eq/sqm**	**0.061**	**0.071**	**0.122**	**0.053**	**0.060**	**0.084**
Total reference gross leasable area	sqm	3,406,431	3,401,055	3,057,070	1,329,019	1,323,643	983,246

[1] Net revenue for S IMMO includes revenue from hotel operations which is reported as "income from owner-operated properties" in IMMOFINANZ's consolidated financial statements.

Water consumption

Water consumption	Unit	IMMOFINANZ Group 2023	IMMOFINANZ Group 2022	Austria 2023	Austria 2022
Total water consumption	**m^3**	**1,995,231**	**2,019,900**	**73,118**	**77,550**
Total water consumption in areas at material water risk	m^3	423,640	557,901	0	0
Total water reused and recycled	m^3	0	0	0	0
Total water stored	m^3	112,849	117,449	0	0
Share of water consumption derived from direct measurement	%	25.6	4.0	100.0	0.0

Water intensity	Unit	IMMOFINANZ Group 2023	IMMOFINANZ Group 2022	Austria 2023	Austria 2022
Total water consumption per net revenue	**m^3/MEUR**	**2,498.2**	**2,959.2**	**1,593.0**	**1,444.1**
Net revenue	MEUR	798.7	682.6	45.9	53.7
Total water consumption per reference gross leasable area	**m^3/sqm**	**0.6**	**0.6**	**0.4**	**0.3**
Total reference gross leasable area	sqm	3,406,431	3,416,967	198,847	246,357

Resource outflows waste

Resource outflows – Waste	Unit	IMMOFINANZ Group 2023	IMMOFINANZ Group 2022	Austria 2023	Austria 2022
Total waste generated	**t**	**38,189.8**	**39,491.8**	**1,712.5**	**2,473.1**
Total hazardous waste generated	t	829.2	388.4	241.9	60.0
Total radioactive waste generated	t	0.0	0.0	0.0	0.0
Total non-hazardous waste generated	t	37,360.6	39,103.5	1,470.6	2,413.1
Total non-hazardous waste recovery	t	14,336.4	15,484.2	443.1	1,096.8
Preparation for reuse	t	284.6	629.8	0.0	0.0
Recycling	t	14,046.4	14,845.1	443.1	1,096.8
Other recovery operations	t	5.4	9.3	0.0	0.0
Total non-hazardous waste disposal	t	23,024.2	23,619.4	1,027.5	1,316.4
Total incineration	t	4,638.0	4,165.8	1,025.1	1,313.2
Incineration with energy recovery	t	4,240.4	3,829.3	1,025.1	1,313.2
Incineration without energy recovery	t	397.7	336.5	0.0	0.0
Landfilling	t	17,188.2	18,157.5	0.0	0.0
Other disposal operations	t	1,197.9	1,296.0	2.4	3.2
Total non-recycled waste	**t**	**23,853.4**	**24,007.8**	**1,269.4**	**1,376.4**
Share of non-recycled waste of total waste generated	%	62.4	60.8	74.1	55.6

Water consumption	Unit	Germany 2023	Germany 2022	Poland 2023	Poland 2022
Total water consumption	**m^3**	**364,089**	**364,651**	**188,160**	**187,560**
Total water consumption in areas at material water risk	m^3	0	0	0	0
Total water reused and recycled	m^3	0	0	0	0
Total water stored	m^3	0	0	50	1,150
Share of water consumption derived from direct measurement	%	100.0	0.0	45.9	16.6

Water intensity	Unit	Germany 2023	Germany 2022	Poland 2023	Poland 2022
Total water consumption per net revenue	**m^3/MEUR**	**15,626.1**	**19,818.0**	**1,898.7**	**1,991.1**
Net revenue	MEUR	23.3	18.4	99.1	94.2
Total water consumption per reference gross leasable area	**m^3/sqm**	**4.2**	**5.0**	**0.5**	**0.5**
Total reference gross leasable area	sqm	87,652	73,201	400,173	381,463

Resource outflows – Waste	Unit	Germany 2023	Germany 2022	Poland 2023	Poland 2022
Total waste generated	**t**	**3,186.2**	**3,179.2**	**2,066.5**	**1,998.4**
Total hazardous waste generated	t	0.0	0.0	21.8	27.8
Total radioactive waste generated	t	0.0	0.0	0.0	0.0
Total non-hazardous waste generated	t	3,186.2	3,179.2	2,044.7	1,970.8
Total non-hazardous waste recovery	t	1,345.2	1,345.2	996.1	909.4
Preparation for reuse	t	0.0	0.0	0.0	0.0
Recycling	t	1,345.2	1,345.2	996.1	909.4
Other recovery operations	t	0.0	0.0	0.0	0.0
Total non-hazardous waste disposal	t	1,841.0	1,834.0	1,048.6	1,061.4
Total incineration	t	1,841.0	1,834.0	229.6	220.0
Incineration with energy recovery	t	1,841.0	1,834.0	6.6	6.6
Incineration without energy recovery	t	0.0	0.0	222.9	213.3
Landfilling	t	0.0	0.0	814.0	761.5
Other disposal operations	t	0.0	0.0	5.0	79.9
Total non-recycled waste	**t**	**1,841.0**	**1,834.0**	**1,070.4**	**1,089.2**
Share of non-recycled waste of total waste generated	%	57.8	57.7	51.8	54.8

		Czech Republic		Hungary	
Water consumption	**Unit**	**2023**	**2022**	**2023**	**2022**
Total water consumption	**m^3**	**111,180**	**94,921**	**62,161**	**110,132**
Total water consumption in areas at material water risk	m^3	0	0	0	0
Total water reused and recycled	m^3	0	0	0	0
Total water stored	m^3	0	0	0	0
Share of water consumption derived from direct measurement	%	22.5	1.9	0.0	0.0

		Czech Republic		Hungary	
Water intensity	**Unit**	**2023**	**2022**	**2023**	**2022**
Total water consumption per net revenue	**m^3/MEUR**	**1,985.4**	**2,081.6**	**1,781.1**	**2,270.8**
Net revenue	MEUR	56.0	45.6	34.9	48.5
Total water consumption per reference gross leasable area	**m^3/sqm**	**0.4**	**0.4**	**0.4**	**0.4**
Total reference gross leasable area	sqm	283,409	232,935	169,268	256,693

		Czech Republic		Hungary	
Resource outflows – Waste	**Unit**	**2023**	**2022**	**2023**	**2022**
Total waste generated	**t**	**1,987.6**	**1,021.9**	**3,218.6**	**4,059.3**
Total hazardous waste generated	t	122.2	95.9	129.5	157.0
Total radioactive waste generated	t	0.0	0.0	0.0	0.0
Total non-hazardous waste generated	t	1,865.4	926.0	3,089.1	3,902.2
Total non-hazardous waste recovery	t	797.6	439.3	2,363.3	2,976.2
Preparation for reuse	t	25.6	2.0	0.0	518.1
Recycling	t	772.0	437.3	2,363.3	2,458.1
Other recovery operations	t	0.0	0.0	0.0	0.0
Total non-hazardous waste disposal	t	1,067.9	486.7	725.8	926.0
Total incineration	t	185.8	184.0	83.2	264.6
Incineration with energy recovery	t	79.0	79.0	43.4	252.4
Incineration without energy recovery	t	106.8	105.1	39.8	12.1
Landfilling	t	882.1	289.9	263.0	281.4
Other disposal operations	t	0.0	12.7	379.6	380.1
Total non-recycled waste	**t**	**1,190.1**	**582.6**	**855.3**	**1,083.0**
Share of non-recycled waste of total waste generated	%	59.9	57.1	26.6	26.7

Water consumption	Unit	Romania 2023	Romania 2022	Slovakia 2023	Slovakia 2022
Total water consumption	**m^3**	**244,408**	**214,991**	**99,593**	**67,412**
Total water consumption in areas at material water risk	m^3	89,950	52,313	0	0
Total water reused and recycled	m^3	0	0	0	0
Total water stored	m^3	10	0	112,282	116,299
Share of water consumption derived from direct measurement	%	4.9	0.0	62.5	48.0

Water intensity	Unit	Romania 2023	Romania 2022	Slovakia 2023	Slovakia 2022
Total water consumption per net revenue	**m^3/MEUR**	**2,777.4**	**2,851.3**	**1,904.3**	**1,909.7**
Net revenue	MEUR	88.0	75.4	52.3	35.3
Total water consumption per reference gross leasable area	**m^3/sqm**	**0.7**	**0.7**	**0.4**	**0.3**
Total reference gross leasable area	sqm	329,912	329,567	257,207	257,267

Resource outflows – Waste	Unit	Romania 2023	Romania 2022	Slovakia 2023	Slovakia 2022
Total waste generated	**t**	**5,104.4**	**6,821.1**	**3,023.5**	**1,372.6**
Total hazardous waste generated	t	0.0	0.0	142.6	35.2
Total radioactive waste generated	t	0.0	0.0	0.0	0.0
Total non-hazardous waste generated	t	5,104.4	6,821.1	2,880.9	1,337.4
Total non-hazardous waste recovery	t	861.3	1,047.7	1,633.9	482.3
Preparation for reuse	t	0.0	0.0	232.0	87.3
Recycling	t	861.3	1,047.7	1,396.4	385.8
Other recovery operations	t	0.0	0.0	5.4	9.3
Total non-hazardous waste disposal	t	4,243.1	5,773.4	1,247.1	855.0
Total incineration	t	5.3	5.3	113.7	43.5
Incineration with energy recovery	t	5.3	5.3	113.7	43.5
Incineration without energy recovery	t	0.0	0.0	0.0	0.0
Landfilling	t	3,431.8	4,947.9	1,133.4	811.6
Other disposal operations	t	806.0	820.1	0.0	0.0
Total non-recycled waste	**t**	**4,243.1**	**5,773.4**	**1,389.6**	**890.2**
Share of non-recycled waste of total waste generated	%	83.1	84.6	46.0	64.9

		Adriatic		S IMMO	
Water consumption	**Unit**	**2023**	**2022**	**2023**	**2022**
Total water consumption	**m^3**	**146,287**	**152,634**	**706,236**	**750,048**
Total water consumption in areas at material water risk	m^3	29,513	34,225	304,177	471,363
Total water reused and recycled	m^3	0	0	0	0
Total water stored	m^3	507	0	0	0
Share of water consumption derived from direct measurement	%	68.0	0.0	6.8	0.0

		Adriatic		S IMMO	
Water intensity	**Unit**	**2023**	**2022**	**2023**	**2022**
Total water consumption per net revenue	**m^3/MEUR**	**2,333.1**	**2,992.8**	**2,099.0**	**2,879.4**
Net revenue	MEUR	62.7	51.0	336.5	260.5
Total water consumption per reference gross leasable area	**m^3/sqm**	**0.4**	**0.5**	**0.5**	**0.6**
Total reference gross leasable area	sqm	350,944	315,842	1,329,019	1,323,643

		Adriatic		S IMMO	
Resource outflows – Waste	**Unit**	**2023**	**2022**	**2023**	**2022**
Total waste generated	**t**	**7,047.6**	**7,290.4**	**10,842.9**	**11,275.8**
Total hazardous waste generated	t	0.0	0.0	171.2	12.5
Total radioactive waste generated	t	0.0	0.0	0.0	0.0
Total non-hazardous waste generated	t	7,047.6	7,290.4	10,671.6	11,263.3
Total non-hazardous waste recovery	t	823.4	1,136.0	5,072.6	6,051.1
Preparation for reuse	t	8.5	0.0	18.5	22.4
Recycling	t	814.9	1,136.0	5,054.2	6,028.8
Other recovery operations	t	0.0	0.0	0.0	0.0
Total non-hazardous waste disposal	t	6,224.2	6,154.3	5,599.0	5,212.1
Total incineration	t	145.3	145.3	1,009.1	156.0
Incineration with energy recovery	t	139.3	139.3	987.0	156.0
Incineration without energy recovery	t	6.0	6.0	22.1	0.0
Landfilling	t	6,079.0	6,009.1	4,585.0	5,056.1
Other disposal operations	t	0.0	0.0	4.9	0.0
Total non-recycled waste	**t**	**6,224.2**	**6,154.3**	**5,770.2**	**5,224.6**
Share of non-recycled waste of total waste generated	%	88.3	84.4	53.2	46.3

EPRA Sustainability Performance Measures (Environment) – impact per core market

EPRA Sustainability Performance Measures (Environment) – impact per core market					IMMOFINANZ Group			Austria		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	500,810	413,471	-2.3	33,421	17,944	-2.9
				Share of electricity from renewable sources in %	70.2	70.7	29.4	50.1	7.2	-2.3
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	85,798	68,523	-9.1	11,654	6,302	-6.0
				Proportion of district heating and cooling from renewable sources in %	7.5	8.5	378.2	0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	139,512	114,583	-2.8	3,081	3,081	40.7
				Proportion of fuels from renewable sources in %	0	0		0	0	
	Energy-Int	kWh/(m² pa)	Intensity	Whole building	212	221	-2.9	212	212	-0.1
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrigerants	18,145	14,569	13.8	798	745	692.8
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	134,719	106,519	-28.9	1,816	912	-42.0
	GHG-Int	t CO_2eq/(m² pa)	Intensity	Direct and indirect	0.044	0.045	-25.3	0.013	0.013	-0.6
Water	Water-Abs, Water-LfL	m³ pa		Building operation	2,109,100	1,805,370	4.7	73,118	35,536	34.4
				Share of water obtained from other sources in %	23.7	27.7	-1.5	0	0	
	Water-Int	m³/(m² pa)	Intensity	Whole building	0.625	0.668	5.0	0.276	0.276	34.5
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	38,194	31,273	-3.5	1,712	1,315	-20.7
				Share of waste diverted from landfill in %	52.8	52.7	7.7	85.9	94.2	-5.8
Certifications	Cert-Tot			Number of certified assets	92	70	14.8	9	9	800.0
				Proportion of the portfolio's gross leasable area in %	42.6	46.6	9.5	31.5	64.9	409.7

EPRA Sustainability Performance Measures (Environment) – impact per core market

					Germany			Poland		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	4,715	3,726	-47.3	64,230	61,477	-2.7
				Share of electricity from renewable sources in %	100.0	100.0	263.4	57.8	56.0	31.5
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	5,251	4,596	1.0	20,467	19,779	-2.1
				Proportion of district heating and cooling from renewable sources in %	100.0	100.0		0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	0	0		4,502	4,267	4.6
				Proportion of fuels from re-newable sources in %	0	0		0	0	
	Energy-Int	kWh/(sqm pa)	Intensity	Whole building	114	126	-28.4	223	228	-2.3
Greenhouse gas emis-sions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrig-erants	30	19	67.9	1,359	1,358	29.1
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and dis-trib.; water; waste; refriger-ant refills	284	247	-94.9	31,792	31,378	-24.2
	GHG-Int	t CO_2eq/(sqm pa)	Intensity	Direct and indi-rect	0.004	0.004	-94.5	0.083	0.087	-22.9
Water	Water-Abs, Water-LfL	m^3 pa		Building operation	364,089	362,466	1.3	188,210	183,585	-1.2
				Share of water obtained from other sources in %	98.0	98.5	-1.3	0.0	0.0	1.2
	Water-Int	m^3/(sqm pa)	Intensity	Whole building	4.154	5.496	1.3	0.470	0.489	-1.2
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	3,186	2,852	0.2	2,066	1,868	-2.7
				Share of waste diverted from landfill in %	100.0	100.0		59.6	60.4	-3.6
Certifica-tions	Cert-Tot			Number of certi-fied assets	3	2		11	11	
				Proportion of the portfolio's gross leasable area in %	100.0	100.0		74.8	79.8	0.0

EPRA Sustainability Performance Measures (Environment) – impact per core market

					Czech Republic			Hungary		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	35,036	24,331	-5.5	24,049	21,340	-10.0
				Share of electricity from renewable sources in %	64.1	83.0	2.3	100.0	100.0	
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	6,469	3,262	-6.7	1,207	1,207	-9.6
				Proportion of district heating and cooling from renewable sources in %	0	0		100.0	100.0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	8,355	7,135	-3.0	5,399	4,974	-26.9
				Proportion of fuels from renewable sources in %	0	0		0	0	
	Energy-Int	kWh/(sqm pa)	Intensity	Whole building	174	183	-5.0	181	203	-13.6
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrigerants	1,303	1,241	10.4	180	102	-6.3
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	13,594	5,674	-8.5	2,074	1,820	-83.1
	GHG-Int	t CO_2eq/(sqm pa)	Intensity	Direct and indirect	0.050	0.037	-5.4	0.013	0.014	-82.3
Water	Water-Abs, Water-LfL	m^3 pa		Building operation	111,180	90,500	17.1	62,161	52,813	-2.8
				Share of water obtained from other sources in %	0	0		0	0	
	Water-Int	m^3/(sqm pa)	Intensity	Whole building	0.391	0.478	17.3	0.367	0.389	-2.9
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	1,988	744	4.9	3,219	2,913	-0.9
				Share of waste diverted from landfill in %	49.5	69.9	-3.1	87.8	92.4	0.0
Certifications	Cert-Tot			Number of certified assets	6	5		0	0	
				Proportion of the portfolio's gross leasable area in %	21.5	34.2	0.2	0	0	

EPRA Sustainability Performance Measures (Environment) – impact per core market

					Romania			Slovakia		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	113,576	113,576	-3.7	39,501	34,799	31.7
				Share of electricity from renewable sources in %	77.6	77.6	34.8	75.7	73.9	-26.1
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	900	900		6,733	5,943	-2.6
				Proportion of district heating and cooling from renewable sources in %	0	0		0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	27,048	27,048	-16.5	10,576	9,417	42.9
				Proportion of fuels from renewable sources in %	0	0		0	0	
	Energy-Int	kWh/(sqm pa)	Intensity	Whole building	429	429	-6.0	215	213	32.9
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrigerants	1,064	1,064	12.7	1,037	1,034	-2.9
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	17,370	17,370	-32.8	7,486	6,642	59.1
	GHG-Int	t CO_2eq/(sqm pa)	Intensity	Direct and indirect	0.056	0.056	-31.2	0.032	0.033	51.9
Water	Water-Abs, Water-LfL	m^3 pa		Building operation	244,418	244,418	13.7	211,875	200,893	12.3
				Share of water obtained from other sources in %	12.1	12.1	142.0	53.0	55.9	-14.0
	Water-Int	m^3/(sqm pa)	Intensity	Whole building	0.741	0.741	13.6	0.818	0.853	16.4
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	5,104	5,104	-25.2	3,023	2,188	114.9
				Share of waste diverted from landfill in %	32.8	32.8	19.3	57.8	46.6	130.7
Certifications	Cert-Tot			Number of certified assets	10	10	42.9	0	0	
				Proportion of the portfolio's gross leasable area in %	73.9	73.9	30.99	0	0	

EPRA Sustainability Performance Measures (Environment) – impact per core market

					Adriatic			S IMMO		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	46,487	36,831	-8.6	139,795	99,447	-1.0
				Share of electricity from renewable sources in %	57.7	72.8	74.6	68.9	68.5	2.2
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	1,149	1,149	-28.2	31,967	25,385	-19.1
				Proportion of district heating and cooling from renewable sources in %	0	0		0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	6,750	4,563	-11.0	73,801	54,097	1.3
				Proportion of fuels from renewable sources in %	0	0		0	0	
	Energy-Int	kWh/(sqm pa)	Intensity	Whole building	157	148	-10.3	182.479	187	-3.1
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrigerants	840	737	5,466.1	11,534	8,270	-1.4
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	13,872	8,665	-52.2	46,430	33,811	-8.6
	GHG-Int	t CO_2eq/(sqm pa)	Intensity	Direct and indirect	0.042	0.033	-48.6	0.041	0.044	-7.0
Water	Water-Abs, Water-LfL	m^3 pa		Building operation	146,794	121,295	-12.5	707,256	513,864	4.7
				Share of water obtained from other sources in %	0.3	0.4		0.1	0	
	Water-Int	m^3/(sqm pa)	Intensity	Whole building	0.425	0.421	-13.2	0.527	0.538	5.1
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	7,048	5,686	-8.2	10,847	8,603	3.6
				Share of waste diverted from landfill in %	13.7	10.7	-17.6	56.1	55.1	13.5
Certifications	Cert-Tot			Number of certified assets	19	18	-10.0	34	15	
				Proportion of the portfolio's gross leasable area in %	49.1	57.1	-7.2	41.2	35.3	-2.0

EPRA Sustainability Performance Measures (Environment) – impact per asset class

EPRA Sustainability Performance Measures (Environment) – impact per asset class					IMMOFINANZ Group			Office		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	500,810	413,471	-2.3	130,461	113,985	-2.8
				Share of electricity from renewable sources in %	70.2	70.7	29.4	97.2	96.8	32.9
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	85,798	68,523	-9.1	36,697	30,690	0.3
				Proportion of district heating and cooling from renewable sources in %	7.5	8.5	378.2	14.3	15.0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	139,512	114,583	-2.8	25,137	25,126	-12.3
				Proportion of fuels from re-newable sources in %	0	0		0	0	
	Energy-Int	kWh/(sqm pa)	Intensity	Whole building	212	221	-2.9	267	274	-3.8
Greenhouse gas emis-sions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrig-erants	18,145	14,569	13.8	2,474	2,407	67.8
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and dis-trib.; water; waste; refriger-ant refills	134,719	106,519	-28.9	15,547	14,596	-52.7
	GHG-Int	t CO_2eq/(sqm pa)	Intensity	Direct and indi-rect	0.044	0.045	-25.3	0.027	0.027	-47.3
Water	Water-Abs, Water-LfL	m^3 pa		Building operation	2,109,100	1,805,370	4.7	646,669	607,403	10.8
				Share of water obtained from other sources in %	23.7	27.7	-1.5	59.8	63.6	-5.2
	Water-Int	m^3/(sqm pa)	Intensity	Whole building	0.625	0.668	5.0	0.949	0.980	10.8
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	38,194	31,273	-3.5	5,514	4,782	-21.7
				Share of waste diverted from landfill in %	52.8	52.7	7.7	79.7	80.0	17.4
Certifica-tions	Cert-Tot			Number of certi-fied assets	92	70	14.8	24	23	15.0
				Proportion of the portfolio's gross leasable area in %	42.6	46.6	9.5	64.1	77.3	9.0

EPRA Sustainability Performance Measures (Environment) – impact per asset class

					Retail			S IMMO		
					Total	Like-for-like		Total	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	in % YoY	2023	2023	in % YoY
Energy	Elec-Abs, Elec-LfL	MWh pa	Electricity	Building operation	230,554	200,039	-2.7	139,795	99,447	-1.0
				Share of electricity from renewable sources in %	52.7	32.4		68.9	68.5	2.2
	DH&C-Abs, DH&C-LfL		District heating and cooling	Building operation	17,133	12,448	-7.0	31,967	25,385	-19.1
				Proportion of district heating and cooling from renewable sources in %	7.0	9.7	-2.7	0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	40,574	35,360	-1.5	73,801	54,097	1.3
				Proportion of fuels from renewable sources in %	0	0		0	0	
	Energy-Int	kWh/(sqm pa)	Intensity	Whole building	210	220	-2.2	182	187	-3.1
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO_2eq pa	Direct	Fuels and refrigerants	4,137	3,892	30.8	11,534	8,270	-1.4
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	72,741	58,112	-29.2	46,430	33,811	-8.6
	GHG-Int	t CO_2eq/(sqm pa)	Intensity	Direct and indirect	0.056	0.055	-26.7	0.041	0.044	-7.0
Water	Water-Abs, Water-LfL	m^3 pa		Building operation	755,175	684,103	-0.3	707,256	513,864	4.7
				Share of water obtained from other sources in %	14.9	16.5	-2.8	0.1	0	
	Water-Int	m^3/(sqm pa)	Intensity	Whole building	0.554	0.606	0.2	0.527	0.538	5.1
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	21,833	17,888	-0.6	10,847	8,603	3.6
				Share of waste diverted from landfill in %	32.0	29.2	2.3	56.1	55.1	13.5
Certifications	Cert-Tot			Number of certified assets	34	32	23.1	34	15	
				Proportion of the portfolio's gross leasable area in %	32.4	39.2	20.8	41.2	35.3	-2.0

Indicators on socially sustainable workplaces and employee satisfaction at IMMOFINANZ Group

Employee characteristics

Total number of employees by gender[1]	2023 IMMOFINANZ Group	2023 thereof S IMMO	2022 IMMOFINANZ Group	2022 thereof S IMMO	Change in IMMOFINANZ Group in %
Total number of employees	**237**	**100**	**300**	**130**	**-21.0**
thereof female	131	50	167	70	-21.6
thereof male	106	50	133	60	-20.3
thereof other	0	0	0	0	0.0
thereof not reported	0	0	0	0	0.0

[1] Headcount as of 31 December excluding Executive Board and dormant employees

Total number of employees by country[1]	2023 IMMOFINANZ Group	2023 thereof S IMMO	2022 IMMOFINANZ Group	2022 thereof S IMMO	Change in IMMOFINANZ Group in %
Total number of employees	**237**	**100**	**300**	**130**	**-21.0**
thereof Austria	159	39	197	46	-19.3
thereof Germany	77	60	81	66	-4.9
thereof Czech Republic	0	0	0	0	0.0
thereof Hungary	0	0	11	11	-100.0
thereof Poland	0	0	0	0	0.0
thereof Romania	0	0	5	5	-100.0
thereof Slovakia	0	0	0	0	0.0
thereof Croatia	1	1	3	2	-66.7
thereof Italy	0	0	3	0	-100.0
thereof Serbia	0	0	0	0	0.0
thereof Slovenia	0	0	0	0	0.0

[1] Headcount as of 31 December excluding Executive Board and dormant employees

Total number of employees by contract type and gender[1,2]	2023				
	IMMOFINANZ Group			thereof S IMMO	
	Total	Female	Male	Female	Male
Total number of employees	**237**	**131**	**106**	**50**	**50**
Breakdown by contract type					
thereof permanent	222	124	98	48	47
thereof temporary	15	7	8	2	3
Breakdown by employment type					
thereof non-guaranteed hours	0	0	0	0	0
thereof full-time	174	82	92	37	43
thereof part-time	63	49	14	13	7

[1] Headcount as of 31 December excluding Executive Board and dormant employees
[2] In the reporting year, no employees made use of the options "other" or "not reported" to indicate their gender, which is why only the categories "female" and "male" are shown in the presentation of employee data.

Total numbers of employees by contract type by country[1,2]	2023						
	IMMOFINANZ Group				thereof S IMMO		
	Total	Austria	Germany	Croatia	Austria	Germany	Croatia
Total number of employees	**237**	**159**	**77**	**1**	**39**	**60**	**1**
Breakdown by contract type							
thereof permanent	222	155	66	1	39	55	1
thereof temporary	15	4	11	0	0	5	0
Breakdown by employment type							
thereof non-guaranteed hours	0	0	0	0	0	0	0
thereof full-time	174	122	51	1	34	45	1
thereof part-time	63	37	26	0	5	15	0

[1] Headcount as of 31 December excluding Executive Board and dormant employees
[2] As of 31 December, IMMOFINANZ°Group had employees in the countries Austria, Germany and Croatia. For calculation purposes, employees in additional countries in 2022 were summed up under "other countries".

	2022					
	IMMOFINANZ Group			thereof S IMMO		Change in IMMOFINANZ Group in %
Total number of employees by contract type and gender[1,2]	Total	Female	Male	Female	Male	
Total number of employees	**300**	**167**	**133**	**70**	**60**	**-21.0**
Breakdown by contract type						
thereof permanent	297	164	133	69	60	-25.3
thereof temporary	3	3	0	1	0	≥ 100.0
Breakdown by employment type						
thereof non-guaranteed hours	0	0	0	0	0	0.0
thereof full-time	243	119	124	52	54	-28.4
thereof part-time	57	48	9	18	6	10.5

	2022									
	IMMOFINANZ Group					thereof S IMMO				Change in IMMO-FINANZ Group in %
Total number of employees by contract type by country[1,2]	Total	Austria	Germany	Croatia	Other countries	Austria	Germany	Croatia	Other countries	
Total number of employees	**300**	**197**	**81**	**3**	**19**	**46**	**66**	**2**	**16**	**-21.0**
Breakdown by contract type										
thereof permanent	297	197	79	3	18	46	66	2	15	-25.3
thereof temporary	3	0	2	0	1	0	0	0	1	≥ 100.0
Breakdown by employment type										
thereof non-guaranteed hours	0	0	0	0	0	0	0	0	0	0.0
thereof full-time	243	163	61	3	16	36	55	2	13	-28.4
thereof part-time	57	34	20	0	3	10	11	0	3	10.5

New employees and employee turnover

New employees & employee turnover	2023							
	IMMOFINANZ Group				thereof S IMMO			
	New employees	Rate for new hires in %	Departures	Rate of fluctuation in %[1]	New employees	Rate for new hires in %	Departures	Rate of fluctuation in %[1]
Total number	**43**	**18.1**	**107**	**34.8**	**15**	**15.0**	**51**	**31.0**
Breakdown by gender[2]								
thereof female	25	58.1	63	58.9	9	60.0	32	54.8
thereof male	18	41.9	44	41.1	6	40.0	19	45.2
Breakdown by age group								
thereof under 30 years	19	44.2	22	20.6	10	66.7	7	19.4
thereof 30–50 years	21	48.8	59	55.1	4	26.7	30	48.4
thereof over 50 years	3	7.0	26	24.3	1	6.7	14	32.3
Breakdown by country[3]								
thereof Austria	36	83.7	77	72.0	9	60.0	22	51.6
thereof Germany	7	16.3	13	12.1	6	40.0	12	38.7
thereof Croatia	0	0.0	1	0.9	0	0.0	1	3.2
thereof other countries	0	0.0	16	15.0	0	0.0	16	6.5

[1] The rate of fluctuation is calculated using the Confederation of German Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände) formula and does not distinguish between voluntary and involuntary departures (departures/average headcount in the period). Change of used formula in 2023: in previous years the Schlüter-Formula was used (exits/employees as of 1.1. + entries) and starting with the 2023 financial year: exits/average employees throughout the period.
[2] Headcount as of 31 December excluding Executive Board and dormant employees
[3] As of 31 December, IMMOFINANZ°Group had employees in the countries Austria, Germany and Croatia. For calculation purposes, employees in additional countries in 2022 were summed up under "other countries".

Collective bargaining coverage and social dialogue by country

Collective bargaining coverage and social dialogue by country	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with over 50 empl. representing over 10% total empl.)	Employees – Non EEA (estimate for regions with over 50 empl. representing over 10% total empl)	Workplace representation (EEA only) (for countries with over 50 empl. representing over 10% total empl)
0–19%	Germany, Croatia		Germany, Croatia
20–39%			
40–59%			
60–79%			
80–100%	Austria		Austria

	2022							
	IMMOFINANZ Group				thereof S IMMO			
New employees & employee turnover	New employees	Rate for new hires in %	Departures	Rate of fluctuation in %[1]	New employees	Rate for new hires in %	Departures	Rate of fluctuation in %[1]
Total number	**85**	**28.3**	**111**	**25.4**	**22**	**16.2**	**19**	**14.0**
Breakdown by gender[2]								
thereof female	51	60.0	57	51.4	11	50.0	6	31.6
thereof male	34	40.0	54	48.6	11	50.0	13	68.4
Breakdown by age group								
thereof under 30 years	29	34.1	31	27.9	7	31.8	4	21.1
thereof 30–50 years	45	52.9	66	59.5	9	40.9	8	42.1
thereof over 50 years	11	12.9	14	12.6	6	27.3	7	36.8
Breakdown by country[3]								
thereof Austria	38	44.7	41	36.9	8	36.4	3	15.8
thereof Germany	15	17.6	20	18.0	11	50.0	15	79.0
thereof Croatia	3	3.5	0	0.0	0	0.0	0	0.0
thereof other countries	29	34.1	50	45.0	3	13.6	1	5.3

EPRA diversity indicators

	2023				2022				
	IMMOFINANZ Group		thereof S IMMO[1]		IMMOFINANZ Group[2]		thereof S IMMO		Change in IMMO FINANZ Group in %
Employee diversity	Number of employees	Total number in %	Number of employees	Total number in %	Number of employees	Total number in %	Number of employees	Total number in %	
Executive Board	**4**	**100**	**2**	**50**	**3**	**100.0**	**2**	**66.7**	**33.3**
By gender									
thereof female	2	50.0	1	50.0	1	33.3	0	0.0	100
thereof male	2	50.0	1	50.0	2	66.7	2	100.0	0.0
By age group									
thereof under 30 years	0	0.0	0	0.0	0	0.0	0	0.0	0.0
thereof 30–50 years	1	25.0	0	0.0	0	0.0	0	0.0	100.0
thereof over 50 years	3	75.0	2	100.0	3	100.0	2	100.0	0.0
Top management	**6**	**2.5**	**4**	**4**	**6**	**2.0**	**6**	**4.6**	**0.0**
By gender									
thereof female	4	66.7	2	50.0	3	50.0	3	50.0	33.3
thereof male	2	33.3	2	50.0	3	50.0	3	50.0	-33.3
By age group									
thereof under 30 years	0	0.0	0	0.0	0	0.0	0	0.0	0
thereof 30–50 years	4	66.7	2	50.0	3	50.0	3	50.0	33.3
thereof over 50 years	2	33.3	2	50.0	3	50.0	3	50.0	-33.3
Middle management	**30**	**12.7**	**19**	**19**	**48**	**16.0**	**8**	**6.2**	**-37.5**
By gender									
thereof female	7	23.3	6	31.6	14	29.2	3	33.3	-50.0
thereof male	23	76.7	13	68.4	34	70.8	5	66.7	-32.4
By age group									
thereof under 30 years	1	3.3	1	5.3	2	4.2	0	0.0	-50
thereof 30–50 years	19	63.3	11	57.9	35	72.9	4	55.6	-45.7
thereof over 50 years	10	33.3	7	36.8	11	22.9	4	44.4	-9.1
Entry-level management	**18**	**7.6**	**0**	**0**	**0**	**0.0**	**0**	**0.0**	**100.0**
By gender									
thereof female	7	38.9	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
thereof male	11	61.1	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
By age group									
thereof under 30 years	1	5.6	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
thereof 30–50 years	17	94.4	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
thereof over 50 years	0	0.0	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.
Non-management level	**183**	**77.2**	**77**	**77.0**	**246**	**82.0**	**116**	**89.2**	**-25.6**
By gender									
thereof female	113	61.7	42	54.6	150	61.0	64	55.2	-24.7
thereof male	70	38.3	35	45.5	96	39.0	52	44.8	-27.1
By age group									
thereof under 30 years	43	23.5	16	20.8	55	22.4	15	12.9	-21.8
thereof 30–50 years	101	55.2	33	42.9	138	56.1	63	54.3	-26.8
thereof over 50 years	39	21.3	28	36.4	53	21.5	38	32.8	-26.4
Percentage of top management in total number of employees		**2.5**				**n. a.**			

[1] S IMMO entry-level management employees in 2023 included in middle management.
[2] IMMOFINANZ top management 2022 included in middle management; entry-level management employees 2022 included middle management due to a change in the reporting structure 2023.

EPRA Training and skills development metrics

	2023				2022				
	IMMOFINANZ Group		thereof S IMMO		IMMOFINANZ Group		thereof S IMMO		Change in total hours/ HC in %
Training hours	**Total hours**	**Per employee**	**Total hours**	**Per employee**	**Total hours**	**Per employee**	**Total hours**	**Per employee**	
Total	**3,221**	**14**	**1,006**	**10**	**2,630**	**16**	**n. a.**	**n. a.**	**n. a.**
By gender[1]									
thereof female	2,071	16	522	10	1,358	14	n. a.	n. a.	n. a.
thereof male	1,151	11	484	10	1,272	17	n. a.	n. a.	n. a.
By age group[2]									
thereof < 30 years	602	21	n. a.	n. a.	499	12	n. a.	n. a.	79.0
thereof 30–50 years	1,381	15	n. a.	n. a.	1,795	17	n. a.	n. a.	-14.5
thereof > 50 years	233	17	n. a.	n. a.	337	16	n. a.	n. a.	4.0
By employee category[3]									
thereof top management	67	11	13	3	0	0	n. a.	n. a.	n. a.
thereof middle management	416	14	215	15	862	22	n. a.	n. a.	n. a.
thereof entry-level management	203	11	34	7	0	0	n. a.	n. a.	n. a.
thereof non-management level	2,536	14	744	10	1,768	14	n. a.	n. a.	n. a.

[1] Breakdown by gender 2022 only includes IMMOFINANZ data.
[2] Breakdown by age group 2022 and 2023 only includes data from IMMOFINANZ.
[3] Breakdown by employee category 2022 includes only IMMOFINANZ data.

Health and safety

Health and safety[1]	**IMMOFINANZ Group[2]**	**thereof S IMMO**
Percentage of total employees who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines in %	100.0	100.0
Number of work-related accidents	1	0
Number of cases of work-related illness	1	1
Number of work-related injuries	1	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0
Number of fatalities as a result of work-related injuries and work-related ill health	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	165	165
Number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data	0	0
Computing rate of work-related injuries[3]	2.6	0.0

[1] Numbers refer to employees only because of non-material number of non-employees.
[2] Comparables to be presented from the following year on.
[3] In computing the rate of work-related injuries, the undertaking shall divide the respective number of cases by the number of total hours worked by people in its own workforce and multiplied by 1,000,000. Thereby, these rates represent the number of respective cases per one million hours worked. A rate based on 1,000,000 hours worked indicates the number of work-related injuries per 500 full-time people in the workforce over a 1-year timeframe. For comparability purposes a rate based on 1,000,000 hours worked shall be used also for undertaking with less than 500 people in the workforce.

Occupational health and safety employees	2023		2022	
	IMMOFINANZ Group	thereof S IMMO	IMMOFINANZ Group	thereof S IMMO
Number of work-related accidents	1	0	4	2
Accident frequency rate in %[1]	0.0	0.0	0.0	n. a.
Total lost days[2]	165	165	0	0
Lost day rate in %[3]	0.0	0.1	0.0	0.0
Absences in days[4]	1,943	956	2,677	1,329
Absentee rate in %[5]	4.0	4.9	3.9	n. a.
Work-related fatalities	0	0	0	0

[1] Number of work-related accidents/total hours worked; 2022 only includes data for IMMOFINANZ
[2] Number of sick days due to work-related accidents
[3] Number of sick days due to work-related accidents/total hours worked
[4] Number of days of absence due to illness (work-related accidents and illnesses)
[5] Number of days of absence due to illness/total number of working days; 2022 only includes data for IMMOFINANZ

Work-life balance

Work-life balance	2023		2022		
Parental leave	IMMOFINANZ Group	thereof S IMMO	IMMOFINANZ Group	thereof S IMMO	Change in IMMOFINANZ Group in %
Total number of employees that were entitled to parental leave	**227**	**100**	**293**	**127**	**-22.5**
thereof female	126	50	164	67	-23.2
thereof male	101	50	129	60	-21.7
Total number of employees that took parental leave	**17**	**3**	**18**	**5**	**-5.6**
thereof female	16	3	16	5	0.0
thereof male	1	0	2	0	-50.0
Proportion of employees entitled to parental leave in relation to the total number of employees in %	**96**	**100**	**98**	**98**	**-1.9**
thereof female	56	50	56	53	-0.8
thereof male	44	50	44	47	1.1
Proportion of employees who have taken parental leave out of the total number of employees in %	**7**	**3**	**6**	**4**	**19.5**
thereof female	94	100	89	100	5.9
thereof male	6	0	11	0	-47.1
Total number of employees that returned to work in the reporting period after parental leave ended	**9**	**3**	**7**	**1**	**28.6**
thereof female	7	2	4	0	75.0
thereof male	2	1	3	1	-33.3
Total number of employees that returned to work after parental leave ended that were still employed twelve months after their return to work	**5**	**0**	**11**	**2**	**-54.5**
thereof female	5	0	10	2	-50.0
thereof male	0	0	1	0	-100.0
Return to work rate in %	**75**	**50**	**100**	**100**	**-25.0**
thereof female	78	67	57	0	36.1
thereof male	22	33	43	100	-48.1
Retention rate in %	**36**	**0**	**88**	**100**	**-59.2**
thereof female	100	0	91	100	10.0
thereof male	0	0	9	0	-100.0

EPRA index

This sustainability report has been prepared in accordance with the principles and criteria of the sustainability reporting framework "EPRA Sustainability Best Practices Recommendations Guidelines – Third Version September 2017" of the European Public Real Estate Association (EPRA). The description of the Overall Recommendations can be found in the section "Basis for preparation" on page 115.

