

English translation of the German original version for convenience only.

The German original version shall prevail.

Statement by the Salaried Employees Works Council

of

IMMOFINANZ AG

on the

voluntary takeover offer

(§§ 4 ff of the Austrian Takeover Act)

by CEE Immobilien GmbH

Statement by the Salaried Employees Works Council of IMMOFINANZ AG in accordance with §14 (3) of the Austrian Takeover Act (ÜbG)

CEE Immobilien GmbH, a company of S IMMO AG (“S IMMO”) announced its intention to issue a voluntary public partial takeover offer for shares of IMMOFINANZ AG (“IMMOFINANZ”) on 6 December 2021. The relevant offer documents, including confirmation by the consulted experts of BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, were submitted to the Executive Board and the Chairwoman of the Supervisory Board of IMMOFINANZ AG on 23 December 2021, and immediately forwarded to the Works Council (“Works Council”) for information in accordance with § 11 (3) of the Austrian Takeover Act.

Initial situation

S IMMO has been a shareholder of IMMOFINANZ since 2017 (first major holdings notification on 21 August 2017). In late February 2018, S IMMO exceeded the reporting threshold of 10% in IMMOFINANZ. Based on share purchase agreements of 18 December 2018, IMMOFINANZ acquired 19,499,437 shares in S IMMO. Subsequently, talks regarding a possible merger of the companies were held, however, without success. In an announcement of 25 March 2021, IMMOFINANZ announced its intention to take over S IMMO. This takeover offer was, among other things, contingent on the condition of the cancellation of the maximum voting right stipulated in the S IMMO Articles of Association. Since the shareholders of S IMMO voted against the cancellation of the maximum voting right at an extraordinary general meeting held on 14 June 2021, the offer of IMMOFINANZ subsequently lapsed. On 3 December 2021, CPI Property Group S.A. (“CPI”) announced its intention to submit a mandatory offer for IMMOFINANZ. CPI had previously acquired 21.4% of the shares and another 10.6% subject to the approval of the competition authorities. On 6 December 2021, S IMMO subsequently announced it would issue a partial offer for IMMOFINANZ. On 23 December 2021, the approved partial offer for 12,663,043 IMMOFINANZ shares at a price of EUR 23.00 (cum dividend) was published.

Strategic and economic impact

The Works Council generally welcomes all shareholders who wish to make a long-term contribution to the company’s success and, for this reason, acquire an investment. We also consider the announcement that S IMMO, a long-standing shareholder, now wishes to increase its share in IMMOFINANZ, a confirmation of our achievements and a display of trust.

However, from the perspective of the Works Council, the offer price of EUR 23.00 does not reflect the true value of the IMMOFINANZ share. A comparison with the IMMOFINANZ share price before the outbreak of the corona pandemic shows that the current discount represents a massive exaggeration of the risks of the retail portfolio. In addition, the profitable growth potential and the already introduced measures to ensure sustainable property management in accordance with international ESG criteria, which contain significant potential for an increase in value of the company, have by no means been taken into account.

Social impact

The Works Council agrees with the bidder on item 7.3 of the partial offer. No immediate effects on the employees of IMMOFINANZ are to be expected to result from the present partial offer of S IMMO.

Summary

We welcome the intention of S IMMO to increase its share in IMMOFINANZ. However, the offer price is significantly lower than the fair value of the share; therefore, an acceptance of the offer is not recommended. Regardless of the result of the offer, the employees of IMMOFINANZ will continue to work on increasing the value of the company in good cooperation with the core shareholders.

Vienna, 5 January 2022

The Salaried Employees Works Council of IMMOFINANZ AG

Mag.(FH) Philipp Amadeus Obermair
Chairman