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Declaration of the Management Board

pursuant to section 124 (1) (3) Austrian Stock Exchange Act (BörseG)

“Statement of all legal representatives

We confirm to the best of our knowledge that the consolidated financial statements give 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 the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

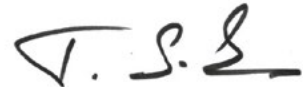
We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.”

Vienna, 25 March 2024

The Management Board



Radka Doehring



Tomáš Salajka

Consolidated financial statements

Consolidated statement of financial position

as of 31 December 2023

Assets in EUR '000	Notes	31 December 2023	31 December 2022
Non-current assets			
Investment properties			
Rented properties	3.1.1.	3,206,465	2,580,819
Properties under development and undeveloped land	3.1.1.	87,977	86,433
		3,294,442	2,667,252
Owner-operated properties	3.1.2.	98,653	105,529
Other plant and equipment	3.1.2.	4,273	5,003
Intangible assets	3.1.2.	1,194	768
Interests in companies measured at equity	3.1.3.	30,623	26,545
Group interests	3.1.4.	7,076	5,303
Other financial assets	3.1.4.	87,957	92,503
Deferred tax assets	3.1.16.	1,882	1,017
		3,526,100	2,903,920
Current assets			
Inventories	3.1.5.	356	300
Trade receivables	3.1.6.	34,523	17,456
Other financial assets	3.1.6.	67,616	42,730
Other assets	3.1.7.	18,990	23,946
Cash and cash equivalents	3.1.8.	445,070	246,925
		566,555	331,357
Assets held for sale	3.1.9.	87,220	539,084
		653,775	870,441
		4,179,875	3,774,361

Equity and liabilities in EUR '000	Notes	31 December 2023	31 December 2022
Equity attributable to shareholders in parent company			
Share capital	3.1.10.	255,589	256,249
Capital reserves	3.1.10.	158,912	160,612
Other reserves	3.1.10.	1,233,887	1,280,367
		1,648,388	1,697,228
Non-controlling interests	3.1.11.	53,453	83,040
		1,701,841	1,780,268
Non-current liabilities			
Issued bonds	3.1.13.	518,799	544,237
Other financial liabilities	3.1.12.	1,334,430	927,600
Provisions for employee benefits	3.1.14.	957	1,111
Other liabilities	3.1.15.	16,535	1,412
Deferred tax liabilities	3.1.16.	145,798	205,058
		2,016,519	1,679,418
Current liabilities			
Issued bonds	3.1.13.	99,985	0
Other financial liabilities	3.1.12.	183,301	82,076
Income tax liabilities		39,938	7,421
Provisions		588	0
Trade payables	5.1.1.	32,126	12,693
Other liabilities	3.1.15.	79,641	85,239
		435,579	187,429
Liabilities relating to assets held for sale	3.1.9	25,936	127,246
		461,515	314,675
		4,179,875	3,774,361

Consolidated income statement

for the financial year 2023

in EUR '000	Notes	2023	2022
Revenues			
Rental income	3.2.1.	202,646	155,705
Revenues from operating costs	3.2.1.	63,792	48,405
Revenues from hotel operations	3.2.1.	70,023	56,383
		336,461	260,493
Other operating income		4,210	2,227
Property operating expenses	3.2.2.	-108,675	-79,511
Hotel operating expenses	3.2.2.	-52,744	-43,010
Gross profit		179,252	140,199
Income from property disposals	3.2.3.	682,395	49,240
Book value of property disposals	3.2.3.	-682,395	-49,240
Result from property disposals	3.2.3.	0	0
Management expenses	3.2.4.	-36,618	-34,141
Earnings before interest, tax, depreciation and amortisation (EBITDA)		142,634	106,058
Depreciation and amortisation	3.2.5.	-9,205	-9,682
Results from property valuation	3.2.6.	-109,343	-78,397
Operating income (EBIT)		24,086	17,979
Financing costs	3.2.7.	-80,783	-42,663
Financing income	3.2.7.	8,641	59,239
Results from companies measured at equity	3.2.7.	1,701	280
Financial result		-70,441	16,855
Earnings before tax (EBT)		-46,355	34,834
Taxes on income	3.1.16.	4,956	-15,907
Consolidated net income		-41,399	18,927
of which attributable to shareholders in the parent company		-32,195	27,204
of which attributable to non-controlling interests		-9,204	-8,277
Earnings per share			
undiluted = diluted	3.2.8.	-0.46	0.39

Consolidated statement of comprehensive income

for the financial year 2023

in EUR '000	Notes	2023	2022
Consolidated net income		-41,399	18,927
Change in value of cash flow hedges	5.1.2.	-33,271	66,880
Income taxes on cash flow hedges	5.1.2.	3,182	-11,222
Reclassification of derivative valuation effects	5.1.2.	-2,162	-11,325
Income taxes on reclassification of derivative valuation effects	5.1.2.	426	1,946
Reserve for foreign exchange rate differences	3.1.10.	14,654	2,600
Other comprehensive income for the period (realised through profit or loss)		-17,171	48,879
Valuation of financial assets FVOCI		1,772	5,665
Income taxes from measurement of financial assets FVOCI		-211	-1,321
Remeasurement of post-employment benefit obligations		-13	-120
Income taxes on remeasurement of post-employment benefit obligations		3	28
Other comprehensive income for the period (not realised through profit or loss)		1,551	4,253
Other comprehensive income for the period		-15,620	53,131
of which attributable to shareholders in parent company		-15,358	53,642
of which attributable to non-controlling interests		-262	-511
Total comprehensive income		-57,020	72,058
of which attributable to shareholders in parent company		-47,554	80,847
of which attributable to non-controlling interests		-9,466	-8,789

Consolidated cash flow statement

for the financial year 2023

in EUR '000	Notes	2023	2022
Earnings before taxes (EBT)		-46,355	34,834
Results from property valuation	3.2.6.	109,343	78,397
Depreciation and amortisation	3.2.5.	9,205	9,682
Results on property sales	3.2.3.	0	0
Taxes on income paid	3.1.16.	-12,832	-24,502
Financial result	3.2.7.	70,441	-16,855
Operating cash flow		129,802	81,556
Changes in net current assets			
Receivables and other assets		30,679	-18,858
Provisions, other financial and non-financial liabilities		-1,481	911
Current liabilities		-5,199	304
Cash flow from operating activities		153,800	63,914
Cash flow from investing activities			
Investments in property portfolio (rented properties, developing projects, undeveloped land, owner-operated properties)		-18,110	-14,762
Investments in intangible assets		-624	-564
Investments in other fixed assets		-1,042	-980
Disposal of equity instruments of other companies	3.1.4.	0	452,829
Acquisition of equity instruments of other companies	3.1.4.	0	-49,318
Investments in financial assets		0	-540
Disposals of financial assets		0	0
Investments in companies measured at equity		-2,515	0
Divestments in companies measured at equity		0	612
Net cash flow from deconsolidation of subsidiaries less cash and cash equivalents	2.2.4.	264,833	0
Net cash flow from initial consolidations of subsidiaries	2.2.4.	-640,549	-465,127
Other changes in companies measured at equity		-6,174	690
Disposals of properties	3.2.3.	263,901	76,600
Dividends from companies measured at equity		102	478
Dividends from listed companies	3.1.4. 3.2.7.	0	0
Income from equity investments	3.1.4.	535	356
Interest received	3.2.7.	8,106	271
Cash flow from investing activities		-131,537	545

in EUR '000	Notes	2023	2022
Consolidated cash flow statement continued			
Cash flow from financing activities			
Issue of shares	3.1.10.	0	0
Buyback of treasury shares	3.1.10.	-2,361	0
Bond issues	3.1.13.	74,120	49,711
Bond redemptions	3.1.13.	0	0
Buyback of bonds	3.1.13.	0	-153,397
Increase in non-controlling interests	3.1.11.	0	87,800
Distribution of non-controlling interests		-19,048	-53
Cash inflow from other financial liabilities	3.1.12.	357,493	270,339
Cash outflow from other financial liabilities	3.1.12.	-189,719	-328,282
Dividend payment	3.1.10.	0	-45,841
Interest paid		-44,047	-41,687
Cash flow from financing activities		176,437	-161,411
Cash and cash equivalents 01 January		246,925	375,823
Reclassification of cash and cash equivalents as properties held for sale		-555	-31,946
Net change in cash and cash equivalents		198,700	-96,952
Cash and cash equivalents 31 December¹		445,070	246,925

¹ The effects of currency translation differences on the cash and cash equivalents were immaterial and are therefore not shown separately.

Changes in consolidated equity

in EUR '000 – see also chapter 3.1.10. Equity	Share capital	Capital reserves	Foreign currency translation reserve	Hedge accounting reserve	Equity instruments reserve	Other reserves	Subtotal S IMMO shareholders	Non-controlling interests	Total
As of 01 January 2023	256,249	160,612	-8,314	37,544	3,670	1,247,467	1,697,228	83,040	1,780,268
Consolidated net income	0	0	0	0	0	-32,195	-32,195	-9,204	-41,399
Other comprehensive income	0	0	14,654	-31,563	1,561	-10	-15,358	-262	-15,620
Buyback of treasury shares	-660	-1,700	0	0	0	0	-2,360	0	-2,360
Distribution with respect to non-controlling interests	0	0	0	0	0	0	0	-19,048	-19,048
Other changes	0	0	0	0	0	1,073	1,073	-1,073	0
Distribution for 2022 to shareholders	0	0	0	0	0	0	0	0	0
As of 31 December 2023	255,589	158,912	6,340	5,981	5,231	1,216,335	1,648,388	53,453	1,701,841
As of 01 January 2022	256,249	160,612	-10,913	-9,247	18,238	1,247,284	1,662,222	4,081	1,666,303
Consolidated net income	0	0	0	0	0	27,205	27,205	-8,277	18,927
Other comprehensive income	0	0	2,600	46,791	4,344	-92	53,643	-511	53,131
Buyback of treasury shares	0	0	0	0	0	0	0	0	0
Distribution with respect to non-controlling interests	0	0	0	0	0	0	0	-52	-52
Other changes	0	0	0	0	-18,912	18,912	0	87,800	87,800
Distribution for 2021 to shareholders ¹	0	0	0	0	0	-45,841	-45,841	0	-45,841
As of 31 December 2022	256,249	160,612	-8,314	37,544	3,670	1,247,467	1,697,228	83,040	1,780,268

¹ The dividend distribution of kEUR 45.841 in 2022 corresponds to a dividend of EUR 0.65 per share, and was effected on 13 June 2022.

Notes to the consolidated financial statements

as of 31 December 2023

1. The Group

S IMMO Group (S IMMO AG and its subsidiaries) is an international real estate group. The ultimate parent company of the Group, S IMMO AG, has its registered office and headquarters at Wienerbergstraße 9/7th floor, 1100 Vienna, Austria. The company has been listed on the Vienna Stock Exchange since 1987, in the Prime Market segment since 2007. It has subsidiaries in Austria, Germany, the Czech Republic, Slovakia, Hungary, Croatia and Romania as of the reporting date. As of 31 December 2023, S IMMO Group owned properties in all the above countries. S IMMO Group engages in long-term real estate investments in the form of the buying and selling of properties, project development, letting and asset management, revitalisation and refurbishment of buildings and the operation of hotels and shopping centers.

S IMMO AG, Vienna, prepares the consolidated financial statements for the smallest group of companies. CPI Property Group S.A. prepares the consolidated financial statements for the largest group of companies. IMMOFINANZ AG directly holds 50% plus one share. The consolidated financial statements of CPI Property Group S.A. are published at the company's registered office in Luxembourg.

2. Accounting and valuation policies

2.1. Accounting policies

The consolidated financial statements comply with the International Financial Reporting Standards (IFRS), including the interpretations of the IFRS Interpretations Committee, the application of which is mandatory in the European Union at the balance sheet date, as well as supplementary provisions according to section 245a (1) Austrian Commercial Code (UGB).

The accounting policies of all companies included in consolidation are based on the uniform accounting regulations of S IMMO Group. The financial year for all companies included in consolidation ends on 31 December.

The consolidated financial statements are presented rounded to the nearest 1,000 euros (EUR '000 or kEUR). The totals of rounded amounts and the percentages may be affected by rounding differences caused by the use of computer software.

All receivables and liabilities and all income and expenses between companies in the scope of consolidation are eliminated as part of debt consolidation and the consolidation of income and expenses. Interim results from intercompany transfers of properties are likewise eliminated.

2.2. Consolidation group and basis of consolidation

2.2.1. Subsidiaries

The consolidated financial statements include all the companies (subsidiaries) over which the parent company has a controlling influence through full consolidation. A controlling interest exists where the parent company is directly or indirectly in a position to have the power of disposition over the associated subsidiary and determine the financial and business policies of the subsidiary in such a way that the yield level can be influenced (risk exposure by or claims related to fluctuating yields). A subsidiary is consolidated from the time the controlling influence is acquired, and deconsolidated when that influence ceases to exist.

The acquisition date is the date on which control of the new acquisition is acquired. Costs incurred by S IMMO Group in the course of acquisition, such as fees for due diligence reviews, measurements and other consulting services, are recognised as expenses in the period in which they have incurred.

If acquisitions result in business combinations as defined by IFRS 3, they are recognised according to the acquisition method. Assessing whether a transaction includes the acquisition of a business requires a detailed analysis of the relevant structures and processes. Where applicable, an optional fair value concentration test is performed to assess whether a group of activities and assets qualifies as business operations.

If the company obtains control of a business through an acquisition, the acquisition costs are offset against the attributable fair value of the identifiable net assets acquired to determine any difference. A positive difference is recognised as goodwill. If the amount is negative, the underlying calculations and assumptions are reviewed once again and said amount is only recognised in profit or loss if this further critical review of the recognition and measurement of the assets and liabilities acquired results in a negative difference.

When acquiring property companies that do not constitute a business as defined by IFRS 3, financial assets and liabilities acquired are measured at fair value. The total of the financial assets and liabilities measured in this way is then deducted from the transaction price. The remaining transaction price is then allocated to the remaining identifiable assets (essentially property assets) based on their relative fair values at the time of acquisition.

Changes to interests in subsidiaries that do not lead to the establishment or loss of control are classified as equity transactions. The book values of the interests held by the Group and accordingly those held by the controlling shareholders are adjusted in such a way that they reflect the changes to the ownership interests appropriately. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration received is recognised under equity and allocated to the shareholders of S IMMO AG.

In the event of loss of control over a subsidiary, the attributable assets and liabilities and the related non-controlling interests are derecognised on the basis of the fictitious stand-alone disposal. The remeasurement of any retained interests at fair value as of the date of the loss of control is performed via the income statement and represents the starting point for the future measurement as an associate, joint venture or equity investment. When obtaining control over an existing joint venture or associate, the equity interest previously held in the acquired enterprise should be remeasured at fair value at the acquisition date.

2.2.2. Non-controlling interests

S IMMO Group recognises non-controlling interests as the proportionate share of identifiable net assets of the subsidiary.

Transactions with non-controlling interests not resulting in loss of control are treated in the same way as transactions with the Group's shareholders. Any difference between the consideration given and the relevant share of the book value of the net assets of the subsidiary arising from the acquisition of a non-controlling interest is recognised in equity. Gains and losses on the disposal of non-controlling interests are also recognised in equity.

Changes to the shareholdings of the non-controlling interests that do not lead to a loss of control of the S IMMO Group are recognised as set out in 2.2.1.

2.2.3. Associates and joint ventures

Companies over whose business and financial policies the parent company can directly or indirectly exercise a significant influence (as a rule, through a direct or indirect interest ranging from 20% to 50% of the share capital) and joint companies are included in the consolidated financial statements at equity.

Interests in companies included at equity are initially recognised at cost of acquisition. For associated companies and jointly controlled companies included at equity, differences resulting from consolidation are calculated in the same way as for fully consolidated companies. The goodwill resulting from the acquisition of a company included at equity is part of the book value and is not subject to amortisation. As part of the investment in the company included at equity, the goodwill is reviewed for impairment. S IMMO AG's interest in the profit or loss of a company consolidated at equity after the date of acquisition is included in the consolidated income statement. The share of other comprehensive income is recognised directly in the item other comprehensive income in the consolidated statement of comprehensive income. The cumulative share of such changes increases or reduces the book value of the interest. If S IMMO AG's attributable share of the accumulated losses of a company consolidated at equity exceeds the book value of the interest, excess shares of losses are not recognised, except to the extent that they give rise to obligations. In the event of distributions, the book value of the interest is reduced by the proportionate amount. Intercompany profits and losses between S IMMO AG and companies consolidated at equity are eliminated on consolidation.

If the ownership interest in companies recognised at equity changes and the equity method continues to be applied, the proportion of the gain or loss previously recognised in other comprehensive income attributed to the reduction in ownership interest is to be reclassified to profit or loss if this gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

2.2.4. Consolidation scope

Apart from S IMMO AG, the consolidated financial statements include 99 (2022: 88) companies (property holding and intermediary holding companies) that are fully consolidated and directly or indirectly owned by S IMMO AG, and 5 (2022: 5) companies included at equity.

Changes in the consolidation group in the financial year 2023

In the first quarter of 2023, Andrásy Real Kft., Hungary, was acquired from CPI Property Group S.A. by way of a share deal. The purchase price (excluding incidental expenses) totaling kEUR 12,467 was paid fully cash. The loan of kEUR 12,933 included in non-current liabilities was repaid in the course of the purchase.

In addition, the newly founded companies Nergal Immobilienverwertungs GmbH E58 & Co KG, Austria, Nergal Immobilienverwertungs GmbH F3 & Co KG, Austria and Nergal Immobilienverwertungs GmbH M3 & Co KG, Austria, were included as fully consolidated companies for the first time in the first quarter of 2023.

In the second quarter of 2023, CD Property s.r.o., Czech Republic, CPI Office Prague, s.r.o., Czech Republic, Lucemburská 46, a.s., Czech Republic, and ZET.office, a.s., Czech Republic, were also acquired from CPI Property Group S.A. by way of share deals. The purchase price (excluding incidental expenses) of kEUR 12,347 (CD Property s.r.o.), kEUR 19,121 (CPI Office Prague, s.r.o.), kEUR 18,586 (Lucemburská 46, a.s.) and kEUR 5,477 (ZET.office, a.s.) consisted entirely of cash. The loans of kEUR 12,826 (CD Property s.r.o.), kEUR 15,219 (CPI Office Prague, s.r.o.), kEUR 5,783 (Lucemburská 46, a.s.) and kEUR 36,165 (ZET.office, a.s.) included in non-current liabilities were repaid in the course of the purchase.

In the third quarter of 2023, „Wienerberg City“ Errichtungsges. m.b.H., Austria, was acquired from the IMMOFINANZ Group by way of a share deal. The purchase price (excluding incidental expenses) of kEUR 84,274 consisted entirely of cash.

In the fourth quarter of 2023, the companies Bauteile A+B Errichtungsges.m.b.H., Austria, and Bauteile C+D Errichtungsges.m.b.H., Austria, were acquired from the IMMOFINANZ Group by way of a share deal. The purchase price for both companies (excluding incidental expenses) of kEUR 13,189 consisted entirely of cash.

Also in the fourth quarter of 2023, the companies CPI Office Business Center, s.r.o., Czech Republic, Futurum HK Shopping, s.r.o., Czech Republic, the project Zlatý Anděl, s.r.o., Czech Republic, and CPI Shopping MB, a.s., Czech Republic, were acquired from CPI Property Group S.A. by way of share deals.

The purchase prices (excluding incidental expenses) of kEUR 66,676 (CPI Office Business Center, s.r.o.), kEUR 27,740 (Futurum HK Shopping, s.r.o.), kEUR 37,373 (Projekt Zlatý Anděl, s.r.o.) and kEUR 15,439 (CPI Shopping MB, a.s.) consisted entirely of cash. The loans of kEUR 89,253 (CPI Office Business Center, s.r.o.), kEUR 85,731 (Futurum HK Shopping, s.r.o.), kEUR 73,150 (Projekt Zlatý Anděl, s.r.o.) and kEUR 34,682 (CPI Shopping MB, a.s.) included in non-current liabilities were repaid in the course of the purchase. In the course of this acquisition, interest rate derivatives were also transferred, which were recognised at the positive fair value of kEUR 27,381 in the superordinate intermediate holding company at the time of acquisition. This reduced the acquisition costs of the acquired property assets accordingly.

Moreover, in the fourth quarter of 2023, the intermediary holding company SC Czech AHG, s.r.o., Czech Republic, was acquired at a purchase price of kEUR 2.5.

Of the purchase prices listed above, kEUR 806 (Bauteile A+B Errichtungsges.m.b.H. and Bauteile C+D Errichtungsges.m.b.H.) were not yet due in 2023. From the acquisitions Andrásy Real Kft. (kEUR 382), „Wienerberg City“ (kEUR 333), CPI Office Business Center s.r.o. (kEUR 4,357), Futurum HK Shopping s.r.o. (kEUR 3,422), Projekt Zlatý Anděl, s.r.o. (kEUR 1,934) and CPI Shopping MB, a.s. (kEUR 1,136), there are recoveries from provisional purchase price payments as of 31 December 2023.

A business combination within the meaning of IFRS 3 did not exist for any of the newly consolidated companies, as there was no business operation according to IFRS 3.

In the previous year, five property holding companies (including one from an external seller, three from the CPI Property Group and one from IMMOFINANZ Group) were acquired by way of share deals. The transaction volume totalled kEUR 561,901, of which kEUR 326,447 were related party. The purchase prices (excluding ancillary purchase costs) totalling kEUR 365,222 (of which kEUR 317,787 related party) less cash and cash equivalents totalling kEUR 44,988 (of which kEUR 42,066 related party) plus loans repaid in the course of the acquisitions totalling kEUR 135,155 (of which kEUR 67,021 related party), taking into account purchase prices not yet due as at 31 December 2022 in the amount of kEUR 3,39 (of which kEUR 3,052 related party) on the one hand and reclaims in the amount of kEUR 13,129 (entirely related party) on the other, led to a cash outflow of kEUR 465,127.

The acquired property holding companies had the following book values at the time of acquisition:

EUR '000	Andrássy Real Kft.	CD Property s.r.o.	CPI Office Prague, s.r.o.	Lucemburská 46, a.s.	ZET.office, a.s.
Non-current assets					
Property assets ¹	25,662	25,167	71,779	24,045	41,189
Other non-current financial assets	37	375	5,445	0	767
Current assets					
Other current assets	340	225	3,423	429	1,774
Cash and cash equivalents	449	200	1,667	392	151
Total assets	26,488	25,967	82,314	24,866	43,881
Liabilities					
Non-current liabilities	-13,775	-12,826	-56,028	-5,783	-36,165
Current liabilities	-246	-794	-7,165	-497	-2,239
Total book value of acquisitions	12,467	12,347	19,121	18,586	5,477

¹ The property assets were recognised at the acquisition costs resulting from the acquisition transactions, including incidental acquisition costs. Standard market purchase price discounts for deferred tax effects and other purchase price adjustments as well as interest rate derivatives recognised at fair value in a higher-level intermediate holding company totalling kEUR 74,331 were taken into account, which subsequently led to a revaluation of the properties in accordance with IAS 40.

In the first quarter of 2023, the previously fully consolidated company SIAG Berlin Wohnimmobilien GmbH, Austria, was sold. The company was included in assets held for sale and liabilities associated with assets held for sale as of 31 December 2022. The consideration received consisted entirely of cash. For this sale, an amount of EUR 225.6m was recognised in the consolidated cash flow statement in the item net cash flow from deconsolidation of subsidiaries.

In the second quarter of 2023, the previously fully consolidated company WASHINGTON PROJEKT EOOD, Bulgaria, was sold. The consideration received consisted entirely of cash in the amount of kEUR 813.

The previously fully consolidated company S IMMO Berlin IV GmbH, Germany, was also sold in the second quarter of 2023. The consideration received consisted entirely of cash in the amount of kEUR 13,584.

In the third quarter of 2023, the previously fully consolidated company S Immo Immobilien Investitions GmbH, Austria, was liquidated.

In the fourth quarter of 2023, the previously fully consolidated company EUROCENTER d.o.o., Croatia, was sold. The consideration received consisted entirely of cash in the amount of kEUR 21,856.

As the companies sold are property holding companies whose value is generally determined by the property assets, the result from the sale essentially results from the property valuation at the time of sale and is therefore recognised in the income statement under "result from property disposals" (see notes 3.2.3.).

„Wienerberg City“ Errichtungsges.m.b.H.	Bauteile A+B Errichtungsges.m.b.H./ Bauteile C+D Errichtungsges.m.b.H.	CPI Office Business Center, s.r.o.	Futurum HK Shopping, s.r.o.	Projekt Zlatý Anděl, s.r.o.	CPI Shopping MB	Total book value
192,992	192,056	152,063	107,381	106,208	47,678	986,220
24,464	2,705	0	0	0	0	33,793
1,835	27,911	2,222	2,246	946	286	41,637
5,514	2,026	0	0	9		10,408
224,805	224,698	154,285	109,627	107,163	47,964	1,072,058
-114,000	-191,367	-89,253	-85,731	-73,150	-34,682	-712,760
-26,531	-20,142	-7,085	-4,348	-3,788	-1,155	-73,990
84,274	13,189	57,947	19,548	30,225	12,127	285,308

The companies sold had the following book values at the time of disposal:

EUR '000	SIAG Berlin Wohnimmobilien GmbH	WASHINGTON PROEKT EOOD	S Immo Berlin IV GmbH	EUROCENTER d.o.o.	Total book value
Non-current assets					
Property assets	0	0	31,500	26,500	58,000
Other non-current financial assets	0	0	0	27	27
Current assets					
Property assets	321,969	1,025	0	0	322,994
Other current assets	1,829	1	621	289	2,740
Cash and cash equivalents	32,558	1	66	239	32,864
Total assets	356,356	1,027	32,187	27,055	416,625
Non-current liabilities	0	0	-16,423	-2,738	-19,161
Current liabilities	-116,899	-215	-3,499	-5,166	-125,779
Total book value of disposals	239,457	812	12,265	19,151	271,685

Overview of the 2023 consolidation group on a company basis

	Location	Nominal capital 2023	Nominal capital 2022	Group share % 2023	Group share % 2022	Local currency 2023	Local currency 2022	Consoli- dation type 2023	Consoli- dation type 2022
CEE Immobilien GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
CEE PROPERTY-INVEST Immobilien GmbH	AT, Vienna	48,000,000	48,000,000	100	100	EUR	EUR	FC	FC
CEE CZ Immobilien GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
German Property Invest Immobilien GmbH	AT, Vienna	38,932	38,932	89.90	89.90	EUR	EUR	FC	FC
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	AT, Vienna	145,346	145,346	100	100	EUR	EUR	FC	FC

	Location	Nominal capital 2023	Nominal capital 2022	Group share % 2023	Group share % 2022	Local currency 2023	Local currency 2022	Consolidation type 2023	Consolidation type 2022
AKIM Beteiligungen GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
SO Immobilienbeteiligungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
CEE Beteiligungen GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
E.V.I. Immobilienbeteiligungs GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Berlin Wohnimmobilien GmbH	AT, Vienna	N/A	3,982,500	N/A	89.67	N/A	EUR	N/A	FC
E.I.A. eins Immobilieninvestitions-gesellschaft m.b.H.	AT, Vienna	36,336	36,336	100	100	EUR	EUR	FC	FC
PCC-Hotellerrichtungs- und Betriebs-gesellschaft m.b.H. & Co. KG	AT, Vienna	8,299,238	8,299,238	91.42	89.84	EUR	EUR	FC	FC
PCC-Hotellerrichtungs- und Betriebs-gesellschaft m.b.H.	AT, Vienna	36,336	36,336	100	100	EUR	EUR	FC	FC
Neutorgasse 2-8 Projektverwertungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
H.S.E. Immobilienbeteiligungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
A.D.I. Immobilien Beteiligungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
QBC Management und Beteiligungen GmbH & Co KG	AT, Vienna	35,000	35,000	35	35	EUR	EUR	E	E
QBC Management und Beteiligungen GmbH	AT, Vienna	35,000	35,000	35	35	EUR	EUR	E	E
BGM - EB-Grundstücksbeteiligungen GmbH & Co KG	AT, Vienna	4,342,202	4,342,202	23.6	23.60	EUR	EUR	E	E
S IMMO Property Invest GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
S Immo Immobilien Investitions GmbH	AT, Vienna	N/A	35,000	N/A	89.90	N/A	EUR	N/A	FC
S IMMO Beteiligungen GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
S IMMO Property Eins GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Vier GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Fünf GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Sechs GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Sieben GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Acht GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Neun GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Zehn GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Elf GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Zwölf GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
Nusku Beteiligungsverwaltungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
Nergal Immobilienverwertungs GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
Nergal Immobilienverwertungs GmbH E58 & Co KG	AT, Vienna	10,000	N/A	89.90	N/A	EUR	N/A	FC	N/A
Nergal Immobilienverwertungs GmbH F3 & Co KG	AT, Vienna	10,000	N/A	89.90	N/A	EUR	N/A	FC	N/A
Nergal Immobilienverwertungs GmbH M3 & Co KG	AT, Vienna	10,000	N/A	89.90	N/A	EUR	N/A	FC	N/A
S IMMO Group Finance GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
"Wienerberg City" Errichtungsges.m.b.H.	AT, Vienna	1,816,821	N/A	100	N/A	EUR	N/A	FC	N/A
Bauteil C+D Errichtungsges.m.b.H.	AT, Vienna	36,336	N/A	100	N/A	EUR	N/A	FC	N/A
Bauteil A+B Errichtungsges.m.b.H.	AT, Vienna	36,336	N/A	100	N/A	EUR	N/A	FC	N/A
WASHINGTON PROEKT EOOD	BG, Sofia	N/A	4,054,450	N/A	100	N/A	BGN	N/A	FC
ELTIMA PROPERTY COMPANY s. r. o.	CZ, Prague	100,000	100,000	100	100	CZK	CZK	FC	FC
REGA Property Invest s. r. o.	CZ, Prague	200,000	200,000	100	100	CZK	CZK	FC	FC

	Location	Nominal capital 2023	Nominal capital 2022	Group share % 2023	Group share % 2022	Local currency 2023	Local currency 2022	Consolidation type 2023	Consolidation type 2022
CD Property s.r.o.	CZ, Prague	200,000	N/A	100	N/A	CZK	N/A	FC	N/A
CPI Office Prague, s.r.o.	CZ, Prague	200,000	N/A	100	N/A	CZK	N/A	FC	N/A
Lucemburská 46, a.s.	CZ, Prague	150,000	N/A	100	N/A	CZK	N/A	FC	N/A
ZET.office, a.s.	CZ, Prague	2,000,000	N/A	100	N/A	CZK	N/A	FC	N/A
SC Czech AHG, s.r.o.	CZ, Prague	10,000	N/A	100	N/A	CZK	N/A	FC	N/A
CPI Office Business Center, s.r.o.	CZ, Prague	100,000	N/A	100	N/A	CZK	N/A	FC	N/A
Futurum KH Shopping, s.r.o.	CZ, Prague	200,000	N/A	100	N/A	CZK	N/A	FC	N/A
Projekt Zlatý Anděl, s.r.o.	CZ, Prague	400,000	N/A	100	N/A	CZK	N/A	FC	N/A
CPI Shopping MB, a.s.	CZ, Prague	4,000,000	N/A	100	N/A	CZK	N/A	FC	N/A
Lützwow-Center GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
Ikaruspark GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Germany GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S Immo Geschäftsimmobiliën GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
Markt Carree Halle Immobilien GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
Tölz Immobilien GmbH	DE, Berlin	25,000	25,000	89.67	89.67	EUR	EUR	FC	FC
SIAG Deutschland Beteiligungs-Verwaltungs GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Deutschland Beteiligungs GmbH & Co. KG	DE, Berlin	100,000	100,000	85.32	85.32	EUR	EUR	FC	FC
SIAG Leipzig Wohnimmobiliën GmbH	DE, Berlin	750,000	750,000	89.67	89.67	EUR	EUR	FC	FC
Maior Domus Hausverwaltungs GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Property I GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Property II GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin I GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin II GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin III GmbH	DE, Berlin	25,000	25,000	83.61	83.61	EUR	EUR	FC	FC
S IMMO Berlin IV GmbH	DE, Berlin	N/A	25,000	N/A	83.61	N/A	EUR	N/A	FC
S IMMO Berlin V GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin VI GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin Finance GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
Bank-garázs Kft.	HU, Budapest	3,000,000	3,000,000	100	100	HUF	HUF	FC	FC
CEE Property-Invest Kft.	HU, Budapest	110,000,000	110,000,000	100	100	HUF	HUF	FC	FC
Maros utca Kft.	HU, Budapest	4,000,000	4,000,000	100	100	HUF	HUF	FC	FC
BUDA Kft.	HU, Budapest	3,000,000	3,000,000	100	100	HUF	HUF	FC	FC
Duna Szálloda Zrt.	HU, Budapest	5,000,000	5,000,000	100	100	HUF	HUF	FC	FC
City Center Irodaház Kft.	HU, Budapest	44,370,000	44,370,000	100	100	HUF	HUF	FC	FC
Nagymező Kft.	HU, Budapest	462,590,000	462,590,000	100	100	HUF	HUF	FC	FC
CEE Property-Invest Hungary 2003 Kft.	HU, Budapest	6,674,082	6,674,082	89.90	89.90	HUF	HUF	FC	FC
S IMMO APM Hungary Kft.	HU, Budapest	20,000,000	20,000,000	100	100	HUF	HUF	FC	FC
Essence Garden Kft.	HU, Budapest	5,000,000	5,000,000	100	100	HUF	HUF	FC	FC
Váci 113 Offices B Hungary Kft.	HU, Budapest	6,000,000	6,000,000	100	100	HUF	HUF	FC	FC
Talent Ágazati Képzőközpont Nonprofit Kft.	HU, Budapest	3,250,000	3,250,000	20	20	HUF	HUF	E	E
BudaPart Auratus Kft.	HU, Budapest	4,070,000	4,070,000	100	100	EUR	EUR	FC	FC
Gateway Office Park Kft.	HU, Budapest	3,000,000	3,000,000	100	100	HUF	HUF	FC	FC
BC 99 Office Park Kft.	HU, Budapest	280,640,000	280,640,000	100	100	HUF	HUF	FC	FC

	Location	Nominal capital 2023	Nominal capital 2022	Group share % 2023	Group share % 2022	Local currency 2023	Local currency 2022	Consolidation type 2023	Consolidation type 2022
Arena Corner Kft.	HU, Budapest	4,000,000	4,000,000	100	100	HUF	HUF	FC	FC
Átrium Park Kft.	HU, Budapest	6,010,000	6,010,000	100	100	HUF	HUF	FC	FC
Andrássy Real Kft.	HU, Budapest	12,030,000	N/A	100	N/A	HUF	N/A	FC	N/A
SOCIETATE DEZVOLTARE COMERCIAL SUDULUI (SDCS) SRL	RO, Bucharest	157,642,390	157,642,390	100	100	RON	RON	FC	FC
VICTORIEI BUSINESS PLAZZA SRL	RO, Bucharest	18,852,144	18,852,144	100	100	RON	RON	FC	FC
DUAL CONSTRUCT INVEST SRL	RO, Bucharest	23,732,000	23,732,000	100	100	RON	RON	FC	FC
S IMMO APM ROMANIA S.R.L.	RO, Bucharest	500,000	500,000	100	100	RON	RON	FC	FC
SMART OFFICE DOROBANTI S.R.L.	RO, Bucharest	11,793,400	11,793,400	100	100	RON	RON	FC	FC
SPC DELTA PROPERTY DEVELOPMENT COMPANY SRL	RO, Bucharest	13,792,510	13,792,510	100	100	RON	RON	FC	FC
SPC SIGMA PROPERTY DEVELOPMENT COMPANY SRL	RO, Bucharest	13,255,000	13,255,000	100	100	RON	RON	FC	FC
EXPO BUSINESS PARK S.R.L.	RO, Bucharest	83,534,400	83,534,400	100	100	RON	RON	FC	FC
Galvániho Business Centrum, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
GALVÁNIHO 2, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
IPD – International Property Development, s. r. o.	SK, Bratislava	33,194	33,194	60	51	EUR	EUR	E	E
SIAG Fachmarktzentren, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
SIAG Hotel Bratislava, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
GALVÁNIHO 4, s. r. o.	SK, Bratislava	33,195	33,195	100	100	EUR	EUR	FC	FC
SIAG Multipurpose Center, s.r.o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
EUROCENTER d. o. o.	HR, Zagreb	N/A	20,000	N/A	100	N/A	HRK	N/A	FC
Savska 32 d.o.o.	HR, Zagreb	2,650	20,000	100	100	EUR	HRK	FC	FC
S IMMO Croatia d.o.o.	HR, Zagreb	9,280	70,000	100	100	EUR	HRK	FC	FC
Zagrebtower d.o.o.	HR, Zagreb	2,036,890	15,347,000	100	100	EUR	HRK	FC	FC

Due to company law-related rules, IPD – International Property Development, s.r.o. is valued at equity.

2.3. Reporting currency and currency translation

The Group's reporting currency is the euro. For subsidiaries that prepare their accounts in foreign currencies and investments accounted for using the equity method, the functional currency of individual Group companies is determined by the main economic environment in which the respective company operates. A key determining factor here is the currency in which the majority of cash flows, goods and services are settled in the relevant country. When the functional currency is not obvious, in accordance with IAS 21 management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions and events.

For the majority of subsidiaries in Romania and Hungary and for two subsidiaries in the Czech Republic, management has defined the euro as the functional currency. The decision took account of the fact that the macroeconomic development of these

economies is significantly influenced by the euro area. In addition, S IMMO concludes lease agreements in these countries predominantly in euros. Property financing is also in euros.

Croatia adopted the euro on 01 January 2023.

For one subsidiary in Romania and two subsidiaries in Hungary, the functional currency is the local currency. The functional currency of the newly acquired Czech subsidiaries and the newly founded Czech subsidiary is also the local currency. For those Group companies for which the local currency is equivalent to the functional currency, functional currencies are translated into the reporting currency in accordance with IAS 21 as follows:

- Assets and liabilities at the closing rate
- Income and expenses at the average rate for the period
- Equity at historical rates
- All resulting exchange differences are recognised in the foreign currency translation reserve under equity

Foreign currencies have been translated using the following exchange rates:

	Czech Republic CZK	Hungary HUF	Bulgaria BGN	Romania RON	Croatia HRK
Closing rate 31 December 2023	24.724	382.800	1.956	4.976	N/A
Average rate in 2023	23.982	382.135	1.956	4.951	N/A
Closing rate 31 December 2022	24.116	400.870	1.956	4.950	7.535
Average rate in 2022	24.562	391.271	1.956	4.935	7.538

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction date or, in the case of revaluations, on the valuation date. Gains and losses resulting from the settlement of such transactions or

from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rate prevailing on the balance sheet date are recognised in the income statement.

2.4. Changes in accounting policies and disclosures

2.4.1. New and amended standards applicable in 2023

The following amendments to existing IAS, IFRS and interpretations as well as the newly issued standards and interpretations were considered in the preparation of the consolidated financial statements:

Standard	Contents	To be used from
IFRS 17	Insurance contracts	January 2023
IAS 1, IFRS Practice Statements 2	Disclosure of accounting policies	January 2023
IAS 8	Definition of accounting estimates	January 2023
IAS 12	Deferred taxes from transactions where taxable and deductible temporary differences of the same amount arise on initial recognition	January 2023
IAS 12	International Tax Reform – Pillar Two Model Rules	Immediately and January 2023

IFRS 17 Insurance Contracts

There are no significant effects on the Group's net assets, financial position and results of operations.

Disclosure of accounting policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2

The IASB amended IAS 1 Presentation of Financial Statements to require entities to disclose their material rather than their significant accounting policies. The amendments define what is "material accounting policy information" (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to

influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements) and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

There are no significant effects on the Group's net assets, financial position and results of operations.

Definition of accounting estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

There are no significant effects on the Group's net assets, financial position and results of operations.

Deferred taxes from transactions where taxable and deductible temporary differences of the same amount arise on initial recognition – amendment to IAS 12 Income Taxes

The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- Right-of-use assets and lease liabilities, as well as
- Decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in the opening balance of retained earnings, or another component of equity, as appropriate.

IAS 12 did not previously address how to account for the tax effects of on-balance-sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group has already recognised deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

International tax reform – Pillar Two model rules – Amendments to IAS 12 Income Taxes

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules (the Global Anti-Base Erosion Proposal, or "GloBE") to reform international corporate taxation. Large multinational enterprises within the scope of the rules are required to calculate their GloBE effective tax rate for each jurisdiction where they operate. They will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate.

In May 2023, the IASB made narrow-scope amendments to IAS 12 which provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments also require affected companies to disclose:

- The fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- Their current tax expense (if any) related to the Pillar Two income taxes, and
- During the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Due to the takeover of IMMOFINANZ AG and S IMMO AG by CPI Property Group S.A. in 2022, the revenue threshold of EUR 750m is exceeded. S IMMO AG and the S IMMO Group companies are therefore subject to the provisions of the Minimum Taxation Act (Mindestbesteuerungsgesetz). CPI Property Group S.A. is the ultimate parent company of S IMMO AG and the S IMMO Group companies, whereby IMMOFINANZ AG is the ultimate Austrian parent company.

The temporary exemption from the accounting requirements for deferred taxes in IAS 12 published by the IASB in May 2023 was applied in the financial year. Accordingly, no deferred taxes arising from the application of the minimum taxation laws are recognised. In the absence of application as of 31 December 2023, there were also no current taxes from minimum taxation.

In all countries in which S IMMO Group operates, national tax laws on minimum taxation have been implemented in accord-

ance with the EU directive that came into force at the end of 2022, whereby all countries have introduced a national supplementary tax and this will apply from 01 January 2024. It is to be expected that supplementary taxes will be levied on S IMMO Group companies in Hungary (9%) and possibly in Croatia (10%/18%), as the nominal tax rates currently applicable in these countries are below 15%.

The quantitative effects of the application of the Minimum Taxation Act cannot yet be reliably estimated due to the complexity of the Group's overall structure.

2.4.2. Standards, interpretations and amendments to published standards that are not yet mandatory in 2023 and have not been applied early

The following standards and interpretations were introduced or amended, but their application was not yet mandatory for the 2023 financial year. Early application is not planned.

Standard	Contents	Adopted by the EU and applicable from
IFRS 16	Lease liability in a sale and leaseback	January 2024
IAS 1	i. Classification of liabilities as current or non-current ii. Non-current liabilities with covenants	January 2024

Standard	Contents	Not adopted by the EU and applicable from
IFRS 7, IAS 7	Reverse factoring agreements	January 2024
IAS 21	The impact of exchange rate changes: Lack of exchangeability	January 2025

From the current perspective, no significant effects on the net assets, financial position, and results of operations of the Group are expected from the first-time application of all amendments to standards that are not yet mandatory.

2.5. Changes in accounting and valuation policies

There were no changes in accounting and valuation policies in the financial year 2023.

2.6. Accounting and valuation policies

2.6.1. Properties held as financial investments

It is industry practice to measure investment properties using the fair value model, under the option available in IAS 40. The Group classifies properties as leased or rented out for the purpose of generating income or held for capital appreciation, together with undeveloped land as investment properties. Proper-

ties acquired for disposal, used by the Group or sold after development do not fall under the scope of IAS 40 and fall under the scope of IAS 2.

The application of the fair value model means that rental properties and undeveloped land are measured at fair value at the balance sheet date. The resulting changes in book values before revaluation are recognised as profit or loss under the result from property valuation.

The diversity of the properties to which the fair value model is applied necessitates a careful choice of appropriate valuation models and different parameters for each individual property, ensuring that factors such as location of the property, type of use, market environment and building quality are taken into account.

Costs of regular maintenance are recognised in profit or loss immediately. Costs are capitalised when the expenditure results in increased future benefits and the costs can be reliably measured. The capitalised costs are not subject to depreciation and amortisation because no depreciation and amortisation is applied in general pursuant to the fair value model selected according to IAS 40.

Cost of debt directly attributable to the construction of qualifying properties is capitalised at cost for the period of construction.

2.6.2. Owner-operated properties, other property, plant and equipment

Owner-operated properties consist of hotels operated by S IMMO Group. The business of these hotels includes the rental of rooms and catering activities. These hotels are operated under management agreements for the most part, and consequently the risks associated with occupancy rates are borne by S IMMO Group. Hotels of this kind are outside the scope of IAS 40 (investment properties) and are therefore to be treated as property, plant and equipment under IAS 16.

Under IAS 16, owner-operated properties (including owner-managed hotels) and other property, plant and equipment are valued using the cost model. The properties are recognised on initial capitalisation at cost of acquisition or construction and written down in subsequent years to reflect depreciation and amortisation and any impairment losses (please refer to section 2.6.5.1. of the notes). Significant components with different useful lives are recognised and amortised separately.

Retroactive acquisition or construction costs are only recognised as part of the acquisition or construction costs of an asset or, if applicable, as a separate asset when it is probable that the Group will receive an economic benefit from the asset in the future and the costs can be reliably measured. The book value of the parts that were replaced is derecognised. Repair and maintenance expenses that do not represent a material replacement investment (day-to-day servicing) are recognised as expenses in the income statement in the financial year in which they are incurred.

Gains and losses on disposals of property, plant and equipment are measured as the difference between the disposal proceeds and the book values and in the case of properties are reported under gains on property disposals.

Cost of debt directly attributable to the construction of qualifying properties is capitalised at cost for the period of construction.

Depreciation and amortisation is calculated on a straight-line basis over the expected useful lives of the assets as follows:

	Useful life in years	
	from	to
Owner-operated hotels/buildings	5	30
Other property, plant and equipment/ machinery and equipment	3	11

2.6.3. Intangible assets

Intangible assets for the purpose of IAS 38 are identifiable non-monetary assets without physical substance. To qualify for recognition, an intangible asset must be identifiable and under the control of the entity. It must be probable that the entity will receive future economic benefits from the asset and its cost of acquisition and construction must be capable of being measured reliably.

The intangible assets of S IMMO are mainly software.

2.6.4. Financial instruments

2.6.4.1. Primary financial instruments

In accordance with IFRS 9, S IMMO Group classifies its financial instruments as follows:

Financial assets at fair value through other comprehensive income (FVOCI)

This category consists of equity instruments that are not held for trading and which S IMMO has elected to recognise in other comprehensive income. The accounting treatment can be elected on initial recognition only and is irrevocable, but applies to each asset separately. S IMMO measures an interest at fair value through equity.

Financial assets at fair value through profit and loss (FVTPL)

This category includes equity instruments that are not held for trading and not designated at FVOCI. This involves shares in non-consolidated companies. This category also includes assets that are not equity instruments and which have contractual cash flows that do not exclusively consist of interest and repayments (SPPI criteria).

Financial assets at amortised cost

Assets that are not equity instruments and that meet the SPPI criterion are measured at amortised cost if the objective of the business model consists of holding the financial asset and collecting the contractual cash flows. Interest income, impairments and foreign currency effects and gains or losses on disposal must be recognised in profit and loss in this category.

Financial liabilities

Financial liabilities are generally measured at amortised cost. There are certain exceptions: financial liabilities designated at FVTPL, financial liabilities arising when the transfer of a financial asset does not meet the criteria for derecognition or is recognised based on a continuing involvement, financial guarantees, commitments to provide a loan at a below-market interest rate and conditional consideration recognised by the acquiring entity in a business combination according to IFRS 3. The option to designate financial liabilities exists to eliminate mismatching or when financial liabilities are managed and monitored using a documented risk or investment strategy based on fair values.

Most of S IMMO's financial liabilities are measured at amortised cost. Derivatives are measured at fair value, adjusted for CVAs/DVAs. The option to designate financial liabilities as at fair value through profit or loss was not exercised.

S IMMO Group classifies financial instruments into the following categories:

- Group interests
- Trade receivables
- Other financial assets
- Cash and cash equivalents
- Issued bonds
- Other financial liabilities
- Trade payables

For financial assets for which there is no active market, the fair value is calculated with the aid of valuation models. This can involve the derivation of fair value from current transactions in similar financial instruments or from fair values of future payment streams (discounted cash flow models), or the use of mathematical models.

2.6.4.2. Derivatives for interest rate hedging

S IMMO Group currently uses derivative financial instruments – interest rate caps and swaps – to reduce the risks attendant on interest rate increases. The derivative financial instruments are measured at fair value. To a limited extent (in small amounts), corresponding adjustments on CVAs (credit value adjustments) and DVAs (debit value adjustments) have been taken into account in the valuation of derivatives.

S IMMO Group's business purpose includes the acquisition and development of properties for rental or subsequent sale with the aim of generating positive net cash flows. Business activities are financed through equity, and also through long-term borrowings in the form of mortgage loans and other financial liabilities.

The bulk of the external financing consists of variable-rate borrowings, with interest rates linked to the usual three-month EURIBOR as the base rate.

S IMMO Group's risk management strategy is to hedge the interest rate risk (i.e. the variability of the base rate) using off-setting hedges, in order to ensure fixed payment streams and to make property project forecasts more reliable. The purpose of cash flow hedging at S IMMO Group is to hedge interest payments from variable-rate loans by entering into corresponding interest rate derivatives.

Hedged risk

The hedged interest rate risk is a market interest rate, the EURIBOR, which is an identifiable component of the interest rate risk on interest-bearing financial liabilities that can be separately assessed.

Hedging instruments

S IMMO Group uses as hedging instruments only those derivatives that, because they move in the opposite direction of the underlying transactions, convert the potential changes in cash flows, in particular from increases in interest rates, into fixed payment streams. The hedging instruments used at the moment are interest rate swaps. As of 31 December 2023, hedge accounting was applied for interest rate swaps with a nominal value of kEUR 724,781 (31 December 2022: kEUR 419,620). The effective portion of the change in fair value of these derivatives is recognised not through profit or loss but under other comprehensive income. The ineffective portion is recognised through profit or loss as part of the financing results. As in the previous year, no ineffective portions were realised through profit or loss in the 2023 financial year.

The changes in the valuation of cash flow hedges recognised under equity are transferred to the income statement in the period in which the hedged underlying transaction affects profit or loss or when the requirements for recognition as a cash flow hedge are no longer met. In the financial year 2023, derivative valuation effects including deferred tax of kEUR -1,736 (2022: kEUR -9,379) were reclassified from equity to the income statement.

In order to meet the requirements for hedge accounting, at the time of the derivative transaction S IMMO Group documents the hedging relationship between the hedging instrument and the underlying transaction, the goals of its risk management and the underlying hedging strategy. The effectiveness of the hedge was assessed using a priori tests. If a critical-terms match exists, no significant ineffectiveness is expected from the hedging relationship.

2.6.5. Impairment of assets

2.6.5.1. Non-financial assets

For properties used by the owner (at present these are hotels) and for other property, plant and equipment and intangible assets where there is evidence of impairment, the recoverable amount is ascertained in accordance with IAS 36. The recoverable amount is the higher of the fair value less costs to sell and the value in use.

The fair value is the amount that would be obtained by the sale of the asset in an arm's-length transaction between knowledgeable, willing and independent parties.

The value in use is the present value of the estimated future payment flows that can be expected from the continued use of an asset and its disposal at the end of its useful life.

If the recoverable amount is less than the book value of the asset, an impairment write-down is applied to the recoverable amount through profit or loss.

The impairment test for hotels is a two-stage process and is in accordance with the provisions of IAS 36. The recoverable amount is the higher of its fair value less costs to sell and its value in use. The book value is first compared with the hotel's fair value. If the book value exceeds the fair value, the question is then whether the value in use differs substantially from the fair value. If this is not the case, the book value is written down to correspond to the fair value. As of 31 December 2023, the fair values determined by external valuation reports of the hotels are significantly higher than their respective carrying amounts.