EPRA Code		Page	Note
Green buildings and environment			
Elec-Abs	Total electricity consumption	p. 128ff	
Elec-LfL	Like-for-like total electricity consumption	p. 128ff	
DH&C-Abs	Total district heating & cooling consumption	p. 128ff	
DH&C-LfL	Like-for-like total district heating & cooling consumption	p. 128ff	
Fuels-Abs	Total fuel consumption	p. 128ff	
Fuels-LfL	Like-for-like total fuel consumption	p. 128ff	
Energy-Int	Building energy intensity	p. 128ff	
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	p. 128ff	
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	p. 128ff	
GHG-Int	Greenhouse gas (GHG) emissions intensity from building energy consumption	p. 128ff	
Water-Abs	Total water consumption	p. 128ff	
Water-LfL	Like-for-like total water consumption	p. 128ff	
Water-Int	Building water intensity	p. 128ff	
Waste-Abs	Total weight of waste by disposal route	p. 128ff	
Waste-LfL	Like-for-like total weight of waste by disposal route	p. 128ff	
Tenants			
Cert-Tot	Type and number of sustainably certified assets	p. 128ff	
H&S-Asset	Asset health and safety assessments	p. 106	
H&S-Comp	Asset health and safety compliance		There is currently no uniform recording of incidents of non-compliance; reporting is under development. A qualitative description is given on page 106.
Employees			
Diversity-Emp	Employee gender diversity	p.140	
Diversity-Pay	Gender pay ratio	p. 110	
Emp-Training	Training and development	p. 141	
Emp-Dev	Employee performance appraisals	p 108	
Emp-Turnover	Employee turnover and retention	p. 138f	
H&S-Emp	Employee health and safety	p. 142	
Company			
Gov-Board	Composition of the highest governance body	p.36f	
Gov-Select	Nominating and selecting the highest governance body	p. 37f	
Gov-Col	Process for managing conflicts of interest	p. 39	

GRI index

This non-financial statement has been prepared in accordance with the principles and criteria of the Global Reporting Initiative's internationally recognised Sustainability Reporting Framework. This report has been prepared in accordance with the GRI standards. This document refers to the selective disclosures of the GRI standards listed in the following index:

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
The organisation and its reporting practices				
	GRI 2-1	Organisational details		
	GRI 2-1	Location of its headquarters		IMMOFINANZ AG Wienerbergstrasse 9 1100 Vienna Austria
	GRI 2-2	Entities included in the organisation's sustainability reporting	p. 115	
	GRI 2-3	Reporting period, frequency and contact point		01 01 2023–31 12 2023, yearly, esg@immofinanz.com Publication date: 27 03 2024
	GRI 2-4	Restatements of information		All environmental indicators for 2022 were recalculated using the standardised Group-wide methodology with the inclusion of S IMMO. Due to a methodological discrepancy, the sick leave, absenteeism and turnover rates for 2022 were corrected to be comparable with 2023. A standardised method was used in 2023. Gender pay gap 2022 was corrected.
	GRI 2-5	External assurance		Not applicable as no external assurance will take place.
Activities and workers				
	GRI 2-6	Activities, value chain and other business relationships	p. 83f, p. 114f	
	GRI 2-7	Employees	p.107ff, p. 135ff	
	GRI 2-8	Workers who are not employees		Not material as there are only 2 non-employees.
Governance				
	GRI 2-9	Governance structure and composition		See corporate governance report in the annual report 2023.
	GRI 2-10	Nomination and selection of the highest governance body		See corporate governance report in the annual report 2023.
	GRI 2-11	Chair of the highest governance body		See corporate governance report in the annual report 2023.
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts		See corporate governance report in the annual report 2023.
	GRI 2-13	Delegation of responsibility for managing impacts	p. 85	See corporate governance report in the annual report 2023.
	GRI 2-14	Role of the highest governance body in sustainability reporting	P. 85	
	GRI 2-15	Conflicts of interest		See corporate governance report in the annual report 2023.
	GRI 2-16	Communication of critical concerns		In accordance with the Stock Corporation Act, critical issues can be communicated in the Supervisory Board meetings. See the rules of procedure of the Executive and Supervisory Board.
	GRI 2-17	Collective knowledge of the highest governance body		See corporate governance report in the annual report 2023.
	GRI 2-18	Evaluation of the performance of the highest governance body		See corporate governance report in the annual report 2023.
	GRI 2-19	Remuneration policies		See compensation report on IMMOFINANZ website https://immofinanz.com.

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Governance				
	GRI 2-20	Process to determine remuneration		See corporate governance report in the annual report 2023.
	GRI 2-21	Annual total compensation ratio		See compensation report on IMMOFINANZ website https://immofinanz.com.
Strategy, policies and practices				
	GRI 2-22	Statement on sustainable development strategy	p. 83	
	GRI 2-23	Policy commitments	p. 83, p. 88ff, p. 94, p. 115	
	GRI 2-23	b. ii. the categories of stakeholders, including at-risk or vulnerable groups, that the organisation gives particular attention to in the commitment		See the Human Rights Policy Statement starting on page 90.
	GRI 2-23	c. provide links to the policy commitments		Human Rights Policy Statement https://immofinanz.com/en/sustainability, IMMOFINANZ website https://immofinanz.com
	GRI 2-24	Embedding policy commitments	p. 90f, p. 94, p. 96, p. 98, p. 100, p. 105, p. 106, p. 107, p. 111, p. 114	
	GRI 2-25	Processes to remediate negative impacts	P. 92, P. 115	
	GRI 2-25	d. describe how the stakeholders who are the intended users of the grievance mechanisms are involved in the design, review, operation, and improvement of these mechanisms		Not relevant. To date, no stakeholders have been involved in the design, review, operation and improvement of the whistleblower system.
	GRI 2-25	e. describe how the organisation tracks the effectiveness of the grievance mechanisms and other remediation processes, and report examples of their effectiveness, including stakeholder feedback		Not relevant. To date, no stakeholder feedback has been obtained in relation to the whistleblower system.
	GRI 2-26	Mechanisms for seeking advice and raising concerns	p. 90	
	GRI 2-27	Compliance with laws and regulations		Not relevant. There were no violations of laws and regulations in the 2023 financial year.
	GRI 2-28	Membership associations	p. 88f	
Stakeholder engagement				
	GRI 2-29	Approach to stakeholder engagement	p. 87f	
	GRI 2-30	Collective bargaining agreements	p. 112	

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
	GRI 3-1	Process to determine material topics	p. 86	
	GRI 3-2	List of material topics	p. 86	
Governance body				
	GRI 3-3	Management of material topics	p. 85	
	GRI 2-9	Governance structure and composition		See corporate governance report in the annual report 2023.
	GRI 2-10	Nomination and selection of the highest governance body		See corporate governance report in the annual report 2023.
	GRI 2-15	Conflicts of interest		See corporate governance report in the annual report 2023.
Business compliance and ethics				
	GRI 3-3	Management of material topics	p. 90	
	GRI 3-3	d. ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
	GRI 3-3	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
GRI 207: Tax 2019	GRI 207-1	Approach to tax	p. 92f	
	GRI 207-2	Tax governance, control, and risk management	p. 92f	
	GRI 207-3	Stakeholder engagement and management of concerns related to tax		
	GRI 207-4	Country-by-country reporting		Country-by-country reporting (CbCR) is carried out by CPIPG for the entire Group.
Anti-bribery and anti-corruption				
	GRI 3-3	Management of material topics	p. 92f	
	GRI 3-3	d. ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
	GRI 3-3	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
Anti-bribery and anti-corruption				
GRI 205: Anti-corruption 2016	GRI 205-1	Operations assessed for risks related to corruption	p. 89	
	GRI 205-1	a. Total number and percentage of operations assessed for risks related to corruption.		See risk report in the 2023 annual report starting on page 99.
	GRI 205-2	Communication and training about anti-corruption policies and procedures	p. 92f	
	GRI 205-2	c. Total number and percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region.		The information is not yet available. Development of a Supplier Code of Conduct completed in FY 2023.
	GRI 205-3	Confirmed incidents of corruption and actions taken	p. 92	
GRI 206: Anti-competitive Behavior 2016	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	p. 92	
GRI 207: Tax 2019	GRI 207-1	Approach to tax	p. 92f	
	GRI 207-2	Tax governance, control, and risk management	p. 92f	
	GRI 207-3	Stakeholder engagement and management of concerns related to tax	p. 92f	
	GRI 207-4	Country-by-country reporting		Country-by-country reporting (CbCR) is carried out by CPIPG for the entire Group.
GRI 415: Public Policy 2016	GRI 415-1	Political contributions	p. 94	
Data protection and data safety				
	GRI 3-3	Management of material topics	p. 94	
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
	GRI 3-3	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
GRI 418: Customer Privacy 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 95	
Risk management				
	GRI 3-3	Management of material topics	p. 95	See risk report in the annual report 2023 starting on page 74.

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
CO_2 reduction				
	GRI 3-3	Management of material topics	p. 96	
GRI 305: Emissions 2016	GRI 305-1	Direct (Scope 1) GHG emissions	p. 97	
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	p. 97	
	GRI 305-3	Other indirect (Scope 3) GHG emissions	p. 97	
	GRI 305-4	GHG emissions intensity	p. 97	
CRE 3		Greenhouse gas intensity of buildings	p. 128ff	
Energy efficiency				
	GRI 3-3	Management of material topics	p. 98	
GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organisation	p. 117ff	
	GRI 302-3	Energy intensity	p. 117ff	
	GRI 302-4	Reduction of energy consumption		The information is not yet available. Smart meter rollout is planned for FY 2025.
Renewable energy				
	GRI 3-3	Management of material topics	p. 100	
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
	GRI 3-3	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)		The information is not yet available. The project started in FY 2022. The evaluation is planned for the coming years.
GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organisation	p. 117ff	
	GRI 302-3	Energy intensity	p. 117ff	
	GRI 302-4	Reduction of energy consumption		The information is not yet available. Smart meter rollout is planned for FY 2025.
CRE 1		Energy intensity of buildings	p. 128ff	
CRE 8		Sustainability certifications	p. 128ff	
Cert-Tot		Type and number of sustainably certified assets	p. 128ff	
Circularity & life cycle management				
	GRI 3-3	Management of material topics	p. 101	
	GRI 3-3	d. ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 306: Waste 2020	GRI 306-1	Waste generation and significant waste-related impacts		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 306-2	Management of significant waste-related impacts		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 306-3	Waste generated	p. 123ff	
	GRI 306-4	Waste diverted from disposal	p. 123ff	
	GRI 306-5	Waste directed to disposal	p. 123ff	

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
Circularity & life cycle management				
GRI 303: Water and Effluents 2018	GRI 303-1	Interactions with water as a shared resource	p. 123ff	
	GRI 303-1	b. A description of the approach used to identify water-related impacts, including the scope of assessments, their timeframe, and any tools or methodologies used		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 303-1	c. A description of how water-related impacts are addressed, including how the organisation works with stakeholders to steward water as a shared resource, and how it engages with suppliers or customers with significant water-related impacts		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 303-1	d. An explanation of the process for setting any water-related goals and targets that are part of the organisation's approach to managing water and effluents, and how they relate to public policy and the local context of each area with water stress		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 303-3	Water withdrawal	p. 123ff	
CRE 2		Water intensity of buildings	p. 128ff	
Green mobility				
	GRI 3-3	Management of material topics	p. 102	
	GRI 3-3	d. describe actions taken to manage the topic and related impacts		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	e. i. processes used to track the effectiveness of the actions		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures;		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
Own indicator		Number of charging stations	p. 102	
Biodiversity & responsible land use				
	GRI 3-3	Management of material topics	p. 103	
	GRI 3-3	d. i. actions to prevent or mitigate potential negative impacts		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	d. ii. actions to address actual negative impacts, including actions to provide for or cooperate in their remediation		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
Biodiversity & responsible land use				
GRI 304: Biodiversity 2016	GRI 304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 304-2	Significant impacts of activities, products and services on biodiversity		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 304-3	Habitats protected or restored		Not relevant. No building permits are issued on protected areas.
	GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		Not relevant. No building permits are issued on protected areas.
Customer focus				
	GRI 3-3	Management of material topics	p. 105	
GRI 416: Customer Health and Safety 2016	GRI 416-1	Assessment of the health and safety impacts of product and service categories	p. 105	
	GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
Socially sustainable living space				
	GRI 3-3	Management of material topics	p. 106	
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 203: Indirect Economic Impacts 2016	GRI 203-1	Infrastructure investments and services supported	p. 102, 106	
Employee development				
	GRI 3-3	Management of material topics	p. 108	
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	f. describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 404: Training and Education 2016	GRI 404-1	Average hours of training per year per employee	p. 109, p. 141	
	GRI 404-2	Programmes for upgrading employee skills and transition assistance programmes	p. 108	
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews	p. 108	

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
Employee development				
GRI 401: Employment 2016	GRI 401-1	New employee hires and employee turnover	p. 112, p. 138f	
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 111	All company benefits are available to all employees, regardless of their employment type.
	GRI 401-3	Parental leave	p. 142	
Diversity, equal opportunity and inclusion				
	GRI 3-3	Management of material topics	p. 109	
	GRI 3-3	b. report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships		Embedded in the company's Code of Conduct. However, no DEI policy is in place yet.
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		The gender pay ratio was analysed in the reporting period and corresponding salary adjustments were made.
GRI 401: Employment 2016	GRI 401-1	New employee hires and employee turnover	p. 112, p. 138f	
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 111	All company benefits are available to all employees, regardless of their employment type.
	GRI 401-3	Parental leave	p. 142	
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1	Diversity of governance bodies and employees	p. 140	
	GRI 405-2	Ratio of basic salary and remuneration of women to men	p. 110	
GRI 406: Non-discrimination 2016	GRI 406-1	Incidents of discrimination and corrective actions taken	p. 110	
Employee satisfaction				
	GRI 3-3	Management of material topics	p. 111	
	GRI 3-3	e. iv. lessons learned and how these have been incorporated into the organisation's operational policies and procedures		Employee survey conducted in 2023, implementation of improvements from 2024.
GRI 401: Employment 2016	GRI 401-1	New employee hires and employee turnover	p. 112, p. 138f	
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 111	All company benefits are available to all employees, regardless of their employment type.
	GRI 401-3	Parental leave	p. 142	

GRI 2	GRI standard	Disclosure	Page	Remarks & omissions
Disclosures on material topics				
Social commitment				
	GRI 3-3	Management of material topics	p. 113	
	GRI 3-3	a. describe the actual and potential, negative and positive impacts on the economy, environment, and people, including impacts on their human rights		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	b. report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	e. iii. the effectiveness of the actions, including progress toward the goals and targets		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 413: Local Communities 2016	GRI 413-1	Operations with local community engagement, impact assessments, and development programmes	p. 113	
Environmental and social impacts along the supply chain				
	GRI 3-3	Management of material topics	p. 114	
	GRI 3-3	b. report whether the organisation is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
	GRI 3-3	e. report the following information about tracking the effectiveness of the actions taken		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 204: Procurement Practices 2016	GRI 204-1	Proportion of spending on local suppliers	p. 114	
GRI 308: Supplier Environmental Assessment 2016	GRI 308-1	New suppliers that were screened using environmental criteria		Supplier Code of Conduct was introduced in 2023.
	GRI 308-2	Negative environmental impacts in the supply chain and actions taken		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 414: Supplier Social Assessment 2016	GRI 414-1	New suppliers that were screened using social criteria		Supplier Code of Conduct was introduced in 2023..
	GRI 414-2	Negative social impacts in the supply chain and actions taken		Supplier Code of Conduct was introduced in 2023.
GRI 408: Child Labour 2016	GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	p. 114	The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.
GRI 409: Forced or Compulsory Labour 2016	GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		The information is not yet available. Measures will be developed depending on the results of the renewed materiality analysis.

Reporting according to Art. 8 of the Taxonomy Regulation of the European Union

Reporting practice

Taxonomy eligibility of IMMOFINANZ Group
IMMOFINANZ Group thoroughly analysed the criteria of the Commission Delegated Regulations (EU) 2021/2139 and (EU) 2022/1214 in a multi-stage process. In this process, only the economic activity under "7.7 Acquisition and ownership of buildings" was identified as a relevant economic activity for the business model of IMMOFINANZ Group in the past financial year. In June 2023, the Delegated Regulations (EU) 2023/2485 and (EU) 2023/2486 were published by the European Commission.

The Commission Delegated Regulation (EU) 2023/2486 defines new technical screening criteria for the four non-climate-related environmental objectives of the EU Environmental Taxonomy. The new screening criteria refer to both economic activities already covered by the EU Environmental Taxonomy and those previously not covered. Moreover, the Commission Delegated Regulation (EU) 2021/2178 on reporting has been amended.

In the Commission Delegated Regulation (EU) 2023/2485, the Commission Delegated Regulation (EU) 2021/2139 is amended with respect to the two climate-related environmental objectives of the EU Taxonomy. It contains new technical screening criteria which also refer to both economic activities already covered by the EU Taxonomy and those not yet covered.

In addition, a "Commission notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation (2023/C 211/01)" (FAQ) was published in June 2023.

The Regulations which entered into force in 2023 and the FAQ were reviewed and analysed in detail. The following changes to taxonomy reporting were identified for IMMOFINANZ Group:

The revenues from S IMMO's hotel operations are reported under "Income from owner-operated properties" in the IMMOFINANZ Group consolidated financial statements. Due to improvements in data collection, data is available for the first time for the activities "7.3 Installation, maintenance and repair of energy efficient equipment" and "7.6 Installation, maintenance and repair of renewable energy technology" so that these categories have also been newly included in reporting.

As the economic activity **"7.7 Acquisition and ownership of buildings"** does not constitute an enabling activity pursuant to Article 16 of Regulation (EU) 2020/852, no revenues may be reported as taxonomy-eligible or taxonomy-aligned under the environmental objective "climate change adaptation"*. In addition, no adaptation solutions for significant physical climate risks have been implemented so far, which is why no capital expenditures (CapEx) or operating expenditures (OpEx) can currently be reported under the above-mentioned environmental objective. Therefore, the entire taxonomy-aligned revenues, capital expenditures (CapEx) and operating expenditures (OpEx) were reviewed for a significant contribution to the environmental objective "climate change mitigation" using the technical screening criteria.

Since the description of economic activity 7.7 and the definition of the technical screening criteria are based on the exercise of ownership of real estate, neither revenues, CapEx nor OpEx in connection with undeveloped land are subsumed under this economic activity. Additions to other intangible assets and other tangible assets are also classified as non-taxonomy-eligible.

With regard to economic activity 7.3, meeting the criteria of Directive 2010/31/EU and, if applicable, classification in the two best energy efficiency classes according to Regulation (EU) 2017/1369 are intended as substantial contributions. To prevent significant harm, the company plans to conduct a climate risk analysis as applied under 7.7 as well as compliance with the generic criteria for DNSH to pollution prevention regarding

* FAQ 18: Draft commission notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of taxonomy-eligible and taxonomy-aligned economic activities and assets (second Commission Notice)

the presence of chemicals. We summarise capital expenditures for the installation of energy-efficient cooling systems under this activity.

Economic activity 7.6 only requires the existence of one of the renewable energy technologies listed for a substantial contribution to climate change mitigation; therefore, heat pumps and photovoltaic systems meet this requirement. A climate risk analysis as applied under 7.7 is planned in order to prevent significant harm. We summarise capital expenditure for the installation of heat pumps and of photovoltaic equipment under this activity.

Taxonomy alignment of IMMOFINANZ Group
IMMOFINANZ Group continued to pursue a conservative and strict assessment approach in the 2023 financial year. IMMOFINANZ Group is aware that a less stringent interpretation of the criteria by other market participants may possibly lead to significantly higher shares of taxonomy-aligned activities.

Economic Activity "7.7 Acquisition and ownership of buildings"
Substantial contribution to climate change mitigation (SC)
When reviewing buildings for a substantial contribution to the environmental objective "climate change mitigation", a distinction was made, in accordance with the technical screening criteria, as to whether or not the application for a building permit for the respective building was submitted before 31 December 2020.

For buildings where an application for a building permit was submitted before 31 December 2020, the first step was to examine whether the energy performance certificate (EPC) of the building shows an energy class. To meet the requirements, the energy performance certificate of the building must show at least energy class A. This assessment method was applied to all countries relevant for IMMOFINANZ Group, with the exception of Poland and Germany. As no energy classes exist in these countries, an alternative calculation method was used here. Instead of the energy class, the primary energy demand (PED) of the building is considered, as is done for buildings for which the building permit application was submitted after 31 December 2020. If the nationally defined threshold value for nearly zero-energy buildings is undercut by at least 10%, this part of the criterion is also considered to be met.

As an alternative to energy efficiency class A, a building can meet the technical screening criteria if it ranks among the top 15% of the national or regional building stock in terms of primary energy demand. For this purpose, a study of CEVRE Consultants s.r.o. commissioned by Česká spořitelna, a.s. was used for buildings in the Czech Republic. This study classifies office buildings of the energy efficiency classes A, B and C (up to primary energy demand of 260 kWh/sqm) as well as retail buildings of the energy classes A, B and C (up to primary energy demand of 545 kWh/sqm) as the top 15% of the national building stock.

Office buildings, retail parks and shopping centers with more than 5,000 sqm of usable space were examined for the existence of heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air conditioning and ventilation with more than 290 kW of power. Where this criterion applies, checks were subsequently carried out to determine whether they are efficiently operated and have a continuous monitoring system.

For buildings for which the building permit application was submitted after 31 December 2020, it must be verified whether the primary energy demand of the respective building is at least 10% below the national threshold for nearly zero-energy buildings. In addition, it must be determined whether the usable space of the building exceeds 5,000 sqm. If this is the case, airtightness of the building envelope and thermal integration upon completion as well the global warming potential (GWP) viewed over the entire life cycle must be demonstrated for each phase of the life cycle in addition to the criterion of efficient operation. Since there are currently no life cycle assessments for these properties, taxonomy alignment cannot yet be shown in this category.

Do no significant harm (DNSH)

In accordance with the requirements of the economic activity "7.7 Acquisition and ownership of buildings", IMMOFINANZ Group conducts a climate risk and vulnerability assessment at the site level in order to prevent significant harm to the environmental objective "climate change adaptation". In doing so, a model of a time horizon until 2050 has been used so far assuming the worst-case scenario (RCP 8.5). Appropriate adaptation plans have been drawn up where necessary.

Commission Delegated Regulation (EU) 2021/2139 does not provide for DNSH criteria for other environmental objectives for the economic activity 7.7.

Economic activities "7.3 Installation, maintenance and repair of energy efficient equipment" and "7.6 Installation, maintenance and repair of renewable energy technology"

Due to improved data collection, taxonomy-aligned capital expenditures can be reported under these economic activities for the first time for the 2023 financial year.

Minimum safeguards (MS)

In its FAQ of June 2023, the European Commission for the first time specified concrete requirements for compliance with the minimum safeguards, which are laid down in Article 18 of Regulation (EU) 2020/852. In addition to the previously required compliance with the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights including the ILO Fundamental Principles and Rights at Work and the International Charter of Human Rights, a connection to the DNSH principle was established in accordance with the Sustainable Finance Disclosure Regulation (SFDR). In this context, the topics of human rights (including labour and consumer rights), anti-bribery and anti-corruption, taxation and fair competition were addressed. On the topic of human rights, IMMOFINANZ Group adheres to the six-step due diligence process to prevent significant harm according to the guidelines within the OECD Guidelines.

Adverse sustainability indicator	Metric	Status IMMOFINANZ Group
Violations of UN Global Compact (UNGC) principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	No violations were reported in the 2023 financial year.
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Lack of policies to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises or lack of grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	The corresponding due diligence processes are in place at IMMOFINANZ Group.
Unadjusted gender pay gap	Average unadjusted gender pay gap	Gender pay gap has been reported since 2020. In the 2023 financial year it amounted to 1.39. For remedies see section "Diversity, equality and inclusion" in the non-financial report.
Board gender diversity	Average ratio of female to male board members in companies, expressed as a percentage of all board members	Diversity is an integral part of non-financial reporting, see p. 140. In the 2023 financial year the ratio is 50%.
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Involvement in the manufacture or selling of controversial weapons	IMMOFINANZ Group is not involved in the manufacture or selling of controversial weapons.

Performance indicators of the EU Taxonomy

The key performance indicators at a glance

	2023				2022			
	IMMOFINANZ Group total in MEUR	Proportion of taxonomy-aligned economic activities in %	Proportion of taxonomy-eligible economic activities (non-taxonomy-aligned) in %	Proportion of non-taxonomy-eligible economic activities in %	IMMOFINANZ Group total in MEUR	Proportion of taxonomy-aligned economic activities in %	Proportion of taxonomy-eligible economic activities (non-taxonomy-aligned) in %	Proportion of non-taxonomy-eligible economic activities in %
Turnover	727.0	20.9	78.9	0.1	422.2	14.2	85.7	0.1
Capital expenditures (CapEx)	951.7	40.7	58.6	0.7	3,702.3	7.4	92.2	0.4
Operational expenditures (OpEx)	29.6	13.7	85.5	0.8	25.6	12.0	87.9	0.0

The complete tables on Art. 2 no. 2 Commission Delegated Regulation 2021/2178 can be found on pages 153ff.

Revenues
The proportion of taxonomy-aligned economic activities in total revenues was calculated as the part of net revenues derived from products and services associated with taxonomy-aligned economic activities (numerator), divided by net revenues (denominator), each for the financial year from 1 January 2023 to 31 December 2023.

In accordance with the Delegated Act on Art. 8 of the EU Taxonomy, the revenue KPI is based on the consolidated revenues of IMMOFINANZ Group (see the consolidated income statement in the consolidated financial statements of the 2023 annual report) and relates primarily to rental income and operating costs charged to tenants. The numerator of the revenue KPI is based on the taxonomy-aligned proportion of the economic activity "7.7 Acquisition and ownership of buildings" with reference to making a substantial contribution to the environmental objective "climate change mitigation" and is broken down into the following items:

in MEUR	2023	2022
Revenues from contracts with customers	190.6	118.6
Revenues from leases	533.6	300.2
Other revenues	2.7	3.4
IMMOFINANZ Group	**727.0**	**422.2**

The increase in total revenues is caused by the first-time consolidation of S IMMO.

Capital expenditures (CapEx)
The key performance indicator capital expenditure (CapEx) is defined as the proportion of taxonomy-aligned capital expenditures (numerator) divided by IMMOFINANZ Group's total capital expenditures (denominator).

The denominator comprises additions to investment property, property under construction, owner-operated property, other tangible assets and intangible assets for the 2023 financial year before depreciation and amortisation and revaluations. In the 2023 financial year, no additions resulting from business combinations which could have been taken into account for the denominator occurred. Our total capital expenditures essentially correspond to the sum of additions including changes in the scope of consolidation in accordance with the statement of changes in fixed assets (see 4.1 and 4.2 in the consolidated financial statements). Differences result from including additions to owner-operated property, other tangible assets and intangible assets in the denominator of the CapEx KPI which are not presented separately in the notes. The numerator includes capital expenditures related to assets or processes that are associated with taxonomy-aligned proportions of economic activity 7.7. Here, IMMOFINANZ Group considers capital expenditures that are material to maintaining and performing the economic activity. The principle of allocation here is the generation of external revenues through the economic activity "7.7 Acquisition and ownership of buildings". Consequently, all capital expenditures in taxonomy-aligned properties are considered in the numerator of the performance indicator.

IMMOFINANZ Group analysed the requirements for a CapEx plan, and came to the decision not to prepare a CapEx plan in the 2023 financial year. This is because prior to preparing the CapEx plan it must be ensured that any upgrading measures can actually guarantee meeting the criteria to make a substantial contribution to one of the environmental objectives. The aim is therefore to prepare a CapEx plan in the 2024 financial year.

Due to the continuous improvement in data collection, CapEx category C can be shown in 2023 for the first time. In order to avoid double counting of capital expenditures, IMMOFINANZ Group only recognised capital expenditures under category C which are not related to taxonomy-aligned properties. Capital expenditures relating to taxonomy-aligned buildings are recognised under category A.

The numerator of taxonomy-aligned capital expenditures can be broken down as follows in accordance with Annex 1 of the Commission Delegated Regulation (EU) 2021/2178:

in MEUR	2023	2022
IAS 16 Property, plant and equipment	8.2	0.0
IAS 40 Investment property	379.2	275.6
IFRS 16 Leases (>12 months)	**0.0**	**0.0**
IMMOFINANZ Group	**387.4**	**275.6**
thereof resulting from changes in the scope of consolidation	**354.7**	**232.5**

The increase in total capital expenditures is caused by the first-time consolidation of S IMMO.

Operating expenditure (OpEx)

The key performance indicator operating expenditure (OpEx) is defined as the proportion of taxonomy-aligned operating expenditures (numerator) divided by total operating expenditures (denominator). The classification of the operating expenditures can be derived analogously from the categories of capital expenditures.

Total operating expenditures consist of non-capitalised costs that relate to building renovation measures, maintenance and repair as well as any other direct expenditures in connection with the day-to-day servicing of investment property, property under construction and owner-operated property.

The numerator of taxonomy-aligned operating expenditure can be broken down as follows pursuant to Annex 1 of the Commission Delegated Regulation (EU) 2021/2178:

in MEUR	2023	2022
Costs related to building renovation measures	0.3	0.4
Maintenance and repair costs	3.0	2.7
S IMMO	0.8	0.0
IMMOFINANZ Group	**4.1**	**3.1**

The increase in total operating expenditures is caused by the first-time consolidation of S IMMO.

We exclude direct training costs from the denominator and the numerator. The reason is that Annex I of the Delegated Act on the disclosure only lists these costs for the numerator, which does not allow for a mathematically meaningful calculation of the OpEx KPI.

Template: Proportion of turnover from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2023

2023				Substantial contribution criteria					
Economic activities	Code (a)	Turnover	Proportion of turnover 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)
		in MEUR	in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings (e)	CCM 7.7	152.1	20.9	Y	N	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		**152.1**	**20.9**	**20.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which transitional		0.0	0.0	0.0					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)									
				EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %
Acquisition and ownership of buildings (e)	CCM 7.7	573.8	78.9	EL	EL	N/EL	N/EL	N/EL	N/EL
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**573.8**	**78.9**	**78.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
A. Turnover of taxonomy-eligible activities (A.1 + A.2)		**725.9**	**99.9**	**99.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
B. Taxonomy-non-eligible activities									
Turnover of taxonomy-non-eligible activities		**1.0**	**0.1**						
Total		**727.0**	**100.0**						

The explanations to the footnotes can be found after the template for the proportion of OpEx.

DNSH criteria (do no significant harm) (h)									
Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safe-guards	Proportion of taxonomy-aligned (A.1) or eligible (A.2) turnover 2022	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
Y	Y	Y	Y	Y	Y	Y	14.2	-	-
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**14.2**		
Y	Y	Y	Y	Y	Y	Y	0.0	E	
Y	Y	Y	Y	Y	Y	Y	0.0		T
							85.7		
							85.7		
							99.9		

Template: Proportion of CapEx from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2023

2023				Substantial contribution criteria					
Economic activities	Code (a)	CapEx	Proportion of CapEx 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)
		in MEUR	in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Installation, maintenance and repair of energy efficiency equipment (d)	CCM 7.3	2.6	0.3	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	5.5	0.6	Y	N	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings (e)	CCM 7.7	379.2	39.8	Y	N	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**387.4**	**40.7**	**40.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which transitional		0.0	0.0	0.0					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)									
				EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %
Acquisition and ownership of buildings (e)	CCM 7.7	557.8	58.6	EL	EL	N/EL	N/EL	N/EL	N/EL
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**557.8**	**58.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
A. CapEx of taxonomy-eligible activities (A.1 + A.2)		**945.2**	**99,3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
B. Taxonomy-non-eligible activities									
CapEx of taxonomy-non-eligible activities (B)		**6.5**	**0.7**						
Total		**951.7**	**100.0**						

The explanations to the footnotes can be found after the template for the proportion of OpEx.

DNSH criteria (do no significant harm) (h)									
Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safe-guards	Proportion of taxon-omy-aligned (A.1) or eli-gible (A.2) turnover 2022	Category (enabling activity)	Category (transitional activity)
Y/N	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**in %**	**E**	**T**
Y	Y	Y	Y	Y	Y	Y	0.0	E	
Y	Y	Y	Y	Y	Y	Y	0.0		T
Y	Y	Y	Y	Y	Y	Y	7.4		
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.4**		
Y	Y	Y	Y	Y	Y	Y	0.00	E	
Y	Y	Y	Y	Y	Y	Y	0.00		T
							92.2		
							92.2		
							99.6		

Template: Proportion of OpEx from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2023

2023				Substantial contribution criteria					
Economic activities	Code (a)	OpEx	Proportion of OpEx 2023	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)
		in MEUR	in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %	Y; N; N/EL (b) (c) in %
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings (e)	CCM 7.7	4.1	13.7	Y	N	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**4.1**	**13.7**	**13.7**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
of which enabling		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which transitional		0.0	0.0	0.0					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)									
				EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %	EL; N/EL (f) in %
Acquisition and ownership of buildings (e)	CCM 7.7	25.3	85.5	EL	EL	N/EL	N/EL	N/EL	N/EL
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		**25.3**	**85.5**	**85.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
A. OpEx of taxonomy-eligible activities (A.1 + A.2)		**29.4**	**99.2**	**99.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
B. Taxonomy-non-eligible activities									
OpEx of taxonomy-non-eligible activities (B)		**0.2**	**0.8**						
Total		**29.6**	**100.0**						

The explanations of the footnotes can be found after of this table.

DNSH criteria (do no significant harm) (h)									
Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water (WTR)	Pollution (PPC)	Circular economy (CE)	Biodiversity (BIO)	Minimum safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) OpEx 2022	Category (enabling activity)	Category (transitional activity)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	in %	E	T
Y	Y	Y	Y	Y	Y	Y	12.0		
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**12.0**		
Y	Y	Y	Y	Y	Y	Y	0.0	E	
Y	Y	Y	Y	Y	Y	Y	0.0		T
							87.9		
							87.9		
							99.9		

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:
– Climate Change Mitigation: CCM
– Climate Change Adaptation: CCA
– Water and Marine Resources: WTR
– Circular Economy: CE
– Pollution Prevention and Control: PPC
– Biodiversity and Ecosystems: BIO

(b) Y – Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective
N – No, taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective
N/EL – not eligible, taxonomy-non-eligible activity for the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may (only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, which includes alignment with each of the environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of turnover/total turnover	
2023	**Taxonomy-aligned per objective in %**	**Taxonomy-eligible per objective in %**
CCM	20.9	99.9
CCA		
WTR		
CE		
PPC		
BIO		

	Proportion of CapEx/total CapEx	
2023	**Taxonomy-aligned per objective in %**	**Taxonomy-eligible per objective in %**
CCM	40.7	99.3
CCA		
WTR		
CE		
PPC		
BIO		

	Proportion of OpEx/total OpEx	
2023	Taxonomy-aligned per objective in %	Taxonomy-eligible per objective in %
CCM	13.7	99.2
CCA		
WTR		
CE		
PPC		
BIO		

(d) The same activity may be eligible and not aligned with the relevant environmental objectives.

(e) EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

(f) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

(g) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution: Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH: Y/N codes.

Research & Development

Technological and social transformation as well as the fight against climate change have an influence on the real estate sector. In order to be optimally positioned to also offer efficient and profitably manageable property solutions in the future, IMMOFINANZ Group monitors the changes in work processes as well as the influence of environmental factors and tenants' demands on space and building concepts. The focus on training and continuing education has been increased to support internal innovation strength and sustainability efforts. IMMOFINANZ Group also maintains regular contacts with other companies and organisations and is a member of numerous associations and institutions like IG Lebenszyklus, the Austrian Council of Shopping Places and the Green Building Council. Apart from these diverse activities, IMMOFINANZ Group did not invest any funds in 2023 that could be classified as conventional research and development. This type of information is therefore not provided.

Outlook

Expected market environment

High inflation, a rapid increase in interest rates, the collapse of the real estate transaction market and a generally weak economy were the determining factors in 2023. According to the experts, current macroeconomic and geopolitical conditions will prevent any changes in the challenging market environment during 2024. Economic growth in the eurozone is projected to be low at 1.2% based on an inflation rate that remains high at roughly 3.2%.

These developments also represent an uncertainty factor for the real estate market. Rising financing costs and pressure on property prices have a persistent negative effect. Inflation is still above the 2.0% target, which facilitates an increase in rents covered by indexed contracts but, at the same time, weakens consumers' purchasing power. Most experts only see a market recovery in the second half of 2024. IMMOFINANZ Group – with its flexible and resilient real estate products – believes it is well positioned in spite of the current challenging environment. We intend to consequently develop our core business as a growth-oriented property owner and work to further optimise the portfolio.

Property portfolio and sustainability

Retail property acquisitions and completions in 2023 more than offset strategic sales, and the carrying amount of IMMOFINANZ Group's portfolio was only a slight -2% lower year-on-year at EUR 8.2 billion as of 31 December 2023. The standing investment portfolio totalled EUR 7.8 billion and included EUR 1.9 billion, or roughly 24% of office properties, EUR 2.6 billion, or roughly 33% of retail properties, and EUR 3.3 billion, or roughly 42% for S IMMO.

Our portfolio strategy continues to rely on resilient and cost-efficient retail properties and innovative office solutions. They include the established myhive, STOP SHOP and VIVO! brands as well as complementary products and portfolios. We plan to expand the offering in our core countries over the medium term but in the current market environment, our main objective will be to strengthen the retail portfolio through our own development projects and selective acquisitions.

The optimisation programme for our portfolio is progressing. As part of our active portfolio management, we sold properties with a combined value of approximately EUR 751 million (including S IMMO) in 2023. The related activities in 2024 will continue to concentrate on the sale of lower yielding properties that bring attractive sale prices as well as non-strategic properties. The proceeds will be reinvested, as in the past, in value-creating acquisitions and/or development projects.

IMMOFINANZ as part of the CPI Property Group, approved the Group-wide adjustment and standardisation of the ESG strategy in 2023, which covers ecological sustainability as well as social aspects and good corporate governance. Our goal is to make an extensive contribution to the sustainable development of the real estate branch by reducing our greenhouse gas emissions, increasing the use of renewable energies, decreasing water consumption and improving the recycling rate. Our plans for 2024 include, among others, the further expansion of photovoltaic equipment at our properties. The green lease contracts introduced in 2023 have been implemented in all our core markets and will be offered to tenants as part of our rental activities.

