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REPORT

of the Management Board

of

Warimpex Finanz- und Beteiligungs Aktiengesellschaft

regarding the Management Board's authorization to exclude subscription rights (*Ausschluss des Bezugsrechts*) in connection with the disposal of treasury shares (own shares)

(Sections 65 para 1b in connection with 153 para 4 Austrian Stock Corporation Act)

on agenda item 10.

of the

37th Annual General Meeting on 1 June 2023

The management board and the supervisory board of Warimpex Finanz- und Beteiligungs Aktiengesellschaft (**"Company"**) intend to propose resolutions to the annual general meeting authorizing the management board to acquire treasury shares (own shares) and to dispose of or use such own shares by means other than via the stock exchange or via a public offer.

The management board of the Company was authorized accordingly by the annual general meeting of the Company on 3 June 2019 to acquire treasury shares (own shares) for a period of 30 months and subsequently to sell them again. Th authorization to acquire treasury shares (own shares) has already expired and the five-year authorization to sell or use treasury shares (own shares) in a way other than via the stock exchange or by means of a public offer would also expire in the coming year.

In order to provide the management board with the opportunity to continue to acquire own shares in the future and also to sell or use them in ways other than via the stock exchange or by means of a public offer, it will be proposed to the annual general meeting to revoke the existing authorization and to resolve on a new authorization.

1. RESOLUTION PROPOSAL

The resolution proposal on item 10. of the agenda reads as follows:

10.a) *The authorization of the management board resolved by the Annual General Meeting on 3 June 2019 to sell treasury shares (own shares) by means other than via the stock exchange or by a public offer and excluding the shareholders' quota-based purchase right (exclusion of subscription rights) is revoked.*

10.b) *The management board is authorized by the Annual General Meeting for a period of 30 months from the date of the resolution pursuant to section 65 para 1 no 4 and no 8 as well as para 1a and para 1b of the Austrian Stock Corporation Act to acquire shares in the Company up to the statutory limit of 10 % of the share capital, taking into account shares in the Company previously acquired. The consideration per share to be paid on the repurchase must not be lower than a maximum of 30% below and not higher than a maximum of 10%*

above the average of the unweighted closing price of the ten stock exchange trading days preceding the repurchase. Any acquisition may be carried out via the stock exchange or a public offer or other beneficial means permitted by law, including over the counter or by means of a negotiated purchase from individual shareholders intending to sell their shares, also in the form of futures, and also with exclusion of the shareholders' quota-based right to tender (Andienungsrecht), which may arise in the context of such acquisition (reverse exclusion of subscription rights). Furthermore, the management board is authorized to determine the terms and conditions of any acquisition, whereby it shall publish its relevant resolution and the repurchase programme based thereon, including its duration, in accordance with the applicable legal requirements. This authorization may be performed in full or in part or in several tranches and for one or several purposes by the Company or a subsidiary pursuant to section 189a of the Austrian Commercial Code (Unternehmensgesetzbuch) or by third parties for the account of the Company. Trading in own shares as the purpose of the acquisition is excluded.

10.c) *The management board is authorized for a period of five years from the date of the resolution with the approval of the supervisory board to sell of or use treasury shares (own shares) of the Company by other means than via the stock exchange or a public offer. The authorization may be used fully or in part, also in several tranches and for one or more purposes. The proportional right of purchase of shareholders in case of sale or use by means other than via the stock exchange or by way of a public offer is excluded (exclusion of subscription right). The treasury shares (own shares), in particular,*

i) may be used for payment to employees of the Company or a subsidiary, whether for consideration or free of charge;

ii) may be used with regard to convertible bonds (Wandelschuldverschreibungen) and/or warrant bonds (Optionsschuldverschreibungen);

iii) may be used as consideration for real estate, companies, businesses or shares in one or more companies domestically or abroad, transferred to the Company or its subsidiaries;

iv) may be sold (1) at any time via the stock exchange or a public offer as well as (2) for a period of five years from the date of the resolution in any other legally permissible manner, including over-the-counter, pursuant to section 65 para 1b of the Austrian Stock Corporation Act.