If the impairment no longer applies, the impairment loss is reversed through profit or loss, up to the lower of the new recoverable amount or the depreciated original cost of acquisition or construction. The Group had no impairment losses and no reversals of impairment losses in 2023 or the previous year.

2.6.5.2. Financial instruments

S IMMO Group reviews all its financial assets, with the exception of those measured at fair value through profit or loss, at every balance sheet date for any objective indications that any asset or group of assets may have suffered impairment.

Fluctuations in value of equity instruments included in the category FVOCI are recognised in other comprehensive income with no impact on profit or loss.

The impairment model of IFRS 9 requires impairment to be recognised on the basis of expected credit losses (expected credit loss model). This rule applies to financial assets measured at amortised cost, contract assets within the scope of IFRS 15, lease receivables, loan commitments and certain financial guarantees.

The risk of default is the risk of financial loss from a customer or a party to a financial instrument failing to fulfil its contractual obligations. The book values of the financial assets and contract assets are equal to the maximum risk of default.

Trade receivables and contract assets

The Group uses the simplified model for trade receivables without significant financing components and calculates the loss allowance accordingly at an amount equal to lifetime expected losses. To account for uncertainties relating to the impact of the current macroeconomic environment, forward-looking estimates were made for single tenants or – in the case of very small receivables – valuation allowances required were calculated on the basis of the sector in which the tenants operate.

Taking into account the legal situation in question, defaults are recognised no later than at the time of insolvency.

2.6.6. Other assets

No impairments were recognised for other assets. This consisted mainly of prepaid expenses, tax receivables and prepayments.

2.6.7. Cash and cash equivalents

Cash and cash equivalents comprise cash and sight deposits together with bank deposits with a maturity of up to three months at the time of the original deposit. As of 31 December 2023, a provision of kEUR 34 (31 December 2022: kEUR 8) for bank balances was recorded based on the default probabilities observed in the market.

2.6.8. Properties held for sale

Property held for sale is not considered to be investment property within the scope of IAS 40 but is treated as held for sale if the corresponding book value will be realised by sale and not by continuing use. This means that the corresponding long-term assets and disposal groups in their present condition are available for immediate sale and that a sale is very likely. For property to be considered as held for sale, the sale must be concluded within a year of the property being classified as such.

In accordance with IFRS 5, property held for sale is as a general rule measured at the lower of book value and fair value less costs to sell. IFRS 5 provides for an exception with respect to the measurement of properties held as financial investments: They are measured at market value. However, the special disclosure requirements under IFRS 5 are applicable, meaning that properties held for sale must be shown under current assets.

As of 31 December 2023, the Group intended to dispose of properties with a book value of kEUR 84,515 (including those that are part of a disposal group).

2.6.9. Taxes

The individual companies in the Group recognise liabilities for current tax liabilities.

In accordance with IAS 12, deferred taxes are recognised on the temporary differences between the book value of an asset or liability in the consolidated financial statements and the relevant book value for tax purposes. Deferred tax liabilities were recognised in full for the real estate assets. Deferred taxes were not recognised in connection with the initial recognition of an asset or liability in a transaction that is not a business combination. Deferred tax assets on loss carryforwards are recognised in consideration of the respective usability in the opinion of the management. Deferred tax assets on loss carryforwards are recognised when sufficient deferred tax liabilities exist and it can be assumed that both deferred property liabilities and deferred tax assets on loss carryforwards will decrease in the future. Deferred tax assets on loss carryforwards are as a general rule recognised up to the amounts of deferred tax liabilities. Beyond that limit, deferred tax assets are recognised on the basis of tax planning with a planning horizon of a maximum of five years. Deferred taxes are calculated using the applicable tax rates at the balance sheet date, or, where changes in tax law have already been adopted, at the rates applicable in future.

Deferred tax claims and deferred tax liabilities within a taxable entity are only netted where this entity has a legally enforceable right to set tax assets and liabilities against each other, and where the deferred taxes relate to taxes on income assessable by the same tax authority on the same tax entity or where there is a right of set-off within a tax group, as in Austria.

2.6.10. Leasing

The Group primarily leases property for subletting (including land with construction rights). Rental contracts are typically concluded for fixed periods but may include renewal options. As of 31 December 2023, there were no material renewal or termination options in connection with leases in accordance with IFRS 16. The rental conditions are negotiated individually and contain a range of different terms. In the financial year, there were no material modifications to contracts in accordance with IFRS 16.

Leases are recognised as a right-of-use asset and a corresponding lease liability from the date on which the leased asset is made available to the Group for use. Each lease payment is divided into repayment and financing costs. Financing costs are recognised in income over the term of the lease so as to achieve a periodic rate of interest on the remaining amount of the liability for each period. Rights of use that are not attributable to investment property are depreciated on a straight-line basis over the shorter of the useful life of the underlying asset and the term of the lease. If the lease contains a purchase option that is likely to be exercised or is a lease that transfers ownership of the underlying asset at the end of the term, the right-of-use asset is depreciated on a straight-line basis over the useful life of the underlying asset. Construction rights are classified as investment property and measured at fair value in accordance with IFRS 16.34 in the same way as for property.

In addition, there are leases for buildings that are owner-operated. The resulting right-of-use assets are recognised in the statement of financial position under "owner-operated properties" and are depreciated over the term of the lease.

Lease liabilities are recognised at the present value of the lease payments, composed as follows:

- Fixed payments (including de facto fixed payments, less any lease incentives receivable)
- Variable lease payments based on an index or (interest) rate
- Expected residual payments under residual value guarantees of the lessee
- The exercise of a purchase option if exercise by the lessee is reasonably certain

Lease payments are discounted using the Group's incremental borrowing rate, i.e. the interest rate that the Group would be required to pay to raise the funds to acquire an asset with a comparable value and comparable conditions in a comparable economic environment.

Right-of-use assets are carried at cost, composed as follows:

- The amount of the lease liability upon first-time recognition
- All lease payments on or prior to provision, less any lease incentives received
- All initial direct costs incurred by the lessee
- The estimated costs incurred by the lessee for dismantling or removing the underlying asset, restoring the site at which the asset is located or returning the underlying asset to the condition required under the terms of the lease

Payments for current leases and leases of low-value assets are recognised as expense in profit or loss. Current leases are leases with a term of twelve months or less.

2.6.11. Revenues

2.6.11.1. Rental income

Rental income is recognised on a straight-line basis over the term of the rental agreement. One-off payments and waivers of rent as well as any other kind of rental incentive are spread over the minimum rental period. The allocation of operating costs that are associated with the legal ownership of the property and are not offset by the performance of a service in the narrower sense to the tenant is no longer recognised under revenues from operating costs, but instead under rental income.

2.6.11.2. Revenues from operating costs

Revenues from operating costs accrue from invoicing operating costs to tenants of portfolio properties and comprise revenues for the invoicing of electricity, the cleaning of buildings and the like. Typically, the composition of operating costs incurred and that can be invoiced varies depending on the type of use and jurisdiction. The operating costs are specified monthly and recognised as revenue pro rata temporis.

2.6.11.3. Revenues from hotel operations

Revenues from hotel operations consist largely of room rental income and catering income. Income is recognised in proportion to the services rendered until the balance sheet date.

2.6.11.4. Income and costs from financial instruments

Income from financial instruments includes interest, dividends and capital gains from the investment of funds and from investments in financial assets, reversals of impairment losses, and exchange rate gains on the valuation of monetary assets and liabilities at the individual company level. Dividends are recognised at the time the resolution authorising the dividend distribution is passed.

Financial expenses include interest and similar expenses on external borrowings, incidental costs, losses on the disposal of financial assets, impairment losses, current hedging results and exchange rate losses on the valuation of monetary assets and liabilities at the individual company level.

Interest is accrued using the effective interest rate method.

The valuation of derivatives reflects, among others, gains and losses on the disposal or revaluation of interest caps and swaps which have not been recognised in equity and are shown in the income statement as part of the financial results.

Where applicable, short-term exchange gains or losses on the valuation of financial instruments are disclosed here.

2.7. Hierarchy of fair value measurement

The following analysis classifies financial instruments measured at fair value on the basis of the method of valuation. A hierarchy consisting of three levels has been defined for this purpose:

Level 1:	Quoted prices for identical assets or liabilities listed on an active market (without adjustment)
Level 2:	Inputs for assets or liabilities that are observable either directly (e.g. prices) or indirectly (e.g. derived from prices) other than Level 1 inputs
Level 3:	Inputs for assets or liabilities not based on observable market data

31 December 2023 EUR '000	Level 1	Level 2	Level 3	Total
Properties held as financial investments				
Rental properties	0	0	3,206,465	3,206,465
Properties under development and undeveloped land	0	0	87,977	87,977
Group interests	0	0	7,075	7,075
Other financial assets				
Derivatives	0	87,922	0	87,922
Other financial assets				
Derivatives	0	252	0	252
Assets held for sale	0	0	84,515	84,515
Financial liabilities				
Derivatives	0	-1,115	0	-1,115
31 December 2022 EUR '000				
Properties held as financial investments				
Rental properties	0	0	2,580,819	2,580,819
Properties under development and undeveloped land	0	0	86,433	86,433
Group interests	0	0	5,303	5,303
Other financial assets				
Derivatives	0	92,503	0	92,503
Other financial assets				
Derivatives	0	1,254	0	1,254
Assets held for sale	0	5,355	501,006	506,361
Financial liabilities				
Derivatives	0	0	0	0

2.8. Estimation and assumption uncertainties

The preparation of consolidated financial statements in accordance with IFRS requires estimates and assumptions by the management about future developments. These can have a material influence on the recognition and measurement of assets and liabilities, on information about other obligations at the balance sheet date and on disclosure of income and expenses during the financial year.

IFRS 13 defines fair value as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Estimates and underlying assumptions are subject to ongoing review. Actual outcomes may differ from the assumptions and estimates made if developments in the business environment turn out differently than expected. Changes are reflected in profit or loss as soon as the altered circumstances become known, and the assumptions are adjusted accordingly.

The current macroeconomic situation, which is characterised by increased interest rates and high inflation rates, has potential effects on the balance sheet items listed below. Increased financing costs had a negative impact on the financial result for the financial year. The effects of possible interest rate changes are listed in the stress test in section 5.2.1 exchange rate and interest rate risk. This has manifested itself in particular in higher financing costs for new borrowings and in the valuation of interest rate derivatives. Due to the interest rate cuts expected in 2024, the fair value of the interest rate derivatives fell significantly in the 2023 financial year, while significant valuation gains were recorded in the previous year due to the expected further interest rate increases. This had a significant impact on both the financial result and other comprehensive income. The future development cannot be quantified from today's perspective. The positive values of the interest rate hedging derivatives will decrease again if interest rates fall and have a negative impact on other comprehensive income and the result for the period. This development has also been reflected in the cost and income situation, in particular increased operating cost expenses and operating cost revenues, and subsequently also inflation-related rent increases and thus an improved like-for-like performance of the rents. Price increases can also be observed in the area of construction costs. The developments described are also reflected accordingly in the valuation of properties, as the main valuation parameters are derived on the basis of the market conditions prevailing on the respective reporting date. This resulted in significant devaluations in the current financial year, as well as to a lesser extent in the previous year, which led to a

negative "Result from property valuation" (see also section 3.2.6.). The future development of discount and capitalisation rates cannot be predicted in this area either. There are currently no signs of significant reductions in space or rents, increased defaults by tenants or specific difficulties in obtaining new credit financing on terms acceptable to S IMMO Group. These risks are countered by forward-looking portfolio management. The effects of possible changes in interest rates can be found in the sensitivity analysis in section 2.8.1.2. The rise in interest rates and operating costs had a value-reducing effect in the financial year, while the inflation-related rent increases had a positive effect on property valuations. The valuation parameters were determined on the basis of the current market situation, including the current weak situation on the transaction market. These effects are reflected in the negative result from the property valuation. S IMMO is not directly affected by the war in Ukraine because the Group has no properties or business relationships in Ukraine. However, the Group is indirectly affected by the impact of the war in Ukraine on the overall economic situation. A quantitative estimate of these indirect effects on the Group is currently not possible.

The following assumptions entail a not insignificant risk that they may result in a material adjustment of assets and liabilities in the next financial year:

2.8.1. Investment property

The calculation of the fair value of investment property is mainly based on expert valuations by internationally recognised valuers (CBRE, Colliers International, CUSHMAN & WAKEFIELD, iO Partners). The valuations were prepared in compliance with the International Valuation Standards and the rules of IFRS 13. The values of these properties depend to a significant extent on present estimates of future rental trends and vacancy levels, and on the interest rates used for discounting purposes.

As of 31 December 2023, investment property has a book value of kEUR 3,294,442 (31 December 2022: kEUR 2,667,252). As of 31 December 2023, properties in the amount of kEUR 84,515 (31 December 2022: kEUR 501,006) were held for sale (including those properties that are part of a disposal group). The properties held for sale are attributable to the Austria, Germany and Czech Republic segments.

2.8.1.1. Valuation methods in connection with investment property

The following measurement methods were used in calculating hierarchy Level 3 fair values:

In Austria and the CEE region, the so-called hardcore and top-slice version of the investment method was generally applied.

Under the hardcore and top-slice version, the net income generated by a property – up to the market rent (the 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 addition, the discounted cash flow method (DCF method) was used for the valuation of existing properties in Germany and the Czech Republic.

The discounted cash flow method determines the fair value in two phases. In phase 1 (usually 10 years), the net cash flow (operating rental income after deduction of property-related expenses) is calculated explicitly using defined parameters and discounted to the valuation date using the selected discount rate. In phase 2 (at the end of the detailed cash flow period), the stabilised net rental income is calculated as a perpetual annuity using an appropriate capitalisation interest rate and also discounted to the valuation date.

The valuation of undeveloped land is based on a comparable value method. According to this method, the land values are determined from the realised purchase prices of other properties that are comparable in terms of location and property size.

Properties under development and existing properties that were acquired for possible redevelopment are measured with the residual value method. The external appraiser is responsible for selecting the valuation method. Differences to the above-mentioned procedure are therefore possible.

Changes in the fair value of the existing properties, properties under construction, properties held for sale and properties sold are recognised through profit or loss in the income statement.

Measurement of fair value on the basis of unobservable inputs (hierarchy Level 3)

Different valuation methods were used in the various asset classes.

Key parameters per segment and applied valuation method are shown below.

Depending on the risk evaluation – which is 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 lease agreements 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, next to let properties, also include the existing properties classified held for sale, in cases where current appraisals were available as of the balance sheet date.

31 December 2023

Office		Leasable area in m ²	Market rent per m ² and month in EUR	Net actual rent per m ² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	2,194	6.69	6.22	4.10	0.00
	max	66,259	25.52	38.94	7.15	52.47
	weighted average	12,015	14.44	15.19	5.35	12.20
	median	5,588	14.07	13.26	5.40	3.28
Germany	min	3,578	6.50	5.85	4.40	0.27
	max	18,643	16.05	20.38	6.90	37.87
	weighted average	8,934	11.68	12.21	5.60	12.45
	median	9,269	10.33	10.63	5.50	9.37
Hungary	min	519	8.00	6.79	6.00	0.00
	max	38,923	19.59	20.11	8.75	63.06
	weighted average	14,981	15.21	13.07	7.73	18.91
	median	10,189	14.13	12.48	8.00	16.88
Romania	min	10,037	12.17	13.04	7.75	0.44
	max	42,858	19.22	19.26	9.50	16.03
	weighted average	23,420	17.02	16.97	8.20	4.57
	median	20,014	16.77	16.34	8.00	2.34
Czech Republic	min	3,316	13.21	11.26	5.25	0.00
	max	23,565	21.14	20.41	7.30	16.26
	weighted average	12,446	15.97	14.25	6.17	4.77
	median	11,272	15.40	13.78	6.10	1.86
Slovakia	min	9,738	12.67	10.85	7.25	12.95
	max	26,387	14.03	13.08	8.00	24.13
	weighted average	16,713	13.55	12.26	7.67	17.93
	median	14,015	13.24	11.65	7.75	16.71
Croatia	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		Leasable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	8,724	10.66	10.23	5.05	0.00
	max	14,834	17.77	22.54	5.80	25.89
	weighted average	11,531	14.47	15.42	5.53	9.30
	median	11,035	13.04	12.37	5.75	2.00
Germany	min	1,782	5.71	4.96	5.90	6.44
	max	14,731	9.82	283.23	8.10	96.07
	weighted average	9,214	8.90	17.84	6.88	37.12
	median	11,131	8.18	7.60	6.65	8.83
Romania	min	81,528	20.87	19.91	9.00	0.40
	max	81,528	20.87	19.91	9.00	0.40
	weighted average	81,528	20.87	19.91	9.00	0.40
	median	81,528	20.87	19.91	9.00	0.40
Czech Republic	min	7,092	16.78	17.72	5.00	2.45
	max	38,513	49.57	50.06	6.70	5.36
	weighted average	22,042	21.36	22.03	6.10	3.58
	median	20,522	18.61	19.31	6.60	2.94
Slovakia	min	12,015	7.77	8.57	8.50	0.00
	max	13,790	7.91	9.38	8.50	3.46
	weighted average	12,903	7.84	8.94	8.50	1.73
	median	12,903	7.84	8.97	8.50	1.73
Other		Leasable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	7,156	0.00	10.02	6.00	0.00
	max	9,946	10.09	16.49	7.00	0.27
	weighted average	8,551	4.22	13.79	6.50	0.13
	median	8,551	5.05	13.25	6.50	0.13
Germany	min	282	0.00	5.18	2.80	0.00
	max	13,586	12.50	18.35	9.30	57.11
	weighted average	1,276	8.31	8.76	4.26	11.32
	median	833	8.50	7.89	4.25	7.89
Czech Republic	min	1,108	0.00	110.78	7.00	0.00
	max	1,108	0.00	110.78	7.00	0.00
	weighted average	1,108	0.00	110.78	7.00	0.00
	median	1,108	0.00	110.78	7.00	0.00
Slovakia	min	14,002	0.00	12.15	6.50	3.63
	max	14,002	0.00	12.15	6.50	3.63
	weighted average	14,002	0.00	12.15	6.50	3.63
	median	14,002	0.00	12.15	6.50	3.63

Due to the change in segment reporting, the previous year was adjusted and a presentation per country was chosen. This presentation can no longer be reconciled with the previous year.

31 December 2022

Office		Leasable area in m ²	Market rent per m ² and month in EUR	Net actual rent per m ² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	2,226	9.54	11.45	2.75	0.00
	max	19,051	23.86	27.81	5.60	58.67
	weighted average	6,153	14.18	18.91	3.76	16.53
	median	5,023	12.61	21.02	3.68	12.30
Germany	min	630	4.34	3.92	4.10	2.90
	max	19,573	15.52	16.74	7.05	36.51
	weighted average	6,760	10.87	10.09	5.41	17.29
	median	5,228	9.99	9.53	5.15	16.53
Hungary	min	519	9.00	3.81	5.75	0.00
	max	38,810	18.27	20.43	8.50	35.44
	weighted average	15,862	14.23	14.27	7.27	10.94
	median	10,863	13.79	12.73	7.50	7.71
Romania	min	10,037	10.81	5.34	6.15	0.44
	max	42,858	18.44	16.15	6.95	16.03
	weighted average	23,420	15.89	13.87	6.38	4.61
	median	20,014	15.67	14.00	6.25	2.34
Slovakia	min	9,749	10.95	7.61	4.00	14.85
	max	26,439	12.40	9.84	4.20	26.00
	weighted average	16,703	11.91	9.44	4.08	19.16
	median	13,919	11.65	9.79	4.05	16.64
Croatia	min	8,638	13.71	10.46	7.70	0.00
	max	15,523	16.45	11.27	8.00	1.45
	weighted average	12,081	14.69	10.98	7.85	0.73
	median	12,081	15.08	10.87	7.85	0.73
Retail		Leasable area in m ²	Market rent per m ² and month in EUR	Net actual rent per m ² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	943	6.50	6.95	2.75	0.00
	max	14,840	17.41	20.18	4.40	9.16
	weighted average	6,529	13.35	16.07	3.85	1.97
	median	5,362	10.58	10.18	3.95	0.00
Germany	min	685	4.36	3.98	4.00	0.00
	max	14,731	10.08	11.51	6.90	70.61
	weighted average	6,337	7.90	7.81	5.04	15.82
	median	3,730	8.08	7.03	4.80	2.94
Romania	min	81,486	19.52	14.47	7.50	0.31
	max	81,486	19.52	14.47	7.50	0.31
	weighted average	81,486	19.52	14.47	7.50	0.31
	median	81,486	19.52	14.47	7.50	0.31
Slovakia	min	12,015	7.93	6.40	5.60	0.00
	max	13,790	8.42	7.29	6.25	0.00
	weighted average	12,902	8.16	6.81	5.93	0.00
	median	12,902	8.18	6.85	5.93	0.00

Other		Leasable area in m ²	Market rent per m ² and month in EUR	Net actual rent per m ² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	7,156	10.76	4.62	1.85	0.07
	max	11,421	11.80	11.09	4.60	3.62
	weighted average	9,289	11.40	8.54	3.23	1.85
	median	9,289	11.28	7.86	3.23	1.85
Germany	min	282	0.00	0.49	2.20	0.00
	max	13,586	11.75	19.72	9.00	55.81
	weighted average	1,208	7.77	6.14	3.52	9.53
	median	837	7.91	5.68	3.45	4.65
Czech Republic	min	6,714	0.00	18.76	6.23	0.00
	max	8,767	0.00	21.53	6.32	0.00
	weighted average	7,741	0.00	20.33	6.28	0.00
	median	7,741	0.00	20.15	6.28	0.00
Slovakia	min	14,002	0.00	6.81	4.45	1.75
	max	14,002	0.00	6.81	4.45	1.75
	weighted average	14,002	0.00	6.81	4.45	1.75
	median	14,002	0.00	6.81	4.45	1.75

A reduction in the expected annual rents leads to a reduction in the fair value, as does an increase in capitalisation rates. There are interdependencies between the rates because these are partly based on market values.

The following tables show the input factors for properties valued using the comparable value method:

31 December 2023

Development projects & undeveloped land		Land in m ²	Price per m ² in EUR
Germany	min	391	0.59
	max	287,936	414.74
	weighted average	69,966	29.20
	median	42,519	28.12
Hungary	min	3,335	599.70
	max	9,766	1,034.20
	weighted average	6,551	923.59
	median	6,551	816.95
Romania	min	1,508	1,797.08
	max	1,508	1,797.08
	weighted average	1,508	1,797.08
	median	1,508	1,797.08

31 December 2022

Development projects & undeveloped land		Land in m ²	Price per m ² in EUR
Germany	min	391	0.63
	max	287,936	414.74
	weighted average	69,966	28.23
	median	42,519	26.86
Hungary	min	3,335	599.70
	max	9,766	1,054.68
	weighted average	6,551	938.86
	median	6,551	827.19
Romania	min	18,331	22.37
	max	18,331	22.37
	weighted average	18,331	22.37
	median	18,331	22.37
Bulgaria	min	1,500	266.67
	max	1,500	266.67
	weighted average	1,500	266.67
	median	1,500	266.67

An increase in the price per m² would lead to an increase in fair value, while a decrease in the price per m² would lead to a decrease in fair value.

Expert valuations for existing properties are carried out at least once a year by independent professional experts for the purpose of preparing the annual financial statements. The professional experts are provided with the necessary information, such as current rents, by the company's Asset Management department. The market assumptions and valuation methods used in preparing the expert valuations are agreed with the appointed professional experts.

2.8.1.2. Information on non-observable input factors underlying valuation (Level 3)

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. 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 S IMMO's consolidated net income.

The following table shows the change in the fair value of the property assets as of 31 December 2023 depending on the rental income and interest rates:

Change

31 December 2023	in mEUR	Yield		
		(0.25%)	0.00%	0.25%
ERV	(5.00%)	3,176	3,045	2,926
	0.00%	3,337	3,202	3,077
	5.00 %	3,500	3,358	3,227

For example, if the interest rate decreases by 0.25 basis points and rental income remains unchanged, the fair value of property assets increases by 4.2%.

The above data are based on the properties of the existing property portfolio, which were valued by external appraisers using the hardcore and top-slice or DCF method. Rights of use and properties classified as held for sale in accordance with IFRS 5 are excluded. As of 31 December 2023, the property

portfolio had a book value of EUR 3,379.0m (excluding owner-operated properties), the book value of S IMMO's property portfolio included in the sensitivity analysis totalled EUR 3,202.1m, or 94.8% of the property portfolio (excluding owner-operated properties) as of 31 December 2023.

The following table shows the change in the fair value of property assets as of 31 December 2022 depending on rental income and interest rates.

Change

31 December 2022	in mEUR	Yield		
		(0.25%)	0.00%	0.25%
ERV	(5.00%)	2,110	2,009	1,916
	0.00%	2,220	2,114	2,017
	5.00 %	2,329	2,217	2,115

As of 31 December 2022, the property portfolio had a book value of EUR 3,168.3m, the book value of S IMMO's portfolio included in the sensitivity analysis totalled EUR 2,113.7m (excluding owner-operated properties), or 66.7% of the property portfolio as of 31 December 2023. In the previous year, properties for which no valuation reports were available (mainly properties valued due to transactions) were not included.

In order to increase the informative value of this analysis, the presentation has been adjusted and can no longer be reconciled with the previous year.

2.8.2. Intangible assets and property, plant and equipment

Estimates of the long-term value of property, plant and equipment and intangible assets are based on assumptions about the future. The calculation of recoverable amounts for the purpose of impairment tests is based on several assumptions, for example, about future net cash flows and discount rates. The book value of intangible assets amounted to kEUR 1,194 (31 December 2022: kEUR 768), that of other property, plant and equipment to kEUR 4,273 (31 December 2022: kEUR 5,003). As in the previous year, external appraisers prepared valuation reports for owner-operated properties using the discounted cash flow method which were significantly higher than the book value of kEUR 98,653 (31 December 2022: kEUR 105,529). There were no indications of significant impairment as of 31 December 2023.

2.8.3. Financial instruments

In estimating the value of financial instruments (in particular, derivatives) for which no active market exists, alternative valuation methods based on investment mathematics are employed. The

parameters on which estimates of fair value are based depend in part on assumptions about the future. The book values of financial instruments are detailed in note 5.1.

2.8.3.1. Valuation of derivatives

S IMMO Group's derivative financial instruments are measured at fair value. The fair values of the swaps or caps are determined using a discounted cash flow method according to IFRS 13. The material input parameters are determined for the reporting date. They mainly consist of the euro interest yield curve and historical EURIBOR fixings. Market data are obtained from Bloomberg.

For the determination of credit value adjustments/debit value adjustments (CVA/DVA), credit spreads were defined to estimate the probability of default. For counterparties or bank groups for which a "CDS Spread Curve" is available, this was used.

2.8.3.2. Derivatives – sensitivity analysis

The fair values of the interest rate derivatives change as follows when the interest rates shift by +100 BP, +50 BP, -50 BP or -100 BP:

	31 December 2023			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
+100 BP EUR '000				
Swaps	1,362,480	86,899	55,521	64
Caps	19,931	159	124	78
Total	1,382,411	87,059	55,645	64

	31 December 2023			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
+50 BP EUR '000				
Swaps	1,362,480	86,899	28,262	33
Caps	19,931	159	56	35
Total	1,382,411	87,059	28,318	33

	31 December 2023			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
-50 BP EUR '000				
Swaps	1,362,480	86,899	-29,303	-34
Caps	19,931	159	-42	-26
Total	1,382,411	87,059	-29,345	-34

	31 December 2023			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
-100 BP EUR '000				
Swaps	1,362,480	86,899	-59,623	-69
Caps	19,931	159	-69	-43
Total	1,382,411	87,059	-59,692	-69

	31 December 2022			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
+100 BP EUR '000				
Swaps	1,092,974	97,511	40,651	42
Caps	139,931	1,602	1,289	80
Total	1,232,905	99,113	41,941	42

	31 December 2022			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
+50 BP EUR '000				
Swaps	1,092,974	97,511	20,662	21
Caps	139,931	1,602	627	39
Total	1,232,905	99,113	21,289	21

	31 December 2022			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
-50 BP EUR '000				
Swaps	1,092,974	97,511	-21,309	-22
Caps	139,931	1,602	-548	-34
Total	1,232,905	99,113	-21,857	-22

	31 December 2022			
	Nominal	Fair value before interest rates shift	Change EUR '000	Change in %
-100 BP EUR '000				
Swaps	1,092,974	97,511	-43,211	-44
Caps	139,931	1,602	-967	-60
Total	1,232,905	99,113	-44,178	-45

2.8.4. Deferred taxes

The recognition of deferred tax assets for tax loss carryforwards is based on the assumption that sufficient taxable income will be available in the future to enable existing loss carryforwards to be utilised. Deferred tax assets for tax loss carryforwards of kEUR 7,102 (31 December 2022: kEUR 8,396) have been recognised. Further information on deferred taxes can be found in note 3.1.16.

Assuming that the fair values of the properties were to change uniformly by +/-10% across the portfolio, the deferred property taxes would change as follows given identical book values for tax purposes:

EUR '000	10%	Output value for deferred tax 2023 (offset)	-10%	10%	Output value for deferred tax 2022 (offset)	-10%
Deferred taxes on properties	206,250	156,402	106,553	290,930	240,568	193,679

2.8.5. Post-employment benefit obligations

The actuarial computation of entitlements to pension and severance benefits and long-service bonuses requires assumptions about various parameters. The following tables show the sensitivity of the significant assumptions:

Change in interest rate

EUR '000	2023			2022		
	-0.30%	Output value	+0.30%	-0.30%	Output value	+0.30%
Severance payments	497	486	475	688	676	665
Long-service bonuses	480	471	462	444	435	426

Change in valorisation

EUR '000	2023			2022		
	-0.20%	Output value	+0.20%	-0.20%	Output value	+0.20%
Severance payments	479	486	493	669	676	683
Long-service bonuses	466	471	477	429	435	440

3. Notes to the consolidated statement of financial position and consolidated income statement

3.1. Statement of financial position

3.1.1. Investment property

EUR '000	Rental properties	Properties under development and undeveloped land
As of 01 January 2022	2,642,929	77,034
Additions	568,914	7,058
Disposals	-20,333	-47
Reclassification	-113	113
Other changes	0	0
Changes in fair value (realised through profit or loss)	-80,672	2,275
Reclassifications as properties held for sale	-529,906	0
As of 31 December 2022	2,580,819	86,433
whereof pledged as security	2,358,388	0
As of 01 January 2023	2,580,819	86,433
Currency translation	-2,690	0
Additions	1,010,274	1,801
Disposals	-80,954	-20
Reclassification	0	0
Other changes	0	0
Changes in fair value (realised through profit or loss)	-89,445	788
Reclassifications as properties held for sale	-211,539	-1,025
As of 31 December 2023	3,206,465	87,977
whereof pledged as security	3,013,034	0

The disposals also include subsequent reductions in acquisition costs totalling kEUR 3,746.

In 2023, a change in the fair value of the properties held for sale in the amount of kEUR -23,510 (2022: kEUR 0) was recognised in the income statement after their reclassification from investment property. The reclassification to properties held for sale relates to two Czech, three Austrian and seven German properties.

Additions by operating segments were as follows:

Rented properties

EUR '000	31 December 2023	31 December 2022
Austria	391,658	944
Germany	682	880
Hungary	33,379	449,693
Romania	2,007	116,082
Czech Republic	581,275	125
Slovakia	672	756
Croatia	601	434
	1,010,274	568,914

Properties under development and undeveloped land

EUR '000	31 December 2023	31 December 2022
Austria	0	0
Germany	393	2,385
Hungary	1,008	4,266
Romania	50	3
Slovakia	349	399
Bulgaria	1	5
	1,801	7,058

Consisting of:

Rental properties

EUR '000	31 December 2023	31 December 2022
Austria	714,100	427,920
Germany	458,000	685,681
Hungary	651,800	638,540
Romania	508,319	516,178
Czech Republic	649,846	57,400
Slovakia	149,400	154,300
Croatia	75,000	100,800
	3,206,465	2,580,819

The measurement of the fair value of rental properties totalling kEUR 3,206,465 (2022: kEUR 2,580,819) in the financial year 2023 was based on hierarchy Level 3.

Properties under development and undeveloped land

EUR '000	31 December 2023	31 December 2022
Austria	0	0
Germany	69,467	67,153
Hungary	12,100	12,300
Romania	2,710	2,580
Slovakia	3,700	4,000
Bulgaria	0	400
	87,977	86,433

The measurement of the fair value of development projects and undeveloped land in the financial year 2023 was based on hierarchy Level 3. This relates to land reserves and projects for which significant construction or project development measures

are already in progress as of the reporting date and for which generating rental income is of only minor significance.

Purchasing obligations for properties in the amount of kEUR 6,080 result from property purchasing contracts concluded until 31 December 2023 (2022: kEUR 18,929).

S IMMO capitalises borrowing costs that serve the purpose of acquiring, purchasing or manufacturing a qualifying asset also if the qualifying asset is measured at fair value. Capitalising borrowing costs in accordance with IAS 23 was immaterial for the financial year 2023, as in the financial year 2022.

3.1.2. Owner-operated properties, other property, plant and equipment and intangible assets

Changes in the acquisition costs of owner-operated properties, other property, plant and equipment and intangible assets were as follows:

EUR '000	Owner-operated properties	Other plant and equipment	Intangible assets	Total
Costs of acquisition as of 01 January 2022	219,185	8,501	613	228,299
Currency translation	0	-148	-13	-161
Additions	2,344	1,449	564	4,357
Disposals	-122	-771	-10	-903
As of 31 December 2022	221,407	9,031	1,154	231,592
As of 01 January 2023	221,407	9,031	1,154	231,592
Currency translation	0	86	7	93
Additions	491	1,168	645	2,304
Disposals	0	-1,414	-7	-1,421
As of 31 December 2023	221,898	8,871	1,799	232,568

The development in the accumulated depreciation and amortisation of owner-operated properties, other property, plant and equipment and intangible assets was as follows:

EUR '000	Owner-operated properties	Other plant and equipment	Intangible assets	Total
Accumulated depreciation and amortisation as of 01 January 2022	108,351	2,965	255	111,571
Currency translation	0	-177	-10	-187
Depreciation and amortisation	7,623	1,907	152	9,682
Disposals	-96	-667	-11	-774
As of 31 December 2022	115,878	4,028	386	120,292
Currency translation	0	65	1	66
Depreciation and amortisation	7,367	1,618	220	9,205
Disposals	0	-1,113	-2	-1,115
As of 31 December 2023	123,245	4,598	605	128,448
Book value as of 01 January 2022	110,834	5,536	358	116,728
Book value as of 31 December 2022	105,529	5,003	768	111,300
Book value as of 31 December 2023	98,653	4,273	1,194	104,120

3.1.3. Interests in companies measured at equity

The book value of the companies measured at equity came to kEUR 30,623 as of 31 December 2023 (31 December 2022: kEUR 26,545). The companies recognised according to the equity method are shown in the table depicting the scope of consolidation in section 2.2. One company (IPD – International Property Development, s.r.o.) is a joint venture.

The companies recognised according to the equity method were valued as follows on the reporting date:

Associated companies

EUR '000	31 December 2023	31 December 2022
Non-current assets	50,500	44,400
Current assets	15,979	15,898
Non-current liabilities	7,637	7,310
Current liabilities	475	2,211
Net assets	58,367	50,777
Group interest in net assets	15,306	13,518

EUR '000	2023	2022
Revenues	3,027	2,468
Net income for the period	8,020	2,195
Group share of the profit for the period	1,890	506

The values of the associated companies are mainly allocated to the Austria segment..

Joint ventures

EUR '000	31 December 2023	31 December 2022
Non-current assets	60,563	61,469
Current assets	3,396	4,639
Non-current liabilities	36,067	36,705
Current liabilities	2,364	3,860
Net assets	25,528	25,543
Group interest in net assets	15,317	13,027

EUR '000	2023	2022
Revenues	5,088	5,738
Net income for the period	-315	-443
Group share of the profit for the period	-189	-226

The joint venture is allocated to the Slovakia segment.

Companies measured at equity

EUR '000	2023	2022
As of 01 January	26,545	27,367
Current profits	1,899	542
Current losses	-198	-260
Result from companies measured at equity	1,701	282
Increase/decrease of capital reserves	153	-612
Additions	2,326	0
Disposals	0	-13
Withdrawals/dividends	-102	-479
Other	0	0
As of 31 December	30,623	26,545

In the financial year 2023, as in the previous year, there were no proportional losses from companies included at equity that were not recognised. Cumulatively, there were no unrecognised losses from companies included at equity as of the reporting date, as in the previous year.

There are no effects in the OCI for companies measured at equity.

3.1.4. Group interests and other financial assets

The equity investments predominantly comprise an equity investment accounted for at FVOCI and whose fair value is calculated using a multiplier model in the amount of kEUR 7,073 as of 31 December 2023 (31 December 2022: kEUR 5,301). For this equity investment, income of kEUR 535 (2022: kEUR 356) was recognised in profit or loss as a result of a distribution.

Other non-current financial assets also include derivatives in the amount of kEUR 87,922 (31 December 2022: kEUR 92,503).

The shares in IMMOFINANZ AG were sold in the previous year. The resulting cash inflow amounted to kEUR 452,829. Previously, shares were also acquired from IMMOFINANZ in the 2022 financial year (cash outflow of kEUR 49,318) and resold at the same price.

3.1.5. Inventories

Inventories exist to a minor extent and are measured at cost. The net realisable value of inventories does not fall short of their book values. The inventories do not include properties.

3.1.6. Trade receivables and other accounts receivable

Trade receivables include rents receivable from tenants less any provisions required. As in the previous year, there were no other impairments that had to be recognised. There is not a concentration of credit risk because the Group has a large number of customers (particularly tenants) in the countries in which it operates.

Other financial assets include primarily allocations of property management and deposits.

The book value of current accounts receivable corresponds to the fair value in essence.

3.1.6.1. Changes in provisions

Provisions for trade receivables developed as follows:

EUR '000	2023	2022
As of 01 January	3,530	3,539
Utilisation	-457	-378
Reversal	-408	-868
Increase	497	1,008
Changes in the scope of consolidation	278	318
Reclassification	-75	-89
As of 31 December	3,366	3,530

Potential tenants are generally subject to a credit check. Tenants in the shopping centres and in the properties let as hotels include internationally active chains.

3.1.6.2. Receivables – maturities

The maturity profile of the gross receivables, the corresponding valuation allowances and the resulting net receivables are shown below:

31 December 2023

EUR '000	Not due	Up to 90 days past due	91–365 days	> 365 days	Total
Gross trade receivables					
Austria	2,294	1,986	358	141	4,780
Germany	323	342	474	539	1,678
Hungary	6,490	1,617	452	429	8,988
Romania	3,504	421	270	537	4,732
Czech Republic	15,959	0	44	263	16,266
Slovakia	656	52	25	134	867
Croatia	466	113	0	0	579
Total	29,693	4,531	1,622	2,043	37,889
Valuation allowances for trade receivables					
Austria	-172	-134	-23	-118	-446
Germany	-55	-50	-376	-456	-937
Hungary	0	0	-38	-397	-434
Romania	-285	-116	-139	-537	-1,076
Czech Republic	0	0	0	-260	-260
Slovakia	0	0	-5	-132	-137
Croatia	-52	-25	0	0	-76
Total	-563	-324	-580	-1,899	-3,366
Net trade receivables					
Austria	2,123	1,852	335	23	4,334
Germany	268	292	98	83	741
Hungary	6,490	1,617	414	32	8,554
Romania	3,219	306	131	1	3,656
Czech Republic	15,959	0	44	3	16,006
Slovakia	656	52	20	2	730
Croatia	414	88	0	0	503
Total	29,130	4,206	1,042	144	34,523

31 December 2022

EUR '000	Not due	Up to 90 days past due	91–365 days	>365 days	Total
Gross trade receivables					
Austria	715	1,082	4	0	1,801
Germany	320	789	360	525	1,995
Hungary	7,314	1,414	127	411	9,267
Romania	4,697	364	100	609	5,770
Czech Republic	363	76	0	0	439
Slovakia	722	182	11	135	1,050
Croatia	620	45	0	0	665
Bulgaria	1	0	0	0	1
Total	14,751	3,953	603	1,681	20,987
Valuation allowances for trade receivables					
Austria	-179	0	-4	0	-183
Germany	-55	-379	-355	-464	-1,253
Hungary	-8	-49	-75	-347	-479
Romania	-501	-74	-100	-609	-1,283
Czech Republic	-90	-12	0	0	-102
Slovakia	0	-10	-11	-135	-156
Croatia	-63	-11	0	0	-74
Bulgaria	0	0	0	0	0
Total	-895	-535	-545	-1,555	-3,530
Net trade receivables					
Austria	536	1,082	0	0	1,618
Germany	265	411	5	61	742
Hungary	7,306	1,365	52	65	8,788
Romania	4,196	290	0	0	4,486
Czech Republic	273	63	0	0	336
Slovakia	722	172	0	0	894
Croatia	557	34	0	0	591
Bulgaria	1	0	0	0	1
Total	13,856	3,418	58	126	17,457

3.1.6.3. Other current financial assets

EUR '000	31 December 2023	31 December 2022
Property management agent clearing accounts	2,088	2,948
Receivables from disposals of properties and property holding companies	23,476	98
Deposits	7,579	9,174
Finance receivables	0	7,500
Receivables from acquisitions of property holding companies	15,339	13,129
Derivatives	252	1,254
Other	18,882	8,627
	67,616	42,730

3.1.7. Other assets

The other assets of kEUR 18,990 (31 December 2022: kEUR 23,946) consisted mainly of prepaid expenses, tax receivables and prepayments.

3.1.8. Cash and cash equivalents

EUR '000	31 December 2023	31 December 2022
Bank balances	444,773	246,726
Cash in hand	296	199
	445,070	246,925

3.1.9. Assets held for sale and liabilities relating to assets held for sale

Properties are held for sale if the management intends to dispose of them in the near future.

The properties held for sale are as follows:

EUR '000	Austria	Germany	Czech Republic	Bulgaria	Total
As of 01 January 2022	0	0	0	0	0
Reclassification	7,500	522,406	0	0	529,906
Additions/property valuations	0	0	0	0	0
Disposals	-7,500	-21,400	0	0	-28,900
As of 31 December 2022	0	501,006	0	0	501,006
Reclassification	57,515	91,524	62,500	1,025	212,564
Additions/property valuations	0	-16,410	-7,100		-23,510
Disposals	-48,215	-556,305	0	-1,025	-605,545
As of 31 December 2023	9,300	19,815	55,400	0	84,515

The disposal group as of 31 December 2023 comprised two Czech companies that are attributable to the type of use hotel.

The let properties also include individual properties in Austria and Germany.

Assets held for sale

in EUR '000	31 December 2023	31 December 2022
Rental properties	84,515	501,006
Other plant and equipment	44	18
Intangible assets	1	0
Trade receivables	254	93
Other financial assets	1,540	666
Other assets	311	0
Derivatives	0	5,355
Cash and cash equivalents	555	31,946
	87,220	539,084

Liabilities relating to assets held for sale

in EUR '000	31 December 2023	31 December 2022
Other non-current financial liabilities	101	-
Deferred taxes	10,293	47,963
Other current financial liabilities	14,686	77,839
Income tax liabilities	344	552
Trade payables	63	369
Other liabilities	449	523
	25,936	127,246

3.1.10. Equity

The nominal capital of the Group's parent company amounted to kEUR 267,458 (2022: kEUR 267,458) and is fully paid up.

A share buyback programme began on 02 October 2023 and ended on 31 December 2023.

In the 2023 financial year, 181,740 treasury shares were repurchased at a total price of kEUR 2,361.

Therefore, S IMMO AG holds 3,266,537 treasury shares as of 31 December 2023 (31 December 2022: 3,084,797) with a total value of kEUR 48,264 (31 December 2022: kEUR 45,903).

Details of share capital

EUR '000	2023	2022
Total share capital	267,458	267,458
Treasury shares (nominal)	-11,869	-11,209
	255,589	256,249

As in the previous year, no shares were cancelled in the financial year 2023.

The shares are listed on the Prime Market of the Vienna Stock Exchange.

The nominal share capital is divided into 73,608,896 ordinary bearer shares that are fully paid up and have no par value.

The bearer shares confer on the shareholders the usual rights provided for under the Austrian Stock Corporation Act (AktG). These include the right of a dividend payment approved by the Annual General Meeting and the right to vote at the Annual General Meeting.

The capital reserves of kEUR 158,912 (31 December 2022: kEUR 160,612) are restricted reserves in the meaning of section 229 (5) Austrian Commercial Code (UGB).

The other reserves of kEUR 1,216,335 (31 December 2022: kEUR 1,247,467) shown in the statement of changes in consolidated equity consist mainly of reversed capital reserves together with accumulated retained earnings. The foreign currency reserve of kEUR 6,340 (31 December 2022: kEUR -8,314) is made up of the currency translation differences in accordance with IAS 21. The hedge accounting reserve of kEUR 5,981 (31 December 2022: kEUR -37,544) comprises the measurement differences on cash flow hedges recognised under equity. The equity instruments reserve of kEUR 5,231 (31 December 2022: kEUR 3,670) relates to one stake. The measurement of this stake is based on a Level 3 fair value calculation.

The Management Board will recommend to the Supervisory Board that it proposes to the Annual General Meeting that the unappropriated surplus recognised in the annual financial statements be carried forward in full to new account in order to use the funds to strengthen the balance sheet.

Additional information on capital management

S IMMO Group manages its capital with the aim of maximising its returns by optimising the relationship between equity and debt. At the same time, care is taken to ensure that all Group companies can operate on a going concern basis.

The Group's capital consists of bank and financial liabilities including bonds and equity provided by the shareholders of the parent company. There are no provisions in the articles of association concerning the capital structure.

The equity attributable to the shareholders of the parent company consists of the shares in circulation, capital and other reserves and the consolidated net profit, as shown in the statement of changes in consolidated equity.

The capital structure is constantly monitored, and the costs of capital and the risks associated with each type of capital are taken into account. The Group will continue to optimise the capital structure by issuing and repaying debt and issuing and repurchasing shares as appropriate.

The Group is not managed according to individual parameters. However, the equity ratio is not allowed to fall significantly below 30% over the long term.

3.1.11. Non-controlling interests

The minority interests amount to kEUR 53,453 (31 December 2022: kEUR 83,040). The change in non-controlling interests of kEUR -29,587 (2022: kEUR 78,959) shown in the consolidated statement of changes in equity is mainly due to profit allocations and distributions.

3.1.12. Financial liabilities

Other current and non-current financial liabilities primarily include loan liabilities (kEUR 1,478,452; 2022: kEUR 982,187), which are generally secured by mortgages. In addition, bond interest, lease liabilities, security deposits and derivative liabilities are included. As of 31 December 2023, the cost of funding of mortgage-secured bank financing amounted to 4.94% for Germany (31 December 2022: 2.20%), 5.09% for Austria (31 December 2022: 2.20%), and 5.26% for CEE (31 December 2022: 2.67%).

Financial liabilities are as follows:

31 December 2023

EUR '000	Changes in cash and cash equivalents			Non-cash changes		31 December 2023
	01 January 2023	New loans/ repayments	Changes in the scope of consolidation	Changes in fair value	Other non-cash changes	
Other non-current financial liabilities	927,600	66,891	353,055	0	-14,231	1,333,315
Other current financial liabilities	82,076	92,089	0	0	9,136	183,301
Subtotal of other non-current and current financial liabilities	1,009,676	158,980	353,055	0	-5,095 ¹	1,516,616
of which recognised as increases and decreases in cash flow from financing activities		167,773				
of which paid interest recognised in cash flow from financing activities		-6,944				
Derivatives	0	0	0	1,115	0	1,115
Bonds	544,237	74,120	0	0	426	618,784
of which recognised in cash flow from financing activities		74,120				
Total	1,553,914	233,100	353,055	1,115	-4,669	2,136,515

¹ Of the other non-cash changes, kEUR 14,221 relate to the reclassification of non-current and kEUR 465 to the reclassification of current other financial liabilities to liabilities associated with assets held for sale.

31 December 2022

EUR '000	Changes in cash and cash equivalents			Non-cash changes		31 December 2022
	01 January 2022	New loans/ repayments	Change in the scope of consolidation	Changes in fair value	Other non-cash changes	
Other non-current financial liabilities	895,394	-872	109,976	0	-76,898	927,600
Other current financial liabilities	138,541	-68,089	6,000	0	5,624	82,076
Subtotal of other non-current and current financial liabilities	1,033,935	-68,961	115,976	0	-71,274 ¹	1,009,676
of which recognised as increases and decreases in cash flow from financing activities		-57,944				
of which paid interest recognised in cash flow from financing activities		-11,017				
Derivatives	24,847	0	0	-24,847	0	0
Bonds	646,819	-103,686	0	0	1,104	544,237
of which recognised in cash flow from financing activities		-103,686				
Total	1,705,601	-172,647	115,976	-24,847	-70,170	1,553,914

¹ Of the other non-cash changes, EUR 75,871 thousand relate to the reclassification of non-current and EUR 1,968 thousand to the reclassification of current other financial liabilities to liabilities associated with assets held for sale.

3.1.13. Issued bonds

The following table shows key data of the issued corporate bonds:

ISIN	Total nominal value EUR '000	Book values according to balance sheet	Coupon	Effective interest rate	Maturity	Market values
AT0000A1Z9D9	100,000.0	99,985.1	1.75%	1.90%	06 February 2024	99.19
AT0000A1DBM5	15,890.0	15,867.7	3.25%	3.36%	09 April 2025	96.24
AT0000A285H4	150,000.0	149,699.7	1.875%	1.96%	22 May 2026	89.14
AT0000A2MKW4 (green bond)	25,058.5	24,969.4	1.25%	1.37%	11 January 2027	83.85
AT0000A1DWK5	34,199.0	34,139.4	3.25%	3.31%	21 April 2027	89.76
AT0000A2MKW4 (green bond)	70,449.5	70,207.8	1.75%	1.84%	04 February 2028	82.59
AT0000A35Y85 (green bond)	75,000.0	74,124.0	5.50%	5.80%	12 July 2028	96.34
AT0000A2AEA8	100,000.0	99,952.1	2.00%	2.01%	15 October 2029	77.94
AT0000A1Z9C1	50,000.0	49,839.0	2.875%	2.93%	06 February 2030	81.98

In the third quarter of 2023, a green bond (ISIN AT0000A35Y85) with a nominal value of EUR 75m, a term of five years and a coupon of 5.5% p.a. was successfully issued.

All of the bonds are listed in the corporates prime segment of the Vienna Stock Exchange.

3.1.14. Provisions for employee benefits

The employee provisions as of 31 December 2023 include provisions for termination and jubilee benefits (kEUR 486; 31 December 2022: kEUR 676) and provisions for long-service entitlements (kEUR 471; 31 December 2022: kEUR 435). The following parameters were taken as a basis for the actuarial calculation:

	31 December 2023	31 December 2022
Actuarial interest rate	2.95% to 3.03%	3.07% to 3.10%
Expected raise in salaries	2.60%	2.60%
Blanket fluctuation allowance	0.00% to 26.00%	0.00% to 26.00%

Please refer to section 2.8.5. of the notes for information about the sensitivity of assumptions for the calculation of termination and jubilee benefits.