Financing and the capital market

IMMOFINANZ Group has a very solid capital and financing structure with an equity ratio of 47.3%, a net loan-to-value (net LTV) ratio of 42.1%, and cash and cash equivalents of EUR 697.1 million at the end of December 2023. An unsecured, revolving corporate credit line of EUR 100.0 million is also available. Roughly 95% of our financial liabilities are hedged against rising interest rates, and our goal is to continue this conservative financial policy. Gearing, based on the net LTV, should therefore remain at a conservative level over the medium term.

Our focus in the current market environment lies primarily on long-term bank financing. For new financing as well as refinancing at the property level, we benefit from long-term, cooperative relationships with banks in our core markets. After the successful refinancing of approximately EUR 1 billion of bank liabilities in 2023, we are currently meeting with our financing banks to discuss the premature extension of expiring financing at the current market conditions.

Most experts anticipate a reduction in key eurozone interest rates by the European Central Bank (ECB) in 2024. These prospects have recently led to a more optimistic mood in the real estate sector. Transactions could therefore increase during the second half of 2024, due to a more attractive climate based on lower interest rates and stabilised yields.

Close cooperation with CPIPG and S IMMO

Work on the integration of IMMOFINANZ and S IMMO started in 2022. Under the direction of the CPI Property Group (CPIPG), we bundled resources in asset and property management and in other service areas to optimise our organisational structures and significantly improve efficiency. These activities successfully continued with the signing of a framework agreement with S IMMO to evaluate further integration options. We have already realised synergies, including common service contracts and the standardisation of IT systems and processes. The CPI Property Group, as the core shareholder of IMMOFINANZ, is actively supporting this process with an aim towards the identification and realisation of further synergies. In spite of this progress, our tenants remain our first priority. We intend to continue offering optimal property solutions in the future to further strengthen our leading position in the branch.

This outlook reflects the Executive Board's assessments as of 27 March 2024 and includes statements and forecasts concerning the future development of IMMOFINANZ Group. The forecasts represent estimates that are based on the information available at the present time. If the underlying assumptions do not occur or risks – as indicated in the risk report – materialise, actual results could differ from the statements made here. This annual report does not represent a recommendation to buy or sell IMMOFINANZ AG securities.

Significant events occurring after the end of the reporting year are discussed in section 7.6 of the consolidated financial statements.

Vienna, 27 March 2024

The Executive Board

Radka Doehring

Pavel Měchura

Consolidated Financial Statements

Consolidated Balance Sheet

All amounts in TEUR	Notes	31 12 2023	31 12 2022
Investment property	4.1	7,830,746	7,707,196
Property under construction	4.2	142,960	198,500
Owner-operated properties	4.3	229,634	231,827
Other tangible assets		9,990	12,071
Intangible assets	4.5.1	20,547	20,416
Equity-accounted investments	4.6	33,151	36,284
Trade and other receivables	4.7	30,897	35,051
Income tax receivables		5	9
Other financial assets	4.8	164,119	250,064
Deferred tax assets	4.9	6,630	2,511
Non-current assets		**8,468,679**	**8,493,929**
Trade and other receivables	4.7	202,785	173,440
Income tax receivables		17,664	15,542
Other financial assets	4.8	252	1,254
Assets held for sale	4.10	258,577	548,484
Real estate inventories	4.11	4,841	4,963
Cash and cash equivalents	4.12	697,119	652,750
Current assets		**1,181,238**	**1,396,433**
Assets		**9,649,917**	**9,890,362**
Share capital		138,670	138,670
Capital reserves		4,825,650	4,825,650
Treasury shares		-10,149	-10,149
Accumulated other equity		-127,784	-186,200
Retained earnings		-1,156,590	-977,748
Equity attributable to owners of IMMOFINANZ AG		**3,669,797**	**3,790,223**
Non-controlling interests		893,287	951,329
Equity	**4.13**	**4,563,084**	**4,741,552**
Financial liabilities	4.14	3,850,773	3,647,633
Trade and other payables	4.15	92,348	39,531
Income tax liabilities		77	3
Provisions	4.16	31,044	18,457
Deferred tax liabilities	4.9	395,607	547,663
Non-current liabilities		**4,369,849**	**4,253,287**
Financial liabilities	4.14	432,758	519,837
Trade and other payables	4.15	197,603	217,082
Income tax liabilities		49,443	17,660
Provisions	4.16	11,245	13,698
Liabilities held for sale	4.10	25,935	127,246
Current liabilities		**716,984**	**895,523**
Equity and liabilities		**9,649,917**	**9,890,362**

Consolidated Income Statement

All amounts in TEUR	Notes	2023	2022
Rental income	**5.1.1**	**533,601**	**300,170**
Operating costs charged to tenants	5.1.2	190,615	118,629
Other revenues		2,740	3,401
Revenues from asset management		**726,956**	**422,200**
Expenses from investment property	5.1.3	-75,396	-60,117
Operating expenses	5.1.2	-233,022	-135,980
Results of asset management	**5.1**	**418,538**	**226,103**
Income from owner-operated hotels	5.2	70,023	0
Expenses from owner-operated hotels	5.2	-68,011	0
Results from owner-operated hotels	**5.2**	**2,012**	**0**
Results of property sales	**5.3**	**-38,327**	**4,623**
Results of property development	**5.4**	**-25,591**	**-20,684**
Other operating income	5.5	7,853	10,377
Other operating expenses	5.6	-79,367	-66,078
Results of operations		**285,118**	**154,341**
Revaluation results from standing investments and goodwill	**5.8**	**-352,207**	**103,974**
Operating profit (EBIT)		**-67,089**	**258,315**
Financing costs		-210,020	-77,764
Financing income		91,987	5,560
Foreign exchange differences		-8,845	2,333
Other financial results		-119,519	149,136
Net profit or loss from equity-accounted investments	5.9	338	-151,882
Financial results	**5.10**	**-246,059**	**-72,617**
Earnings before tax (EBT)		**-313,148**	**185,698**
Current income tax	5.11	-57,190	-21,713
Deferred tax	5.11	140,877	-22,016
Net profit or loss from continuing operations		**-229,461**	**141,969**
Net profit or loss from discontinued operations		0	0
Net profit or loss		**-229,461**	**141,969**
thereof attributable to owners of IMMOFINANZ AG		**-180,316**	**142,601**
thereof attributable to non-controlling interests		**-49,145**	**-632**
Basic earnings per share in EUR	**5.12**	**-1.31**	**1.04**
Diluted earnings per share in EUR	**5.12**	**-1.31**	**1.04**

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	2023	2022
Net profit or loss		**-229,461**	**141,969**
Other comprehensive income (reclassifiable)			
Currency translation adjustment		59,473	-1,455
thereof changes during the financial year		11,526	311
thereof reclassification to profit or loss	2.5	47,947	-1,766
Other comprehensive income from equity-accounted investments		0	1,436
thereof changes during the financial year		0	16,998
thereof reclassification to profit or loss		0	-12,872
thereof income taxes		0	-2,690
Total other comprehensive income (reclassifiable)		**59,473**	**-19**
Other comprehensive income (not reclassifiable)			
Financial instruments at fair value through other comprehensive income	7.1.2	1,104	-1,939
thereof changes during the financial year		1,187	-2,537
thereof income taxes		-83	598
Revaluation of owner-operated properties		11,834	0
thereof changes during the financial year		13,004	0
thereof income taxes		-1,170	0
Measurement of defined benefit plans		-10	0
thereof changes during the financial year		-14	0
thereof income taxes		4	0
Other comprehensive income from equity-accounted investments		0	347
thereof changes during the financial year		0	1,591
thereof income taxes		0	-1,244
Total other comprehensive income (not reclassifiable)		**12,928**	**-1,592**
Total other comprehensive income after tax		**72,401**	**-1,611**
Total comprehensive income		**-157,060**	**140,358**
thereof attributable to owners of IMMOFINANZ AG		**-121,935**	**140,990**
thereof attributable to non-controlling interests		**-35,125**	**-632**

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	2023	2022
Earnings before tax (EBT)		-313,148	185,698
Revaluations of investment properties	5.8	376,839	105,703
Goodwill impairment and subsequent price adjustments		174	300
Write-downs and write-ups on real estate inventories (including impending losses from forward sales)		100	1,960
Write-downs and write-ups on receivables and other assets		18	17,312
Net profit or loss from equity-accounted investments	5.9	1,364	151,881
Foreign exchange differences and fair value measurement of financial instruments		127,799	-156,734
Net interest income/expense		119,923	73,198
Results from deconsolidation	2.5	35,220	-5,444
Other non-cash income/expense/reclassifications		6,639	-223,758
Gross cash flow before tax		**354,928**	**150,116**
Income taxes paid		-21,864	-11,075
Gross cash flow after tax		**333,064**	**139,041**
Change in real estate inventories		78	-5,264
Change in trade and other receivables		15,138	2,525
Change in trade payables and other liabilities		69,764	-135,133
Change in provisions		16,179	-21,360
Cash flow from operating activities		**434,223**	**-20,191**
Acquisition of investment property and property under construction		-113,957	-204,237
Business combinations and other acquisitions, net of cash and cash equivalents (EUR 5.1 million; 2022: EUR 421.1 million)	6.	-1,023,910	241,427
Consideration transferred/paid from disposal of discontinued operations, net of cash and cash equivalents	6.	0	214
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents (EUR 33.7 million; 2022: EUR 1.3 million)	2.5	253,850	38,349
Acquisition of other non-current assets		-3,624	-4,549
Disposal of investment property and property under construction	5.3	322,259	67,322
Disposal of equity-accounted investments and cash flows from other net investment positions		-6,174	0
Dividends received from equity-accounted investments		5,948	16,695
Interest or dividends received from financial instruments		11,118	1,335
Cash flow from investing activities		**-554,490**	**156,556**
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		1,001,008	565,068
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-762,681	-925,627
Payments and conversion of convertible bonds		0	-3,200
Derivatives		67,257	-5,140
Interest paid		-155,654	-57,488
Distributions/Dividend		-19,048	0
Transactions with non-controlling interest owners		-2,361	-200
Share buyback		0	-10,126
Other changes on the statement of equity		-1	0
Cash flow from financing activities		**128,520**	**-436,713**
Net foreign exchange differences		4,170	-2,102
Change in cash and cash equivalents		**12,423**	**-302,450**
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		652,750	987,146
Plus cash and cash equivalents in disposal groups		31,946	0
Cash and cash equivalents at the beginning of the period	6.	684,696	987,146
Cash and cash equivalents at the end of the period	6.	697,119	684,696
Less cash and cash equivalents in disposal groups	4.10	0	31,946
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		**697,119**	**652,750**

Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares
Balance on 31 December 2022		**138,670**	**4,825,650**	**-10,149**
Other comprehensive income				
Net profit or loss				
Total comprehensive income				
Distributions/Dividend				
Transactions with non-controlling interest owners				
Balance on 31 December 2023		**138,670**	**4,825,650**	**-10,149**
Balance on 31 December 2021		**123,294**	**4,565,709**	**-23**
Other comprehensive income			**-5,530**	
Net profit or loss				
Total comprehensive income			**-5,530**	
Capital increase from the conversion of convertible bonds		15,376	265,471	
Share buyback	4.13			-10,126
Transactions with non-controlling interest owners				
Addition to the scope of consolidation				
Balance on 31 December 2022		**138,670**	**4,825,650**	**-10,149**

Accumulated other equity							
Revaluation reserve	IAS 19 reserve	Hedge accounting reserve	Revaluation reserve IAS 16	Currency translation reserve	Retained earnings	Non-controlling interests	Total equity
-2,756	-383	0	0	-183,061	-977,748	951,329	4,741,552
323	-5		5,917	52,146		14,020	72,401
					-180,316	-49,145	-229,461
323	-5		5,917	52,146	-180,316	-35,125	-157,060
						-19,048	-19,048
2			15	18	1,474	-3,869	-2,360
-2,431	-388	0	5,932	-130,897	-1,156,590	893,287	4,563,084
-6,669	-408	-2,462	0	-180,580	-1,115,317	-32,926	3,350,618
3,913	25	2,462		-2,481			-1,611
					142,601	-632	141,969
3,913	25	2,462		-2,481	142,601	-632	140,358
							280,847
							-10,126
					-5,032	4,832	-200
						980,055	980,055
-2,756	-383	0	0	-183,061	-977,748	951,329	4,741,552

Notes to the Consolidated Financial Statements

1. General Principles

1.1 Reporting company

IMMOFINANZ AG is the parent company of IMMOFINANZ GROUP (incl. S IMMO), a listed real estate company in Austria. Its registered headquarters are located at Wienerbergstrasse 9, 1100 Vienna. The business activities of IMMOFINANZ Group comprise the development, acquisition, rental and commercial utilisation of properties as well as the operation of hotels. The IMMOFINANZ AG share is listed in the Prime Market segment of the Vienna Stock Exchange and in the Main Market segment of the Warsaw Stock Exchange.

CPI Property Group (CPIPG), which is headquartered in Luxembourg, is the parent company that prepares consolidated financial statements for the largest circle of companies. These consolidated financial statements are published at the corporate headquarters.

The purchase of 17,305,012 S IMMO AG shares from CPIPG at the end of December 2022 gave IMMOFINANZ a majority investment of 50% plus one share in S IMMO. S IMMO was therefore included through full consolidation in the IMMOFINANZ consolidated financial statements for 2022. The consolidated income statement for the 2022 financial year did not include any components for the S IMMO Group for practicality reasons. The comparability with prior year data is therefore limited.

1.2 Basis of reporting

These consolidated financial statements of IMMOFINANZ AG cover the financial year from 1 January to 31 December 2023. They were prepared in accordance with § 245a (1) of the Austrian Commercial Code and in agreement with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated financial statements are presented in the euro, which is the functional currency of the parent company. All financial information reported in the euro is rounded to thousand euros, unless indicated otherwise. The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts and percentage rates.

Uniform accounting policies are used to measure the assets and liabilities of all Group companies, whereby these items are basically measured individually. Disposal groups represent an exception to this practice and are reported under “assets held for sale” and “liabilities held for sale” (see section 4.10). In addition, impairment losses are calculated in part on the basis of cash-generating units if the recoverable amount of specific assets (goodwill) cannot be determined separately (see section 4.5.2).

Assets and liabilities are generally measured at amortised cost. For financial assets and liabilities, this involves the application of the effective interest rate method. In contrast, different measurement methods are applied to the following material positions:

- Investment property, property under construction and owner-operated properties are measured at fair value.
- Derivative financial instruments are measured at fair value.
- Provisions are measured at the present value of the expected settlement amount.
- Deferred tax assets and deferred tax liabilities are measured at their nominal value based on the temporary differences as of the balance sheet date and the tax rate expected when the existing differences are realised.
- Non-current assets and disposal groups held for sale are measured at the lower of the carrying amount or fair value less costs to sell unless they are excluded from the valuation requirements defined in IFRS 5. This applies, in particular, to investment property that is measured based on the fair value model.

Fair value is not always available as an observable market price, but must often be determined on the basis of various valuation parameters. Depending on the availability of observable parameters and the importance of these parameters for the general assessment procedure, the fair values are classified in different levels on the fair value hierarchy:

- Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities
- Level 2: valuation parameters that do not reflect the quoted prices defined for Level 1, but which can be derived directly (as a price) or indirectly (from prices) for the asset or liability
- Level 3: valuation parameters for assets or liabilities that are not based on observable market data

1.3 Judgements and estimation uncertainty

1.3.1 Judgments

The following notes provide information on judgements made in the application of accounting methods which have the greatest influence on the amounts recognised in the consolidated financial statements:

- Full consolidation (see section 2.2.2): assessment of the existence of control over subsidiaries in cases where control is not based solely on the ownership interest (de facto control) and assessment of the existence of joint control or significant influence when a majority holding does not convey control over an investment
- Full consolidation (see section 2.2.2): assessment of whether the acquisition of property companies represents business combinations in the sense of IFRS 3 (characteristics of a business)
- Equity accounting (see section 2.2.3): assessment of the existence of significant influence in contrast to the assumption of such influence at an ownership interest of 20% or more and evaluation of the existence of objective indications of impairment
- Functional currency (see section 2.6.1): determination of the functional currency of a foreign operation, above all when this currency differs from the currency of the subsidiary's headquarters country
- Rental income (see section 5.1.1): assessment of the term of rental agreements with regard to the use of extension options and assessment of whether the modification to a rental agreement substantively represents a new rental relationship

1.3.2 Assumptions and estimates

The preparation of consolidated financial statements requires the Executive Board to make assumptions and estimates related to the application of accounting methods and the amounts reported for assets, liabilities, income and expenses. Actual results can vary from these estimates. The estimates and underlying assumptions are reviewed regularly, and any changes to these estimates are recognised prospectively. The following notes provide information on assumptions and estimation uncertainty which can lead to a significant risk that a material adjustment will be required during the next financial year.

- Valuation assumptions and existing uncertainty (see section 4.1.3): determination of the fair value of investment property, property under construction and owner-operated properties
- Rights of use and lease liabilities (see sections 4.1.1 and 4.14): determination of the remaining term of a lease together with any extension or cancellation options
- Goodwill (see section 4.5.2): determination of the recoverable amount within the scope of impairment tests
- Equity-accounted investments (see section 4.6): determination of the recoverable amount within the scope of impairment tests for investments in associates and determination of the fair value of investments in associates within the framework of purchase price allocation in the case of a transitional consolidation
- Contingent receivables (see section 7.3.1): contingent receivables may only be recognised when their realisation as income is highly probable
- Deferred taxes (see section 4.9): assessment of the usability of deferred tax assets (above all from loss carryforwards)
- Real estate inventories (see section 4.11): determination of the net realisable value of inventories
- Provisions (see section 4.16): determination of the expected settlement amount and the related present value
- Financial instruments (see section 7.1.3): determination of the fair value of primary and derivative financial instruments
- Contingent liabilities and guarantees (see section 7.3.1): assessment of the expected claims from obligations not reported on the balance sheet

The current macroeconomic situation, with its rising interest rates and high inflation, has a potential impact on the above-mentioned balance sheet positions. This has been manifested, above all, through an increase in the financing costs for new borrowings and in the valuation of interest derivatives, which has significantly affected the financial result. A quantitative evaluation of future events and trends is not possible from the current point of view. These developments have been reflected in both costs and earnings – in particular, through an upward trend in operating costs and revenues from the charge-out of these costs and, subsequently, in an inflation-driven increase in rents and an improvement in the like-for-like performance of rents. Rising prices are also visible in the costs of construction. These developments are important for property valuation because the key valuation parameters are based on the prevailing market conditions on the respective closing date. This led to substantial write-downs in 2023, and also to a lesser extent in 2022, and to negative "valuation results from standing investments" (also see section 5.8). The future movements of discount and capitalisation rates are also impossible to predict in this area. IMMOFINANZ Group is not directly affected by the war in Ukraine because the Group holds no property and has no business relations in that country. The Group is, however, indirectly affected through the effects of the war in Ukraine on the overall economic situation. A quantitative estimate of these indirect effects on the Group is not possible at the present time.

1.4 First-time application of standards and interpretations

The following new or revised standards and interpretations were applied for the first time in 2023:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for IMMOFINANZ	Effects on IMMOFINANZ
New standards and interpretations				
IFRS 17	Insurance contracts	18 May 2017 (8 September 2022)	on application	No
Changes to standards and interpretations				
IAS 1	Disclosure of accounting and measurement policies	12 February 2021 (3 March 2022)	1 January 2023	No
IAS 12	Change to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction	7 May 2021 (12 August 2022)	1 January 2023	No
IAS 12	Change to IAS 12 – International tax reform – Pillar two model rules	23 May 2023 (8 November 2023)	1 January 2023	Yes
IAS 8	Definition of accounting policies and accounting estimates	12 February 2021 (3 March 2022)	1 January 2023	No

IFRS 17 Insurance contracts
IFRS 17 regulates the accounting treatment of insurance contracts and replaces the previously applicable transition standard, IFRS 4. The scope of application of this standard covers insurance contracts, reinsurance contracts and investment contracts with discretionary net income participation.

These changes had no effect on the consolidated financial statements because IMMOFINANZ Group holds no insurance contracts which fall under these categories.

IAS 1: Disclosure of accounting and measurement policies
The changes clarify the requirements of IAS 1 concerning the disclosure of accounting and measurement policies. They replace all sections previously entitled "(significant) accounting policies" by the term "(material) accounting policy information". Information on accounting policies is considered material when it, together with other financial statement information, can reasonably be expected to influence decisions that the primary users of IFRS financial statements make on the basis of those financial statements.

In addition, the changes clarify that accounting policy information concerning immaterial transactions, other events and conditions are considered to be immaterial and must not be disclosed. Accounting policy information can be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also prepared guidelines and examples to explain the application of the four-step process model that is included in IFRS Practice Statement 2.

These changes had no material effect on the consolidated financial statements.

IAS 12: Changes to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction
These changes further limit the scope of application of the initial recognition exemption. Consequently, a company may not apply the exemption to transactions that give rise to equal taxable and deductible temporary differences.

Depending on current tax law, equal taxable and deductible temporary differences can arise on the initial recognition of an asset and a liability in a transaction that is not a business combination and does not affect either accounting or taxable profits. This could occur, for example, on the recognition of a lease liability and the corresponding right-of-use asset under the application of IFRS 16 (Leases) at the beginning of the lease.

Companies are now only required to recognise the related deferred tax assets and liabilities, whereby the recognition of a deferred tax asset is subject to the materiality criteria defined in IAS 12 (Income taxes).

The Group has not recorded any deferred taxes to date which resulted from transactions that led to equal taxable and deductible temporary differences. The changes result in deferred tax assets and deferred tax liabilities of EUR 11.6 million each and, consequently, there is no material net effect.

IAS 12: Change to IAS 12 – International tax reform – Pillar two model rules
The changes introduce a mandatory temporary exception to the accounting rules for deferred taxes arising from the implementation of the Pillar two model rules. Accordingly, the recognition of deferred taxes based on the design of supplementary taxes within the framework of the Pillar two minimum tax regime is excluded from the scope of application of this standard. Additional disclosures in the notes are also required, but are dependent on the status of implementation of the minimum tax legislation in the respective national tax laws.

The relevant disclosures are provided in section 4.9.

IAS 8: Definition of accounting policies and accounting estimates
This standard previously included only a definition of changes in accounting estimates but no definition of accounting estimates. The new definition involves accounting estimates for monetary amounts in financial statements that are subject to measurement uncertainty.

A change in an accounting estimate that is based on new information or new developments does not represent the correction of an error. The effects on an accounting estimate from a change in an input or measurement technique represent a change in an accounting estimate unless they result from the correction of errors from earlier periods.

The changes had no material effects on the consolidated financial statements.

1.5 Standards and interpretations applicable in the future

1.5.1 Standards and interpretations adopted by the EU, but not yet applied

The following changes to standards and interpretations had been adopted by the EU as of the balance sheet date, but did not require mandatory application in the 2023 financial year and were not applied prematurely:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for IMMOFINANZ	Expected effects on IMMOFINANZ
Changes to standards and interpretations				
IFRS 16	Change to IFRS 16 – Lease liabilities in a sale and leaseback transaction	21 November 2023 (20 November 2023)	1 January 2024	No
IAS 1	Change to IAS 1 – Classification of liabilities as current and non-current and the deferral of the application date; non-current liabilities with covenants	23 January 2020; 31 October 2022 (19 December 2023)	1 January 2024	No

IMMOFINANZ Group is evaluating the applicable changes to these standards and will apply them as of the mandatory application date. The revised standards are not expected to have a material effect on IMMOFINANZ Group’s consolidated financial statements.

1.5.2 Standards and interpretations announced, but not yet adopted by the EU

The following changes or revisions to standards and interpretations had been published as of the balance sheet date, but have not yet been adopted by the EU and are therefore not applicable:

Standard	Content	Published by the IASB	Expected mandatory application for IMMOFINANZ	Expected effects on IMMOFINANZ
Changes to standards and interpretations				
IAS 21	Change to IAS 21 – Lack of exchangeability	8 September 2023	1 January 2025	No
IAS 7 and IFRS 7	Change to IAS 7 and IFRS 7 – Supplier finance arrangements	4 October 2023	1 January 2024	No

IMMOFINANZ Group is evaluating the expected, relevant changes to these standards and will apply them, where necessary, as of the mandatory application date. The new and revised standards not yet applied are not expected to have a material effect on IMMOFINANZ Group's consolidated financial statements.

2. Scope of Consolidation

2.1 Development of the scope of consolidation

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 31 December 2022	**272**	**1**	**10**	**283**
Companies initially included				
Other acquisitions	18	0	0	18
New foundations	3	0	0	3
Companies no longer included				
Sales	-6	0	-1	-7
Mergers	-1	0	0	-1
Liquidations	-4	0	0	-4
Balance on 31 December 2023	**282**	**1**	**9**	**292**
thereof foreign companies	201	0	2	203

An overview of the companies included in IMMOFINANZ Group's consolidated financial statements is provided in section 8.

Initially consolidated subsidiaries which do not constitute a business on the acquisition date are not considered business combinations in the sense of IFRS 3 and are included in the above table as other acquisitions.

There are significant non-controlling interests in S IMMO Group. Detailed information is provided in section 2.3 and 2.4. All other subsidiaries with an investment of less than 100% (see section 8.) have no material non-controlling interests.

Restrictions defined by the articles of association, contracts or legal regulations as well as protective rights held by non-controlling interests can limit the ability of IMMOFINANZ to gain access to the Group's assets, to transfer these assets between Group companies or to utilise the coverage potential of these assets to meet liabilities. Information on the existing limitations is provided in sections 7.1.4 and 7.3.1.

2.2 Consolidation methods

2.2.1 Basis of consolidation

Standardised accounting and valuation principles as well as uniform options and judgements are applied by all companies included in the consolidated financial statements. Material interim profits – which arise, at most, from the intragroup transfer of investments in other companies, treasury shares, receivables or properties – are eliminated. The financial statements of all companies included through full consolidation and joint ventures accounted for at equity were prepared as of the same balance sheet date as the consolidated financial statements. For associates, the latest available financial statements form the basis for accounting. In cases where a different balance sheet date is used, any necessary adjustments are made when applying the equity method of accounting for material transactions or other events that occur between the associate's balance sheet date and IMMOFINANZ Group's balance sheet date.

2.2.2 Full consolidation

A subsidiary is an entity that is controlled by a parent company. A subsidiary is included in the consolidated financial statements through full consolidation from the date on which IMMOFINANZ Group attains control over the subsidiary and up to the date on which control ends.

A controlling influence based on voting rights is generally presumed to exist when the direct or indirect interest in an entity exceeds 50%. In individual cases (see section 8.), interests over 50% are contrasted by statutory rights for a co-investor or the absence of a connection between IMMOFINANZ Group's control over the investee and the receipt of variable returns. A co-investor may be assumed to have such statutory rights, above all, when there are wide-ranging requirements for unanimity or the co-investor's agreement on decisions over material activities (e.g. the sale of investment property). Investments with a share of voting rights less than 50% are reviewed to determine whether control is established by other factors.

The acquisition of a subsidiary requires a decision as to whether the entity represents a business in the sense of IFRS 3. Assessing whether acquired property assets represent a business in the sense of IFRS 3 involves discretionary judgement and, frequently, a detailed analysis of the acquired processes and structures, above all with respect to asset and property management. A concentration test is also performed on acquisitions to determine whether the entire fair value of the acquired gross assets is concentrated primarily in a single identifiable asset or in a group of comparable assets. When a business is acquired, the transaction is accounted for as a business combination under the acquisition method defined by IFRS 3. This also applies to an acquisition within the framework of a business combination achieved in stages. The related transaction costs are treated as an expense, and deferred taxes on temporary differences between the fair value of the acquired property assets and their respective tax bases are recognised in full. At IMMOFINANZ Group, goodwill (see section 4.5.2) regularly results as a technical figure because of the obligation to record deferred taxes on the difference between the fair value and the tax base of the acquired real estate assets. The acquisition method is not applied if the acquired entity does not represent a business. The acquisition of shell companies and pure land-owning companies does not normally involve a business. In these cases, the acquired financial assets and assumed liabilities are measured at fair value. The total of the financial assets and liabilities measured at fair value is then deducted from the transaction price. The remaining transaction price is then allocated to the remaining identifiable assets and liabilities (primarily investment property) based on the respective fair values on the acquisition date. Deferred taxes are not recognised (initial recognition exemption), and goodwill does not arise.

2.2.3 Equity method

IMMOFINANZ Group's interests in equity-accounted investments comprise shares in joint ventures and associates.

IFRS 11 differentiates between joint ventures and joint operations. The joint arrangements in which IMMOFINANZ Group is involved generally represent joint ventures. A joint venture is a joint arrangement under which the co-investors exercise joint control over a company and (only) have rights to the company's net assets. There are no direct claims or obligations arising from the company's assets and liabilities.

Associates are companies over which IMMOFINANZ Group can exercise significant influence. Significant influence is the power to participate in an investee's financial and operating policy decisions without control or joint control. It is generally presumed (but can be refuted) when the direct or indirect interest in the investee equals or exceeds 20%. The possibilities for influence created by company law (e.g. through seats on a supervisory board) or other available opportunities can also lead to significant influence when an interest is less than 20%. With respect to shares in real estate funds, IMMOFINANZ Group does not have significant influence, even with an interest of 20% or more, because it is not represented in the fund's operating management or this influence is excluded by the fund's legal structure (see section 8.).

In accordance with the equity method of accounting, investments in associates or joint ventures are initially recognised at cost, including transaction costs, as of the acquisition date. Any surplus of the acquisition cost over the acquired share of identifiable assets and assumed liabilities and contingent liabilities at fair value is recognised as goodwill. Negative differences are recognised immediately to profit or loss. Goodwill represents part of the carrying amount of the investment and is not tested separately for impairment. After initial recognition, the carrying amount of the investment is increased or decreased by the proportional share of the investee's profit or loss and other comprehensive income attributable to IMMOFINANZ Group until significant influence or joint control ends. Any losses recorded by an associate or joint venture which exceed IMMOFINANZ Group's investment in this entity are not recognised. Such losses are only recognised when the Group has a legal or actual obligation to cover the losses. The investments in companies accounted for at equity are assessed for indications of impairment as of every balance sheet date in accordance with IAS 28. If any such indications are identified, the investments are tested for impairment in accordance with IAS 36.

2.3 Acquisition of subsidiaries

In addition to the general disclosures on accounting and valuation methods (see sections 1.2. and 1.3), IFRS 3 requires additional detailed information on business combinations. The purchase of shares in S IMMO AG during 2022 represented a business combination achieved in stages in the sense of IFRS 3. Due to the materiality of this transaction for an understanding of the consolidated financial statements, the relevant disclosures from the 2022 consolidated financial statements are repeated (see the following). There were no business combinations in the sense of IFRS 3 during 2023, but transactions were carried out with CPI Property Group and are described in the next section.

Acquisition of subsidiaries from CPI Property Group in the 2023 financial year

Various transactions were concluded with CPI Property Group in 2023, which did not qualify as business combinations in the sense of IFRS 3 because there were no business operations as defined by this standard. The companies acquired through share deals represented companies with properties in the office and retail asset classes in the Czech Republic and Hungary. Of the investment property acquired, EUR 219.3 million is allocated to the Czech Republic segment and EUR 601.2 million to the S IMMO segment (see section 3.6).

The investment property was recognised at the acquisition costs resulting from the purchase transactions, including incidental acquisition costs. Standard market purchase price discounts for deferred taxes and other purchase price adjustments were recognised. An interest rate derivative carried at fair value in a higher level intermediate holding company was also recognised and subsequently led to a revaluation of EUR 117.7 million to the property in accordance with IAS 40.

The following table shows the acquired assets and assumed liabilities as well as the purchase price, which was paid in liquid funds, and the liabilities superseded in connection with the settlement of the acquisitions. These transactions are included on the consolidated cash flow statement under “business combinations and other acquisitions, net of cash and cash equivalents” at an amount of EUR -686.4 million.

All amounts in TEUR	2023
Investment property	820,455
Receivables and other assets	24,550
Cash and cash equivalents	5,060
Financial liabilities	-126,721
Trade and other payables	-34,705
Net assets acquired	**688,639**
Purchase price paid in cash and cash equivalents	-264,481
Superseded liabilities	-424,157
Consideration	**-688,638**
Less cash and cash equivalents	5,060
Net outflow of cash and cash equivalents	**-683,578**

Acquisition of subsidiaries from CPI Property Group in the 2022 financial year
In the 2022 financial year, a fully let portfolio of 53 properties in the Czech Republic, Poland, Slovakia and Hungary was acquired from the CPI Property Group. The purchase price amounted to EUR 322.2 million.

Successive business combination in the 2022 financial year – S IMMO AG
IMMOFINANZ held 19,499,437 shares up to 26 December 2022, which represented 26.49% of share capital and 27,65% of the voting rights in S IMMO. This holding represented a significant influence up to 27 December 2022 when 17,305,012 shares of S IMMO AG were purchased from CPI Property Group. The purchase of the shares previously held by CPI Property Group gave IMMOFINANZ a majority investment of 50% plus one share in the S IMMO Group. The purchase price for this share package totalled EUR 337.4 million, respectively EUR 19.50 per S IMMO share, and was deferred by CPI Property Group up to March 2028 at the latest. The deferred purchase price was paid in 2023 and is included on the cash flow statement under "business combinations and other acquisitions, net of cash and cash equivalents".

Within the framework of the purchase price allocation, the total consideration for the business combination included the following:

All amounts in TEUR	2022
Fair value of shares held until 27 December 2022	344,945
Deferred purchase price	337,448
Consideration	**682,393**

Since the acquisition of S IMMO Group represented a business combination achieved in stages, the total consideration included the deferred purchase price component for the additional shares purchased as well as the fair value of the shares previously held.

The allocation of the total purchase price to the acquired assets and assumed liabilities (PPA) of S IMMO Group as of the initial consolidation date was based on the closing data reported by S IMMO Group as of 31 December 2022 and on identified necessary adjustments to the fair values of the assets acquired and liabilities assumed.

The assets acquired and liabilities assumed in connection with the business combination had the following fair values as of the initial consolidation date:

All amounts in TEUR	2022
Investment property	2,412,852
Property under construction	10,300
Owner-operated properties	231,827
Assets held for sale	539,084
Financial assets	83,560
Cash and cash equivalents	385,245
Fair value of other assets	99,810
Total assets	**3,762,678**
Provisions	1,111
Financial liabilities	1,374,383
Deferred tax liabilities	273,114
Liabilities held for sale	127,246
Fair value of other liabilities	109,754
Total liabilities	**1,885,608**
Fair value net assets	1,877,070
Consideration	682,393
Non-controlling interests	980,055
Badwill	-214,622

The resulting negative difference (badwill) of EUR -214.6 million was reported as part of the revaluation results from investment property and goodwill in 2022. This gain represented the difference between the net assets in S IMMO, valued in accordance with IFRS 3, as of the acquisition date on 27 December 2022 and the acquisition price for the controlling interest in S IMMO, which was derived from the market price plus a package premium (also see section 4.6 for details on the valuation of the shares). The negative difference (badwill) resulted from a situation where the market price of S IMMO on the acquisition date was substantially lower than its equity valued in accordance with IFRS requirements. The recognition through profit or loss of this badwill was reported on the cash flow statement under other non-cash income and expenses, respectively reclassifications.

Non-controlling interests were included on the basis of their share in the recognised assets and liabilities of S IMMO Group. No conditional consideration was agreed with the seller.

The standing investments were included in the consolidated financial statements of S IMMO Group in accordance with the fair value model defined in IAS 40 and, consequently, were already measured at fair value. The valuation of the standing investments was generally based on the discounted cash flow method applied by S IMMO Group (see section 4.1.1). Therefore, no adjustments were required to the fair value of the standing investments in connection with the initial consolidation.

The revaluation of the owner-operated properties, which primarily represent hotels operated by S IMMO Group, was based on fair value appraisals by the external experts at CBRE, Muhr & Wipfler and EHL. The revaluation in connection with the initial consolidation led to a gain of EUR 126.3 million.

The fair value of the bonds reported under financial liabilities was determined as the total future cash flows as of the acquisition date discounted with a DCF method. The future cash flows from the bonds were based on the agreed terms and underlying interest and repayment schedules. The interest rate curve used to discount the payment flows for the DCF calculation consisted of a risk-free basis curve and a premium for the risk of non-fulfilment ("risk spread"). The revaluation required in connection with the initial consolidation led to a reduction of EUR 41.3 million in financial liabilities.

Furthermore, deferred taxes that were not recognised by S IMMO Group due to the initial recognition exemption were recognised as part of the business combination. The initial recognition exemption represents an exception under which a deferred tax liability or deferred tax asset is not recognised when it results from the initial recognition of an asset or a liability, when the underlying transaction is not a business combination, and when neither accounting nor profit before tax is influenced at the time of the transaction. The related adjustments totalled EUR 36.0 million.

For practical purposes, the consolidated income statement for 2022 did not include any components for S IMMO Group. If S IMMO Group had been fully consolidated as of 1 January 2022, the consolidated income statement for IMMOFINANZ Group would have been as follows:

All amounts in TEUR	2022
Rental income	**431,464**
Operating costs charged to tenants	152,988
Other revenues	3,401
Revenues	**587,853**
Expenses from investment property	-81,668
Operating expenses	-181,224
Results of asset management	**324,962**
Result from hotel operations	**7,501**
Results of property sales	**4,623**
Results of property development	**-20,684**
Other operating income	13,552
Other operating expenses	-103,961
Results of operations	**225,992**
Revaluation results from standing investments and goodwill	**88,338**
Operating profit (EBIT)	**314,330**
Financial results	**-18,543**
Earnings before tax (EBT)	**295,787**
Income taxes	**-93,489**
Net profit or loss	**202,298**

Since IMMOFINANZ Group does not apply hedge accounting – in contrast to S IMMO Group – the amounts from the valuation of derivatives recognised by S IMMO Group directly in other comprehensive income are reported under financial results in the above table.

The gross amount of the acquired trade receivables totalled EUR 21.0 million. The net carrying amount, which represents fair value, equalled EUR 17.5 million. Of the acquired trade receivables, EUR 3.5 million were therefore expected to be uncollectible as of the acquisition date.

Transaction costs of EUR 0.5 million related to the acquisition of S IMMO were recognised to profit and loss in 2022 and were reported under other operating expenses.

2.4 Subsidiaries with material non-controlling interests

The change in non-controlling interests is shown in the following table:

All amounts in TEUR	2023
Balance on 1 January 2023	**980,055**
Net profit or loss for the period	-48,197
Other comprehensive income	14,019
Transactions with non-controlling interest owners	-3,869
Distributions/Dividend	-19,048
Balance on 31 December 2023	**922,960**

IMMOFINANZ holds a direct investment of 50% plus one share in S IMMO Group and, consequently, there are material non-controlling interests in S IMMO Group. The subsidiaries belonging to S IMMO Group are listed separately in section 8. The cumulative total of the non-controlling interests attributable to S IMMO Group amounts to EUR 923.0 million, and the profit/loss attributable to these non-controlling interests equals EUR -48.2 million in 2023.

Summarised financial information on these subsidiaries is provided below and represents the amounts before intragroup eliminations.

