

## Rebuttal of the Executive Board of IMMOFINANZ to the statements of S IMMO on the takeover offer and the voting recommendation for the shareholders' meeting

- IMMOFINANZ offers a highly attractive offer price of **EUR 22.25 per S IMMO share** (cum dividend) - which corresponds to a **premium of 40.3%** over the 6-month volume weighted average share price prior to the announcement of the intention to launch the offer
- **"Stand-alone scenario"** for S IMMO **preserves weak earnings** and entails **considerable execution risks** for shareholders of S IMMO
- **Transaction structure** regarding the maximum voting right is **secure and balanced** and **explicitly confirmed** by the **Austrian Takeover Commission**
- In case the takeover offer is not successful, it is possible that the share price will fall significantly below the attractive offer price

On 03 June 2021, the executive board and the supervisory board of S IMMO published statements on the voluntary public offer (Section 25a of the Austrian Takeover Act) to the shareholders of S IMMO AG and rejected the resolution on the maximum voting right as a condition precedent of the offer at the shareholders' meeting on 24 June 2021.

### The Executive Board of IMMOFINANZ rebuts to inform the shareholders of S IMMO of the facts.

#### 1. Attractive offer price

- **The offer price of EUR 22.25 corresponds to a significant premium to the S IMMO share price prior to the publication of the intention to launch an offer**  
IMMOFINANZ is of the opinion that the premia resulting from the offer price can only be assessed on the basis of the historical share prices as of 13 March 2021 - prior to the first publication of the takeover intention of IMMOFINANZ - and in this context are to be considered attractive.

S IMMO's preferred comparison of the offer price with the historical share prices prior to the start of the Covid-19 induced market uncertainty from 21 February 2020 onwards is not appropriate as it is misleading. While the broad stock market - represented by the ATX - was already trading at 3,158.36 points on 12 March 2021 immediately prior to the publication of the takeover intention and above the level of 3,149.39 points as of 21 February 2020, the S IMMO share at a closing price of EUR 18.04 as of 12 March 2021 still traded at a discount of 31.3% to the closing price as of 21 February 2020. The market therefore priced the S IMMO share significantly below the level of 21 February 2020 despite the overall more positive market environment. Therefore, a comparison with that price level is inappropriate due to the continuing uncertainty regarding the S IMMO share despite the recovery of the stock markets.

- **The offer price of EUR 22.25 is highly attractive compared to the price of IMMOFINANZ's initial participation, both in absolute terms and as a premium**

For the same reasons, S IMMO's reference to the purchase price of EUR 20.00 per share paid by IMMOFINANZ for the acquisition of its stake in S IMMO in April 2018 is equally misguided. Even if this price were to be used as a reference price, the current offer price of EUR 22.25 is not just higher in absolute terms. Rather, the associated premia to the respective historical premia are also highly attractive.

At the time, the purchase price of EUR 20.00 represented a premium of 24.1% to the last unaffected closing price and of 30.3% to the 6-month VWAP<sup>1</sup>. Based on the current offer price of EUR 22.25, a premium of 23.3% to the last unaffected closing price and of 40.3% to the 6-month VWAP is offered in a comparable manner. Thus, the current offer is also attractive compared to the purchase price at the time of acquisition of the stake in 2018.

	Price per share in EUR	Premium unaffected closing price	Premium 6-month VWAP
Purchase price April 2018	20.00	24.1%	30.3%
Offer price	22.25	23.3%	40.3%

- **The offer price of EUR 22.25 is significantly higher than any single price target set by research analysts prior to the publication of the intention to launch an offer**

The reference to the price targets for the S IMMO share issued by analysts underlines the attractiveness of the offer price of EUR 22.25. At the time of the publication of the intention to launch an offer, the price targets of all research analysts were below the offer price. Based on the average target price of EUR 18.93 before 14 March 2021, the offer price is at a premium of 17.5%.

Target prices as of 13 March 2021		
Analyst	Target price in EUR	Date
Baader	16.00	24 November 2020
Erste Group	18.00	24 November 2020
Hauck & Aufhäuser	22.00	17 December 2020
Raiffeisen Centrobank	19.50	7 December 2020
SRC Research	21.00	24 November 2020
Wood & Company	17.10	1 February 2021
<b>Average</b>	<b>18.93</b>	

Source: Bloomberg

Even after the publication of the takeover intention, the offer price of EUR 22.25 exceeds the individual price targets as well as the average price target of the research analysts, with only one exception. In relation to the average target price after 14 March 2021, the offer price is at a premium of 8.4%.

<sup>1</sup> Volume weighted average share price.