The present values of termination and jubilee benefits developed as follows:

EUR '000	Severance payment	Anniversary
Present value of obligation at 01 January 2022	868	396
Current service costs	15	36
Interest expense	1	1
Payments	-338	-39
Remeasurement of benefit obligations – experience adjustments	115	77
Remeasurement of benefit obligations – financial assumptions	-45	-84
Remeasurement of benefit obligations – demographic assumptions	60	48
Present value of obligation on 31 December 2022	676	435
Provisions for employee benefits as of 31 December 2022	676	435
Present value of obligation at 01 January 2023	676	435
Current service costs	1	38
Interest expense	15	13
Payments	-220	-49
Remeasurement of benefit obligations – experience adjustments	13	30
Remeasurement of benefit obligations – financial assumptions	1	5
Remeasurement of benefit obligations – demographic assumptions	0	0
Present value of obligation on 31 December 2023	486	471
Total provisions for employee benefits as of 31 December 2023		957

The obligation to recognise a provision for termination benefits is based on labour law. For persons whose employment started before 01 January 2003 in Austria, S IMMO Group is required under the statutory provisions to make a one-off termination payment to any employee whose employment is terminated by the employer or who reaches the age of retirement while employed. The benefit entitlements are dependent on the number of years of service and the level of remuneration at the time the entitlement arises, and amount to between two and twelve months' salary. Payments for Group employees are made to an external pension fund.

3.1.15. Other liabilities

This category primarily covers the accrued expenses.

The previous year's figure included an advance payment of kEUR 27,400 received for the sale of a property.

3.1.16. Taxes on income

3.1.16.1. Current and deferred taxes on income

Tax expense was made up as follows:

EUR '000	2023	2022
Current taxes	-48,302	-26,274
Deferred taxes	53,258	10,367
	4,956	-15,907

Taxes on income comprise income tax on the taxable income of the individual companies included in consolidation for the financial year, adjustments to prior years' tax and changes in deferred taxes.

The reconciliation of income tax at the standard rate to the income tax disclosed in the financial statements is as follows:

EUR '000	01-12/2023	01-12/2022
Net income before tax	-46,355	34,834
Income tax expense at the standard Austrian income tax rate of 24%	11,125	-8,709
Effects of differing foreign tax rates	-1,297	1,208
One-off effects of sales	0	-3,023
Effect of changes in tax rates	-6,496	-4,537
Effect of changes in tax rates in tax group IMMOFINANZ AG	5,925	0
Decreases relating to non-taxable income	2,005	1,746
Increases relating to non-deductible expenses	-6,306	-2,593
Tax expense as disclosed	4,956	-15,907
Effective tax rate	10.69%	45.66%

The item "One-off effects of sales" reported in the previous year's tax reconciliation relates to the first-time recognition of an outside basis difference of a company held for sale in Germany. The tax reductions include the first-time recognition of deferred taxes on loss carryforwards in the amount of kEUR 1,597. The tax increases include value adjustments of kEUR 2,397 recognised on loss carryforwards in the current year.

The previous tax group in accordance with section 9 (1) Corporate Income Tax Act (Körperschaftgesetz) with S IMMO AG as the parent company was terminated with retroactive effect from the beginning of 2023.

The company is now and with effect from the beginning of 2023 a group member of a tax group in accordance with section 9 (1) Corporate Income Tax Act.

There is an agreement governing tax equalisation between the parent company IMMOFINANZ AG and S IMMO AG. S IMMO AG forms its own tax allocation group, which is made up of S IMMO AG itself and the S IMMO Group members (see also section 5.6. related party disclosures).

The tax rate changes relate to the change in the corporate income tax rate in Austria to 24% for the 2023 financial year and to 23% for subsequent financial years as part of the eco-social tax reform 2022. On the other hand, trade tax liabilities were recognised for German properties for the first time in some cases due to sales, resulting in tax increases. The tax rate in the Czech Republic was increased from 19% to 21% from 01 January 2024 on.

3.1.16.2. Deferred tax liabilities

In accordance with IAS 12, the provision for deferred taxation is calculated using the balance sheet liability method: Deferred tax must be recognised for all temporary differences between the values for balance sheet purposes in the IFRS consolidated statement of financial position and the current values for tax purposes for the individual companies. Temporary differences can be either:

- Differences which will result in taxable amounts in the calculation of taxable income or tax loss in future periods when the book value of the asset is realised or the liability is settled, or
- Deductible temporary differences which will result in tax deductible amounts in the calculation of taxable income or tax loss in future periods when the book value of the asset is realised or the liability is settled.

As a general principle, a deferred tax asset or liability must be recognised for all temporary differences. There are exceptions for the recognition of goodwill in an initial consolidation or the initial recognition of an asset or liability in a business transaction which is not a business combination and which at the time of the transaction does not affect the profit or loss either under IFRS or for tax purposes.

Temporary differences between values in the IFRS consolidated statement of financial position and the corresponding values for tax purposes had the following effects on deferred taxes as shown in the consolidated statement of financial position:

EUR '000	2023		2022	
	Assets	Liabilities	Assets	Liabilities
Properties	0	-146,824	0	-193,453
Financial instruments	0	-3,082	0	-14,568
Other items	496	-1,608	824	-5,240
Tax loss carryforwards	7,102	0	8,396	0
Subtotal	7,598	-151,514	9,220	-213,261
Netting	-5,716	5,716	-8,203	8,203
Deferred tax assets (+)/liabilities (-)	1,882	-145,798	1,017	-205,058

Of these totals, deferred taxes of kEUR 3,608 (2022: kEUR -9,277) for derivatives were recognised under other comprehensive income. No deferred tax assets have been recognised for tax loss carryforwards totalling kEUR 148,960 (31 December 2022: kEUR 57,530). The increase in unrecognised tax loss carryforwards is mainly due to acquisitions. Most of the tax loss carryforwards are available indefinitely. In CEE, there are some time constraints. Where this is the case, the ability to recognise deferred taxes is determined using projections. Over the next five years, kEUR 28,923 of the unrecognised loss carryforwards will expire.

In accordance with IAS 12.39, no deferred taxes were recognised for temporary differences relating to interests in affiliated companies and joint ventures, as the profits accrued at subsidiaries remain invested indefinitely or are not subject to taxation on disposal.

In accordance with IAS 12.39 Income Taxes, no deferred tax liability was recognised for temporary differences relating to interests in subsidiaries. The difference between the book value for tax purposes and the IFRS equity amounts to kEUR 1,113,642 (2022: kEUR 1,462,464).

As of the reporting date, there are open one-seventh write-downs from historical tax depreciation of shareholdings in the amount of approximately kEUR 5,682 (2022: kEUR 2,781).

3.1.16.3. Measurement

Deferred taxes are calculated on the basis of the tax rates in force or expected to apply in the relevant countries at the time of realisation. Changes in the tax legislation in force or approved at the balance sheet date are taken into account. The following table shows the applied tax rates as of 31 December 2021.

	Applicable tax rate in 2024	Applicable tax rate in 2023
Austria ¹	20.00%/23.00%	24.00%
Germany	15.8%–30.2%	15.8%–30.2%
Hungary	9.00%	9.00%
Romania	16.00%	16.00%
Czech Republic	21.00%	19.00%
Slovakia	21.00%	21.00%
Croatia	18.00%	18.00%
Bulgaria	10.00%	10.00%

¹ The tax rate of S IMMO AG is 20% due to the tax group with IMMOFINANZ AG.

On 20 January 2022, the Austrian National Council passed the eco-social tax reform, which provides for a reduction of the corporate tax rate to 24% in 2023 and to 23% from 2024 on.

3.2. Income statement

3.2.1. Rental income and revenues from operating costs and revenues from hotel operations

Rental income

EUR '000	2023	2022
Commercial excl. hotels	174,494	114,560
Hotel	7,420	4,312
Residential property	20,731	36,833
Rental income according to the consolidated income statement	202,646	155,705

On the whole, rental income increased significantly compared to the previous year, which is mainly due to additions of rented properties.

The rental income and revenues from operating costs result almost entirely from investment properties. IFRS 16.17, in conjunction with IFRS 15.73–90, requires consideration received to be split into the components of the contract. This means that contract components are reclassified within revenue from revenues from operating costs totalling kEUR 8,281 (2022: kEUR 7,380) to rental income. Specifically, this does not affect operating cost allocations that are offset by the direct performance of a service to the tenant, but only costs that are associated with the ownership of the property, specifically current building taxes and insurance.

The revenues from hotel management have increased from kEUR 56,383 in 2022 to kEUR 70,023. At the gross profit level, a significant improvement was achieved to kEUR 17,279 (2022: kEUR 13,373).

3.2.2. Expenses from property and hotel operations

The expenses from property operations presented in the following table are almost exclusively expenses related to investment properties.

EUR '000	2023	2022
Operating costs	-83,696	-58,311
Maintenance expenses	-14,656	-15,840
Depreciation and amortisation and loss allowance	352	104
Commissions	-2,053	-1,153
Other	-8,622	-4,311
	-108,675	-79,511

Expenses of kEUR 1,026 (2022: kEUR 649) were attributable to properties not yet generating income. The improvement in write-downs and allowances of trade receivables from kEUR 104 to kEUR 352 is largely due to omission of the effects of the COVID-19 crisis. In the course of the improved business performance compared to the previous year, expenses from hotel management also increased (2023: kEUR 52,744; 2022: kEUR 43,010). They mainly include expenses for food, beverages, catering supplies, hotel rooms, licences and management fees, maintenance, operating costs, commissions, personnel expenses and advertising.

3.2.3. Result on property disposals

EUR '000	2023	2022
Income from property disposals		
Properties held as financial investments	76,850	20,340
Properties held for sale	605,545	28,900
	682,395	49,240
Book value of property disposals		
Properties held as financial investments	-76,850	-20,340
Properties held for sale	-605,545	-28,900
	-682,395	-49,240
Gains on property disposals		
Properties held as financial investments	0	0
Properties held for sale	0	0
	0	0

The book values of the properties sold are based on the fair value at the time of sale, which generally corresponds to the agreed transaction price. Increases and decreases in valuation compared to the valuation on the last reporting date are recognised in the income statement under "result from property valuation".

The properties held for sale include properties that were recognised as held for sale in the interim financial reports.

The proceeds from sales from share deals total kEUR 380,994 and kEUR 301,401 from asset deals.

3.2.4. Management expenses

Management expenses are expenses not directly attributable to properties; they were made up as follows:

EUR '000	2023	2022
Staff costs	-17,882	-19,009
Legal, audit, consulting and estimated costs	-6,387	-7,587
Servicing fees and administration costs	-1,084	-367
Corporate communications and investor relations	-1,342	-1,463
Other taxes and duties	-3,794	-997
Other	-6,129	-4,718
	-36,618	-34,141

Fees for the Group's auditor for 2023 totalled kEUR 353 (2022: kEUR 212). This amount is divided into the following fields of activity:

EUR '000	2023	2022
Audit of the consolidated financial statements	291	76
Other audit-related services	11	43
Tax consultation services	14	0
Other services	21	93
	337	212

The Group employed an annual average of 100 people (2022: 136) on a headcount basis, excluding Management Board, dormant employees and trainees. Including employees for hotel operations and excluding the Management Board, dormant employees and trainees, the average number of employees for the year was 611 (2022: 583).

The personnel expenses disclosed here are salaries of the Group's employees other than the hotel staff. The amount also includes performance-related bonuses paid to certain employees under individual agreements. Personnel expenses for the hotels are disclosed under hotel operations.

Defined contribution plans

As required by law, S IMMO Group pays 1.53% of the relevant monthly salaries into an employees' termination pay and pension fund for all employees who joined the Group in Austria after 31 December 2002. Personnel expenses included contributions of kEUR 130 (2022: kEUR 120) paid into the fund. For other defined contribution plans, kEUR 194 (2022: kEUR 233) were recognised in profit or loss.

3.2.5. Depreciation and amortisation

This item comprises depreciation and amortisation on owner-operated properties, other plant and equipment, and intangible assets. Depreciation and amortisation were made up as follows:

EUR '000	2023	2022
Owner-operated properties	-7,367	-7,623
Other plant and equipment	-1,618	-1,907
Intangible assets	-220	-152
	-9,205	-9,682

3.2.6. Results from property valuation

Gains and losses on valuation include all increases and decreases in value on properties held as financial investments, and were made up as follows:

EUR '000	2023	2022
Changes in fair value		
Increases	132,359	55,465
Reductions	-241,702	-133,862
Others	0	0
	-109,343	-78,397

kEUR 74,331 (2022: kEUR 20,088) of the revaluations result from purchase price adjustments recognised to reduce acquisition costs in the course of the acquisition of property holding companies (see also section 2.2.4.). The remainder is mainly attributable to revaluations of sold properties to the agreed selling price and revaluations due to increased current rents and turnover rents.

Gains and losses on valuation break down by country as follows:

EUR '000	2023	2022
Austria	-27,638	-6,604
Germany	-118,458	-73,298
Hungary	-17,364	2,928
Romania	-9,786	-1,920
Czech Republic	69,402	175
Slovakia	-6,221	-4,655
Croatia	98	4,982
Bulgaria	624	-5
	-109,343	-78,397

The valuation result includes income of kEUR 2,825 for investment costs contractually assumed by the seller (see also section 2.2.4 consolidation scope) after the acquisition date.

3.2.7. Financing result

EUR '000	2023	2022
Bank interest expense (incl. derivatives accounted for)	-29,864	-21,569
Effects arising from hedge accounting and the measurement of interest derivatives through profit or loss	-26,891	0
Result from foreign exchange differences	-7,121	-2,779
Bond interest	-13,628	-13,897
Other financing and interest expenses	-3,279	-4,418
Financing expenses	-80,783	-42,663
Bank interest revenue	6,311	100
Effects arising from hedge accounting and the measurement of interest derivatives through profit or loss	0	55,018
Income from financial investments	535	2,719
Other financing and interest income	1,795	1,402
Financing income	8,641	59,239
Results from companies measured at equity	1,701	280
	-70,441	16,855

The financial result deteriorated compared to the previous year to kEUR -70,441 (2022: kEUR 16,855), primarily due to non-cash negative effects from the valuation of derivatives.

3.2.8. Earnings per share

The earnings per share ratio compares the consolidated net profit to the average number of outstanding shares during the year.

		2023	2022
Consolidated net income attributable to shareholders in the parent company	kEUR	-32,195	27,204
Average number of shares in issue	number	70,496,077	70,524,099
Basic earnings	EUR	-0.46	0.39
Diluted earnings	EUR	-0.46	0.39

Diluted and basic earnings per share are the same, since there are no potentially diluting outstanding financial instruments.

4. Operating segments

An operating segment is defined as having the following characteristics:

- It engages in business activities in which it may earn revenue and incur expenses.
- Its operating results are reported regularly to the enterprise's chief operating decision maker, who uses the information to allocate resources to it and to review its performance.
- Separate financial information is available for the segment.

Based on these characteristics, segment reporting was previously based on the regions Austria, Germany and CEE at S IMMO Group.

As of 31 December 2023, S IMMO's segment reporting is now based on countries (Austria, Germany, Hungary, Romania, the Czech Republic, Slovakia, Croatia and Bulgaria (deconsolidated as of 30 June 2023)).

The operating segment Austria includes all of the Group's Austrian subsidiaries, apart from those with property in Germany.

The operating segment Germany includes the German subsidiaries and Austrian subsidiaries which hold properties in Germany.

The segment reporting is based on the internal reporting system for management purposes.

Each segment is operationally independent of the other, since each must take the local market and business environment into account. The Group's entire board of directors have been nominated as the chief operating decision makers with responsibility for segment operations. They are responsible for the allocation

of resources to the individual segments and for reviewing their performance. Quarterly management reports are prepared for each operating segment and submitted to the Management Board.

In preparing and presenting the segment information, the same accounting and valuation policies are applied as for the consolidated financial statements. The book value of the interests in companies that are recognised according to the equity method breaks down to kEUR 15,306 for the segment of Austria (31 December 2022: kEUR 13,518), and kEUR 15,317 (31 December 2022: kEUR 13,027) for the segment of Slovakia.

EUR '000	Austria		Germany		Hungary		Romania	
	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹
Rental income	30,640	19,991	38,855	59,663	50,267	15,159	49,375	40,151
Revenues from operating costs	7,955	4,662	10,052	15,490	21,849	5,172	14,111	13,995
Revenues from hotel operations	36,366	28,099	0	0	33,657	28,284	0	0
Total revenues	74,961	52,752	48,907	75,153	105,773	48,615	63,486	54,146
Other operating income	1,077	591	2,423	850	304	431	39	45
Property operating expenses	-22,221	-7,540	-23,540	-34,901	-31,300	-6,709	-20,087	-18,977
Hotel operating expenses	-26,852	-23,616	0	0	-25,892	-19,394	0	0
Gross profit	26,964	22,187	27,790	41,102	48,885	22,942	43,438	35,212
Result from property disposals	0	0	0	0	0	0	0	0
Management expenses	-19,846	-21,048	-10,203	-10,055	-3,106	-872	-1,223	-1,083
EBITDA	7,118	1,139	17,587	31,047	45,779	22,070	42,214	34,129
Depreciation and amortisation	-4,520	-5,003	-150	-180	-3,544	-3,542	-478	-468
Results from property valuation	-27,638	-6,604	-118,458	-73,298	-17,364	2,924	-9,786	-1,917
EBIT	-25,041	-10,468	-101,021	-42,431	24,871	21,452	31,950	31,745
Non-current assets as of 31 December	794,267	528,956	537,914	772,338	731,522	721,563	533,564	549,115
Non-current liabilities as of 31 December	934,972	775,762	171,392	282,360	312,775	209,792	180,106	252,205

¹ Adjusted

In the previous year, the CEE segment consisted of Hungary, Romania, Czech Republic, Slovakia, Croatia and Bulgaria. The comparative figures for the previous year have been adjusted accordingly to reflect the new segment structure.

Major customers

Because of the large number of customers, no single customer is responsible for more than 10% of S IMMO Group's total revenues.

Czech Republic		Slovakia		Croatia		Bulgaria		Total	
2023	2022 ¹	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹	2023	2022 ¹
14,315	3,353	11,278	9,717	7,913	7,666	2	6	202,646	155,705
2,555	1,327	4,219	4,972	3,052	2,788	0	0	63,792	48,405
0	0	0	0	0	0	0	0	70,023	56,383
16,870	4,680	15,497	14,689	10,965	10,454	2	6	336,461	260,493
138	24	189	235	39	51	0	0	4,210	2,227
-2,212	-1,668	-5,931	-6,701	-3,383	-3,014	0	0	-108,675	-79,511
0	0	0	0	0	0	0	0	-52,744	-43,010
14,797	3,036	9,755	8,223	7,621	7,491	2	6	179,252	140,199
0	0	0	0	0	0	0	0	0	0
-1,328	-160	-426	-358	-479	-533	-7	-33	-36,618	-34,141
13,469	2,876	9,329	7,865	7,143	6,958	-5	-27	142,634	106,058
-11	-6	-482	-463	-20	-20	0	0	-9,205	-9,682
69,402	175	-6,221	-4,655	99	4,982	624	-5	-109,343	-78,397
82,860	3,045	2,626	2,747	7,221	11,920	619	-32	24,086	17,978
683,575	57,424	170,252	173,275	75,006	100,847	0	400	3,526,100	2,903,920
331,324	24,489	36,143	74,548	49,807	60,262	0	0	2,016,519	1,679,418

5. Other information

5.1. Financial instruments

5.1.1. Categories

S IMMO Group classifies its financial instruments as follows:

31 December 2023

Book values EUR '000	Derivatives in hedge accounting	Financial assets FVOCI	Financial assets FVTPL	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial liabilities FVTPL	Total
Assets							
Non-current assets							
Group interests		7,073	3				7,076
Other financial assets	46,634	0	41,288 ²	35			87,957
Current assets							
Trade receivables				34,523			34,523
Other financial assets	0		252 ²	67,364			67,616
Cash and cash equivalents				445,070			445,070
Assets held for sale				1,142			1,142
Total assets	46,634	7,073	41,543	548,133	0	0	643,383
Equity and liabilities							
Non-current liabilities							
Issued bonds					518,799		518,799
Other financial liabilities	1,038				1,333,315	77 ²	1,334,430
thereof lease liabilities					5,109		
Current liabilities							
Issued bonds					99,985		99,985
Other financial liabilities ¹					183,301		183,301
thereof lease liabilities					533		
Trade payables					32,126		32,126
Liabilities relating to assets held for sale					14,850		14,850
Total equity and liabilities	1,038	0	0	0	2,182,376	77	2,183,491

¹ Including bond interest accrued

² Derivatives not in hedge accounting

31 December 2022

Book values EUR '000	Derivatives in hedge accounting	Financial assets FVOCI	Financial assets FVTPL	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial liabilities FVTPL	Total
Assets							
Non-current assets							
Group interests		5,301	2				5,303
Other financial assets	44,722	0	47,781 ²	0			92,503
Current assets							
Trade receivables				17,456			17,456
Other financial assets	563		691 ²	41,476			42,730
Cash and cash equivalents				246,925			246,925
Assets held for sale			5,355 ²	32,039			37,394
Total assets	45,285	5,301	53,829	337,896	0	0	442,311
Equity and liabilities							
Non-current liabilities							
Issued bonds					544,237		544,237
Other financial liabilities					927,600		927,600
thereof lease liabilities					5,305		
Current liabilities							
Issued bonds					0		0
Other financial liabilities ¹					82,076		82,076
thereof lease liabilities					579		
Trade payables					12,693		12,693
Liabilities relating to assets held for sale					78,208		78,208
Total equity and liabilities	0	0	0	0	1,644,814	0	1,644,814

¹ Including bond interest accrued² Derivatives not in hedge accounting

In the case of financial assets not measured at fair value, the book values largely correspond to the fair values.

The bond liabilities had a fair value of kEUR 549,265 as of 31 December 2023 (31 December 2022: kEUR 489,869). As of 31 December 2023, the fair values of the other financial liabilities amounted to kEUR 1,479,036 (31 December 2022: kEUR 991,500).

The individual categories of financial instruments recognised in the income statement can be assigned as follows:

EUR '000	2023		2022	
	Current financial result	Valuation effects	Current financial result	Valuation effects
Interest and other derivatives	15,265	-26,891	-5,768	55,018
Income from equity instruments FVOCI	535	0	2,719	0
Other financial assets FVPL	0	0	0	0
Financial assets at amortised cost	8,106	352 ¹	572	104 ¹
Financial liabilities at amortised cost	-62,036	0	-33,186	0

¹ Recognised within the expense from property management

5.1.2. Derivatives

The company currently uses swaps and caps to manage the interest rate risk in connection with variable-rate property financing.

Interest derivatives were disclosed under other non-current financial assets (31 December 2023: kEUR 87,922; 31 Decem-

ber 2022: kEUR 92,503), under other current financial assets (31 December 2023: kEUR 252; 31 December 2022: EUR 1,254), under assets held for sale (31 December 2023: kEUR 0; 31 December 2022: kEUR 5,355) and under other non-current financial liabilities (31 December 2023: kEUR 1,115; 31 December 2022: kEUR 0). The table below shows the maturity structure of all derivatives used by the Group.

EUR '000	31 December 2023				31 December 2022			
	Nominal	Positive fair value	Negative fair value	Maturity	Nominal	Positive fair value	Negative fair value	Maturity
Swaps	10,000	217	0	< 1 year	79,043	978	0	< 1 year
	848,619	51,435	-748	1–5 years	345,400	23,242	0	1–5 years
	503,861	36,363	-367	> 5 years	668,531	73,291	0	> 5 years
Caps	10,000	35	0	< 1 year	75,000	276	0	< 1 year
	9,931	124	0	1–5 years	64,931	1,326	0	1–5 years
	0	0	0	> 5 years	0	0	0	> 5 years
Total	1,382,411	88,174	-1,115		1,232,905	99,113	0	

In the 2023 financial year, interest rate derivatives without a hedging relationship with a positive fair value of kEUR 32,790 and interest rate derivatives with a hedging relationship of kEUR 33,673 were added (see also note 2.2.4.). In addition, interest rate derivatives without a hedging relationship with a positive fair value in the amount of kEUR 11,398 and interest rate derivatives with a hedging relationship in the amount of kEUR 8,121 were derecognised. Measurement changes totalling kEUR -58,999 (2022: kEUR 110,574) were recognised, of which kEUR -33,271 (2022: kEUR 66,880) excluding deferred

taxes and deferred taxes for derivatives in the amount of kEUR 3,182 (2022: kEUR -11,222) in other comprehensive income. A total of kEUR -30,089 (2022: kEUR 55,658) was therefore recognised in other comprehensive income for measurement effects (excl. rollouts) from derivatives. In addition, derivative measurement effects including deferred taxes in the amount of kEUR -1,736 (2022: kEUR -9,379) were reclassified from equity to the income statement.

5.2. Risk management

5.2.1. Exchange and interest rate risk

Since S IMMO Group's rental contracts are mostly linked to the euro and almost all of its loans are denominated in euros, the exchange rate risk is considered to be low.

As of 31 December 2023, around 93% (31 December 2022: 92%) of other financial liabilities consisted of variable-rate loans and roughly 7% (31 December 2022: 8%) were fixed-rate loans. The current and non-current financial liabilities include fixed-rate loans in the amount of kEUR 75,146 (31 December 2022: kEUR 81,410). The variable-rate loans are based on the three-month EURIBOR with quarterly interest rate adjustments. In the 2014, 2015, 2018, 2019, 2021, 2022 and 2023 financial years, the company issued fixed-rate bonds. More details can be found in section 3.1.13.

The variable-rate loans are protected with hedging instruments such as caps and swaps.

The cost of funding (based on variable and fixed interest financial liabilities including derivatives) as of 31 December 2023 is 2.44% (31 December 2022: 2.16%).

The stress test (based on the variable- and fixed-rate financial liabilities as of 31 December 2023) taking into account the existing interest rate hedging instruments shows that increases in the base rate (EURIBOR) have only a very small effect on the Group's financing costs, as the hedging ratio in the Group is 99.41%. For example, a three-month EURIBOR of +300 BP compared to 31 December 2023 would lead to an increase in financing costs of 3 BP and an interest rate sensitivity of 1% compared to the then applicable interest rate basis in the stress test.

Stress test as of 31 December 2023

Interest rate (3M EURIBOR)	Cost of funding	Difference in cost of funding	Interest sensitivity
Interest rate 6%	2.61%	17 BP	3%
Interest rate 5%	2.56%	12 BP	2%
Interest rate 4%	2.51%	7 BP	2%
Interest rate 3%	2.47%	3 BP	1%
Interest rate 2%	2.40%	-4 BP	-2%
Interest rate 1%	2.34%	-10 BP	-10%

Stress test as of 31 December 2022

Interest rate (3M EURIBOR)	Cost of funding	Difference in cost of funding	Interest sensitivity
Interest rate 5%	2.26%	10 BP	2%
Interest rate 4%	2.26%	10 BP	3%
Interest rate 3%	2.27%	11 BP	4%
Interest rate 2%	2.23%	7 BP	3%
Interest rate 1%	2.15%	-1 BP	-1%
Interest rate 0%	2.06%	-9 BP	NA

5.2.2. Liquidity and financing risks

S IMMO Group manages liquidity and financing risks actively. In order to mitigate the corresponding risks, continuous monitoring is carried out for all maturities and adjustments are made as part of the rolling budget process if necessary. In order to minimise the financing risk, the Group ensures that a balanced relationship is maintained between the amounts of loans and the market values of the individual properties.

There was a covenant breach as of 31 December 2023, which is why a loan liability of kEUR 6,652 was reclassified from non-current other financial liabilities to current other financial liabilities. There were no covenant breaches in the previous year.

On 09 June 2021 Czech Property Investments, a.s. (CPI CZ), CPI FIM S.A. (CPI FIM) – both being 100% subsidiaries of CPI Property Group S.A. (CPI PG) and UniCredit Bank Czech Republic and Slovakia a.s. (UniCredit) entered into a facility agreement up to EUR 213,235,000 (Facility Agreement).

The financing is related to the properties acquired from CPI Property Group S.A. in the fourth quarter of 2023 as part of share deals (see section 2.2.4.). In the course of the acquisition transaction, SC Czech AHG, s.r.o. (S IMMO CZ) – a wholly owned indirect subsidiary of S IMMO AG – agreed with effect from 23 November 2023 to become a co-debtor and to be bound by the terms of the Facility Agreement as the borrower and to become a joint and several debtor with CPI CZ and CPI FIM.

Consequently, S IMMO CZ is primarily reliable for the repayment of the loan, the payment of interest accrued on the loan as well as for any other payment obligation arising under the Facility agreement. Accordingly, the existing loan liability is also recognised in full in the consolidated financial statements of the S IMMO Group; there is no liability for loan liabilities recognised by CPI CZ or CPI FIM S.A.

Due to the joint and several liability for this loan and the cross-default clauses agreed in the loan agreement, S IMMO CZ is exposed to the risk of a possible default/insolvency of either CPI CZ or CPI FIM to the extent that the financing bank could call in the loan in this case. Such exposure is rather remote, as S IMMO CZ has all rights to remedy any potential default on the side of CPI CZ/CPI FIM (cross-default clause in the Loan Agreement is limited to CPI CZ and CPI FIM). Additionally, any damage from such potential default incurred by S IMMO CZ is backed by a first demand guarantee issued by the CPI PG parent company.

In 2023, the loan to value ratio for secured financing amounted to 44.0% (2022: 33.2%) and for unsecured financing to 5.0% (2022: 8.1%). To keep lender risks to a minimum, S IMMO Group works with a total of 19 different, well-known European financial institutions.

	Share in credit financing
UniCredit Group	61%
Erste Group	17%
German banks	6%
Insurance	5%
Other	11%

Maturity analysis of financial liabilities

The maturities of the undiscounted payment flows for future periods are as follows:

31 December 2023

EUR '000	Issued bonds	Other financial liabilities ¹	Trade payables
Remaining maturity less than 1 year	115,299	251,370	32,126
Remaining maturity between 1 and 5 years	416,194	1,187,002	0
Remaining maturity over 5 years	154,875	427,455	0

¹ Thereof leases less than 1 year: kEUR 555, between 1 and 5 years: kEUR 2,024, more than 5 years: kEUR 8,460
No liabilities from interest-rate-derivatives existed as of 31 December 2023.

31 December 2022

EUR '000	Issued bonds	Other financial liabilities ¹	Trade payables
Remaining maturity less than 1 year	11,174	116,439	12,693
Remaining maturity between 1 and 5 years	360,748	569,568	0
Remaining maturity over 5 years	229,995	526,326	0

¹ Thereof leases less than 1 year: kEUR 601, between 1 and 5 years: kEUR 2,048, more than 5 years: kEUR 8,954

5.2.3. Borrower risks

The amounts disclosed as assets represent the maximum default risk since there are no significant netting agreements.

Provisions are recognised for default risks on receivables from tenants and purchasers of properties to the extent that such risks are recognised. The risk of rent defaults is partially secured by rent deposits and guarantees. In addition, borrower risks are countered by a careful selection of contractual partners, a credit check depending on the transaction volume and a certain geographical diversification exclusively across stable EU countries. The procedure for the determination of these provisions is explained in note 2.6.

5.2.4. Climate risks

S IMMO is exposed to climate risks that can affect the property portfolio and its management in particular. In this context, climate risks are currently reflected in the market parameters used for property valuation and are also taken into account in the company's investment programme. There is currently no monetary quantification of climate risks alone. In order to determine the EU taxonomy conformity of its economic activities, S IMMO has been carrying out a climate risk assessment of its properties at individual building level since 2022. The properties used by S IMMO itself are not exposed to a high overall climate risk, which is why there are no indications of a possible impairment or a need to adjust the useful lives. Suitable countermeasures

have been taken for physical climate risks identified in investment properties, such as the appropriate dimensioning of refrigeration and cooling technology in the buildings or flood protection measures. Depending on developments, climate risks can change the market interest rates or rents used in the valuations (see section 2.8.1.2.) or result in future green financing such as the green bonds issued not being available or only being available at less favourable conditions.

S IMMO currently uses several green bonds to finance and re-finance projects that are in line with its Sustainable Bond Framework. This follows the Green Bond and Social Bond Principles of the International Capital Market Association (ICMA) and requires the proceeds to be used exclusively in the areas of green buildings, energy efficiency, renewable energy and affordable housing. At present, all financed projects have been allocated to the area of green building-certified buildings and allocated accordingly.

To date, no climate risks have been identified that require the recognition of provisions or the disclosure of contingent liabilities. The reduction targets for greenhouse gas emissions and energy consumption set by S IMMO as part of the Group-wide ESG strategy do not currently have any specific impact on the balance sheet either.

Beyond the current assessment, climate risks could have a negative impact on the future usability of properties and future regulations influenced by climate risks could impair S IMMO's business activities.

S IMMO believes that properties that meet ESG criteria, such as taxonomy-compliant or green building-certified buildings, will be more valuable in the future and achieve higher rents and market prices. S IMMO therefore emphasises the importance of increasing the proportion of such properties in its portfolio, which is also reflected in the company's ESG strategy.

5.3. Rental agreements

The rental agreements concluded by S IMMO Group are classified under IFRS 16. These rental agreements are as a rule protected by linking the rents to the euro and to international indices.

The total future minimum rental income of S IMMO as lessor is as follows:

EUR '000	2023	2022
In the following year	190,268	143,554
For the next 4 years	438,888	319,730
Over 5 years	185,599	135,721
	814,754	599,006

5.4. Leasing – Group as lessee

The following table shows the separately illustrated rights of use for financial assets which are recognised in fixed assets within a lease according to IFRS 16.

Right-of-use assets

EUR '000	Properties (IAS 16) ¹	Car ²	Other ²	Total
As of 01 January 2022	1,364	119	87	1,570
Additions	0	17	53	70
Disposals	0	0	0	0
Depreciation and amortisation	-137	-52	-64	-253
Book value as of 31 December 2022	1,227	84	76	1,387
As of 01 January 2023	1,227	84	76	1,387
Additions	46	10	0	56
Disposals	0	0	0	0
Depreciation and amortisation	-139	-53	-45	-237
Book value as of 31 December 2023	1,134	41	31	1,206

¹ Recognised in the statement of financial position under 'owner-operated properties'

² Recognised in the statement of financial position under 'other plant and equipment'

The following items were recognised in the income statement:

EUR '000	2023	2022
Interest expenses for lease liabilities	317	327
Expenses for short-term leases	36	37
Expenses for short-term leases for an asset of low value	1	2

With regard to the lease liabilities the Group is not exposed to a relevant liquidity risk. Within the Group lease liabilities are monitored by the treasury function.

5.5. Pending litigation

S IMMO Group was involved in a number of open legal disputes at the balance sheet date. However, the amounts involved were not significant and even in total the amount was not material in the management's estimation.

Moreover, on 16 March 2021, the company was informed by the Austrian Takeover Commission that at the request of a shareholder the Second Senate of the Austrian Takeover Commission had opened review proceedings in relation to the target company IMMOFINANZ AG in accordance with section 33 (1) item 2 of the Austrian Takeover Act (ÜbG) and was reviewing whether various legal entities, including S IMMO AG and its subsidiary CEE Immobilien GmbH, had breached a bid obligation at the level of IMMOFINANZ AG. As S IMMO AG does not yet have any specific information on the allegations made, the company also cannot currently assess whether and to what extent the proceedings will actually materially affect S IMMO AG.

The subsidiaries of S IMMO AG, S IMMO Germany GmbH and SIAG Deutschland Beteiligungs GmbH & Co. KG have sold all their shares in SIAG Berlin Wohnimmobilien GmbH. The share purchase agreement was completed on 31 March 2023. Against the closing date and the final purchase price calculation the buyer filed an objection, whereupon due to the buyer's objections on 10 October 2023 the seller companies initiated the arbitration proceedings provided for in the share purchase agreement. The arbitration proceedings are currently still on-

going and the outcome of these proceedings cannot be currently predicted with sufficient certainty, however we consider the objections of the purchaser as unfounded and at present we are not aware of any circumstances which would prevent the fulfilment of our receivables from the share. As of 31 December 2023, there is a purchase price receivable in the amount of kEUR 11,287, which is reported under other financial assets.

S IMMO AG and its affiliated company PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG hold land register shares in the property EZ 1753, KG 01004, in which condominium ownership is established. On 08 November 2023, the condominium owner of the property's car park filed an application with the district court against all other condominium owners to carry out maintenance work pursuant to section 30 (1) item 1 WEG in conjunction with section 52 (1) 1 item 3 WEG. In the application the condominium owner of the car park requests that the district court decide on maintenance measures for parts of the property located in the garage. As the dispute proceedings are still in the early stages, S IMMO AG cannot currently estimate the outcome of the proceedings, but does not assume a significant amount.

5.6. Related party disclosures

For S IMMO Group, related parties are as follows:

- S IMMO Group's managing bodies
- CPI Property Group S.A. Group
- IMMOFINANZ AG Group
- Associated companies and joint venture companies of the Group

In the 2023 financial year, there were related party transactions with shareholders of S IMMO AG, mainly in the context of real estate transactions.

S IMMO Group's managing bodies are as follows:

S IMMO AG Management Board

- Radka Doehring (since 17 June 2023)
- Tomáš Salajka (since 03 February 2024)
- Herwig Teufelsdorfer (until 02 February 2024)
- Holger Schmidtmayr (until 16 June 2023)

S IMMO AG Supervisory Board

- Martin Matula (since 29 January 2024) (chairman)
- Vladislav Jirka (since 29 January 2024)
(first deputy chairman since 29 January 2024)
- Matej Csenky (since 29 January 2024)
(second deputy chairman since 29 January 2024)
- Vít Urbanec (since 29 January 2024)
- Andreas Feuerstein, employee representative

- Karin Rest (until 15 January 2024) (chairwoman until 15 January 2024)
- Martin Nemeček (until 29 January 2024)
(first deputy chairman until 29 January 2024)
- Ulrich Steffen Ritter (until 29 January 2024)
(second deputy chairman until 29 January 2024)
- John Verpeleti (until 29 January 2024)
- Elisabeth Wagerer, employee representative
(until 02 February 2024)

The remuneration of the Management Board breaks down as follows:

EUR '000	2023	2022
Fixed	830	1,077
Variable	2,319	4,671
thereof disbursement in the current financial year	1,429	3,028
thereof accrual severance payment	0	1,000
thereof accrual premium 2023/2022	890	643
	3,149	5,748

In addition to the amounts specified above, other benefits consisted primarily of contributions to pension funds in the amount of kEUR 44 (2022: kEUR 114) and contributions to the staff benefit fund in the amount of kEUR 23 (2022: kEUR 39).

In 2023, members of the Supervisory Board received remuneration amounting to kEUR 179 (2022: kEUR 246). Members of subsidiaries' supervisory boards received no remuneration. Neither members of the Management Board nor Supervisory Board members received either loans or advances, and no guarantees have been provided on their behalf.

As of 31 December 2023, there were receivables from or liabilities to associated companies, IMMOFINANZ AG and CPI Property Group S.A., which are related parties of the S IMMO Group.

In the 2023 financial year, no dividends were distributed to either CPI Property Group S.A. or IMMOFINANZ AG.

In the 2023 financial year, property companies were purchased from both CPI Property Group S.A. and IMMOFINANZ AG (see chapter 2.2.4.).

A framework agreement (Framework Services Agreement) was concluded between S IMMO AG and CPI Property Group S.A., which provides for the provision of asset management services, property management services and administrative services (accounting, tax, controlling, HR, legal, IT) by the local management companies of CPI Property Group S.A. to the local property holding companies of S IMMO AG in some CEE countries. The details of the service provision and the amount of the service fees were regulated in implementation agreements between the local CPI management companies and the individual local property holding companies of S IMMO in Hungary, Romania, the Czech Republic and Slovakia.

A service level agreement was concluded between S IMMO AG and IMMOFINANZ AG for the comprehensive provision of cash management services and credit management services by IMMOFINANZ AG to S IMMO AG and its Group companies.

There are also contracts between CPI Hotels, a.s. and S IMMO AG for the provision of hotel management services for the Vienna Marriott Hotel and Budapest Marriott Hotel.

As of 31 December 2023, receivables from CPI Property Group S.A. amounted to kEUR 12,318 (31 December 2022: kEUR 13,045) and liabilities to CPI Property Group S.A. amounted to kEUR 37,026 (31 December 2022: kEUR 3,800), which primarily comprise receivables for purchase price payments on the one hand and a vendor loan on the other hand. Receivables of kEUR 7,661 (31 December 2022: kEUR 571), which primarily represent a receivable from the recharging of contractually assumed maintenance costs after the acquisition date and subsequent reductions in acquisition costs, were due from IMMOFINANZ Group. Furthermore there were liabilities in the amount of kEUR 1,086 (31 December 2022: kEUR 210).

In the income statement, business relations with CPI Property Group S.A. generated a total income of kEUR 2,314 (2022: kEUR 406), which primarily comprises rental and operating cost income, as well as expenses for operating costs and management fees of kEUR 9,249 (2022: kEUR 650). Income from business relationships with the IMMOFINANZ Group was recognised in the amount of kEUR 4,628 (2022: kEUR 0), which primarily includes rental and operating cost income, as well as expenses for operating costs and fees for service level agreements in the amount of kEUR 3,568 (2022: kEUR 0).

Income taxes include an expense of kEUR 9,605 from the tax allocation of S IMMO AG to IMMOFINANZ AG. The corresponding liability is included in the item current income tax liabilities.

S IMMO Group also previously had a corporate group pursuant to section 9 of the Austrian Corporate Income Tax Act (KStG) with S IMMO AG as the parent company. This was integrated into the IMMOFINANZ Group in the 2023 financial year. In accordance with the tax allocation agreement concluded between IMMOFINANZ AG and the S IMMO companies in the 2023 financial year, S IMMO AG and its subsidiaries form a separate tax allocation group with regard to tax allocation. In the event of a positive result of the tax allocation group, S IMMO AG must pay a (positive) tax allocation to the group parent in the amount of 20% of the assessment basis. In the event of their own positive result, the S IMMO Group members must pay a (positive) tax allocation to S IMMO AG amounting to 24% of the assessment basis. In the case of losses of the tax allocation group or the S IMMO Group members, this loss is kept evident for the purposes of tax allocations and can be offset in subsequent years against a taxable profit of the tax allocation group or the same S IMMO Group member at 100%. If evidently held tax losses are offset, no payment is made by S IMMO AG to the group parent or by the S IMMO group member to S IMMO AG. There is no (negative) tax allocation from the group parent to S IMMO AG or from S IMMO AG to the S IMMO group member.

In principle, S IMMO Group grants loans to associated companies recognised according to the equity method. As of 31 December 2023, there were no longer receivables resulting from these loans (31 December 2022: kEUR 0). In 2023, there was no interest income from loans (2022: kEUR 0). Moreover, there were no other transactions in connection with associated companies or joint ventures that are recognised according to the at equity method.

There were no related party transactions according to IAS 24 with subsidiaries not consolidated.

5.7. Significant events after the balance sheet date

A share buyback programme began on 15 January 2024 and is expected to end on 31 March 2024.

In February 2024, a letter of intent was signed for the potential purchase of a property portfolio in the Czech Republic from CPI Property Group S.A.

The portfolio strategy was adjusted in March 2024. The focus is on the gradual optimisation of the portfolio, particularly in terms of small and medium-sized office properties with limited development potential. Depending on market developments and only if appropriate prices can be realised, this strategic course will primarily involve substantial disposals in Croatia, Slovakia and Austria and could lead to a complete market exit in Croatia and Slovakia. In any case, a relevant portfolio is to be retained in Austria. The proceeds from the disposals are to be reinvested in profitable office and commercial properties in the CEE region in line with the strategy.

Furthermore, the sales programme in Germany was expanded to the entire German portfolio. In this context, individual and portfolio sales as well as a possible complete withdrawal from the German market are being examined.

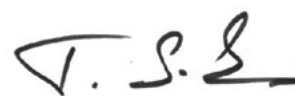
A contract for the sale of Zagrebtower d.o.o. was signed on 21 March 2024. The transaction is expected to close in the third quarter of 2024.

Vienna, 25 March 2024

The Management Board



Radka Doehring



Tomáš Salajka

Management Report

Group fundamentals

Business activities and corporate structure

S IMMO Group (S IMMO AG and its subsidiaries) is an international property group whose business is long-term property investments in the form of property acquisitions and disposals, project development, letting and asset management, building revitalisation and refurbishment as well as the operation of hotels and shopping centres. The company operates in Austria, Germany and CEE (Hungary, Czech Republic, Slovakia, Bulgaria until 30 June 2023, Croatia and Romania). The portfolio consists of office buildings, retail properties, hotels and a small portion of residential properties. S IMMO does not engage in research and development.

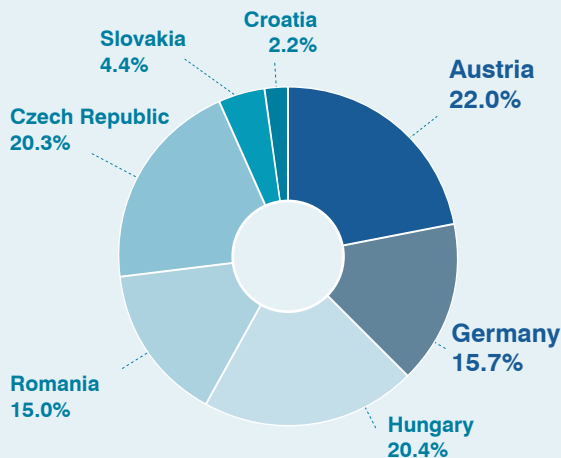
S IMMO AG is headquartered in Vienna. In addition, the Group holds numerous project, property and holding companies. S IMMO AG has been listed on the Vienna Stock Exchange since 1987, in the Prime Market segment since 2007. The Group employed an annual average of 100 people (2022: 136) on a

headcount basis, excluding the Management Board, dormant employees and trainees. Including employees for hotel operations and excluding the Management Board, dormant employees and trainees, the average number of employees for the year was 611 (2022: 583).

Property portfolio

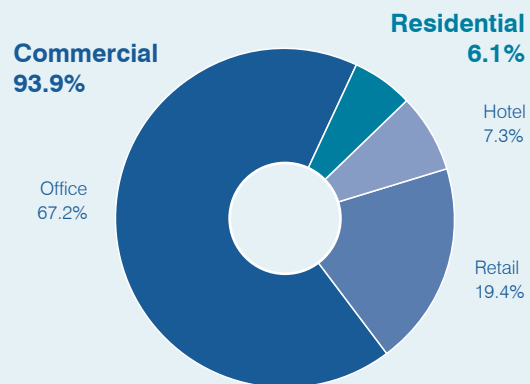
As of 31 December 2023, S IMMO Group's property portfolio consisted of 244 properties (31 December 2022: 364) with a book value of EUR 3,477.6m (31 December 2022: EUR 3,273.8m). The portfolio broke down by main type of use excluding plots of land and based on book values to 67.2% office buildings (31 December 2022: 56.5%), 19.4% retail properties (31 December 2022: 12.2%), 6.1% residential properties (31 December 2022: 25.2%) and 7.3% hotels (31 December 2022: 6.1%).

Book value by country¹



¹ Including book value of land bank

Book value by type of use¹



¹ Book value excluding land bank

Book value by country

in %	31 December 2023	31 December 2022
Austria	22.0	14.5
Germany	15.7	38.3
Hungary	20.4	21.3
Romania	15.0	16.2
Czech Republic	20.3	1.8
Slovakia	4.4	4.8
Croatia	2.2	3.1
Bulgaria	0.0	0.01
Total	100.0	100.0

The properties are located in the European Union and have a gross leasable area (total lettable area excluding parking spaces) of around 1.5 million m² (31 December 2022: 1.4 million m²). The high quality of the portfolio and asset management is reflected in the good occupancy rate and yield. The occupancy rate of the portfolio as a whole was 90.6% (31 December 2022: 92.6%). The calculation of the occupancy rate includes all investment properties in the narrower sense (i.e. excluding investment properties with development potential and owner-operated hotels). The overall rental yield was 6.8% (31 December 2022: 5.8%).

Overview of rental yields¹

in %	31 December 2023	31 December 2022
Austria	5.7	4.6
Germany	6.3	4.6
Hungary	7.1	6.8
Romania	8.8	7.7
Czech Republic	6.2	5.6
Slovakia	7.5	6.5
Croatia	8.3	7.7
Total	6.8	5.8

¹ The rental yield describes the ratio of the annual rent generated to property value. The calculation includes all investment properties in the narrower sense (i.e. excluding investment properties with development potential and owner-operated hotels). The rent is annualised for properties added during a year.

Strategy and objectives

For more than three and a half decades, S IMMO has supported the creation of sustainable value for its shareholders through its prudent, sustainable business policy. The company's aim is to safeguard its long-term profitability and continually improve its income figures. As a portfolio manager, it invests in properties that have a direct positive impact on income. A strong focus here is always on high-quality, certified properties that meet clearly defined ESG criteria.

Since 2022, S IMMO AG has been part of the CPI Group, to which IMMOFINANZ AG also belongs. It is a declared goal to increasingly create synergies within the Group. In this context, CPI and Immofinanz have taken over asset management tasks for S IMMO properties in Hungary, Romania, the Czech Republic and Austria, for example. The companies are also working closely together in other areas to increase efficiency.

The year 2023 was once again characterised by major upheavals on the international capital and property markets. Above all, the rise in interest rates had a significant impact on the profitability of the various asset classes. S IMMO took this into account in autumn 2022 by adapting its strategy. The decision was made to realise the rises in value seen in the German residential portfolio and to reinvest the resulting liquidity, primarily in office properties in CEE and Austria. The sales programme in Germany has been pursued intensively since then, and numerous successes have also been achieved in reinvesting the liquidity gained. In the 2023 financial year alone, office and commercial portfolios were acquired in Vienna and the Czech Republic with annual rental income totalling almost EUR 68m. The portfolio was expanded to include the Twin Towers in Vienna and modern office properties in Prague city centre, among others.

The rental income resulting from these acquisitions had already boosted rental income by the end of the year and will have a significantly positive impact on S IMMO's cash flow and income figures over the course of this year. S IMMO will maintain its position as the manager of a high-quality property portfolio with a focus on office and commercial properties throughout the European Union and continues to build on a solid financing profile.

At the beginning of March, the Management Board and Supervisory Board once again adjusted the portfolio strategy, with substantial disposals in Croatia, Slovakia and Austria taking centre stage. A complete market exit is possible in Croatia and Slovakia, while a relevant portfolio is to be retained in Austria. The proceeds from the disposals are to be reinvested in profitable office and commercial properties in the CEE region in line with the strategy.

Management and control

In the 2023 financial year, there were changes in the Management Board. With effect from 16 June 2023, the Supervisory Board and Holger Schmidtmayr agreed on the termination of his Management Board contract. At the same time, Radka Doehring was appointed to the Management Board. As of 31 December 2023, the Management Board consisted of the following two members – Herwig Teufelsdorfer and Radka Doehring.

After the balance sheet date, the Supervisory Board and Herwig Teufelsdorfer also mutually agreed to terminate his Management Board contract with effect from 02 February 2024. At the same time, the Supervisory Board decided to appoint Tomáš Salajka, who is also a member of the Management Board of CPI, to the Management Board of S IMMO AG. At the time of publication of this report, the Management Board consisted of Radka Doehring and Tomáš Salajka.

The Management Board pursues a responsible and long-term management strategy aimed at enhancing earnings and increasing the Group's value on a long-term basis, with a focus on the interests of all shareholders. The interests of all shareholders are in focus. Furthermore, the Management Board works closely with the Supervisory Board, which had six members as of 31 December 2023 – four capital market representatives and two employee representatives (for details, see section 5.6. in the notes).

On 11 December 2023, the then Chairwoman Karin Rest announced that she would be resigning from the Supervisory Board with effect from 15 January 2024. In addition, an Extraordinary General Meeting was held on 29 January 2024 at the request of CPI. A resolution was passed to revoke the appointment of and replace Ulrich Steffen Ritter, John Verpeleti and Martin Němeček and to replace Karin Rest. Vladislav Jirka, Matej Csenky, Vít Urbanec and Martin Matula were newly elected to the Supervisory Board. At the constituent meeting of the Supervisory Board following the Extraordinary General Meeting, Martin Matula was elected as Chairman of the Supervisory Board, Vladislav Jirka as first deputy chairman and Matej Csenky as second deputy chairman.