10.d) *The management board is authorized, without further approval by the Annual General Meeting, to cancel treasury shares (own shares) with the approval of the supervisory board. The supervisory board is authorized to resolve on amendments to the Articles of Association resulting from a cancellation of own shares.*

2. REPORT

2.1 Regarding the exclusion of the shareholders' right to purchase shares (*subscription right*) in case of a disposal or use of treasury shares (own shares) by other means than via the stock exchange or via a public offer, the management board hereby reports in writing pursuant to sections 65 para 1b and 153 para 4 sentence 2 Stock Corporation Act on the reasons for the exclusion of the shareholders' right to purchase (*exclusion of subscription right*).

2.2 In the following cases of the disposal or use of treasury shares (own shares) by means other than via the stock exchange or a public offer, the exclusion of the shareholders' proportional right to purchase (*subscription rights*) is in the interest of the Company:

2.2.1 When acquiring companies, businesses, parts thereof or shares in a company or other assets, it may be advantageous to use treasury shares (own shares) as consideration, e.g. to compensate shareholders of target companies or if the seller favours shares in the Company to cash as consideration. Thus, the liquidity required to perform the acquisition is reduced and the closing of a transaction is accelerated, since existing shares may be used and no new shares need to be created. Assets transferred to the Company include all assets, including securities issued by the Company or receivables against the Company. The Company is enabled to take advantage of opportunities quickly, flexibly and without the time-consuming and costly handling of subscription rights.

2.2.2 Furthermore, in such context (but also to cover other financing needs of the Company or its subsidiaries), the disposal or use of treasury shares (own shares) by means other than via the stock exchange or via a public offer may also serve to cover specific financing needs (individually or along with other measures) quickly and at a low cost. In particular, taking into consideration the general and specific market and share price developments, the trading volumes and any statutory volume restrictions on stock sale programmes via the stock exchange, such financing needs may not be met or may not be generated in due time by an (exclusive) sale of treasury shares (own shares) via the stock exchange or by a public offer to the shareholders.

By excluding the shareholders' general right to purchase (*subscription right*), potential disadvantages for the Company, in particular price risks, can be avoided This applies in particular to negative share price developments caused by the pressure on the share price during a disposal programme period (in particular in times of volatile markets), the prevention of speculation (in particular in the case of short selling) against the share during a disposal programme, and the hedging of certain sales proceeds (elimination of placement risks).

2.2.3 By excluding the shareholders' purchase right (*subscription right*), the Company is also enabled to transfer treasury shares (own shares) to selected investors or groups of investors (or to limited groups of investors) in a private placement or a public offer (other than by way of a public offer to all shareholders).

Thereby, on the one hand, the shareholder structure can be selectively expanded or stabilized in the interest of the Company. This concerns the introduction of the Company to (certain groups of) institutional investors. Thereby, trading activity in the Company's shares may be enhanced, strengthening the Company's ability to fund itself on the capital markets. On the other hand, it may be of strategic interest to attract one or several existing or potential business partners of the Warimpex group as new shareholders of the Company, or to enlarge their participation; both to strengthen their ties to the Company.

On the other hand, a private placement or a restricted public offer, in particular applying the accelerated bookbuilding procedure, may mitigate placement risk and price risk and reduce the cost and duration of a placement. An accelerated bookbuilding allows the Company to assess the market's price expectations more precisely and rapidly. Due to the immediate placement, market risk factors are eliminated, which would otherwise be taken into account by (institutional) investors to the disadvantage of the Company as a price-effective discount. A public offer to all shareholders requires considerably longer lead-times to draw up and approve a prospectus according to the EU prospectus regulation, which, for the Company, involves a substantial use of own resources and external costs. A placement with exclusion of the shareholders' purchase right (*subscription right*) and with no requirement to draw up a prospectus pursuant to EU prospectus regulation, avoids such disadvantages as well as exposure to potential liability of the Company (*no prospectus liability*).

2.2.4 Treasury shares (own shares) may also be used to settle conversion and/or subscription options under convertible bonds which may potentially be issued by the Company in the future. If own shares are used to cover and/or settle such future convertible bonds, no additional capital measures (such as the creation of conditional capital) are required. Thus, no new shares need to be created (e.g. by using conditional capital) to settle conversion and/or subscription rights, and the dilution effect typically inherent to capital measures can be avoided and the Company's time and administrative efforts can be reduced.