Price targets since 14 March 2021		
Analyst	Target price in EUR	Date
Baader	--	--
Erste Group	18.00	31 March 2021
Hauck & Aufhäuser	22.00	9 April 2021
Raiffeisen Centrobank	19.50	28 May 2021
SRC Research	26.00	28 May 2021
Wood & Company	17.10	4 June 2021
<b>Average</b>	<b>20.52</b>	

Source: Bloomberg

In this context, outdated price targets from the period before the start of the Covid-19-related market uncertainty as of 21 February 2020 are obsolete and not meaningful due to the ongoing uncertainty about the further market development, especially with regard to the S IMMO share.

- **The EPRA NAV per S IMMO share as a reference value has a historically low significance**

The significance of the EPRA NAV per share reported by S IMMO as a reference value for the appropriateness of the offer price is limited. The same applies to the further increases in the value of the EPRA NAV per share announced by S IMMO. Rather, the trading history of the S IMMO share shows that the valuation by the capital markets does not fully reflect the EPRA NAV for the S IMMO share.

In this context, IMMOFINANZ points out that the S IMMO share has traded at an average discount of 23.0% to the respective most recently reported EPRA NAV per share since the beginning of 2019 until the first publication of IMMOFINANZ's takeover intention on 14 March 2021. As the price targets show, the majority of analysts also do not expect the price of the S IMMO share to reach the EPRA NAV in the medium term.

- **The book valuation of the S IMMO share by IMMOFINANZ as of 31 March 2021 has no material significance for the offer price**

The valuation of the book value of the S IMMO shares in the financial statements of IMMOFINANZ as of 31 March 2021 totalling EUR 459.80 million or EUR 23.58 per S IMMO share includes a package premium on the share price. In addition, the share price used for the valuation as of 31 March 2021 already reflects the increase in the price of S IMMO shares due to the takeover offer by IMMOFINANZ. This means that the share price as of 31 March 2021, which is also the basis for the book value in the financial statements, already includes the premium for S IMMO shareholders. The book value is therefore not a relevant reference price for the offer price.

## 2. Stand-alone scenario for S IMMO entails considerable execution risks

- **A higher stand-alone price of the S IMMO share compared to the offer price of EUR 22.25 seems questionable**

The takeover offer by IMMOFINANZ provides shareholders of S IMMO a predictable and, compared to S IMMO's share prices and price targets, attractive opportunity to monetise their position in S IMMO in the short term and at a significant premium. In contrast, the realisation of

the stand-alone value referenced by S IMMO is subject to numerous uncertainties that should be taken into account by shareholders of S IMMO in their decision-making.

Not only is there a complete lack of a timeline for the sale of the shares in IMMOFINANZ and CA IMMO and the reinvestment of the proceeds realised. It also remains uncertain which assumptions S IMMO uses for its valuation, to what extent attractive opportunities exist for reinvesting the sales proceeds in value-enhancing portfolios and to what extent the implementation of such plans depends on external factors, in particular continuing market uncertainty. Therefore, there are considerable execution risks. Furthermore, it can be assumed that such a reallocation will initially be accompanied by a significant dilution of profits for shareholders of S IMMO.

### 3. Secure transaction structure for maximum voting right

- **The decision on the maximum voting right will be made by shareholders of S IMMO in a legally secure manner at the shareholders' meeting on 24 June 2021**

At the shareholders' meeting of S IMMO AG, the shareholders of S IMMO will decide whether the maximum voting right will be cancelled specifically for the takeover offer.

What it is about: A resolution with two inseparable parts is passed, namely the amendment to the Articles of Association to cancel the maximum voting right combined with the conditional reinstatement of the maximum voting right with the same content in case the offer would not become unconditionally binding (i.e. not all conditions precedent of the offer should be fulfilled). In this way, the shareholders decide on the cancellation of the maximum voting right specifically for the offer. If the offer is not successful (minimum acceptance threshold) or would otherwise not be completed, the maximum voting right remains in full force.

- **This offer structure regarding the maximum voting right is secure and balanced for the shareholders of S IMMO and was confirmed after a thorough review by the Takeover Commission**

The Takeover Commission has reviewed the offer structure comprehensively and confirmed it as secure for the shareholders of S IMMO. In doing so, the Takeover Commission paid particular attention to the fact that the maximum voting right will only be cancelled if the offer is successful and completed. Following the statements made by the executive board of S IMMO, the Takeover Commission confirmed in a recent [press release dated 08 June 2021](#) to the market that, when examining the takeover offer, it had paid particular attention to the protection of shareholders as well as the principles of equal treatment and transparency.

- **Unobjective rejection by the executive board of S IMMO against shareholder interests**  
Now, the executive board of S IMMO unjustifiably rejects this transaction structure and recommends voting against the resolution of the shareholders' meeting required for the offer.