Economic report

Economic overview

The global economy continues to face challenges relating to inflation and the subdued growth prospects. The economy fared better than expected in 2023, but growth is now weakening once again. Economic development is being influenced by risks including the escalation of geopolitical tensions (war in the Middle East and in Ukraine) and the tightening of monetary policy. Global growth is still highly dependent on the Asian economies. Provided there are no further major shocks for food and energy prices, inflation should continue to decline.

The Organisation for Economic Co-operation and Development (OECD) projects global GDP growth of 2.7% for 2024. Because inflation continues to retreat and real incomes are rising, the global economy is expected to grow by 3% in 2025. According to the International Monetary Fund (IMF), global growth will come to 3.1% in 2024 and 3.2% in 2025. The OECD anticipates that headline inflation will drop to 5.2% in 2024 and 3.8% in 2025. The IMF expects headline inflation to fall to 5.8% in 2024 and 4.4% in 2025.

GDP will grow by 1.3% in the EU in 2024 according to the European Commission. The commission projects GDP growth of 1.7% for 2025. Slightly lower growth of 1.2% in 2024 and 1.6% in 2025 is forecast for the euro area. According to the IMF, growth in the euro area will come to 0.9% in 2024 and 1.7% in 2025. The European Commission expects headline inflation in the EU to fall from 6.5% in 2023 to 3.5% in 2024 and 2.4% in 2025. In the euro area, it is projected to go from 5.6% in 2023 to 3.2% in 2024 and 2.2% in 2025.

In Austria, the lower real incomes are hindering economic development due to the high inflation at present and a global slump in industry. Therefore, the Austrian Institute of Economic Research (WIFO) expects only modest GDP growth of 0.9% for 2024, whereas slightly higher growth of 2% is projected for 2025. Oesterreichische Nationalbank (OeNB) anticipates moderate economic growth of 0.6% in 2024. OeNB forecasts growth of 1.7% for 2025 and 1.3% for 2026. Inflation in Austria will decline to 4% in 2024 and 3% in 2025 according to WIFO and OeNB.

UniCredit projects that the economies of the EU member states in the CEE region (EU-CEE) will grow by around 3% in 2024 and 2025.

Real estate market overview

Austria

Modest completion figures and a low vacancy rate of 3.5% led to take-up of approximately 175,000 m² on the Viennese office market in 2023. This is roughly in line with the prior-year level amidst a continuing downward trend overall. The average for the last five years is around 188,000 m² according to CBRE, whereas the average for the previous five-year period was about 240,000 m². This trend correlates with the low completion figures on the Viennese market, among other factors. Only around 50,000 m² of space were completed in 2023, while the vacancy rate simultaneously declined. These developments are making it difficult for companies to find large, modern and connected spaces that meet the requirements of New Work and those of the employees. Nevertheless, sentiment is positive for 2024 according to CBRE, and there are many requests for space for the first half of the year. However, it is still difficult to estimate what impact the weak economic conditions will have.

Things continued to improve for the Austrian hotel market in 2023. Overnight stays fell short of the record level from 2019 by just 1%, with a total of roughly 151m. While the figures for domestic travellers stayed relatively constant in 2023, the decisive factor was primarily the return of international tourists, as foreign arrivals increased by 13.5% versus 2022. According to CBRE, continued growth in overnight stays – particularly among international guests – is to be expected in 2024.

Germany

The demand for office space continues to suffer due to the weak economic conditions and the relatively moderate outlook. In 2023, the Berlin office letting market registered turnover of 582,700 m² and thus came in 21% below the level seen in 2022. Despite the lack of a year-end rally, however, the capital remained the strongest office letting market in Germany, taking the top spot ahead of Munich (467,000 m²) and Hamburg (450,000 m²).

As is to be expected, the vacancy rate increased further in light of the falling demand for office space and amounted to 6.4% in 2023. Prime rents came to EUR 44.00/m²/month, which represents a slight increase versus the prior year (2022: EUR 43.00/m²/month).

The German residential investment market experienced a setback in 2023 due to the significantly higher borrowing costs, the low risk premiums compared to other asset classes that are also secure and the sharp increase in uncertainty regarding

Overview of the real estate market¹

	Prime rents (EUR/m ² /month)				Prime gross yield (%)				Total leasing activity (m ²)		Vacancy rate (%)	
	2023		2022		2023		2022		2023		2022	
	Office	Office	Retail	Retail	Office	Office	Retail	Retail	Office	Office	Office	Office
Berlin	44.00	43.00	260.00	250.00	5.00	3.55	4.90	3.95	583,000	741,000	6.4	3.9
Bratislava	18.00	17.00	67.00 ²	67.00 ²	6.00	5.50	6.50 ²	6.25 ²	112,000	112,000	14.2	11.2
Budapest	25.00	24.00	100.00	100.00	6.75	6.00	6.00	5.75	352,000	247,000	13.3	11.3
Bucharest	19.50	19.50	50.00	45.00	7.75	7.00	8.85	8.00	213,000	40,000	14.7	14.1
Prague	27.50	26.50	135.00	135.00	5.40	4.80	6.30	6.25	246,000	62,000	7.2	7.7
Vienna	28.00	27.00	360.00	360.00	5.00	3.90	4.60	3.95	174,000	171,000	3.6	3.9
Zagreb	16.00	15.50	70.00	70.00	8.25	7.75	7.25	6.75	27,000	24,000 ³	2.0	3.0

¹ Source: CBRE Research

² Data for shopping centres; data for remainder of the locations refers to high street retail.

³ Estimate

further regulations. In Berlin, the investment volume declined by 55% to EUR 5bn overall, with residential properties (with 50 units or more) accounting for EUR 1.8bn. In the final quarter, the net prime yields for newly built properties increased slightly, and prime yields in Berlin came in at 3.6%.

According to BNP Paribas, demand is generally expected to pick up in 2024, as the German economy will presumably gain momentum and the financing environment should become more predictable for companies.

CEE

The Bucharest office market recorded total take-up of 213,000 m² for 2023. The vacancy rate in the Romanian capital came to 14.7% at the end of 2023. Prime rents amounted to EUR 19.50/m²/month.

The retail market in Bucharest registered new supply of 144,200 m² in the fourth quarter of 2023, bringing the total supply for 2023 to 213,000 m² of gross leasable area – a seven-year record. New projects encompassing over 500,000 m² are currently in various phases of planning and construction and will presumably be completed in the next five years. In the fourth quarter of 2023, rents for premium shopping centres in Bucharest stabilised at a level of EUR 80–85/m²/month for a 100–150 m² unit in a prestigious shopping centre.

The Budapest office market saw total take-up of 352,000 m² and prime rents of EUR 25.00/m²/month in 2023. The vacancy rate came to 13.3%.

The office market in Bratislava recorded total take-up of 112,000 m² and a vacancy rate of 14.2% in 2023. Prime rents remained unchanged at EUR 18.00/m²/month.

In Prague, total take-up in the office sector amounted to 246,000 m² during the reporting period, and the vacancy rate came to 7.2%. Prime rents rose by 3.8% year-on-year to EUR 27.50/m²/month in 2023. Overall, a gradual but constant increase in rents is being observed on the market.

With the increasing recovery of tourism, the hotel market in the CEE region is continuing to see positive developments. This trend is expected to continue.

Business development and performance

Earnings performance in the 2023 financial year was characterised by the following developments in particular: On the one hand, acquisitions of high-income-generating rented properties in Austria and the Czech Republic, good like-for-like performance in rental income and a considerable increase in revenues from hotel operations all led to a substantial improvement in the operating result despite the disposals. On the other hand, negative property valuations were observed, mainly due to the difficult general economic conditions at present. The financial result was also impacted by negative non-cash effects from derivative valuations.

One significant event in the 2023 financial year was the sale of properties in Germany, Austria, Croatia and Bulgaria.

In July 2023, a green bond with a nominal value of EUR 75m, a maturity of five years and a coupon of 5.5% p.a. was successfully issued.

Overall, EBITDA increased year-on-year to EUR 142.6m (2022: EUR 106.1m). Despite the negative property valuation result of EUR -109.3m in 2023 (2022: EUR -78.4m), EBIT increased from EUR 18.0m to EUR 24.1m.

The negative effects of derivative valuations in the financial result on the one hand and an improved income tax result on the other led to consolidated net income of EUR -41.4m (2022: EUR 18.9m). Earnings per share fell from EUR 0.39 to EUR -0.46.

Gross profit and EBITDA at record level, significant year-on-year improvement in owner-operated hotels

Rental income for the 2023 financial year amounted to EUR 202.6m (2022: EUR 155.7m), which was over 30% higher than in the previous year. This increase is attributable to acquisitions as well as considerable like-for-like improvements in the existing portfolio.

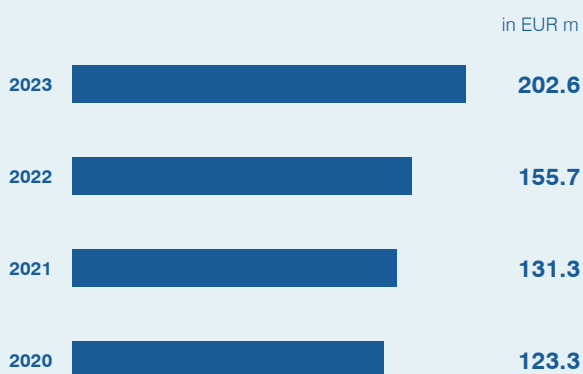
Revenues from hotel operations improved year-on-year to EUR 70.0m (2022: EUR 56.4m), and were thus well above the pre-pandemic level of 2019 (EUR 59.1m). Overall, revenues rose from EUR 260.5m to EUR 336.5m in 2023.

Expenses from property operations increased to EUR 108.7m as a result of inflation and property purchases (2022: EUR 79.5m). This development was also due to higher operating costs, only some of which were passed on to existing tenants.

Broken down by country, rental income for the reporting period excluding this financial year's reclassification of parts of the revenues from operating costs was as follows: Austria and Germany contributed around 15.5% and 19.2%, respectively (2022: 13.1% and 38.3%). The share contributed by countries in CEE rose from 48.6% to 65.3%: Hungary 25.1% (2022: 9.8%), Romania 23.1% (2022: 25.1%), the Czech Republic 7.4% (2022: 2.2%), Slovakia 5.7% (2022: 6.4%) and Croatia 4.0% (2022: 5.1%). The property in Bulgaria that was sold in the second quarter of 2023 was a plot of land that produced an immaterial rental income of kEUR 2.1 (2022: kEUR 6.1). In terms of main types of use, and excluding operating cost allocations recognised in rental income, commercial properties excluding hotels (office and retail) contributed 85.9% (2022: 73.4%) of rental income, hotels contributed 3.8% (2022: 2.9%) and residential properties contributed a share of 10.3% (2022: 23.7%).

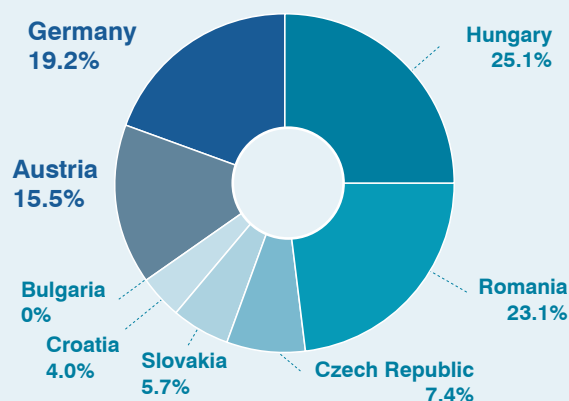
Gross profit from hotel operations improved by almost 30% from EUR 13.4m to EUR 17.3m. Gross profit for the entire property portfolio, which reflects the operating performance of rental properties and owner-operated hotels alike, rose sharply to EUR 179.3m (2022: EUR 140.2m), the highest level in the company's history.

Total rental income¹



¹ Not including Vienna Marriott Hotel and Budapest Marriott Hotel

Rental income by country¹



¹ Not including Vienna Marriott Hotel and Budapest Marriott Hotel and not including the reclassification of parts of revenues from operating costs

Despite negative non-recurring effects from personnel costs, higher other administrative expenses due to ongoing projects and increased expenses for other taxes and duties, EBITDA also reached a new all-time high of EUR 142.6m (2022: EUR 106.1m).

Property investments

As in the previous year, there were more acquisitions than disposals in the 2023 financial year. Among other properties, office and commercial portfolios with a volume of EUR 925,0m were acquired in Vienna, the Czech Republic and Hungary.

Disposals totalled EUR 682.4m (2022: EUR 49.2m) and related primarily to the Germany segment, but included Austria and Croatia as well. The assets classified as held for sale relate to the Czech Republic, Germany and Austria.

Negative property valuation result and negative effects in financial result

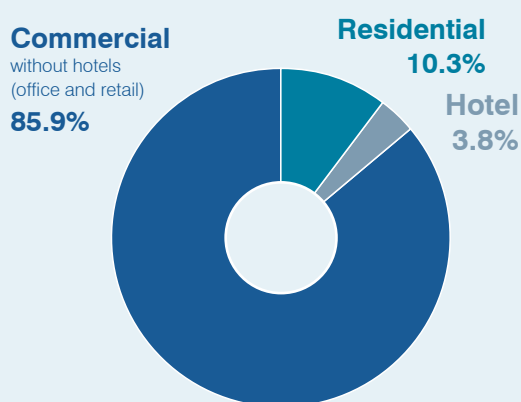
On account of the difficult conditions at present, the property valuation result came to EUR -109.3m (2022: EUR -78.4m). Specifically, Germany accounted for EUR -118.5m (2022: EUR -73.3m), Austria for EUR -27.6m (2022: EUR -6.6m), Hungary for EUR -17.4m (2022: EUR 2.9m), Romania for EUR -9.8m (2022: EUR -1.9m), the Czech Republic for EUR 69.4m (2022: EUR 0.2m), Slovakia for EUR -6.2m (2022: EUR -4.7m), Croatia for EUR 0.1m (2022: EUR 5.0m) and Bulgaria for EUR 0.6m (2022: EUR -0.005m). However, the new all-time-high operating result meant that EBIT nonetheless increased by 34% to EUR 24.1m (2022: EUR 18.0m).

The financial result declined year-on-year to EUR -70.4m (2022: EUR 16.9m), mainly due to negative non-cash effects from derivative valuations.

The cost of funding (based on variable- and fixed-interest financial liabilities including bonds and derivatives) totalled 2.44% as of 31 December 2023 (31 December 2022: 2.16%).

Despite the sharp rise in the operating result, consolidated net income declined substantially year-on-year to EUR -41.4m as a result of the aforementioned non-cash property valuation effects and the negative non-cash effects from derivative valuations (2022: EUR 18.9m).

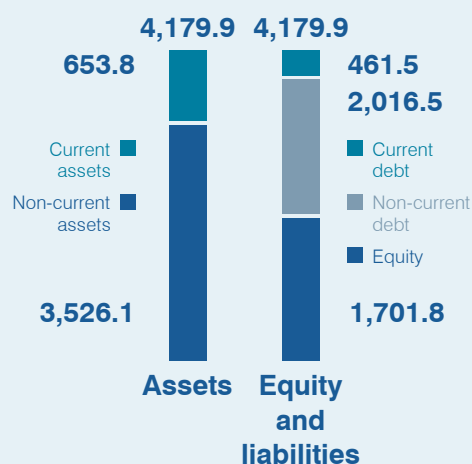
Rental income by type of use¹



¹ Not including Vienna Marriott Hotel and Budapest Marriott Hotel and not including the reclassification of parts of revenues from operating costs

Balance sheet structure

in EUR m



Earnings and financial position

Cash flow

Cash flow from operating activities for 2023 amounted to EUR 153.8m (2022: EUR 63.9m). Cash flow from investing activities was characterised not only by acquisitions (mainly in Austria and the Czech Republic) but also by disposals (predominantly in Germany), and totalled EUR -131,5m (2022: EUR 0.5m). Cash flow from financing activities, which includes the issuance of a green bond in the third quarter of 2023, amounted to EUR 176.4m (2022: EUR -161.4m).

Consolidated statement of financial position

S IMMO Group's total assets increased from EUR 3,774.4m to EUR 4,179.9m, while the equity ratio decreased from 47.2% to 40.7%.

Cash and cash equivalents totalled EUR 445.1m at the end of the year (31 December 2022: EUR 246.9m). Equity not including non-controlling interests declined to EUR 1,648.4m as of 31 December 2023 (31 December 2022: EUR 1,697.2m). Accordingly, the book value per share fell to EUR 23.43 (31 December 2022: EUR 24.07).

EUR m	2023		2022	
	unsecured	secured	unsecured	secured
Secured financial liabilities without derivatives	0	1,531.4	0	1,087.5
Issued bonds and other unsecured financing	618.8	0	544.2	0
Cash and cash equivalents	-445.6	0	-278.9	0
Total	173.2	1,531.4	265.4	1,087.5
Property investments	3,477.6	3,477.6	3,273.8	3,273.8
LTV ratio in %	5.0	44.0	8.1	33.2
Total in %	49.0		41.3	

As of 31 December 2023, S IMMO's liabilities to banks were spread among 19 individual banks (2022: 19). The average maturity of non-current liabilities to banks was 5.0 years (2022: 4.8 years).

Financial management

All of S IMMO's loan liabilities are denominated in euros. As of 31 December 2023, around 7% of the long-term loans were fixed rate (31 December 2022: 8%) and 93% were variable-rate (31 December 2022: 92%). S IMMO reduces the risk of rising interest rates on variable-rate financing by engaging in interest rate hedges.

Breakdown of financial liabilities

EUR m	2023	2022
Issued bonds (non-current)	518.8	544.2
Other financial liabilities (non-current)	1,334.4	927.6
Issued bonds (current)	100	0
Other financial liabilities (current)	183.3	82.1
Total	2,136.5	1,553.9

S IMMO's property not held for sale amounted to EUR 3,393.1m as of 31 December 2023 (31 December 2022: EUR 2,772.8m), while property held for sale amounted to EUR 84.5m (31 December 2022: 501.0m). The loan-to-value ratio (LTV ratio) was higher than last year at 49.0% (31 December 2022: 41.3%).

The following table illustrates the calculation method:

EUR m	2023		2022	
	unsecured	secured	unsecured	secured
Secured financial liabilities without derivatives	0	1,531.4	0	1,087.5
Issued bonds and other unsecured financing	618.8	0	544.2	0
Cash and cash equivalents	-445.6	0	-278.9	0
Total	173.2	1,531.4	265.4	1,087.5
Property investments	3,477.6	3,477.6	3,273.8	3,273.8
LTV ratio in %	5.0	44.0	8.1	33.2
Total in %	49.0		41.3	

Related party disclosures

More information on related party transactions can be found in section 5.6. of the notes to the consolidated annual financial statements.

Non-financial performance indicators and corporate responsibility

In addition to financial performance indicators, S IMMO is also guided by non-financial performance indicators when pursuing its business strategy. Among other things, these relate to the quality of the property portfolio, the treatment of employees and compliance with national and international laws regarding non-financial disclosures.

In its properties, S IMMO aims to achieve a high and long-term occupancy rate and thus a low vacancy rate. As of 31 December 2023, S IMMO reported a vacancy rate of 9.4% (31 December 2022: 7.4%) and a WAULT (weighted average unexpired lease term) of 4.1 years (31 December 2022: 3.9 years). This requires both good tenant management and the provision of buildings and premises that are fit for purpose and fit for the future. S IMMO believes that properties in alignment with ESG criteria, including, for instance, taxonomy-aligned or green building-certified buildings, will better retain their value in the future, allowing higher rents and market prices to be achieved. For this reason, it is important to S IMMO to increase the share of such properties in its portfolio.

S IMMO also benefits from satisfied and motivated employees and therefore places value on an attractive, modern and flexible working environment along with appropriate remuneration and opportunities for personal development. The overriding goals are low staff turnover and long-term retention.

As a listed company, S IMMO has a special responsibility to its shareholders – but not only to them. In the interests of proper corporate governance, an important non-financial indicator is the absence of compliance violations and breaches of the law and internal guidelines. If this is not the case, however, there are defined processes to investigate and transparently report such violations and breaches in the required form.

In the field of ESG, several synergies within the CPI Group were realised in 2023. Together with CPI and Immofinanz, the ESG strategy was harmonised and shared goals defined. In their implementation throughout the Group, the focus is on important milestones such as the reduction of the properties' energy, water and greenhouse gas intensity. S IMMO therefore also counts the goals of its ESG strategy among its key performance indicators.

To meet regulatory requirements, the company has released an annual non-financial report since the 2017 financial year. It contains information about environmental, employee and social issues in connection with the topics defined as material by S IMMO as well as the subject of human rights, corruption and bribery prevention. In preparing this report, S IMMO implements the legal requirements of section 267a of the Austrian Commercial Code (UGB) in full as required by the Austrian Sustainability and Diversity Act (NaDiVeG). In addition, information is disclosed in line with the EU Taxonomy Regulation (Regulation (EU) 2020/852).

S IMMO AG's non-financial report is published in accordance with the applicable standards of the Global Reporting Initiative (GRI) as well as in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), the Greenhouse Gas Protocol (GHG Protocol) and the EPRA Sustainability Best Practices Recommendations (EPRA sBPR). It provides detailed insights into developments with regard not only to the environment but also to social and governance aspects in the 2023 financial year.

Further details on corporate responsibility can be found in the separate non-financial report.

Information in accordance with section 243a (1) Austrian Commercial Code (UGB)

The following information must be disclosed pursuant to section 243a (1) Austrian Commercial Code (UGB):

1. The issued share capital of S IMMO AG amounts to EUR 267,457,923.62, divided into 73,608,896 no-par-value bearer shares. There are no differing classes of shares.
2. The Management Board of S IMMO AG is not aware of any agreements applying to limitations of voting rights or the transfer of shares.
3. The company has been notified of the following holdings in excess of 10% under section 130 et seq. of the Austrian Stock Exchange Act (BörseG) and the corresponding previously applicable provisions:

In notifications of shareholdings pursuant to sections 130 to 134 BörseG 2018 dated 21 November 2022 and 28 December 2022, the company was informed that a total of 88.37% of the shares in S IMMO AG (50% plus 1 share in S IMMO AG are held directly by IMMOFINANZ AG) are attributable to Mr Radovan Vitek through the companies CPI Property Group S.A. and IMMOFINANZ AG, which are controlled by him.

For clarification purposes, S IMMO AG states that it has learned of the existence of the above-mentioned equity interests greater than 10% based on notifications under section 130 et seq. BörseG and that it therefore cannot guarantee the completeness or correctness of the above information. Moreover, notifications in accordance with BörseG are only required upon reaching, exceeding or falling below the relevant thresholds, meaning that the actual current extent of the interests may differ from those listed in the notifications.

4. There are no shares with special control rights.
5. Employees who are shareholders exercise their voting rights at the Annual General Meeting directly, if appropriate.

6. The Management Board consists of one, two, three, four or five persons. The Supervisory Board may appoint a member of the Management Board as Chair. The Supervisory Board consists of a minimum of three and a maximum of six members elected by the Annual General Meeting. The appointment of a Supervisory Board member can be revoked by the Annual General Meeting before the end of the term of office with a simple majority of the votes cast (section 31 (1) of the Articles of Association). Amendments to the Articles of Association – with the exception of resolutions on ordinary capital increases (for which a simple majority of the share capital represented when the resolution is passed is sufficient) – are decided by the Annual General Meeting with a three-quarter majority of the share capital represented in the vote on the resolution.

7. a) By resolution of the 31st Annual General Meeting on 12 October 2020, the Management Board was authorised under section 169 Austrian Stock Corporation Act (AktG), with the approval of the Supervisory Board, for a period of five years after entry of this amendment to the Articles of Association in the company register, i.e. until 26 November 2025, to increase the share capital by up to EUR 133,728,961.81 by issuing up to 36,804,448 new ordinary bearer shares in the company against contributions in cash or in kind in one or more tranches and to determine the issue amount, which must not be below the pro rata amount of the share capital, as well as the other issue conditions in consultation with the Supervisory Board. With the approval of the Supervisory Board, the Management Board was also authorised to fully or partially exclude the subscription right of shareholders (i) if the capital increase is carried out against cash contributions and the proportion of the company's share capital arithmetically apportioned to the shares issued against cash contributions with exclusion of the subscription right does not total more than the threshold of 10% (ten per cent) of the company's share capital at the time of exercising of the authorisation, (ii) if the capital increase is carried out against contributions in kind, (iii) in order to use a greenshoe option or (iv) to compensate for fractional amounts. A proportion of the share capital totalling no more than 10% (ten per cent) of the company's share capital at the time of granting of the authorisation

may be arithmetically apportioned to the total of the shares issued against cash contributions and contributions in kind under this authorisation with exclusion of the subscription right of shareholders. All subscription or conversion rights to new shares that have been granted for a convertible, exchangeable or warrant bond issued during the term of this authorisation with exclusion of the subscription right count towards this threshold. The Supervisory Board is authorised to pass changes to the Articles of Association that arise from the issue of shares from authorised capital.

b) At the 33rd Annual General Meeting on 01 June 2022, the Management Board was authorised, in accordance with section 65 (1) 8 and (1a) and (1b) AktG, for a period of 30 months from the date of the resolution, i.e. until 01 December 2024, to acquire, with the consent of the Supervisory Board, treasury shares of the company in the amount of up to 10% of the share capital of the company, also by repeatedly utilising the 10% limit, both on the stock exchange and over the counter, also excluding the shareholders' quota tender rights. As of 31 December 2023, the company held 3,266,537 treasury shares, representing approximately 4.4% of the current share capital (on 09 January 2024, another share buyback programme was resolved, which is expected to end on 31 March 2024). The Management Board was also authorised for a period of five years from the date of the passing of the resolution, that is, until 01 June 2027, with the approval of the Supervisory Board, to dispose of treasury shares in a manner other than through the stock exchange or through a public offer and under exclusion of shareholders' subscription rights.

c) By resolution of the 31st Annual General Meeting on 12 October 2020 under section 174 (2) AktG, the Management Board was authorised, within five years from the date of the resolution, i.e. until 12 October 2025, with the approval of the Supervisory Board, to issue convertible bonds associated with a conversion and/or subscription right to up to 7,360,889 no-par-value bearer shares in the company with a pro rata amount of the share capital of up to EUR 26,745,790.18, with or without exclusion of the subscription right, in one or more tranches at present value and to determine all further conditions of the convertible bonds.

This authorisation can also be used repeatedly. The total of (i) the shares already transferred to holders of convertible bonds under this authorisation and (ii) the shares for which conversion and/or subscription rights from convertible bonds already issued and to be issued in the context of reuse can be exercised must not exceed the maximum figure defined in this resolution, which equates to 10% of the share capital. New shares issued from authorised capital during the term of this authorisation with

exclusion of the subscription right of shareholders count towards this threshold. The conversion and/or subscription rights can be used through shares from contingent capital, from authorised capital, from treasury shares or by way of transfer by third parties, or a combination thereof.

The share capital will be contingently increased under section 159 (2) item 1 AktG by up to EUR 26,745,790.18 through the issue of up to 7,360,889 new no-par-value bearer shares. The contingent capital increase will only be carried out insofar as holders of convertible bonds issued on the basis of the Annual General Meeting resolution of 12 October 2020 make use of the conversion and/or subscription right granted to them. The issue amount and the conversion and/or subscription ratio must be determined with due consideration of common calculation methods as well as the price of the company's shares (bases for calculation of the issue amount). The issue amount must not be below the pro rata amount of the share capital. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of carrying out the contingent capital increase (in particular the issue amount, the content of the share rights and the time of the dividend entitlement). The Supervisory Board is authorised to pass changes to the Articles of Association that arise from the issue of shares from contingent capital or as a result of expiry of the deadline for use of the contingent capital.

8. The 3.25% S IMMO bond 2015–2025 issued in April 2015 (volume currently outstanding: around EUR 15.9m), the 3.25% S IMMO bond 2015–2027 issued in April 2015 (volume currently outstanding: EUR 34.2m), the 1.75% S IMMO bond 2018–2024 (volume of EUR 100m) and the 2.875% S IMMO bond 2018–2030 (volume of EUR 50m), both issued in February 2018, the 1.875% S IMMO bond 2019–2026 issued in May 2019 (volume of EUR 150m), the 2% S IMMO bond 2019–2029 issued in October 2019 (volume of EUR 100m), the 1.75% S IMMO green bond 2021–2028 issued in February 2021 (volume currently outstanding: around EUR 70.4m), the 1.25% S IMMO green bond 2022–2027 issued in January 2022 (volume currently outstanding: around EUR 25.1m) and the 5.5% S IMMO green bond 2023–2028 issued in July 2023 (volume currently outstanding: around EUR 75m) contain change-of-control clauses. Under the terms and conditions of the bonds issued in 2014 and 2015 and the green bonds issued in 2021, 2022 and 2023, in the event of a change of control, the bond creditors are entitled to cancel the partial debenture and can demand immediate repayment. Under the terms and conditions of the bonds issued in 2018 and 2019, in the event of a change of control, the bond creditors are entitled to cancel the partial debenture provided this change of control leads to a significant limitation on the ability of the issuer to fulfil the obligations under the partial

debentures. Under the terms and conditions of the bonds, a change of control occurs if, at any time, one person or several persons acting jointly or a third party or third parties acting on behalf of said person or persons directly or indirectly acquire (i) more than 50% of the voting rights associated with the shares of the issuer (irrespective of the maximum voting right) or (ii) the right to designate the majority of members of the Management Board of the issuer and/or the shareholder representatives on the Supervisory Board of the issuer. Under the terms and conditions of the bonds issued in 2019, a change of control also occurs if, in the event of a legally valid revocation of the maximum voting right, one person or several persons acting jointly or a third party or third parties acting on behalf of said person or persons at any time directly or indirectly acquire more than 30% of the voting rights associated with the shares of the issuer. According to the terms and conditions of the green bonds issued in 2021, 2022 and 2023, a change of control also takes place if one person or several persons acting jointly or a third party or parties acting on behalf of said person or persons at any time directly or indirectly acquire a controlling interest within the meaning of the Austrian Takeover Act (Übernahmegesetz), thereby triggering a mandatory takeover offer.

9. At the time this annual report was published, there were no special compensation agreements between the company and members of the Management and Supervisory Boards or the company's employees that would take effect in the event of a public takeover offer.

Risk management report

As an international real estate group, S IMMO Group encounters a multitude of opportunities and risks that impact operating activities, decision-making processes and strategic management. By identifying, analysing, managing and monitoring opportunities and risks, the Group strives to recognise potential as well as identify negative developments and potential risk factors in a timely manner, understand their cause and minimise them as far as possible. Nevertheless, the occurrence of risks cannot be completely ruled out. S IMMO is engaged in long-term real estate investments in the form of the purchase and sale of properties, project development, letting, asset management, revitalisation and refurbishment of buildings and the operation of hotels and shopping centres. The properties are located in the capitals and larger cities of Austria, Germany, Hungary, the Czech Republic and other CEE countries. The portfolio consists primarily of offices, but also includes shopping centres, hotels and residential properties. In recent months, S IMMO has been busy selling residential properties in Germany as well as commercial properties outside of Berlin. The proceeds from the sales were reinvested in office and retail properties in CEE and Austria.

S IMMO performs the identification, management, assessment and handling of risks based on a standard risk catalogue in close consultation with risk owners in all segments and at the holding company level. On this basis, formalised, identical Group-wide documentation – interconnected with a quantitatively uniform assessment system – of the decisions regarding the risk appetite for each individual item of the standard risk catalogue is established, while the company's risk positions are presented for each segment and at the holding company level using an aggregation function. The basis for risk identification lies with the respective risk owners, thus ensuring comprehensive bottom-up information for the Management Board. At Group level, central risk management is managed by a risk manager. This person also acts as risk coordinator and reports regularly to the entire Management Board.

In addition to internal guidelines and regulations, S IMMO's risk management includes ongoing reports to the Management Board as part of regular meetings. Furthermore, there are control measures in place in the Group for the purpose of the early detection, management and monitoring of risks. Key decisions relevant to risk are made by the Management Board. Investment and divestment projects above a specific volume also require approval from the Supervisory Board. The Supervisory Board is regularly informed about the current risk assessment, potential risks and the Internal Control System in the course of the Audit Committee meetings that are held at least twice a year.

The risk groups set out in this section have been and will be regularly analysed and assessed retrospectively for financial year 2023 and also with regard to business activities in 2024.

The 2023 financial year continued to be characterised by a series of global political and macroeconomic events. The global economy has shown initial signs of recovery due to falling energy prices, and the labour market stabilised in the key global economies, but the upturn remains weak, and the forecasts for 2024 are cautious. Continued high inflation and the resulting tight monetary policy, the ongoing war in Ukraine and the numerous sources of conflict in the Middle East are having a negative impact on the global economy and the international real estate markets.

The decisive factor for the 2024 financial year will be whether the tight monetary policy takes effect and inflation falls towards the targeted 2% without stifling the economy too much. Experts expect an initial interest rate cut in the summer, followed by two further rate cuts this year, depending on inflation and economic developments. Industry-specific factors such as a sharp rise in construction costs, high interest costs and a more restrictive lending policy on the part of banks have had an additional negative impact on the real estate sector in recent months and resulted in numerous insolvencies. A relaxation of monetary policy and the associated significant reduction in interest rates would therefore lead to a slight calming of the real estate market.

Many of the uncertainties mentioned are beyond the company's control and make reliable medium- to long-term planning very difficult. However, S IMMO has a property portfolio in outstanding locations that has been built up in the context of a conservative and consistent investment policy. The management assumes that its strategy will enable it to cope well with the challenges ahead and to seize potential opportunities.

Internal Control System

An Internal Control System (ICS) is in place for all key business processes. Aspects such as the reliability of financial reporting are monitored and controlled by this system. In conjunction with the Internal Audit department and in compliance with (stock exchange) regulations, the ICS constitutes S IMMO Group's internal monitoring system. Core processes – in particular those relating to the Group's financial reporting – are set out in the internal process database. This includes a risk management matrix in which the processes, potential individual risks and assigned control steps are defined.

Key features of the accounting-specific ICS are:

- Clear division of tasks between finance and accounting as well as other areas of responsibility (e.g. treasury)
- Guidelines on the application of uniform accounting and valuation methods in the consolidated financial statements
- Assessment of risks that could lead to a material misstatement of transactions (e.g. incorrect allocation to balance sheet or profit and loss items)
- Appropriate control mechanisms in the preparation of the consolidated financial statements
- Reports to internal recipients (Management Board and Supervisory Board) include quarterly, segment and liquidity reports as well as additional individual analyses as required
- Within the preparation process for the consolidated financial statements, the Accounting departments of the individual companies are required to prepare reporting packages by each reporting date on the basis of the Group-wide accounting manual and to send them to headquarters for further processing. The subsidiaries use external service providers or local management companies of CPI Property Group S.A. to prepare the reporting packages on behalf of and under the responsibility of the respective management. In the context of the process-specific control activities, Group Accounting performs regular reviews of the completeness and accuracy of the reported data. Various deviation analyses are also performed in ongoing coordination with

the Management Board. These include a review of the data of all Group companies at headquarters together with the specialist departments (e.g. Asset Management and Tax), with the involvement of the Accounting departments of the individual companies. When preparing the consolidated financial statements, Group Accounting uses a validated consolidation software package. The effectiveness of risk management is assessed each year on the basis of the critical self-assessment of the Group and on a voluntary basis by the Group's auditor in line with the requirements of C Rule no. 83 of the Austrian Code of Corporate Governance (ÖCGK). The Management Board, Supervisory Board and Audit Committee are informed of the results of this audit.

Internal Audit

S IMMO AG's Internal Audit department coordinates audits of significant business processes of the Group parent company and its Austrian and foreign subsidiaries with regard to their effectiveness and existing risks and control weaknesses as well as potential improvements in efficiency. The audits take place in cycles of several years and are based on the annual audit plan approved by the Management Board and the Supervisory Board. In addition, special audits are commissioned as required. External experts are commissioned to perform the audits. The results of the audits are reported to the Management Board and to the Audit Committee of the Supervisory Board.

Risk overview

Corporate strategy risks

- Business environment and industry risks
- Strategic risks
- Investment risks
- Capital market risks

Property-specific risks

- Property portfolio risks
- Letting and rental default risks
- Property development risks
- Construction risks
- Property valuation risks

Financial risks

- Liquidity risks
- Interest rate risks
- Financing risks
- Credit risks
- Exchange rate risks

ESG risks

- Environmental risks
- Social risks
- Governance risks

Other risks

- General external risks
- Legal risks
- Other operational risks

Explanations on individual risks

Corporate strategy risks

Business environment and industry risks

The development of an industry is heavily dependent on external factors such as the economy or the prevailing technological, political and legal situation. As the economic environment is constantly changing, the resulting risks are hard to forecast. A deterioration of the economic situation in a market can affect purchase and sale prices as well as the value of and return on a property. In addition, there may be rent reductions, rent losses, termination of rental agreements by tenants or a reduction in space requirements due to hybrid working concepts. Careful asset management and constant monitoring also contribute to reducing the described risks.

A macroeconomic overview and an assessment of the development of the property markets relevant to S IMMO are presented in the economic report. In principle, it can be assumed that real estate markets will also be affected by the high interest rates, the restrictive lending policies and persistently high construction costs in the coming months. S IMMO counters these risks with a crisis-proven business model and a high-quality property portfolio in excellent locations.

Strategic risks

Strategic risks are closely linked to S IMMO's business strategy and can have a strong influence on it. Strategic risks include, for example, planning risk, i.e. the risk arising from inconsistencies between strategic goals, business strategy, available resources and the respective market situation.

Investment risks

S IMMO faces risks in investments in property development projects as well as property purchases. These are often caused by factors beyond the Group's control, for example delays in the completion of property projects or the subsequent deterioration of the local economic situation. Therefore, the Group's strategy is oriented towards reducing potential investment risks through careful selection, planning and execution of property projects and purchases. There are set investment volume limits above which the approval of the Supervisory Board is required. Nevertheless, a residual amount of investment risk always remains with any investment, which can negatively influence cash flows and valuations.

Due to the macroeconomic conditions, transaction values agreed in the purchase process may come under pressure in subsequent valuations after completion of the transaction and reduce the profitability of the planned purchase or subsequently have a

negative impact on the transaction value in the course of a possible sale.

Capital market risks

S IMMO is listed on the Vienna Stock Exchange with shares and bonds, and financing on the capital market is of corresponding importance. Events and circumstances such as unstable capital markets, uncertainties due to political events such as the war in Ukraine or the conflict in the Middle East, the sharp rise in interest rates in recent months, a difficult economic environment, etc. may affect the Group's financing options. Transparent and reliable information gives shareholders a well-founded decision-making basis and strengthens the capital market's trust in the securities issued by S IMMO.

Property-specific risks

S IMMO is exposed to all risks associated with the purchase, development, operation and sale of properties.

Property portfolio risks

S IMMO owns an income- and cash-generating property portfolio, 100% of which is located in the European Union. The portfolio consists primarily of offices but also includes shopping centres, hotels and residential properties. The value of a property depends largely on its location, its intended use and the technical standard. The attractiveness of the location, the potential use and the ESG compliance of the properties can therefore significantly affect S IMMO's financial situation. The long-term value creation that is anchored in S IMMO's business model has proven to be very robust, even in times of crisis.

Letting and rental default risks

Letting risk is closely linked to the general economic situation in the various markets and therefore involves associated uncertainty in terms of forecasting. In general, there is always a certain letting risk – also in the case of contract extensions – due to the various political and economic developments in the individual markets. The competitive situation can also have an impact on the letting rate and contract extensions. There is constant competition between owners for prestigious, attractive tenants. Depending on the economic development in the various markets in which S IMMO operates, pressure can be exerted on rents. This might make it necessary to accept rents that are lower than originally forecast. In addition, S IMMO is exposed to rental default risk. If the Group is unable to extend expiring rental agreements at favourable terms or find suitable, creditworthy tenants who are willing to enter into a longer-term lease, this negatively impacts the market value of the properties concerned. There may also be lengthy vacancies. Particularly in times of economic and political uncertainty, S IMMO may be forced to accept rent reductions in order to maintain its letting

rate. The credit rating of a tenant can deteriorate in the short or medium term, particularly during an economic downturn. In addition, there is the potential risk of tenants becoming insolvent or otherwise being unable to fulfil their payment obligations under the rental agreement.

Trends such as New Work (four-day week, hybrid working models, open-space offices) have changed the working environment in offices in recent quarters, which can also lead to a reduction in tenants' demand for office space. In general, in times of economic downturn and rising rent burdens for tenants due to inflation – also independent of new working models – there may be a desire for space or rent reductions. This can also lead to a reduction in relocations and new lettings, as the tenants wait until the economic situation eases again. S IMMO tries to counteract these trends through active asset management and an ongoing exchange with its tenants.

Property development risks

In the area of property development, risks may arise in connection with delays in receiving official approvals, construction delays, construction cost overruns, (construction) quality defects or letting. S IMMO counters these risks with regular cost, quality and deadline checks as well as deviation analyses.

Due to the increases in construction costs and high interest rates, there are currently delays and postponements of construction starts. The profitability of project invoices may also deteriorate. Due to S IMMO's conservative development strategy and the associated approach of waiting until construction prices have eased and financing costs have declined, S IMMO is hardly exposed to any risks in this area. S IMMO currently has no development projects under construction, thus the exposure to development risks is low.

Construction risks

On the one hand, construction risk is the risk of damage to newly constructed properties and portfolio properties, which S IMMO reduces through industry-standard construction contracts with experienced construction firms, warranty periods and guarantees. To limit risks in this area as much as possible, detailed inspections are arranged before the end of the warranty periods so that any damage can still be rectified at the construction firm's expense. To safeguard against conventional damage to portfolio buildings, such as fire or water, S IMMO takes out insurance policies at standard market conditions. At the same time, repair costs rise with the age of portfolio buildings, as key systems need to be replaced after their useful life. With active asset management and ongoing repairs as well as sensible maintenance measures, S IMMO endeavours to avoid major negative effects.

Property valuation risks

Property valuation depends on various macroeconomic conditions – which are beyond the Group's control – and on property-specific factors. In this respect, property valuation risk describes the risk of negative fluctuations in the value of the property portfolio. In addition to the expected rental income, the technical condition of the property and the occupancy rate, real estate appraisers also take into account other factors such as taxes on land, non-allocable operating costs, third-party claims based on environmental risks or risks associated with certain building materials. Any change in the value of a property can have an impact on the Group's net profit or loss and, as a further consequence, its equity and therefore also its share price and creditworthiness. The Group recognises investment properties at fair value, and generally has them valued once or twice a year by external experts. In the current economic environment, rising costs due to inflation and sharply increased interest rates are negatively impacting property valuation results.

Financial risks

For S IMMO Group, the management of financial risks mainly involves the consideration of liquidity, interest rate, financing, credit and exchange rate risks.

Liquidity risks

To ensure liquidity, S IMMO Group's cash flows are evaluated on an ongoing basis with the involvement of specialist departments so that measures to safeguard/strengthen liquidity can be taken at an early stage. The Group has fluctuating holdings of cash and cash equivalents that are invested in accordance with the respective operational and strategic requirements and objectives. Furthermore, it conducts hedging transactions, especially to hedge against changes in interest rates and the associated fluctuations in its financing costs. These hedging transactions could prove to be inefficient or unsuitable for meeting the set targets and could lead to losses that impact income. In addition, the Group is exposed to the risk of its contracting partners failing to fulfil their contractual obligations under the hedging or investment transactions (counterparty risk). S IMMO Group counters this risk by concluding investment and hedging transactions only with respectable banks with a sound credit rating. In the case of stricter equity and liquidity regulations for banks and resultant increased lending restrictions and reduced lending levels, there can be problems with refinancing. Despite its mainly long-term loan agreements, S IMMO may be affected primarily in the event of loan extensions and refinancing (see also financing risk). This risk may arise primarily when loan extensions or refinancing are delayed or are granted at a lower level than expected. If S IMMO were unable to utilise suitable and appropriate external borrowings for project developments and acquisitions or the refinancing of expiring external borrowings on time or at all, this could significantly impair its ability to

fulfil its obligations under project development contracts or in acquisition projects. There is also the risk of being unable to repay bonds. An inability to fulfil the obligations under existing financing agreements and partial debentures due to a lack of availability of free liquidity may lead to a significantly adverse impact on the Group's net assets, financial position and earnings situation and negatively affect the Group's credit rating.

Interest rate risks

The vast majority of S IMMO Group's financing agreements provide for a variable interest rate based on the three-month EURIBOR as the reference interest rate, resulting in the risk of a changing interest rate level. The costs of interest payments increase if the respective reference interest rate rises. The three-month EURIBOR rose from -0.57% to 3.9% between December 2021 and the end of December 2023, driven by several increases in the ECB's key interest rate as a result of the fight against the sharp rise in inflation in the euro area. Interest rates are expected to remain high in the first half of 2024. A first key interest rate cut would be conceivable at the beginning of June 2024. Further interest rate cuts could follow until the end of the year – depending on the development of inflation and the economy. S IMMO Group reduces interest rate risk on a long-term basis by hedging the interest rates of its variable-rate loans. As of 31 December 2023, 7% (31 December 2022: 8%) of loans were fixed-rate and 93% (31 December 2022: 92%) were variable-rate loans – almost exclusively pegged to the three-month EURIBOR. S IMMO generally hedges its variable-rate loans with the following derivative financial instruments: swaps and caps. As of 31 December 2023, 99.4% of the variable rate financing portfolio was hedged. This means that S IMMO AG is well hedged against further interest rate increases. The extent to which the Group uses instruments of this kind depends on the assumptions and market expectations of the management and the specialist departments with regard to the future interest rate level as well as the development of borrowing levels. If these assumptions prove to be incorrect, this may lead to a significant rise in interest expenses. The stress tests performed, which include the existing bonds (for details, please see section 5.2.1. of the notes), show that S IMMO Group is exposed to interest rate changes to a limited extent. For example, a three-month EURIBOR of +300 BP compared to 31 December 2023 would lead to an increase in financing costs of 3 BP and an interest rate sensitivity of 1% compared to the then applicable interest rate basis in the stress test.

Financing risks

Market conditions for property financing are constantly changing. The sharp rise in interest rates and thus in financing costs, combined with the pressure on real estate values, has generally led to a significant change in banks' willingness to provide financing. In addition, it can be observed that, as a result of the

Taxonomy Regulation, banks attach more importance to the fulfilment of ESG criteria of the financing object when examining financing requests. The attractiveness of various types of financing depends on several factors, some of which are beyond the Group's control. In particular, these factors include market interest rates, tax-related aspects and the assessment of the value and realisation potential of properties that serve as collateral, as well as the assessment of the general economic situation and future economic performance by the financing partners. In times of highly volatile property markets, lenders may sometimes be unwilling to extend maturing loans under terms that are acceptable to S IMMO Group. This can lead in particular to higher margins, lower lending levels and the need to provide further collateral and might also generally lead to a lack of refinancing options. If the Group is unable to generate liquidity or external funds to the required extent at the required time or to borrow under acceptable terms, its ability to fulfil its obligations under financing agreements could be impaired. S IMMO Group strives to reduce this risk by spreading its borrowing among different lenders (19 individual banks as of the reporting date of 31 December 2023). Borrowing is monitored on the basis of approvals on a staggered basis by the Management Board and Supervisory Board. As of 31 December 2023, liabilities to banks had an average term of 5.0 years. This long-term financing is standard industry practice. In addition, there is the risk that it may not be possible to comply with financial covenants (clauses in loan agreements regarding the permitted indebtedness and the debt service cover ratio) or other contractual terms, guarantees or conditions in financing agreements. This may limit flexibility in financing future business activities. Compliance with financial covenants is constantly monitored by S IMMO Group in close contact with lending financial institutions. Covenant infringements may constitute a default incident. The Group is committed to a balanced ratio between financing and the fair value of the property portfolio (loan-to-value ratio). As of 31 December 2023, the Group-wide loan-to-value ratio for secured financing stood at 44.0% (31 December 2022: 33.2%). In addition, the Group has unsecured financing (utilised credit lines and loans). The loan-to-value ratio for unsecured financing amounted to 5.0% (31 December 2022: 8.1%) of property assets. Despite close monitoring of financing instruments and the relevant parameters, it cannot be ruled out that S IMMO will be confronted with risks in the area of refinancing if the economy and the financing environment deteriorate sufficiently.

Credit risks

Credit risk is understood to mean, among other things, the risk that a contracting party defaults or is no longer able to meet its obligations on time or in full (counterparty default risk). If credit risks occur, this can result in financial losses for the company. The company counteracts this risk on the one hand with a careful selection of contractual partners and on the other hand with guarantees and appropriate contract design in the form of penalties or other compensation. If a receivable cannot be recovered in part or in full, it is written off or impaired. Country risk can also be counted as a credit risk. This is understood to mean special risks of loss resulting from uncertain political, economic and social conditions in another country. As a result, difficulties may also arise in the collection of receivables from foreign contractual partners. S IMMO minimises this risk by only operating in EU countries with a stable legal situation.

Exchange rate risks

Almost all of S IMMO Group's loans are denominated in euros, and rental agreements are mostly linked to the euro. Therefore, the direct exchange rate risk that would affect cash flows is regarded as low. A change in conditions for another currency could indirectly have an impact on the purchasing power of customers locally, which would have a medium-term effect on property valuations. In accounting terms, short-term, non-cash exchange rate effects could have an impact on the profit and loss statement.

ESG risks

For S IMMO, the management of ESG risks comprises various risks related to the ESG criteria of environment, social affairs and governance. Legal and regulatory requirements such as the Sustainability and Diversity Improvement Act (NaDiVeG) and the EU Taxonomy Regulation require specific sustainability risks in the areas of climate change, employees, respect for human rights, the fight against corruption and bribery, and others to be addressed. The following section of the risk management report describes significant risks in connection with the topics mentioned in the non-financial report as well as measures for identifying, assessing, avoiding and limiting these risks.

Environmental risks

S IMMO is exposed to various environmental and climate risks that can arise both in its operations and in its property development activities. These risks can arise due to geographical circumstances but also in particular in connection with advancing climate change. These climate risks are divided into physical and transitory risks. The information provided in this section on S IMMO's climate risk management is based on the requirements of the EU Taxonomy and the recommendations of the

Task Force on Climate-Related Financial Disclosures (TCFD). The strategic monitoring of environmental risks – including climate risks – and the pursuit of possible opportunities are the responsibility of the Management Board member responsible for ESG and the ESG Committee of the Supervisory Board. The operational identification, assessment and management of risks is the responsibility of the Group-wide Risk Management function.

The main risks not influenced by climate change include possible nuclear incidents and accidents in the geographical area of the company's operations, as well as the risk of earthquakes, particularly in Croatia and Romania. Consideration of the risk of earthquakes is therefore incorporated into decisions made in the planning and structural calculations for development projects, the properties to be purchased and in the conclusion of adequate building and special insurance policies. Repairs to buildings that may become necessary due to earthquake damage are also covered by insurance. Apart from this, critical infrastructure may be affected, especially in the form of outages, bottlenecks or contamination of the energy and water supply to real estate and development projects.

In construction activities, a potential risk arises from the materials used and, in particular, from hazardous building materials. Changes in legislation and amendments to environmental or safety regulations must also be considered in this context, as these may necessitate the removal or replacement of materials. In order to reduce the impact of the company's activities on the environment, building materials are replaced with environmentally compatible alternatives wherever possible in the course of maintenance and refurbishment measures. In addition, there are risks to buildings, land and the environment due to possible contamination by harmful substances and munitions. With regard to construction activities, risks may arise for residents from temporary noise and dust pollution.