All amounts in TEUR	31 12 2023
Non-current assets	3,657,377
thereof investment property	3,294,442
Current assets	644,423
thereof real estate inventory	356
thereof cash and cash equivalents	445,070
Non-current liabilities	2,061,786
thereof non-current financial liabilities	1,776,296
Current liabilities	465,952
thereof current financial liabilities	288,337
Equity	**1,774,062**
Equity attributable to owners of IMMOFINANZ AG	851,101
Non-controlling interests	922,961

	2023
Rental income	200,903
Expenses charged on and other revenue	63,775
Revenues	**264,678**
Expenses from investment property	-24,391
Operating expenses	-90,433
Results of asset management	**149,854**
Results from owner-operated hotels	**2,013**
Results of property sales	**9,819**
Other operating income	3,321
Other operating expenses	-28,013
Results of operations	**136,994**
Revaluation result from standing investments	-115,065
Operating profit (EBIT)	**21,929**
Financial results	-116,805
Earnings before tax (EBT)	**-94,876**
Current income tax	-38,697
Deferred tax	53,405
Net profit or loss for the period	**-80,168**
thereof attributable to non-controlling interests	**-48,197**
Share of net profit or loss attributable to IMMOFINANZ	**-31,971**
Other comprehensive income	**28,039**
thereof attributable to non-controlling interests	**14,019**
Share of changes in other comprehensive income recorded directly in equity attributable to IMMOFINANZ	**14,019**
Total comprehensive income	**-52,129**
thereof attributable to non-controlling interests	**-34,178**
Share of IMMOFINANZ in total comprehensive income for the period	**-17,952**

2.5 Sale of subsidiaries

An overview of the subsidiaries deconsolidated in 2023 is provided in section 8.

The following table summarises the effects on various balance sheet items as well as the deconsolidation results:

All amounts in TEUR	2023
Investment property (see 4.1, 4.10)	75,646
Property under construction (see 4.2)	1,025
Other tangible assets	54
Intangible assets (excl. goodwill)	6
Goodwill	43
Receivables and other assets	2,778
Deferred tax assets	266
Investment properties held for sale	321,969
Cash and cash equivalents	33,662
Financial liabilities	-22,615
Trade payables	-426
Other liabilities	-66,932
Income tax liabilities	-41
Provisions	-3,871
Deferred tax liabilities	-55,942
Other assets/liabilities	1,023
Net assets sold	**286,645**
Consideration received in cash and cash equivalents	287,362
Outstanding purchase price receivables	11,212
Less net assets sold	286,645
Less non-controlling interests	313
Reclassification of foreign exchange differences reserve to profit or loss	-47,947
Results from deconsolidation	**-35,219**
Consideration received in cash and cash equivalents	287,362
Less cash and cash equivalents sold	-33,662
Net inflow of cash and cash equivalents	**253,700**

2.6 Foreign currency translation

2.6.1 Functional currency

The Group reporting currency is the euro. For subsidiaries and equity-accounted investments that prepare their financial statements in a foreign currency, the determination of the functional currency is based on the primary (macro)economic environment in which the respective company operates. A determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the relevant country.

When the functional currency of a subsidiary cannot be clearly identified, IAS 21 allows management to use its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions and events. Management has principally designated the euro as the functional currency for the subsidiaries in Romania, Poland, Czech Republic and Hungary; however, the local currency remains the functional currency for individual purchased property, service and management companies. This decision reflects the fact that macroeconomic developments in these countries are influenced by the eurozone. In addition, the leases concluded by IMMOFINANZ Group in these countries and real estate financing are generally denominated in the euro.

2.6.2 Translation of financial statements from foreign subsidiaries, joint ventures and associates

In accordance with IAS 21, the modified current rate method is used to translate the financial statements of the Group's subsidiaries, joint ventures and associates whose functional currency is not the euro. The assets and liabilities in the financial statements to be consolidated are translated at the mean exchange rate on the balance sheet date, while the income statement positions are translated at the weighted average exchange rate for the financial year.

Foreign currency translation is based on the exchange rates issued by the European Central Bank and by the respective national banks.

The following table lists the exchange rates in effect on the balance sheet date and the average exchange rates for the key currencies from IMMOFINANZ Group's viewpoint:

Currency	Closing rate on 31 12 2023	Closing rate on 31 12 2022	Average rate 2023	Average rate 2022
BGN	1.95580	1.95580	1.95580	1.95580
CZK	24.72500	24.11500	23.98231	24.56192
HRK	7.53450	7.53450	7.53450	7.53520
HUF	382.78000	400.25000	382.05000	391.16154
PLN	4.34800	4.68990	4.54079	4.68145
RON	4.97460	4.94740	4.95165	4.93465
RSD	117.17370	117.32240	117.25147	117.47581
TRY	32.65310	19.96490	25.77431	17.28560

3. Information on Operating Segments

3.1 Internal reporting

The chief operating decision-maker of IMMOFINANZ Group is the Executive Board. Internal reporting to the Executive Board is based on the classification of data into eight regional core markets (Austria, Germany, Poland, Czech Republic, Slovakia, Hungary, Romania and Adriatic). Within the core markets, rental income is reported by asset class (office, retail and others) together with the income from the non-performance-related components of operating costs. Regions with a lower volume of business are aggregated under "Other Countries". S IMMO is reported as a separate operating segment The presentation of segment results is based on internal reporting to the Executive Board (management approach), whereby the statement of comprehensive income only includes IMMOFINANZ's continuing operations.

3.2 Transition from operating segments to Group results

There are no material transactions between the segments which would affect profit or loss and, consequently, separate information is not provided on the elimination of intersegment amounts in the transition from revenues and profit or loss from the operating segments to the Group. Central services are allocated to the operating segments based on actual expenses. Service companies that only work for a particular segment are allocated to that segment. Transactions in real estate assets between the segments do not form a basis for decisions by the responsible chief operating decision-maker and, consequently, a transition is not provided for these transactions.

Investments in holding companies that cannot be assigned to a specific segment and non-operating subsidiaries are included in the transition column. This column also includes the elimination of immaterial intersegment transact.

3.3 Information on reportable operating segments

Segment assets consist primarily of investment properties, property under construction, goodwill, owner-operated properties, properties held for sale and real estate inventories. Segment investments include additions to investment property and property under construction as well as right-of-use assets as defined in IFRS 16. Liabilities are not allocated to the individual segments for internal reporting purposes.

The results of asset management and operating profit (EBIT) are used to assess performance and to allocate resources. The development of financial results and tax expense in the Group is managed centrally. Separate country boards, which report regularly to the chief operating decision-maker, were established for the core markets. EBIT in the "total" column reflects the same position on the consolidated income statement, which also shows the reconciliation to earnings before tax.

The accounting and valuation methods applied by the reportable segments comply with the accounting and valuation methods used to prepare IMMOFINANZ Group's consolidated financial statements.

3.4 Regions as operating segments

The allocation of revenues and non-current assets to the individual regions is based on the location of the property.

- Austria: The business segment Austria includes office buildings like the myhive location in the Ungargasse as well as the City Tower Vienna, which is classified as held for sale. The myhive am Wienerberg commercial and office center was sold to S IMMO in 2023 and is therefore reported under the S IMMO segment. This portfolio also includes individual retail properties under the STOP SHOP brand.
- Germany: This portfolio includes the FLOAT office complex as well as the myhive Medienhafen Largo and Alto office properties.
- Poland: Standing office investments represent a focal point for this segment. The major office locations include the Warsaw Spire, the myhive Park Postępu, the myhive IO-1 building and the myhive Nimbus Office in Warsaw. The Polish portfolio also includes VIVO! shopping centers in Lublin, Stalowa Wola, Piła and Krosno as well as STOP SHOP retail parks. Six properties were added in 2022 through the purchase of a retail portfolio from CPI Property Group
- Czech Republic: The portfolio mix in the Czech Republic includes, among others, the Na Příkopě office property and the myhive Palmovka and myhive Pankrác House in Prague. Other important properties are the Olympia Pilsen Shopping Center which was acquired from CPI Property Group in 2023, the VIVO! Hostivař shopping center and retail parks under the STOP SHOP brand as well as retail properties which were acquired from CPI Property Group through package deals (2022: 30 properties, 2023: 22 properties).
- Slovakia: The core business in Slovakia lies primarily in the retail asset class with the VIVO! Bratislava and the STOP SHOP retail parks as well as the 15 properties purchased from CPI Property Group in the fourth quarter of 2022. This portfolio also includes the myhive Vajnorská office property.
- Hungary: Retail properties represent the focal point of this portfolio. In addition to STOP SHOP retail parks, this real estate portfolio was expanded by two additional retail properties through the purchase of a retail portfolio from CPI Property Group in the fourth quarter of 2022.
- Romania: The business segment Romania covers retail properties such as the STOP SHOP Botosani retail park and the VIVO! Cluj-Napoca, VIVO! Constanta, VIVO! Baia Mare and VIVO! Pitești shopping centers. Also included are office properties like the myhive S-Park, myhive Metroffice and IRIDE Business Park as well as several properties in the Other asset class.
- Adriatic: The property portfolio in the Adriatic region (Italy, Croatia, Serbia and Slovenia) includes STOP SHOP retail parks as well as various properties under construction and land. It also contains the Grand Centre Zagreb office building, which was sold in the first quarter of 2024, and one property in Croatia which is assigned to the Other asset class.
- Other countries: Following the sale of land in Turkey (Other asset class) during 2023, there were no properties in this asset class as of 31 December 2023.
- S IMMO: The increase in the investment in S IMMO AG to over 50% and the subsequent full consolidation of the shares led to the expansion of segment reporting at the end of 2022 to include the S IMMO sub-group. The S IMMO real estate portfolio includes office buildings, commercial properties, residential properties and hotels.

3.5 Information on key customers

IMMOFINANZ had no individual customers who accounted for 10% or more of revenues in the 2022 or 2023 financial year.

3.6 Segment reporting

Information on IMMOFINANZ Group's reportable segments is provided in the following section:

	Austria		Germany	
All amounts in TEUR	**2023**	**2022**	**2023**	**2022**
Office	24,041	23,899	18,930	12,090
Retail	11,121	12,235	0	2
Other	80	4,203	0	1,539
Income from non-performance-related components of operating costs	514	712	662	646
Rental income	**35,756**	**41,049**	**19,592**	**14,277**
Operating costs charged to tenants	9,903	11,711	3,516	4,075
Other revenues	261	920	158	38
Revenues from asset management	**45,920**	**53,680**	**23,266**	**18,390**
Expenses from investment property	-9,090	-19,817	-4,059	-3,611
Operating expenses	-10,191	-13,663	-5,511	-6,070
Results of asset management	**26,639**	**20,200**	**13,696**	**8,709**
Results from owner-operated hotels	**0**	**0**	**0**	**0**
Results of property sales	**-8,321**	**6,613**	**-191**	**-248**
Results of property development	**-4,808**	**-6,130**	**-1,895**	**-9,174**
Other operating income	582	197	1,563	739
Other operating expenses	-2,377	-2,118	-1,846	-2,045
Results of operations	**11,715**	**18,762**	**11,327**	**-2,019**
Revaluation results from standing investments and goodwill	**-69,264**	**-35,510**	**-105,172**	**-73,378**
Operating profit (EBIT)	**-57,549**	**-16,748**	**-93,845**	**-75,397**
	31 12 2023	**31 12 2022**	**31 12 2023**	**31 12 2022**
Investment property	263,924	850,712	467,600	568,500
Property under construction	0	62,900	0	0
Goodwill	0	0	0	0
Owner-operated properties	0	0	0	0
Investment properties held for sale	152,717	0	0	0
Real estate inventories	0	0	4,485	4,563
Segment assets	**416,641**	**913,612**	**472,085**	**573,063**
	2023	**2022**	**2023**	**2022**
Segment investments	**16,779**	**45,155**	**4,187**	**10,679**

	Poland		Czech Republic	
All amounts in TEUR	**2023**	**2022**	**2023**	**2022**
Office	39,301	33,727	14,287	12,421
Retail	28,064	24,072	29,849	19,972
Other	0	4,221	0	1,520
Income from non-performance-related components of operating costs	4,253	3,535	209	365
Rental income	**71,618**	**65,555**	**44,345**	**34,278**
Operating costs charged to tenants	26,756	28,022	11,186	11,164
Other revenues	706	631	512	145
Revenues from asset management	**99,080**	**94,208**	**56,043**	**45,587**
Expenses from investment property	-10,218	-8,933	-4,184	-4,451
Operating expenses	-32,716	-30,958	-12,424	-11,694
Results of asset management	**56,146**	**54,317**	**39,435**	**29,442**
Results from owner-operated hotels	**0**	**0**	**0**	**0**
Results of property sales	**-60**	**62**	**-10**	**10,467**
Results of property development	**-10,706**	**75**	**-33**	**-68**
Other operating income	614	484	1,328	278
Other operating expenses	-1,511	-3,556	-762	-2,427
Results of operations	**44,483**	**51,382**	**39,958**	**37,692**
Revaluation results from standing investments and goodwill	**-43,015**	**-12,750**	**41,343**	**32,093**
Operating profit (EBIT)	**1,468**	**38,632**	**81,301**	**69,785**
	31 12 2023	**31 12 2022**	**31 12 2023**	**31 12 2022**
Investment property	962,035	1,028,589	933,600	673,574
Property under construction	33,350	9,400	0	0
Goodwill	32	32	2,921	2,955
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	**995,417**	**1,038,021**	**936,521**	**676,529**
	2023	**2022**	**2023**	**2022**
Segment investments	**1,475**	**37,415**	**227,527**	**164,842**

	Slovakia		Hungary	
All amounts in TEUR	**2023**	**2022**	**2023**	**2022**
Office	4,302	3,409	0	11,065
Retail	30,589	19,161	21,042	17,134
Other	0	622	0	1,615
Income from non-performance-related components of operating costs	733	752	718	1,291
Rental income	**35,624**	**23,944**	**21,760**	**31,105**
Operating costs charged to tenants	16,502	11,292	13,062	16,350
Other revenues	166	118	79	1,085
Revenues from asset management	**52,292**	**35,354**	**34,901**	**48,540**
Expenses from investment property	-6,493	-5,897	-3,945	-5,303
Operating expenses	-14,926	-10,848	-14,047	-18,762
Results of asset management	**30,873**	**18,609**	**16,909**	**24,475**
Results from owner-operated hotels	**0**	**0**	**0**	**0**
Results of property sales	**227**	**-393**	**-221**	**-253**
Results of property development	**-28**	**-23**	**0**	**1,900**
Other operating income	354	20	1,047	4
Other operating expenses	-1,932	-1,691	-398	-1,846
Results of operations	**29,494**	**16,522**	**17,337**	**24,280**
Revaluation results from standing investments and goodwill	**-21,889**	**14,164**	**-1,022**	**-28,161**
Operating profit (EBIT)	**7,605**	**30,686**	**16,315**	**-3,881**
	31 12 2023	**31 12 2022**	**31 12 2023**	**31 12 2022**
Investment property	429,414	450,828	227,536	227,037
Property under construction	0	0	0	0
Goodwill	89	184	202	202
Owner-operated properties	0	0	0	0
Investment properties held for sale	0	0	0	0
Real estate inventories	0	0	0	0
Segment assets	**429,503**	**451,012**	**227,738**	**227,239**
	2023	**2022**	**2023**	**2022**
Segment investments	**5,049**	**109,556**	**423**	**34,653**

	Romania		Adriatic	
All amounts in TEUR	2023	2022	2023	2022
Office	17,759	10,829	2,271	1,605
Retail	32,626	30,293	46,333	38,059
Other	752	4,749	0	420
Income from non-performance-related components of operating costs	3,628	3,384	632	607
Rental income	**54,765**	**49,255**	**49,236**	**40,691**
Operating costs charged to tenants	32,845	25,946	13,072	10,069
Other revenues	435	197	424	267
Revenues from asset management	**88,045**	**75,398**	**62,732**	**51,027**
Expenses from investment property	-8,033	-7,496	-4,984	-4,543
Operating expenses	-38,556	-33,030	-14,217	-10,955
Results of asset management	**41,456**	**34,872**	**43,531**	**35,529**
Results from owner-operated hotels	**0**	**0**	**0**	**0**
Results of property sales	**-215**	**1,126**	**-428**	**-63**
Results of property development	**-4,558**	**-7,540**	**-3,563**	**276**
Other operating income	1,325	894	-2,372	24
Other operating expenses	-14,153	-6,829	-3,623	-3,923
Results of operations	**23,855**	**22,523**	**33,545**	**31,843**
Revaluation results from standing investments and goodwill	**-48,142**	**-2,005**	**2,478**	**-5,491**
Operating profit (EBIT)	**-24,287**	**20,518**	**36,023**	**26,352**
	31 12 2023	31 12 2022	31 12 2023	31 12 2022
Investment property	649,186	704,505	619,520	538,500
Property under construction	65,070	67,200	28,030	48,700
Goodwill	12,887	12,975	999	999
Owner-operated properties	0	0	0	0
Investment properties held for sale	18,640	9,400	0	0
Real estate inventories	0	100	0	0
Segment assets	**745,783**	**794,180**	**648,549**	**588,199**
	2023	2022	2023	2022
Segment investments	**4,270**	**12,996**	**58,400**	**120,661**

	S IMMO		Other Countries	
All amounts in TEUR	**2023**	**2022**	**2023**	**2022**
Office	123,448	0	0	0
Retail	41,895	0	0	0
Other	27,281	0	0	16
Income from non-performance-related components of operating costs	8,281	0	0	0
Rental income	**200,905**	**0**	**0**	**16**
Operating costs charged to tenants	63,775	0	0	0
Other revenues	0	0	0	0
Revenues from asset management	**264,680**	**0**	**0**	**16**
Expenses from investment property	-24,391	0	0	-66
Operating expenses	-90,433	0	0	0
Results of asset management	**149,856**	**0**	**0**	**-50**
Results from owner-operated hotels	**2,012**	**0**	**0**	**0**
Results of property sales	**9,819**	**0**	**-38,520**	**-12,688**
Results of property development	**0**	**0**	**0**	**0**
Other operating income	3,321	0	54	26
Other operating expenses	-28,013	0	-81	-92
Results of operations	**136,995**	**0**	**-38,547**	**-12,804**
Revaluation results from standing investments and goodwill	**-115,065**	**0**	**7,541**	**390**
Operating profit (EBIT)	**21,930**	**0**	**-31,006**	**-12,414**
	31 12 2023	**31 12 2022**	**31 12 2023**	**31 12 2022**
Investment property	3,277,932	2,656,952	0	7,999
Property under construction	16,510	10,300	0	0
Goodwill	2,183	2,183	0	0
Owner-operated properties	229,634	231,827	0	0
Investment properties held for sale	84,515	501,006	0	0
Real estate inventories	356	300	0	0
Segment assets	**3,611,130**	**3,402,568**	**0**	**7,999**
	2023	**2022**	**2023**	**2022**
Segment investments	**624,212**	**2,423,152**	**0**	**0**

All amounts in TEUR	Total reportable segments 2023	Total reportable segments 2022	Reconciliation to consolidated financial statements 2023	Reconciliation to consolidated financial statements 2022	IMMOFINANZ Group 2023	IMMOFINANZ Group 2022
Office	244,338	109,045	0	0	244,338	109,045
Retail	241,518	160,928	0	0	241,518	160,928
Other	28,115	18,905	0	0	28,115	18,905
Income from non-performance-related components of operating costs	19,630	11,292	0	0	19,630	11,292
Rental income	**533,601**	**300,170**	**0**	**0**	**533,601**	**300,170**
Operating costs charged to tenants	190,615	118,629	0	0	190,615	118,629
Other revenues	2,740	3,401	0	0	2,740	3,401
Revenues from asset management	**726,956**	**422,200**	**0**	**0**	**726,956**	**422,200**
Expenses from investment property	-75,396	-60,117	0	0	-75,396	-60,117
Operating expenses	-233,022	-135,980	0	0	-233,022	-135,980
Results of asset management	**418,538**	**226,103**	**0**	**0**	**418,538**	**226,103**
Results from owner-operated hotels	**2,012**	**0**	**0**	**0**	**2,012**	**0**
Results of property sales	**-37,921**	**4,623**	**-406**	**0**	**-38,327**	**4,623**
Results of property development	**-25,591**	**-20,684**	**0**	**0**	**-25,591**	**-20,684**
Other operating income	7,816	2,666	37	7,711	7,853	10,377
Other operating expenses	-54,696	-24,527	-24,671	-41,551	-79,367	-66,078
Results of operations	**308,146**	**188,181**	**-25,040**	**-33,840**	**285,118**	**154,341**
Revaluation results from standing investments and goodwill	**-352,207**	**-110,648**	**0**	**214,622**	**-352,207**	**103,974**
Operating profit (EBIT)	**-44,061**	**77,533**	**-25,040**	**180,782**	**-67,089**	**258,315**
	31 12 2023	**31 12 2022**	**31 12 2023**	**31 12 2022**	**31 12 2023**	**31 12 2022**
Investment property	7,830,746	7,707,196	0	0	7,830,746	7,707,196
Property under construction	142,960	198,500	0	0	142,960	198,500
Goodwill	19,312	19,530	0	0	19,312	19,530
Owner-operated properties	229,634	231,827	0	0	229,634	231,827
Investment properties held for sale	255,872	510,406	0	0	255,872	510,406
Real estate inventories	4,841	4,963	0	0	4,841	4,963
Segment assets	**8,483,365**	**8,672,422**	**0**	**0**	**8,483,365**	**8,672,422**
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
Segment investments	**942,321**	**2,959,109**	**0**	**0**	**942,321**	**2,959,109**

4. Notes to the Consolidated Balance Sheet

4.1 Investment property

Investment property includes land, buildings and/or parts of buildings that are held to generate rental income or for capital appreciation. The properties owned and operated by S IMMO Group (hotels) are reported under owner-operated properties. The space used by IMMOFINANZ is immaterial and is therefore included under investment property. Properties acquired at the start of the development process are classified as property under construction when the necessary decisions have been taken as of the acquisition date. In all other cases, real estate acquisitions are recognised as investment property.

IMMOFINANZ Group filed applications for an immaterial amount of investment subsidies for investment property and property under construction (see section 0) in the Austrian companies during 2023. Investment subsidies are principally accounted for through a deduction to the acquisition cost when the asset is initially recognised (net method as per IAS 20.24).

4.1.1 Development of investment property

Details on the development of the fair value of investment property are presented in the following section. Foreign exchange differences resulting from the translation of foreign company assets at the rates in effect at the beginning and the end of the year are presented separately.

The development of investment property is as follows:

All amounts in TEUR	2023	2022
Beginning balance	**7,707,196**	**4,736,375**
Disposals following the sale of subsidiaries (2.5)	-75,646	-95,379
Change in scope of consolidation	821,079	2,412,852
Currency translation adjustments	-5,625	2,697
Additions	73,279	436,276
Disposals	-187,999	-39,427
Revaluation	-353,154	-97,573
Reclassifications	98,088	351,375
Reclassification from assets held for sale	9,400	0
Reclassification to assets held for sale	-255,872	0
Ending balance	**7,830,746**	**7,707,196**

Disposals following the sale of subsidiaries were related, above all, to land in Germany and Turkey as well as an office property in Croatia. The change in the scope of consolidation during 2023 resulted primarily from the purchase of office and retail properties in the Czech Republic and Hungary from CPI Property Group (see section 2.3). In 2022, this line included the properties held by S IMMO Group. The acquisitions principally represent investments in portfolio properties in the Czech Republic and Hungary by S IMMO. Also included here are purchases in Austria, Croatia and Romania, which cover acquisitions of EUR 51.4 million (2022: EUR 396.9 million) and subsequent investments of EUR 21.9 million (2022: EUR 39.3 million). The disposals of investment property in 2023 were related mainly to sales in Germany as well as the Bureau am Belvedere office building in Vienna. Reclassification to assets held for sale consisted, in particular, of properties in the Czech Republic and Germany, an office property and three retail properties in Austria, and two office properties in Bucharest (see section 4.10).

The reclassifications consisted mainly of transfers of investment property to property under construction (EUR -55.5 million; 2022: EUR -7.2 million) and from property under construction to investment property (EUR 139.4 million; 2022: EUR 356.9 million).

IFRS 16
IMMOFINANZ Group leases real estate for rental to third parties (in particular building rights) and, to a lesser extent, leases buildings, land and other assets (autos and other items of business and operating equipment). The IFRS 16 rights of use resulting from the building rights are allocated to investment property. Information on the IFRS 16 rights of use related to owner-operated properties is provided in section 4.3, while information on the IFRS 16 rights of use included under other tangible assets can be found in section 4.4. For short-term leases (under 12 months) and low-value leases (under EUR 5,000), IMMOFINANZ Group applies the practical expedients defined by IFRS 16 and records the expenses for these contracts under other operating expenses (see section 5.6). The option to waive the separation of lease and non-lease components was not applied.

The rights of use for investment property and property under construction are subsequently measured at fair value in accordance with IAS 40 (see section 5.8 for the valuation effect) and represent the respective lease liabilities as of the measurement date (see section 4.14). Lease liabilities are subsequently measured at amortised cost with the application of the effective interest method and include any foreign exchange increases or decreases (see section 5.10). Lease payments on the rights of use for building rights are normally indexed and, consequently, regularly represent the current market price. As a rule, the leases for building rights do not include any purchase options.

The rights of use included under investment property totalled EUR 55.3 million as of 31 December 2023 (2022: EUR 57.3 million). No rights of use were reclassified to assets held for sale in 2023 (see section 4.10). Information on the lessor's accounting treatment is provided in section 5.1.1.

4.1.2 Accounting policies
The fair value of the standing investments held by IMMOFINANZ as of 31 December 2023 and in the previous year was generally determined with the so-called hardcore and top-slice version of the investment method.

Under the hardcore and top-slice version, the net income generated by a property – up to the market rent (the so-called hardcore component) – is capitalised at a normal market interest rate as a perpetual yield over the entire term (term of the rental contract plus subsequent rental). The top-slice component (i.e. the net income that exceeds or falls below the market rent) is then discounted at a risk-adjusted market interest rate if necessary. The amount of the risk premium is dependent on the probability of vacancy.

In the S IMMO segment, the discounted cash flow method (DCF method) is used to value the standing investments in Germany and the Czech Republic. Quantitative information on the parameters used for valuation is provided in section 4.1.3.

The valuation of undeveloped land held by IMMOFINANZ Group is based on a comparable value method. This method uses the realised purchase prices from other sites with a similar location and size to determine the value of the target property.

Properties under development and investment properties that were acquired for possible redesign and renovation (redevelopment) are measured with the residual value method in IMMOFINANZ Group. The appraiser is responsible for selecting the valuation method. Differences to the above-mentioned procedure are therefore possible.

Changes in the fair value of investment properties, properties under construction, properties held for sale and properties sold are recognised to profit or loss and reported on the income statement under revaluation (see section 5.8). On property sales, the difference between the carrying amount on the last closing date and the last quarter prior to the sale is recorded under valuation results from standing investments, respectively property under construction; the difference between the carrying amount in the last quarter and the sale proceeds is reported under the results of property sales (see section 5.3).

The accounting for investment property in accordance with the fair value model requires regular revaluation. In IMMOFINANZ Group, effectively all properties are valued by independent appraisers in accordance with the recommendations of the European Public Real Estate Association (EPRA).

CBRE served as the appraiser for most of the properties held by IMMOFINANZ Group as of 31 December 2023. Cushman & Wakefield (Slovakia) and iO Partners (Hungary) were responsible for additional appraisals. A very limited number of internal valuations were also carried out.

The valuations by these external appraisers are based on their market knowledge and the inspection of the properties as well as supplied information, e.g. rental lists, rental contracts, land register excerpts and maintenance and investment budgets. This data is reviewed by the appraisers, who verify its plausibility through comparisons with market data. The experts also make estimates, among others, for the occupancy, future rental income, scheduled investments and expected returns. This process is accompanied by the members of IMMOFINANZ Group's asset management and controlling staffs. The results of the property valuation process are reviewed by internal experts in IMMOFINANZ Group for plausibility and coordinated with the Executive Board.

An IMMOFINANZ Group guideline and the contract concluded with the appraiser require the inspection of all properties as part of the initial valuation. Starting with the first follow-up valuation, the appraisers are required to inspect at least 10% of the properties in each country of their assigned portfolio and to examine all newly acquired properties each year. The on-site inspection of the property by the appraiser may not be older than three years.

In IMMOFINANZ Group, the properties are appraised for the preparation of the consolidated financial statements as of 31 December and, in part, also for the preparation of the consolidated interim financial statements as of 30 June. Internal valuations are carried out for the preparation of the interim financial statements as of 31 March and 30 September.

4.1.3 Valuation assumptions and existing valuation uncertainty

IFRS 13 requires the classification of assets and liabilities measured at fair value in three fair value hierarchy levels based on the determining input factors. All investment properties are classified under Level 3 of the fair value hierarchy because of the various parameters used in property valuation that are not directly or indirectly observable on the market (see the following table for information on the most important non-observable input factors).

The classes are defined according to the respective characteristics, features and risks associated with the assets. The allocation criteria include the business segments and asset classes (office, retail and others). The office, retail and others asset classes are aggregated into country groups based on specific homogeneity criteria: West (Austria, Germany), CEE (Poland, Czech Republic, Slovakia, Hungary, Romania) and Other Countries (Italy, Croatia, Serbia and Slovenia).

This aggregation results in the following classes:
- **Office** – in each of the country groups West, CEE, Other Countries
- **Retail** – in each of the country groups West, CEE, Other Countries
- **Other** – in each of the country groups West, CEE, Other Countries

The following table shows the input factors used for valuation and lists the key input parameters for each class of standing investments. A minimum and maximum value is shown for each input parameter in the class; consequently, the various parameters are generally not related to the same property. In addition to the minimum and maximum amounts, a weighted average and median amount are provided for each input parameter within the individual classes.

The input parameters presented in the following tables for 2023 and 2022 are to be understood as follows:

- Lettable space in sqm: the total gross space available for rental by tenants (excluding parking areas)
- Market rent per sqm and month in EUR: the appraiser's estimate of the monthly rent for which a property could be rented by knowledgeable and willing parties under appropriate conditions and without compulsion in an arm's length transaction
- Actual net rent per sqm and month in EUR: the monthly rent in square metres based on expected rents for the first year after the deduction of costs carried by the renter

– Capitalisation rate in %: yield based on the expected income from the property; the exit yield is reported for properties held by the S IMMO Group which are valued according to the DCF method
– Vacancy rate in %: the actual vacancy rate as of the balance sheet date.

Depending on the estimates of risk – which are based, in general, on the asset class, the country and current market circumstances and, in particular, on the condition of the building, its location and occupancy rate – different interest rates are applied to the individual properties. The assumptions underlying the valuation, e.g. for market rents, rental default risks, vacancies or maintenance costs, are based on market assessments, on derived data or on the appraisers' experience. Comparable rental contracts and property transactions on the market are regularly monitored, filed and evaluated by the appraisers. These market benchmarks are then transferred to the target properties and estimates for future rents or a potential market price, in the event of a sale, are calculated.

The following tables also include the investment property classified held for sale (see section 4.10), in cases where current appraisals were available as of the balance sheet date.

Office 2023		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate or exit yield in %	Vacancy rate in %
West	min	2,194	6.50	5.85	4.10	0.00
	max	66,259	27.64	38.94	7.15	52.47
	weighted average	11,992	15.50	15.91	5.45	10.40
	median	8,217	13.23	13.04	5.48	5.59
CEE	min	519	4.59	4.36	5.10	0.00
	max	71,609	25.44	26.75	10.00	63.06
	weighted average	17,485	15.67	15.37	7.58	12.21
	median	15,404	15.35	13.62	7.75	8.41
Other Countries	min	15,633	12.85	12.77	8.75	0.39
	max	26,029	14.53	14.29	8.75	1.37
	weighted average	20,831	13.90	13.73	8.75	0.88
	median	20,831	13.69	13.53	8.75	0.88

Retail 2023		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate or exit yield in %	Vacancy rate in %
West	min	1,782	5.71	4.96	5.05	0.00
	max	14,834	17.77	22.54	6.65	36.16
	weighted average	5,963	11.88	11.32	6.05	5.17
	median	5,572	11.97	9.40	6.08	0.00
CEE	min	762	3.54	3.38	5.00	0.00
	max	81,528	49.57	50.06	9.75	64.60
	weighted average	8,362	13.51	13.22	7.22	2.17
	median	5,806	10.48	10.40	7.25	0.00
Other Countries	min	1,657	8.12	7.95	8.00	0.00
	max	33,126	14.82	14.50	9.25	6.71
	weighted average	9,070	10.62	10.37	8.62	0.25
	median	8,355	10.35	10.15	8.50	0.00

Other 2023		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate or exit yield in %	Vacancy rate in %
West	min	282	6.18	5.18	2.80	0.00
	max	13,586	12.50	13.07	7.00	57.11
	weighted average	1,294	8.86	8.57	4.19	11.42
	median	828	8.56	7.86	4.25	8.15

Office

2022		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
West	min	630	4.34	3.92	2.75	0.00
	max	66,270	26.10	69.98	7.05	79.48
	weighted average	10,097	14.70	15.31	4.73	14.41
	median	6,440	11.80	11.81	4.90	10.65
CEE	min	519	4.52	3.81	4.00	0.00
	max	71,608	24.05	51.85	10.70	75.47
	weighted average	18,476	14.71	15.38	7.23	12.97
	median	15,671	13.75	14.21	7.50	9.72
Other Countries	min	8,638	11.96	10.46	7.60	0.00
	max	26,029	16.45	11.95	8.00	1.45
	weighted average	16,525	13.87	11.54	7.83	0.41
	median	15,716	14.00	11.50	7.85	0.10

Retail

2022		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
West	min	943	4.36	3.11	2.75	0.00
	max	14,840	17.41	20.18	6.90	27.69
	weighted average	5,726	10.67	10.60	5.04	2.52
	median	4,389	10.66	8.50	5.30	0.00
CEE	min	811	5.06	4.68	5.60	0.00
	max	81,486	20.35	19.75	10.00	28.34
	weighted average	8,837	11.88	11.09	6.96	1.38
	median	6,104	9.73	9.57	6.90	0.00
Other Countries	min	1,657	7.54	7.39	7.50	0.00
	max	33,126	14.58	14.34	8.75	13.46
	weighted average	9,000	10.32	10.12	8.14	0.96
	median	8,179	10.20	10.05	8.00	0.00

Other

2022		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
West	min	282	5.96	0.49	1.85	0.00
	max	13,586	11.80	11.09	4.75	55.81
	weighted average	1,304	8.52	6.29	3.43	9.56
	median	837	8.00	5.66	3.45	4.65

An increase in the price per square metre would lead to an increase in fair value, while a decrease in this parameter would cause a decrease in fair value. An increase in the capitalisation rate would lead to a reduction inf air value, while a reduction in this input factor would result in a higher fair value.

The following tables show the input factors for properties valued with the sales comparison approach (undeveloped land and vacant buildings):

Office 2023		Land in sqm	Price per sqm in EUR
West	min	1,478	870.11
	max	8,723	1,062.25
	weighted average	5,101	897.95
	median	5,101	966.18
CEE	min	1,508	440.22
	max	20,308	1,797.08
	weighted average	8,436	677.16
	median	5,964	771.49

Retail 2023		Land in sqm	Price per sqm in EUR
CEE	min	30,910	32.35
	max	37,889	36.95
	weighted average	34,400	34.88
	median	34,400	34.65
Other Countries	min	30,000	36.67
	max	39,471	81.07
	weighted average	34,736	61.90
	median	34,736	58.87

Other 2023		Land in sqm	Price per sqm in EUR
West	min	391	0.59
	max	287,936	414.74
	weighted average	69,966	29.20
	median	42,519	28.12
CEE	min	1,790	5.99
	max	29,866	599.70
	weighted average	9,215	85.56
	median	3,335	222.35
Other Countries	min	7,951	1,672.75
	max	7,951	1,672.75
	weighted average	7,951	1,672.75
	median	7,951	1,672.75

Office 2022		Land in sqm	Price per sqm in EUR
West	min	1,478	1,069.59
	max	8,723	1,278.76
	weighted average	5,101	1,099.89
	median	5,101	1,174.17
CEE	min	2,162	193.35
	max	20,308	1,054.68
	weighted average	8,706	674.86
	median	6,176	540.00

Retail 2022		Land in sqm	Price per sqm in EUR
CEE	min	3,916	12.20
	max	58,500	150.43
	weighted average	27,300	79.37
	median	27,746	56.78
Other Countries	min	30,000	36.67
	max	39,471	81.07
	weighted average	34,736	61.90
	median	34,736	58.87

Other 2022		Land in sqm	Price per sqm in EUR
West	min	391	0.63
	max	287,936	414.74
	weighted average	69,966	28.23
	median	42,519	26.86
CEE	min	1,790	11.12
	max	210,319	599.70
	weighted average	41,259	118.79
	median	18,331	125.76
Other Countries	min	1,500	40.68
	max	196,671	1,672.75
	weighted average	68,707	105.28
	median	7,951	266.67

An increase in the price per square metre would lead to an increase in fair value, while a decrease would result in a lower fair value.