**In this way, the executive board of S IMMO continues to attempt to prevent the shareholders' resolution for the condition precedent of the offer, contrary to the shareholders' interests, so that the offer - for lack of fulfilment of the condition precedent of the offer - may fail and the shareholders of S IMMO may not decide for themselves whether to accept it.**

The executive board of S IMMO also considered not convening this shareholders' meeting, despite the clear offer structure and condition precedent, and only took action after intervention by the Takeover Commission at the latest possible date. Now, in a one-sided approach, the board is communicating theoretical risks as manifest legal settlement risks, whereby these do not withstand a closer legal analysis.

- **Takeover law principle - clarity on offer conditions during the acceptance period**

In the event of a resolution on the maximum voting right as a condition of the offer, it is market practice in takeover proceedings that the shareholders' meeting takes place during the acceptance period (see, for example, the offer by Siemens AG Austria for VA Technologie AG).

This serves to provide the greatest possible transparency for the shareholders of S IMMO and has been approved by the Takeover Commission. This gives shareholders sufficient time and information to make an informed decision on whether to accept the offer.

- **The cancellation of the maximum voting right will only become effective in the event of a successful offer**

The executive board of S IMMO claims that the maximum voting right would be anticipatorily cancelled. This is false. The transaction structure ensures that the maximum voting right will only be cancelled in the event of a successful offer.

After the shareholders' meeting on 24 June 2021, the offer will run until 16 July 2021 and could be extended for another twelve days at a maximum. Thus, as planned, it will be clear after 3 weeks - in case of a potential extension of the acceptance period - in any case after 5 weeks whether the takeover offer was successful (achievement of the minimum acceptance threshold).

Amendments to the Articles of Association, such as the cancellation of the maximum voting right, take effect time-shifted after the shareholders' meeting upon registration by the court with the commercial register. The process is significantly driven by the executive board of S IMMO, and in case of previous amendments to the Articles of Association, registration has taken between 7 and 18 weeks from the date of the resolution.

It is thus also practically excluded that, in the event of an unsuccessful offer, a shareholders' meeting can take place at which the maximum voting right does not apply. If the offer would be unsuccessful (failure to reach the minimum acceptance threshold), the inseparably resolved conditional reinstatement of the maximum voting right would immediately apply and registered with the commercial register. For the assessment of the fulfilment of the condition, the commercial register follows the Takeover Commission, which, pursuant to Section 29 of the Austrian Takeover Act, solely assesses the success of the offer and thus also whether the condition has been fulfilled.

After the offer has been successful, only merger control clearances may remain as conditions precedent. All the notifications have been made and there are no indications of any obstacles. The relevant merger control clearances for the acquisition of control in S IMMO were also all granted in 2018 and therefore only need to be repeated.

If, nevertheless, contrary to expectation, a condition precedent is not fulfilled and the offer does not become unconditionally binding, the condition for the reinstatement of the maximum voting right will come into effect.

- **The effectiveness of the reinstatement of the maximum voting right is legally secured**

The reinstatement of the maximum voting right in the event that the offer is not completed is a core element of the offer structure reviewed by the Takeover Commission. This is legally ensured by the inseparable part of the resolution regarding the reinstatement of the maximum voting right with same content. This resolution applies in the event that not all conditions precedent are fulfilled. Therefore, already in the event that the minimum acceptance threshold would not be reached (as explained above), but also in the event that, contrary to expectations, a clearance under merger control law would not be granted after the success of the offer. This always ensures the link between the completion of the offer and the maximum voting right for shareholders of S IMMO.

Conditional amendments to the Articles of Association are regularly used in practice and are standard under Austrian Stock Corporation Law. IMMOFINANZ has also coordinated with the competent judge of the commercial court in order to prepare for the explicit resolution of the shareholders' meeting relevant for the offer - so that the execution with the commercial register is legally and practically secured.

There are also no obstacles if the executive board of S IMMO deems it necessary to hold a shareholders' meeting until the offer is completed. This will not trigger any further resolutions on the maximum voting right, as the shareholders' meeting with the resolution passed has already inseparably fixed the conditional reinstatement with a period precisely defined by the offer. IMMOFINANZ itself will - as agreed with the offer document - continue to comply with the maximum voting right in such a shareholders' meeting. In such a case, IMMOFINANZ bears the sole risk, because a successful offer would grant it at least 61% (existing shares plus tendered shares) and its voting rights would nevertheless be limited to 15% until completion of the offer.

S IMMO's argumentation regarding the takeover offer and the resolution of the shareholders' meeting does not correspond to the facts. The offer provides a secure structure and execution for shareholders of S IMMO - what was again explicitly confirmed by the Takeover Commission in a [press release dated 08 June](#). In this statement, the Takeover Commission emphasised that in reviewing the offer it had paid particular attention to the protection of shareholders as well as the principle of equal treatment and transparency requirements.