In order to meet the requirements of the EU Taxonomy for a high-resolution climate risk and vulnerability assessment in line with the long lifespan of real estate investments, all S IMMO properties have been subject to a technology- and science-based climate risk analysis by an external service provider at least every two years since 2022, and the results are integrated into the Group's own risk assessment. For this purpose, the individual properties are subjected to a scenario analysis, related to the representative concentration paths RCP2.6, RCP4.5, RCP6.0 and RCP8.5 depending on data availability with time horizons between 2040 and 2100, for all relevant physical climate risk categories, and the risks are assessed using an average of these concentration paths. Further details

can be found in the section “Implementation of the EU Taxonomy” starting on page 118.

In the area of acute physical risks, storms, heavy precipitation and floods are classified as significant, as it can be assumed that these will increasingly occur more frequently and violently than in the past. In addition, these acute risks harbour a direct hazard potential for property damage and the resulting temporarily restricted usability of the buildings. In the case of chronic physical risks with a permanent effect, heat stress and water stress are primarily classified as significant, although the latter would only impair building operation to a limited extent in many cases. In contrast, and across all physical climate risks, heat stress in particular is classified as significant. Due to the geographical location and a moderate continental climate, the properties at the Bucharest location are particularly affected by this, and this risk is currently being countered primarily with the appropriate dimensioning of the cooling and refrigeration technology of the buildings.

Furthermore, the way politics, business and society deal with climate change results in transitory climate risks for the company. A more drastic taxation of greenhouse gas emissions and the accompanying technological necessity of investments in renewable energy generation, improvement of energy efficiency as well as the digitalisation and networking of buildings are becoming significant cost drivers, and there is also the risk of potential misinvestments in technologies. At the same time, lower-emission technical solutions can actively reduce significant market risks, primarily the loss of value of CO₂-intensive buildings, the more difficult lettable of CO₂-intensive buildings and increased costs due to higher energy and commodity prices. In addition, the expanded reporting requirements to be met reflect the preferences of shareholders and financiers for products and business models with a high ESG orientation, which is why S IMMO is continuously improving the scope, availability and transparency of its ESG data.

Climate risks not only affect the company through climate change, but in the sense of double materiality, there is also the risk that the company will accelerate the greenhouse effect and thus climate change. The construction and operation of buildings is generally greenhouse gas intensive, which means that S IMMO has a special responsibility to increase energy efficiency and reduce greenhouse gas emissions. Portfolio-wide and property-related consumption data monitoring and the calculation of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol) should serve to identify and implement targeted optimisations based on complete and detailed data. To provide a strategic framework for this

project, specific savings targets are part of S IMMO's ESG strategy, which is now being implemented. Details on the ESG strategy can be found starting on page 114. More information on the handling of energy and emissions can be found in the non-financial report starting on page 117.

In addition to the risks, climate change also offers opportunities for S IMMO, for example through the need to increase its own resource efficiency, both in construction and in operations, with the trend towards a circular economy increasing the financial incentive for the reusability of materials and thus giving it a stronger economic basis. In building operations in particular, both money and greenhouse gas emissions can be saved directly and noticeably through more efficient use of energy and water, which is why S IMMO sees the greatest potential here in the short term. The increased use of local, renewable energy generation leads to a higher degree of autonomy for properties, with simultaneous emissions reductions. Broad and early implementation of such measures can also open up market opportunities with climate-conscious tenants and partner companies and ensure the resilience of the company in the longer term, and additional investments can be offset or even overcompensated by efficiency gains.

The climate risks and opportunities listed above have not yet had a significant impact on the resilience of the Group's strategy or its fundamental business model. Nevertheless, due to their strategic consideration, they are explicitly included in S IMMO's operational and financial planning in order to implement appropriate measures to minimise risks and take advantage of opportunities after proper assessment.

Social risks

S IMMO's social risks are divided into three areas: employees, tenants, and stakeholders and society.

With regard to the employees, social risks for the company consist on the one hand of possible human errors in daily operations and on the other hand of the consequences of a lean personnel structure. Fluctuation, the loss of key employees and other staff shortages can have a negative impact on the company's development, as it is difficult to compensate for the know-how of employees at short notice. The company therefore strives to be an attractive employer in the long term and offers its employees individual solutions to facilitate their daily work. Furthermore, occupational accidents and employee absences due to physical or mental stress as well as illness represent additional risks that are countered with various infrastructural and health-related preventive and precautionary measures. With a New Work concept, S IMMO offers its employees a range of solutions for customising their working day to suit their personal needs. These include flexible working hours and office presence as well as digital tools.

With respect to tenants, personal injuries to tenants, visitors and passers-by may occur during the use of the buildings if S IMMO, as the owner, does not adequately fulfil its ownership and operating obligations. It is therefore guaranteed at all times that all responsibilities are taken into account through appropriate personnel and physical precautions at the properties. Furthermore, there is a risk that tenancies may be terminated or not renewed due to dissatisfaction on the part of tenants, which could lead to a decline in the occupancy rate. S IMMO plans to counter this risk in the future with tenant satisfaction surveys in addition to the existing tenant dialogue. Rental income can also be negatively affected by economic crises, regulatory intervention and other restrictions on tenants' business activities.

Risks relating to all stakeholder groups also include the company's reputation risk and the occurrence of further health crises as well as types of civil unrest, political violence, terrorism and war, which can have an impact on society as a whole and are almost impossible to predict in terms of their occurrence and extent.

Governance risks

S IMMO has been committed to compliance with the Austrian Code of Corporate Governance since 2007 (details can be found starting on page 104). In addition, S IMMO's Code of Conduct obliges the executive bodies and employees to behave in a manner that complies with the company's ethical standards. There is a risk that the contents of these codes are not adhered

to. Employees who become aware of a proven or possible violation of the Code of Conduct or compliance guidelines listed therein must either report this immediately to S IMMO's Compliance Management or submit a corresponding report anonymously via the digital whistleblower system publicly accessible on the company's website. The other governance risks are divided into the areas of human rights, corruption, legal and regulatory violations, risks relating to the Management Board and Supervisory Board, and risks relating to data protection and IT.

In the area of human rights, the handling of these issues is governed by an organisational policy and anchored in processes. S IMMO has identified the following human rights risks as particularly relevant:

- Discrimination and violation of minority rights
- Sexual harassment
- Slavery, torture and forced, compulsory and child labour
- Encroachment on the sphere of liberty of individuals
- Violation of the rights to assembly, association, collective bargaining and strike
- Unequal and/or inadequate working conditions and remuneration
- Exceeding working hours
- Inadequate maternity protection

S IMMO's Compliance Management is the central point of contact for all complaints and suspicious activity reports regarding actual and potential human rights violations. Furthermore, local management in the subsidiaries can also be contacted as the first authority. An anonymous report can be submitted via the Group's digital whistleblower system. All three channels are always open to internal and external persons alike. All reported incidents are received by Compliance Management and are treated confidentially and with an assurance of anonymity. If a suspicious case is confirmed, possible countermeasures are identified. Details on dealing with human rights risks and the underlying international frameworks can be found on page 161 and in the organisational policy at www.simmoag.at/human-rights. Since 2022, employees have been receiving annual training on the content and implementation of the organisational policy on human rights and the digital whistleblower system.

The risk of corruption is always present in day-to-day business. Some of the countries in which S IMMO operates have a lower ranking according to the Corruption Perceptions Index, which can lead to violations of the law and subsequent fines in serious cases. In addition to the Code of Conduct, S IMMO has provided its executive bodies and employees with its own set of

rules to prevent such conduct. The Policy for the Prevention of Bribery, Acceptance of Benefits and Corruption, which is also published on the company's website, regulates the structural and procedural measures to avoid even the appearance of bribery, acceptance of benefits and corruption. This binding policy is designed to strengthen the awareness of each and every individual and to create awareness of the consequences of corruption and how to combat it. Mandatory training sessions have been held annually on the contents of the Code of Conduct and the Policy for the Prevention of Bribery, Acceptance of Benefits and Corruption since the 2022 financial year.

As an international property group that currently has companies in seven European countries, S IMMO Group is exposed to a large number of different, constantly changing national tax systems. Changes in local taxation conditions (e.g. property-related taxes, sales taxes or income taxes) and uncertainty or different interpretations of the often complex tax regulations may lead to unplanned tax charges and therefore always constitute a risk to earnings. By working with local tax experts at all times, S IMMO attempts to identify possible consequences early on so that they can be reflected in decision-making, and in order to ensure that adequate accounting provisions are made for all risks known from tax audits or tax proceedings.

S IMMO Group operates in a regulatory environment in which provisions – particularly in the areas of labour, financial, anti-trust, public and environmental law – are or will be applicable with high penalties. The measures taken by the company may prove to be insufficient to prevent violations of legal provisions and may therefore result in the imposition of heavy fines. With regard to S IMMO's executive bodies, additional risks exist in the form of potentially excessive Management Board remuneration, fraud and a lack of diversity on the Management Board and Supervisory Board, which S IMMO counters with a transparent remuneration policy and strict compliance guidelines. In the nomination process and the composition of the executive bodies, different diversity criteria are taken into account, for example with regard to expertise, origin and age.

Despite all due diligence and systemic and procedural precautions, there is a risk that cyberattacks and unauthorised disclosures could lead to violations of personal rights and privacy, especially in the area of employee and tenant data. The company counters this risk with ongoing monitoring of case law and, if necessary, with adjustments to its policies, infrastructure and processes in relation to data protection in order to minimise the number of breaches and subsequent claims and, if necessary, to comply with them in a timely manner. In addition, employees receive mandatory annual training on data protection topics. IT

security risks are gaining in importance, especially in light of a significant increase in the digitalisation of corporate processes. S IMMO defines IT security risks as the danger that the confidentiality, availability or integrity of corporate data is breached through improper publication, encryption or loss, preventing the company or individuals from carrying out their tasks or processes in a timely and successful manner. This can be primarily the result of inadequate authorisation concepts, cyberattacks and theft of hardware. In order to minimise these risks, an external penetration test was conducted to identify and eliminate IT security vulnerabilities in 2022 and will be repeated in 2024. S IMMO has a central user and log management system and uses an intelligent cyberdefence program and programs for the automated detection of data security risks around the clock. Furthermore, hard drives, data carriers and mobile devices are encrypted and servers are hosted in a failsafe data centre operated by an external service provider. The company's data security policy is constantly being developed further, and annual mandatory employee training courses on data security have been held since 2022. Despite all measures taken, a failure of the IT infrastructure or a cyberattack on S IMMO's systems cannot be ruled out.

When selecting and working with its business partners and suppliers, S IMMO attaches great importance to the contractual framework and regulations, and compliance with the high legal standards and regulations within the European Union is the minimum requirement. In most cases, cooperation takes place with renowned and recognised partners, and is preceded by an appropriate selection process. This also minimises the financial risk of penalties or legal restrictions.

Other risks

General external risks

General external risks can occur, for example, if unauthorised persons enter the company premises and cause damage through vandalism or theft. Fire and water damage or the lack of suitable business partners are also among the general external risks. The occurrence of these risks can lead to a restriction or standstill of operations.

Legal risks

S IMMO is exposed to a variety of legal risks due to its business activities. These result, among other things, from legal disputes in connection with S IMMO's operating activities (for example, disputes arising from property transactions or with construction companies or tenants) and regulatory risks. Provisions are made for ongoing legal disputes to the extent required under IFRS. Since the outcome of (arbitration) court proceedings is generally difficult to predict, expenses in excess of the allocated provisions may arise. Significant risks may also arise from changes in the legal situation, especially as S IMMO operates in a highly regulated environment and in various jurisdictions.

Other operational risks

Other operational risks relate to risks associated with systems and processes within the organisation. In order to ensure uninterrupted operations in an organisation, appropriate hardware and software is required to support the necessary processing capacity as well as the operational needs of the business. Otherwise, processing errors, data loss, erroneous data or downtime can occur. The same applies if new IT products cannot be integrated into the existing IT environment or if a technology development was incorrectly assessed. In order to counteract duplication of work or an increased area of coordination, a clear definition of responsibilities and processes is essential.

Overall statement on risks

S IMMO AG's business activities are subject to a variety of risks and are highly dependent on the economy and the development of interest rates. In 2023, the economy was heavily influenced by the war in Ukraine, the conflict in the Middle East, high inflation rates and rising interest rates. The forecast for 2024 is still very cautious and depends largely on the extent to which the inflation targets can be achieved without choking off the economy so that the tight monetary policy can be eased. The real estate industry is and will be confronted in the coming months with challenges such as increased construction costs and scarcity of resources among investors, banks and property developers.

The above factors have at least an indirect impact on almost all of S IMMO's risk categories. For this reason, the company counters all risks with careful risk monitoring and responsible risk policies. For example, S IMMO reduces the interest rate risk associated with the increase in key interest rates by hedging variable-rate loans. Inflation and higher construction costs also have an impact on project developments – this can lead to delayed construction starts or significant cost increases. S IMMO currently has no properties under construction. Increased interest rates and higher costs can also have a negative impact on the valuation results of properties. In economically difficult times, tenants could demand space or rent reductions due to high rental costs. This increases the letting risk. S IMMO attempts to counteract this risk through active asset management.

With the measures taken, the occurrence of risks cannot be completely ruled out. Therefore, balance sheet provisions are made for known specific and predictable risks. Forecasts relating to the war in Ukraine or the conflict in the Middle East lie outside the company's sphere of influence and are therefore hard to predict, making reliable planning difficult.

In summary, S IMMO has a stable and profitable property portfolio in very good locations. Therefore, management fundamentally believes that its business model and the strategy derived from it will enable it to cope well with the coming challenges and seize potential opportunities.

Outlook

Expected economic development

The second half of 2023 showed worsening financing conditions and rather pessimistic overall market sentiment. For 2024, the ECB expects growth to pick up, as the labour market is increasingly recovering and inflation is declining. A real GDP growth rate of 1.2% for 2024 and 1.6% in 2025 is projected for the euro area, while the average inflation rate in the euro area is forecast to decrease to 3.2% in 2024.

On the other hand, real GDP growth rates for the CEE countries are expected to be higher, with projected growth of 3% in 2024. According to projections, average inflation in this region is expected to be about 4.7% this year.

Concerning Austria and Germany, economic growth of 0.9% as well as inflation rates of 4.0% and 2.9%, respectively, are expected for 2024.

Expected developments on the real estate markets

After a challenging year, a certain stabilisation is expected in the real estate sector in 2024. Despite the persistently high construction, operating and other costs, falling inflation rates and the prospect of a possible reversal in the previously very restrictive interest rate policy give rise to hopes of a general easing, which would also have a positive impact on the property markets. Social developments such as the progressing digitalisation, more flexible working models including remote working and online shopping as well as their implications for the sector require further monitoring regardless of the fact that the COVID-19 pandemic came to an end in the past financial year.

Furthermore, as a result of increasing regulation and ever more stringent requirements for properties in the area of sustainability, the demand for energy-efficient and ESG-compliant properties continues to rise – much to the detriment of older and/or non-ESG-compliant properties.

Significant events after the balance sheet date and expected business development

Several of the turbulent macroeconomic developments that characterised the previous financial year continued to have a noticeable impact in 2023 and continue to do so in the current year. In particular, the rise in interest rates is impacting the profitability of the various use types. Transaction volumes fell in all asset classes in 2023, sharply in some cases, although it is possible that investment volumes will bottom out in 2024.

Against this backdrop, S IMMO decided to undertake a strategic adjustment in 2022. The sale of low-yielding residential properties, particularly in Germany, and the reinvestment of the resulting liquidity in office and commercial properties in the CEE region and Austria are strengthening the portfolio's earnings power and making a significant contribution to sustainable value creation. Highlights in the financial year just ended included the acquisitions at Wienerberg in Vienna and substantial mixed portfolios in the Czech Republic. The new properties are already making a significant contribution to increasing total revenues and rental income.

In March 2024, the Management Board and the Supervisory Board adjusted the portfolio strategy again. The focus is on the gradual streamlining of the portfolio, above all in terms of small and medium-sized office properties with limited development potential. This strategic course could – depending on market developments and only if appropriate prices can be realised – primarily involve substantial disposals in Croatia, Slovakia and Austria and lead to a complete market exit in Croatia and Slovakia. In any case, a relevant portfolio is to be retained in Austria. Sales activities in Germany are to continue and the sales programme was expanded to the entire German portfolio. The proceeds from the disposals are to be reinvested in profitable office and commercial properties in the CEE region in line with the current strategy. In this context, a letter of intent was signed in February 2024 for the possible purchase of a property portfolio in the Czech Republic from CPI Property Group S.A.

A share buyback programme began on 15 January 2024 and is expected to end on 31 March 2024.

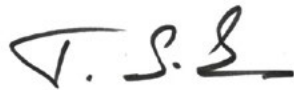
Several synergies were realised within the CPI Group in the area of ESG in 2023. Together with CPI and Immofinanz, the ESG strategy was standardised and common goals were defined. Group-wide implementation focuses on key milestones such as reducing the energy, water and greenhouse gas intensity of properties. In 2023, S IMMO also issued its third green bond with a volume of EUR 75m and is included in CDP reporting for the first time via CPI. In the Sustainalytics ESG Risk Rating, S IMMO continues to be classified as “Low Risk” with a score of 12.2, and its non-financial reporting was again honoured with bronze at the EPRA sBPR Awards.

Vienna, 25 March 2024

The Management Board



Radka Doehring



Tomáš Salajka

Auditor's Report

S IMMO AG, Vienna

Dezember 31, 2023

TRANSLATION

AUDITOR'S REPORT *)

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

S IMMO 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:

Titel

Valuation of Investment Property

Risk

S IMMO AG reports investment properties in the amount of EUR 3,294 mio in its consolidated financial statements as of December 31, 2023. Moreover, the consolidated financial statements as of December 31, 2023 report a negative result from property valuation amounting to EUR – 109.3 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 "2.6.1.", "2.8.1." and "3.1.1.", each "Investment property" as well as "3.2.6. Results from property valuations" in the consolidated financial statements.

TRANSLATION

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 for rented properties: 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 within our own developed range of fair values
- For selected property valuation reports for properties under development and undeveloped land: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions and estimates (eg. ground reference value, status of development) by means of comparison with market data as well as comparison whether the fair values as per property valuation reports are within 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

*Titel***Accounting for and valuation of acquisition of real estate entities from related parties***Risk*

In the business year 2023, S IMMO AG acquired real estate entities from CPI Property Group as well as from IMMOFINANZ Group. CPI Property Group as well as IMMOFINANZ Group are related parties 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 applied purchase prices are at arm's length, S IMMO AG engaged additional independent external experts.

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.

TRANSLATION

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 "2.2.4. Consolidation scope" and "5.6. Related parties disclosures" 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 for these transaction
- Analysis and assessment of the external experts' assessment whether the purchase prices 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 S IMMO 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 27, 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 of 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.

TRANSLATION

- 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.

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 2, 2023. We were appointed by the Supervisory Board on July 7, 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, March 25, 2024

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Alexander Wlasto mp	Isabelle Vollmer mp
Wirtschaftsprüfer / Certified Public Accountant	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.

Dear Shareholders,



Martin Matula

As the new Chairman of the Supervisory Board of S IMMO AG, I would like to report briefly on the activities of the Supervisory Board in the past year. In the financial year 2023, which was characterised by difficult conditions – high interest rates, rising inflation and geopolitical tensions – S IMMO AG succeeded in achieving a strong operating result with increases in rental income and gross profit. The company's strategy of withdrawing from the German residential real estate market and investing in higher-yielding properties has already had a positive impact on the company's earnings power.

Composition of the Supervisory Board

The current composition of the Supervisory Board and its individual committees allows the assigned duties to be performed efficiently with regard to the distribution of competencies.

The Supervisory Board had six members as of 31 December 2023 – four capital market representatives and two employee representatives:

As of 31 December 2023

Capital market representatives

- Karin Rest
(Chairwoman of the Supervisory Board)
- Martin Němeček
(First Deputy Chairman of the Supervisory Board)
- Ulrich Steffen Ritter
(Second Deputy Chairman of the Supervisory Board)
- John Verpeleti

Employee representatives

- Andreas Feuerstein
- Elisabeth Wagerer

On 11 December 2023, Karin Rest announced that she was resigning from the Supervisory Board with effect from 15 January 2024. At the request of CPI Property Group S.A., an Extraordinary General Meeting was held on 29 January 2024. A resolution was passed to revoke the appointment of and replace Ulrich Steffen Ritter, John Verpeleti and Martin Němeček and to replace Karin Rest.

Since the Extraordinary General Meeting and the constitutive meeting of the Supervisory Board on 29 January 2024, the Supervisory Board has consisted of the following members:

Capital market representatives

- Martin Matula
(Chairman of the Supervisory Board)
- Vladislav Jirka
(First Deputy Chairman of the Supervisory Board)
- Matej Csenky
(Second Deputy Chairman of the Supervisory Board)
- Vít Urbanec

Employee representatives

- Andreas Feuerstein
- Elisabeth Wagerer (until 02 February 2024)

Brief CVs, committee memberships and committee functions of the individual members of the Supervisory Board can be found in the section "Overview of the management bodies" starting on page 109 in this report.

Activities of the Supervisory Board

In the reporting year, the Supervisory Board performed its duties under the law, the Articles of Association and the rules and procedures, both as a whole at the Supervisory Board meetings and at the meetings of its committees, and advised and monitored the Management Board in the management of the company. At the meetings, the Management Board reported to the Supervisory Board on the Group's business affairs and finances as well as on strategic issues.

During the meetings of the Supervisory Board and its committees, key issues were discussed at length on the basis of the Management Board's explanations as well as detailed presentations and documents. These key issues included the economic situation (also in view of the inflation and interest rate policy), risk and opportunity management, the strategic direction, relevant ESG issues and business performance. In particular, the Supervisory Board dealt with the optimisation of the portfolio as well as with transactions and subsequently also adjusted the corporate strategy. The Czech Republic was established as a further core market with a corresponding investment focus. Furthermore, synergy potential between S IMMO AG and IMMOFINANZ AG is being evaluated on an ongoing basis.

There were also changes to the Management Board in the 2023 financial year. The Supervisory Board and Holger Schmidtmayr mutually agreed to terminate his Management Board contract with effect from 16 June 2023. At the same time, the Supervisory Board decided to appoint Radka Doehring, who also serves on the Management Board of IMMOFINANZ AG, to the Management Board. The appointment of Radka Doehring represents the consistent implementation of the declared goal of identifying synergies between S IMMO AG and IMMOFINANZ AG and taking efficiency-enhancing integration steps. As of 31 December 2023, the Management Board consisted of the two members Herwig Teufelsdorfer and Radka Doehring.

After the balance sheet date, the Supervisory Board and Herwig Teufelsdorfer also mutually agreed to terminate his Management Board contract with effect from 02 February 2024. At the same time, the Supervisory Board decided to appoint Tomáš Salajka, who is also a member of the Management Board of CPI Property Group S.A., to the Management Board of S IMMO AG. At the time of publication of this report, the Management Board consisted of Radka Doehring and Tomáš Salajka.

The division of the Management Board's responsibilities is described in the section "Overview of the management bodies" on page 108.

Committees of the Supervisory Board

The Supervisory Board is assisted in the performance of its duties by committees. As of 31 December 2023, there were three committees: the Audit Committee, the Committee for Management Board Matters and the ESG Committee. Information on the duties, the number of meetings and the composition of the individual committees can be found on page 104 in the corporate governance report.

The Audit Committee prepared the nomination for the election of the auditor for the annual and consolidated financial statements. The committee reviewed the documentation submitted by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (hereafter EY) evidencing its authorisation to practise as an auditor. A written report confirmed that there were neither grounds for exclusion nor any circumstances that could give rise to concerns about conflicts of interest of the auditor. The declaration of the auditor in accordance with section 270 (1a) of the Unternehmensgesetzbuch (UGB – Austrian Commercial Code) was obtained, the auditor's legal relations with S IMMO AG and the members of its executive bodies were examined, the fee for the audit of the financial statements was negotiated and a recommendation to elect EY as the auditor of the (consolidated) financial statements was issued. EY was elected as the auditor of the annual and consolidated financial statements for the 2023 financial year at the 34th Annual General Meeting on 02 May 2023.

2023 annual and consolidated financial statements

EY audited the annual and consolidated financial statements for the period ended 31 December 2023 and issued them with an unqualified audit opinion. EY also confirmed that the annual financial statements for the period ended 31 December 2023 comply with the statutory requirements and give a true and fair view of the assets and finances of S IMMO AG as of 31 December 2023 and of its earnings for the 2023 financial year, and are in accordance with generally accepted Austrian accounting principles. The management report is consistent with the annual financial statements for the period ended 31 December 2023. In addition, EY confirmed that the consolidated financial statements for the period ended 31 December 2023 comply with the statutory requirements and give a true and fair view of the assets and finances of the Group as of 31 December 2023 and of its earnings for the 2023 financial year, and are in accordance with IFRS as adopted by the European Union and the additional requirements of section 245a UGB. The Group management report is consistent with the consolidated financial statements for the period ended 31 December 2023. The disclosures pursuant to section 243a UGB are accurate.

The Audit Committee of the Supervisory Board accepted, read and reviewed the annual financial statements for the period ended 31 December 2023 submitted by the Management Board, together with the management report, the corporate governance report and the proposal for the allocation of profits. The Audit Committee also reviewed the consolidated financial statements for the period ended 31 December 2023 prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union together with the Group management report. The review took place primarily on the basis of interviews with the Management Board and discussions with EY. On the basis of its review and discussions, the Audit Committee recommended to the Supervisory Board the acceptance of the company's annual financial statements.

The Supervisory Board then reviewed the submitted documents, found no reasons for objection and approved the findings of the audit of the financial statements. The Supervisory Board accepted the annual financial statements for 2023, which were thus adopted in accordance with section 96 (4) AktG, and declared its acceptance of the consolidated financial statements prepared in line with IFRS in accordance with section 245a UGB, the management report, the Group management report, the consolidated corporate governance report and the Management Board's proposal for the distribution of profits.

The Supervisory Board also accepted the submission of the non-financial report from the Management Board, and reviewed and discussed it and found no reasons for objection.

The Supervisory Board will propose to the Annual General Meeting that the Management Board's proposal for the allocation of profits be adopted if applicable, and that the Annual General Meeting officially grant its approval for the activities of the Management Board and the Supervisory Board.

Finally, I would like to thank the Management Board and the S IMMO team for their daily efforts. My thanks also go to Herwig Teufelsdorfer and Holger Schmidtmayr for their outstanding work as members of the Management Board in the financial year just ended. I would also like to thank the departing members of the Supervisory Board for their commitment and warmly welcome the new members. For the current financial year, I would like to wish the company's team, its Management Board members and its Supervisory Board members every success. I am looking forward to working with you!

Vienna, March 2024

The Supervisory Board



Martin Matula, Chairman

Corporate governance report

1. Clear commitment to the Austrian Code of Corporate Governance

The Austrian Code of Corporate Governance (ÖCGK) contains rules and principles relating to transparency and sound corporate management. S IMMO AG has subscribed to the Austrian Code of Corporate Governance since 2007. This code is available on the website of the Austrian Working Group for Corporate Governance. Notwithstanding the exceptions set out and explained below, the Management Board and Supervisory Board of S IMMO AG declare full observance of and compliance with the C Rules of the ÖCGK.

Exceptions to the C Rules:

The C Rules of the ÖCGK below are currently not fully complied with by S IMMO AG:

C Rule 41: "The Supervisory Board shall establish a Nomination Committee."

The Supervisory Board has the authority to appoint, renew and dismiss members of the Management Board. This is one of its

core tasks. The associated duties generally affect all Supervisory Board members equally. The members should therefore also be involved equally in decision-making.

Information on corporate governance:
www.simmoag.at/corporate-governance

C Rule 49: "In its annual report, the company shall publish the subject and remuneration under contracts requiring approval in accordance with L Rule 48. A combined presentation of similar contracts is permitted."

In accordance with section 95 (5) item 12 Austrian Stock Corporation Act (AktG), contracts with members of the Supervisory Board under which these members commit to provide a service to the company or a subsidiary in exchange for non-negligible consideration outside their work on the Supervisory Board require the approval of the Supervisory Board. This also applies to contracts with enterprises in which a member of the Supervisory Board has a material economic interest. The company has concluded contracts at standard market conditions with enterprises at which Supervisory Board members held board positions in

the reporting year. For business policy and competition reasons, details and remuneration under these agreements are generally not published. If applicable, transactions with related parties are disclosed on the website at www.simmoag.at/corporate-governance in accordance with section 95a (5) Austrian Stock Corporation Act (AktG) or described in the Notes, Section 5.6.

C Rule 62: "The company shall have compliance with the C Rules of the Code evaluated periodically, but at least every three years, by an external institution and a report on the findings of the evaluation is to be published in the corporate governance report."

The company does not have compliance with the C Rules evaluated by an external institution. Based on the company's circumstances, the Management Board and Supervisory Board do not consider it necessary to commission a company to perform such an evaluation.

2. Composition of managing bodies

With the company's best interests in mind, the emphasis when making appointments to the Management Board and the Supervisory Board is on having the maximum degree of professional skill and international experience possible. In addition, the company makes a conscious effort to ensure a diverse composition in terms of professional qualifications and educational background, regardless of gender.

Management Board

There were changes to the S IMMO AG Management Board team in the past financial year. The Supervisory Board and Holger Schmidtmayr mutually agreed to terminate his Management Board contract with effect from 16 June 2023. At the same time, the Supervisory Board decided to appoint Radka Doehring, who is also a member of the Management Board of IMMOFINANZ AG, to the Management Board. As a result, the Management Board consisted of the two members Herwig Teufelsdorfer and Radka Doehring as of 31 December 2023. This corresponds to a 50% share of women on the Management Board.

After the balance sheet date, the Supervisory Board and Herwig Teufelsdorfer also mutually agreed to terminate his Manage-

ment Board contract with effect from 02 February 2024. At the same time, the Supervisory Board decided to appoint Tomáš Salajka, who is also a member of the Management Board of CPI Property Group S.A., to the Management Board of S IMMO AG. At the time of publication of this report, the Management Board consisted of Radka Doehring and Tomáš Salajka.

More detailed information about the individual members of the Management Board and their responsibilities is shown in the "Overview of the management bodies" in this report. The members of the Management Board keep each other informed of all important business events and developments at all times and discuss the progress of business. There is an ongoing exchange of information with the managers responsible for the various departments.

Supervisory Board

As of 31 December 2023, the Supervisory Board consisted of six members – four capital market representatives and two em-

ployee representatives. Information on the Supervisory Board members, their positions on the Supervisory Board and, where applicable, on other individual Supervisory Board committees as well as their primary occupations and additional supervisory board appointments can be found in the Overview of the management bodies.

An Extraordinary General Meeting was held on 29 January 2024 at the request of CPI Property Group S.A. At this meeting, Matej Csenky, Vladislav Jirka, Martin Matula and Vít Urbanec were elected to the Supervisory Board and the appointment of the previous Supervisory Board members Ulrich Steffen Ritter, John Verpeleti and Martin Němeček was revoked. The previous Chairwoman of the Supervisory Board, Karin Rest, resigned from her position with effect from 15 January 2024. At the constituent meeting of the Supervisory Board following the Extraordinary General Meeting, Martin Matula was elected as Chairman of the Supervisory Board, Vladislav Jirka as first deputy chairman and Matej Csenky as second deputy chairman.

Composition of the members of the Management Board and Supervisory Board by gender and age as of 31 December 2023

in %	Management Board		Supervisory Board	
	2023	2022	2023	2022
By gender				
thereof female	50.0	0.0	33.3	33.3
thereof male	50.0	100.0	66.7	66.7
By age group				
thereof under 30 years old	0.0	0.0	0.0	0.0
thereof 30–50 years old	0.0	0.0	33.3	16.7
thereof over 50 years old	100.0	100.0	66.7	83.3

Criteria for independence

S IMMO AG's Supervisory Board has established the following criteria for the independence of its members as required under C Rule 53 of the Austrian Code of Corporate Governance:

- A Supervisory Board member should not have been a member of the Management Board or an executive officer of S IMMO AG or one of its subsidiaries in the preceding five years.
- A Supervisory Board member should not maintain, or in the preceding year have maintained, a business relationship of material importance to that Supervisory Board member with S IMMO AG or one of its subsidiaries. This also applies to business relationships with enterprises in which the Supervisory Board member has a material economic interest. The approval of individual transactions by the Supervisory Board in accordance with L Rule 48 does not automatically mean that a person is not independent.
- A Supervisory Board member should not have served as statutory auditor of S IMMO AG, or have had an interest in or been an employee of the auditing firm in the preceding three years.
- A Supervisory Board member should not be a member of the management board of another company if a member of the Management Board of S IMMO AG is a member of that company's supervisory board.
- A Supervisory Board member should not be a member of the Supervisory Board for longer than 15 years. This does not apply to Supervisory Board members who are shareholders with an entrepreneurial investment or who represent the interests of such a shareholder.
- A Supervisory Board member should not be a close family member (direct descendant, spouse, life partner, parent, uncle, aunt, sibling, niece, nephew) of a member of the Management Board or of persons in any of the positions described above.

Three of the four shareholder representatives on the Supervisory Board who were in office as of 31 December 2023 have declared themselves independent within the meaning of C Rule 53. Due to his work as a management board member at CPI Property Group S.A., Martin Němeček has declared himself non-independent. Of the new Supervisory Board members elected on 29 January 2024, the capital market representatives, with the exception of Martin Matula (due to his work at CPI), have declared themselves to be independent within the meaning of C Rule No. 53.

3. Details of the activities and procedures of the Management Board and Supervisory Board

The activities of the Management Board and Supervisory Board and the collaboration between the two bodies are based on the applicable laws, the Articles of Association and the rules and procedures.

The Management Board runs the company – its allocation of tasks is set out in the Overview of the management bodies. The Management Board provides the Supervisory Board with information about all material aspects of the progress of business and all strategic considerations. They jointly pursue the aim of managing the company responsibly with a long-term approach oriented towards sustainable value creation and lasting corporate success. The Management Board and Supervisory Board work closely together in the interests of the company. The intensive, ongoing dialogue between the two bodies forms the basis for this.

In its meetings, the Supervisory Board monitors the management of the business as well as the finances, strategy, performance, ESG topics and risk management of the company. Investment projects above a specific volume require approval by the Supervisory Board. As of 31 December 2023, the Supervisory Board consisted of four capital market representatives and two employee representatives – six members in total.

The Supervisory Board has formed three committees from among its members, which are listed below. In the 2023 reporting year, eleven Supervisory Board meetings were held, some of which were held in person and some via telephone or video conference. Each member of the Supervisory Board participated in more than half of the Supervisory Board meetings in person, by telephone or video conference (a detailed list of attendance in the reporting year can be found below). In addition, 14 circular resolutions were adopted in writing by the Supervisory Board, one circular resolution by the Audit Committee and four circular resolutions by the Committee for Management Board Matters.

The committees of the Supervisory Board

Audit Committee

The functions of the Audit Committee include monitoring the accounting and reporting process and the work of the auditors, monitoring the effectiveness of the Internal Control System and the risk management system, and monitoring the process of auditing the Group's financial statements. As of 31 December 2023, the Audit Committee consisted of the following members: Ulrich Steffen Ritter (chairman), Martin Němeček and Andreas Feuerstein (employee representative). The Audit Committee met four times in the reporting year. Since 29 January 2024, the Audit Committee has consisted of Vít Urbanec (chairman), Vladislav Jirka, Martin Matula and Andreas Feuerstein (employee representative).

Committee for Management Board Matters – Remuneration Committee

This committee's remit covers the negotiation of contracts with the Management Board members and the remuneration policy for the Management Board and the Supervisory Board. As of 31 December 2023, the Committee for Management Board Matters was made up of chairwoman Karin Rest and Martin Němeček. The Committee for Management Board Matters did not meet in the reporting year. Since 29 January 2024, the Committee for Management Board Matters has consisted of Vladislav Jirka (chairman), Matej Csenky and Martin Matula.

ESG Committee

The ESG Committee deals in particular with sustainability matters and the social, economic and environmental responsibility of the company. This includes defining an ESG strategy, dealing with regulatory requirements and addressing ESG-related risks. At its meetings, the ESG Committee is given detailed presentations of the ESG processes by the Management Board and the responsible manager, critically examines these and grants its approval for major strategic decisions. Since August 2023, a joint, group-wide ESG strategy has been pursued with CPI Property Group S.A. and IMMOFINANZ AG. As of 31 December 2023, the ESG Committee was composed of the following members: Karin Rest (chairwoman), John Verpeleti and Elisabeth Wagerer (employee representative). The ESG Committee met once in the 2023 reporting year. Since 29 January 2024, the ESG Committee has consisted of Martin Matula (chairman), Matej Csenky, Vít Urbanec and until 02 February 2024 Elisabeth Wagerer (employee representative).

Attendance in 2023 (in person and via telephone or video conference)

The following table shows the individual attendance of Supervisory Board members at Supervisory Board and committee meetings.

First half of 2023

Name	SBM 22 February 2023	SBM 27 March 2023	AC 27 March 2023	SBM 04 April 2023	AC 04 April 2023	SBM 02 May 2023	SBM 16 June 2023
K. Rest (chairwoman)	1	1		1		1	1
M. Němeček (first deputy chairman)	1	1	1	1	1	1	1
U. Ritter (second deputy chairman)	1	1	1	1	1	1	1
J. Verpeleti	1	1		1		1	1
A. Feuerstein (employee representative)	1	1	1	1	1	1	1
E. Wagerer (employee representative)	1	1		1		1	1

Second half of 2023

Name	SBM 31 August 2023	SBM 14 September 2023	SBM 27 September 2023	AC 27 September 2023	SBM 22 November 2023	SBM 30 November 2023	ESG 30 November 2023	SBM 19 December 2023	AC 19 December 2023
K. Rest (chairwoman)	1	1	Excused		1	1	Excused	1	
M. Němeček (first deputy chairman)	1	1	1	1	1	1		1	1
U. Ritter (second deputy chairman)	1	1	1	1	1	1		1	1
J. Verpeleti	1	1	1		1	1	1	1	
A. Feuerstein (employee representative)	1	1	1	1	1	1		1	1
E. Wagerer (employee representative)	1	1	1		1	1	1	1	

SBM=Supervisory Board Meeting

ESG=ESG Committee

AC=Audit Committee

■ Not a member of the committee concerned

4. Diversity concept and measures for the advancement of women

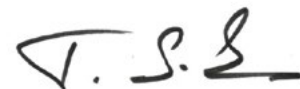
Diversity and equal opportunities are key aspects of S IMMO's corporate philosophy. S IMMO AG has set itself the goal of continuously increasing the proportion of women in management positions and is expressly committed to the advancement of women. S IMMO places great emphasis on the advancement of women when filling senior managerial positions. As of 31 December 2023, 50.0% of the workforce and 34.8% of senior managers (excluding the Management Board) in the S IMMO Group (excluding owner-operated hotels) were female. At the end of the year, 50% of the members of the Management Board were women.

Moreover, the company offers flexible working time solutions tailored to the needs of its employees. As of 31 December 2023, 20.0% of all employees worked part-time.

When making nominations, the Supervisory Board primarily focuses on the greatest possible professional skills and international experience. It also makes an effort to ensure a diverse composition with regard to professional qualifications and educational background, regardless of gender, as well as a majority of independent Supervisory Board members and the consideration of all shareholders' interests. The Supervisory Board candidates are elected by the shareholders eligible to vote at the Annual General Meeting.



Radka Doehring



Tomáš Salajka

Management Board

Radka Doehring

Member of the Management Board

Born: 28 April 1966
Appointed until: 31 October 2024
First appointed: 17 June 2023

Responsible for Finance/Controlling/Internal Control System, HR/Organisation, IT, Finance/Treasury, Audit, Compliance, Investor Relations/Public Relations/Marketing, Law, ESG

Ms Doehring studied business administration and international finance in England and the USA. She then worked as a senior auditor at Arthur Anderson. Later she continued her career as Finance Director, Deputy General Manager and Legal Representative at CME. Subsequently she served as Finance Director at CPI Management and RTVS. In 2022, she was appointed to the Executive Board of IMMOFINANZ AG. In 2023, she was appointed to the Management Board of S IMMO AG.

Until 02 February 2024

Herwig Teufelsdorfer

Member of the Management Board

Born: 17 March 1969
First appointed: 12 April 2021

Responsible for Investor Relations/Public Relations/Marketing, Law, Risk Management, Investments, Digitalisation/ESG/IT, Project Development, Asset Management

Tomáš Salajka

Member of the Management Board

Born: 16 September 1975
Appointed until: 31 December 2025
First appointed: 03 February 2024

Responsible for Risk Management, Investments/Transactions, Project Development, Asset Management

After studying economics in Prague, Tomáš Salajka began his career as an expert for banking and capital operations at CSOB. This was followed by several positions such as Head of Asset Management & Sales CEE at GE Real Estate. In January 2014, he became CEO of the Orco Property Group. In December 2014, he moved to CPI Property Group S.A., where he was Head of Acquisitions, Asset Management and Sales and was appointed Managing Director in November 2023. In February 2024, he was additionally appointed to the Management Board of S IMMO AG.

Until 16 June 2023

Holger Schmidtmayr

Member of the Management Board

Born: 06 May 1966
First appointed: 11 October 2022

Responsible for Project Development, Asset Management, Human Resources, Financing & Treasury, Risk Management, Compliance | Markets: Austria, CEE

Supervisory Board

Name (year of birth)	Function	Principal occupation	First appointed (end of term)	Supervisory Board appoint- ments in listed companies	Other Supervisory Board appoint- ments in domestic and foreign companies
as of 31 December 2023					
Capital market representatives					
Karin Rest (1972)	Until 15 January 2024 Chairwoman of the Supervisory Board; Chairwoman of the Committee for Management Board Matters; Chairwoman of the ESG Committee	Managing Director of VAMED-KMB Krankenhausmanagement und Betriebsführungs-ges.m.b.H. (since June 2020)	03 May 2018 (ap- pointed until AGM in 2027). Ms Rest resigned from the Supervisory Board with effect from 15 January 2024.	Flughafen Wien AG (since April 2013)	Chairwoman of the Supervisory Board of Wien Holding GmbH (since 03 July 2017); Wiener Stadtwerke GmbH (since 16 April 2015)
Martin Němeček (1975)	First Deputy Chairman of the Supervi- sory Board; Member of the Committee for Management Board Matters; Member of the Audit Committee	Senior Advisor at CPI Property Group S.A.; CEO and Managing Director of CPI Property Group S.A. (from 2014 until November 2023)	06 September 2022 (appointed until AGM in 2026)	Deputy Chairman of the Supervisory Board of IMMO- FINANZ AG (since March 2022)	
Ulrich Steffen Ritter (1959)	Second Deputy Chairman of the Supervisory Board; Chairman of the Audit Committee	Managing Director and share- holder of JUCA GmbH in Germany (since February 2006)	01 June 2022 (appointed until AGM in 2026)		
John Verpeleti (1956)	Member of the Supervisory Board; Member of the ESG Committee	External Consultant, Tomlin Kft.; Adviser, CEE Real Estate	06 September 2022 (appointed until AGM in 2026)		
Employee representatives					
Andreas Feuerstein (1964)	Member of the Supervisory Board; delegated as employee representative to the Audit Committee	Investor Relations Director at S IMMO AG (since 2019); with S IMMO AG since 2002	22 October 2021 (term is open-ended)		
Elisabeth Wagerer (1980)	Member of the Supervisory Board; delegated as employee representative to the ESG Committee	Head of Corporate Commu- nications & Investor Relations and Press Spokeswoman (since 2016); with S IMMO AG since 2010	26 January 2021 (term is open-ended)		
from 29 January 2024					
Capital market representatives					
Martin Matula (1980)	Chairman of the Supervisory Board; Chairman of the ESG Committee; Member of the Audit Committee and the Committee for Management Board Matters (each since 29 January 2024)	General Counsel at CPI Property Group S.A. (since 2014)	29 January 2024 (appointed until AGM in 2026)	Member of the Supervi- sory Board of IMMOFINANZ AG (since July 2022)	
Vladislav Jirka (1978)	First Deputy Chairman of the Super- visory Board; Chairman of the Com- mittee for Management Board Matters; Member of the Audit Committee (each since 29 January 2024)	Partner and attorney at law at law firm Vladislav Jirka, Ph.D. (since 2016)	29 January 2024 (appointed until AGM in 2027)		
Matej Csenky (1983)	Second Deputy Chairman of the Supervisory Board; Member of the ESG Committee and the Committee for Management Board Matters (each since 29 January 2024)	Attorney-at-law in Slovakia (2011)	29 January 2024 (appointed until AGM in 2026)		
Vít Urbanec (1970)	Chairman of the Audit Committee; Member of the ESG Committee (each since 29 January 2024)	Board Member at CleverPower a.s., Prague (since 2022)	29 January 2024 (appointed until AGM in 2026)		
Employee representatives					
Andreas Feuerstein (1964)	Member of the Supervisory Board; delegated as employee representative to the Audit Committee	Investor Relations Director at S IMMO AG (since 2019); with S IMMO AG since 2002	22 October 2021 (term is open- ended)		
until 02 February 2024					
Elisabeth Wagerer (1980)	Member of the Supervisory Board; delegated as employee representative to the ESG Committee	Head of Corporate Commu- nications & Investor Relations and Press Spokeswoman (since 2016); with S IMMO AG since 2010	26 January 2021 (term is open- ended). Ms Wagerer resigned from the Supervisory Board with effect from 02 February 2024.		

Non-financial report

Foreword

Responsible interaction with our environment has been an integral part of S IMMO's operating and strategic activities for many years. The company pursues the goal of designing its properties to be resource-efficient, low-emission and user-friendly. At the same time, we not only play an important role in society as an employer but also provide real estate that meets people's basic need for space to live and work. In addition to encompassing labour standards, diversity and remuneration within our company, our aspiration demands a commitment to society and the local community. Handling the capital provided to us sustainably and with integrity is a key part of our corporate self image. As a listed company, we always have an obligation to our shareholders, but we also naturally have a responsibility to all other stakeholders at all times.

Last year, we took important strategic and operational steps. Together with CPI and Immofinanz, we defined a Group-wide ESG strategy. This strategy sets out 15 goals in the areas of Environment, Social and Governance, which we will drive forward with joint forces. The reduction to these 15 strategic core goals enables us to focus clearly on material issues, and we expect targeted synergies from Group-wide cooperation. The goals include reducing greenhouse gas, water and energy intensity as well as, for example, increasing the proportion of certified buildings, a Code of Conduct for Suppliers and Group-wide standardised green lease agreements. The strategy adjustment was decided by the Management Board after consultation with the ESG Committee of the Supervisory Board; all goals with detailed definitions and respective deadlines can be found on page 115 of this non-financial report.



Radka
Doehring

Operationally, we also focused on harmonising processes and systems together with CPI and Immofinanz, at the same time ensuring that our actions are based on a common understanding of all ESG-relevant topics. In this area, we are also benefiting from the completed development of the data lake as a single point of truth to which all employees have access. This saves valuable time when working with and analysing data, but even more importantly, it enables patterns to be identified quickly. This means we can also simulate future scenarios and not just interpret data retrospectively. We learn from the past and create data-based future forecasts – this gives us a huge advantage in terms of the defined ESG goals.

I am confident that the steps we have taken in the past year will make a significant contribution to further strengthening our intensive efforts in all ESG matters. The combined forces within the Group, through which we will dedicate ourselves to a common ESG strategy, make me confident not only that we will achieve our ambitious goals, but also that we will enjoy fruitful and inspiring cooperation at all levels of the Group. Only by pulling in the same direction will we succeed in becoming more mindful of our resources, our environment, and our society as a whole.

Regulatory frameworks, principles and standards

S IMMO has published a non-financial report annually since the financial year 2017. It contains information about environmental, employee and social issues in connection with the topics defined as material by S IMMO as well as the subject of human rights and the prevention of corruption and bribery. In preparing this report, S IMMO implements the legal requirements of section 267a of the Austrian Commercial Code (UGB) in full as required by the Austrian Sustainability and Diversity Improvement Act (NaDiVeG). In addition, information is disclosed in line with the EU Taxonomy Regulation (Regulation (EU) 2020/852). In addition, S IMMO is preparing for the requirements of the Corporate Sustainability Reporting Directive (CSRD, Directive (EU) 2022/2464) and the European Sustainability Reporting Standards (ESRS) and has already partially adjusted the non-financial key figure tables in this report in accordance with the current interpretation.

S IMMO undertakes to comply with national, international and company principles. Since 2007, S IMMO has been committed to observing the Austrian Code of Corporate Governance, which is available on the website of the Austrian Working Group for Corporate Governance. Details on the implementation of the Code at S IMMO can be found in the corporate governance report starting on page 104. S IMMO is also included in CPI's participation in the United Nations Global Compact (UNGC).

At an international level, the company applies various frameworks for the protection of human rights. Details of S IMMO's activities in the area of human rights issues, and especially the scope and content of these activities and their organisational and procedural implementation, can be found in the Human rights section starting on page 161 and in the Organisational Policy for Human Rights at www.simmoag.at/sustainability/governance. S IMMO's Code of Conduct for all executive bodies and employees of the company also covers human rights issues as well as compliance-related and environmental content. This Code, which is publicly accessible at www.simmoag.at/sustainability/governance, is binding for all executive bodies and employees and has been the subject of annual training since 2022.

The Management Board of S IMMO approves of the company's commitment to these principles and supports them fully. These frameworks currently apply only to S IMMO and all its fully consolidated subsidiaries. The plan is for them to be expanded to include external business relationships.

To facilitate the transparency and comparability of strategies, measures and results in the area of sustainability, S IMMO has applied international frameworks for its non-financial disclosures since the publication of the report on the financial year 2021. For this reason, S IMMO prepares and publishes a non-financial report in accordance with the applicable Global Reporting Initiative (GRI) Standards once a year. The GRI content index can be found at the end of the non-financial report in the Annual Report 2023 (starting on page 88; available at www.simmoag.at/financial-reports) and provides an overview of the standards applied in the report and the chapters in which the relevant information can be found.

Moreover, disclosures are made in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), the Greenhouse Gas Protocol (GHG Protocol) and the EPRA Sustainability Best Practice Recommendations (EPRA sBPR). The EPRA Sustainability Performance Measures can be found starting on page 140. The application of additional standards in non-financial reporting is continuously examined in terms of relevance and viability.

Scope and boundaries of the report

The company publishes the non-financial report each year as part of its annual report. The reporting period for this report is identical to that of the financial report and thus covers the period from 01 January 2023 to 31 December 2023. The report includes the key figures for the reporting year and, where possible, for the previous year. Significant events between the balance sheet date (31 December 2023) and the editorial deadline for this report (25 March 2024) are disclosed in the notes to the

consolidated financial statements set out in section 5.7. This report was published on 25 March 2024.

This non-financial report was published in accordance with the operational control approach (for the purposes of non-financial reporting). The scope of reporting includes S IMMO and all subsidiaries over whose operational decisions S IMMO can exercise a controlling influence. As in the previous year, this corresponds to all fully consolidated S IMMO companies (see from page 13).

The Vienna Marriott and Budapest Marriott hotels are operated by fully consolidated subsidiaries under management agreements. S IMMO exercises a controlling influence over many operating activities in the area of hotel management and can exercise operational control with regard to environmental factors in particular. However, the management of the hotel staff is the sole responsibility of the respective hotel's management and lies outside S IMMO's control. This means that the employees of the two hotel companies are not covered by the operational control approach and are therefore not included in employee-related key figures in terms of non-financial reporting as they are not material. The disclosure of the total number of employees at S IMMO, which also includes the hotel employees, is an exception.

Where reference is made to S IMMO elsewhere in the non-financial report, this should be understood to include all fully consolidated companies and properties of S IMMO and its employees in Austria, Germany and Croatia, but not the employees of the two hotels in Vienna and Budapest. If a key figure does not refer to all locations, this is explicitly stated. In the first quarter of the reporting year, S IMMO's office locations in Romania and Hungary were closed and the employees were largely taken on by local subsidiaries of CPI, which in turn were tasked with the local management of the respective properties. These employees are included in the key figures on a pro rata basis for 2023.