The following tables show a transition calculation from the beginning balance to the ending balance for the various property classes:

Office All amounts in TEUR	West	CEE	Other Countries	Total
Balance on 1 January 2022	**1,168,570**	**1,600,389**	**28,290**	**2,797,249**
Disposals following the sale of subsidiaries	0	-95,379	0	-95,379
Change in scope of consolidation	602,190	814,375	100,800	1,517,365
Foreign exchange differences	0	0	-65	-65
Additions	10,987	12,077	0	23,064
Disposals	-29,213	-2,501	0	-31,714
Revaluation of properties in the portfolio as of the balance sheet date	-107,821	-53,062	-1,949	-162,832
Revaluation of properties no longer in the portfolio as of the balance sheet date	6,270	6,857	0	13,127
Reclassifications	196,427	107,881	124	304,432
Balance on 31 December 2022	**1,847,410**	**2,390,637**	**127,200**	**4,365,247**
Balance on 1 January 2023	**1,847,410**	**2,390,637**	**127,200**	**4,365,247**
Disposals following the sale of subsidiaries	-31,500	0	-26,500	-58,000
Change in scope of consolidation	0	355,578	0	355,578
Foreign exchange differences	0	-2,025	0	-2,025
Additions	10,631	21,602	2,251	34,484
Disposals	-86,963	-4,099	0	-91,062
Revaluation of properties in the portfolio as of the balance sheet date	-228,459	-107,885	1,986	-334,358
Reclassifications	8,108	-30,316	63	-22,145
Reclassification from assets held for sale	9,400	0	0	9,400
Reclassification to assets held for sale	-162,167	-18,640	0	-180,807
Balance on 31 December 2023	**1,366,460**	**2,604,852**	**105,000**	**4,076,312**

Retail All amounts in TEUR	West	CEE	Other Countries	Total
Balance on 1 January 2022	**172,529**	**1,301,437**	**397,799**	**1,871,765**
Change in scope of consolidation	168,880	219,042	0	387,922
Foreign exchange differences	0	5,235	244	5,479
Additions	2,905	329,476	78,776	411,157
Disposals	-203	-5,304	0	-5,507
Revaluation of properties in the portfolio as of the balance sheet date	-1,067	61,621	-2,983	57,571
Revaluation of properties no longer in the portfolio as of the balance sheet date	0	389	0	389
Reclassifications	-172	317	24,964	25,109
Balance on 31 December 2022	**342,872**	**1,912,213**	**498,800**	**2,753,885**
Balance on 1 January 2023	**342,872**	**1,912,213**	**498,800**	**2,753,885**
Disposals following the sale of subsidiaries	0	-2,800	0	-2,800
Change in scope of consolidation	0	441,315	0	441,315
Foreign exchange differences	0	-2,927	221	-2,706
Additions	3,794	12,418	20,630	36,842
Disposals	-5,513	-1,016	0	-6,529
Revaluation of properties in the portfolio as of the balance sheet date	-26,996	80,894	746	54,644
Revaluation of properties no longer in the portfolio as of the balance sheet date	0	-910	0	-910
Reclassifications	-223	7,712	55,823	63,312
Reclassification to assets held for sale	-17,000	0	0	-17,000
Balance on 31 December 2023	**296,934**	**2,446,899**	**576,220**	**3,320,053**

Other All amounts in TEUR	West	CEE	Other Countries	Total
Balance on 1 January 2022	**0**	**41,880**	**25,481**	**67,361**
Change in scope of consolidation	409,684	97,480	401	507,565
Foreign exchange differences	0	0	-2,717	-2,717
Additions	0	1,566	489	2,055
Disposals	0	-1	-2,205	-2,206
Revaluation of properties in the portfolio as of the balance sheet date	0	-6,080	-68	-6,148
Revaluation of properties no longer in the portfolio as of the balance sheet date	0	0	320	320
Reclassifications	0	21,834	0	21,834
Balance on 31 December 2022	**409,684**	**156,679**	**21,701**	**588,064**
Balance on 1 January 2023	**409,684**	**156,679**	**21,701**	**588,064**
Disposals following the sale of subsidiaries	0	0	-14,846	-14,846
Change in scope of consolidation	0	24,186	0	24,186
Foreign exchange differences	-198	0	-696	-894
Additions	606	1,192	155	1,953
Disposals	-81,948	-8,460	0	-90,408
Revaluation of properties in the portfolio as of the balance sheet date	-56,875	468	-155	-56,562
Revaluation of properties no longer in the portfolio as of the balance sheet date	-16,500	-7,010	7,542	-15,968
Reclassifications	57,593	-271	-401	56,921
Reclassification to assets held for sale	-2,665	-55,400	0	-58,065
Balance on 31 December 2023	**309,697**	**111,384**	**13,300**	**434,381**

The following table shows a reconciliation from the various classes of investment properties to the total investment property reported on the consolidated balance sheet:

All amounts in TEUR	31 12 2023	31 12 2022
Office	1,366,460	1,847,410
Retail	296,934	342,872
Other	309,697	409,684
Total West	**1,973,091**	**2,599,966**
Office	2,604,852	2,390,637
Retail	2,446,899	1,912,213
Other	111,384	156,679
Total CEE	**5,163,135**	**4,459,529**
Office	105,000	127,200
Retail	576,220	498,800
Other	13,300	21,701
Total Other Countries	**694,520**	**647,701**
Total (as per consolidated balance sheet)	**7,830,746**	**7,707,196**

Sensitivity analysis of revaluation results

The fair values determined by the property appraisals are heavily dependent on the input factors underlying the valuation. For example: a change in the assumed rental income from a property or in the capitalisation rate has a direct effect on the fair value of the property and, in turn, on the revaluation results reported by IMMOFINANZ Group. Therefore, the derived fair values are directly related to the underlying parameters. Even minor changes in the economic or property-specific assumptions used for valuation can have a significant influence on IMMOFINANZ Group's earnings.

The following table shows the per cent change in the fair value of investment property as of 31 December 2023 that would have resulted from changes in market rents and interest rates:

Sensitivity of fair value as of 31 December 2023 IMMOFINANZ Group			Interest rate
Market rent	△ -0.25 bps	△ 0.0 bps	△ +0.25 bps
△ -5.0%	-1.2%	-5.0%	-8.5%
△ 0.0%	4.0%	0.0%	-3.7%
△ +5.0%	9.2%	5.0%	1.1%

[1] Capitalisation rate

For example: if the interest rate fell by 0.25 basis points and market rents remained unchanged, the fair value of IMMOFINANZ Group's investment property would increase by 4.0%.

The above data are based on the properties in the standing investment portfolio, which were valued by external appraisers according to the hardcore and top slice or DCF method. Rights of use classified as held for sale in accordance with IFRS 5 and properties under construction are excluded. The investment property held by IMMOFINANZ Group had a carrying amount of EUR 7,830.7 million as of 31 December 2023. Of this total, the carrying amount of the portfolio properties which flowed into the sensitivity analysis equalled EUR 7,580.3 million, or 97% of the standing investment portfolio.

The following two tables show the per cent change in the fair value of investment property as of 31 December 2022 that would have resulted from changes in rental income and interest rates. The data is presented separately for the properties owned by IMMOFINANZ and the S IMMO Group:

Sensitivity of fair value as of 31 December 2022 IMMOFINANZ			Rental income
Interest rate[1]	△ -10.0%	△ 0.0%	△ +10.0%
△ -10.0%	-0.7%	11.5%	23.7%
△ 0.0%	-11.0%	0.0%	11.0%
△ +10.0%	-19.4%	-9.4%	0.5%

[1] Capitalisation rate

The above data are based on the top 30 properties in the standing investment portfolio, which are defined as the 30 properties with the highest carrying amount. Properties classified as held for sale in accordance with IFRS 5 are excluded. As of 31 December 2022, the investment property held by IMMOFINANZ Group had a carrying amount of EUR 7,707.2 million, whereby EUR 5,050.2 million are attributable to IMMOFINANZ and EUR 2,657.0 million to S IMMO. The carrying amount of the top 30 properties in the IMMOFINANZ property portfolio totalled EUR 2,893.6 million as of 31 December 2022, or 57.3% of the standing investment portfolio. The carrying amount of the top 30 properties in the S IMMO Group property portfolio as of 31 December 2022 totalled EUR 1,656.6 million or 62.4% of the standing investment portfolio.

Sensitivity of fair value as of 31 December 2022: S IMMO			Rental income
Interest rate[1]	△ -10.0%	△ 0.0%	△ +10.0%
△ -10.0%	1.0%	11.1%	21.0%
△ 0.0%	-10.2%	0.0%	9.9%
△ +10.0%	-19.4%	-9.3%	0.6%

[1] Capitalisation rate

In addition to the previously discussed valuation-relevant input parameters, changes in exchange rates also have an effect on profit or loss through revaluation results. Interest rate fluctuations no longer have a material effect on the valuation of investment properties since the functional currency in all core countries is the euro and only a few non-core countries have a different functional currency. The sensitivity analysis for this input parameter was therefore discontinued.

4.1.4 Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of its property portfolio. In addition to sector and regional factors, the diversification of the tenant structure represents another focal point and is designed to prevent the loss of a tenant from significantly influencing the company. IMMOFINANZ Group has a well-balanced and varied tenant mix. No single tenant is responsible for more than 2.5% of total rental income (also see section 3.5).

4.1.5 Climate risks

The real estate sector is responsible for roughly one-third of global energy consumption and greenhouse gas emissions. Major efforts are therefore directed to reducing this component through new regulations. IMMOFINANZ Group has gone to great lengths in recent years to reduce the greenhouse gas emissions from its portfolio. Over the coming years, the company plans to increase its focus on measures to improve energy efficiency. The energy efficiency of buildings – together with energy generation – also plays a central role in the EU Taxonomy Regulation. For this reason, IMMOFINANZ Group has been installing photovoltaic equipment on its properties and plans to continue doing so in the coming years. This important contribution to decarbonisation is an integral part of the company's ESG strategy.

In the area of climate risks, modelling shows a stronger increase in the temperatures in IMMOFINANZ Group's core markets as well as a greater probability of longer dry periods. Both of these trends are integrated in building refurbishment projects and flow into project development analyses. Properties near the coasts in Poland and Croatia – and here, only a limited number of retail parks are involved – are exposed to the risk of rising sea levels. Natural hazards represent a further aspect since the models forecast an increasing danger of forest fires due to the longer dry periods. This phenomenon is already visible in the Mediterranean region and will spread northward in the coming years. The related risks are addressed with construction measures that include a focus on the design and expansion of green areas and, in addition, all IMMOFINANZ Group properties are insured against natural hazards. The properties owned and operated by IMMOFINANZ Group are not exposed to a high overall climate risk and, therefore, there are no indications of a possible loss in value or a need to adjust the useful life.

IMMOFINANZ Group also sees opportunities in the area of biodiversity. Future plans include the replacement of water-intensive grassy areas with planting that supports biodiversity. These areas not only save water and energy but require less care and can help to achieve a slight reduction in operating costs.

Based on the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the requirements of the EU Taxonomy Regulation, IMMOFINANZ Group carried out climate risk analyses for all its properties in 2022 and 2023.

Sustainability and environmental aspects also represent an integral part of the approach to the valuation of real estate, for investment property as well as owner-operated property. The term sustainability is understood to include factors such as the environment and climate change, health and wellbeing as well as the entrepreneurial responsibilities that can or could influence the valuation of a property. In a valuation context, sustainability covers a broad spectrum of physical, social, ecological and economic factors that could influence value.

The spectrum ranges from fundamental environmental risks like flooding, energy efficiency and climate to issues involving design, furnishings, accessibility, legal regulations, management and tax considerations as well as current and historical space utilisation. Sustainability also has an influence on the value of a property, even if it is not explicitly mentioned in the appraisal.

The effects of sustainability on a valuation reflect the appraiser's understanding as to how market participants include sustainability factors in their offers and the influence of these factors on the market's valuation. Sustainability criteria or ESG ratings have an increasing influence on the value of properties, above all through realisable rents and the capitalisation rate that reflects the risks inherent in an investment. These market factors are closely monitored by the appraisers and incorporated in their valuations.

Some appraisers also draw on their own studies and analyses to identify and understand market trends. These studies and analyses also supply comparative data for the rents and prices realisable in the respective market segment which, also in the context of sustainability and environmental aspects, are the most important input factors for valuation.

Based on the regular monitoring of the behaviour of market participants by the appraisers and ESG-specific information on the individual properties, the appraisers adjust the estimate for market rents, vacancy periods and capitalisation rates.

An increasing readiness to include premiums for green buildings is already visible among both tenants and investors. These premiums are still relatively low but are expected to increase substantially in the coming years because of the higher discounts on rents and prices for brown buildings.

Climate risks can change the market interest rates or rents which flow into valuation, depending on their development. They can also lead to a situation where green financing, e.g. the issued green bonds, are not available or only available under less advantageous conditions.

S IMMO is currently using several green bonds to finance and refinance projects that are aligned with its sustainable bond framework. This framework follows the Green Bond and Social Bond Principles of the International Capital Market Association (ICMA) and requires the use of proceeds solely for green buildings, energy efficiency, renewable energy and/or affordable housing. At the present time, all financed projects are assigned and allocated to green building-certified properties.

No climate risks have been identified to date which would have required the recognition of provisions or the disclosure of contingent liabilities. Moreover, the reduction targets for greenhouse gas emissions and energy consumption set by S IMMO as part of its corporate ESG strategy have no concrete effects on the financial statements.

In this connection it should be noted that ESG measures and investments have a positive influence on rents and possibly also on lower operating costs or costs that cannot be passed on to tenants. This effect does not have an equal impact on the value of the respective property over the short term. These types of investments, however, counteract a future decline in rents and prevent a property from classification as a “stranded asset” in an increasingly sensitive market due to an unfavourable ESG rating.

Climate risks currently have no material influence on the consolidated financial statements of IMMOFINANZ Group.

4.2 Property under construction

Property under construction includes the properties under development as well as standing investments which were reclassified over time from standing investments to property under construction due to refurbishment or redevelopment. IMMOFINANZ views refurbishment and renovation as the structural-technical restoration or modernisation of one or more floors, the communal areas or an entire property to improve the overall standard. Above all, it involves preserving the value of the building substance and/or modernising the property to improve its potential. This involves the facade as well as the building core (floors, rental areas, communal areas, plant rooms etc.). Major renovation extends beyond normal maintenance and repairs and beyond a maintenance backlog. An important criterion for classification as renovation is the investment volume and a reduced occupancy level. A major renovation project is, as a rule, considered to exist when the investment volume equals or exceeds 10% of the property's current fair value and the occupancy rate has fallen below 50%.

Property under construction is reclassified to investment property when the development measures are finalised and the project is completed. This completion includes the transfer of general contractor activities, transfer to the asset management process and the approval of the Executive Board.

Borrowing costs directly attributable to the acquisition, construction or production of assets whose purchase or development requires a substantial period of time are generally capitalised as part of the acquisition or production cost. In accordance with IAS 23, the application of this accounting procedure is not mandatory if the acquired or developed assets are measured at fair value. Since IMMOFINANZ has elected to use the fair value model for the subsequent measurement of investment property (see section 1.2), borrowing costs are not capitalised on property accounted for according to IAS 40. The capitalisation of interest on construction financing according to IAS 23 was immaterial for S IMMO Group in 2023 and 2022.

The development of property under construction is shown in the following table:

All amounts in TEUR	2023	2022
Beginning balance	**198,500**	**474,311**
Disposals following the sale of subsidiaries (2.5)	-1,025	0
Change in scope of consolidation	0	10,300
Currency translation adjustments	0	-68
Additions	47,963	99,681
Disposals	-2,100	-30,343
Revaluation	-20,792	-9,180
Reclassifications	-79,586	-346,201
Ending balance	**142,960**	**198,500**

The change in the scope of consolidation in 2022 is attributable to properties under construction by S IMMO Group. The additions are related chiefly to development projects for the STOP SHOP brand in Croatia and Serbia as well as investments at myhive locations in Austria and Romania. The disposals in 2022 involved an office property in Austria. Revaluation results were influenced primarily by development projects for the myhive brand in Poland, Austria and Romania.

The reclassifications involve, above all, transfers of from investment property to property under construction (EUR -55.0 million; 2022: EUR -7.2 million) and transfers from property under construction to investment property (EUR 139.4 million; 2022: EUR 356.9 million).

The residual value method is generally used to value property under construction. Standing investments that were transferred to property under construction due to upcoming refurbishment or upgrading are valued as standing investments until detailed redevelopment plans are available. As soon as these plans are available, valuation is based on the residual value method. Residual value is understood to represent the amount remaining after the deduction of all project development costs and the imputed project development profit (developer profit) from the property's estimated market price after completion. The unrealised imputed project development profit declines with the progress on the project. The most important input factors for this valuation method are the future rental income from the project, the discount rate (these two parameters generally determine the estimated fair value on completion) and the outstanding project development costs. The capitalisation rates for IMMOFINANZ Group's development projects range from 6.5% to 8.85% (2022: 4.3% to 8.25%), while the project development profit ranges from 5.0% to 17.5% (2022: 2.0% to 6.0%). The estimated fair values of the projects on completion range from EUR 9.3 million to EUR 108.9 million (2022: EUR 9.6 million to EUR 110.1 million), and the estimated outstanding construction costs by project from EUR 6.3 million to EUR 78.0 million (2022: EUR 3.9 million to EUR 78.3 million).

Information on other parameters relevant for valuation and on valuation uncertainty is provided in section 4.1.3.

As of 31 December 2023, property under construction included rights of use totalling EUR 4.9 million (2022: EUR 0.0 million). No rights of use had been reclassified to assets held for sale as of that date (2022: EUR 0.0 million) (see section 4.10).

4.3 Owner-operated properties

Owner-operated properties represent hotels owned by S IMMO Group (first consolidated in 2022), which were recognised at fair value the consolidated financial statements. These hotels are operated by the owner, generally in the form of management contracts, which means the occupancy risk lies with IMMOFINANZ Group. These types of hotels are not covered by the scope of application of IAS 40 but are accounted for as property, plant and equipment in accordance with IAS 16. Owner-operated properties are measured in accordance with the revaluation model defined by IAS 16. They are carried at the respective revaluation amounts, which represent fair value on the revaluation date less subsequent accumulated depreciation and subsequent accumulated write-downs. If these owner-operated properties were valued at cost, depreciated cost would have equalled EUR 97.5 million as of 31 December 2023 (31 December 2022: EUR 104.3 million).

All amounts in TEUR	2023	2022
Fair value - beginning balance	**230,600**	**0**
Additions through business combinations	0	230,600
Additions	261	0
Disposals	-99	0
Depreciation	-13,441	0
Impairment/Reversals of impairment	-1,825	0
Revaluation	13,005	0
Currency translation adjustments	0	0
Fair value - ending balance	**228,500**	**230,600**
Accumulated depreciation - beginning balance	**0**	**0**
Depreciation	-13,441	0
Impairment/Reversals of impairment	-1,825	0
Currency translation adjustments	0	0
Accumulated depreciation - ending balance	**-15,266**	**0**

The discounted cash flow method (DCF method) was used to determine fair value. CBRE and Cushman & Wakefield were responsible for the fair value measurement of the owner-operated properties. Similar to investment properties, owner-operated properties are assigned to Level 3 on the fair value hierarchy (see section 4.1 for details on the valuation). The rentable space in the owner-operated properties held by IMMOFINANZ Group ranges from 13,798 to 27,600 sqm (31 December 2022: 13,798 to 27,646 sqm), the net realisable rent per sqm and month from EUR 11.40 to EUR 24.70 (31 December 2022: EUR 5.03 to EUR 23.64), and the capitalisation rate from 7.65% to 9.80% (31 December 2022: 7.15% to 9.00%).

Leases as defined in IFRS 16 also cover buildings used by the owner. The resulting rights of use are reported under "owner-operated properties" and totalled EUR 1.1 million as of 31 December 2023 (2022: EUR 1.2 million). These rights of use are amortised on a straight-line basis over the term of the lease.

4.4 Other tangible assets

As of 31 December 2023, other tangible assets included IFRS 16 rights of use totalling EUR 0.5 million (2022: EUR 0.9 million).

4.5 Intangible assets

4.5.1 Composition of intangible assets

The carrying amount of goodwill and other intangible assets is shown in the following table:

All amounts in TEUR	31 12 2023	31 12 2022
Goodwill	19,312	19,530
Other intangible assets	1,235	886
Total	**20,547**	**20,416**

4.5.2 Goodwill

The development of goodwill is shown in the following table:

All amounts in TEUR	2023	2022
Acquisition cost - beginning balance	**278,872**	**283,215**
Disposals following the sale of subsidiaries	-63,239	-4,337
Currency translation adjustments	0	-6
Acquisition cost - ending balance	**215,633**	**278,872**
Accumulated depreciation - beginning balance	**-259,342**	**-259,283**
Disposals following the sale of subsidiaries	63,196	236
Currency translation adjustments	-1	5
Impairment losses to continuing operations	-174	-300
Accumulated depreciation - ending balance	**-196,321**	**-259,342**
Carrying amount as of the balance sheet date	**19,312**	**19,530**

Goodwill regularly results as a technical figure when the acquisition of a subsidiary represents a business combination as defined in IFRS 3 and does not result in another acquisition (see section 2.2.2) because of the obligation to recognise deferred taxes on the difference between the fair value and the tax base of the acquired real estate assets. This goodwill is tested for indications of impairment each year. IMMOFINANZ determines the recoverable amount based on fair value less costs to sell and not according to the value in use, whereby it is normally assumed that net yields above the market level are not sustainable on real estate markets.

The cash-generating units generally represent individual properties or property portfolios. Due to the extensive number of properties held by IMMOFINANZ, the carrying amount of goodwill is aggregated by segments for presentation (see section 3.6).

The recoverable amount of the cash-generating units is based on the fair value of the included properties as determined by an expert opinion and includes the deferred taxes that are not transferrable to a hypothetical buyer as well as costs to sell. If the hypothetical transaction underlying the determination of the recoverable amount is assumed to be structured in a way that does not change the tax base of the assets – which is regularly the case with share deals –the deferred tax liabilities would be implicitly included in the recoverable amount at zero. Experience from recent transactions has shown that the determination of the selling price through negotiations generally leads to an equal allocation of the deferred tax liabilities between the seller and the buyer.

The recoverable amount of the cash-generating unit is then compared with the carrying amount of the included properties plus any goodwill and minus the deferred tax liabilities attributable to the respective properties. Deferred taxes are included in accordance with IAS 36 because these items are implicitly included in the determination of the recoverable amount.

Information on property valuation and the related estimation uncertainty is provided in sections 4.1.2 and 4.1.3. The selling costs for IMMOFINANZ are estimated at 0.5% to 2.0% of the respective property value and result primarily from brokerage services and legal advising.

The key valuation-relevant input parameters as of 31 December 2023 for properties that carry goodwill are summarised in the following table, classified by segments:

Segment		Lettable space in sqm	Market rent per sqm, month and property in EUR	Net actual rent per sqm, month and property in EUR	Capitalisation rate in %	Vacancy rate in %
Poland	min	21,263	17.53	17.73	7.50	2.37
	max	21,263	17.53	17.73	7.50	2.37
	weighted average	21,263	17.53	17.73	7.50	2.37
	median	21,263	17.53	17.73	7.50	2.37
Czech Republic	min	4,247	9.56	9.32	6.60	0.00
	max	19,033	15.35	16.15	7.15	8.57
	weighted average	7,039	10.76	10.64	6.70	1.07
	median	5,493	10.06	9.81	6.60	0.00
Slovakia	min	6,366	9.54	11.59	7.50	0.00
	max	6,809	10.55	12.68	7.50	0.00
	weighted average	6,588	10.04	12.13	7.50	0.00
	median	6,588	10.04	12.13	7.50	0.00
Hungary	min	6,833	10.98	10.98	8.00	0.00
	max	38,923	16.66	13.79	8.60	21.25
	weighted average	21,837	14.73	12.70	8.24	7.14
	median	20,796	15.64	13.02	8.18	3.66
Romania	min	10,515	10.39	11.82	8.25	0.17
	max	62,800	23.48	22.87	9.75	22.67
	weighted average	29,102	16.54	17.15	9.15	9.07
	median	21,127	16.40	16.23	9.50	5.65

Impairment testing of the cash-generating units in the continuing operations which carry goodwill resulted in the recognition of impairment losses totalling EUR 0.2 million as of 31 December 2023 (31 December 2022 EUR 0.3 million).

Impairment losses are reported on the consolidated income statement under “revaluation results from standing investments and goodwill”. The impairment losses to goodwill result from a decline in the value of the related properties or property portfolios and/or through an evidence-based change in deferred taxes. Impairment losses to goodwill are not deductible for tax purposes.

4.6 Equity-accounted investments

4.6.1 Investments in joint ventures

As of 31 December 2023, IPD – International Property Development, s.r.o. was the only joint venture held by IMMOFINANZ Group.

The following table provides aggregated financial information on the joint venture, including a reconciliation to the carrying amounts and shares of profit or loss reported in IMMOFINANZ Group's consolidated financial statements.

All amounts in TEUR	31 12 2023	31 12 2022
Non-current assets	60,563	61,469
thereof investment property	60,500	61,300
Current assets	3,396	4,639
thereof cash and cash equivalents	1,608	0
Non-current liabilities	36,067	36,705
thereof non-current financial liabilities	30,759	31,338
Current liabilities	2,364	3,860
thereof current financial liabilities	800	0
Equity	**25,528**	**25,543**
Equity interest of IMMOFINANZ in the investment	15,317	13,027
Carrying amount as of 31 December	**15,317**	**13,027**
	2023	**2022**
Rental income	3,480	0
Expenses charged on and other revenue	1,608	0
Revenues	**5,088**	**0**
Net profit or loss for the period	**-315**	**0**
thereof depreciation	-113	0
thereof interest income	13	0
thereof interest expense	-1,602	0
thereof income taxes	-793	0
thereof attributable to non-controlling interests	-189	0
thereof attributable to shareholders of the investment	-126	0
Share of net profit or loss attributable to IMMOFINANZ	-189	0
Share of net profit or loss from equity-accounted investments attributable to IMMOFINANZ	**-189**	**0**
Total comprehensive income	**-315**	**0**
thereof attributable to shareholders of the investment	-315	0
Dividends received	**0**	**0**

4.6.2 Investments in associates

IMMOFINANZ purchased an additional 17,305,012 shares in S IMMO on 27 December 2022. Together with the 19,499,437 shares previously held, this represents an investment of 50% plus one share in S IMMO and gives IMMOFINANZ a controlling influence over S IMMO. S IMMO was therefore reclassified from associates to fully consolidated subsidiaries as of that date. Due to the materiality of this transaction for an understanding of the consolidated financial statements, the relevant disclosures from the 2022 consolidated financial statements are repeated here.

In the transition consolidation, the previously held shares in S IMMO were considered part of the acquisition costs for the fully consolidated company and were measured at fair value. The absence of Level 1 fair values for the share package (unit of account), which represents a comparable capital interest, required a decision on the estimation method used to value the shares. IFRS do not provide any explicit rules for determining the fair value of such valuation objects in accordance with IFRS 13. The management of IMMOFINANZ Group decided to carry out these valuations as "close to market" as possible. The price on the Vienna Stock Exchange as of 31 December 2022, plus a package premium, therefore formed the basis for valuation. IFRS 13 permits the inclusion of premiums under the following conditions: when the premium reflects the economic characteristics of the valuation object; when hypothetical buyers would include the premium in determining a purchase price;

and when the inclusion of a premium does not contradict the unit of account (in this case, the equity-accounted investment in S IMMO).

The package premium was derived from comparable transactions (the purchase of capital investments in European companies from 2013 to 2022) based on capital market data. The premium for a share package with significant influence equalled 17.9% as of 31 December 2022. The fair value of the investment in S IMMO as of 31 December 2022 was based on a package premium derived from comparable transactions and increased to 41.8% to reflect the takeover situation. This was specifically based on the expiration of the extension period for the takeover process and on the fact that CPI Property Group failed to attain a majority holding of more than 90% of the shares and was therefore unable to execute a squeeze-out. Since the fair value was ultimately derived from observable and non-observable data, it is classified under Level 3 in accordance with IFRS 13.

The fair value of the share package was therefore based on the market price of EUR 12.48 per share plus a package premium of EUR 101.6 million (EUR 5.21 per share) and totalled EUR 344.9 million (EUR 17.69 per share). Since the carrying amount of the investment equalled EUR 537.2 million as of 31 December 2022, this led to the recognition of an impairment loss of EUR -192.2 million, which was recorded under equity-accounted investments and reported under the Austria segment.

The share of profit or loss from the equity-accounted investments also included the recycling of other comprehensive income from foreign exchange translation and the change in the hedge accounting reserve at a total of EUR 12.9 million.

The income statement for the 2022 financial year included the share of profit or loss from the equity valuation of S IMMO. This share of profit or loss included the proportional share of results for the period as well as the proportional share of results recognised in OCI based on the consolidated financial statements of S IMMO for 2022. Since the at-equity valuation of the S IMMO investment in 2021 was based in part on forecast data, the calculation also included the difference between the share of results recorded in the previous year based on this forecast data and the share of actual results that would have followed if actual data had been available in 2021.

IAS 28.40 requires a company that applies the equity method, including the recognition of the associate's losses, to determine whether there are any objective indications of significant or lasting impairment to its net investment in the associate. Since the associates are not listed, the impairment test was based on qualitative criteria. An impairment loss of EUR -5.5 million was recognised to an investment in associates as of 31 December 2023 and is reported under other adjustments in the following table.

The following table provides aggregated financial information on the associates, including a reconciliation to the carrying amounts and shares of profit or loss reported in IMMOFINANZ Group's consolidated financial statements.

All amounts in TEUR	Total 31 12 2023
Non-current assets	50,921
thereof investment property	50,500
Current assets	26,193
Non-current liabilities	7,637
Current liabilities	4,245
Equity	**65,232**
thereof attributable to non-controlling interests	15,544
thereof attributable to shareholders of the investment	49,688
Equity interest of IMMOFINANZ in the investment	17,839
Other adjustments	-5
Carrying amount as of 31 December 2023	**17,834**
Cumulative losses not recognised as of 31 December 2023	0
	2023
Rental income	2,541
Expenses charged on and other revenue	22,565
Revenues	**25,106**
Net profit or loss for the period	**19,531**
thereof attributable to non-controlling interests	620
thereof attributable to shareholders of the investment	18,911
Share of net profit or loss attributable to IMMOFINANZ	6,053
Other adjustments	-5,526
Share of net profit or loss from equity-accounted investments attributable to IMMOFINANZ	**527**
Total comprehensive income	**19,531**
thereof attributable to non-controlling interests	620
thereof attributable to shareholders of the investment	18,911
Share of IMMOFINANZ in total comprehensive income for the period	**6,053**
Other adjustments	-5,526
IMMOFINANZ's total comprehensive income from equity-accounted investments	**527**
Dividends received	**5,846**

All amounts in TEUR	S IMMO 31 12 2022	Other 31 12 2022	Total 31 12 2022
Non-current assets	0	44,971	44,971
thereof investment property	0	44,400	44,400
Current assets	0	35,853	35,853
Non-current liabilities	0	7,342	7,342
Current liabilities	0	11,132	11,132
Equity	**0**	**62,350**	**62,350**
thereof attributable to non-controlling interests	0	1,008	1,008
thereof attributable to shareholders of the investment	0	61,342	61,342
Equity interest of IMMOFINANZ in the investment	0	18,694	18,694
Other adjustments	0	4,563	4,563
Carrying amount as of 31 December 2022	**0**	**23,257**	**23,257**
	2022	**2022**	**2022**
Rental income	161,169	0	161,169
Expenses charged on and other revenue	123,931	34,633	158,564
Revenues	**285,100**	**34,633**	**319,733**
Net profit or loss for the period	**66,922**	**15,789**	**82,711**
thereof attributable to non-controlling interests	-7,845	1,314	-6,531
thereof attributable to shareholders of the investment	74,767	14,475	89,242
Share of net profit or loss attributable to IMMOFINANZ	19,806	7,093	26,899
Other adjustments	-191,652	-1	-191,653
Share of net profit or loss from equity-accounted investments attributable to IMMOFINANZ	**-171,846**	**7,092**	**-164,754**
Other comprehensive income	**55,321**	**0**	**55,321**
thereof attributable to shareholders of the investment	55,321	0	55,321
Share of changes in other comprehensive income recorded directly in equity attributable to IMMOFINANZ	14,654	0	14,654
Total comprehensive income	**122,243**	**15,789**	**138,032**
thereof attributable to non-controlling interests	-7,845	1,314	-6,531
thereof attributable to shareholders of the investment	130,088	14,475	144,563
Share of IMMOFINANZ in total comprehensive income for the period	**34,460**	**7,093**	**41,553**
Other adjustments	-191,652	0	-191,652
IMMOFINANZ's total comprehensive income from equity-accounted investments	**-157,192**	**7,093**	**-150,099**
Dividends received	**12,675**	**4,020**	**16,695**

4.7 Trade and other receivables

IMMOFINANZ Group carries trade receivables and other financial receivables at amortised cost. Recognisable individual risks are reflected in appropriate valuation adjustments. Non-financial receivables, e.g. claims against administrative authorities for the reimbursement of input VAT, are also carried at amortised cost after the deduction of any necessary write-downs.

The following table shows the composition and remaining terms of trade and other receivables.

All amounts in TEUR	31 12 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2022	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years
Rents receivable	58,966	58,966	0	0	44,486	43,626	222	638
Miscellaneous	21,926	21,926	0	0	28,738	28,738	0	0
Total trade accounts receivable	**80,892**	**80,892**	**0**	**0**	**73,224**	**72,364**	**222**	**638**
Receivables due from associates	0	0	0	0	2	2	0	0
Total receivables due from equity-accounted investments	**0**	**0**	**0**	**0**	**2**	**2**	**0**	**0**
Restricted funds	39,289	18,965	18,867	1,457	52,507	26,638	25,223	646
Financing	3,932	0	0	3,932	4,404	6	27	4,371
Property management	12,353	12,082	266	5	8,723	8,354	328	41
Outstanding purchase price receivables - sale of properties	12,100	12,100	0	0	6,069	6,069	0	0
Outstanding purchase price receivables - sale of shares in other companies	18,361	18,361	0	0	12,966	12,966	0	0
Miscellaneous	52,943	46,573	1,489	4,881	29,514	25,960	3,219	335
Total other financial receivables	**138,978**	**108,081**	**20,622**	**10,275**	**114,183**	**79,993**	**28,797**	**5,393**
Tax authorities	13,812	13,812	0	0	21,082	21,081	1	0
Total other non-financial receivables	**13,812**	**13,812**	**0**	**0**	**21,082**	**21,081**	**1**	**0**
Total	**233,682**	**202,785**	**20,622**	**10,275**	**208,491**	**173,440**	**29,020**	**6,031**

Restricted funds consist primarily of prepayments on apartment sales which were pledged to banks and bank balances pledged as collateral for property financing.

The default risk associated with receivables due from tenants is generally low because credit standings are monitored on a regular basis and the tenant is usually required to provide a deposit of one to five months' rent or an appropriate bank guarantee when the contract is signed. Individual valuation adjustments are recognised for receivables that carry an increased risk of default. Consequently, all uncollectible receivables had been written off and all doubtful receivables had been adjusted through valuation adjustments as of the balance sheet date. These valuation adjustments are included in the results of asset management and are not reported on a separate line on the income statement, as required by IAS 1.82, because the related amounts are not considered material.

Valuation adjustments (resp. revaluations) to trade and other receivables are reported on the income statement under the write-off of receivables from asset management, which represent part of the expenses from investment property (see section 5.1.3), or under miscellaneous expenses as part of other operating expenses (see section 5.6).

The valuation adjustments to trade and other receivables totalled EUR -0.1 million in 2023 (2022: EUR -17.3 million). Detailed information on the change in impairment and default risk is provided in section 7.2.2.

4.8 Other financial assets

Other non-current financial instruments include derivatives and miscellaneous securities as shown below:

All amounts in TEUR	31 12 2023	31 12 2022
Other securities	16,785	15,335
Derivative financial instruments	147,585	235,983
Total	**164,371**	**251,318**

The other securities consist of investments in companies. These investments include EUR 8.1 million (31 December 2022: EUR 7.6 million) carried at fair value through profit or loss and EUR 8.7 million (31 December 2022: EUR 7.3 million) at fair value through other comprehensive income. The convertible bond reported as of 31 December 2022 at an amount of EUR 0.4 million was carried at fair value through profit or loss and was converted in 2023.

Derivatives are accounted for as stand-alone financial instruments and are used to reduce the risks associated with interest rate fluctuations. Derivative transactions are only concluded with financial institutions that have first-rate credit standings. Derivatives are carried at fair value through profit or loss as of the balance sheet date. Hedge accounting in the sense of IFRS 9 is not applied.

Information on the development of the other financial assets is provided in section 7.

4.9 Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities as of 31 December 2023 resulted from the following temporary accounting and valuation differences between the carrying amounts according to IFRS in IMMOFINANZ Group's consolidated financial statements and the respective tax bases:

	31 12 2023		31 12 2022	
All amounts in TEUR	Assets	Liabilities	Assets	Liabilities
Investment property	6,620	481,344	1,906	563,163
Other financial assets and miscellaneous assets	24,506	50,475	23,008	77,157
Total	**31,126**	**531,819**	**24,914**	**640,320**
Other liabilities and provisions	18,225	40,016	14,048	28,491
Total	**18,225**	**40,016**	**14,048**	**28,491**
Tax loss carryforwards	283,425	0	227,925	0
Real differences from the elimination of intragroup liabilities	0	149,918	0	143,228
Deferred tax assets and deferred tax liabilities	**332,776**	**721,753**	**266,887**	**812,039**
Offset of deferred tax assets and deferred tax liabilities due to the same taxation authority	-326,146	-326,146	-264,376	-264,376
Net deferred tax assets and deferred tax liabilities	**6,630**	**395,607**	**2,511**	**547,663**

Deferred taxes are calculated for temporary differences that lead to taxable or deductible amounts for the determination of taxable profit in future financial years. These temporary differences are calculated by comparing the carrying amounts of the assets and liabilities in the consolidated financial statements with the respective tax bases at the subsidiary level. Deferred taxes are recognised when the existing differences are expected to reverse in the future. With regard to the differences arising from the fair value measurement of investment property (see section 4.1), it is generally assumed that the temporary differences will reverse when the property is sold.

Deferred taxes are not recognised for temporary differences arising from the initial recognition of goodwill or the initial recognition of an asset or a liability from a transaction which does not represent a business combination as defined in IFRS 3 and which does not influence pre-tax earnings or taxable income on the transaction date. This applies, above all, to the acquisition of property companies that are not classified as business combinations in the sense of IFRS 3 (see section 2.2.2).

Deferred tax liabilities are not recognised for temporary differences resulting from shares in subsidiaries, joint ventures or associates (outside-basis differences) in cases where their reversal can be controlled by IMMOFINANZ Group and is not probable in the foreseeable future. For this reason, deferred tax liabilities were not recognised for temporary differences of EUR 1,980.9 million in 2023 (31 December 2022: EUR 3,066.1 million).

Deferred tax assets are recognised on tax loss carryforwards when it is probable that sufficient taxable income will be available to utilise these tax loss carryforwards in the future. Deferred tax assets are also recorded in cases where sufficient deferred tax liabilities relating to the same tax subject and taxation authority were recognised and are assumed to reverse at the same time as the deferred tax assets on the unused loss carryforwards.

The recognition of deferred tax assets, in general, and deferred taxes on unused tax loss carryforwards and deductible temporary partial depreciation charges on investments ("Siebentelabschreibung"), in particular, is based on expectations by IMMOFINANZ Group's management concerning the availability of sufficient taxable profits in the future. These expectations reflect the previous history of tax losses, limits on the utilisation of tax losses, membership in a tax group and the possible expiration of tax loss carryforwards in some countries. Accounting decisions over the recognition or recoverability of deferred taxes are based, on the one hand, on the latest data from tax planning over a five-year forecast period and, on the other hand, on assumptions for the timing of the reversal of deferred tax liabilities and the availability of tax planning opportunities to utilise previously unused tax losses in Austria and other countries.

The recoverability of deferred tax assets by Group companies that recorded losses in 2023 or 2022 (EUR 6.6 million; 2022: EUR 2.6 million) is dependent on the generation of future taxable profits that are higher than the earnings effect from the reversal of the existing taxable temporary differences.

The following table shows the loss carryforwards for which deferred tax assets were not recognised. These tax loss carryforwards can generally be carried forward for an unlimited period unless designated as "expiry". Deferred tax assets were not recognised for deductible temporary partial depreciation charges on investments ("Siebentelabschreibung") of EUR 114.5 million (31 December 2022: EUR 114.8 million).

Country	Tax rate	Loss carryforwards not recognised 31 12 2023	thereof expiry within 1–5 years	Loss carryforwards not recognised 31 12 2022
Austria	23.00%	1,735,081	0	2,146,903
Germany (corporate income tax)	15.83%	362,938	0	345,278
Germany (trade tax)	14,35%–16,625%	374,808	0	361,581
Poland	9.00%–19.00%	14,789	10,248	29,626
Romania	16.00%	39,878	97	28,133
Slovakia	21.00%	3,500	3,500	2,905
Czech Republic	21.00%	7,116	7,116	0
Hungary	9.00%	35,900	20,966	30,365
Croatia	10.00%–18.00%	29	29	1,196
Serbia	15.00%	86	86	34
Bulgaria	10.00%	19,843	19,843	13,907
Netherlands	19.00%–25.80%	1,610	1,610	6,552
Total		**2,595,578**	**63,495**	**2,966,480**

The calculation of deferred taxes is based on the tax rate that is expected to apply when the temporary differences are presumed to reverse. The applicable local tax rate is used for foreign Group companies.