## Shareholders of S IMMO decide at the shareholders' meeting on 24 June

The extraordinary shareholders' meeting will take place on 24 June 2021 as a virtual meeting. The acceptance period will then continue for another 22 days. Two steps are sufficient that the voting right is exercised: Registration with deposit confirmation and granting of power of attorney (including voting instruction) to one of the four proxies named by S IMMO.

- The deposit confirmation (Section 10a of the Austrian Stock Corporation Act) of your custodian bank on the shareholding on the record date, which is 14 June 2021, is - for registration - to be sent by 21 June 2021 (deadline!) most easily by email to [anmeldung.simmoag@hauptversammlung.at](mailto:anmeldung.simmoag@hauptversammlung.at) (as PDF attachment);
- The power of attorney, including the instruction to exercise the voting rights, is to be issued to one of the proxies. It is recommended to submit the power of attorney to the proxy by 22 June 2021. The e-mail address can be found on the form for the power of attorney.

You can find the power of attorney on S IMMO's website ([https://www.simmoag.at/fileadmin/redakteur/Investor\\_Relations/Hauptversammlung/2021/aoHV/Vollmacht-EN.pdf](https://www.simmoag.at/fileadmin/redakteur/Investor_Relations/Hauptversammlung/2021/aoHV/Vollmacht-EN.pdf)).

## Minimum acceptance threshold - Acceptance of the offer by shareholders of S IMMO is decisive

The voluntary public takeover offer to acquire control is conditional by law on IMMOFINANZ receiving declarations of acceptance covering more than 50% of the S IMMO shares which are the subject of the offer until the expiry of the acceptance period.

Therefore, the acceptance of at least 25,716,294 S IMMO shares (corresponding to approximately 34.94% of the share capital) is required for a successful offer.

All information and conditions precedent are set out in the offer document.

### Further information

For questions regarding the takeover offer and the shareholders' meeting, please contact the **free telephone hotline** set up by IMMOFINANZ at **+43 (0)1 311 62235** between 9:00 a.m. and 6:00 p.m. Monday to Sunday.

Information on the shareholders' meeting of S IMMO and the takeover offer, including questions and answers (Q&As), can also be found at [www.immofinanz.com/simmo](http://www.immofinanz.com/simmo).

## IMPORTANT NOTES

This announcement is issued by IMMOFINANZ AG (IMMOFINANZ) in connection with the takeover offer for the shares of S IMMO AG (Takeover Offer) and is for information purposes only. It is neither an offer to purchase nor a solicitation to sell securities of S IMMO AG (S IMMO) or IMMOFINANZ.

The conditions and further provisions relating to the Takeover Offer are disclosed in the offer document in accordance with the provisions of the Austrian Takeover Act. Only the terms and conditions of the offer document are decisive. Investors and holders of S IMMO shares are strongly recommended to review the offer document and all other documents related to the Takeover Offer, as they contain important information.

The offer will be conducted solely on the basis of the applicable provisions of the Austrian law, in particular the Austrian Takeover Act. Subject to the exceptions described in the offer document and any exceptions granted by the relevant regulatory authorities, a takeover offer is not being made directly or indirectly, in or into those jurisdictions where to do so would constitute a violation pursuant to the laws of such jurisdiction. The offer will not be conducted in accordance with the legal requirements of jurisdictions (including United States of America (USA), Australia and Japan) other than Austria. Accordingly, no notices, approvals or authorizations for the offer have been filed, caused to be filed or granted outside of Austria. Holders of securities should not rely on being protected by the investor protection laws of any jurisdiction other than Austria. IMMOFINANZ therefore does not assume any responsibility with regard to the Takeover Offer for compliance with laws other than the laws of Austria.

To the extent this presentation contains forward-looking statements concerning IMMOFINANZ or S IMMO, such statements do not represent facts and are characterized by the words such as "will", "expect", "believe", "estimate", "intend", "aim", "assume" or similar expressions. Such statements express the intentions, opinions or current expectations and assumptions of IMMOFINANZ. These forward-looking statements are based on current plans, estimates and forecasts, but do not claim to be correct in the future. Forward-looking statements are subject to risks and uncertainties that are difficult to predict and usually cannot be influenced by IMMOFINANZ. It should be kept in mind that the actual events or consequences may differ materially from those contained in or expressed by such forward-looking statements. It is possible that IMMOFINANZ will change its intentions and assumptions reflected in documents and announcements or in the published offer document also after publication of these documents, announcements or the offer document.

To the extent permissible under applicable law or regulation, IMMOFINANZ or its brokers may purchase, or conclude agreements to purchase, S IMMO shares, directly or indirectly, outside the scope of the intended Takeover Offer, before, during or after the period in which the Takeover Offer remains open for acceptance. These purchases may be completed via the stock exchange at market prices or outside the stock exchange at negotiated conditions. Any information on such purchases will be disclosed as required by law or regulation in Austria or any other relevant jurisdiction.