Real estate-related key figures refer to S IMMO's entire property portfolio. This includes all lettable buildings and the owner-operated hotels. In addition, leasehold properties, development projects and land banks as well as any acquisitions and sales during the year are also included on a monthly basis for indicators such as energy consumption. This means that all fully consolidated properties are covered in full. The three buildings held by associates and joint ventures and accounted for using the equity method, which are therefore not fully consolidated, are only taken into account when calculating greenhouse gas emissions under the category Investments.

Audits

The Management Board submitted the non-financial report to the Supervisory Board for review. The Supervisory Board received, reviewed and discussed the non-financial report and found no reasons for objection. As part of the audit of the financial statements, the disclosure of all legally required information was reviewed by the appointed auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. The non-financial report has not been subjected to any further separate external audit.

The Internal Control System (ICS) and the risk management of the company are explained in detail in the risk management report starting on page 80. The selection of the auditor is carried out by the Audit Committee and is described in the Supervisory Board report (starting on page 101).

S IMMO has not set any internal rotation interval for auditing above and beyond the statutory requirements. The last change in the auditor of the consolidated and individual financial statements of S IMMO AG was made for the financial year 2023. For the financial years 2018 to 2022, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was appointed as the auditor of the consolidated and individual financial statements of S IMMO AG. The audit-specific and non-audit-specific fees that the auditor receives from the company are listed in the annex to this report starting on page 54.

ESG strategy and sustainability management

Guiding principles

Experience shows that a company-wide approach to the topics of ESG and sustainability requires above all an intensive analysis of the company's identity and values and its corporate culture at the very outset. That is why S IMMO decided to revise and hone its guiding principles at the start of 2022 in a participative process with its employees. The company is characterised

by lean structures and open cooperation across departments. It actively designs living environments by means of its properties and acts prudently and responsibly in this process. The S IMMO guiding principles consist of four related elements: purpose, vision, mission and values. Together, they describe S IMMO's identity and how it acts.

S IMMO guiding principles

Purpose	Investing in lasting values: people and real estate
Vision	We design valuable living environments for today and tomorrow
Mission	We use our experience, passion and local know-how to turn individual properties into a future-proof and high-performing portfolio based on forward-looking decisions
Values	Quality: Tenant satisfaction and consistently increasing business value thanks to highest standards Tradition: Stability and reliability rooted in a successful past Responsibility: Foresighted action for the benefit of our stakeholders and the environment Collaboration: Achieving success as a team and together with our stakeholders

Materiality analysis

This non-financial report is based on a materiality analysis conducted in 2021 in which potential areas of sustainable management were examined and assessed with internal and external experts in connection with the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) and the Global Reporting Initiative (GRI) Standards. The impacts on people and the environment and the significance to key stakeholders such as shareholders, tenants, employees, other interest groups and business partners were addressed here. The materiality analysis was performed with assistance from the consulting firm Deloitte.

Two workshops were conducted with the responsible Management Board member and representatives of various specialist departments (Corporate Communications and Investor Relations, Project Development, Portfolio Management, HR, Compliance, Works Council) in which stakeholder groups were identified, and the stakeholders were assigned a weighting based on the criteria "influence on S IMMO" and "interest in S IMMO". As a result, the following stakeholder groups were identified as relevant:

- Supervisory Board
- Management Board
- Local managing directors
- Employees
- Works Council
- Tenants and brokers
- Core shareholders
- Institutional investors
- Small investors
- Banks and analysts

Given the low level of construction activity, stakeholder groups such as general contractors and suppliers were rated as non-material.

Topics for the stakeholder survey were then determined in a multi-stage process. In the first step, the external consulting firm drew up a shortlist of possible topics for the survey on the basis of sector benchmarking, an analysis of reporting standards, current trends and an analysis of current and forthcoming legal conditions relating to non-financial reporting. These topics were verified at a workshop with Deloitte, and any existing gaps were scrutinised.

The identified topics were assessed on two levels: their influence on decisions of the stakeholders and their potential economic, environmental and social impacts. Stakeholder repre-

sentatives were then questioned via an online survey (period: July to September 2021) and in individual interviews. The aim of these surveys was to assess the impacts of economic, environmental and social aspects on S IMMO and to gauge the influence of these aspects on stakeholder decisions. Subsequently, the importance of the economic, environmental and social impacts of the topics was specified in the context of a workshop

and a meeting with the Management Board member responsible for ESG.

The material topics for S IMMO are therefore the 14 aspects that have the greatest impacts on society and the environment, are the most important to stakeholders and are rated as the most significant for S IMMO's business activities.

Material topic

Environment	Climate change adaptation Energy consumption and use of resources Renewable energy sources Sustainable operation of buildings Maintenance, repair, modernisation and renovation Sustainable mobility
Social	Diversity and equal opportunities Employee satisfaction and employer attractiveness Training Tenant satisfaction
Governance	Sustainable value enhancement Combating corruption Digitalisation Data protection

In this non-financial report, S IMMO details its activities and the measures adopted in relation to the topics identified as material topics. These are dealt with in detail in the following chapters: Environment, Social and Governance.

Against the background of closer cooperation in the area of ESG between S IMMO, CPI and Immofinanz, the materiality analysis is to be revised jointly in 2024.

ESG strategy

In the second half of 2022, S IMMO presented a comprehensive ESG strategy for the first time. As a result of the majority shareholdings of CPI and Immofinanz in S IMMO and the resulting consolidation, the ESG strategy was adapted and aligned across all three companies in the reporting year. This new Group-wide ESG strategy, consisting of 15 goals in the areas of Environment, Social and Governance, was developed jointly and replaces S IMMO's previous ESG strategy.

In particular, S IMMO has succeeded in incorporating its previous core goals into the Group-wide ESG strategy. At the same time, the strategic alignment means that some of S IMMO's previous goals will no longer be pursued in favour of a significantly more focused and streamlined approach. The company aims to achieve an even greater impact from the tighter focus and synergies of a common Group-wide strategy through joint measures, especially in highly relevant and challenging areas such as the reduction of energy consumption and greenhouse gas emissions. It should be noted that the validation of the reduction target for greenhouse gas intensity by the Science Based

Targets Initiative takes into account CPI as an entire group in which S IMMO is fully included. However, there is no validation explicitly for S IMMO alone.

The Management Board approved the current ESG strategy in August 2023 and is responsible for compliance with the strategic guidelines. The relevant specialist departments, based on the specific topics, are responsible for tracking individual targets and implementing measures, and the ESG & Sustainability department takes on the responsibility for coordinating implementation.

Group ESG strategy and goals

Environment

E

Environment



- **32.4% reduction in GHG intensity** of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline (validated by Science Based Target initiative in July 2022 in alignment with the Paris Agreement's well below 2°C scenario)
- Purchase of electricity exclusively from **100% renewable sources by year end 2024**
- **10% reduction in energy intensity** of property portfolio by year 2030 versus 2019 baseline
- **10% reduction in water intensity** of property portfolio by year 2030 versus 2019 baseline
- Elimination of waste sent to landfill wherever possible, **waste recycling rate of 55%** by year end 2025 and **60% by year end 2030**
- **Increase in EU Taxonomy alignment** of economic activities at consolidated Group level over time

Social

S

Social



- **Increased share of certified buildings** (Access4you, BREEAM, DGNB, EDGE, Green Key, Green Star, HQE, LEED, WELL)
- **Group-wide green lease agreement** to be offered for all new commercial leases and renewals
- Minimum of **33% share of female senior managers**
- Completion of at least **eight hours of training per employee per year**
- Biennial **employee satisfaction surveys**

Governance

G

Governance



- Agreement on the **Code of Conduct** with all employees
 - **Mandatory annual employee training** on Code of Conduct and associated policies
 - All new suppliers and renewals comply with Group-wide **Code of Conduct for Suppliers**
 - Alignment of **Management Board remuneration to ESG criteria**
-

Sustainability management

To take account of the increased requirements placed on sustainability management, the topic has been firmly anchored within the S IMMO organisation since 2021. The area of digitalisation/ESG is established as a Management Board responsibility and assigned to a board member. Furthermore, the ESG & Sustainability department is a central point where sustainability issues across all departments and subsidiaries are consolidated and coordinated. This department reports directly to the Management Board, and they meet at least once a week. The ESG Committee of the Supervisory Board acts as a control and steering body. This committee monitors the company's activities and its social, economic and environmental responsibility and is informed by the Management Board and the department in detail about current focal points and areas of activity during its meetings.

In business operations, the ESG & Sustainability department works intensively with other departments on implementing S IMMO's strategic ESG goals and is responsible at the same time for collecting and analysing data on relevant key performance indicators. The awareness and understanding of ESG and sustainability is thus promoted in dialogue with the specialist departments throughout the Group and among all the employees. Moreover, the department is also responsible for the selection and implementation of international regulations, principles and standards in non-financial reporting and acts as an interface for cooperation with CPI and Immofinanz on all ESG-related topics.

Existing and potential risks that arise in the context of S IMMO's business activities and could have an impact on various sustainability matters have been incorporated into the Group's general risk management. This risk management is the responsibility of the correspondingly named function within S IMMO. Another independent function, which is currently also fulfilled operationally by a member of the Management Board, is Compliance Management, which is responsible for the areas of capital market and criminal compliance, including the associated organisational guidelines, employee training and grievance mechanisms as well as overarching responsibility for the Code of Conduct.

In order to improve the transparency and comparability of how companies deal with different sustainability issues, ESG rating agencies have been established around the world that can offer institutional investors in particular guidance when it comes to assessing companies and investment decisions.

Group-wide, the decision has been made to use the Sustainalytics ESG Risk Rating and MSCI ESG Rating. Since S IMMO is

currently no longer among the companies rated by MSCI, the company is focusing solely on the Sustainalytics ESG Risk Rating. S IMMO was able to further improve this rating from 15.0 to 12.2 as a result of implemented measures and expanded reporting. As a result, it continues to be classified as "low risk" and is among the top 20% in an industry comparison and among the top 5% of all rated companies.

At the EPRA sBPR Awards 2023, S IMMO was honoured with bronze for its non-financial reporting for the second year in a row. Furthermore, S IMMO benefits from closer cooperation with CPI, as it is now an explicit part of CPI's consolidated CDP reporting, in which the Group achieved a B score in 2023.

ESG risk management

Since September 2022, a comprehensive ESG risk management process has been established and the ESG risks have been fully integrated in all of the company's risk management processes. In terms of processes and contents, environmental, social and governance risks are handled in the same way as all other risks. Consideration of the double materiality plays an important role here, as both risks that have an impact on the company from outside and risks that may have an impact on the environment and other stakeholders from within the company as a result of its business activities are assessed.

Details of the material ESG risks and the measures for identifying, assessing, preventing and mitigating them are described in the separate risk management report starting on page 85 of the Group management report.

Environment

Consideration of environmental aspects has been an integral part of S IMMO's strategic and operational activities for many years. In order to formalise a more responsible interaction with the environment, concrete environmental goals were defined that pursue, among other things, the reduction of energy and water consumption as well as the reduction of greenhouse gas emissions by 2030. These environmental goals, which are anchored in the ESG strategy, also reflect the results of the materiality analysis conducted in 2021. With the involvement of various stakeholder groups, the following environmental topics were identified as material:

- Climate change adaptation
- Energy consumption and use of resources
- Renewable energy sources
- Sustainable operation of buildings
- Maintenance, repair, modernisation and renovation
- Sustainable mobility

In the reporting year, S IMMO aligned its ESG strategy together with CPI and Immofinanz, resulting in adjustments to individual goals. The year 2019 was also defined as the common baseline year for environmental targets. You can find out more on page 115. The Management Board of S IMMO is responsible for compliance with the goals set out in the ESG strategy. From an operational perspective, there is a portfolio-wide division of labour between S IMMO, CPI and Immofinanz. For example, the implementation of environmental measures to ensure resource-efficient building operations in Austria, Germany and Croatia is the direct responsibility of S IMMO and, in particular, the asset and property management teams there. S IMMO's properties in Romania, Slovakia, the Czech Republic and Hungary are primarily managed by local CPI experts. The properties acquired in the Wienerberg district of Vienna in the reporting year are managed jointly by S IMMO and Immofinanz.

This close cooperation benefits not only from the joint ESG strategy, but also from the further standardisation of processes and systems between the three companies in the reporting year. In 2023, the Environmental Impact Reporting Directive was adopted by all three companies and also approved by the Management Board of S IMMO. This directive regulates the mandatory annual measurement of all relevant environmental indicators, including the necessary data collection and validation processes. It also includes annual reporting and the consideration of relevant regulatory requirements. CPI's centralised and digital

environmental data management system is used for this purpose. A Group-wide solution was also found to implement the requirements for joint, modern climate risk management, which builds directly and seamlessly on S IMMO's previous work and the software program it had selected.

Thanks to the close cooperation, S IMMO was able to further expand the reported environmental indicators. For the first time, all relevant Scope 3 categories of greenhouse gas emissions can be reported, thus providing a complete overview of the company's carbon footprint, including a comparison with the base year 2019 now standardised Group-wide. This footprint is to be successively reduced through ongoing and property-level energy monitoring, operational optimisation measures and other measures such as increasing the proportion of renewable energy sources and modernising buildings in line with the environmental goals. The cross-company cooperation within the Group and the joint strategy should continue to make a decisive contribution to this.

Boundaries on environmental key figures

The key performance figures reported in this section relate to the group of fully consolidated companies of S IMMO (starting on page 13) and follow the operational control approach. Shares accounted for using the equity method are only taken into account when calculating greenhouse gas emissions under the category Investments.

As of 31 December 2023, S IMMO's property portfolio, which includes lettable buildings, owner-operated hotels, development projects and land banks, consisted of 244 properties (2022: 364) with a gross leasable area of around 1.5 million m² (2022: 1.4 million m²). Based on book value, properties in Austria accounted for 22.0% (2022: 14.5%) of the portfolio, while properties in Germany accounted for 15.7% (2022: 38.3%). Properties in CEE made up 62.3% of the portfolio (2022: 47.2%). Looking at the portfolio broken down by main type of use not including plots of land and based on book values, offices accounted for 67.2% (2022: 56.5%), retail properties for 19.4% (2022: 12.2%), residential properties for 6.1% (2022: 25.2%) and hotels for 7.3% (2022: 6.1%) as of 31 December 2023.

The property-related consumption and emissions data in this section refers to the entire real estate portfolio of S IMMO. Acquisitions and sales during the year are included on a monthly

basis for key indicators such as energy consumption. The three buildings held by associates and joint ventures and accounted for using the equity method, which are therefore not fully consolidated, are only taken into account when calculating greenhouse gas emissions under the category Investments. The reference value of property-related environmental indicators is the reference gross leasable area. This includes – besides the gross leasable area of the properties that were part of the portfolio for the entire year – the gross leasable area of buildings that were acquired or sold during the year, normalised on a monthly basis, so that the area corresponds proportionately to the number of months relevant for reporting.

As part of the closer cooperation with CPI, the resulting standardisation of calculation methods and ongoing quality control, there may be changes to the previous year's figures.

At the end of this section of the non-financial report, you will find tables with details on the EU Taxonomy key performance indicators, the environmental key figures and the EPRA Sustainability Performance Measures.

Implementation of the EU Taxonomy

With the EU Taxonomy Regulation (Regulation (EU) 2020/852), the European Union has created a standardised set of rules for classifying environmentally sustainable economic activities. Economic activities should substantially support one or more defined environmental objectives and not negatively impact any of the others (Do No Significant Harm principle, DNSH).

Since the reporting year 2021, S IMMO has been required to disclose the economic activities classified as taxonomy-eligible in accordance with the regulation in the form of the share in turnover, capital expenditure (CapEx) and operating expenditure (OpEx) these activities account for. Taxonomy-eligible means in this case that an economic activity has been defined in the delegated acts of the EU Taxonomy and thus comes under the regulation's sphere of influence. Starting with the reporting year 2022, S IMMO discloses taxonomy-aligned economic activities, i.e. sustainable activities in accordance with the environmental objectives and technical assessment criteria of the taxonomy.

All disclosures are made on the basis of the current interpretation of the legal situation and the EU Taxonomy FAQ. Because the legal situation remains dynamic, S IMMO adopts a conservative approach in its declaration of taxonomy-eligible and taxonomy-aligned economic activities.

Determination of taxonomy alignment

S IMMO has identified the economic activities "acquisition and ownership of buildings" (CCM 7.7) and "hotels, holiday, camping grounds and similar accommodation" (BIO 2.1) in general as well as "installation, maintenance and repair of energy efficiency equipment" (CCM 7.3) only for CapEx as relevant and taxonomy-eligible, which avoids possible double counting. BIO 2.1 and CCM 7.3 are reported for the first time for 2023 and were not applicable in the previous year.

With its taxonomy-eligible economic activities CCM 7.3 and 7.7, S IMMO pursues the environmental goal of "climate change mitigation", thus double counting is avoided in this respect as well. In order to determine taxonomy alignment for the economic activity "acquisition and ownership of buildings" and the significant contribution to the environmental goal "climate change mitigation", several factors were taken into account to ensure alignment with the requirements of the EU Taxonomy and its criteria.

S IMMO fundamentally ensures the minimum safeguards required by the EU Taxonomy. The topics of human rights, anti-corruption, taxes and fair competition are covered by organisational policies, processes and grievance mechanisms, and employees are trained annually. Furthermore, there were no known violations of the policies or laws in the reporting year. For more details, please refer to the Governance section from page 159 onwards. Information on the gender pay gap is provided on page 157, while details on the gender diversity of the management bodies can be found on page 105. S IMMO is not involved in the manufacture or sale of controversial weapons.

With regard to the technical screening criteria relevant to the economic activity "acquisition and ownership of buildings" under the environmental goal "climate change mitigation", the buildings of S IMMO were checked individually for the date of the application for a construction permit and the existence of a valid Class A energy performance certificate, if possible based on the primary energy efficiency. If a class A energy performance certificate is available and the building is a non-residential building, the nominal capacity of the HVAC systems (heating, ventilation, air conditioning, refrigeration) was recorded and, if the threshold value of 290 kW was exceeded, the efficient operation within the meaning of the EU Taxonomy was verified. Czech buildings were analysed on the basis of a corresponding study to determine whether they belong to the top 15% of the national building stock in terms of energy efficiency in operation. If so, this replaced the requirement for a class A energy performance certificate, with the remaining criteria also having to be met.

In addition, a climate risk assessment of all buildings in the S IMMO portfolio was carried out at the beginning of 2023 on the basis of Representative Concentration Pathways (RCP). The RCPs, which were developed by scientists, describe scenarios for different increases in greenhouse gas concentrations in the atmosphere and their amplifying effect on climate change. The climate risk assessment was carried out in accordance with the Representative Concentration Pathways RCP2.6, RCP4.5, RCP6.0 and RCP8.5 in order to avoid significant negative impacts. More information on this can be found in the risk management report starting on page 85. For properties that were only purchased in the course of 2023, the climate risk assessments of CPI and Immofinanz were used where necessary.

In total for the year 2023, S IMMO has identified 17 buildings (2022: 5) that currently meet the general and specific criteria according to the economic activity “acquisition and ownership of buildings”. They consist of eight commercial properties in Bratislava, Brno, Bucharest, Hradec Králové, Mladá Boleslav, Prague and Vienna as well as a residential building in Leipzig that has since been sold. These buildings all have a Class A energy performance certificate or are in the top 15% of the national building stock in terms of energy efficiency in operation and the application for a construction permit was submitted before 31 December 2020. If HVAC systems with a nominal capacity of more than 290 kW are installed, they are operated efficiently, although in some cases the identification of efficiency losses and opportunities for energy efficiency improvements is regularly carried out by the local technicians and not automatically by the building services. The Czech properties are covered by CPI's ISO 50001-certified energy management system.

The Bucharest location is fundamentally affected by the chronic physical risks of heat stress and water stress. According to the company's assessment, the building's operation in its current use is not significantly impaired even if the water availability is reduced but not permanently heavily restricted. First response fire protection, for example by sprinkler systems, is ensured even if the water supply is interrupted. The direct impact of the climate risk of heat stress on the buildings is significantly greater, but the cooling capacity of the HVAC systems installed in the five Bucharest properties is considered sufficient for a foreseeable rise in temperature in the coming years, as evidenced by the building documentation. A building in Brno shows an increased, relevant flood risk. This is countered with a bundle of measures consisting of an emergency plan, the provision of sandbags on site and the contracting of an external service provider for flood protection. In total, 17 properties thus form the scope of the key performance indicators for taxonomy alignment under economic activity CCM 7.7.

Additionally, the investment in the chiller of another building in Vienna in 2023 fulfils the requirements for the economic activity “installation, maintenance and repair of energy efficiency equipment” and is therefore explicitly reported only in the CapEx indicators under CCM 7.3. The economic activity “hotels, holiday, camping grounds and similar accommodation” is currently not taxonomy-aligned, which is why BIO 2.1 is only reported as taxonomy-eligible.

Determination of the EU Taxonomy indicators

Starting out from the total revenues recognised in the consolidated financial statements prepared in accordance with IFRS, the taxonomy-eligible turnover consists of the rental income and revenues from operating costs that S IMMO generates in the course of renting out its properties as well as revenue from its hotel operations.

The basis for the capital expenditure (CapEx) in accordance with IFRS that is considered is provided by all additions to properties, intangible assets and property, plant and equipment (before depreciation, amortisation, revaluations and impairments), including additions resulting from acquisitions. In terms of taxonomy eligibility, this relates to the purchase of buildings and capitalisations directly associated with existing buildings at S IMMO, including both operated hotels.

The relevant categories for determining the taxonomy-eligible operating expenses (OpEx) consist of direct, non-capitalised costs of research and development, building renovation measures, short-term leasing, maintenance and repairs as well as all other direct expenses in connection with the daily maintenance of property, plant and equipment. For S IMMO, only maintenance costs related to its property portfolio in accordance with IFRS are of material importance. S IMMO does not conduct any research and development. Short-term leasing is carried out only to an extremely limited extent and is thus not taken into consideration. The maintenance expenditure associated with existing buildings is therefore classified as taxonomy-eligible.

Turnover, CapEx and OpEx are always considered taxonomy-aligned if the taxonomy-eligible proportions of turnover, CapEx and OpEx are attributable to the 17 buildings classified as taxonomy-aligned. None of the taxonomy-aligned amounts are for own use. The taxonomy-aligned shares of turnover, CapEx and OpEx all increased year-on-year in 2023. The tables with the EU Taxonomy key performance indicators can be found from page 128 onwards. For further information on the underlying financial figures, please refer to the consolidated financial statements (from page 4) and the related notes (from page 11).

Use of resources

S IMMO is convinced that its business activities are compatible with environmentally conscious behaviour. That is why the company attaches great importance to handling the resources and raw materials it uses sparingly and carefully. This includes energy sources and water especially in the operation of the buildings on the one hand, but also raw materials and local land use and biodiversity on the other. Moreover, waste management and the offer of sustainable mobility solutions are topics that S IMMO actively addresses in the course of its activities.

Energy management

By their nature, the construction and operation of buildings are very energy-intensive – and this is also true of the S IMMO portfolio. The high global energy consumption contributes significantly to global warming and thus to climate change. In particular, the use of fossil fuels such as coal, oil and gas has a negative impact on the climate, as they release large amounts of greenhouse gases when burned. The associated rise in the average global temperature has scientifically proven negative impacts on humans and the environment. These include, for example, the rise in sea levels, the increase in extreme weather events such as heat waves and droughts, but also flooding due to precipitation events, as well as the loss of biodiversity and negative impacts on human health.

The company strives, both for its existing properties and for project developments, to find solutions to keep energy consumption, and thus also the operating costs for its tenants, as low as possible. In this regard, the Group-wide ESG strategy defined the goal of reducing the energy intensity of the buildings by 10% by 2030 compared to 2019. S IMMO's local teams and service providers, which also include CPI and Immofinanz, are instructed to take into account a catalogue of measures for the quick identification and implementation of optimisation and savings measures in their daily work with the individual buildings. Furthermore, in its cooperation with CPI, S IMMO benefits from the fact that most of the Czech buildings in the S IMMO portfolio are covered by CPI's ISO 50001-certified energy management system. This is to be extended to the Slovak properties in 2024, and the addition of further countries is currently under review.

Actual energy consumption – consisting of heating demand and electricity consumption – in the buildings managed by S IMMO is almost exclusively dependent on tenant behaviour and is therefore largely outside the company's direct control. However, S IMMO can influence the energy efficiency of buildings to a certain extent through structural measures in the course of maintenance and modernisation, including for example by upgrading building services, replacing the heating system or optimising the insulation, and therefore takes these into account in development projects and the energy and structural refurbishment of existing properties.

When looking at energy management, it generally has to be noted that S IMMO is not able in every case to make the decision on the use of energy sources. In principle, it is responsible as the landlord for purchasing energy sources to meet the respective heating demand of the entire building, where it subsequently charges the costs on to the tenants. However, there are several exceptions, especially in Germany in the case of gas heating, where the tenants themselves obtain their heating supplies and consequently do not have to provide S IMMO with consumption information. S IMMO therefore endeavours to contribute to lower energy consumption by its tenants at least indirectly by increasing the energy efficiency of the buildings.

It is also the case in almost every Austrian and German property that S IMMO purchases electricity only for the common areas in the buildings. The areas exclusively for tenants are supplied through the tenants' own contracts. Here, too, there is no obligation on their part to provide information to S IMMO as the landlord. In CEE, S IMMO is – apart from a few exceptional cases – the sole contracting partner of the local utility companies and thus responsible for the entire energy procurement.

Against the backdrop of the allocation of costs to the tenants as part of service charge reconciliations, when entering into supply contracts S IMMO always pays attention to relevant cost and competition factors, in addition to the energy mix, in order to maintain conformity with the market.

Natural gas and district heating, and in isolated cases also liquefied petroleum gas and heat pumps, are used in the properties of S IMMO to cover the heating demand. At the end of 2023, one building was still heated with heating oil by the tenant. All other properties of this kind were successfully converted to other heat sources or sold.

The electricity demand on the landlord's side for the property portfolio in Austria and for Germany has been largely covered since 2020 by purchased electricity from 100% renewable sources (solar energy, hydropower and wind energy as well as biofuels). Together with Immofinanz and the CPI subsidiary GSG Berlin, contracts were concluded in the reporting year for the procurement of electricity from 2024 for the properties on the Wienerberg and S IMMO's entire German portfolio. Not only will electricity be sourced exclusively from 100% renewable sources, but in both cases S IMMO is also utilising power purchase agreements (PPA) for the first time to cover significant portions of the agreed purchase volumes. In the course of 2021, the buildings in Croatia, Romania and Slovakia were switched to the purchase of electricity purely from sustainable sources, followed by Hungarian properties in 2022.

In 2023, 91.2% of the electricity purchased by S IMMO (2022: 95.6%) came from 100% renewable sources. The original goal of switching to 100% renewable sources across the entire portfolio by the end of 2022 was standardised as part of the Group-wide strategy adjustment to the end of 2024. The Group is also working on implementing the procurement of this type of electricity in the Czech Republic, but this has not yet been achieved. With regard to S IMMO's acquisitions in the Czech Republic, this circumstance must be taken into account in terms of key figures. For contractual reasons, it is also not currently possible to switch to electricity from 100% renewable sources for one property in Austria. In addition to external electricity procurement, existing properties are also gradually being equipped with photovoltaic systems, in order to offer the possibility for buildings to have their own, independent electricity supply. For this purpose, three photovoltaic systems in Bratislava with a total output of 299 kWp (kilowatt peak) were commissioned in 2023.

In the reporting year, S IMMO launched a pilot project for the use of artificial intelligence (AI) for the automated optimisation of energy consumption. In this project, the individual elements of the building services in a commercial property in Vienna are linked together via software and controlled independently using an algorithm based on weather data and other parameters. S IMMO hopes to be able to apply the experience gained from this project to other buildings. In 2022, digital consumption meters, known as smart meters, were installed in the vast majority of German properties and connected to the IT infrastructure, where the aim is to record energy data in near real time and to be able to take corrective action when necessary and consequently optimise consumption. Both the ongoing conversion

to renewable energy sources and the digitalisation of the properties contribute to more resource conservation in the operation of the buildings and consequently in improving the carbon footprint of S IMMO (for more details on this, please see from page 125).

The buildings' energy data required for the calculation of key figures is recorded by the respective internal and external property managers, managed centrally and, when necessary, harmonised for analysis by using conversion factors from the local utility companies. Consumption is considered to be within the organisation if it is based on procurement by S IMMO and cannot be allocated exclusively to tenant areas. Consumption that can be attributed exclusively to tenant spaces is considered to be outside the organisation, even if it is procured by S IMMO. Together with the disclosures on energy consumption when obtained directly by tenants, the energy data now represents the entire consumption outside the organisation in accordance with categories 3 and 13 of the Greenhouse Gas Protocol (see page 127). The energy consumption of the buildings is thus covered in its entirety.

As tenants who purchase their own energy are not required to disclose their consumption, the disclosures relating to this consumption are based almost exclusively on projections on the basis of actual consumption in comparable buildings in the company's portfolio as well as standard industry benchmarks at building level. Adapted to the type and size of the property, these benchmarks originate primarily from publications of the Bundesinstitut für Bau-, Stadt- und Raumforschung (BBSR – Federal Institute for Research on Building, Urban Affairs and Spatial Development), the German Federal Ministry of Transport, Building and Urban Development (now the Federal Ministry for Digital and Transport) and the German Energy Agency (dena).

In some cases, exact figures were not yet available for consumption on the part of S IMMO for this reporting year. These have also been extrapolated accordingly or comparable figures from the previous year were used. As the office areas that S IMMO uses itself are all located in properties in the company's portfolio, there was no need for an additional disclosure of this consumption, as it is already included. Significant consumption of fuels from renewable sources or the commercial sale of energy do not take place. Any consumption of cooling energy and steam is contained in the data on electricity and district heating and is not recorded separately.

Moreover, the energy data within the organisation also includes consumption by the Group's own vehicle fleet based on fuel consumption. Energy consumption outside the organisation, which is not related to properties owned by S IMMO, is not considered to be directly relevant from an energy management standpoint and is therefore not calculated. Instead, greenhouse gas emissions are recorded as the aim is to reduce the carbon footprint in this area. For more information on this, please see page 126. For an overview of the energy consumption related solely to S IMMO's property portfolio, the EPRA Sustainability Performance Measures are provided starting on page 140.

Compared to the calendar year 2022, a noticeable reduction in energy intensity per net revenue was recorded across all countries in the reporting year. The intensity in relation to gross leasable area has remained constant at portfolio level.

Water management

S IMMO is aware that a sufficient water supply, safe drinking water and the protection of ecosystems through appropriate sanitation facilities and equipment are material topics for the company. The company therefore ensures that employees and tenants are supplied with clean water throughout its entire property portfolio, both in property development and in property management. Water is supplied to and discharged from the properties through connections to the municipal water networks, and these processes are thus subject to the local regulations as well as requirements within the European Union.

Attention is paid here to proportionate and economical use of water as a resource, especially since a large proportion of S IMMO's properties in Germany and Romania are located in an area with increased or high water stress according to the Group's own science-based climate risk assessment based on the Representative Concentration Pathways and are therefore exposed to the risk of potential water scarcity. Water stress occurs when water consumption exceeds the amount of water available in a region. Specifically, this affects properties in the cities of Berlin, Bremen, Erfurt, Halle (Saale), Kiel, Leipzig, Potsdam, Rostock and Weimar, as well as Bucharest and, in the previous year, the property in Puchheim, which has since been sold.

The operation of the properties does not involve any major water usage or water storage on an industrial scale and thus also does not trigger any impacts caused by process water. Nevertheless, in the future S IMMO will endeavour to monitor the use of water even more closely and to consult with its stakeholders. In this regard, the Group-wide ESG strategy has set a target to reduce water intensity by 10% by 2030 compared to 2019. The planned installation of digital main water meters and water-saving fittings should play a central role in this.

In almost all its properties, ensuring the overall water supply from the local utility companies is the responsibility of S IMMO. Only in a few properties is water obtained partly or directly by tenants on the basis of their own contracts, where there is no obligation for them to provide information to S IMMO. The data for the water consumption of the properties is recorded in parallel with the energy data at building level, transmitted by the property managers, consolidated on a central basis and evaluated at portfolio level. Recognising and responding to irregularities that can be attributed to increased consumption, for example as a result of a leak, forms part of the responsibilities of the local property management and service providers of the properties. This also includes the identification of water saving opportunities and the implementation of corresponding measures, for which S IMMO has created and communicated instructions to its service providers.

In order to ensure consistent comparability, the water consumption of the few properties in which the water is procured by the tenants is also included in the key figures. As accurate data is not continuously available in these cases because there is no obligation on the part of the tenants to provide this information, it has been extrapolated using the actual consumption of comparable properties in the portfolio after being adjusted to the size of the property in question. An extrapolation of this kind was also carried out in the few cases where no accurate figures were yet available for the consumption on the part of S IMMO.

Water intensity fell in 2023 compared to the previous year, both in terms of net revenue and gross leasable area. This also applies in particular to the German and Romanian locations at material water risk.

Raw materials and waste management

Resources are committed and waste of various kinds is produced over a long period during the construction and operating phases of properties. S IMMO is aware of its central role and responsibility here and takes steps to reduce the negative impacts to the minimum possible level. With the transition to the circular economy, S IMMO sees general potential for optimisation and an industry-wide need for action in this area. The company has therefore set itself the goal of checking the recyclability and circularity of the building materials it uses for future project developments and full refurbishments. In addition to reducing noise and dust pollution for residents, effective construction site waste management, the safe handling of dangerous substances and short transportation distances are also key priorities. Where necessary, professional disposal of waste or treatment of contaminated sites is agreed by means of framework construction contracts. Efforts are made to exclude contaminated sites by performing thorough location analyses during acquisitions.

As part of the Group-wide ESG strategy, a waste recycling rate of 55% by the end of 2025 and an increase in this rate to 60% by 2030 were defined as goals in addition to the elimination of waste sent to landfill wherever possible. In this report, S IMMO is reporting the relevant portfolio-wide waste streams from property operations for the first time. In doing so, it is drawing on the support of CPI, which has many years of experience in this area. As no complete real data is available for properties in Austria and Germany in particular, extrapolations based on comparable property portfolios and local waste data within the CPI portfolio were used in the event of data gaps. In future, waste volumes and streams are to be recorded and subsequently monitored on a portfolio-wide and software-based basis for each property, similar to energy consumption data.

The total amount of waste generated in 2023 fell slightly compared to the previous year, with the proportion of non-recycled waste increasing primarily due to the acquisition of Hungarian properties, which is attributable to the very low local recycling rate.

In its own office premises, S IMMO attaches great importance to waste separation and avoidance and, in addition to the use of environmentally friendly paper, also utilises intelligent follow-me printer technology with minimal toner consumption.

Biodiversity and land use

In view of climate change and biodiversity loss, S IMMO is engaged in the issues of biodiversity and land use. The greening of open spaces, building facades and roof areas serves in the urban area to create a more pleasant microclimate and reduces heat and noise inside and also in the immediate vicinity of the building. Because the properties enjoy a central location and because of the very high-density development of the plots of land, S IMMO's properties have few areas that are suitable for greening. It is planned to expand greening projects, taking economic viability into consideration, with the enhanced attractiveness for the users of the buildings also playing an important role. Extensive green areas around and on the buildings have been considered from the outset in the development projects currently planned in Bratislava and Budapest.

In times of increasing soil sealing in the course of ever more high-density developments, property construction projects on sites that are already sealed, known as brownfield developments, are gaining importance. These contrast with greenfield developments, where construction on areas that were previously totally undeveloped produces additional sealing of the soil. The result of soil sealing is that rainwater can no longer drain away, which in turn increases the risk of flooding. Moreover, these areas boost the rise in temperatures in the summer, as sealed ground surfaces heat up more than planted areas.

All S IMMO's current building developments are located in urban areas in capital cities in CEE, and the majority of them are on previously developed sites, which means the company is not contributing to significant additional soil sealing. The only exception to these brownfield developments is a project on an inner-city meadow site in Bratislava. In order to reduce the negative impacts, the property is being planned with a partially greened façade and extensive roof greening. S IMMO does not have any completely greenfield developments, meaning additional land use outside of urban zones, in its portfolio. In addition, possible soil desealing measures for existing properties are to be continuously examined and implemented where possible.

As part of the land bank in the areas surrounding Berlin, S IMMO manages approximately 240 ha of land area, including forests and meadows. Some of these areas are located in nature and water conservation areas in the state of Brandenburg. All the areas are managed in accordance with the applicable regulations and in harmony with nature. No properties are being developed or operated in these areas. Having plots in a land bank is a long-term investment that could provide areas for later development if they are zoned in a different way and a legally valid land use plan is produced in this connection. S IMMO is not planning any developments of its own in these areas.

Mobility

In addition to the development and operation of buildings, the theme of sustainable mobility also plays an essential role for S IMMO in many respects, as the greenhouse gas emissions caused by travel also have direct impacts on the environment and climate change. Here the company can exercise direct control over the Group's own vehicle fleet as well as national and international business trips on the one hand, while, on the other, a positive influence can be exerted on the commuting and travel behaviour of employees, tenants and other users of the properties, meaning that negative environmental impacts can be minimised.

S IMMO's vehicle fleet consists of company cars and pool vehicles. As of 31 December 2023, it included a total of 16 vehicles (2022: 17) at locations in Germany and Austria, which are managed and maintained by local management. The size and cost of the vehicles are adapted to their respective purpose, and procurement has been subject to a separate organisational policy with a focus on electromobility since 2022. The distribution of the German property portfolio across several cities separated in some cases by a large distance requires a degree of flexibility that, in the company's opinion, can best be guaranteed by having a corporate fleet of its own. Several office bicycles have additionally been bought for short business journeys. The fleet is managed using management software and mobile applications.

In addition to journeys using the company's own vehicles, various kinds of business trips are necessary at all locations. The local on-site management of the properties requires a large number of short journeys, which can mainly be completed using public transport, although private cars may be needed in some cases. The Vienna location plays a special role here, as the port-

folio and development projects in the CEE countries are covered from here and the aeroplane thus represents a frequently used means of transport. The company's travel policy explicitly encourages employees not to travel when it is not absolutely necessary and to hold online meetings instead or to travel by train where possible. For flights, only seats in economy class are booked in principle, although an exception is made for inter-continental flights. A greater need for international travel by plane also arises at the hotel operating companies in Vienna and Budapest as a result of their involvement in roadshows.

Kilometres travelled are recorded on a local basis by the individual S IMMO locations. An accurate record of the kilometres travelled is not always possible, especially when employees use a private car, taxi or public transport. Therefore, the data also contains estimates based on the average travel patterns of the employees in question, which comprise routes and frequency. The kilometres travelled are directly included in S IMMO's greenhouse gas emissions accounting.

In 2023, travelling was reduced by around 20% compared to the previous year. In the coming years, S IMMO will also try – as far as the current projects allow – to increase the use of more fuel-efficient and public means of transport and to keep travel activity to a necessary minimum by using new forms of communication technology.

For 2023, S IMMO once again conducted a voluntary survey on the commuting behaviour of its employees at all locations and will continue this practice every two years in the future. The survey includes questions on the average commuting distance and the means of transport primarily used for this. The results are extrapolated on a country-specific basis to the entire workforce, with the hotel operating companies being excluded in accordance with the reporting approach. This data is also included in the greenhouse gas balance.

From a Group-wide perspective, a number of different means of transport are used as a result of the different local circumstances and routes to the workplace. The company endeavours to actively encourage its employees to use environmentally friendly options for their commute. The central location of the workplaces featuring well-developed local public transport networks, cycle paths and footpaths is an important factor here. The reimbursement of the costs of discount cards and annual season

tickets for public transport and the creation of carpools are other measures that have already been implemented. In addition, the take-up of the offer to employees to work from home reduces the overall commuting distance.

The fact that the connection to the local public transport network is within walking distance is also an attractive benefit for the employees and the users of properties and helps to minimise the impact on the environment during operations. S IMMO therefore attaches special importance to the existing infrastructure for developments and acquisitions. Bike racks, showers and electric vehicle charging stations reinforce the incentive for more sustainable mobility among employees and visitors and are taken into consideration from the outset in new developments and when properties are modernised.

Greenhouse gas emissions

S IMMO's efforts to reduce its own energy consumption and that of its tenants and where possible to cover the energy demand using renewable energy sources not only serve to increase energy efficiency, but also pursue the goal of reducing the carbon footprint related to the business activities. As climate change progresses, it poses new challenges for the economy and society and demands that companies live up to their responsibility in this respect. Not only the impacts of climate change on the company and its actions play a role here, but also the influence the company can exert on climate change. In this regard, S IMMO, together with CPI and Immofinanz, has defined in its Group-wide ESG strategy that the intensity of its property-related greenhouse gas emissions is to be reduced by 32.4% by 2030 compared to 2019. This total value for Scopes 1, 2 and 3 results from a goal validated for CPI as a whole by the Science Based Target initiative in July 2022, which is aligned with the well below 2°C scenario of the Paris Agreement. S IMMO is fully covered by this goal, but there is no validation explicitly only for S IMMO. An annual verification of the calculated carbon footprint is also carried out for CPI at Group level by an external company. Since the reporting year, S IMMO has also been subject to the Group-wide LCA policy together with CPI and Immofinanz. This policy stipulates that the global warming potential (GWP) must be calculated for project developments and full refurbishments of more than 5,000 m² and that a life cycle assessment (LCA) must be prepared for buildings with an area of more than 10,000 m².

As part of this goal adjustment, the base year was harmonised and changed for S IMMO from 2021 to 2019. In the reporting year, great attention was therefore paid to obtaining consistently comparable, meaningful and quality-assured data for the new base year, even if this was a long time ago.

In the context of double materiality, i.e. the mutual influences of climate and business activities on each other, S IMMO utilises, on the one hand, science-based and software-aided climate risk management with reference to the requirements of the EU Taxonomy and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) (see risk management report starting on page 85) and, on the other hand, once again expanded the calculation of the greenhouse gas emissions associated with its activities. This now includes all Scope 3 categories considered material. Following the recommendations of the Greenhouse Gas Protocol (GHG Protocol) and in accordance with the operational control approach, the basic scope of the reporting for this carbon accounting is formed by the group of fully consolidated companies of S IMMO (see from page 13).

With regard to the energy consumption of the property portfolio, this means that only the energy and refrigerants purchased by S IMMO and not directly attributable to tenants are included in the calculation of direct and indirect emissions in accordance with Scope 1 and Scope 2 of the GHG Protocol. Energy and refrigerant consumption that is directly and exclusively procured or used by the tenants is considered as Scope 3 emissions, as there is no operational control in accordance with the reporting approach. All emission values are calculated in CO₂ equivalents and on the basis of the collected energy and water consumption data, waste data and refrigerant leakages as well as the kilometres travelled for business or commuting purposes and relevant expenditures. Other greenhouse gases are not shown on an itemised basis in light of the existing data. As biomass is not burned to any significant extent, no biogenic greenhouse gas emissions are recorded. As a result of the cooperation with CPI and Immofinanz, there has been a significant change in the calculation of greenhouse gas emissions in this report compared to previous years. In order to ensure Group-wide comparability, the emission factors previously used by S IMMO have been replaced by those of CPI, and all reported years have been calculated using these new emission factors. These are provided by the University Centre for Energy Efficient Buildings

(UCEEB) of the Czech Technical University in Prague and the company CI3, s.r.o. on the basis of renowned sources.

Direct and indirect energy-related emissions (Scope 1 and Scope 2)

S IMMO's direct greenhouse gas emissions under Scope 1 of the GHG Protocol arise on the one hand through the operation of the property portfolio and, on the other, as a result of the use of the Group's own vehicle fleet. The crucial factor here is that greenhouse gas emissions are released directly when fuel is consumed or when there is a refrigerant leakage. In the operation of buildings, natural gas, liquefied petroleum gas and heating oil are used as fossil fuel sources alongside various refrigerants. The company's own vehicles with internal combustion engines use petrol and diesel fuels.

In the case of S IMMO, supplying the properties with electricity and district heating is the driver of the indirect energy-related emissions where energy is purchased externally and emissions arise in the course of this driver. In addition, the company's own electric and hybrid vehicles are also supplied with electricity. The GHG Protocol divides these Scope 2 greenhouse gas emissions into location-based and market-based emissions. The emission factors of the respective overall local or national energy network are used as the basis here for calculating the location-based emissions of the energy consumption. The market-based emissions, in contrast, take into consideration contractual agreements between companies and utility companies and thus also specific emission factors that are guaranteed to the users by the utility companies. As S IMMO attaches great importance to renewable sources as the origin when purchasing electricity and regards this as a significant contribution to strengthening a sustainable energy network, the emissions from the consumption of electricity and district heating are calculated using both the location-based and the market-based method. The difference, in S IMMO's opinion, corresponds to an active

saving of greenhouse gas emissions as a result of its deliberate choice of renewable energy sources.

Where possible based on information from local utility companies, electricity from 100% renewable sources is regarded as carbon-neutral for the calculation of the market-based emissions and, in addition, an emission factor of the utility company is applied to district heating obtained. On account of the lack of binding commitments on the part of the utilities, the location-based country-specific emission factors are used for all other market-based calculations.

Other indirect emissions (Scope 3)

For the calculation of the other indirect greenhouse gas emissions, the Scope 3 emissions, the upstream and downstream supply chains of a company are evaluated for their relevance for the company's own emissions inventory. As part of the standardisation of the ESG strategy, S IMMO has classified the following ten out of a total of 15 categories pursuant to the GHG Protocol as material:

- Category 1 Purchased goods and services
- Category 2 Capital goods
- Category 3 Fuel and energy-related activities
- Category 4 Upstream transportation and distribution
- Category 5 Waste generated in operations
- Category 6 Business traveling
- Category 7 Employee commuting
- Category 11 Use of sold products
- Category 13 Downstream leased assets
- Category 15 Investments

Compared to previous years, this selection is significantly broader and, at the company's discretion, now covers all categories that are material to S IMMO, whereby S IMMO also benefits from CPI's necessary expertise.

The figures for categories 1, 2 and 4 are based on the company's expenditure associated with the category names, whereby CPI data was used and extrapolated with adjustments for S IMMO due to inconsistent data availability. The energy data included in categories 3, 11 and 13 comprises the properties of all fully consolidated companies, whereby these categories also reflect energy and refrigerant consumption exclusively by tenants. Category 5 includes the waste generated by the properties owned by S IMMO. The travel and commuting activities of employees are recorded in categories 6 and 7. Category 15 covers the consumption of the three buildings accounted for using the equity method.

In the case of energy-related emissions, the calculations of the Scope 3 emissions distinguish between the location-based and the market-based approach in order to be able to show the positive effects on building operations when tenants choose renewable energy sources, and thus to further incentivise the society-wide transition to green energy. The property-related Scope 3 emissions were consequently calculated using the emission factors specified under Scope 1 and Scope 2.

Greenhouse gas intensity was significantly reduced in 2023 compared to both the previous year and the base year 2019. This applies to both location- and market-based greenhouse gas emissions in relation to net revenue and gross leasable area.