The tax rates used to value deferred taxes in the core countries of IMMOFINANZ Group are as follows:

Country	Applicable tax rate 31 12 2023	Applicable tax rate 31 12 2022
Germany[1]	15.83%-32.45%	15.83%-32.45%
Austria	23.00%	24.00%
Poland[2]	9.00%/19.00%	9.00%/19.00%
Romania	16.00%	16.00%
Slovakia	21.00%	21.00%
Czech Republic	21.00%	19.00%
Hungary	9.00%	9.00%
Adriatic	10.00%-24.00%	10.00%-24.00%
Other Countries	10.00%-25.80%	10.00%-25.80%

1 The tax rate can vary and is dependent on the company's headquarters and trade tax liability .
2 The tax rate can vary and is dependent on the company's size.

International minimum taxation – Pillar two model

In December 2022, the member states of the European Union approved an EU directive on the implementation of a global minimum tax for multinational enterprise groups and large-scale domestic groups in the Union (EU Directive No. 2022/2523 from 14 December 2022). The guideline required implementation by the EU member states into national law by 31 December 2023 with enactment as of 1 January 2024. This directive was implemented into national law by most of the EU member states in 2023 with an effective date of 1 January 2024.

The takeover of IMMOFINANZ AG and S IMMO AG by CPI Property Group S.A. resulted in total revenues that exceeded the threshold of EUR 750 million. IMMOFINANZ AG and the IMMOFINANZ Group companies are therefore subject to the provisions of this EU Directive, respectively local minimum tax laws. CPI Property Group S.A. is the ultimate parent company of IMMOFINANZ AG and the IMMOFINANZ Group companies.

However, IMMOFINANZ AG is classified as a parent company in part ownership because over 20% of its shares are held by parties outside the Group. IMMOFINANZ AG is therefore subject to the provisions of the Minimum Tax Reform Act on the low-taxed business units under its control and is required to pay a minimum tax in Austria.

All major countries (with the exception of Poland) where IMMOFINANZ Group is active have enacted national tax regulations for minimum taxation in accordance with the EU directive which took effect at the end of 2022. These countries have implemented the regulations through a national top-up tax that takes effect as of 1 January 2024. It is expected that top-up tax will be chargeable to the IMMOFINANZ Group companies in Hungary (9%), Cyprus (12.5%), Croatia (10%, resp. 18%), Poland (9%, resp. 19%) and Bulgaria (10%) because the applicable nominal tax rates in these countries are currently below 15%. It is also expected that, in the end, a national top-up tax will be introduced in all countries.

IMMOFINANZ AG can require compensation from the other business units for the minimum tax it pays in line with the regulations defined by company law but no compensatory agreements have been concluded to date.

The quantitative effects from the application of the Minimum Tax Reform Act are currently under evaluation. Due to the complexity of the analyses and the fact that the necessary reporting processes must still be developed, the effects cannot be reliably estimated at the present time.

IMMOFINANZ Group applied the temporary exception from the accounting requirements for deferred taxes in IAS 12 which was announced by the IASB in May 2023. Accordingly, deferred taxes arising from the application of the Minimum Tax Reform Act were not recognised in 2023. No current taxes from the minimum taxation regulations were recognised as of 31 December 2023 in the absence of application.

4.10 Assets and liabilities held for sale

IFRS 5 requires non-current assets and groups of assets (disposal groups) to be classified as held for sale if they can be sold in their present condition and if appropriate documentation shows a highly probable intention by management to sell the assets within 12 months. A documented intention by IMMOFINANZ Group's management to sell an asset is, as a rule, reflected in a resolution by the Executive Board and also by the Supervisory Board if the transaction requires the approval of this corporate body.

Non-current assets and groups of assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell. The following items, among others, are excluded from the IFRS 5 valuation requirements: investment properties that are measured at fair value, financial assets and deferred tax assets. These non-current assets must be presented separately according to IFRS 5. A separate provision is generally recorded when an impairment loss must be recognised to a disposal group because expected selling costs must be deducted from fair value and these adjustments cannot be allocated to assets covered by the valuation rules in IFRS 5.

The intention to sell investment properties or groups of assets that include such properties can (e.g. in the event of a change-of-control clause) result in the premature repayment of financial liabilities. Any expected decisions concerning premature repayment represent changes in the estimates for cash flows from financial liabilities and lead to an adjustment of the carrying amount through profit or loss. Financial liabilities attributable to a disposal group are reported under "liabilities held for sale"; in all other cases, they are reclassified to current financial liabilities.

Details on the assets and liabilities classified as held for sale are provided below:

All amounts in TEUR	Carrying amount as of 31 12 2023	Carrying amount as of 31 12 2022
Investment property	255,872	510,406
Other tangible assets	2,705	18
Trade and other receivables	0	93
Other financial assets	0	6,021
Cash and cash equivalents	0	31,946
Assets held for sale	**258,577**	**548,484**
Financial liabilities	14,786	77,839
Trade and other payables	856	892
Provisions	0	552
Deferred tax liabilities	10,293	47,963
Liabilities held for sale	**25,935**	**127,246**

Of the assets and liabilities classified as held for sale as of 31 December 2022, all commercial and residential properties (EUR 501.0 million) were sold by S IMMO in 2023. Plans to sell an office building in Romania, which was classified as held for sale as of 31 December 2022, had changed and the building was therefore reclassified to investment property.

The following properties were classified as assets held for sale in 2023: two Czech companies each with a hotel property; three retail properties and one office building in Austria; two retail, three residential and two office properties in Germany; and one office building and two land sites in Romania.

All sales, respectively divestment resolutions by the Executive Board and Supervisory Board are intended to align the portfolio with IMMOFINANZ Group's strategic focus.

4.11 Real estate inventories

The properties held for sale by IMMOFINANZ Group during the course of ordinary business operations do not fall under the scope of application of IAS 40, but are treated as inventories in accordance with IAS 2. As a rule, these inventories represent residential properties.

Inventories of residential properties are valued according to the moving average price method. Disposals are calculated on the basis of square meters and, after the recognition of additions, measured at the average price applicable to the respective quarter. A provision is recognised for any outstanding construction work required after the transfer of a property, which increases the production costs of the sold inventories as well as the book value disposals. The net selling prices used for valuation as of the balance sheet date are normally based on current list prices less outstanding project development costs and flat-rate marketing costs; to a lesser extent, they are measured at the appraised fair value as of the balance sheet date for simplification purposes. Estimation uncertainty in the determination of the net selling price, e.g. concerning the outstanding project development costs, could lead to negative margins on the sale of the inventories (in spite of previous loss-free measurement) if construction cost overruns occur at a later date.

All amounts in TEUR	31 12 2023	31 12 2022
Inventories carried at net realisable value less costs to sell	4,485	4,663
Inventories carried at acquisition or production cost	356	300
Total	**4,841**	**4,963**

Write-downs of EUR 0.2 million were recognised to real estate inventories in 2023 (2022: EUR 2.0 million).

4.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, funds in transit and deposits with financial institutions with a term up to three months and, to a lesser extent, with a longer term that includes a one-month cancellation option. These items are carried at the value applicable on the balance sheet date.

The balance sheet shows cash and cash equivalents of EUR 697.1 million as of 31 December 2023 (31 December 2022: EUR 652.8 million). In addition, other financial receivables include various bank deposits whose use is restricted (restricted funds, see section 4.7). The assets held for sale included no cash and cash equivalents as of 31 December 2023 (31 December 2022: EUR 31.9 million).

4.13 Equity

Share capital totalled EUR 138.7 million as of 31 December 2023 (31 December 2022: EUR 138.7 million). It is divided into 138,669,711 (31 December 2022: 138,669,711) zero par value shares, each of which represents a stake of EUR 1.00 in share capital. All shares are fully paid in.

The number of shares developed as follows:

Number of shares	2023	2022
Balance at the beginning of the financial year	**138,669,711**	**123,293,795**
Issue of shares	0	15,375,916
Balance at the end of the financial year	**138,669,711**	**138,669,711**

The Executive Board is not aware of any agreements between shareholders of IMMOFINANZ AG that restrict voting rights or the transfer of shares. All shares are bearer shares and entitle the holders to participate in the annual general meeting and to exercise their voting rights. Each bearer share is entitled to one vote.

Convertible bond and conditional capital
IMMOFINANZ was informed on 3 December 2021 through a voting rights announcement in accordance with § 130 of the Austrian Stock Exchange Act of 2018 that CPI Property Group ("CPIPG") held an investment, directly and indirectly, of approximately 21.4% in the share capital of IMMOFINANZ AG. This investment gave CPIPG a controlling interest in IMMOFINANZ AG as defined in § 22 in connection with § 27 of the Austrian Takeover Act. The conversion price was therefore temporarily adjusted to EUR 18.8987 in accordance with the issue terms (before the adjustment: EUR 20.6333) up to the control date on 19 January 2022.

The capital increase from conversions totalled EUR 280.8 million and was serviced with 15,375,916 new shares. Due to the substantially reduced volume – a nominal value of only EUR 3.2 million was outstanding after the conversions – IMMOFINANZ called the convertible bond for premature redemption on 29 April 2022 in accordance with the issue terms.

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 174 (2) of the Austrian Stock Corporation Act to issue convertible bonds up to a total nominal value of EUR 618,092,498.00 which are connected with exchange and/or subscription rights for up to 69,334,855 bearer shares of the company with a proportional share of EUR 69,334,855.00 in share capital. These convertible bonds may be issued in multiple tranches and within a period of five years. Moreover, the Executive Board was authorised to determine all other conditions as well as the issue and exchange procedures for the convertible bonds. The convertible bonds can be issued in exchange for cash or contributions in kind. The subscription rights of shareholders are excluded.

Share capital was conditionally increased by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new bearer shares. The purpose of this conditional capital increase is the issue of shares to the holders of the convertible bonds which were issued in accordance with a resolution of the annual general meeting on 3 May 2023.

The authorisation for the issue of convertible bonds has not been used to date and is therefore available in full.

Share buyback programme 2022
IMMOFINANZ purchased 694,557 shares at a weighted average price of EUR 14.58 per share from 20 June 2022 to 29 July 2022 through the share buyback programme 2022. The total purchase price amounted to EUR 10,126,484.94.

The share buyback programme 2022 was based on § 65 (1) no. 8 of the Austrian Stock Exchange Act and executed in accordance with an authorisation of the annual general meeting on 1 October 2020 (which was renewed by an authorisation of the annual general meeting on 12 July 2022). The repurchased shares represent EUR 694,557.00, or roughly 0.5% of share capital.

IMMOFINANZ held 695,585 treasury shares as of 31 December 2023 (31 December 2022: 695,585 treasury shares).

Authorisations of the annual general meeting to purchase and sell treasury shares
The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1a) and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital during a period of 30 months. The shares may be purchased over the stock exchange or over the counter. The Executive Board was also authorised, with the consent of the Supervisory Board, to exclude the proportional subscription rights of shareholders.

The Executive Board was also authorised, with the consent of the Supervisory Board, to sell or use treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act during a period of five years, whereby the proportional subscription rights of shareholders can be excluded.

The authorisation for the purchase and sale of treasury shares has not been used to date and is therefore available in full.

Authorised capital

The annual general meeting on 3 May 2023 authorised the Executive Board, with the consent of the Supervisory Board, pursuant to § 169 of the Austrian Stock Corporation Act to increase the company's share capital by up to EUR 69,334,855.00 through the issue of up to 69,334,855 new shares in exchange for cash or contributions in kind. The authorisation is valid up to 21 July 2028. The Executive Board is also authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in full or in part. The shares issued based on this authorisation in exchange for cash contributions and under the exclusion of shareholders' subscription rights may not exceed EUR 13,866,971.00, which represents roughly 10% of the company's share capital at the time the resolution was passed by the annual general meeting.

This authorisation to increase share capital has not been used to date and is therefore available in full.

4.14 Financial liabilities

The following table shows the composition and remaining terms of the financial liabilities as of 31 December 2023 and 2022:

All amounts in TEUR	31 12 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2022	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years
Amounts due to financial institutions	3,296,541	235,076	2,025,244	1,036,221	2,766,246	301,312	1,724,963	739,971
thereof secured by collateral	3,296,354	234,889	2,025,244	1,036,221	2,766,128	301,194	1,724,963	739,971
thereof not secured by collateral	187	187	0	0	118	118	0	0
Liabilities arising from the issue of bonds	820,539	120,810	573,189	126,540	922,825	208,684	530,090	184,051
Other financial liabilities	166,451	76,872	40,571	49,008	478,399	9,841	84,281	384,277
Total	**4,283,531**	**432,758**	**2,639,004**	**1,211,769**	**4,167,470**	**519,837**	**2,339,334**	**1,308,299**

The liabilities from the issue of bonds represent fixed-interest, unsecured, non-subordinated bonds. They include one bond issued by IMMOFINANZ AG with an outstanding nominal value of EUR 237.8 million (31 December 2022: two bonds, nominal value of EUR 424.9 million) and nine bonds issued by S IMMO AG with a total outstanding nominal value of EUR 620.6 million (31 December 2022: eight bonds, nominal value: EUR 545.6 million). In 2022, the decline in the balance of bonds issued by IMMOFINANZ AG resulted from the change-of-control event which was triggered by the majority takeover by CPI Property Group. This change-of-control event entitled the bondholders to exercise their sale right at 101% of the nominal value plus accrued interest up to the sale date on 25 April 2022. Investors holding the corporate bond due in 2023 registered for repayment by IMMOFINANZ at a nominal value of EUR 295.7 million, while the comparable amount for the corporate bond due in 2027 was EUR 262.2 million.

Details on the issued bonds are provided below:

ISIN	Issuer	Nominal value 31 12 2023 in TEUR	Coupon	Maturity
AT0000A1Z9D9	S IMMO AG	100,000	1.750%	06.02.2024
AT0000A1DBM5	S IMMO AG	15,890	3.250%	09.04.2025
AT0000A285H4	S IMMO AG	150,000	1.875%	22.05.2026
AT0000A2UVR4	S IMMO AG	25,059	1.250%	11.01.2027
AT0000A1DWK5	S IMMO AG	34,199	3.250%	21.04.2027
XS2243564478	IMMOFINANZ AG	237,800	2.500%	15.10.2027
AT0000A2MKW4	S IMMO AG	70,450	1.750%	04.02.2028
AT0000A35Y85	S IMMO AG	75,000	5.500%	12.07.2028
AT0000A2AEA8	S IMMO AG	100,000	2.000%	15.10.2029
AT0000A1Z9C1	S IMMO AG	50,000	2.875%	06.02.2030

The other financial liabilities include a liability of EUR 29.4 million (31 December 2022: EUR 337.4 million) to CPI Property Group, EUR 75.2 million (31 December 2022: EUR 81.4 million) due to insurance companies, and EUR 61.9 million (31 December 2022: EUR 59.6 million) of lease liabilities. As in the previous financial year, no lease liabilities were included in liabilities held for sale as of 31 December 2023. The cash outflows for leases totalled EUR 4.7 million in 2023 (2022: EUR 6.9 million).

The conditions of the major financial liabilities are as follows:

31 12 2023		Interest rate		Nominal value of remaining liability		Carrying amount
	Currency	fixed/variable	Weighted average interest rate	Issue currency in 1,000	TEUR	TEUR
Total amounts due to financial institutions	EUR	variable	2.96%	3,315,983	3,315,983	3,296,541
Liabilities arising from the issue of bonds	EUR	fixed	2.47%	858,397	858,397	820,539
Other financial liabilities						166,451
Total						4,283,531

31 12 2022		Interest rate		Nominal value of remaining liability		Carrying amount
	Currency	fixed/variable	Weighted average interest rate	Issue currency in 1,000	TEUR	TEUR
Total amounts due to financial institutions	EUR	variable	3.69%	2,770,357	2,770,357	2,766,246
Liabilities arising from the issue of bonds	EUR	fixed	2.27%	970,497	970,497	922,825
Other financial liabilities						478,399
Total						4,167,470

The bank liabilities represent secured property financing which, in each case, was concluded by the respective real estate company as the borrower. Consequently, all rights and obligations from these loans are attributable to the respective real estate company. These property loans include standard market obligations (hard financial covenants) for compliance with specific financial indicators by the property company, which generally involve:

– Debt service coverage ratios
– The ratio of the remaining debt to the market value of the property (loan-to-value)

The financing banks are entitled to call the outstanding loan prematurely in individual cases if the borrower fails to comply with specific financial covenants or does not implement contractually defined, accepted measures to remedy the situation. One covenant was breached as of 31 December 2023, and the related credit liability of EUR 6.7 million was therefore reclassified from other non-current to other current financial liabilities. In addition, one company failed to meet a legally defined equity ratio in 2023 and the banks in Slovakia were entitled to prematurely call the related loans. An amount of EUR 90.3 million was therefore reclassified from non-current to current financial liabilities. There were no covenant breaches in 2022.

4.15 Trade payables and other liabilities

All amounts in TEUR	31 12 2023	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years	31 12 2022	thereof remaining term under 1 year	thereof remaining term between 1 and 5 years	thereof remaining term over 5 years
Trade payables	**93,122**	**91,779**	**1,335**	**8**	**75,029**	**73,438**	**1,368**	**223**
Derivative financial instruments (liabilities)	25,600	0	19,354	6,246	0	0	0	0
Property management	4,133	4,133	0	0	3,416	3,416	0	0
Amounts due to associated companies	0	0	0	0	214	214	0	0
Deposits and guarantees received	53,950	12,380	38,326	3,244	40,730	6,085	29,699	4,946
Prepayments received on property sales	739	739	0	0	28,142	28,142	0	0
Construction and refurbishment	340	330	10	0	2,755	2,564	191	0
Outstanding purchase prices (share deals)	16,876	1,566	15,310	0	1,820	1,820	0	0
Outstanding purchase prices (acquisition of properties)	149	21	128	0	149	21	128	0
Miscellaneous	36,280	29,874	4,430	1,976	13,423	12,040	103	1,280
Total other financial liabilities	**138,067**	**49,043**	**77,558**	**11,466**	**90,649**	**54,302**	**30,121**	**6,226**
Tax authorities	11,423	11,423	0	0	23,085	23,085	0	0
Rental and lease prepayments received	42,738	40,757	630	1,351	66,351	65,102	70	1,179
Other contractual liabilities	4,601	4,601	0	0	1,499	1,155	344	0
Total other non-financial liabilities	**58,762**	**56,781**	**630**	**1,351**	**90,935**	**89,342**	**414**	**1,179**
Total	**289,951**	**197,603**	**79,523**	**12,825**	**256,613**	**217,082**	**31,903**	**7,628**

4.16 Provisions

Provisions are recognised at the present value of the expected settlement amount. The provision is based on the best estimate at the time the consolidated financial statements are prepared. The best estimate of the amount required to meet the present obligation is the amount the company would rationally pay to settle the obligation at the balance sheet date or to transfer the obligation to a third party at that time. The risks and uncertainties that inevitably surround many events and circumstances must be taken into account in determining the best estimate. Valuation is therefore based in part on expert opinions and, above all, on past experience, probabilities for the outcome of legal disputes or proceedings under tax law, future cost trends, assumptions over interest rates, etc.

The provisions developed as follows in 2023:

All amounts in TEUR	2023
Balance at the beginning of the financial year	**32,155**
Disposals following the sale of subsidiaries (see 2.5)	-3,871
Foreign exchange differences	-1
Additions	24,125
Disposals	-2,648
Use	-7,397
Compounding	269
Reclassifications	-343
Balance at the end of the financial year	**42,289**
thereof current	11,245
thereof non-current	31,044

This position includes provisions of EUR 28.7 million (2022: EUR 19.0 million) for legal proceedings, EUR 6.2 million (2022: EUR 7.9 million) for work outstanding and warranties following the transfer of properties in the core market of Germany, and other provisions. The other provisions consist primarily of provisions for tax risks (above all, withholding, VAT and property tax), contractual obligations and obligations to employees (e.g. for bonuses and unused vacation).

Restitution proceedings are currently in progress over land on which a Romanian subsidiary constructed a shopping center and over parts of another parcel of land in Romania. Based on a recent, not yet binding, court decision, the provision for this issue was increased by EUR 10.5 million to EUR 26.4 million.

The use of provisions in 2023 was related, above all, to completions and warranty claims. Detailed information on the provisions for legal proceedings is not provided in accordance with IAS 37 because it could, under certain circumstances, seriously prejudice IMMOFINANZ Group's position.

Provisions include the following for employees of S IMMO: provisions of EUR 0.5 million (2022: EUR 0.7 million) for entitlements to termination payments and provisions of EUR 0.5 million (2022: EUR 0.4 million) for entitlements to service anniversary bonuses. The actuarial calculation of these obligations was based on a discount rate of 2.95% to 3.03% (2022: 3.07% to 3.10%), an expected increase of 2.6% (2022: 2.6%) in salaries and wages, and a flat-rate discount of 0% to 26.0% (2022: 0% to 26.0%) for employee turnover. The requirement to create a provision for termination benefits is based on the applicable regulations under labour law. Legal regulations require S IMMO to make a one-off payment to employees who joined the company in Austria prior to 1 January 2003 in the event of termination by the employer or at retirement. The amount of the payment is dependent on the number of service years and the compensation at the end of employment and ranges from two to twelve months' wages/salaries.

5. Notes to the Consolidated Income Statement

5.1 Results of asset management

5.1.1 Rental income

The following table shows the classification of rental income by asset class:

All amounts in TEUR	2023	2022
Office	244,338	132,483
Retail	241,518	156,139
Other	28,115	257
thereof hotel	7,366	0
thereof residential	19,915	0
thereof other	834	257
Income from non-performance-related components of operating costs	19,630	11,291
Total	**533,601**	**300,170**

The year-on-year increase in rental income resulted primarily from the full consolidation of S IMMO and from the acquisition of retail properties. S IMMO contributed EUR 200.9 million to rental income in 2023, whereby EUR 123.4 million is attributable to the office asset class, EUR 41.9 million to retail, EUR 27.5 million to other and EUR 8.3 million to non-performance related components.

All leases in which IMMOFINANZ Group serves as the lessor are classified as operating leases, and all leased property is therefore carried on IMMOFINANZ Group's balance sheet. The resulting rental income is distributed on a straight-line basis over the term of the lease. The lease term includes the non-cancellable contract periods as well as option periods when the exercise of the extension option is sufficiently certain at the beginning of the lease. Incentives granted for the conclusion or extension of leases (e.g. rent-free periods, reduced rents for a certain period, graduated rents that increase at fixed rates over the lease term, fit-outs for individual tenants or the assumption of relocation costs) are included in the determination of the fair value of investment property and recognised as an adjustment to rental income on a straight-line basis over the term of the lease. Contractually agreed, inflation-based rental price adjustments are recognised when the adjustments take effect and not on a straight-line basis over the term of the lease. Contingent rental income (generally turnover-based rents) is only recognised when it is realised. The contingent rental income totalled EUR 18.2 million in 2023 (2022: EUR 17.8 million) and is included in the rental income from the retail asset class. Penalties for the premature cancellation of leases amounted to EUR 4.6 million (2022: EUR 1.5 million).

When renegotiation, additions or amendments lead to a material change in the cash flows realisable over the remaining term of a rental agreement, the previous accruals from incentive agreements – with the exception of fit-outs that will be reused – are derecognised as a reduction of rental income. If there is no material change in the rental agreement, the previously accrued incentives remain unchanged and are recognised on a straight-line basis. The general rules for the recognition of rental income on the initial conclusion of a rental agreement also apply when there is a substantial change in the rental agreement.

The rental income from the contracts in effect as of 31 December is as follows:

All amounts in TEUR	2023	2022
Within 1 year	498,661	338,262
Between 1 and 5 years	1,172,767	741,185
Over 5 years	485,047	301,986
Total	**2,156,475**	**1,381,433**

Future rental income shown was adjusted to exclude the contracts related to disposal groups and discontinued operations as of the balance sheet date. Special cancellation rights or additional rental income from turnover-based rents are not included. The reported income from existing leases in IMMOFINANZ Group includes future index-based adjustments, whereby an average term of 15 years was applied to open-end rental contracts.

Rental income includes the revenues which are not contrasted by the provision of services in the narrower sense of the term, but only represents the reimbursement of costs connected with legal ownership of the property (i.e. property tax and building insurance). The income from the non-performance-related components of operating costs has been presented since 2021 independent of the office, retail and other asset classes. The revenues from advertising space and telecommunications equipment are also reported as rental income in accordance with IFRS 16. The rental income from property taxes and building insurance totalled EUR 19.6 million in 2023 (2022: EUR 11.3 million), and the revenues from advertising space and telecommunications equipment amounted to EUR 3.5 million (2022: EUR 3.8 million).

5.1.2 Operating costs charged to tenants and operating expenses

The income from operating costs charged to tenants represents revenue in the sense of IFRS 15 (Revenue from Contracts with Customers) and is recognised over time. Operating costs are generally charged on a monthly basis and do not include any material financing components. The segment report provides information on the allocation of revenue from operating costs charged to tenants to the individual IMMOFINANZ regional core markets (see section 3.6).

The income from operating costs charged to tenants totalled EUR 190.6 million in 2023 (2022: EUR 118.6 million). In individual countries (e.g. Hungary, Slovakia and Poland), this income also includes contractually agreed flat-rate administrative costs or mark-ups to operating costs that are also collected from tenants. Section 5.1.1, last paragraph, includes information on the income from operating costs charged to tenants, which is reported under rental income in accordance with IFRS 16.

Operating expenses include EUR -225.9 million (2022: EUR -126.6 million) of operating costs which are charged to tenants as well as expenses of EUR -7.5 million (2022: EUR -9.4 million) from vacancies.

5.1.3 Expenses from investment property

All amounts in TEUR	2023	2022
Commission expenses	-2,499	-372
Maintenance	-27,961	-21,826
Operating costs charged to building owners	-17,221	-14,709
Property marketing	-2,719	-6,382
Personnel expenses from asset management (see 5.7)	-9,706	-4,977
Other expenses from asset management	-4,276	-3,924
Fit-out costs	-1,661	-3,770
Write-off of receivables from asset management	-6,279	-2,406
Other expenses	-3,074	-1,751
Total	**-75,396**	**-60,117**

Maintenance costs are attributable to extraordinarily urgent measures at several office properties as well as regular building maintenance.

Concessions made retroactively to tenants are recognised as write-offs to receivables. The increase in receivables write-offs resulted from the difficult financial situation of tenants in the gastronomy business in Poland.

Rental deferrals granted for future periods are accounted for similar to rental incentives and are recognised to rental income over the remaining term of the underlying contract.

Government grants are deducted directly from the related expenses (net method) in accordance with IAS 20.29. IMMOFINANZ Group received government grants of EUR 1.0 million in 2023 (2022: EUR 0.0 million).

5.2 Results of owner-operated hotels

All amounts in TEUR	2023	2022
Income from owner-operated hotels	70,023	0
Expenses from owner-operated hotels	-52,745	0
Depreciation and impairment on owner-operated hotels	-15,266	0
Total	**2,012**	**0**

The owner-operated properties represent hotels held by S IMMO Group, which was acquired in 2022.

5.3 Results of property sales

All amounts in TEUR	2023	2022
Office	49,062	62,056
Retail	570	5,301
Other	302,442	2,897
Proceeds from property sales	**352,074**	**70,254**
Less carrying amount of sold properties	-352,074	-70,254
Net gain/loss from property sales	**0**	**0**
Results from deconsolidation (see 2.5)	**-35,219**	**5,443**
Sales commissions	-1,288	-1,114
Personnel expenses from property sales (see 5.7)	-728	-474
Legal, auditing and consulting fees from property sales	-1,006	-561
Income and expenses related to written-off receivables from property sales	7,000	-12,945
VAT adjustments from the sale of properties	-682	-176
Other expenses	-2,389	-899
Expenses from property sales	**907**	**-16,169**
Revaluation results from properties sold and held for sale (see 5.8)	**-4,015**	**15,349**
Total	**-38,327**	**4,623**

Results from the sale of properties show the income from asset deals involving IAS 40 and IFRS 5 properties. This income represents the fair value of the property on the transaction date and is therefore generally contrasted by a book value disposal of the same amount. The differences between the carrying amounts on the last balance sheet date and the last quarter prior to the sale are recorded under the revaluation results from standing investments, respectively property under construction. In contrast, the differences between the carrying amounts in the last quarter and the sale proceeds are recorded under the revaluation of investment property sold and held for sale. Real estate trading is not part of IMMOFINANZ Group's ordinary business activities. Therefore, the results of property sales do not represent revenue in the sense of IFRS 15 (Revenue from Contracts with Customers) but are classified as revenues from the sale of IAS 40 and IFRS 5 properties. Of the revenues recognised from property sales in 2023 (EUR 352.1 million), partial payment was received in 2022. As of 31 December 2023, the outstanding purchase price receivables from property sales totalled EUR 12.1 million (see section 4.7). The outstanding purchase price receivables from property sales reported as of 31 December 2022 (EUR 6.1 million) were paid in 2023.

Expenses from property sales include all personnel and operating expenses directly related to the sale process for a property or property company.

Income of EUR 7.0 million from receivables previously written off involves the purchase price receivable from the sale of the Russian portfolio in 2017, which was scheduled for settlement in the first half of 2022. Due to the war in Ukraine and the sanctions imposed against the Russian Federation together with the resulting effects – above all the payment restrictions imposed by Russia – management classified this receivable as uncollectible and wrote off the full amount of EUR 12.9 million in 2022. A payment of EUR 7.0 million was received in the first quarter of 2024.

Revaluation results reflect the adjustment of fair value when a property is sold and the valuation of investment property held for sale at the respective selling price.

5.4 Results of property development

All amounts in TEUR	2023	2022
Proceeds from the sale of real estate inventories	**0**	**580**
Cost of real estate inventories sold	**0**	**-512**
Write-down related reversals of real estate inventories	0	50
Write-down of real estate inventories	-180	-2,012
Income and expenses related to written-off purchase price receivables from the sale of real estate inventories	0	-1,014
Operating costs charged to building owners of real estate inventories	0	-49
Other expenses from real estate inventories	-1,788	-3,914
Expenses from real estate inventories	**-1,968**	**-6,939**
Expenses from property development	**-2,831**	**-3,261**
Revaluation results from properties under construction (see 5.8)	**-20,792**	**-10,552**
Total	**-25,591**	**-20,684**

The sale of real estate inventories is reported under income from property development. In accordance with IFRS 15, revenue is recognised over time when the performance provided leads to an asset with no alternative use for IMMOFINANZ Group and IMMOFINANZ Group has an enforceable right to payment for the performance transferred to date. This is regularly the case with residential properties which are sold during the planning or construction stage. In cases where these requirements are met, a proportional share of profit is recognised according to the percentage of completion (which represents the extent of performance provided) if the carrying amount of the involved property exceeds the agreed net realisable value less transaction costs.

Revenue from the sale of properties with an alternative use or without an enforceable right to payment is still recognised at a point in time (i.e. with the transfer of economic ownership). This point in time is generally the date on which the property is transferred because it marks the transfer of opportunities and risks as well as economic control.

The following table classifies the proceeds from the sale of real estate inventories in 2023 according to the timing of revenue recognition:

All amounts in TEUR	2023	2022
Revenue recognised at a point in time	0	580
Income from derecognised liabilities	**0**	**580**

The allocation of revenue from the sale of real estate inventories to IMMOFINANZ Group's regional core markets is shown in the segment report (see section 3.6).

The impairment losses of EUR 2.0 million recognised to real estate inventories in 2022 consisted chiefly of the write-down of cancelled residential property sales in Germany to the net realisable value less transaction costs. The results of property development also include charges of EUR 1.0 million (2022: EUR 1.9 million) for personnel expenses.

5.5 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	2023	2022
Expenses charged on	460	188
Insurance compensation	670	1,461
Income from derecognised liabilities	3,792	946
Reimbursement for penalties	397	183
Miscellaneous	2,534	7,599
Total	**7,853**	**10,377**

The share of S IMMO in other operating income equalled EUR 3.3 million in 2023. Miscellaneous other operating income in 2022 included income of EUR 6.5 million from the reimbursement of costs connected with the premature termination of a digitalisation project by CPI Property Group.

5.6 Other operating expenses

Other operating expenses include the following items:

All amounts in TEUR	2023	2022
Administrative expenses	-5,657	-2,983
Legal, auditing and consulting fees	-13,924	-19,360
Penalties	-917	-155
Taxes and levies	-4,517	-2,495
Advertising	-3,113	-3,689
EDP and communications	-4,370	-2,771
Expert opinions	-1,022	-614
Personnel expenses (see 5.7)	-23,469	-25,967
Other write-downs	-4,335	-2,128
Miscellaneous	-18,043	-5,916
Total	**-79,367**	**-66,078**

The full consolidation of S IMMO was responsible for EUR 35.3 million of other operating expenses in 2023.

The increase in administrative expenses resulted from the outsourcing of various activities to the service companies of the CPI Property Group and the related administrative charges. Directly attributable costs are reported under the respective functional operating area. If direct allocation is not possible, the administrative expenses are included under other operating expenses. Of the miscellaneous operating expenses, EUR 5.9 million (2022: EUR 3.0 million) represent administrative fees paid to CPI Property Group.

The decline in legal, auditing and consulting fees is attributable, above all, to the absence of costs recognised in 2022 for a Groupwide digitalisation project and to costs connected with the takeover offers by CPI Property Group and S IMMO.

Miscellaneous other operating expenses include EUR 10.5 million arising from a court decision which is not yet legally binding and is related to restitution proceedings for land on which a Romanian subsidiary constructed a shopping center (also see section 4.16).

Other write-downs include write-downs of EUR 0.5 million (2022: EUR 0.6 million) to right-of-use assets for other tangible assets (IFRS 16).

The costs for short-term leases and low-value leases equalled EUR 0.2 million in 2023 (2022: EUR 0.2 million). Other main components of miscellaneous other operating expenses were the costs connected with owner-operated properties, impairment losses and write-downs to other receivables, Supervisory Board remuneration and the costs for the annual general meeting as well as insurance premiums and costs for bank transactions.

Miscellaneous other operating expenses also include TEUR 12.6 for research on office solutions in cooperation with Stanford University. Klicken oder tippen Sie hier, um Text einzugeben.

5.7 Personnel expenses

Personnel expenses for IMMOFINANZ Group's employees totalled EUR 34.9 million in 2023 (2022: EUR 33.3 million).

The increase in personnel costs resulting from the initial consolidation of S IMMO were, for the most part, offset by the outsourcing of various activities to the service companies of CPI Property Group and the absence of the one-off payments recognised in 2022 in connection with the resignation of Dietmar Reindl and Stefan Schönauer from the Executive Board on 8 June 2022.

Employee benefits include EUR 0.2 million (2022: EUR 0.1 million) for pensions, EUR 0.5 million (2022: EUR 6.9 million) for severance payments and contributions to employee benefit funds, and EUR 3.4 million (2022: EUR 5.2 million) for statutory social security contributions as well as payroll-based duties and mandatory contributions.

Personnel expenses were allocated to the following sections of the consolidated income statement as follows:

All amounts in TEUR	2023	2022
Results of asset management	9,706	4,977
Results of property sales	728	474
Results of property development	1,004	1,890
Other operating expenses	23,469	25,967
Personnel expenses	**34,907**	**33,308**

The functional operating areas include only directly allocated personnel expenses. In cases where direct allocation is not possible, the personnel expenses are included under other operating expenses.

The average number of employees in the companies included in the consolidated financial statements totalled 250 in 2023 (2022: 301 employees). This statistic does not include employees on official leave (maternity, parental, military). The prior year data do not include any personnel expenses for S IMMO because that company was only fully consolidated as of 31 December 2022; the number of employees for 2022 does not include any S IMMO employees.

S IMMO had a total workforce of 100 in 2023 (2022: 136 persons) excluding the employees in hotel operations, and 611 employees (2022: 583 persons) including the employees in hotel operations.

5.8 Revaluation results from investment property and goodwill

The results from the revaluation of investment properties and goodwill included valuation results of EUR -352.0 million in 2023 (2022: EUR -110.5 million) and impairment losses to goodwill of EUR -0.2 million (2022: EUR -0.3 million). In 2022, this position also included a negative difference of EUR 214.6 million from the purchase of shares in S IMMO AG (see section 2.3).

The revaluation results from the standing investments include the revaluation of rights-of-use assets in accordance with IFRS 16 (EUR 0.2 million; 2022: EUR -1.4 million).

The following table shows the revaluation gains and losses on investment property:

			2023			2022
All amounts in TEUR	Revaluation gains	Revaluation losses	Total	Revaluation gains	Revaluation losses	Total
Investment property	235,727	-587,761	-352,034	91,218	-201,717	-110,499
Property under construction	1,380	-22,172	-20,793	6,125	-16,677	-10,552
Properties sold and held for sale	170	-4,185	-4,015	15,762	-413	15,349
Total	**237,277**	**-614,118**	**-376,841**	**113,105**	**-218,807**	**-105,702**

The revaluation gains on investment property included EUR 117.7 million of purchase price adjustments that were deducted from the acquisition cost of real estate holding companies (see section 2.3). The remainder is primarily attributable to the revaluation of properties in the retail asset class.

Details on property under construction are provided in section 5.4, and details on property sold and held for sale can be found in section 5.3.

5.9 Share of profit or loss from equity-accounted investments

All amounts in TEUR	Joint ventures	Associates	Total 2023
Share of profit or loss for the period	-189	6,053	5,864
Other adjustments	0	-5,526	-5,526
Total	**-189**	**527**	**338**

Other adjustments include an impairment loss of EUR -5.5 million.

All amounts in TEUR	Joint ventures	Associates	Total 2022
Share of profit or loss for the period	0	26,899	26,899
Other adjustments	0	-191,653	-191,653
Reclassification of foreign exchange differences reserve to profit or loss	0	1,925	1,925
Gains/losses on the sale of equity-accounted investments	0	10,947	10,947
Total	**0**	**-151,882**	**-151,882**

In 2022, the share of profit or loss from equity-accounted investments included proportional results of EUR 19.8 million for the period from S IMMO, the carryforward of EUR 0.6 million in fair value adjustments identified in connection with the acquisition of the shares during the purchase price allocation as well as an impairment loss of EUR -192.2 million to the S IMMO investment from the transition consolidation. The transition consolidation involved the reclassification to profit or loss of EUR 12.9 million in differences from foreign currency translation and the change in the hedge accounting reserve. The total effect from S IMMO amounted to EUR 55.6 million and comprised EUR -159.0 million of results from the at-equity valuation of the investment and a negative difference of EUR 214.6 million (see section 2.3).

Aggregated financial information on the joint ventures and associates is presented in section 4.6.

5.10 Financial results

All amounts in TEUR	2023	2022
For financial liabilities AC	-178,152	-70,334
For derivative financial instruments	-31,868	-7,430
Total financing costs	**-210,020**	**-77,764**
For financial receivables AC	12,036	1,669
For financial receivables FVPL	30	0
For derivative financial instruments	79,921	3,891
Total financing income	**91,987**	**5,560**
Foreign exchange differences	**-8,845**	**2,333**
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-1,901	-6,331
Valuation of financial instruments at fair value through profit or loss	-118,980	156,263
Distributions	1,316	798
Valuation adjustments and impairment of receivables	76	-64
Negative interest on cash and cash equivalents	-30	-1,530
Other financial results	**-119,519**	**149,136**
Net profit or loss from equity-accounted investments (see 5.9)	**338**	**-151,882**
Total	**-246,059**	**-72,617**

AC: Financial assets/liabilities measured at amortised cost)

The financing costs for financial liabilities measured at amortised cost include interest expense of EUR -2.3 million (2022: EUR -1.9 million) for IFRS 16 lease liabilities. In 2022, this position also included income of EUR -0.8 million from the modification of financial instruments. This earnings effect must be reported at the time of modification in accordance with IFRS 9. Of the total financing costs, EUR -98.8 million are attributable to S MMO.