2.2.5 In the context of cash dividends, treasury shares (own shares) may also be used to grant the shareholders an opportunity to re-invest their dividend (in full or in part) in shares of the Company, so that the payment of the dividend has the economic effect of a dividend in-kind (share dividend; *scrip dividend*) for the relevant consenting shareholders. To the extent individual shareholders opt for such possibility, the distribution of the dividend can be carried out in a manner that protects the Company's equity and liquidity.

2.2.6 The preferential issuance of shares to employees, managers or members of the management board of the Company or its affiliates as part of a participation programme also constitutes sufficient reason for the exclusion of subscription rights pursuant to section 153 para 5 Stock Corporation Act. In such case, the exclusion of subscription rights is objectively justified, since the employee participation programme is in the overwhelming interest of the Company (it serves the purpose of enhancing the Company's performance) and the participation of employees constitutes an effective instrument to achieve this purpose.

2.2.7 An exclusion of the shareholders' purchase right (subscription right) can also be in the Company's interest in the context of a capital increase and the placement of new shares or of existing shares in the Company where overallotment options (*greenshoe options*) can be served with treasury shares (own shares).

In the case of an overallotment option (*greenshoe option*) the underwriters (*Emissionsbanken*) may allocate up to 15% more shares than initially offered, whereby the shares necessary to settle such overallotment are usually provided to the underwriters (*Emissionsbanken*) via securities lending. Thereby, the basis for a stabilisation of the share price may be achieved: If the share price falls after the offer, the underwriters (*Emissionsbanken*) purchase shares on the market, thereby support the share price and use the shares so acquired to repay the securities loan (or use such shares to settle the excess allotment, if a delayed delivery was agreed). If the share price rises further to the offer, the underwriters (*Emissionsbanken*) exercise an option previously granted by the Company to deliver to the underwriters (*Emissionsbanken*) additional shares at the price of the initial offer. Such measure, common in the context of an issue of securities, serves to stabilise the share price in the period following the offer and is thus in the Company's interest.

2.3 To the extent of common trading volumes, shareholders may buy additional shares via the stock exchange and thereby avoid any dilution of their shareholding interest in the event that the Company uses/sells treasury shares (own shares) with exclusion of the purchase right (*subscription right*) of shareholders.

2.4 A disposal of treasury shares (own shares) with exclusion of the shareholders' purchase right does not result in the "typical" dilution of a shareholding interest. In a first step, the existing shareholders' actual voting share "increases" in the event of an acquisition of treasury shares (own shares) by the Company, as the shareholder rights vested in treasury shares (own shares) are suspended. A pro-rata reduction of the shareholding interest of an existing shareholder only occurs (temporarily) when the Company disposes treasury shares (own shares) excluding the shareholders' purchase right (*subscription right*). Further to such disposal being carried out with exclusion of purchase rights (*subscription rights*), the shareholder's position held prior to the acquisition of treasury shares (own shares) by the Company is restored.

2.5 In the cases referred to in clauses 2.2.1 to 2.2.5 above, the management board will only dispose treasury shares (own shares) at a price which is not substantially (*wesentlich*) lower than the market price. In the cases referred to in clause 2.2.6 (employees), the price is equivalent to the price at which a share may be acquired under any relevant employee participation program (if any) and in the case of clause 2.2.7 (*greenshoe option*) the price is equivalent to the offer price at which all other shares were placed in the relevant offer.

2.6 Even if the exclusion of the shareholders' purchase right (*subscription right*) caused a disadvantage to shareholders, any such disadvantage would have a limited impact due to the statutory limit preventing the Company from holding more than 10% of its share capital as treasury shares (own shares).

2.7 The disposal of treasury shares (own shares) and the determination of all conditions of such disposal are subject to the supervisory board's approval. To enable the Company to carry out a disposal of treasury shares (own shares) (as set out above) rapidly and in a flexible manner, the Annual General Meeting shall exclude the shareholders' purchase right (*subscription right*) so that no separate report needs to be published prior to a specific disposal.

2.8 A weighing of the interests of the Company in the use or realization of treasury shares (own shares) and/or financing of the Company on the one hand and the shareholders' interest in maintaining their proportionate shareholding on the other hand, results in the conclusion that the authorization to sell treasury shares (own shares) by means other than via the stock exchange or via a public offer and by excluding the shareholders' purchase right (*subscription right*) is not disproportionate and is therefore, taking account of the relevant circumstances, objectively justified.

Vienna, May 2023

The Management Board