EU Taxonomy key performance indicators

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

Financial year 2023	Year		Substantial contribution criteria						
	Code (2)	Turnover (3) EUR m	Proportion of turnover, year 2023 (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Bio-diversity (10) Y; N; N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings	CCM 7.7	43.83	13.03%	Y	N	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		43.83	13.03%	13.03%	0%	0%	0%	0%	0%
of which enabling		0	0%	0%	0%	0%	0%	0%	0%
of which transitional		0	0%	0%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1	70.02	20.81%	N/EL	N/EL	N/EL	N/EL	N/EL	EL
Acquisition and ownership of buildings	CCM 7.7	222.50	66.13%	EL	EL	N/EL	N/EL	N/EL	N/EL
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		292.52	86.94%	66.13%	0%	0%	0%	0%	20.81%
A. Turnover of taxonomy-eligible activities (A.1 + A.2)		336.35	99.97%	79.16%	0%	0%	0%	0%	20.81%
B. Taxonomy-non-eligible activities									
Turnover of taxonomy-non-eligible activities (B)		0.11	0.03%						
Total (A+B)		336.46	100%						
Proportion of turnover/total turnover									
		Taxonomy-aligned per objective		Taxonomy-eligible per objective					
CCM		13.03%		79.16%					
CCA		0%		0%					
WTR		0%		0%					
CE		0%		0%					
PPC		0%		0%					
BIO		0%		20.81%					

DNSh criteria

DNSH criteria								Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18) %	Category "enabling activity" (19) E	Category "transitional activity" (20) T
Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N				
	Y	Y	Y	Y	Y	Y	Y	6.03%	-	-
	Y	Y	Y	Y	Y	Y	Y	6.03%		
	Y	Y	Y	Y	Y	Y	Y	0%	E	
	Y	Y	Y	Y	Y	Y	Y	0%		T
								0%		
								72.28%		
								72.28%		
								78.31%		

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

Financial year 2023	Year		Substantial contribution criteria						
Economic activities (1)	Code (2)	CapEx (3) EUR m	Proportion of CapEx, year 2023 (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Bio-diversity (10) Y; N; N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	2.56	0.25%	Y	N	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	420.11	41.31%	Y	N	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		422.67	41.56%	41.56%	0%	0%	0%	0%	0%
of which enabling		0	0%	0%	0%	0%	0%	0%	0%
of which transitional		0	0%	0%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1	0	0%	N/EL	N/EL	N/EL	N/EL	N/EL	EL
Acquisition and ownership of buildings	CCM 7.7	590.16	58.03%	EL	EL	N/EL	N/EL	N/EL	N/EL
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		590.16	58.03%	58.03%	0%	0%	0%	0%	0%
A. CapEx of taxonomy-eligible activities (A.1 + A.2)		1,012.83	99.59%	99.59%	0%	0%	0%	0%	0%
B. Taxonomy-non-eligible activities									
CapEx of taxonomy-non-eligible activities (B)		4.12	0.41%						
Total (A+B)		1,016.96	100%						

	Proportion of CapEx/total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	41.56%	99.59%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

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

Financial year 2023	Year		Substantial contribution criteria						
	Code (2)	OpEx (3) EUR m	Proportion of OpEx, year 2023 (4) %	Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular economy (9) Y; N; N/EL	Bio-diversity (10) Y; N; N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings	CCM 7.7	0.78	3.82%	Y	N	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.78	3.82%	3.82%	0%	0%	0%	0%	0%
of which enabling		0	0%	0%	0%	0%	0%	0%	0%
of which transitional		0	0%	0%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1	5.76	28.22%	N/EL	N/EL	N/EL	N/EL	N/EL	EL
Acquisition and ownership of buildings	CCM 7.7	13.69	67.06%	EL	EL	N/EL	N/EL	N/EL	N/EL
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		19.45	95.28%	67.06%	0%	0%	0%	0%	28.22%
A. OpEx of taxonomy-eligible activities (A.1 + A.2)		20.24	99.11%	70.88%	0%	0%	0%	0%	28.22%
B. Taxonomy-non-eligible activities									
OpEx of taxonomy-non-eligible activities (B)		0.18	0.89%						
Total (A+B)		20.42	100%						
Proportion of OpEx/total OpEx									
		Taxonomy-aligned per objective		Taxonomy-eligible per objective					
CCM		3.82%		70.88%					
CCA		0%		0%					
WTR		0%		0%					
CE		0%		0%					
PPC		0%		0%					
BIO		0%		28.22%					

DNSH criteria

DNSH criteria							Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18)	Category "enabling activity" (19)	Category "transitional activity" (20)
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	(18)	E	T
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		
Y	Y	Y	Y	Y	Y	Y	0.21%	-	-
Y	Y	Y	Y	Y	Y	Y	0.21%		
Y	Y	Y	Y	Y	Y	Y	0%	E	
Y	Y	Y	Y	Y	Y	Y	0%		T
							0%		
							98.43%		
							98.43%		
							98.64%		

Environmental key figures

Energy consumption and mix

Energy consumption and mix (inside the organisation)	Unit	Total		Austria	
		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	484	2,420	29	53
(3) Fuel consumption from natural gas	MWh	49,576	49,873	2,344	2,475
(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	29,587	34,115	9,612	7,847
(a) Electricity	MWh	3,175	1,603	2	0
(b) Heat and cooling	MWh	26,412	32,512	9,609	7,847
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	79,647	86,408	11,984	10,375
Share of fossil sources in total energy consumption	%	61.0	71.2	48.1	59.5
(7) Consumption from nuclear sources	MWh	1,597	0	0	0
Share of consumption from nuclear sources in total energy consumption	%	1.2	0	0	0
Total non-renewable energy consumption outside the organisation (Scope 3.3 and 3.13)	MWh	61,649	78,925	12,146	12,640
(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	49,022	34,638	12,827	6,892
(a) Electricity	MWh	49,022	34,638	12,827	6,892
(b) Heat and cooling	MWh	0	0	0	0
(10) Consumption of self-generated non-fuel renewable energy	MWh	257	309	114	164
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	MWh	49,279	34,947	12,941	7,056
Share of consumption from renewable sources in total energy consumption	%	37.8	28.8	51.9	40.5
Total renewable energy consumption outside the organisation (Scope 3.3 and 3.13)	MWh	48,087	40,247	4,412	2,303
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	MWh	130,523	121,355	24,925	17,431
Total energy consumption inside and outside the organisation	MWh	240,258	240,527	41,482	32,374
Self-generated non-renewable energy production	MWh	2,165	482	0	0
Self-generated renewable energy production	MWh	432	400	289	255

Energy intensity	Unit	Total		Austria	
		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/ EUR m	714	923	553	614
Net revenue from activities in high climate impact sectors	EUR m	336.46	260.49	74.96	52.75
Total energy consumption inside the organisation per reference gross leasable area	MWh/m ²	0.098	0.092	0.131	0.114
Total energy consumption outside the organisation per reference gross leasable area	MWh/m ²	0.083	0.090	0.087	0.098
Total energy consumption per reference gross leasable area	MWh/m ²	0.181	0.182	0.217	0.212
Total reference gross leasable area	m ²	1,329,019	1,323,643	190,975	152,810

Germany		Hungary		Romania		Czech Republic		Slovakia		Croatia	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
0	0	0	0	0	0	0	0	0	0	0	0
455	2,367	0	0	0	0	1	0	0	0	0	0
14,223	22,827	20,962	15,455	3,140	2,938	3,403	704	4,527	4,827	978	648
0	0	0	0	0	0	0	0	0	0	0	0
15,637	22,228	799	2,685	0	374	2,999	499	0	0	541	483
508	695	0	36	0	374	2,665	499	0	0	0	0
15,129	21,533	799	2,649	0	0	334	0	0	0	541	483
30,314	47,422	21,761	18,139	3,140	3,311	6,403	1,203	4,527	4,827	1,519	1,130
94.2	94.8	53.0	63.3	22.0	23.6	80.1	100	91.6	90.5	29.6	24.4
32	0	0	0	0	0	1,565	0	0	0	0	0
0.1	0	0	0	0	0	19.6	0	0	0	0	0
29,806	46,110	2,828	3,442	7,505	9,018	4,577	2,432	1,904	2,052	2,884	3,231
0	0	0	0	0	0	0	0	0	0	0	0
1,861	2,630	19,153	10,394	11,115	10,704	30	0	418	505	3,618	3,513
1,861	2,630	19,153	10,394	11,115	10,704	30	0	418	505	3,618	3,513
0	0	0	0	0	0	0	0	0	0	0	0
0	0	114	114	30	31	0	0	0	0	0	0
1,861	2,630	19,266	10,508	11,145	10,735	30	0	418	505	3,618	3,513
5.8	5.3	47.0	36.7	78.0	76.4	0.4	0	8.5	9.5	70.4	75.7
0	0	16,477	7,810	18,755	21,881	69	0	6,127	5,966	2,247	2,287
32,208	50,052	41,027	28,647	14,285	14,046	7,998	1,203	4,944	5,332	5,137	4,643
62,013	96,163	60,332	39,899	40,545	44,946	12,644	3,635	12,975	13,350	10,267	10,161
221	482	1,944	0	0	0	0	0	0	0	0	0
0	0	114	114	30	31	0	0	0	0	0	0

Germany		Hungary		Romania		Czech Republic		Slovakia		Croatia	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
1,268	1,280	570	821	639	830	749	777	837	909	937	972
48.91	75.15	105.77	48.61	63.49	54.15	16.87	4.68	15.50	14.69	10.96	10.45
0.084	0.084	0.122	0.129	0.067	0.071	0.123	0.069	0.069	0.059	0.104	0.092
0.078	0.078	0.057	0.051	0.122	0.157	0.072	0.140	0.140	0.089	0.104	0.110
0.162	0.162	0.179	0.179	0.189	0.228	0.195	0.210	0.210	0.148	0.207	0.202
382,674	593,755	336,439	222,773	214,486	196,753	64,878	17,325	17,325	90,011	49,567	50,215

Water consumption

Water consumption	Unit	Total		Austria	
		2023	2022	2023	2022
Total water consumption	m ³	706,236	750,048	103,769	84,881
Total water consumption in areas at material water risk	m ³	304,177	471,363	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	%	6.8	0	19.3	0

Water intensity	Unit	Total		Austria	
		2023	2022	2023	2022
Total water consumption per net revenue	m ³ /EUR m	2,099	2,879	1,384	1,609
Net revenue	EUR m	336.46	260.49	74.96	52.75
Total water consumption per reference gross leasable area	m ³ /m ²	0.531	0.567	0.543	0.555
Total reference gross leasable area	m ²	1,329,019	1,323,643	190,975	152,810

Resource outflows – Waste

Resource outflows – Waste	Unit	Total		Austria	
		2023	2022	2023	2022
Total waste generated	t	10,843	11,276	1,455	1,304
Total hazardous waste generated	t	171	13	89	0
Total radioactive waste generated	t	0	0	0	0
Total non-hazardous waste generated	t	10,672	11,263	1,366	1,304
Total non-hazardous waste recovery	t	5,073	6,051	1,212	1,209
Preparation for reuse	t	19	22	0	0
Recycling	t	5,054	6,029	1,212	1,209
Other recovery operations	t	0	0	0	0
Total non-hazardous waste disposal	t	5,599	5,212	154	95
Total incineration	t	1,009	156	95	0
Incineration with energy recovery	t	987	156	95	0
Incineration without energy recovery	t	22	0	0	0
Landfilling	t	4,585	5,056	58	95
Other disposal operations	t	5	0	1	0
Total non-recycled waste	t	5,770	5,225	243	95
Share of non-recycled waste of total waste generated	%	53.2	46.3	16.7	7.3

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	Germany		Hungary		Romania		Czech Republic		Slovakia		Croatia	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	214,425	383,234	183,306	95,526	111,450	115,748	37,815	18,267	36,051	35,222	19,421	17,171
	192,727	355,615	0	0	111,450	115,748	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	0	0	6.1	0	0	0	44.5	0	0	0	0	0

	Germany		Hungary		Romania		Czech Republic		Slovakia		Croatia	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	4,384	5,100	1,733	1,965	1,755	2,138	2,242	3,903	2,326	2,398	1,772	1,643
	48.91	75.15	105.77	48.61	63.49	54.15	16.87	4.68	15.50	14.69	10.96	10.45
	0.560	0.645	0.545	0.429	0.520	0.588	0.583	1.054	0.401	0.391	0.392	0.342
	382,674	593,755	336,439	222,773	214,486	196,753	64,878	17,325	90,000	90,011	49,567	50,215

	Germany		Hungary		Romania		Czech Republic		Slovakia		Croatia	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	2,540	4,055	2,317	1,274	2,813	3,079	267	108	918	913	533	543
	0	0	75	13	0	0	7	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0	0
	2,540	4,055	2,243	1,261	2,813	3,079	260	108	918	913	533	543
	2,467	3,810	200	93	850	676	94	15	85	80	164	169
	0	0	17	22	0	0	1	0	0	0	0	0
	2,467	3,810	183	70	850	676	93	15	85	80	164	169
	0	0	0	0	0	0	0	0	0	0	0	0
	73	246	2,042	1,168	1,963	2,403	166	93	833	833	368	374
	0	0	877	156	0	0	37	0	0	0	0	0
	0	0	877	156	0	0	15	0	0	0	0	0
	0	0	0	0	0	0	22	0	0	0	0	0
	73	246	1,161	1,012	1,963	2,403	128	93	833	833	368	374
	0	0	4	0	0	0	0	0	0	0	0	0
	73	246	2,117	1,181	1,963	2,403	173	93	833	833	368	374
	2.9	6.1	91.4	92.7	69.8	78.1	64.7	86.0	90.8	91.3	69.2	68.9

Gross Scopes 1, 2, 3 and total GHG emissions

GHG emissions	Unit	Total		
		2023	2022	Base year 2019
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions	t CO ₂ eq	11,554	12,337	11,001
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions	t CO ₂ eq	8,525	8,115	13,479
Gross market-based Scope 2 GHG emissions	t CO ₂ eq	8,369	8,806	14,967
Significant Scope 3 GHG emissions				
Total gross indirect Scope 3 GHG emissions	t CO ₂ eq	50,835	58,689	56,154
1. Purchased goods and services	t CO ₂ eq	2,008	2,115	2,130
2. Capital goods	t CO ₂ eq	8,511	8,511	8,511
3. Fuel and energy-related activities	t CO ₂ eq	34,065	40,944	41,058
4. Upstream transportation and distribution	t CO ₂ eq	618	618	618
5. Waste generated in operations	t CO ₂ eq	3,403	4,062	1,302
6. Business traveling	t CO ₂ eq	74	77	77
7. Employee commuting	t CO ₂ eq	63	103	103
8. Upstream leased assets	t CO ₂ eq	–	–	–
9. Downstream transportation	t CO ₂ eq	–	–	–
10. Processing of sold products	t CO ₂ eq	–	–	–
11. Use of sold products	t CO ₂ eq	35	61	45
12. End-of-life treatment of sold products	t CO ₂ eq	–	–	–
13. Downstream leased assets	t CO ₂ eq	1,355	1,456	1,569
14. Franchises	t CO ₂ eq	–	–	–
15. Investments	t CO ₂ eq	703	742	742
Share of emissions calculated from primary data	%	n/a	n/a	n/a
Total GHG emissions				
Total GHG emissions (location-based)	t CO₂ eq	59,326	67,005	74,969
Total GHG emissions (market-based)	t CO₂ eq	70,758	79,833	82,121

GHG intensity

GHG intensity	Unit	Total		
		2023	2022	Base year 2019
Total GHG emissions (location-based) per net revenue	t CO ₂ eq/EUR m	176	257	356
Total GHG emissions (market-based) per net revenue	t CO ₂ eq/EUR m	210	306	390
Net revenue	EUR m	336.46	260.49	210.43
Total GHG emissions (location-based) per reference gross leasable area	t CO ₂ eq/m ²	0.045	0.051	0.076
Total GHG emissions (market-based) per reference gross leasable area	t CO ₂ eq/m ²	0.053	0.060	0.084
Total reference gross leasable area	m ²	1,329,019	1,323,643	983,246

EPRA Sustainability Performance Measures

The key figures below are based on the EPRA Sustainability Best Practice Recommendations (sBPR) and are limited to the area of environment. The scope and boundaries of the data can be found in the section Environment in the non-financial report. All disclosures relate exclusively to the property portfolio of S IMMO and cover 100% of the buildings within the reporting

boundaries. The like-for-like comparisons (LfL) include all buildings that were part of the S IMMO portfolio in the last two reporting years. The gross leasable area was used as the metric for the calculation of the intensity ratios. As the calculation approach of the EPRA Sustainability Performance Measures within the CPI Group differs slightly from that of the other environmental key figures in this report, there may be deviations in individual key figures.

					Austria		
EPRA Sustainability Performance Measures (Environment) – impact per segment					Absolute	Like-for-Like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	% YOY
Energy	Elec-Abs, Elec-LfL		Electricity	Building operation	26,455	17,043	-5.2
				Proportion of electricity from renewable sources (%)	64.8	48.0	-5.3
	DH&C-Abs, DH&C-LfL	MWh pa	District heating and cooling	Building operation	11,755	7,723	-11.1
				Proportion of district heating and cooling from renewable sources (%)	0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	3,067	2,687	-0.1
				Proportion of fuels from renewable sources (%)	0	0	
Energy-Int	kWh/(m ² pa)	Intensity	Whole building	200	200	-6.4	
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO ₂ eq pa	Direct	Fuels and refrigerants	686	638	26.7
	GHG-Indir-Abs, GHG-Indir-LfL		Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	3,922	3,004	-17.8
	GHG-Int	t CO ₂ eq/(m ² pa)	Intensity	Direct and indirect	0.027	0.027	-12.3
Water	Water-Abs, Water-LfL	m ³ pa		Building operation	103,769	69,874	0.7
				Proportion of water obtained from other sources (%)	0	0	
	Water-Int	m ³ /(m ² pa)	Intensity	Whole building	0.510	0.510	0.8
Waste	Waste-Abs, Waste-LfL	t pa		Building operation	1,455	1,145	
				Proportion of waste diverted from landfill (%)	89.9	95.3	
Certifications	Cert-Tot			Number of certified assets	4	0	
				Percentage of the portfolio's gross leasable area (%)	34.4	0	

	Germany			Hungary			Romania		
	Absolute	Like-for-like		Absolute	Like-for-like		Absolute	Like-for-like	
	2023	2023	% YOY	2023	2023	% YOY	2023	2023	% YOY
	26,601	21,821	-0.8	37,133	21,452	39.4	29,900	26,135	-17.9
	7.0	7.0	-2.7	96.3	100		100	100	5.1
	16,422	14,710	-4.0	1,359	1,359	-76.6	0	0	
	0	0		0	0		0	0	
	21,211	13,761	-7.0	24,243	16,540	17.3	11,816	10,516	-5.8
	0	0		0	0		0	0	
	167	167	-3.6	188	202	13.2	194	214	-14.8
	2,978	2,162	-16.5	5,066	3,406	9.3	638	638	-2.1
	25,954	21,260	0.7	3,711	2,050	-36.8	3,944	3,320	-30.6
	0.078	0.078	-1.2	0.026	0.028	-12.8	0.021	0.023	-27.2
	214,425	158,994	-4.7	184,326	124,497	46.7	111,450	88,004	-13.2
	0	0		0.6	0		0	0	
	0.527	0.527	-4.7	0.557	0.638	49.1	0.520	0.513	-13.2
	2,540	1,991		2,321	1,662	50.0	2,813	2,330	-10.0
	97.1	97.1		46.6	43.2	152.8	30.2	32.7	44.4
	0	0		16	8	-11.1	6	5	
	0	0		80.5	71.7	-13.1	92.6	90.7	

					Czech Republic		
EPRA Sustainability Performance Measures (Environment) – impact per segment					Absolute	Like-for-like	
Impact area	EPRA Code	Unit	Indicator		2023	2023	% YOY
Energy	Elec-Abs, Elec-LfL		Electricity	Building operation	7,824	1,937	0.7
				Proportion of electricity from renewable sources (%)	1.3	0	
	DH&C-Abs, DH&C-LfL	MWh pa	District heating and cooling	Building operation	474	82	
				Proportion of district heating and cooling from renewable sources (%)	0	0	
	Fuels-Abs, Fuels-LfL		Fuels	Building operation	4,823	1,951	2.7
				Proportion of fuels from renewable sources (%)	0	0	
Energy-Int	kWh/(m ² pa)	Intensity	Whole building	229	229	3.8	
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	t CO ₂ eq pa	Direct	Fuels and refrigerants	942	202	-3.1
			Indirect	Elec; DH&C; generation, transm. and distrib.; water; waste; refrigerant refills	6,566	2,011	14.7
	GHG-Int	t CO ₂ eq/(m ² pa)	Intensity	Direct and indirect	0.128	0.128	12.8
Water	Water-Abs, Water-LfL	m ³ pa	Intensity	Building operation	37,815	19,713	7.9
				Proportion of water obtained from other sources (%)	0	0	
	Water-Int	m ³ /(m ² pa)	Intensity	Whole building	1.138	1.138	7.9
Waste	Waste-Abs, Waste-LfL	t pa	Intensity	Building operation	267	108	
				Proportion of waste diverted from landfill (%)	49.2	14.0	
Certifications	Cert-Tot		Intensity	Number of certified assets	6	0	
				Percentage of the portfolio's gross leasable area (%)	51.9	0	

To the table of contents ↓	Slovakia			Croatia			Total		
	Absolute	Like-for-like		Absolute	Like-for-like		Absolute	Like-for-like	
	2023	2023	% YOY	2023	2023	% YOY	2023	2023	% YOY
	6,016	6,016	-6.6	5,865	5,044	4.3	139,795	99,447	-1.0
	95.4	95.4	1.4	100	100		68.9	68.5	2.2
	0	0		1,957	1,511	-3.2	31,967	25,385	-19.1
	0	0		0	0		0	0	
	5,928	5,928	-5.3	2,714	2,714	9.5	73,801	54,097	1.3
	0	0		0	0		0	0	
	133	133	-5.9	222	222	4.2	182	187	-3.1
	1,026	1,026	-12.9	199	199	38.2	11,534	8,270	-1.4
	1,084	1,084	-9.6	1,249	1,081	-12.1	46,430	33,811	-8.6
	0.023	0.023	-11.2	0.031	0.031	-7.0	0.041	0.044	-7.0
	36,051	36,051	2.4	19,421	16,731	14.1	707,256	513,864	4.7
	0	0		0	0		0.1	0	
	0.401	0.401	2.4	0.402	0.402	13.8	0.527	0.538	5.1
	918	918	0.6	533	450		10,847	8,603	3.6
	9.2	9.2	5.6	30.9	31.1		56.1	55.1	13.5
	0	0		2	2	100	34	15	
	0	0		82.8	100	59.7	41.2	35.3	-2.0

Social

S IMMO is not just an employer but also a provider of real estate that meets people's basic need for space to live and work. This mission gives rise to a particularly close relationship with and responsibility to our community at large. This responsibility is also reflected in the material topics our stakeholders defined during the materiality analysis conducted in 2021.

The following material topics are explained in this section:

- Diversity and equal opportunities
- Employee satisfaction and employer attractiveness
- Training
- Tenant satisfaction

The first three topics deal with employees, who are the lifeblood of S IMMO. After all, highly qualified and satisfied employees are an essential factor for the success of any company. Respect, trust and mutual esteem are the key pillars of social interaction at S IMMO. Qualified employees are S IMMO's most important asset. The company attaches particular importance to providing the team with a motivating working environment as well as the personal scope for development and the ability to strike a healthy balance between work and family life. This promotes team spirit and fosters a feeling of solidarity. S IMMO supports an open corporate culture in which cooperation as well as the satisfaction and health of all employees are promoted at all levels.

Attaining these goals requires effective personnel management spearheaded locally by the subsidiaries at the various locations. This approach enables local managing directors to react to the needs and challenges of their local teams and provide them with support in specific issues.

As already outlined in chapter "ESG strategy and sustainability management", S IMMO's ESG goals were consolidated with those of Immofinanz and CPI and harmonised into a Group-wide ESG strategy in 2023. This process also led to a consolidation of the goals and measures in the social area.

Scope of reporting on social key figures

S IMMO has not changed the scope of its reporting regarding employee data but there were major changes in the key figures as at 31 December 2023 compared with the previous year. This is due to the fact that at the beginning of 2023, S IMMO managed to pool the strengths in Hungary and Romania in the respective CPI subsidiaries, which now provide services for S IMMO properties in Budapest and Bucharest. As part of this process, the employees of S IMMO Hungary and S IMMO Romania were almost completely taken on by the respective CPI subsidiaries during the first quarter. As a result, there were no longer any employees at these S IMMO subsidiaries at the end of the quarter. Employees who moved within the Group during the year are included in this non-financial report on a pro rata basis. In order to avoid double counting at consolidated Group level, they are only included in all remuneration-related data in the company in which they were last employed.

When reference is made in the following to S IMMO, all employees in Austria, Germany and Croatia are included. In contrast to the previous year, Management Board members are not included in the employee figures, resulting in changes to the previous year's figures. The employees of the two owner-operated hotels – Vienna Marriott and Budapest Marriott – are not included in the social key figures (for details, please refer section "Scope and boundaries of the report" of this non-financial report). If a key figure does not include all of the previously mentioned locations, this is explicitly stated in each case.

At the end of this section of the non-financial report, you will find tables with details of the social key figures.

Employees

In 2023, S IMMO had employees in Austria, Germany and Croatia and, until the first quarter of 2023, in Hungary and Romania. The local teams also manage business activities in Slovakia, the Czech Republic and Bulgaria. Responsibility for human resources activities and compliance with all country-specific and labour-law requirements lies with the relevant subsidiaries. Moreover, team size and structure and the focus of business activities vary, sometimes substantially, from subsidiary to subsidiary, which is why uniform standards and processes relating to HR issues have not been consistently implemented across the S IMMO Group to date. S IMMO values direct channels of communication and the most immediate possible exchange of information between employees and their supervisors.

S IMMO's employees are the manifestation of the company's comprehensive expertise and make a significant contribution to the company's success. The Group employed an annual average of 100 people (2022: 136) on a headcount basis, excluding members of the Management Board, dormant employees and trainees. Including hotel employees, but excluding members of the Management Board, dormant employees and trainees, the annual average number of employees totalled 611 (2022: 583).

Diversity, equal opportunities and inclusion

Diversity, equal opportunities and integration are key competitive advantages and fundamental tenets at S IMMO. As an internationally operating group, S IMMO employs people from many different countries. The Group considers a wealth of languages and cultures to be an extremely valuable resource. People from different backgrounds and with different perspectives encourage creativity and innovation and play a role in reducing harassment, discrimination and prejudices and promoting social cohesion.

A lack of diversity can have negative impacts on the company and its business relationships. For example, a shortage of employees from a variety of cultural backgrounds or with a variety of language skills can make the cooperation with business partners in other countries more difficult. Furthermore, companies that lack diversity can be more susceptible to discrimination and employees from different groups may not feel valued or, in the worst case, not comfortable or safe.

S IMMO is committed in its Code of Conduct to providing a discrimination-free work environment characterised by mutual trust in which everyone is valued and treated with dignity and respect. All people are equal and therefore enjoy the same rights and the same protection. Any discrimination on the basis of ethnic origin or nationality, language, social origin, age, gender, gender identity, sexual orientation, religion, political or other belief, mental or physical ability or other status is prohibited at S IMMO. It is not least against this backdrop that S IMMO is committed to respecting, protecting and promoting international human rights. For details, please see page 161 onwards.

In the fourth quarter of 2023, employees learned about the content of the applicable Code of Conduct as part of an annual training session and were made aware, among other things, that incidents of discrimination can be reported to defined contact points within the company or anonymously via the established digital whistleblower system.

No cases of discrimination on the basis of ethnic origin or nationality, language, social origin, age, gender, gender identity, sexual orientation, religion, political or other belief, mental or physical ability or other status in accordance with the definitions of the international frameworks forming the basis of the Code of Conduct were reported in 2023 (2022: 0).

In Austria and Germany, employees have the option to indicate other genders in addition to "male" and "female" in the human resources management system. In the reporting year, no employees have made use of this option to date, which is why only the categories "male" and "female" are indicated in the presentation of the employee data. There is currently no legal basis in Croatia for specifying gender options that are not categorised as either female or male.

Share of women

S IMMO AG has set itself the goal of continuously increasing the proportion of women in management positions and is expressly committed to the advancement of women. As of 31 December 2023, the proportion of female employees in the entire workforce was 50.0% (2022: 53.8%). The proportion of women across all managers was 34.8%, meaning that the Group-wide goal of 33.0% women in management positions was achieved. Broken down by employee category, 50.0% of employees in top management and 31.6% of employees in middle management and entry-level management were female.

S IMMO has harmonised the definition of its employee categories with CPI and Immofinanz, which contributes to a more detailed presentation of the gender distribution. These are as follows:

- Top Management: Non-Board C-Level, Country Managers
- Middle Management: Department Heads
- Entry-Level Management: Team Leads, Staff Unit Leads
- Non-Management Employees: All other

Approaching existing female employees for vacant positions in a targeted manner and supporting the transition to management roles through individual training will be continued. In the reporting year, three vacant management positions at the Vienna location were filled by existing female employees who previously had no management responsibility. S IMMO has set itself the internal goal of a 50% share of women in management positions and the entire workforce.

Reconciling work and family life

S IMMO is committed to the idea that a positive work-life balance is a key factor in ensuring greater motivation and dedication as well as improved performance by employees. In addition, a good work-life balance contributes substantially to equal opportunities within the company. S IMMO strives to offer all employees flexible working hours, the chance to work from home and the option of personalised working and part-time work models, including in conjunction with study or training. Since April 2023, employees with all-in contracts at the Vienna location have been able to reduce overtime worked as part of a flexitime account. This means that more labour-intensive phases can be compensated with time off and employees gain flexibility – an important step towards a healthy work-life balance. Moreover, paternal leave and sabbaticals are also supported, as are various schemes to simplify re-entry into the workplace after parental leave. These opportunities are positively viewed and very well received by S IMMO employees.

As of 31 December 2023, 20.0% of staff members were employed on a part-time basis (2022: 18.5%), of whom 65.0% were women (2022: 75.0%. Correction of the 2022 figure). At the end of 2023, 100 employees were entitled to parental leave, of whom 50 were women and 50 were men (2022: 127, of which 67 women and 60 men). A total of 3 employees were on parental leave as of the reporting date of 31 December 2023, all of them women (2022: five women). In the 2023 reporting year, parental leave ended for 6 employees (five women and one man), of whom three returned to work after completing their parental leave (2022: one man). The other employees were transferred to Immofinanz as a result of the optimisation of the organisational structure mentioned above. The return to work rate is therefore 100%, or 50% if the analysis is limited to S IMMO AG (two women and one man).

It is particularly important for S IMMO that employees' families are also involved in various events. Children are happy when they get to know their parents' workplace, spouses and family members gain an understanding of the business model and contact between families strengthens team spirit and promotes identification with the company. A variety of events are organised in order to continuously encourage a feeling of togetherness. In Austria, these include an annual summer festival, to which families are also sometimes invited, a Christmas party, team excursions and joint participation in events such as the Business Run in Vienna.

Labour standards and occupational safety

Healthy employees are the foundation of a successful company. This is why preserving and promoting the health of its employees is so important for S IMMO. S IMMO pledges to provide a safe and healthy working environment for all its employees and to practise accident prevention for the protection of employees, tenants and visitors.

Employee rights

The company employs its staff exclusively in countries in the European Union and pledges to pay all of its employees a fair and living wage or salary and to fully respect the results of collective bargaining. Standard policies include fair work conditions and benefits based on the applicable legal entitlements (such as part-time work, job protection for expectant mothers, regular paid holiday, sick leave and paid parental leave).

At the Vienna location, there is a Works Council in place that represents the interests of employees within the company to the Management Board and is an important point of contact for employees on labour law issues. It has three members (two women and one man). The Works Council is authorised, for example, to enter into works agreements and is involved in dismissals and redundancies. In 2023, employees from the financing department were fully transferred to Immofinanz as part of an optimisation of the organisational structure agreed with Immofinanz. In addition to the HR and legal departments, the Works Council was also involved in the process in order to address potential negative effects on employees at an early stage and ensure a smooth transition.

The Management Board maintains an open relationship with the Works Council in Vienna based on a foundation of trust and conducts constructive and collaborative dialogue with this body to ensure a fair balance of interests. As a matter of course, S IMMO's corporate culture includes professional interaction with employee representatives without any preferential or disadvantageous treatment whatsoever. Moreover, two members (one woman and one man) were delegated to the Supervisory Board and one member each was delegated to the ESG and Audit Committees, thus providing additional representation of employee interests in these bodies.

Health and safety

With regard to employee health and occupational safety, S IMMO focuses primarily on prevention, offering employees various preventive programmes as part of the company's health services. At the Vienna location, for instance, employees can take advantage of an annual health check-up, melanoma screening and seasonal vaccinations. For this purpose, S IMMO is always looking into current and new options that can be implemented in the company health promotion plan.

S IMMO ensures that local occupational safety laws are implemented in order to guarantee employee safety. These include first aid and fire prevention measures in particular. The Vienna location has a safety officer and several first-aiders on staff.

The locations in which S IMMO subsidiaries operate are wheelchair-friendly and ease of access is taken into account for all new buildings. As of 31 December 2023, a total of six people (2022: five) with long-term physical, mental or psychological impairments or impairment of their sensory functions were employed. This corresponds to 6.0% of the workforce (2022: 3.8%).

The company assesses the risk of accidents and injuries to be comparatively low for employees at S IMMO as their primary activity involves office work. Preserving and promoting the health of staff and avoiding workplace accidents and work-related illnesses are clear goals the company pursues. However, the company considers sick days to be only minimally suitable as a performance key figure for assessing the health and well-being of employees. Employees are encouraged to recover fully from illnesses and injuries before returning to work. In addition, the company is dedicated to enabling employees to balance work and their personal lives, not least to offset stress and encourage mental health. In this context, all employees were offered an online seminar on burnout prevention in the fourth quarter of 2023.

In the reporting year, S IMMO collected accumulated sick leave data relating to its employees for all locations. On average, employees at all locations took 9.6 (counted from the first day) days of sick leave (2022: 9.8). An additional 5 employees were on long-term sick leave in 2023 (2022: 3). The definition of long-term sick leave is country-specific. Sick leave counted from the date on which the government, rather than the company, begins to pay continued wages is considered long-term sick leave by the company. Long-term sick leave has been taken into account up to now when calculating the average number of sick leave days in order not to distort the informative value of this figure.

S IMMO recorded no work-related injuries in 2023 (2022: 0). There was one work-related illness in 2023 (2022: 0), no workplace accidents (2022: 2. Correction of the figure from 2022) and no deaths (2022: 0).

In addition to the safety of its own employees, S IMMO is also dedicated to ensuring safety at the company's construction sites. S IMMO's service providers and partner companies ensure that everyone involved in construction is protected in line with local statutory provisions. S IMMO therefore abides by high quality standards when selecting partner companies and opts for companies which attach great importance to factors such as safety in the workplace and employee protection. For example, in Germany S IMMO works in conjunction with partners who are ISO-certified in the area of energy, environmental and quality management. None of S IMMO's employees work primarily on construction sites. When selecting service providers, S IMMO will also exercise the utmost care and focus on the highest safety standards in the future.

Both management and the S IMMO team are very happy with the measures adopted in relation to occupational health and safety and will therefore continue to implement the existing measures in line with the ESG strategy.

Remuneration, training and employee loyalty

Many of S IMMO's employees have completed high-quality training programmes and have many years of professional experience, which is also reflected in the statistics on age groups and years of service. The company therefore has a wealth of expertise to draw on. Attracting and retaining highly qualified and motivated employees is a major factor in the company's success. The company is negatively affected when employees of this kind leave. In addition to the loss of knowledge, a departure can also adversely affect business activities, for instance if projects are delayed as a result. Moreover, filling positions and training new employees takes up resources.

With this in mind, S IMMO actively takes measures to retain employees. A basic requirement is that all employees receive appropriate remuneration. In addition, it goes without saying that all legal regulations and requirements are meticulously fulfilled in all countries in which S IMMO has employees. Human resources management is handled locally by the individual subsidiaries so that individual employees' needs may be met optimally and to ensure that local law is followed.

Remuneration

S IMMO emphasises fair, sector-standard and competitive remuneration for its employees in order to secure the know-how within the company in the long term, but also to be perceived as an attractive employer by potential applicants. Salaries are based on strict gender equality and all employees are offered a fair basic salary.

Remuneration depends on the position and professional experience and comprises a basic salary and often variable remuneration components depending on the position. Special payments such as performance bonuses, project bonuses or, in the last two years, cost-of-living bonuses are also paid on an ad hoc basis. The parameters for the variable remuneration components are determined in the course of annual performance reviews; the achievement of targets is a prerequisite for the annual bonus. To ensure comparability across years, only the basic salaries and variable remuneration components are included in the tables at the end of the chapter; special payments are not taken into account, nor are any special payments on resignation (e.g. remaining leave).

Below, the remuneration of employees in Austria and Germany is discussed. There is no disclosure of information for Croatia, as it would be possible to draw conclusions about individuals due to the small number of employees. Employees of S IMMO AG who transferred within the Group to CPI or Immofinanz in the course of the financial year 2023 are included in the respective reporting of these companies.

For the 2023 reporting year, the gender pay gap was analysed Group-wide for the first time. The gender pay gap reflects the ratio of the average total remuneration of female employees to male employees. The gender pay gap amounts to 1.42. In middle management it is 1.17 and among employees without a management function it is 1.24. Due to the small number of employees, no information is provided on employees in top management and in management at entry level.

According to the analysis, existing differences in income between men and women are partly influenced by structural factors. At the Vienna location, for example, younger women in entry-level positions are more frequently contrasted with older men who have been with the company for longer. S IMMO will analyse the gender pay gap annually in future and is working to reduce the pay gap gradually.

In order to support employees in view of the increased inflation in the reporting year, the basic salaries of employees were adjusted to inflation.

Training and further education

S IMMO has identified the continuous professional development of its employees as a material topic and supports this with training and further education. Failure to provide training measures or adequate support for them can have negative impacts on employee satisfaction and consequently on productivity and staff turnover and even result in employees not possessing the required skills and knowledge to meet new challenges they may face in their departments. As part of the ESG strategy, the company has set the goal of ensuring that all employees complete at least eight hours of further training each year. In 2023, employees participated in an average of 10.1 hours of training and further education.

Against this backdrop, the primary focus is on expanding the employees' industry-specific expertise, for example through seminars from the fields of property management or ESG. The company also supports staff who wish to take advantage of coaching and language courses. The agreed training courses are provided by third-party institutions and service providers. In this context, the in-house training was expanded in 2023 with the goal of enabling knowledge existing within the company to be utilised more extensively and enhancing employees' digital skills. The digital learning platform that was introduced in the previous year was expanded to include mandatory training in the areas of compliance and IT in particular.

3 apprentices underwent training at the property management company Maior Domus in Germany on average during the year under review (2022: 3). The apprentices are able to attend a private vocational college to provide them with a demanding training programme and the best possible preparation for their professional career. They spend time in all departments of the property management company as part of their three-year training programme and take on responsibility for overseeing their own properties from their second year, where they are supported by mentors. Apprentice training is an integral part of Maior Domus's human resources policy and a valuable investment in the future.

Employee loyalty

The satisfaction and well-being of the team is one of S IMMO's key assets, and the greatest care will also be taken to maintain this in future. Making the best possible use of the personal strengths and potential of all employees not only is in the company's own interest, but also increases the motivation and identification of all employees with the company on a sustainable basis. S IMMO intends to remain an employer of choice and to continue to meet employee needs. S IMMO maintains a company-wide open-door policy and constantly strives to bring all kinds of conflicts to a quick and non-bureaucratic conclusion that is satisfactory to all sides.

Besides ongoing communication between employees and managers, the annual employee reviews in particular provide an opportunity to address the concerns and needs of employees. In addition to goal setting, the aims of the review are, amongst others, to provide the opportunity for reciprocal feedback, to improve the quality of the cooperation between employees and their managers, to prepare employees in an efficient and targeted manner for their current and future roles and to improve the corporate culture and climate of communication. An employee review was conducted with 71.0% of employees in the reporting year (2022: 86.9%). Broken down by gender, 72.0% of female employees and 70.0% of male employees conducted such a review (2022: 81.4% of women and 93.3% of men). By employee category, 50.0% of employees in top management (2022: 50%), 52.6% of employees in middle management and entry-level management (2022: 100%) and 76.6% of employees without a management function (2022: 87.1%) received an evaluation of their performance. The number of reviews has declined as a result of increased employee turnover, which is discussed in more detail below.

In the 2023 reporting year, 51 employees left S IMMO or its subsidiaries (2022: 19). At the beginning of 2023, 16 employees in Hungary and Romania left S IMMO. The employees of S IMMO Hungary and S IMMO Romania were almost entirely taken on by the respective local CPI subsidiaries. In addition, an optimisation of the organisational structure was agreed with Immofinanz at the Vienna location, as part of which the employees of the financing department were transferred in full to Immofinanz. Although these people are no longer employed by S IMMO, they are still part of the CPI Group. Excluding transfers within the Group, the fluctuation rate totalled 31.0%. The average period of service across all locations is 8.0 years (2022: 7.1 years).

Tenants

As a property holding company, tenants play a central role for S IMMO. Properties are designed for people and intended to meet their need for living and work space. S IMMO treats its tenants as equal partners and always strives for respectful dialogue and to meet tenants' needs. A positive relationship between S IMMO and its tenants is essential for the success of the business and the company's reputation.

Tenant communication

S IMMO has always done its utmost to maintain a good, open and honest relationship with its tenants. At the start of the COVID-19 pandemic in particular, many questions remained unanswered, and the ongoing exchange of information with tenants was key to working together to quickly find suitable solutions for individual tenants. S IMMO is also meeting the current challenges resulting from rising inflation and interest rates by maintaining an ongoing and constructive dialogue with all tenants. S IMMO always strives to pursue a cooperative approach that complies with national laws – this is the only way to achieve an outcome acceptable to both parties. In this connection, the company benefits from being represented in the majority of its markets by on-site teams or otherwise by competent service providers that have often been in business for many years and that are not only fully familiar with local conditions but that can also build partnerships based on mutual trust with all stakeholders in the course of their day-to-day work.

In the context of its ESG strategy and the set goals, S IMMO is working on the introduction of Group-wide standardised green lease agreements for new commercial leases and renewals. These are lease agreements that are intended to encourage owners and tenants to jointly manage and use the properties in a way that preserves resources as much as possible. This includes, for example, provisions on the economical use of energy, water and waste as well as the exchange of data in this regard. Currently, the conclusion of this type of lease agreement is a voluntary option for S IMMO tenants. The first properties in Budapest and Vienna already saw the introduction of such green lease agreements by the end of 2023, and the level of coverage across the entire portfolio is to be gradually increased over the coming years.

Tenant satisfaction

It is particularly important for S IMMO to ensure that satisfied tenants occupy the company's properties for the long term. The company aims to achieve this goal by maintaining respectful and continual communications with tenants as equals, but especially by offering tenants a complete range of management services. A poor relationship with the tenants has the potential to exert a negative impact on the terms of tenancy agreements, vacancy rates and rental income and thus directly on S IMMO's business activities. On top of that, there is a risk to the company's reputation that could additionally complicate future lettings.

Due to their in-depth knowledge of the properties and management of contacts with potential and current tenants, the local asset and portfolio management teams on-site play a key role in maintaining a positive relationship with the tenants. Further-

more, S IMMO has its own property management company, Maior Domus, which manages properties and takes care of tenant matters in its real estate portfolio in Germany. Also at the other locations, tenants and properties are managed by dedicated teams, which are supported in most cases by external experts and service providers.

This approach allows S IMMO to quickly and flexibly act and react in all situations. For the company, regular dialogue and direct contact with its tenants are the foundation for long-term partnerships based on mutual trust and a key success factor. Tenant satisfaction can be assessed in the day-to-day work and by using criteria such as the rental term, the renewal of existing tenancy agreements and the success in reletting properties. The tenant satisfaction surveys planned for 2023 have been postponed for the time being in favour of other goals and measures and will be re-evaluated in 2024 with regard to implementation.

Building certifications

One of the biggest levers S IMMO as a real estate company has for making a significant contribution to a sustainable economy and society lies in designing the construction, operation and modernisation of the properties in a way that conserves as many resources, produces as few emissions and is as user-friendly as possible. This is why the Group started the step-by-step certification of its properties using internationally recognised certification frameworks for buildings with environmental and social characteristics – known as green buildings – in 2012. All S IMMO's development projects are now planned and implemented in accordance with these standards. Furthermore, acquisitions of properties are also evaluated with a view to certification or their ability to be certified. As part of the Group-wide ESG strategy, S IMMO has set itself the goal of further increasing the proportion of buildings certified according to Access4you, BREEAM, DGNB, EDGE, Green Key, Green Star, HQE, LEED and WELL, having significantly exceeded the previous year's target of 40% for commercial properties.

As of 31 December 2023, S IMMO's property portfolio that was certified under BREEAM, LEED and WELL comprised a total of 34 properties (2022: 23) with a gross leasable area of 726,414 m² (2022: 496,375 m²) in Brno, Budapest, Bucharest, Hradec Králové, Prague, Vienna and Zagreb. This corresponds to 49.2% (2022: 34.8%) of the gross leasable area of the entire portfolio and a year-on-year increase of 46.3%. This also means that, as of the reporting date, 53.8% of the gross leasable area of commercial properties in the portfolio was certified in accordance with green building (2022: 45.4%). This further increase was achieved due to the fact that many of the buildings acquired in the year under review have green building certifications and non-certified properties were sold at the same time. The company also plans to continue to increase the proportion

of certified properties through acquisitions, developments and modernisations.

The proceeds from the two green bonds issued by S IMMO in 2021 and 2022, which total EUR 95.5m following a partial repayment as a result of a change of control event in June 2022, went in their entirety into the (re)financing of acquisitions of properties certified as green buildings and were allocated in full as of the reporting date of 31 December 2022. In July 2023, S IMMO issued a third green bond in the amount of EUR 75m.

Stakeholders and society

S IMMO takes care to cultivate relationships with its stakeholders and enable them to personally share their views and experiences. The Annual General Meeting was held as an in-person event in May 2023. In addition, many individual discussions were held with investors in 2023 – some in virtual form – while the Management Board and the Investor Relations team also took part in several roadshows. S IMMO was also invited as speaker to several ESG events and was thus able to actively contribute to the discourse on greater sustainability in the real estate industry.

Stakeholder communication

Continual dialogue with various stakeholder groups is important to S IMMO. Regular communication allows the company to identify the needs and concerns as well as feedback and complaints of the stakeholders – whether they are shareholders, tenants, employees or other stakeholders – and to respond to these as quickly as possible. This has a positive effect on key performance indicators, such as the share price, the turnover rate or the occupancy rate, and can play a part in identifying potentially negative impacts for or caused by S IMMO.

S IMMO is also responsible for negative effects on individual stakeholders in its day-to-day business. While the company endeavours to keep these potential effects to a minimum, it also ensures that the exchange with its dialogue groups always includes the opportunity to submit complaints and critical concerns. The large number of stakeholders, the diversity of their potential concerns and the fact that there is usually already direct contact with a department led S IMMO to decide to rely on the channels and contacts already established for receiving complaints.

Stakeholder concerns can be raised in person, by telephone or in writing with S IMMO employees, who will process these concerns themselves or forward them to the relevant internal department, depending on the specific issue and severity. It is also possible to contact the company as a whole, in particular via the public telephone number and the email address office@simmoag.at. Processing takes place in compliance with

any applicable legal deadlines and can be carried out in the national language commonly spoken at the respective company location as well as in English. Critical concerns that have a potentially negative impact on the organisation or stakeholders are reported to the Management Board and, if necessary, also communicated to the Supervisory Board. Furthermore, the Compliance Management function and the digital and anonymous whistleblower system on S IMMO's website are available to all stakeholders in the event of compliance or other serious allegations.

The teams in the company's markets are familiar with local conditions and in some cases have long-standing relationships with the relevant stakeholders. Respectful interaction and communication with all stakeholder groups as equals is the foundation for successful cooperation. In this context, it is important for S IMMO to be aware of the needs of all stakeholders, to take their opinions seriously and – if necessary – to respond promptly and comprehensively to complaints.

The company communicates with individual stakeholder groups through the relevant departments or the local teams. A materiality analysis conducted in 2021 identified the following stakeholder groups whose influence on and interest in the company is particularly large. The details of the process for identifying the relevant stakeholders are explained in depth from page 113 onwards.

- Supervisory Board
- Management Board
- Local managing directors
- Employees
- Works Council
- Tenants and brokers
- Core shareholders
- Institutional investors
- Small investors
- Banks and analysts

A constructive partnership between the Management Board and the Supervisory Board that is based on transparency is key to maintaining a rigorous corporate strategy. The Management Board provides the Supervisory Board at its meetings with detailed information on all the relevant business areas. In addition, the Supervisory Board is notified, also at short notice and if possible immediately, of all developments that are critical for the management of the company.

The employees are informed about recent developments using established channels of communication. In specific instances, the Management Board addressed the team in real time in order to provide information and context for the current situation.

Moreover, employees are always free to meet one-on-one with the Management Board members. As the representative of the employees' interests at the Vienna location, the Works Council has the opportunity to present employee concerns to the Management Board as well as to the Supervisory Board.

In order to ensure optimal tenant satisfaction, S IMMO maintains an ongoing dialogue with its tenants and agents, while its local teams serve as their expert point of contact on site. These teams seek solutions that are individually tailored to meet our tenants' needs. Thanks to the close contact and regular dialogue, the expectations on the company as well as tenant satisfaction are met and continually improved on. For more information on this, please see the section on tenant satisfaction.

The company has a responsibility to core shareholders, institutional investors and small investors alike. S IMMO maintains a direct dialogue with the capital markets during its Annual General Meeting, roadshows, investor conferences and personal meetings. Regular communication with service providers, lending banks, analyst firms, brokers, etc. also forms part of our day-to-day business activities. S IMMO places great value on transparency and communication on an equal footing in all of its business relationships.

Partnerships and memberships

S IMMO uses partnerships and memberships to meet its social responsibility in terms of sustainability at the sector and economic level and to promote dialogue between companies and organisations. As a long-standing member of the Austrian Business Council for Sustainable Development (respACT), the European Public Real Estate Association (EPRA) and the Austrian Sustainable Building Council (ÖGNI), the company is committed to the transfer of knowledge to increase sustainability. These partnerships will also be continued in 2024. In addition, the Management Board and the ESG & Sustainability department spoke at several ESG events about S IMMO's experience in dealing with sustainability challenges and contributed to the exchange of information within the industry and beyond.

Commitment to society and the local community

S IMMO is pursuing its commitment to taking responsibility beyond its core business by supporting charitable projects in the countries in which it operates. In doing so, S IMMO focuses on long-term partnerships in order to contribute to development and change as sustainably as possible. In 2023, the long-standing partnership with Caritas Socialis was continued, in particular through support for the hospice. In addition, the company once again supported various Caritas projects in Austria, Hungary, Romania and Bulgaria that aim to give young people prospects for the future and people in need a home under the guiding principle of "giving shelter".

In addition, the "Our House" community centre in Hungary supports socially disadvantaged children and young people from the Roma minority, who are often affected by poverty and unemployment. A family children's home in Stremț (Romania), four houses of hope for children and young people in Alba Iulia (Romania) and a centre in the Bulgarian village of Pokrovan, which has long been affected by high levels of emigration, leaving many residents living in loneliness and poverty, are also supported.

As part of the traditional Christmas campaign in 2023, S IMMO supported neunerimmo, a non-profit subsidiary of the Viennese social organisation neunerhaus, which enables homeless people and those at risk of poverty to lead a self-determined and dignified life by providing affordable housing and advice.

In 2023, S IMMO was once again active in the art sector by providing facilities at Mariahilfer Strasse 103 for the 17th time for the Vienna Art Supermarket (Kunstsupermarkt), which once again proved very popular. From October 2023 to March 2024, numerous originals and unique pieces by both young, unknown and internationally renowned artists were once again exhibited and sold at modest prices. The Vienna Art Supermarket offers a low-threshold alternative to the traditional art trade for all those interested. In addition, the long-standing partnership with the Dom Museum Wien was also continued.

Furthermore, S IMMO once again supported the International Summer Academy hosted by the University of Music and Performing Arts, Vienna (mdw Universität für Musik und darstellende Kunst Wien) by providing the Vienna Classical Music Awards and the OeAD's Green.Building.Solutions. Summer University, which focused on the topic of more sustainable construction, with a scholarship.

Social key figures

Total number of employees by gender¹

	2023	2022	Change in %
Total employees	100	130	-23.1
thereof female	50	70	-28.6
thereof male	50	60	-16.7
thereof other	0	0	0.0
thereof not reported	0	0	0.0

¹ Headcounts as of 31 December excluding Management Board and dormant employees

Total number of employees by country¹

	2023	2022	Change in %
Total employees	100	130	-23.1
thereof Austria	39	46	-15.2
thereof Germany	60	66	-9.1
thereof Croatia	1	2	-50.0
thereof other countries	0	16	-100.0

¹ Headcounts as of 31 December excluding Management Board and dormant employees

Total numbers of employees by contract type by gender^{1,2}

	2023			2022			Change in total in %
	Total	Female	Male	Total	Female	Male	
Total employees	100	50	50	130	70	60	-23.1
breakdown by contract type							
thereof permanent	95	48	47	129	69	60	-26.4
thereof temporary	5	2	3	1	1	0	400.0
breakdown by employment type							
thereof non-guaranteed hours	0	0	0	0	0	0	0.0
thereof full-time	80	37	43	106	52	54	-24.5
thereof part-time ³	20	13	7	24	18	6	-16.7

¹ Headcounts as of 31 December excluding Management 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.

³ The gender distribution among part-time employees in 2022 was corrected due to an internal calculation error and therefore differs from the figures in the Annual Report 2022.

Total numbers of employees by contract type by country^{1,2}

	2023				2022				Other countries	Change in total in %
	Total	Austria	Germany	Croatia	Total	Austria	Germany	Croatia		
Total employees	100	39	60	1	130	46	66	2	16	-23.1
breakdown by contract type										
thereof permanent	95	39	55	1	129	46	66	2	15	-26.4
thereof temporary	5	0	5	0	1	0	0	0	1	400.0
breakdown by employment type										
thereof non-guaranteed hours	0	0	0	0	0	0	0	0	13	0.0
thereof full-time	80	34	45	1	106	36	55	2	3	-24.5
thereof part-time	20	5	15	0	24	10	11	0	0	-16.7

¹ Headcounts as of 31 December excluding Management Board and dormant employees

² As of 31 December 2023, S IMMO had employees in Austria, Germany and Croatia.

New employees and employee turnover¹

	2023				2022			
	New employees	Rate for new hires in %	Departures	Rate of fluctuation in % ³	New employees	Rate for new hires in %	Departures	Rate of fluctuation in % ³
Total number	15	15.0	51	31.0	22	16.2	19	14.0
breakdown by gender								
thereof female	9	60.0	32	54.8	11	50.0	6	31.6
thereof male	6	40.0	19	45.2	11	50.0	13	68.4
breakdown by age group								
thereof under 30 years old	10	66.7	7	19.4	7	31.8	4	21.1
thereof 30-50 years old	4	26.7	30	48.4	9	40.9	8	42.1
thereof over 50 years old	1	6.7	14	32.3	6	27.3	7	36.8
breakdown by country²								
thereof Austria	9	60.0	22	51.6	8	36.4	3	15.8
thereof Germany	6	40.0	12	38.7	11	50.0	15	79.0
thereof Croatia	0	0.0	1	3.2	0	0.0	0	0.0
thereof other countries	0	0.0	16	6.5	3	13.6	1	5.3

¹ Headcounts as of 31 December excluding Management Board and dormant employees

² As of 31 December 2023, S IMMO had employees in Austria, Germany and Croatia.

³ 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). Employees who transferred to Immofinanz or CPI in 2023 are not included in the calculation of the rate of fluctuation.