Financing income includes EUR 49.8 million from S IMMO.

The profit or loss on other financial instruments and proceeds on the disposal of financial instruments in 2022 consisted chiefly of the costs arising from the repurchase of the convertible bond, which was redeemed at 101% of the nominal amount (also see section 4.14).

Foreign exchange differences include foreign exchange gains of EUR 2.0 million (2022: EUR 1.9 million) as well as foreign exchange losses of EUR -4.1 million (2022: EUR -1.4 million) from IFRS 16 lease liabilities.

The results from the measurement of financial instruments at fair value through profit or loss include the following:

All amounts in TEUR	2023	2022
Revaluation results from real estate fund shares	0	-1,154
Valuation results from derivative financial instruments	-119,244	156,734
Valuation results from shares in companies	0	705
Other	264	-22
Total	**-118,980**	**156,263**

Information on the net gains and losses from financial instruments is provided in section 7.1.2.

5.11 Income taxes

This position includes income taxes paid or owed by the parent company and subsidiaries as well as deferred taxes. Interest and penalties from tax proceedings are also included here. An overview of deferred tax assets and deferred tax liabilities is presented in section 4.9.

All amounts in TEUR	2023	2022
Current income tax	**-57,190**	**-21,713**
thereof from current period	-57,936	-21,886
thereof from prior periods	746	173
Deferred tax	**140,877**	**-22,016**
thereof from current period	146,856	-25,868
thereof from changes in tax rates	2,271	3,180
Total	**83,687**	**-43,729**

The difference between calculated income tax expenses and the actual income tax expenses shown on the income statement is attributable to the following factors:

All amounts in TEUR	2023		2022	
Earnings before tax	**-313,148**		**185,698**	
Income tax expense at 24% tax rate (2022: 25%)	**75,156**	**24.0%**	**-46,425**	**25.0%**
Effect of different tax rates	-12,008	-3.8%	-17,398	9.4%
Effect of changes in tax rates	-4,665	-1.5%	3,132	-1.7%
Impairment losses to goodwill/negative differences recognised in profit or loss	-32	0.0%	54,916	-29.6%
Changes from valuation allowances and unrecognized loss carryforwards	91,488	29.2%	-7,114	3.8%
Non-deductible income and expenses	-23,044	-7.4%	-8,799	4.7%
Write-downs and write-ups to deferred tax assets	-15,497	-4.9%	1,883	-1.0%
Effects related to other periods	-15	0.0%	-221	0.1%
Effects of deferred taxes on investments in subsidiaries, joint ventures and associates and effects from consolidation measures	-20,909	-6.7%	-29,910	16.1%
Other non-temporary differences	-6,787	-2.2%	6,207	-3.3%
Effective tax rate	**83,687**	**26.7%**	**-43,729**	**23.5%**

The impact of the different tax rates on the effective tax rate for the Group results from the difference between the Austrian corporate tax rate of 24% and the respective local tax rates (see section 4.9).

The non-deductible income and expenses consist mainly of non-deductible interest expense and non-deductible management salaries.

In the 2004/05 financial year, the Austrian IMMOFINANZ companies joined together into a corporate group in the sense of § 9 of the Austrian Corporate Tax Act. IMMOFINANZ AG serves as the lead company of this group. The lead company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. Each member with positive results must pay a tax charge to the lead company. The charge equals 24% of the assessment base and is based on the tax rate defined in § 22 (1) of the Austrian Corporate Tax Act. Any losses by the group members are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Group members with registered tax losses are not required to make payments to the lead company; no payments for (negative) charges are made by the lead company to the group members.

Another corporate tax group was established in 2009/10 pursuant to § 9 of the Austrian Corporate Tax Act. CPB Enterprise GmbH serves as the lead company of this group. Based on the group and tax assessment agreement concluded on 22 December 2009, the taxable income generated by the members of this group is allocated to CPB Enterprise GmbH, as the lead company of the group, after an offset against any pre-group losses. The group contract also calls for a tax charge as settlement for the transfer of taxable income. The tax charge procedure for this tax group is the same as the new tax charge agreement implemented for the IMMOFINANZ AG corporate group; it took effect starting in the 2011/12 financial year.

S IMMO Group also had a corporate tax group pursuant to § 9 of the Austrian Corporate Tax Act with S IMMO AG as the lead company of this group. This tax group was integrated in the IMMOFINANZ tax group during 2023. Based on the tax assessment agreement concluded between the IMMOFINANZ AG and S IMMO companies, S IMMO AG with its subsidiaries forms a separate accounting entity for the tax charge. If S IMMO AG generates positive results, it is required to pay a (positive) tax charge to the head of the group equal to 20% of the assessment base. The generation of positive results by the S IMMO group members results in the payment of a (positive) tax charge to S IMMO AG equal to 24% of the assessment base. Losses incurred by the tax subgroup, respectively by the S IMMO group members are registered and can be offset in full against taxable profit recorded by the respective tax subgroup or S IMMO group member in subsequent years. Payments by S IMMO AG to the lead company or by an S IMMO group member to S IMMO AG are not required when registered losses are utilised. No payments for (negative) charges are made by the lead company to S IMMO AG or by S IMMO AG to the S IMMO group members.

5.12 Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing net profit for the period attributable to the shareholders of IMMOFINANZ AG by the weighted average number of shares outstanding.

	2023	2022
Weighted average number of shares (basic)	**137,974,126**	**136,866,509**
Weighted average number of shares (diluted)	**137,974,126**	**136,866,509**
Net profit or loss (excl. non-controlling interests) in EUR	-180,316,000	142,601,000
Net profit or loss excl. non-controlling interests in EUR (diluted)	**-180,316,000**	**142,601,000**
Basic earnings per share in EUR	**-1.31**	**1.04**
Diluted earnings per share in EUR	**-1.31**	**1.04**

There were no diluting effects in 2023 or in the previous year. The calculation of the number of shares as of 31 December 2023 included the 695,585 treasury shares held by IMMOFINANZ (31 December 2022: 695,585 shares).

6. Notes to the Consolidated Cash Flow Statement

The cash flow statement of IMMOFINANZ Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the financial year. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities. Interest paid is reported under cash flow from financing activities, while interest and dividends received are reported under cash flow from investing activities. Cash flow from operating activities is calculated using the indirect method. Cash and cash equivalents comprise the following as of the balance sheet dates shown below:

All amounts in TEUR	31 12 2023	31 12 2022
Cash and cash equivalents (see 4.12)	697,119	652,750
Cash and cash equivalents held by disposal groups (see 4.10)	0	31,946
Cash and cash equivalents	**697,119**	**684,696**

Foreign currency cash flows are translated at the weighted average exchange rate for the respective local currency and quarter. Translation differences arising from the use of this exchange rate and the mean exchange rate on the balance sheet date are charged or credited to foreign exchange differences.

The position "business combinations and other acquisitions, net of cash and cash equivalents" totalling EUR –1,023.9 million resulted almost entirely from transactions with CPI Property Group. Information on these transactions is provided in section 2.3.

The following table reconciles financial liabilities, derivatives and equity, including cash flow from financing activities, as of 1 January 2023 and 31 December 2023:

	Financial liabilities			
All amounts in TEUR	Liabilities from convertible bonds	Amounts due to financial institutions	Liabilities arising from the issue of bonds	Other financial liabilities
Balance sheet as of 1 1 2023	**0**	**2,766,246**	**922,825**	**478,399**
Changes in cash flow from financing activities				
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		1,001,008		
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-570,929	-187,100	-4,652
Derivatives				
Interest paid		-133,036	-10,856	-11,762
Payments on mandatory convertible bond				
Distributions/Dividend				
Transactions with non-controlling interest owners				
Total change in cash flow from financing activities	**0**	**297,043**	**-197,956**	**-16,415**
Changes from the loss of control over subsidiaries		**-22,615**		**0**
Changes from the attainment of control over subsidiaries		**126,721**		**-337,448**
Effects of changes in exchange rates		**1,487**		**2,015**
Changes in fair value		**0**		
Other changes in financial liabilities	**0**	**127,659**	**95,671**	**39,899**
Other changes in equity				
Balance sheet as of 31 12 2023	**0**	**3,296,541**	**820,539**	**166,451**

	Derivatives		Equity					
	Derivative assets	Derivative liabilities	Share capital/ capital reserves	Treasury shares	Accumulated other equity	Retained earnings	Non-controlling interests	Total
	-235,983	**0**	**4,964,320**	**-10,149**	**-186,200**	**-977,748**	**951,329**	**8,673,039**
								1,001,008
								-762,681
	67,525	-268						67,257
								-155,654
								0
						0	-19,048	-19,048
					35	1,474	-3,869	-2,360
	67,525	**-268**	**0**	**0**	**35**	**1,474**	**-22,917**	**128,521**
					47,947		**0**	**25,332**
	31,195	**2,870**			**0**			**-176,661**
	-674	**0**			**4,199**			**7,027**
	-119,423	**179**						**-119,244**
	109,776	**22,819**						**395,824**
				0	**6,235**	**-180,316**	**-35,125**	**-209,206**
	-147,585	**25,600**	**4,964,320**	**-10,149**	**-127,784**	**-1,156,590**	**893,287**	**8,724,630**

7. Other Disclosures

7.1 Information on financial instruments

The primary financial instruments held by IMMOFINANZ Group which are reported under assets consist primarily of trade accounts receivable, financing receivables, loans and other receivables, real estate fund shares, miscellaneous other financial instruments and cash and cash equivalents. The primary financial instruments recorded under liabilities consist primarily of financial liabilities, liabilities arising from convertible bonds and trade accounts payable. The non-derivative financial instruments recorded under assets are carried at fair value through profit or loss (shares in other companies), at fair value through other comprehensive income (shares in other companies) or at amortised cost. Non-derivative financial liabilities are carried at amortised cost. Fair value is based on market prices or calculated in accordance with recognised valuation methods.

Derivative financial instruments are used to hedge the interest rate risk arising from business operations (see section 7.2.5).

7.1.1 Classes and categories of financial instruments

IFRS 7 requires the breakdown of financial instruments by classes as well as the reconciliation of these classes with the line items shown on the balance sheet. Since the reporting company is entitled to define these classes, they generally differ from the categories defined by IFRS 9 for the measurement of financial instruments.

The definition of the reportable classes reflects the different characteristics of the major financial instruments held by IMMOFINANZ Group. Accordingly, similar financial instruments are grouped together into a class. The classes are also defined to facilitate reconciliation with the line items shown on the balance sheet. These factors led to the definition of the following classes: trade accounts receivable, financing receivables, loans and other receivables (including restricted funds), derivatives, miscellaneous other financial instruments and cash and cash equivalents (asset classes) as well as liabilities arising from bonds, liabilities with financial institutions, other financial liabilities, trade accounts payable, derivatives and miscellaneous other liabilities (liability classes).

In addition to the assignment of financial instruments to classes, IFRS 7 requires the disclosure of the carrying amount of financial assets and financial liabilities in accordance with the categories defined in IFRS 9. The following table presents the carrying amount and fair value of each class of financial assets and financial liabilities as well as each IFRS 9 category and reconciles these amounts to the appropriate balance sheet line items. Since the balance sheet positions “trade and other receivables” and “trade and other liabilities” can contain financial instruments as well as non-financial assets/liabilities (e.g. tax receivables), the column “Non-FI” allows for a full reconciliation with the balance sheet line.

Assets All amounts in TEUR	FVOCI Equity instru-ments	FVPL Mandatory	AC	Cash and cash equivalents	Non-FI	Carrying amount 31 12 2023	Fair value 31 12 2023
Trade accounts receivable	0	0	80,892	0	0	80,892	80,892
Financing receivables	0	0	3,932	0	0	3,932	3,932
Loans and other receivables	0	0	135,046	0	13,812	148,858	148,858
Trade and other receivables	**0**	**0**	**219,870**	**0**	**13,812**	**233,682**	**233,682**
Derivatives	0	147,585	0	0	0	147,585	147,585
Miscellaneous other financial in-struments	8,650	8,135	0	0	0	16,785	16,785
Other financial assets	**8,650**	**155,720**	**0**	**0**	**0**	**164,370**	**164,370**
Cash and cash equivalents	**0**	**0**	**0**	**697,119**	**0**	**697,119**	**697,119**
Total assets	**8,650**	**155,720**	**219,870**	**697,119**	**13,812**	**1,095,171**	**1,095,171**

Equity and liabilities All amounts in TEUR	FVPL Mandatory	AC	Non-FI	Carrying amount 31 12 2023	Fair value 31 12 2023
Bonds	0	820,539	0	820,539	734,422
Amounts due to financial institutions	0	3,296,541	0	3,296,541	3,263,676
Other financial liabilities	0	166,451	0	166,451	164,288
Financial liabilities	**0**	**4,283,531**	**0**	**4,283,531**	**4,162,386**
Trade payables	0	93,122	0	93,122	93,122
Derivatives	25,600	0	0	25,600	25,600
Miscellaneous other liabilities	0	112,467	58,762	171,229	171,229
Trade and other payables	**25,600**	**205,589**	**58,762**	**289,951**	**289,951**
Total equity and liabilities	**25,600**	**4,489,120**	**58,762**	**4,573,482**	**4,452,337**

FVOCI: financial assets at fair value through other comprehensive income
FVPL: financial assets/liabilities at fair value through profit or loss
AC: financial assets/liabilities measured at amortised cost
Non-FI: non-financial assets/liabilities

Assets All amounts in TEUR	FVOCI Equity instru-ments	FVPL Mandatory	AC	Cash and cash equivalents	Non-FI	Carrying amount 31 12 2022	Fair value 31 12 2022
Trade accounts receivable	0	0	73,224	0	0	73,224	73,224
Financing receivables	0	0	4,406	0	0	4,406	4,406
Loans and other receivables	0	0	109,779	0	21,082	130,861	130,861
Trade and other receivables	**0**	**0**	**187,409**	**0**	**21,082**	**208,491**	**208,491**
Derivatives	0	235,983	0	0	0	235,983	235,983
Miscellaneous other financial in-struments	7,328	8,007	0	0	0	15,335	15,335
Other financial assets	**7,328**	**243,990**	**0**	**0**	**0**	**251,318**	**251,318**
Cash and cash equivalents	**0**	**0**	**0**	**652,750**	**0**	**652,750**	**652,750**
Total assets	**7,328**	**243,990**	**187,409**	**652,750**	**21,082**	**1,112,559**	**1,112,559**

Equity and liabilities All amounts in TEUR	FVPL Mandatory	AC	Non-FI	Carrying amount 31 12 2022	Fair value 31 12 2022
Bonds	0	922,825	0	922,825	878,041
Amounts due to financial institutions	0	2,766,246	0	2,766,246	2,751,666
Other financial liabilities	0	478,399	0	478,399	456,013
Financial liabilities	**0**	**4,167,470**	**0**	**4,167,470**	**4,085,720**
Trade payables	0	75,029	0	75,029	75,029
Miscellaneous other liabilities	0	90,649	90,935	181,584	181,584
Trade and other payables	**0**	**165,678**	**90,935**	**256,613**	**256,613**
Total equity and liabilities	**0**	**4,333,148**	**90,935**	**4,424,083**	**4,342,333**

FVPL: financial assets/liabilities at fair value through profit or loss
AC: financial assets/liabilities measured at amortised cost
Non-FI: non-financial assets/liabilities

The fair values shown in the above table were derived from stock exchange prices or determined by applying recognised valuation methods, depending on the class (see section 7.1.3).

Trade account receivables are generally considered to be current or are carried net of any necessary valuation adjustments and, for this reason, fair value generally reflects the carrying amount. The same applies to cash and cash equivalents.

The fair value of financial receivables, loans and other receivables as well as the fair value of the miscellaneous other financial instruments also generally approximates the carrying amount because impairment losses have already been deducted.

The fair values shown in the above table for amounts due to financial institutions were calculated as the present value of future interest and principal payments. The discount rate includes a margin for IMMOFINANZ's own credit risk, and the valuation method used to determine fair value therefore represents Level 3 in the fair value hierarchy under IFRS 13. Information on the method used to determine the debt value adjustment is provided in section 7.1.3. The discount rates used to calculate the present value of the amounts due to financial institutions were based on the listing shown below, which reflects the market interest rates as of 31 December 2023 and the average credit spreads for the loans held as of the balance sheet date.

Discount rates as of	min	2023 max
1 1 2024	3.542%	5.042%
1 1 2025	3.134%	4.634%
1 1 2026	3.714%	5.214%
1 1 2027	3.629%	5.129%
1 1 2028	3.606%	5.106%
1 1 2029	3.611%	5.111%
1 1 2030	3.625%	5.125%
1 1 2031	3.651%	5.151%
1 1 2032	3.679%	5.179%
1 1 2033	3.713%	5.213%

The fair value of the bonds is based on the market price or, for inactive markets, the present value of future interest payments. The fair value of the miscellaneous other liabilities corresponds to the present value (financial liabilities) or to the carrying amount (all other cases).

7.1.2 Net gains and losses

The net gains and losses which must be presented in accordance with IFRS 7 for each category of financial instrument defined in IFRS 9 comprise the following:

All amounts in TEUR	Measurement at fair value	Income from disposals/ repurchase	Other gains/losses	31 12 2023 Net gain/loss
FVOCI	1,187	0	535	1,722
thereof recognised to the consolidated income statement	0	0	535	535
thereof designated and recorded under other comprehensive income	1,187	0	0	1,187
FA-FVPL	-119,029	0	484	-118,545
thereof mandatory	-119,029	0	484	-118,545
FL-FVPL	49	0	0	49
thereof mandatory	49	0	0	49
FL-AC	0	0	-1,604	-1,604

FVOCI: financial assets at fair value through other comprehensive income
FA-FVPL/FL-FVPL: financial assets/liabilities at fair value through profit or loss
FA-AC/FL-AC: financial assets/liabilities measured at amortised cost

All amounts in TEUR	Measurement at fair value	Income from disposals/ repurchase	Other gains/losses	31 12 2022 Net gain/loss
FVOCI	-2,537	0	0	-2,537
thereof recorded under other comprehensive income	-2,537	0	0	-2,537
FA-FVPL	156,263	0	797	157,060
thereof mandatory	156,263	0	797	157,060
FL-AC	0	-5,580	-750	-6,330

Information on interest expense and interest income is provided in section 5.10.

7.1.3 Hierarchy of financial instruments carried at fair value

The following section includes an analysis of the financial instruments carried at fair value. A three-level classification was developed for this analysis in accordance with the measurement hierarchy defined in IFRS:

- Level 1: quoted prices for identical assets or liabilities on an active market (without any adjustments)
- Level 2: inputs that can be derived directly (e.g. as prices) or indirectly (e.g. based on prices) for the individual assets or liabilities and cannot be classified under Level 1
- Level 3: inputs for assets or liabilities that are not based on observable market data

All amounts in TEUR	Level 1	Level 2	Level 3	31 12 2023 Total
Financial assets at fair value through other comprehensive income				
Miscellaneous other financial instruments	-	-	8,650	8,650
Financial assets at fair value through profit or loss				
Derivatives	-	-	147,585	147,585
Miscellaneous other financial instruments	8,043	-	92	8,135
Financial liabilities at fair value through profit or loss				
Derivatives	-	-	25,600	25,600

All amounts in TEUR	Level 1	Level 2	Level 3	31 12 2022 Total
Financial assets at fair value through other comprehensive income				
Miscellaneous other financial instruments	-	-	7,328	7,328
Financial assets at fair value through profit or loss				
Derivatives	-	-	235,983	235,983
Miscellaneous other financial instruments	7,618	-	389	8,007

The following table reconciles the beginning and ending balances of the financial instruments classified under Level 3:

	Real estate fund shares		Derivatives		Miscellaneous other financial instruments		Total	
All amounts in TEUR	2023	2022	2023	2022	2023	2022	2023	2022
Beginning balance	**0**	**1,466**	**235,983**	**96**	**7,717**	**4,972**	**243,700**	**6,534**
Recognised in the consolidated income statement	0	-1,154	-119,244	156,734	-162	-21	-119,406	155,559
Recognised in other comprehensive income	0	0	0	0	1,187	-2,537	1,187	-2,537
Additions	0	0	34,066	92,954	0	5,303	34,066	98,257
Disposals	0	-312	-28,820	-13,801	0	0	-28,820	-14,113
Ending balance	**0**	**0**	**121,985**	**235,983**	**8,742**	**7,717**	**130,727**	**243,700**

The valuation procedures and valuation-relevant input factors used to determine the fair value of the material financial instruments classified under Level 3 are as follows:

Level	Financial instruments	Valuation method	Major input factors	Major non-observable input factors
3	Derivatives (interest rate swaps)	Net present value methods	Interest rate curves observable on the market, probability of default, loss given default, exposure at default	Credit margin: 1.50% to 2.50%

IMMOFINANZ Group calculates the fair value of derivatives by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty. Derivatives with a positive fair value represent receivables for IMMOFINANZ Group; in these cases, a CVA calculation is used to calculate the amount of the receivable. One parameter for this calculation is the probability of default for the counterparty. IMMOFINANZ Group contracts with over 15 financial institutions, and observable CDS spreads are available on the market for many of them. In exceptional cases, average branch benchmarks are used as a substitute for unavailable spreads. These benchmarks represent Level 1 and 2 input factors on the fair value measurement hierarchy. Derivatives with a negative fair value represent liabilities for IMMOFINANZ Group; in these cases, a DVA calculation is used to calculate the amount of the liability and the own probability of default must be determined. IMMOFINANZ Group generally concludes derivatives at the level of the property company that manages a particular property. Neither observable market CDS spreads, nor benchmarks are available for these property companies. Credit margins are therefore used to estimate CDS spreads which, in turn, form the basis for deriving the probability of default. The determination of the credit margins includes information from signed credit agreements and term sheets as well as indicative credit margin offers from banks based on the respective countries and asset classes. The plausibility of the calculated credit margins is also verified by comparison with external market reports. This procedure results in market-conform credit margins that can be used as estimates for valuing the company's own credit risk. These input factors represent Level 3 on the IFRS 13 measurement hierarchy. The loss given default (LGD) is the relative value that would be lost on default. IMMOFINANZ Group uses an ordinary market default rate to calculate the CVA and DVA. The exposure at default represents the expected amount of the asset or liability at the time of default. The calculation of the exposure at the time of default is based on a Monte Carlo simulation.

For net present value methods, an increase in the discount rate, exit yield or counterparty CDS values leads to a reduction in fair value. In contrast, fair value is increased by a reduction of these input factors.

The valuation of default risk includes assumptions for the probability of default, loss rate and the outstanding amount at the time of expected default. An increase in the probability of default and the loss rate will reduce the fair value of a derivative with a positive outstanding amount (receivable) and reduce the liability for a derivative with a negative outstanding amount (liability). A decrease in the probability of default and the loss rate leads to the opposite effect.

7.1.4 Collateral

The collateral for loans related to project financing is normally provided by the respective group company. Financing is generally concluded at the individual project level. As security for the loan, the lending bank receives a package of collateral that can be used to satisfy its receivables in the event a loan is called. This security package can include the following types of collateral:

– Mortgage on the land or the land and the building
– Pledge of shares in the project company
– Pledge of receivables (from rental agreements, insurance contracts, property management contracts etc.)
– Pledge of bank accounts (accounts for rental payments or other project-related accounts)
– Promissory notes
– Shares in subsidiaries

The conditions, type and scope of collateral are defined on an individual basis (for each company and property) and are dependent on the project volume and the amount and term of the loan.

Investment property with a carrying amount of EUR 6,562.8 million (31 December 2022: EUR 6,257.2 million) was pledged as collateral for debt financing of EUR 3,420.4 million (31 December 2022: EUR 2,899.3 million).

No property under construction was pledged as collateral as of 31 December 2023 (31 December 2022: collateral with a total carrying amount of EUR 72.3 million for debt financing of EUR 30.1 million).

For property financing concluded by IMMOFINANZ Group, shares in the respective subsidiary serve as additional collateral in 77 cases (31 December 2022: 50 cases). The limitations on disposal end when the financial liability is repaid or when other collateral is provided.

In 2023 and in previous years, IMMOFINANZ Group accepted liabilities or guarantees on behalf of third parties with a maximum risk of EUR 15.6 million (31 December 2022: EUR 12.6 million). The probability of occurrence for these contingent liabilities is linked to the fulfilment or non-fulfilment of future conditions and was considered low as of the balance sheet date.

7.2 Financial risk management

7.2.1 General information

IMMOFINANZ has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct influence on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout the corporation to support the monitoring, evaluation and control of risks related to the operating business. Risk management is a staff function which reports directly to the Executive Board. It autonomously monitors the corporate risks, aggregates risk data and reports, and actively supports the department and country organisations in the identification of risks and the implementation of economically suitable countermeasures. At the department and country organisation levels, the department head or country manager are responsible for risk management. The department heads and country managers report their risk positions to the Executive Board at least once each quarter, whereby acute risks are communicated immediately. IMMOFINANZ also works to continuously improve the internal control system (ICS) to support the early identification and monitoring of risks. A description of the ICS is provided in the management report.

As an international corporation, IMMOFINANZ Group is exposed to various financial risks. The major financial risks for the Group arise from possible changes in foreign exchange rates and interest rates and from the deterioration of the credit standing and solvency of its customers and business partners.

7.2.2 Default/credit risk

Default or credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations and IMMOFINANZ Group incurs financial damages as a result. The maximum credit risk represents the carrying amounts reported under assets on the balance sheet. Default risk is reflected in appropriate valuation adjustments.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, activities and goal attainment are monitored regularly by IMMOFINANZ Group's development department.

The risk of default on receivables due from tenants is generally low because tenants are regularly required to provide security deposits – cash deposits for residential properties, bank guarantees or cash deposits for commercial properties – and their credit standing is monitored on a regular basis. Individual valuation adjustments are generally recorded to receivables that are exposed to an increased risk of default.

The default risk associated with receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. Counterparty and concentration risks are limited by continuous monitoring, fixed investment limits and the diversification of financial institutions. Banks are aggregated into a banking group and evaluated according to a common default probability. Receivables are combined and reviewed against appropriate limits.

A default event is assumed to occur when the debtor is not expected to meet his or her credit obligations in full. A receivable is written off (derecognised) when it is overdue more than 365 days and collection measures have ceased or when the receivable is considered uncollectible in full even if it is not overdue more than one year.

Financial receivables are assigned to the following classes of financial instruments in IMMOFINANZ Group:

– Trade accounts receivable
– Financing receivables
– Loans and other receivables

The next two tables present the following information in summarised form: the gross amount for each category of receivables as of the balance sheet date, the recognised impairment losses and resulting net receivables, a reconciliation of the beginning balance to the ending balance of the valuation allowances, and explanatory comments on the creation of the valuation allowances for each of the three receivables classes.

All amounts in TEUR	2023 Gross receivable	2023 Impairment	2023 Net receivable	2022 Gross receivable	2022 Impairment	2022 Net receivable
Trade accounts receivable	99,990	-19,098	80,892	88,075	-14,851	73,224
Financing receivables	7,767	-3,835	3,932	8,241	-3,835	4,406
Loans and other receivables	141,901	-6,855	135,046	123,404	-13,625	109,779
Total	**249,658**	**-29,788**	**219,870**	**219,720**	**-32,311**	**187,409**

Valuation allowances for trade accounts receivable

All amounts in TEUR	2023	2022
Beginning balance	**-14,851**	**-13,248**
Currency translation adjustments	-686	52
Additions following the acquisition of subsidiaries	-205	-3,669
Write-offs	2,362	5,776
Revaluation	-6,284	-3,753
Reclassifications and other developments	566	-9
Ending balance	**-19,098**	**-14,851**

The trade accounts receivable held by IMMOFINANZ Group comprise rents receivable, operating costs receivable and receivables from the sale of real estate inventories. The calculation of impairment for all these receivables is based on the simplified approach defined by IFRS 9.5.5.15, which requires the recognition of a loss allowance equal to the lifetime expected credit losses as of the initial recognition date as well as in subsequent periods. The application of the simplified approach to rents receivable, which represent lease receivables, is based on the option provided by this standard. The remaining trade receivables fall within the scope of application of IFRS 15 and do not include any material financing components. The application of the simplified approach is therefore mandatory.

Impairment losses are based on historical experience in accordance with the number of days overdue. However, the calculation also includes more specific information on expected return flows or forward-looking assumptions if this information is available and if it is assumed that these factors will influence the amount of the impairment loss. Impairment losses were not recognised to the outstanding receivables of EUR 0.3 million (31 December 2022: EUR 0.9 million) from the sale of real estate inventories, which are reported as part of trade receivables, because the available collateral is considered sufficient.

The following table shows the gross receivables and impairment losses recognised for rents and operating costs receivable based on the time overdue as of 31 December 2023 as well as the average impairment in relation (%) to the average time overdue as of 31 December 2018, 2019, 2021 and 2022 (2020 was not included in the comparative data due to distortions caused by the COVID-19 pandemic):

All amounts in TEUR	Gross receivable	Impairment	Impairment in %	Average impairment in prior years
Not due until 90 days overdue	79,459	-3,553	4.47%	3.50%
91- 365 days overdue	7,798	-4,049	51.93%	57.72%
More than 365 days overdue	12,734	-11,499	90.31%	97.12%
Ending balance	**99,990**	**-19,102**		

Valuation allowances for financing receivables

All amounts in TEUR	2023	2022
Beginning balance	**-3,835**	**-3,835**
Ending balance	**-3,835**	**-3,835**

Financing receivables consist primarily of financing for property companies which is collateralised by the property and the related return flows. Consequently, impairment losses were generally not required for these items. The write-off reported in the following table is related solely to a receivable that was written off in full.

Valuation allowances for loans and other receivables

	2023			2022		
All amounts in TEUR	12-month expected credit loss	Lifetime expected credit loss – impaired credit standing	Total	12-month expected credit loss	Lifetime expected credit loss – impaired credit standing	Total
Beginning balance	**-41**	**-13,584**	**-13,625**	**-11**	**-2,573**	**-2,584**
Currency translation adjustments	0	0	0	0	13	13
Write-offs	0	739	739	0	2,867	2,867
Revaluation	37	6,184	6,221	-30	-13,891	-13,921
Reclassifications and other developments	0	-190	-190	0	0	0
Ending balance	**-4**	**-6,851**	**-6,855**	**-41**	**-13,584**	**-13,625**

Restricted funds represent the largest component of the assets reported under other receivables. These deposits with financial institutions have only a minimal risk of default, and it can therefore be assumed that the default risk has not increased significantly since initial recognition. The credit loss expected within the next 12 months was therefore determined in accordance with IFRS 9. For the remaining other receivables, an impairment loss was not required due to available collateral or an impairment loss was recognised because of an assumed default event at the amount of the expected loss over the lifetime of the financial instrument.

7.2.3 Liquidity risk

Liquidity risks are minimised by careful planning with regular variance analyses. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing in which the financial capability of the individual properties (interest coverage ratio, debt service coverage ratio) and present value (loan-to-value ratio) are reflected in appropriate contract clauses.

In order to prevent cost overruns and the resulting excess outflow of liquidity, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

The following table shows the term structure of derivative and non-derivative financial liabilities based on the contractually defined outflow of funds. In particular, the reported amounts include current and bullet repayments for financial liabilities, interest payments and net payments from derivatives. There were no derivative financial liabilities on record as of 31 December 2022 due to the strong positive development of the respective market values during the 2022 financial year.

All amounts in TEUR	Cash outflows (-) / Cash inflows (+) under 1 year	Cash outflows (-) / Cash inflows (+) between 1 and 5 years	Cash outflows (-) / Cash inflows (+) over 5 years	Total	Carrying amount as of 31 12 2023
Liabilities arising from the issue of bonds	-121,270	-671,854	-154,879	-948,003	820,539
Amounts due to financial institutions	-269,389	-3,047,534	-495,306	-3,812,229	3,296,541
Miscellaneous	-221,819	-79,492	-156,430	-457,741	372,040
Total non-derivative financial liabilities	**-612,478**	**-3,798,880**	**-806,615**	**-5,217,973**	**4,489,120**
Derivative financial instruments (Net position)	**42,417**	**89,732**	**11,560**	**143,709**	**121,985**

All amounts in TEUR	Cash outflows (-) / Cash inflows (+) under 1 year	Cash outflows (-) / Cash inflows (+) between 1 and 5 years	Cash outflows (-) / Cash inflows (+) over 5 years	Total	Carrying amount as of 31 12 2022
Liabilities arising from the issue of bonds	-209,114	-622,328	-229,995	-1,061,437	922,825
Amounts due to financial institutions	-447,142	-2,071,041	-792,194	-3,310,377	2,766,246
Miscellaneous	-161,730	-205,991	-502,307	-870,028	644,077
Total non-derivative financial liabilities	**-817,986**	**-2,899,360**	**-1,524,496**	**-5,241,842**	**4,333,148**
Total	**-817,986**	**-2,899,360**	**-1,524,496**	**-5,241,842**	**4,333,148**

Miscellaneous non-derivative financial liabilities include, among others, amounts due to CPI Property Group, lease liabilities, trade accounts payable and liabilities from deposits received.

The amounts due to financial institutions by IMMOFINANZ Group are broadly diversified by region and counterparty, and the exposure to a change in the risk policy of an individual financial institution is therefore considered low.

On 9 June 2021, Czech Property Investments, a.s, (CPI CZ), CPI FIM S.A. (CPI FIM) – both wholly owned subsidiaries of CPI Property Group S.A. (CPIPG) – and UniCredit Bank Czech Republic and Slovakia a.s. (UniCredit) concluded a credit agreement over EUR 213,235,000.

This financing is related to properties acquired by CPI Property Group S.A. through share deals in the fourth quarter of 2023. In connection with the purchase transaction, SC Czech AHG, s.r.o. (S IMMO CZ) - a wholly owned indirect subsidiary of S IMMO AG – stated its intention to serve as joint debtor, effective as of 23 November 2023, and furthermore, to accept the terms of the facility agreement as a borrower and to be jointly and severally liable together with CPI CZ and CPI FIM.

Consequently, S IMMO CZ is primarily responsible for the repayment of the loan, the payment of interest on the loan and all other payment obligations arising from the facility agreement. The existing loan liability is, therefore, recorded in full in the consolidated financial statements of IMMOFINANZ Group; there is no liability for the loans payable recognised by CPI CZ or CPI FIM S.A. Based on the joint and several liability for this loan and the cross-default clauses in the loan agreement, S IMMO CZ is exposed to the risk of possible default/possible insolvency by CPI CZ or CPI FIM because the financing bank would be entitled to call the loan in this case. However, this risk is considered low because S IMMO CZ has all rights to remedy a possible default by CPI CZ/CPI FIM (the cross-default clause in the loan agreement is limited to CPI CZ and CPI FIM). Any damages incurred by S IMMO CZ from a possible default in this connection are secured by a guarantee at first request which was provided by the parent company CPIPG.

7.2.4 Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its accounting data and cash flows. Fluctuations in foreign exchange rates can influence the Group's earnings position and also have an impact on the Group's asset position.

Effect on the asset and earnings position

The individual Group companies record transactions in a currency that differs from their functional currency at the mean exchange rate on the date of the respective transaction. Foreign currency monetary assets and liabilities are translated at the mean exchange rate in effect on the balance sheet date. The resulting foreign exchange gains and losses are recognised in profit or loss for the financial year.

As of 31 December 2023, all liabilities to financial institutions were denominated in euros.

The risk of devaluation associated with foreign currency bank deposits and cash balances is offset by the earliest possible conversion of these funds into the euro.

Derivative financial instruments are used in some cases to manage the low structural foreign exchange risk. The derivative financial instruments used by IMMOFINANZ Group to hedge this risk are recorded as stand-alone derivatives and not as hedging instruments. Hedge accounting as defined in IFRS 9 is not applied and, therefore, the stand-alone derivatives are measured through profit or loss.

As of 31 December 2023, no derivatives were held to hedge foreign exchange risk.

Cash and cash equivalents are held in the following currencies:

All amounts in TEUR	31 12 2023	31 12 2022
EUR	581,691	552,806
PLN	36,205	33,186
RON	26,751	32,956
HUF	32,353	17,790
CZK	8,490	6,578
RSD	11,585	5,328
Other	44	4,106
Total	**697,119**	**652,750**

7.2.5 Interest rate risk

As an international corporation, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on real estate submarkets. Increases in interest rates can have a negative impact on Group earnings by increasing the cost of floating rate financing.

A change in interest rates has a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all swaps). These derivative financial instruments are accounted for as stand-alone derivatives and not as hedging instruments in the sense of IFRS 9.

The following table shows the classification of financial liabilities by type of interest rate:

All amounts in TEUR	31 12 2023	31 12 2022
Fixed interest financial liabilities	986,990	1,063,776
Floating rate financial liabilities	3,296,541	3,103,694
Total interest-bearing financial liabilities	**4,283,531**	**4,167,470**

Of the floating rate financial liabilities, a nominal value of EUR 3,088.4 million (31 December 2022: EUR 2,561.1 million) is hedged through interest rate swaps. This results in a fixed interest rate based on the combined interest effect of the financial liability and the derivative. Financial liabilities with a nominal value of EUR 19.9 million (31 December 2022: EUR 139.9 million) are hedged with caps.

The following table shows the fair values and conditions of all derivative financial instruments that were purchased and held as of 31 December 2023 to hedge interest rates:

	Type	Reference value as of 31 12 2023 in TEUR	Fair value incl. interest in TEUR [1]	Maturity
Interest rate under or equivalent to 0.00%	Interest rate swap	41,720	1,827	2025
	Interest rate swap	252,134	16,920	2026
	Interest rate swap	212,118	16,545	2027
	Interest rate swap	331,345	31,563	2028
	Interest rate swap	21,505	2,959	2030
Number of derivatives: 24		**858,822**	**69,814**	
Interest rate over 0.00% to 1.00%	Interest rate swap	223,950	7,492	2025
	Interest rate swap	139,488	5,897	2026
	Interest rate swap	38,612	1,913	2027
	Interest rate swap	171,931	14,222	2028
	Interest rate swap	53,675	3,967	2029
	Interest rate swap	35,576	3,674	2030
	Interest rate swap	11,250	1,492	2031
	Interest rate swap	111,600	17,106	2034
Number of derivatives: 27		**786,082**	**55,763**	
Interest rate over 1.00%	Interest rate swap	10,000	217	2024
	Interest rate swap	85,000	2,130	2025
	Interest rate swap	32,766	-582	2026
	Interest rate swap	538,351	5,068	2027
	Interest rate swap	403,043	-8,707	2028
	Interest rate swap	100,025	277	2029
	Interest rate swap	107,800	1,472	2032
	Interest rate swap	166,500	-2,247	2033
Number of derivatives: 76		**1,443,485**	**-2,372**	
Interest rate over 1.00%	Interest rate cap	10,000	35	2024
	Interest rate cap	9,931	124	2026
Number of derivatives: 2		**19,931**	**159**	
Total number of derivatives: 129[2]		**3,108,320**	**123,364**	

[1] Fair value includes a credit risk adjustment.

The reference value forms the basis value for derivatives outstanding as of the balance sheet date. The fair value represents the amount that the respective company would receive or be required to pay if the transaction were terminated as of the balance sheet date.

A change in the market interest rate will influence the valuation of interest rate derivatives. Net present value calculations based on the DCF method – which is also used to value derivatives – discount future cash flows with current interest rate curves to determine market value. Rising interest rates lead to a higher discount factor and to a reduction in the present value of the derivative. Sensitivity analyses are used to illustrate the risk associated with interest rate fluctuations. They show the effects of changes in market interest rates on market values and interest payments as well as interest income and expense.

The following sensitivity analysis shows the effects of a change in the interest rate level on the fair value of the interest rate derivatives. An increase, respectively decrease of 50 and 100 basis points was assumed. The fair values exclude both accrued interest and credit risk premiums.

Sensitivity of derivatives All amounts in TEUR	31 12 2023	Interest rate Δ 50 basis points	 Δ 100 basis points
Fair value based on increase in interest rate	122,405	176,734	229,356
Fair value based on decrease in interest rate	122,405	66,310	8,444

Sensitivity of derivatives All amounts in TEUR	31 12 2022	Interest rate Δ 50 basis points	 Δ 100 basis points
Fair value based on increase in interest rate	241,190	287,502	333,000
Fair value based on decrease in interest rate	241,190	192,030	142,099

A further sensitivity analysis shows the influence of floating interest rates on the interest expense associated with financial liabilities. It shows the effect of an assumed average increase, respectively decrease of 50 and 100 basis points in market interest rates on profit before tax in 2023. The analysis assumes that all other variables remain constant.

Sensitivity of interest expense All amounts in TEUR	2023	Interest rate Δ 50 basis points	 Δ 100 basis points
Interest expense based on increase in interest rate	130,046	132,251	141,969
Interest expense based on decrease in interest rate	130,046	112,816	103,099

Sensitivity of interest expense All amounts in TEUR	2022	Interest rate Δ 50 basis points	 Δ 100 basis points
Interest expense based on increase in interest rate	77,764	81,065	84,365
Interest expense based on decrease in interest rate	77,764	74,465	71,165

Since most of IMMOFINANZ Group’s floating rate financial liabilities are hedged through interest rate swaps, the risk of an increase in interest expense as the result of changes in interest rates is considered low.

Details on the conditions of financial liabilities are provided in section 4.14.

In addition to financial liabilities, securities and receivables – above all financing receivables (loans granted to third parties) – can be sensitive to interest rate changes. The current financing receivables generally carry fixed interest rates and, consequently, they carry no or only limited interest rate risk.

7.2.6 Capital management

The goal set by IMMOFINANZ Group's management is to protect the Group's short-, medium- and long-term liquidity and to create and maintain a strong capital base in order to earn the trust of investors, creditors and the markets and safeguard the Group's sustainable positive development. The Executive Board regularly monitors the development of the share price, the discount of the share price to net asset value (net tangible assets, NTA), and the amount of recommended dividend payments to the shareholders of IMMOFINANZ AG.

The Group's capital structure is determined by financial liabilities and by equity (excluding treasury shares) of EUR 7,953.3 million. IMMOFINANZ Group intends to further optimise its capital structure by arranging for new financing and by terminating, extending or restructuring older financing. The average financing costs for IMMOFINANZ, including derivatives used for interest rate hedging, equalled 2.9% in 2023 (2022: 2.6%).

The Executive Board monitors the Group's capital structure by means of the LTV ratio. This indicator shows the relation between financial liabilities less cash and cash equivalents and the value of the real estate portfolio plus properties held for sale. The LTV ratio equalled 42.2% as of 31 December 2023 (31 December 2022: 40.7%).

Gearing (secured and unsecured) and the interest coverage ratio also represent a minimum capital requirement by external stakeholders. All requirements were met during the 2023 financial year.

7.3 Financial obligations

7.3.1 Contingent liabilities and guarantees

Contingent liabilities represent possible or existing obligations arising from past events, in cases where it is not probable that an outflow of resources will be required to settle the obligation (also see section 7.1).

The contingent liabilities arising from sureties, guarantees and other liabilities that are not recognised on IMMOFINANZ Group's balance sheet are evaluated regularly with respect to the probability of their occurrence. If an outflow of resources embodying economic benefits is neither sufficiently probable to require the recognition of a provision nor improbable, the obligations are recognised as contingent liabilities. The estimates are made by specialists based on market-related inputs (where possible) and expert opinions (in individual cases).

A preliminary injunction over the shares in a Romanian subsidiary (carrying amount of net assets: EUR 92.4 million; 31 December 2022: EUR 85.9 million) was in effect as of 31 December 2023 and limits the power to dispose over these shares. The involved subsidiary remains under IMMOFINANZ Group's control and is included in the consolidated financial statements through full consolidation. Moreover, legal uncertainty can arise in connection with land ownership in individual East European countries (e.g. Romania).

The assessment of risks related to uncertainties over income tax treatments as of 31 December 2023 identified two issues in Germany and Poland. IMMOFINANZ Group evaluated the basis for the accounting treatment of the related tax risks by way of scenario analyses and estimates from the involved attorneys and tax advisors. This led to the conclusion that the recognised risks have been appropriately included since the start of the proceedings. Following these analyses, it is still assumed that the tax authorities will acknowledge the procedural uncertainties of EUR 16.3 million (31 December 2022: EUR 11.3 million) in favour of the taxpayer and cancel the findings by the fiscal authorities. Since the decisions of tax authorities in Austria and other countries are not easy to predict and the refund of payments previously made is not considered sufficiently probable for the recognition of a contingent receivable, these items were not included in the preparation of the consolidated financial statements for 2023.

7.3.2 Other financial obligations

The following table shows the financial obligations arising from previously contracted construction services, maintenance and other contractual obligations for the construction or acquisition of properties:

All amounts in TEUR	2023	2022
Outstanding construction costs	32,534	40,241
Contracted maintenance	3,538	3,833
Contractual obligations for the construction or acquisition of properties	6,080	18,929
Total	**42,152**	**63,003**

Contractual obligations for the construction or acquisition of properties include EUR 6.1 million (31 December 2022: EUR 18.9 million) for S IMMO Group.

7.4 Transactions with related parties

Related parties in the sense of IAS 24 include all subsidiaries, joint ventures and associates (see section 8.). In addition to persons who have a controlling or significant influence over IMMOFINANZ Group, related parties include the members of the Executive Board and Supervisory Board of IMMOFINANZ AG and CPI Property Group, as well as their close family members. CPI Property Group is also considered a related party due to its majority shareholding.

As part of the remuneration for the members of the Executive Board, IMMOFINANZ AG makes payments to APK Pensionskasse AG. These payments are related to company pensions for the Executive Board members and reflect standard market conditions. The contributions made in 2023 are reported in section 7.4.2.

Transactions between fully consolidated subsidiaries are eliminated during the consolidation and are therefore not explained in detail.

The following transactions were carried out with the CPI Property Group in 2023:

All amounts in TEUR	31 12 2023	31 12 2022
Relations with CPI Property Group		
Receivables	12,481	13,063
Liabilities	39,364	342,871
All amounts in TEUR	**2023**	**2022**
Relations with CPI Property Group		
Other income	2,536	6,577
Other expenses	-23,791	-5,452
Interest income	21	0
Interest expense	-12,072	-190

IMMOFINANZ AG concluded a framework service agreement with CPI Property Group S.A. which covers the provision of asset management services and administrative services (accounting, tax, controlling, HR, legal, financial, IT) by the local management companies of CPI Property Group S.A. for the local property companies of IMMOFINANZ AG in selected CEE countries. The details for the provision of these services and the amount of the service fees are regulated by implementing agreements concluded between the local CPI management companies and the local property holding companies of IMMOFINANZ AG in the Czech Republic, Poland, Romania, Slovakia, Hungary, Serbia, Croatia and Italy. Various transactions were also concluded with CPI Property Group in 2023. The information on these transactions is provided in section 2.3.

7.4.1 Joint ventures and associates

All amounts in TEUR	31 12 2023	31 12 2022
Relations with associated companies		
Receivables	0	2
Liabilities	0	214

All amounts in TEUR	2023	2022
Relations with associated companies		
Other income	237	800
Other expenses	-2,581	-2,895

Transactions with joint ventures and associates are carried out at standard market prices and conditions. The financing for joint ventures is frequently arranged between IMMOFINANZ Group and its co-investors at a ratio that differs from the respective interest in capital.

7.4.2 Members of management in key positions

The members of management in key positions as defined in IAS 24 are active solely in the corporate bodies of IMMOFINANZ AG and include the following persons:

Executive Board
Radka Doehring – Executive Chairwoman since 1 May 2022
Pavel Měchura – Member since 16 June 2023

Dietmar Reindl – Member of the Executive Board, Property Management, up to 8 June 2022
Stefan Schönauer – Member of the Executive Board, Finance, up to 8 June 2022

Supervisory Board
Miroslava Greštiaková – Chairwoman since 31 March 2022
Martin Němeček – Vice-Chairman since 31 March 2022
Gayatri Narayan – Member up to 31 December 2023

Bettina Breiteneder – Chairwoman up to 31 March 2022
Sven Bienert – Vice-Chairwoman up to 31 March 2022
Michael Mendel – Vice-Chairman from 19 October 2021 to 31 March 2022
Dorothee Deuring – Member from 19 October 2021 to 31 March 2022
Stefan Guetter – Member from 19 October 2021 to 15 July 2022
Martin Matula – Member since 16 July 2022

Members delegated to the Supervisory Board by the Works Council
The following persons were delegated to the Supervisory Board by the Works Council of IMMOFINANZ AG:
Philipp Amadeus Obermair – Member
Anton Weichselbaum – Member since 3 May 2023
Werner Ertelthalner – Member up to 3 May 2023

Rita Macskasi-Temesvary – Member from 19 October 2021 to 31 March 2022

The members of management in key positions received the following remuneration:

			2023			2022
All amounts in TEUR	**Supervisory Board**	**Executive Board**	**Total**	**Supervisory Board**	**Executive Board**	**Total**
Short-term employee benefits	230	744	974	230	2,035	2,265
Post-employment benefits	-	53	53	-	175	175
Termination benefits	-	-	-	-	6,097	6,097
Total	**230**	**797**	**1,027**	**230**	**8,307**	**8,537**

The short-term employee benefits for the members of the Executive Board comprise a fixed component (gross salary and compensation in kind) as well as a variable component (bonuses).

The amounts reported under post-employment benefits represent the contributions by IMMOFINANZ to a pension fund. These contributions result from defined contribution pension commitments to the members of the Executive Board, which were outsourced to a pension fund.

The Supervisory Board remuneration reported under short-term benefits reflects the expenses for the respective financial year. However, this remuneration is only paid out after the approval of the annual general meeting which decides on the release from liability of the Supervisory Board members. The members of the Executive Board and Supervisory Board held a total of 300 shares as of 31 December 2023 (31 December 2022: 150 shares).

No advances or loans were granted to the members of the Executive Board or Supervisory Board. Moreover, there is no share-based payment for the Executive Board.

7.5 Auditor's fees

The fees charged by Ernst & Young Österreich for services provided in 2023 comprise TEUR 670.3 (2022: Deloitte Österreich TEUR 440.7) for the audit of the separate and consolidated financial statements, TEUR 11.0 (2022: Deloitte Österreich TEUR 95.3) for other consulting services, TEUR 14.0 (2022: Deloitte Österreich TEUR 0.0) for tax advising and TEUR 20.7 (2022: Deloitte Österreich TEUR 0.0) for miscellaneous services.

7.6 Subsequent events

The Management Board of S IMMO AG approved the start of a share buyback programme on 9 January 2023 in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act. The buyback programme has a volume of up to 365,340 shares (which represent approximately 0.5% of the current share capital of S IMMO AG). The company currently holds 3,266,537 treasury shares (which represent approximately 4.44% of the current share capital of S IMMO AG). The programme started on 15 January 2024 and is expected to end on 31 March 2024.

IMMOFINANZ successfully closed the sale of the Grand Center Zagreb office building to a Croatian real estate company on 8 February and sold two office properties on Dresdnerstrasse in Vienna's 20th district as of 15 March. On 21 March, S IMMO AG signed the contract for the sale of the Zagrebtower. The involved properties had a combined carrying amount of EUR 106.5 million as of 31 December 2023. These transactions represent a further step in the portfolio optimisation.

S IMMO AG signed a non-binding letter of intent with Czech Property Investments, a.s. (CPI AS), a subsidiary of CPI Property Group S.A., on 27 February for the acquisition of a real estate portfolio in the Czech Republic. The portfolio consists of office and retail properties with roughly 134,600 sqm of rentable space and a net asset value of EUR 494.5 million. The annual rental income amounts to approximately EUR 28 million.

8. Group Companies

The following list covers the subsidiaries, joint ventures and associates of IMMOFINANZ Group. It was prepared in accordance with § 245a (1) of the Austrian Commercial Code in connection with § 265 (2) of the Austrian Commercial Code. This list also includes individual subsidiaries that were not fully consolidated for materiality reasons and joint ventures that were not included at equity as well as associates and other investments held by IMMOFINANZ Group. The Group companies included in the consolidated financial statements following the full consolidation of S IMMO are listed separately in the table. The companies deconsolidated during the 2023 financial year are reported in the column 'type of consolidation' as sold, liquidated or merged.

IMMOFINANZ			2023		2022	
Company	Country	Headquarters	Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
AAX Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
Adama Adviso SRL	RO	Bucharest	100.00%	F	100.00%	F
Adama Holding Public Ltd	CY	Nicosia	100.00%	F	100.00%	F
Adama Management SRL	RO	Bucharest	100.00%	F	100.00%	F
Adama Romania Ltd.	CY	Nicosia	100.00%	F	100.00%	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Alpha real d.o.o.	SI	Ljubljana	100.00%	F	100.00%	F
Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	0.00%	Sold	100.00%	F
ARMONIA CENTER ARAD S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
ARO Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
Atom Centrum, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Baron Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Bauteil M Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Berceni Estate Srl	RO	Bucharest	100.00%	F	100.00%	F
Bertie Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Blitz 21-67 GmbH	DE	Cologne	0.00%	Merged	100.00%	F
Bloczek Ltd	CY	Nicosia	100.00%	F	100.00%	F
Business Park Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Business Park West-Sofia EAD	BG	Sofia	100.00%	F	100.00%	F
Cadca Property Development, s.r.o.	SK	Ružomberok	100.00%	F	100.00%	F
Capri Trade s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
CENTER INVEST Kft.	HU	Budapest	100.00%	F	100.00%	F
CHB Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
City Market Dunakeszi Kft.	HU	Budapest	100.00%	F	100.00%	F
City Market Soroksár Kft.	HU	Budapest	100.00%	F	100.00%	F
City Tower Vienna Errichtungs- und Vermietungs-GmbH	AT	Vienna	100.00%	E-AS	100.00%	F
Constantia Treuhand und Vermögensverwaltungs GmbH	AT	Vienna	100.00%	Merged	100.00%	F
Contips Limited	CY	Nicosia	100.00%	F	100.00%	F
Cora GS s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
CPB Enterprise GmbH	AT	Vienna	100.00%	F	100.00%	F
CPI East, s.r.o.	CZ	Pilsen	100.00%	F	0.00%	n. a.
CPI Retail Portfolio I, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
CPI Retail Portfolio II, a.s.	CZ	Prague	100.00%	F	100.00%	F
CPI Retail Portfolio IV, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
CPI Retail Portfolio VIII s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
CPI Retails ONE, a.s.	CZ	Prague	100.00%	F	100.00%	F
CPI Retails ROSA, s.r.o.	SK	Ružomberok	100.00%	F	100.00%	F
CPI Retails THREE, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
CPI Retails TWO, a.s.	CZ	Prague	100.00%	F	100.00%	F
Credo Immobilien Development GmbH	AT	Vienna	100.00%	F	100.00%	F
CREDO Real Estate GmbH	AT	Vienna	100.00%	F	100.00%	F
Dapply Trading Ltd.	CY	Nicosia	100.00%	F	100.00%	F

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

Company	Country	Headquarters	2023 Interest in capital	2023 Type of consolidation	2022 Interest in capital	2022 Type of consolidation
DUS Plaza GmbH	DE	Cologne	100.00%	F	100.00%	F
EHL Gewerbeimmobilien GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Immobilien Bewertung GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Immobilien GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Immobilien Management GmbH	AT	Vienna	0.00%	Sold	49.00%	E-AS
EHL Investment Consulting GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
EHL Wohnen GmbH	AT	Vienna	49.00%	E-AS	49.00%	E-AS
Elmore Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Elona Projekt d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Erlend Investments Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
EUREDES Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
Eye Shop Targu Jiu s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Fawna Limited	CY	Nicosia	100.00%	F	100.00%	F
FMZ Baia Mare Imobiliara s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
FMZ Lublin Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
GAL Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Galeria Zamek Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Geiselbergstraße 30-32 Immobilienbewirtschaftungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
GENA NEUN Beteiligungsverwaltung GmbH	AT	Vienna	100.00%	F	100.00%	F
Gena Vier Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
GENA ZEHN Immobilienholding GmbH	AT	Vienna	100.00%	F	100.00%	F
Gendana Ventures Ltd.	CY	Nicosia	100.00%	F	100.00%	F
Gila Investment SRL	RO	Bucharest	100.00%	F	100.00%	F
Global Emerging Property Fund L.P.	GB	Jersey	25.00%	Fonds	25.00%	Fonds
Global Trust s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
GORDON INVEST Kft.	HU	Budapest	100.00%	F	100.00%	F
Grand Centar d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Hadas Management SRL	RO	Bucharest	100.00%	F	100.00%	F
Harborside Imobiliara s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
HDC IMOB Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
IE Equuleus NL B.V.	NL	Amsterdam	100.00%	F	100.00%	F
I-E-H Immoeast Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMAK CEE N.V.	NL	Amsterdam	0.00%	Liquidated	100.00%	F
IMBEA Immoeast Beteiligungsverwaltung GmbH	AT	Vienna	100.00%	F	100.00%	F
IMF Float GmbH	DE	Cologne	100.00%	F	100.00%	F
Immobilia L Liegenschafts Vermietungs GmbH	AT	Vienna	0.00%	Sold	100.00%	F
Immobilia L Liegenschafts Vermietungs GmbH & Co Bischoffgasse14/Rosasgasse 30 KG	AT	Vienna	0.00%	Sold	100.00%	NC
Immobilia L Liegenschafts Vermietungs GmbH & Co Viriotgasse 4 KG	AT	Vienna	100.00%	NC	100.00%	NC
IMMOEAST Acquisition & Management GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST ALLEGRO Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Immoeast Baneasa Airport Tower srl	RO	Bucharest	100.00%	F	100.00%	F
IMMOEAST Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Iride IV Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
IMMOEAST PRESTO Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Almansor Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Aries Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt DESPINA Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Equuleus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Omega Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Pantheus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Projekt Septendecimus Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOEAST Silesia Holding Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IMMOFINANZ AG	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Artemis Immobilien Vermietung GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Deutschland GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Float GmbH & Co. KG	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Float Verwaltungs GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ Friesenquartier GmbH	DE	Cologne	92.70%	F	92.70%	F
IMMOFINANZ Friesenquartier II GmbH	DE	Cologne	100.00%	F	100.00%	F

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Company	Country	Headquarters	2023 Interest in capital	2023 Type of consolidation	2022 Interest in capital	2022 Type of consolidation
Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Immofinanz Medienhafen GmbH	DE	Cologne	100.00%	F	100.00%	F
IMMOFINANZ MONTAIGNE Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Immofinanz Polska Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Immofinanz Services and Management d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
IMMOFINANZ Services Czech Republic, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Immofinanz Services d.o.o. Beograd-Novi Beograd	RS	Belgrade	100.00%	F	100.00%	F
IMMOFINANZ Services Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
Immofinanz Services Poland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOFINANZ Services Romania s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
IMMOFINANZ Services Slovak Republic, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
ImmoPoland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
IMMOWEST Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
IMMOWEST IMMOBILIEN ANLAGEN GMBH	AT	Vienna	100.00%	F	100.00%	F
Irascib Holdings Ltd.	CY	Nicosia	100.00%	F	100.00%	F
IRIDE S.A.	RO	Bucharest	100.00%	F	100.00%	F
JAVO IMOBILIARE S.R.L	RO	Bucharest	100.00%	F	0.00%	n. a.
Komárno Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Lagerman Properties Limited	CY	Nicosia	100.00%	F	100.00%	F
Larius International SRL	RO	Bucharest	100.00%	F	100.00%	F
Levice Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
M.O.F. Immobilien AG	AT	Vienna	20.00%	Fonds	20.00%	Fonds
Maalkaf BV	NL	Amsterdam	0.00%	Liquidated	100.00%	F
Marissa Omikrón, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
MBP I Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Merav Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Merav Finance BV	NL	Amsterdam	100.00%	F	100.00%	F
Metropol Consult SRL	RO	Bucharest	100.00%	F	100.00%	F
Michalovce Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Monorom Construct SRL	RO	Bucharest	100.00%	F	100.00%	F
myhive offices Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
myhive offices sp. z o.o.	PL	Warsaw	0.00%	Liquidated	100.00%	F
myhive offices SRL	RO	Bucharest	100.00%	F	100.00%	F
Nimbus Real Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Norden Maritime Services Limited	CY	Nicosia	100.00%	F	100.00%	F
Norden Maritime SRL	RO	Bucharest	100.00%	F	100.00%	F
NP Investments a.s.	CZ	Prague	100.00%	F	100.00%	F
OC Spektrum, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
OIY Czech, s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Palmovka Offices s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Perlagonia 1 Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Polus a.s.	SK	Bratislava	100.00%	F	100.00%	F
Polus Transilvania Companie de Investitii S.A.	RO	Floresti Cluj	100.00%	F	100.00%	F
Považská Bystrica Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Prelude 2000 SRL	RO	Bucharest	100.00%	F	100.00%	F
Prievidza Property Development, a.s.	SK	Ružomberok	100.00%	F	100.00%	F
Prinz-Eugen-Straße Liegenschaftsvermietungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Radom Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Real Habitation s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Rembertów Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Retail Park Four d.o.o. Beograd	RS	Belgrade	100.00%	F	100.00%	F
Ronit Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Roua Vest SRL	RO	Bucharest	100.00%	F	100.00%	F
S.C. Baneasa 6981 s.r.l.	RO	Bucharest	100.00%	F	100.00%	F

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S.C. Brasov Imobiliara S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Flash Consult Invest s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. IE Baneasa Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. IMMOEAST Narbal Project s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Meteo Business Park s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Retail Development Invest 1 s.r.l.	RO	Baia Mare	100.00%	F	100.00%	F
S.C. Stupul de Albine s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
S.C. Union Investitii S.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Sapir Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
SaW II Beteiligungs GmbH	AT	Vienna	26.00%	NC	26.00%	NC
SBF Development Praha spol.s r.o.	CZ	Prague	100.00%	F	100.00%	F
SC Czech AGL s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
SCT s.r.o.	SK	Bratislava	0.00%	Sold	100.00%	F
Shaked Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Sharespace Sp. z o.o.	PL	Warsaw	20.00%	NC	20.00%	NC
Shir Investment SRL in Liqu.	RO	Ilfov	100.00%	NC	100.00%	NC
SITUS Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
SITUS L Liegenschafts Vermietungs GmbH & Co Seidengasse 39 KG	AT	Vienna	100.00%	NC	100.00%	NC
SITUS L Liegenschafts Vermietungs GmbH & Co. Kaiserstraße 44-46 KG	AT	Vienna	100.00%	NC	100.00%	NC
SITUS L Liegenschafts Vermietungs GmbH & Co. Neubaugasse 26 KG	AT	Vienna	100.00%	NC	100.00%	NC
Snagov Lake Rezidential SRL	RO	Bucharest	100.00%	F	100.00%	F
spaceOS Limited	IE	Galway	14.50%	NC	14.50%	NC
S-Park Offices s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
Stop Shop d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
STOP SHOP Development d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
Stop Shop Holding GmbH	AT	Vienna	100.00%	F	100.00%	F
Stop Shop Italia S.R.L.	IT	Bolzano	100.00%	F	100.00%	F
Stop Shop Poland Sp.z.o.o.	PL	Warsaw	100.00%	F	100.00%	F
STOP SHOP RO RETAIL ONE SRL	RO	Bucharest	100.00%	F	100.00%	F
STOP SHOP SERBIA d.o.o.	RS	Belgrade	100.00%	F	100.00%	F
STOP.SHOP. CZ s.r.o.	CZ	Prague	100.00%	F	100.00%	F
STOP.SHOP. Slovakia s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Tamar Imob Investitii SRL	RO	Bucharest	100.00%	F	100.00%	F
Tarnów Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Termaton Enterprises Limited	CY	Nicosia	100.00%	F	100.00%	F
Topaz Development SRL	RO	Bucharest	100.00%	F	100.00%	F
Trebišov Property Development, s.r.o.	SK	Ružomberok	100.00%	F	100.00%	F
Trinec Property Development, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
Tripont Invest s.r.l.	RO	Bucharest	100.00%	F	100.00%	F
VCG Immobilienbesitz GmbH	AT	Vienna	100.00%	F	100.00%	F
Ventilatorul Real Estate SRL	RO	Bucharest	100.00%	F	100.00%	F
Vitrust Ltd.	CY	Nicosia	100.00%	F	100.00%	F
VIVO! Poland Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Warsaw Spire Tower Sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Ysiona Beteiligungsverwaltungs GmbH	AT	Vienna	100.00%	F	0.00%	n. a.
Zamosc Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Zamosc Sadowa Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F
Zgorzelec Property Development sp. z o.o.	PL	Warsaw	100.00%	F	100.00%	F

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S IMMO			2023		2022	
Company	Country	Headquarters	Interest in capital	Type of consolidation	Interest in capital	Type of consolidation
S IMMO AG	AT	Vienna	50.00% + 1 share	F	50% + 1 share	F
Wienerberg City Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
A.D.I. Immobilien Beteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
AKIM Beteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
Andrássy Real Kft.	HU	Budapest	100.00%	F	0.00%	n. a.
Arena Corner Kft.	HU	Budapest	100.00%	F	100.00%	F
Átrium Park Kft.	HU	Budapest	100.00%	F	100.00%	F
Bank-garázs Kft.	HU	Budapest	100.00%	F	100.00%	F
Bauteil A+B Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Bauteil C+D Errichtungsges.m.b.H.	AT	Vienna	100.00%	F	100.00%	F
BC 99 Office Park Kft.	HU	Budapest	100.00%	F	100.00%	F
BGM - EB-Grundstücksbeteiligungen GmbH & Co KG	AT	Vienna	23.60%	E-AS	23.60%	E-AS
BUDA Kft.	HU	Budapest	100.00%	F	100.00%	F
BudaPart Auratus Kft.	HU	Budapest	100.00%	F	100.00%	F
CD Property s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
CEE Beteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE CZ Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE Property-Invest Hungary 2003 Kft.	HU	Budapest	89.90%	F	89.90%	F
CEE PROPERTY-INVEST Immobilien GmbH	AT	Vienna	100.00%	F	100.00%	F
CEE Property-Invest Kft.	HU	Budapest	100.00%	F	100.00%	F
City Center Irodaház Kft.	HU	Budapest	100.00%	F	100.00%	F
CPI Office Business Center, s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
CPI Office Prague, s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
CPI Shopping MB, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
DUAL CONSTRUCT INVEST SRL	RO	Bucharest	100.00%	F	100.00%	F
Duna Szálloda Zrt.	HU	Budapest	100.00%	F	100.00%	F
E.I.A. eins Immobilieninvestitionsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
E.V.I. Immobilienbeteiligungs GmbH	AT	Vienna	89.90%	F	89.90%	F
ELTIMA PROPERTY COMPANY s.r.o.	CZ	Prague	100.00%	F	100.00%	F
Essence Garden Kft.	HU	Budapest	100.00%	F	100.00%	F
EUROCENTER d.o.o.	HR	Zagreb	0.00%	Sold	100.00%	F
EXPO BUSINESS PARK S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
Futurum KH Shopping, s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
GALVÁNIHO 2, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
GALVÁNIHO 4, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Galvániho Business Centrum, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
Gateway Office Park Kft.	HU	Budapest	100.00%	F	100.00%	F
German Property Invest Immobilien GmbH	AT	Vienna	89.90%	F	89.90%	F
H.S.E. Immobilienbeteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F
Ikaruspark GmbH	DE	Berlin	89.90%	F	89.90%	F
IPD – International Property Development, s.r.o.	SK	Bratislava	60.00%	E-JV	51.00%	E-JV
Lucemburská 46, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.
Lützow-Center GmbH	DE	Berlin	89.90%	F	89.90%	F
Maior Domus Hausverwaltungs GmbH	DE	Berlin	89.90%	F	89.90%	F
Markt Carree Halle Immobilien GmbH	DE	Berlin	89.90%	F	89.90%	F
Maros utca Kft.	HU	Budapest	100.00%	F	100.00%	F
Nagymező Kft.	HU	Budapest	100.00%	F	100.00%	F
Nergal Immobilienverwertungs GmbH	AT	Vienna	89.90%	F	89.90%	F
Nergal Immobilienverwertungs GmbH E58 & Co KG	AT	Vienna	89.90%	F	0.00%	n. a.
Nergal Immobilienverwertungs GmbH F3 & Co KG	AT	Vienna	89.90%	F	0.00%	n. a.
Nergal Immobilienverwertungs GmbH M3 & Co KG	AT	Vienna	89.90%	F	0.00%	n. a.
Neutorgasse 2–8 Projektverwertungs GmbH	AT	Vienna	100.00%	F	100.00%	F
Nusku Beteiligungsverwaltungs GmbH	AT	Vienna	100.00%	F	100.00%	F
PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H.	AT	Vienna	100.00%	F	100.00%	F

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Projekt Zlatý Anděl, s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
QBC Management und Beteiligungen GmbH	AT	Vienna	35.00%	E-AS	35.00%	E-AS
QBC Management und Beteiligungen GmbH & Co KG	AT	Vienna	35.00%	E-AS	35.00%	E-AS
REGA Property Invest s.r.o.	CZ	Prague	100.00%	F	100.00%	F
S IMMO APM Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
S IMMO APM ROMANIA S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
S IMMO Berlin Finance GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Berlin I GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Berlin II GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Berlin III GmbH	DE	Berlin	83.61%	F	83.61%	F
S IMMO Berlin IV GmbH	DE	Berlin	0.00%	Sold	83.61%	F
S IMMO Berlin V GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Beteiligungen GmbH	AT	Vienna	100.00%	F	100.00%	F
S IMMO Croatia d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
S IMMO Germany GmbH	DE	Berlin	89.90%	F	89.90%	F
S Immo Geschäftsimmobilien GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Group Finance GmbH	AT	Vienna	100.00%	F	100.00%	F
S Immo Immobilien Investitions GmbH	AT	Vienna	0.00%	Liquidated	89.90%	F
S IMMO Property Acht GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Eins GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Fünf GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Invest GmbH	AT	Vienna	100.00%	F	100.00%	F
S IMMO Property Sechs GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Sieben GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Vier GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Berlin VI GmbH	DE	Berlin	89.90%	F	89.90%	F
S IMMO Property Elf GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Neun GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Zehn GmbH	AT	Vienna	89.90%	F	89.90%	F
S IMMO Property Zwölf GmbH	AT	Vienna	89.90%	F	89.90%	F
Savska 32 d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
SC Czech AHG, s.r.o.	CZ	Prague	100.00%	F	0.00%	n. a.
SIAG Berlin Wohnimmobilien GmbH	AT	Vienna	0.00%	Sold	89.67%	F
SIAG Deutschland Beteiligungs GmbH & Co. KG	DE	Berlin	85.32%	F	85.32%	F
SIAG Deutschland Beteiligungs-Verwaltungs GmbH	DE	Berlin	89.90%	F	89.90%	F
SIAG Fachmarktzentren, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SIAG Hotel Bratislava, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SIAG Leipzig Wohnimmobilien GmbH	DE	Berlin	89.67%	F	89.67%	F
SIAG Multipurpose Center, s.r.o.	SK	Bratislava	100.00%	F	100.00%	F
SIAG Property I GmbH	DE	Berlin	89.90%	F	89.90%	F
SIAG Property II GmbH	DE	Berlin	89.90%	F	89.90%	F
SMART OFFICE DOROBANTI S.R.L.	RO	Bucharest	100.00%	F	100.00%	F
SO Immobilienbeteiligungs GmbH	AT	Vienna	100.00%	F	100.00%	F
SOCIETATE DEZVOLTARE COMERCIAL SUDULUI (SDCS) SRL	RO	Bucharest	100.00%	F	100.00%	F
SPC DELTA PROPERTY DEVELOPMENT COMPANY SRL	RO	Bucharest	100.00%	F	100.00%	F
SPC SIGMA PROPERTY DEVELOPMENT COMPANY SRL	RO	Bucharest	100.00%	F	100.00%	F
Talent Ágazati Képzőközpont Nonprofit Kft.	HU	Budapest	20.00%	E-AS	20.00%	E-AS
Tölz Immobilien GmbH	DE	Berlin	89.67%	F	89.67%	F
Váci 113 Offices B Hungary Kft.	HU	Budapest	100.00%	F	100.00%	F
VICTORIEI BUSINESS PLAZZA SRL	RO	Bucharest	100.00%	F	100.00%	F
WASHINGTON PROEKT EOOD	BG	Sofia	0.00%	Sold	100.00%	F
Zagrebtower d.o.o.	HR	Zagreb	100.00%	F	100.00%	F
ZET.office, a.s.	CZ	Prague	100.00%	F	0.00%	n. a.

F = Full consolidation, E-JV = Joint venture, E-AS = Associates, NC = Not consolidated companies

9. Release of the Consolidated Financial Statements

These consolidated financial statements were completed and signed by the Executive Board of IMMOFINANZ AG on 27 March 2024 and subsequently distributed to the Supervisory Board. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether or not it approves these documents.

Vienna, 27 March 2024

The Executive Board of IMMOFINANZ AG

Radka Doehring

Pavel Měchura

Auditor's Report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

IMMOFINANZ AG, Vienna,

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2023 and its financial performance for the year then ended in accordance with the International Financial Reportings Standards (IFRS) as adopted by EU, and the additional requirements under Section 245a Austrian Company Code UGB.

Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following are the key audit matters that we identified:

Valuation of Investment Property

Risk

IMMOFINANZ AG reports investment properties in the amount of EUR 7,830.7 mio in its consolidated financial statements as of December 31, 2023. Moreover, the consolidated financial statements as of December 31, 2023 report a negative revaluation result from standing investments and goodwill amounting to EUR – 352.2 mio.

Investment properties are measured based on valuation reports from external, independent valuation experts according to IAS 40 in connection with IFRS 13 at fair value.

The valuation of investment properties is subject to material assumptions and estimates. The material risk for every individual property exists when determining these assumptions and estimates such as the discount/capitalization rate and rental income. A minor change in these assumptions and estimates can have a material impact on the valuation of investment properties.

The respective disclosures relating to accounting policies and significant judgements, assumptions and estimates are shown in Section "4.1 Investment property" as well as "5.8 Revaluation results from investment property and goodwill" in the consolidated financial statements.

Consideration in the audit

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures with involvement of our internal property valuation experts:

- Assessment of concept and design of the underlying property valuation process
- Assessment of design and effectiveness of relevant key controls in the underlying process based on a sample
- Assessment of the competence, capability and objectivity of the external valuation experts engaged by management
- For selected property valuation reports: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions and estimates (eg. rental income, discount/capitalization rate, usable space, vacancy rate) by means of comparison with market data as well as comparison whether the fair values as per property valuation reports are withing our own developed range of fair values
- Check of certain input-data as included in the valuation reports with data in the accounting system or underlying agreements
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

Accounting for and valuation of acquisitions of real estate entities from related parties

Risk

In the business year 2023, IMMOFINANZ AG acquired real estate entities from CPI Property Group. CPI Property Group is a related party in the meaning of IAS 24.

The purchase prices of the acquired real estate entities are based on property values determined by external valuation experts. To evaluate whether the contractual arrangements of the acquisitions are at arm's length, IMMOFINANZ AG engaged an additional independent external expert.

Recognition and measurement of these acquisitions require the application of complex accounting rules, in particular the assessment of whether the transaction constitutes the acquisition of a business under IFRS 3 or is to be recognized as an acquisition of assets. The real estate values on which the purchase prices are based, are subject to material assumptions and estimates.

There is a risk that acquisitions are not accounted for according to the applicable accounting rules. In addition, the property values determined on which the purchase prices are based could be derived from inappropriate valuation assumptions and therefore lead to purchase prices that are not at arm's length.

The respective disclosures relating to accounting policies and significant judgements, assumptions and estimates are shown in Section "2.3 Acquisition of subsidiaries" and "7.4 Transactions with related parties" in the consolidated financial statements.

Consideration in the audit
To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures:

- Analysis of the relevant contracts and documents to gain an understanding of the framework and conditions and assessment whether the transactions were recorded in accordance with the applicable accounting rules.
- Assessment of the competence, capability and objectivity of the external experts engaged by management
- Analysis and assessment of the external experts' assessment whether the acquisitions are at arm' length
- Critical assessment of the change in property values between acquisition date and date of the consolidated financial statements
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

Other matter
The consolidated financial statements of IMMOFINANZ AG for the year ended December 31, 2022 were audited by another group auditor who expressed an unmodified opinion on those consolidated statements on March 24, 2023.

Other Information
Management is responsible for the other information. The other information comprises the information included in the annual report and the annual financial report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements
Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU, and the additional requirements under Section 245a Austrian Company Code UGB for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

– identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
– obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
– evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
– conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
– evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
– obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to examine whether it has been prepared, to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements, comprising the details in accordance with Section 243a Austrian Company Code UGB, and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional information in accordance with article 10 EU regulation

We were elected as auditor by the ordinary general meeting at May 3, 2023. We were appointed by the Supervisory Board on July 14, 2023. We are auditors since the financial year 2023.

We confirm that the audit opinion in the Section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Austrian Certified Public Accountant

The engagement partner is Alexander Wlasto, Certified Public Accountant.

Vienna, 27 March 2024

Ernst & Young

Wirtschaftsprüfungsgesellschaft m.b.H.

Alexander Wlasto mp
Wirtschaftsprüfer / Certified Public Accountant

Isabelle Vollmer mp
Wirtschaftsprüferin / Certified Public Accountant

This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

Statement by the Executive Board

We confirm to the best of our knowledge that the consolidated financial statements of IMMOFINANZ Group provide a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the group management report of IMMOFINANZ Group provides a true and fair view of the development and performance of the business and position of the Group, together with a description of the principal risks and uncertainties faced by the Group.

We confirm to the best of our knowledge that the separate financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of IMMOFINANZ AG as required by the applicable accounting standards and that the management report provides a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties faced by the company.

Vienna, 27 March 2024

The Executive Board of IMMOFINANZ AG

Radka Doehring

Pavel Měchura

Financial calendar 2024

19 May 2024	Record date for participation in the 31st annual general meeting
27 May 2024[1]	Announcement of results for the first quarter of 2024
29 May 2024	31st annual general meeting
3 June 2024	Expected ex-dividend date
4 June 2024	Expected date for the determination of dividend rights (record date)
5 June 2024	Expected dividend payment date
28 August 2024[1]	Announcement of results for the first half of 2024
28 November 2024[1]	Announcement of results for the first three quarters of 2024

[1] Publication after the close of trading on the Vienna Stock Exchange

Imprint

Photos and illustrations: IMMOFINANZ AG, katsey (portrait Radka Doehring), CPI Property Group (portrait Pavel Měchura), Elena Bussolaro, blue auditor GmbH, Chapman Taylor & Monolot, Alexander Dobrovodský, Hans-Georg Esch, Staudinger+Franke, Goodstudio, Stephan Huger, Wojciech Pacewicz, Christian Stemper, Aleš Vegricht, Klaus Vyhnalek
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Disclaimer

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