Collective bargaining coverage and social dialogue

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

Employee diversity ¹

	2023		2022		Change in total number of employees in %
	Number of employees	Total number in %	Number of employees	Total number in %	
Management Board	2	100.0	2	100.0	0.0
breakdown by gender					
thereof female	1	50.0	0	0.0	n/a
thereof male	1	50.0	2	100.0	-50.0
breakdown by age group					
thereof under 30 years old	0	0.0	0	0.0	0.0
thereof 30-50 years old	0	0.0	0	0.0	0.0
thereof over 50 years old	2	100.0	2	100.0	0.0
Top Management	4	4.0	6	4.6	-0.6
breakdown by gender					
thereof female	2	50.0	3	50.0	-33.3
thereof male	2	50.0	3	50.0	-33.3
breakdown by age group					
thereof under 30 years old	0	0.0	0	0.0	0.0
thereof 30-50 years old	2	50.0	3	50.0	-33.3
thereof over 50 years old	2	50.0	3	50.0	-33.3
Middle and Entry-level Management	19	19.0	8	6.2	12.8
breakdown by gender					
thereof female	6	31.6	3	33.3	100.0
thereof male	13	68.4	5	66.7	116.7
breakdown by age group					
thereof under 30 years old	1	5.3	0	0.0	n/a
thereof 30-50 years old	11	57.9	4	55.6	120.0
thereof over 50 years old	7	36.8	4	44.4	75.0
Non-Management level	77	77.0	116	89.2	-12.2
breakdown by gender					
thereof female	42	54.6	64	55.2	-34.4
thereof male	35	45.5	52	44.8	-32.7
breakdown by age group					
thereof under 30 years old	16	20.8	15	12.9	6.7
thereof 30-50 years old	33	42.9	63	54.3	-47.6
thereof over 50 years old	28	36.4	38	32.8	-26.3

¹ Headcounts as of 31 December excluding dormant employees

Training and skills development metrics

	2023		2022		Change in hours per HC in %
	Total	Per employee	Total	Per employee	
Number of training hours¹	1,005.5	10.1	n/a	n/a	n/a
breakdown by gender					
thereof female	522.0	10.4	n/a	n/a	n/a
thereof male	483.5	9.7	n/a	n/a	n/a
breakdown by age group					
thereof under 30 years old	n/a	n/a	n/a	n/a	n/a
thereof 30-50 years old	n/a	n/a	n/a	n/a	n/a
thereof over 50 years old	n/a	n/a	n/a	n/a	n/a
breakdown by employee category					
thereof Top Management	13.0	3.3	n/a	n/a	n/a
thereof Middle Management	214.5	15.3	n/a	n/a	n/a
thereof Entry-level Management	33.8	6.8	n/a	n/a	n/a
thereof Non-Management level	744.3	9.7	n/a	n/a	n/a

¹ Training hours refer to the number of hours completed by active employees as of 31 December.

Health management

Health & Safety metrics¹	2023
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
Number of work-related accidents	0
Number of cases of work-related illness	1
Number of work-related injuries	0
Number of high-consequence work-related injuries (excl. fatalities)	0
Number of fatalities as a result of work-related injuries and work-related ill health	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
Number of cases of recordable workrelated ill health, subject to legal restrictions on the collection of data	0
Computing rate of work-related injuries ²	0

¹ Numbers refer to employees only because of non-material number of non-employees.

² 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 one-year timeframe. For comparability purposes a rate based on 1,000,000 hours worked shall be used also for undertakings with less than 500 people in the workforce.

Work-life balance metrics

	2023	2022	Change in %
Parental leave			
Number of employees who were entitled to parental leave in the reporting period	100	127	-21.3
thereof female	50	67	-25.4
thereof male	50	60	-16.7
Number of employees that took parental leave	3	5	-40.0
thereof female	3	5	-40.0
thereof male	0	0	0.0
Percentage of employees entitled to parental leave in relation to the total number of employees	100.0	97.7	2.3
thereof female	50.0	51.5	-1.5
thereof male	50.0	47.7	2.3
Percentage of employees who have taken parental leave in relation to the total number of employees	3.0	3.8	-0.8
thereof female	100.0	100.0	0.0
thereof male	0.0	0.0	0.0
Total number of employees who returned to work after parental leave during the reporting period	3	1	200.0
thereof female	2	0	n/a
thereof male	1	1	0.0
Total number of employees who returned to work after parental leave and were still employed twelve months after their return to work	0	2	-100.0
thereof female	0	2	-100.0
thereof male	0	0	0.0
Return to work rate in %	50.0	100.0	-50.0
thereof female	66.7	0.0	n/a
thereof male	33.3	100.0	-66.7
Retention rate in %	0.0	100.0	-100.0
thereof female	0.0	100.0	-100.0
thereof male	0.0	0.0	0.0

Gender pay gap and remuneration ratio

	2023	2022
Total gender pay gap	1.42	n/a
Breakdown by employee category		
thereof Top Management ¹	n/a	n/a
thereof Middle Management	1.17	n/a
thereof Entry-level Management ¹	n/a	n/a
thereof Non-Management level	1.24	n/a
Annual total remuneration ratio²	18.38	n/a

¹ No disclosure is made due to the small number of employees.

² Annual remuneration of the highest-paid person in the company (member of the Management Board) divided by the median of the total annual remuneration of the employees (excluding the highest-paid person)

Employee structure¹

	2023	2022	Change in %
Total numbers of employees by employment type	100	130	-23.08
Full-time			
thereof female	37	52	-28.9
thereof male	43	54	-20.4
Part-time			
thereof female	13	18	-27.8
thereof male	7	6	16.7

¹ Headcounts as of 31 December excluding Management Board and dormant employees

Governance

As a listed company, S IMMO has a constant obligation to its shareholders. Handling the capital provided sustainably and with integrity is a key part of the company's corporate self image. This responsibility is fulfilled both by the in-house team and in the context of cooperation with our business partners. In addition to the section below, the corporate governance report (starting on page 104) and the Code of Conduct, the Organisational Policy for Human Rights, the Organisational Policy for Issuer Compliance and the Organisational Policy for the Prevention of Bribery, Acceptance of Benefits and Corruption are available on the Group's website (www.simmoag.at/sustainability/governance) for further information.

This section deals with the topics of digitalisation and sustainable value enhancement, which were identified as material in the course of the materiality analysis conducted in 2021.

Responsible governance

S IMMO has now been pursuing a prudent and proven business policy for 35 years. Sustainable value enhancement in the interest of shareholders is a key aspect of the corporate strategy. The company's business activities are not geared towards short-term profits but pursue balanced and consistent development that takes into consideration both financial success and social and ecological impacts. Details of the business model can be found in the Group fundamentals section starting on page 68.

The company plays its part in local value creation through its business activities by promoting economic and infrastructure development and creating and securing jobs by providing properties that are in line with demand. From the revenues that are generated, taxes are paid in turn to the states in which the company actively operates.

The focus of companies on making profits, however, can also have negative impacts on people and the environment. The most significant of these include negative impacts on employees and pressures on the environment and climate. As explained in the other sections of this non-financial report, the company has set itself the goal of continually identifying and minimising any negative impacts it creates.

Along with a corporate culture geared towards fairness and equality, S IMMO maintains clear guidelines as well as company-wide standards and pursues a transparent information and training policy in order to make all relevant parties aware of governance-related issues. Since 2007, S IMMO AG has been committed to observing the Austrian Code of Corporate Governance (for details, please see the corporate governance report), which contains principles on transparency and good corporate governance. The Management Board has brought the company's corporate governance into line with the principles of the Austrian Code of Corporate Governance and, in conjunction with the Supervisory Board, declares that the company observes and complies with the C Rules of the Code (deviations from the C Rules are also explained in the corporate governance report). Furthermore, S IMMO is also covered by CPI's participation in the United Nations Global Compact (UNGC).

Shareholders

The rights and obligations of shareholders arise from the Austrian Stock Corporation Act (AktG) and the Articles of Association of S IMMO (www.simmoag.at/corporategovernance). The main rights include the right to profit-sharing and the right to participate in, vote and receive information at the Annual General Meeting. Shareholders with shareholdings above clearly defined thresholds also have rights such as the right to add items to the agenda. All rights of shareholders are published annually on the website in the notice of convening of the Annual General Meeting.

Details of the shareholder structure and the company's Investor Relations activities can be found in the "S IMMO in the capital market" section and at www.simmoag.at/share.

Management Board

In line with the Austrian Stock Corporation Act (AktG), the Management Board of S IMMO runs the company under its own responsibility, taking the interests of all stakeholders into account. The Management Board is in charge of the operational management team, which is responsible in turn for the various divisions and functions. This cooperation is based on a constant, open exchange of information and short decision-making channels. The Supervisory Board is responsible for appointing the Management Board. In doing so, it pays particular attention to market expertise, experience, relevant skills and an appropriate track record. The key consideration regarding the composition

of the Management Board is that a wide range of skills must be covered while ensuring cordial and targeted cooperation.

S IMMO is committed to performance-oriented remuneration in line with market conditions for its Management Board members with the aim of enabling the company to attract qualified managers and retain their services. In spring 2020, the S IMMO Supervisory Board set out the principles for the remuneration of members of the Management Board (remuneration policy) in accordance with section 78a AktG. This remuneration policy was submitted to and adopted by the 31st Annual General Meeting of S IMMO in October 2020 (www.simmoag.at/agm) with a majority of 75.58% of the vote.

The remuneration policy ensures that the total pay of the members of the Management Board is commensurate with the situation of the company and customary remuneration, that long-term incentives for sustainable corporate development are set and that the company's business strategy and long-term development are furthered. The aim is to create sustainable, value-creating and growth-oriented corporate development by reconciling the interests of the company, shareholders and members of the Management Board. Based on this remuneration policy, a remuneration report is submitted to the Annual General Meeting each year and is published on the company's website (www.simmoag.at/agm) no later than three weeks before the respective Annual General Meeting. The remuneration report must be approved by the Annual General Meeting; the results of the vote are published on the company's website after the Annual General Meeting.

The remuneration report presents the main features of the remuneration policy for the Management Board and Supervisory Board of S IMMO AG in the past financial year. In addition, the remuneration paid to current and former members of the Management Board and Supervisory Board during the reporting year is disclosed individually. Also disclosed is the average salary of all employees as well as the percentage increase year-on-year and in comparison to the Management Board salaries.

In line with its ESG strategy, S IMMO has set itself the goal of increasing the share of variable Management Board remuneration tied to ESG criteria. In 2022, the share was increased from 10% to the current 20%, and by 2025 it should be at least 25%.

Supervisory Board

The structure, composition and allocation of responsibilities of the Supervisory Board and the diversity concept of the company are set out in detail in the Supervisory Board report (starting on page 101) and the corporate governance report (starting on

page 104). Since 2021, the Supervisory Board has had its own ESG Committee, which deals predominantly with the strategy and objectives in relation to sustainability criteria. In keeping with this, a member of the Management Board was also explicitly assigned to ESG matters in the same year.

Collectively, the Supervisory Board has the relevant experience and expertise in the international property sector, finance sector, capital markets and law that are required in order to perform all its supervisory duties effectively. Accordingly, when looking for new members of the Supervisory Board, it prioritises the expertise required to strengthen the Supervisory Board, taking the avoidance of conflicts of interest and the number of existing Supervisory Board appointments into account in the selection process.

Members are elected to the Supervisory Board at the Annual General Meeting. Under the Articles of Association of S IMMO, no shareholder has the right to nominate a member of the Supervisory Board for appointment. The CVs and declarations pursuant to section 87 (2) AktG are published on the issuer's website in good time before the Annual General Meeting. In accordance with the statutory provisions, the Works Council is also entitled to delegate Supervisory Board members from among its own members.

The term of office of all Supervisory Board members is published on the company's website (www.simmoag.at/boards), and the number of members who have declared themselves independent is disclosed in the corporate governance report starting on page 105. Business relationships with related parties, including with members of the Supervisory Board, require the approval of the Supervisory Board and are disclosed on page 65 of this report. Transactions undertaken by the Management Board, members of the Supervisory Board or related parties involving securities of S IMMO are reported as directors' dealings and published on S IMMO's website (www.simmoag.at/corporategovernance).

S IMMO regularly conducts internal evaluations of the Supervisory Board's work – in particular the composition and activities of the Supervisory Board and its committees as well as cooperation with the Management Board. The last self-evaluation was carried out in 2022. As the current Supervisory Board was only constituted at the end of January 2024, an evaluation by the Supervisory Board is planned for the financial year 2025.

Compliance

The observance of internationally applicable rules, the fair treatment of stakeholders and transparent communication with all target groups are basic cornerstones of S IMMO's corporate culture. As a listed company, S IMMO is subject to the provisions of Austrian and European capital market legislation. It has also established a Code of Conduct as well as binding guidelines which lay down principles of conduct for business activity on a Group-wide basis.

The members of the Management Board and Supervisory Board must make their decisions without being influenced by their own interests or those of controlling shareholders, on an informed basis and in compliance with all relevant legislation. Any conflicts of interest must be disclosed immediately, and executive functions – including those of senior management – at other companies must be approved by the Management Board and/or Supervisory Board. The statutory prohibition on competition also applies. Critical issues such as complaints or processes with potentially negative consequences for the organisation or stakeholders must be reported to the Management Board and may also need to be communicated to the Supervisory Board.

In 2023, there were no cases of compliance violations, allegations of corruption or cases leading to disciplinary measures, legal proceedings or the termination of an employment relationship. Similarly, no critical issues were reported. In addition, no supplier contracts had to be terminated on account of breaches of the compliance guidelines. S IMMO was not required to pay any fines in connection with cases of corruption or breaches of competition law in the reporting year.

Code of Conduct and whistleblowing

S IMMO has a Group-wide Code of Conduct that obliges all executive bodies and employees to act in accordance with the company's ethical standards. With reference to the corresponding organisational policies, this Code of Conduct provides the overriding regulations on the prevention of corruption, ensuring issuer compliance and safeguarding human rights, as well as taking environmental concerns into account. In this Code of Conduct, S IMMO has additionally undertaken not to make political contributions or donations to political parties or to engage in political lobbying.

If employees become aware of any demonstrable or potential violations of the Code of Conduct, they must immediately report them to Compliance Management at S IMMO or submit a corresponding anonymous notification via the digital whistleblower system that is publicly accessible on the company's website.

Reported incidents are treated in confidence, and whistleblowers are guaranteed anonymity.

In line with the goals of S IMMO's ESG strategy, mandatory training on all relevant compliance issues was provided in the form of online courses in the financial year 2023. Among other things, employees were familiarised with the content and areas of application of the Group-wide Code of Conduct, associated policies and the available mechanisms for reporting violations and for whistleblowing. An explicit acknowledgement of the Code of Conduct was also required. These training courses were introduced in 2022 and will be continued annually in the future in order to promote the permanent anchoring of the key principles in the awareness and actions of all employees.

Human rights

S IMMO is aware that it comes into direct and indirect contact with questions relating to human rights as a result of its business activity. An organisational policy introduced in 2022 established common procedural processes in the area of human rights management and integrated relevant human rights issues into S IMMO's active risk management.

S IMMO is committed to respecting, protecting and promoting international human rights in the course of all of its activities and does not tolerate any form of discrimination. This involves preventing and dealing with human rights violations that may arise as a result of the company's activities on the one hand and, on the other, investing efforts in preventing or mitigating any negative impacts on human rights that may arise in the course of direct business relationships. S IMMO has undertaken to maintain a work environment that is characterised by mutual trust, in which diversity and inclusion are valued and in which everyone is treated with dignity and respect. S IMMO complies with laws and regulations on the protection of human rights, fair working conditions and other provisions of labour law and refers here explicitly to

- the International Bill of Human Rights, including the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights,
- the Fundamental Principles and Core Labour Standards of the International Labour Organisation (ILO),
- the UN Guiding Principles on Business and Human Rights and
- the OECD Guidelines for Multinational Enterprises

as frameworks for defining its publicly available organisational policy on human rights, which governs its Group-wide approach

to human rights issues. This relates to how human rights are embedded in the organisation and operations and also includes the existing complaint mechanisms and the procedures for monitoring effectiveness and publishing disclosures.

The employees and the members of the executive bodies of S IMMO are required by the company's Code of Conduct to observe the precepts of this organisational policy and the rights and principles it contains in their day-to-day activities. Furthermore, S IMMO expects its non-Group service providers and suppliers, irrespective of their size, to observe the contents of this policy. A commitment from these external business partners is currently not yet required, but the preparation of a declaration to this effect is planned.

The implementation of human rights does not fall under the company's active sphere of influence in all cases, as most of the requirements have to be established and maintained at the state level. S IMMO has therefore identified human rights issues that it classes as particularly relevant and actively addresses in relation to its business activities and supply chains. A selection of these issues is listed below in line with the scope of application at S IMMO and briefly defined from the company's perspective. A general overview can be found in the relevant organisational policy at www.simmoag.at/sustainability/governance.

S IMMO is committed to equal treatment and prohibits any discrimination on the basis of ethnic origin or nationality, language, social origin, age, gender, gender identity, sexual orientation, religion, political or other belief, mental or physical ability or other status. Sexual harassment, hatred and war propaganda of any kind are also prohibited. S IMMO protects the rights of ethnic, religious and linguistic minorities and recognises the freedom of thought, conscience and religion of every individual.

S IMMO also recognises the right to just and favourable conditions of work and social security and undertakes to pay its employees a fair and living wage or salary and to fully respect both the right to and the results of collective bargaining. The company is committed to freedom of association and ensures that the interests of its employees are represented by the Works Council, which they freely elect. S IMMO's corporate culture includes professional interaction with employee representatives without any preferential or disadvantageous treatment whatsoever. The company maintains an open relationship with the Works Council based on a foundation of trust and conducts constructive and collaborative dialogue with this body in order to pursue a fair balance of interests. As of 31 December 2023, only the location in Vienna had a Works Council.

The company prohibits all forms of exploitation and explicitly forbids slavery, torture, forced and compulsory labour as well as child labour. Violations of occupational health and safety provisions or of employee rights are not permitted. Everyone has a right to physical and mental health, while mothers enjoy special protection for a reasonable period before and after giving birth. Everyone has the right to file a complaint in the event of a violation of human rights, and employees are required to report complaints and suspected incidents involving actual and potential human rights violations through the complaint mechanisms established for this purpose.

The Management Board of S IMMO has adopted and supports this organisational policy. The operational implementation and continual guarantee of human rights due diligence is the responsibility of S IMMO's Compliance Management, a Group-wide function that is currently performed by one of the members of the Management Board. This includes both the ongoing identification and assessment of actual and potential human rights violations in accordance with the precautionary principle and the initiation and follow-up of preventive, mitigation and remedial measures within the company's sphere of influence, if necessary in consultation with the rest of the Management Board and in so far as this lies within the company's control. In order to identify and address specific issues in the best possible way, Compliance Management coordinates closely with the Group departments or local management of the S IMMO branches when necessary.

The central point of contact for all complaints and suspicious activity reports regarding actual and potential human rights violations is S IMMO's Compliance Management. In addition, the local management in the branches can also be contacted as the first authority. An anonymous report can also be submitted via the Group's digital whistleblower system. All three channels are always open to employees and non-employees alike. All reported incidents are received by Compliance Management and are treated confidentially and with the assurance that anonymity is guaranteed. Once an incident is confirmed, possible countermeasures are identified. At least one additional member of the Management Board will be involved in this process.

Should several human rights violations occur at the same time, the violations that involve serious and time-critical impacts will be prioritised. These complaint mechanisms pursue the goal of meeting the requirements of legitimacy, accessibility, predictability, equitability, transparency and compatibility with human rights at all times. The type of measures that are taken is decided entirely on a case-by-case basis and is determined individu-

ally in accordance with applicable law and, where possible, in dialogue with the parties concerned.

S IMMO's Compliance Management continuously documents actual and potential human rights violations that are identified, complaints that are received and measures that are implemented. This also includes measures for actively promoting human rights regardless of any complaints and suspicious activity reports as well as the further development of this organisational policy in general terms. This information, in particular the number of complaints that are received and confirmed and the measures that are implemented, is published annually in anonymised form. Cases are also processed internally in accordance with the confidentiality principle as learning examples in order to prevent similar cases from recurring as far as possible.

In the reporting year, no complaints or suspicious activity reports were received and no human rights violations were identified at S IMMO's branches.

Since 2022, employees have received annual training on the contents and implementation of the organisational policy on human rights as well as on the digital whistleblower system, which plays a key role in the anonymous reporting of human rights violations.

Prevention of bribery and corruption

S IMMO AG has a zero-tolerance policy when it comes to bribery, the acceptance of benefits and corruption. Corruption is typically defined as exploiting a position to benefit oneself, often at the expense of others. It is characterised by the abuse of a public role or comparable business function. Corruption entails financial losses but also dramatically undermines trust among customers and suppliers and jeopardises the company's competitive edge, and hence the jobs it provides. A binding guideline adopted by the Management Board governs the structural and procedural measures for preventing bribery, acceptance of benefits and corruption, and is also geared towards raising employees' awareness of the consequences of corruption and the opportunities to combat it. In addition, financial support for lobbying and political parties is strictly prohibited under the guideline and is not practised in any form whatsoever by S IMMO. Operational implementation of the measures is the responsibility of the Compliance Management function, which is currently performed by a Management Board member. Official S IMMO contact persons are available to all employees at their request and when a violation is suspected. Compliance violations can also be reported by contacting the local management team. As part of the Group-wide risk assessment, the company

has reviewed the risks in the area of bribery, the acceptance of benefits and corruption and generally considers them to be low.

As in the year prior, an online course on the prevention of bribery, acceptance of benefits and corruption was held in the fourth quarter of 2023. Participants were informed about the applicable anti-corruption guidelines and how employees can recognise and prevent cases of corruption. A total of 76 employees took part in the training course, which corresponds to a participation rate of 87.4%. In total, 1 employee in top management (participation rate 50.0%), 11 employees in middle management (participation rate 78.6%), 5 employees in entry-level management (participation rate 100.0%) and 59 employees without a management function (participation rate 89.4%) completed the training course. Broken down by country, the number of participants was divided between 31 employees in Austria (participation rate 91.2%) and 45 employees in Germany (participation rate 86.5%). There were no participants in Croatia (participation rate 0%). In addition, two members of the Management Board (participation rate 100%) and three members of the Supervisory Board (participation rate 50%) took part in this training.

In addition, the Group-wide Organisational Policy for Issuer Compliance is binding for all employees, regulates the handling of insider information and the management of capital market compliance, and explains the legal consequences of abusing insider information. Employees also received training on this topic as part of an online course and a hybrid event. No cases of corruption or breaches of issuer compliance were reported in the reporting year.

Taxes and fair competition

The management approach to tax compliance at S IMMO 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 Management Board, and significant tax-relevant business transactions must be approved by the Management Board. In order to achieve this goal, S IMMO's internal tax department is integrated into business-related processes. The tax department is staffed with experienced tax experts at the headquarters and involving external tax experts if required. Reporting is made directly to the Management 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 dual control mechanism, as external advisers are involved in the preparation process of tax returns. In addition, tax risk reporting is collected throughout the Group and each company is critically analysed

in terms of its tax risk level including ongoing reporting of all tax audits and litigation. The success of this low-risk approach has been evident in all previous tax audits, where no material findings have been identified.

In addition to local tax requirements, S IMMO also carefully observes international reporting requirements, for example the requirements of the DAC 6 EU Directive are monitored periodically. As CPI Property Group S.A. acquired a majority shareholding in both IMMOFINANZ AG and S IMMO AG in 2022, the relevant revenue threshold of EUR 750m for country-by-country reporting (CbCR) requirements was exceeded for the first time. Accordingly, from 2022 on S IMMO and its group companies are subject to CbCR requirements and fully comply with them. In addition, transfer price documentation is prepared annually in accordance with OECD principles.

All income in the S IMMO Group – in particular rental income, capital gains and internal financial income – is generated and taxed exclusively in Austria and in the operating country companies.

S IMMO is subject to the CPI's Group Competition Law Compliance Policy and all S IMMO employees were familiarised with the content and principles of fair competition as part of an online training course in 2023. At the same time, there were no violations of competition law in the past year.

Digitalisation, data protection and IT security

S IMMO deals intensively with the opportunities and risks of digitalisation in light of the company's activities and workflows. The issue of digitalisation is anchored in the structure of the Management Board's IT responsibilities. The aim is to continue to develop the company from a process-led to a data-led organisation in the medium term. External consulting firms and IT service providers are also involved in this process in addition to the Management Board and internal experts. At the beginning of this development, the focus was primarily on IT governance and IT security matters as well as collaboration processes. In the 2023 reporting year, more extensive projects were implemented in the areas of data and document management as well as automated reporting routines, the latter primarily against the backdrop of faster and standardised data exchange with CPI and Immofinanz. For this purpose, a data lake was set up and linked with existing software solutions and proprietary dashboards in order to create a harmonised data landscape across all systems within S IMMO Group and to generate information for reporting and strategic decision-making.

Digitalisation enables work processes and workflows to be optimised and automated and employees' skills to be enhanced. These measures aim to raise productivity and efficiency and strengthen synergies in the collaboration with CPI and Immofinanz. The digitalisation initiative additionally aims to play a part in ensuring competitiveness and to increase flexibility of companies and employees in a changing business and working world. The company is aware that increased flexibility might also have a negative impact on work-life balance.

S IMMO also sees potential in the digitalisation measures to reduce greenhouse gas emissions resulting from business trips and other travel. Virtual meetings have a role to play in saving costs and emissions by reducing the need for travel. These meetings do not require additional IT equipment to be purchased to any significant extent, meaning that S IMMO will not make materially negative contributions to electronic waste or increased energy consumption in this regard. If new company mobile phones, laptops and other devices have to be purchased, the emphasis will be placed on high-quality products with a long useful life. Old devices that are still serviceable will be given to an external company, which will refurbish and sell them to private users at affordable prices. The product lifecycle of the IT equipment can be extended in this way.

Respecting personal privacy and protecting data are key issues for S IMMO and its stakeholders. Special importance is attached here to protecting the personal data of employees, tenants and business partners. The theft or loss of personal data can have a negative impact on the company and have a lasting effect on the foundation of trust between the company and its stakeholder groups. Business operations can grind to a halt if companies lose business data or are permanently or even only temporarily prevented from accessing it by third parties. This can also tarnish the company's reputation.

The issue of data protection is anchored in the structure of the Management Board's legal responsibilities. In operational terms, a designated person working with the Legal, IT and Corporate Communications and Investor Relations departments has operational responsibility for creating and implementing internal data protection policies and updating the processing register that documents flows of personal data. This person is an important internal point of contact for employees and other stakeholders in matters involving data protection law. In addition, decisions of the Austrian Data Protection Authority (DSB) along with recent developments are monitored and, if necessary, external legal experts are consulted. The Works Council of S IMMO AG is also included in meetings when necessary in order to ensure that the interests and rights of the employees are represented. In the context of the

extensive digitalisation efforts, there is also a company agreement that regulates the restriction of access to employees' personal data. As in the previous year, employees were trained in the company's IT and data protection policy as well as cybersecurity and data security topics as part of mandatory online courses in 2023. There were no complaints regarding violations of the GDPR by S IMMO in the financial year 2023.

Secure IT infrastructure and protection against cybercrime are critically important for guaranteeing that both personal and business data and processes remain protected. The IT department at S IMMO is responsible for providing state-of-the-art IT infrastructure and reports directly to the Management Board. IT is additionally supported by renowned IT service providers. S IMMO implements a large number of measures and solutions to prevent breaches of the confidentiality, availability or integrity of business data as a result of unauthorised disclosures, encryption or losses. For example, S IMMO has a central user and log management system and runs an intelligent cyberdefence program and other programs to automatically identify data security risks around the clock. Moreover, hard drives, data storage media and mobile devices are encrypted and servers are hosted in a fail-safe data centre of an external service provider. The latest hardware is always used, while operating systems and software are regularly updated. The company's IT and data protection policy is constantly being developed and also covers the topic of data security.

In 2022, a penetration test was carried out by an external service provider, which is to be repeated in 2024 after some changes were made to the IT infrastructure in the reporting year. Attacks on the system were simulated in the course of this test in order to identify vulnerabilities and gaps in security and to assess the system security. Concrete measures to enhance the resilience of the IT systems were derived from the test results and subsequently implemented. Furthermore, additional security updates were carried out on the IT systems. No cyberattacks on S IMMO's IT infrastructure were recorded in 2023. There were also no leaks, thefts or loss of personal data.

Supply chain management

The suppliers commissioned by S IMMO are highly diversified and range from construction firms, property management companies and consultants to insurance providers and banks. The company is committed to the prudent, responsible selection of business partners, and takes particular care to reduce risks arising from child labour, forced labour and other social neglect or inequality. It works with well-known, recognised partners following a corresponding selection process. Business relationships are based on clear contractual conditions and regulations, with compliance with the high legal standards and provisions within the European Union being required as an absolute minimum. Along with the responsible selection of suppliers, the constant exchange of information with all service providers also plays a key role in the prevention of supply chain risks.

Compared with buying, selling and letting properties, the issue of the supply chain in the context of construction activity is much more complex. The structures in the construction sector and the involvement of numerous companies and suppliers make it more difficult to monitor compliance with social and environmental standards. In particular, negative impacts can potentially arise in connection with transportation, space requirements and the disposal of problematic materials as well as violations of employment and social law.

Although construction activity currently plays a secondary role in S IMMO's business activities, the company makes efforts to actively reduce any risks. To this end, S IMMO also relies on highly regarded and long-standing business partners in development and construction projects. As part of the joint ESG strategy, together with CPI and Immofinanz the company intends to draw up a Code of Conduct for Suppliers that will define social and environmental standards and be an integral part of new contracts. S IMMO regards this as another opportunity to contribute to a more environmentally sound and socially responsible property sector.

There was one significant change in the supply chains during the reporting period. In Romania, Slovakia and Hungary, local CPI subsidiaries have taken over asset management and, in some cases, property management services for S IMMO's properties there, replacing S IMMO subsidiaries and external service providers. CPI is also entrusted with such tasks for the properties acquired in the Czech Republic during the reporting year, while the properties acquired on Wienerberg in Vienna are managed by Immofinanz. In all cases, the local expertise and familiarity of the people managing the properties should enable synergies to be leveraged and the organisation to be streamlined as part of closer cooperation within the Group.

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Bilanz zum 31. Dezember 2023

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	31.12.2023 EUR	31.12.2022 TEUR
AKTIVA		
A. Anlagevermögen		
I. Immaterielle Vermögensgegenstände		
1. gewerbliche Schutzrechte und ähnliche Rechte und Vorteile und Software	889.558,45	81
2. geleistete Anzahlungen	0,00	402
	889.558,45	483
II. Sachanlagen		
1. Grundstücke und Bauten	98.872.000,34	122.248
davon Grundwert	37.761.671,11	44.761
2. andere Anlagen, Betriebs- und Geschäftsausstattung	191.544,16	299
3. Anlagen in Bau	144.045,60	778
	99.207.590,10	123.325
III. Finanzanlagen		
1. Anteile an verbundenen Unternehmen	1.532.813.174,92	1.253.313
davon Verschmelzungsmehrwert	369.528,03	370
2. Beteiligungen	3.054.017,60	3.054
	1.535.867.192,52	1.256.367
	1.635.964.341,07	1.380.176
B. Umlaufvermögen		
I. Forderungen und sonstige Vermögensgegenstände		
1. Forderungen aus Lieferungen und Leistungen	435.352,19	169
davon mit einer Restlaufzeit von mehr als einem Jahr	37.244,99	29
2. Forderungen gegenüber verbundenen Unternehmen	9.640.157,90	26.889
3. Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht	2.320.435,49	1.959
4. sonstige Forderungen und Vermögensgegenstände	20.750.145,34	11.437
davon mit einer Restlaufzeit von mehr als einem Jahr	76.439,00	370
	33.146.090,92	40.454
II. Kassenbestand, Guthaben bei Kreditinstituten	381.910.083,90	137.524
	415.056.174,82	177.978
C. Rechnungsabgrenzungsposten	897.211,37	553
Summe Aktiva	2.051.917.727,26	1.558.707

	31.12.2023 EUR	31.12.2022 TEUR
PASSIVA		
A. Eigenkapital		
I. eingefordertes Grundkapital	255.588.961,41	256.249
übernommenes Grundkapital	267.457.923,62	267.458
Nennbetrag eigener Anteile	-11.868.962,21	-11.209
einbezahltes Grundkapital	255.588.961,41	256.249
II. Kapitalrücklagen		
1. gebundene	202.520.195,55	202.520
III. Gewinnrücklagen		
1. Rücklage für eigene Anteile, Anteile an herrschenden oder mit Mehrheit beteiligten Unternehmen	11.868.962,21	11.209
2. andere Rücklagen (freie Rücklagen)	30.560.551,68	32.919
	42.429.513,89	44.128
IV. Bilanzgewinn	299.690.743,82	50.000
davon Gewinnvortrag	50.000.000,00	20.371
	800.229.414,67	552.898
B. Rückstellungen		
1. Steuerrückstellungen	276.058,00	3.999
davon Rückstellungen für latente Steuern	26.058,00	1.142
2. sonstige Rückstellungen	4.259.498,73	4.297
	4.535.556,73	8.296
C. Verbindlichkeiten		
1. Anleihen	620.597.000,00	545.597
davon mit einer Restlaufzeit von bis zu einem Jahr	100.000.000,00	0
davon mit einer Restlaufzeit von mehr als einem Jahr	520.597.000,00	545.597
2. Verbindlichkeiten gegenüber Kreditinstituten	118.004.476,38	132.621
davon mit einer Restlaufzeit von bis zu einem Jahr	4.183.937,31	4.713
davon mit einer Restlaufzeit von mehr als einem Jahr	113.820.539,07	127.908
3. Verbindlichkeiten aus Lieferungen und Leistungen	1.322.396,31	648
davon mit einer Restlaufzeit von bis zu einem Jahr	1.322.396,31	648
4. Verbindlichkeiten gegenüber verbundenen Unternehmen	490.651.587,79	305.706
davon mit einer Restlaufzeit von bis zu einem Jahr	341.926.331,53	294.742
davon mit einer Restlaufzeit von mehr als einem Jahr	148.725.256,26	10.964
5. sonstige Verbindlichkeiten	15.955.304,81	12.422
davon aus Steuern	4.248.195,91	765
davon im Rahmen der sozialen Sicherheit	104.093,89	116
davon mit einer Restlaufzeit von bis zu einem Jahr	14.618.504,13	10.628
davon mit einer Restlaufzeit von mehr als einem Jahr	1.336.800,68	1.794
	1.246.530.765,29	996.994
davon mit einer Restlaufzeit von bis zu einem Jahr	462.051.169,28	310.731
davon mit einer Restlaufzeit von mehr als einem Jahr	784.479.596,01	686.263
D. Rechnungsabgrenzungsposten		
	621.990,57	520
Summe Passiva	2.051.917.727,26	1.558.707

Gewinn- und Verlustrechnung für das Geschäftsjahr 2023

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

	2023 EUR	2022 TEUR
1. Umsatzerlöse	29.196.162,88	26.068
2. sonstige betriebliche Erträge		
a. Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen	45.557.210,09	5.159
b. Erträge aus der Auflösung von Rückstellungen	67.972,50	427
c. übrige	143.097,40	406
	45.768.279,99	5.992
3. Aufwendungen für Material und sonstige bezogene Herstellungsleistungen		
a. Aufwendungen für bezogene Leistungen	-8.180.210,13	-5.819
4. Personalaufwand		
a. Gehälter	-9.774.380,79	-11.105
b. soziale Aufwendungen	-1.955.572,52	-1.827
davon Aufwendungen für Altersversorgung	-194.371,51	-233
aa. Aufwendungen für Abfertigungen und Leistungen an Mitarbeiterversorgungskassen	-359.057,30	-120
bb. Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	-1.331.560,32	-1.362
	-11.729.953,31	-12.932
5. Abschreibungen		
a. auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	-4.770.831,75	-4.767
6. sonstige betriebliche Aufwendungen		
a. übrige	-9.157.694,41	-9.329
7. Zwischensumme aus Z 1 bis 6 (Betriebsergebnis)	41.125.753,27	-787
8. Erträge aus Beteiligungen	234.818.269,00	25.711
davon aus verbundenen Unternehmen	233.820.000,00	25.000
9. sonstige Zinsen und ähnliche Erträge	19.799.833,24	16.839
davon aus verbundenen Unternehmen	59.034,38	72
10. Zinsen und ähnliche Aufwendungen	-41.382.827,31	-25.678
davon betreffend verbundene Unternehmen	-21.994.156,10	-4.061
11. Zwischensumme aus Z 8 bis 10 (Finanzergebnis)	213.235.274,93	16.872
12. Ergebnis vor Steuern (Summe aus Z 7 und Z 11)	254.361.028,20	16.085
13. Steuern vom Einkommen	-4.670.284,38	2.331
davon latente Steuern	1.115.536,00	-3.860
davon aus Steuerumlagen	-5.909.231,38	23.048
14. Ergebnis nach Steuern	249.690.743,82	18.416
15. Jahresüberschuss	249.690.743,82	18.416
16. Auflösung von Gewinnrücklagen	0,00	11.213
17. Gewinnvortrag aus dem Vorjahr	50.000.000,00	20.371
18. Bilanzgewinn	299.690.743,82	50.000

Anhang

für das Geschäftsjahr 2023
der
S IMMO AG, Wien

1. Bilanzierungs- und Bewertungsmethoden

1.1 Allgemeine Grundsätze

Der Jahresabschluss zum 31. Dezember 2023 ist nach den Rechnungslegungsvorschriften des UGB aufgestellt.

Im Sinne der Größenmerkmale gemäß § 221 UGB handelt es sich bei der Gesellschaft um ein Unternehmen von öffentlichem Interesse gemäß § 189a UGB und somit um eine **große Kapitalgesellschaft**.

Der Jahresabschluss wurde unter Beachtung der **Grundsätze ordnungsmäßiger Buchführung** sowie der **Generalnorm**, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit eingehalten.

Bei der Bewertung wurde von der Fortführung des Unternehmens ausgegangen.

Bei den Vermögensgegenständen und Schulden wurde der Grundsatz der Einzelbewertung angewandt. Dem Vorsichtsprinzip wurde Rechnung getragen, indem insbesondere nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen werden. Alle erkennbaren Risiken und drohende Verluste, die im Geschäftsjahr 2023 oder in einem früheren Geschäftsjahr entstanden sind, wurden berücksichtigt.

Schätzungen beruhen auf einer umsichtigen Beurteilung. Soweit statistisch ermittelbare Erfahrungen aus gleich gelagerten Sachverhalten vorhanden sind, wurden diese bei den Schätzungen berücksichtigt.

1.2 Anlagevermögen

Immaterielle Vermögensgegenstände werden, soweit gegen Entgelt erworben, zu Anschaffungskosten aktiviert und über die voraussichtliche wirtschaftliche Nutzungsdauer abgeschrieben. Als Nutzungsdauer wird ein Zeitraum von 3 - 5 Jahren zugrunde gelegt.

Sachanlagen werden zu Anschaffungs- oder Herstellungskosten abzüglich Investitionszuschüssen und planmäßiger Abschreibungen bewertet. Zur Ermittlung der Abschreibungssätze wird generell die lineare Abschreibungsmethode gewählt. Für die einzelnen Anlagengruppen wurde folgende Nutzungsdauer zugrunde gelegt:

	Nutzungsdauer in Jahren
Gebäude	22 - 67
Hardware	3 - 5
Betriebs- und Geschäftsausstattung	3 - 10
PKW	4 - 8

Bewegliche Gegenstände des Anlagevermögens bis zu einem Wert von EUR 1.000,00 (geringwertige Vermögensgegenstände) wurden im Jahr der Anschaffung voll abgeschrieben.

Die **Finanzanlagen** sind zu Anschaffungskosten abzüglich außerplanmäßiger Abschreibungen unter Beachtung des gemilderten Niederstwertprinzips bewertet. Außerplanmäßige Abschreibungen werden vorgenommen, wenn die Wertminderung voraussichtlich von Dauer ist. Die Bewertung der Anteile an verbundenen Unternehmen erfolgt anhand des Eigenkapitals des Tochterunternehmens zuzüglich/abzüglich eventuell vorhandener stiller Reserven und stiller Lasten aus den einzelnen Immobilien (abzüglich Steuerlatenz).

Zuschreibungen zu Vermögensgegenständen des Anlagevermögens werden vorgenommen, wenn die Gründe für die außerplanmäßige Abschreibung weggefallen sind. Die Zuschreibung erfolgt auf maximal den Nettobuchwert, der sich unter Berücksichtigung der Normalabschreibung, die inzwischen vorzunehmen gewesen wäre, ergibt.

1.3 Umlaufvermögen

Forderungen und sonstige Vermögensgegenstände werden mit dem Nennbetrag angesetzt. Soweit erforderlich, wird die späte Fälligkeit durch Abzinsung berücksichtigt. Für erkennbare Risiken werden Einzelwertberichtigungen gebildet.

Wertberichtigungen auf **Konzernforderungen** erfolgen auf Basis des Eigenkapitals des Konzernunternehmens zuzüglich/abzüglich eventuell vorhandener stiller Reserven und stiller Lasten aus den einzelnen Immobilien (abzüglich Steuerlatenz) analog zur Bewertung der Anteile an verbundenen Unternehmen. Sofern beim Darlehensnehmer ein negatives „adaptiertes“ Eigenkapital vorliegt, werden entsprechende Wertberichtigungen vorgenommen.

1.4 Rechnungsabgrenzungsposten

Die aktiven und passiven Rechnungsabgrenzungsposten werden mit dem Nennwert bewertet.

Die aktive Rechnungsabgrenzung beinhaltet Disagios im Zusammenhang mit der Begebung eigener Anleihen. Die Disagios werden über die Laufzeit der Anleihe linear aufgelöst. Vor dem 1.1.2016 entstandene Disagios wurden sofort aufwandswirksam erfasst.

1.5 Latente Steuern

Passive latente Steuern werden auf Differenzen, die zwischen den unternehmensrechtlichen und steuerrechtlichen Wertansätzen von Vermögensgegenständen, Rückstellungen, Verbindlichkeiten und Rechnungsabgrenzungsposten bestehen, die sich in späteren Geschäftsjahren voraussichtlich abbauen, angesetzt.

Vom Wahlrecht des § 198 Abs. 9 UGB, latente Steuern auf steuerliche Verlustvorträge zu bilanzieren, wurde kein Gebrauch gemacht. Die Bilanzierung latenter Steuern erfolgte unter Beachtung der Ausführungen in der AFRAC-Stellungnahme 30 („Latente Steuern im Jahres- und Konzernabschluss“).

Der bilanzierte Betrag an passiven latenten Steuern stellt einen Überhang passiver über aktive latente Steuern dar. Eine Saldierung der aktiven mit den passiven latenten Steuern wird vorgenommen, weil eine Aufrechnung der tatsächlichen Steuererstattungsansprüche mit den tatsächlichen Steuerschulden rechtlich möglich ist.

1.6 Rückstellungen

Die **sonstigen Rückstellungen** berücksichtigen die zum Bilanzstichtag erkennbaren Risiken und der Höhe nach noch nicht feststehenden Verbindlichkeiten. Sie werden mit dem Erfüllungsbetrag angesetzt.

1.7 Verbindlichkeiten

Verbindlichkeiten sind mit dem Erfüllungsbetrag unter Beachtung auf den Grundsatz der Vorsicht angesetzt.

1.8 Währungsumrechnung

Fremdwährungsforderungen sind mit dem Entstehungskurs bzw. dem niedrigeren Devisengeldkurs zum Bilanzstichtag bewertet worden.

Fremdwährungsverbindlichkeiten sind mit dem Anschaffungskurs bzw. dem höheren Devisenbriefkurs zum Bilanzstichtag bewertet worden.

1.9 Änderung von Bewertungsmethoden

Die bisher angewandten **Bewertungsmethoden** wurden auch bei der Erstellung des vorliegenden Jahresabschlusses beibehalten.

2. Erläuterungen zu Bilanz und Gewinn- und Verlustrechnung

2.1 Bilanz

2.1.1. Bilanz - Aktivseite

Anlagevermögen

Die Aufgliederung des Anlagevermögens und seine Entwicklung im Geschäftsjahr ist im Anlagenspiegel angeführt (Beilage zum Anhang). Im Geschäftsjahr 2023 wurde keine außerplanmäßige Abschreibung vorgenommen (Vorjahr: TEUR 0).

In den Grundstücken und Bauten ist ein Verschmelzungsmehrwert in Höhe von TEUR 2.297 (Vorjahr: TEUR 6.350) enthalten.

Investitionszuschüsse zu Grundstücke und Bauten

Die Aufgliederung der Investitionszuschüsse und ihre Entwicklung im Berichtsjahr wird wie folgt dargestellt:

	Stand am 01.01.2023 TEUR	Verbrauch TEUR	Auflösung auf Grund Verkaufs TEUR	Stand am 31.12.2023 TEUR
Investitionszuschuss Adlerhof	2.699	93	2.606	0
	2.699	93	2.606	0

Finanzanlagen

Angabe gem. § 238 Abs 1 Z 4 UGB für Beteiligungen ab 20%:

	Anteil in %	Stichtag	Währung	Eigenkapital per 31.12.	Ergebnis des Geschäftsjahres
CEE PROPERTY-INVEST Immobilien GmbH, Wien	100	31.12.2023	TEUR	986.540*	31.437*
German Property Invest Immobilien GmbH, Wien	89,9	31.12.2023	TEUR	346.121*	197.908*
A.D.I. Immobilien Beteiligungs GmbH, Wien	100	31.12.2023	TEUR	127.717*	-28.637*
S IMMO Group Finance GmbH, Wien	100	31.12.2023	TEUR	313.080	12.972

* noch nicht geprüft

Bei den Finanzanlagen gab es im Jahr 2023 Zugänge in Höhe von TEUR 279.500, welche aus Zuschüssen resultieren.

Typisch stille Beteiligung an der PCC - Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG: Einlage TEUR 3.634 zuzüglich Verschmelzungsmehrwert TEUR 370.

Beteiligungen

Hierunter werden die Kommanditbeteiligung an der BGM – EB-Grundstücksbeteiligungen GmbH & Co KG und die Beteiligung an der ERSTE Immobilien Kapitalanlagegesellschaft m.b.H. ausgewiesen.

Umlaufvermögen

Nachstehend werden die **Forderungen und sonstigen Vermögensgegenstände** wie folgt gegliedert:

	Gesamtbetrag EUR	davon Restlaufzeit bis 1 Jahr EUR	davon Restlaufzeit über 1 Jahr EUR
Forderungen aus Lieferungen und Leistungen	435.352,19	398.107,20	37.244,99
Forderungen gegenüber verbundenen Unternehmen	9.640.157,90	9.640.157,90	0,00
Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht	2.320.435,49	2.320.435,49	0,00
Sonstige Forderungen und Vermögensgegenstände	20.750.145,34	20.673.706,34	76.439,00
	33.146.090,92	33.032.406,93	113.683,99

Nachstehend werden die **Forderungen und sonstigen Vermögensgegenstände** des Vorjahres wie folgt gegliedert:

	Gesamtbetrag	davon Restlaufzeit bis 1 Jahr	davon Restlaufzeit über 1 Jahr
	TEUR	TEUR	TEUR
Forderungen aus Lieferungen und Leistungen	169	141	29
Forderungen gegenüber verbundenen Unternehmen	26.889	26.889	0
Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht	1.959	1.959	0
Sonstige Forderungen und Vermögensgegenstände	11.437	11.066	370
Summe Forderungen	40.454	40.055	399

Forderungen aus Lieferungen und Leistungen

Die Forderungen aus Lieferungen und Leistungen beinhalten offene Mietzinsforderungen und Betriebskostenforderungen. Einzelwertberichtigungen in Höhe von TEUR 108 (Vorjahr: TEUR 99) sind bereits abgezogen.

Forderungen gegenüber verbundenen Unternehmen

Die Forderungen gegenüber verbundenen Unternehmen betreffen Cash-Pool-Forderungen in Höhe von TEUR 1.737 (Vorjahr: TEUR 2.063), Forderungen gegenüber Konzerngesellschaften aus Steuerumlagen in Höhe von TEUR 5.235 (Vorjahr: TEUR 23.554) sowie diverse Weiterverrechnungen in Höhe von TEUR 2.668 (Vorjahr: TEUR 1.272).

Sonstige Forderungen

Die sonstigen Forderungen und Vermögensgegenstände beinhalten mit TEUR 5 (Vorjahr: TEUR 522) Up-Front-Prämien für Zinscaps, die gem. AFRAC-Stellungnahme Nr. 15 „Die unternehmensrechtliche Bilanzierung von Derivaten und Sicherungsinstrumenten“ bilanziert und über die Laufzeit abgeschrieben werden. Weiters umfasst die Position mit TEUR 1.740 (Vorjahr: TEUR 3.031) sonstige Forderungen aus Hausverwaltung, mit TEUR 6.075 (Vorjahr: TEUR 7.004) Forderungen gegenüber dem Finanzamt, mit TEUR 12.000 Forderungen aus einem Immobilienverkauf (Vorjahr: TEUR 0) und mit TEUR 930 (Vorjahr: TEUR 879) sonstige Forderungen.

In den sonstigen Forderungen sind Erträge in Höhe von TEUR 20.369 (Vorjahr: TEUR 10.057) enthalten, die erst nach dem Stichtag zahlungswirksam werden.

2.1.2. Bilanz - Passivseite

Eigenkapital

Das Grundkapital wird mit TEUR 267.458 (Vorjahr: TEUR 267.458) abzüglich eigene Anteile in Höhe von TEUR 11.869 (Vorjahr: TEUR 11.209) ausgewiesen und zerfällt in 73.608.896 Stück auf Inhaber lautende Stückaktien. Die Aktien notieren an der Wiener Börse.

Der Vorstand ist bis 26.11.2025 gemäß § 169 AktG ermächtigt, mit Zustimmung des Aufsichtsrats, das Grundkapital um bis zu EUR 133.728.961,81 durch Ausgabe von bis zu 36.804.448 Stück neuen auf Inhaber lautende Stammaktien der Gesellschaft gegen Bar- oder Sacheinlagen auch in mehreren Tranchen zu erhöhen und den Ausgabebetrag, der nicht unter dem anteiligen Betrag des Grundkapitals liegen darf, sowie die sonstigen Ausgabebedingungen im Einvernehmen mit dem Aufsichtsrat festzusetzen.

Im Geschäftsjahr 2023 wurden 181.740 Stück eigene Aktien zu einem Gesamtpreis von TEUR 2.361 rückgekauft. Somit hält die S IMMO AG per 31.12.2023 3.266.537 Stück (Vorjahr: 3.084.797 Stück) eigene Aktien, die in Übereinstimmung mit den Regelungen des RÄG 2014 vom Grundkapital abgesetzt und durch Umwidmung frei verfügbarer Gewinnrücklagen in einer eigenen Rücklage (TEUR 11.869) erfasst wurden. Der Unterschiedsbetrag wurde mit den Gewinnrücklagen verrechnet. Im Geschäftsjahr wurde die Rücklage für eigene Anteile um TEUR 660 erhöht. Im Geschäftsjahr 2023 wurden keine Aktien aus einem genehmigten Kapital gezeichnet.

Insgesamt unterliegt ein Betrag von TEUR 0 (Vorjahr: TEUR 0) einer Ausschüttungssperre gem. § 235 Abs. 2 UGB.

Der Vorstand wird dem Aufsichtsrat empfehlen, der Hauptversammlung vorzuschlagen, den im Jahresabschluss ausgewiesenen Bilanzgewinn in voller Höhe auf neue Rechnung vorzutragen, um die Mittel zur Stärkung der Bilanz zu verwenden.

Kapitalrücklagen

Die Kapitalrücklage setzt sich zur Gänze aus einer gebundenen Kapitalrücklage zusammen und beträgt TEUR 202.520 (Vorjahr: TEUR 202.520).

Gewinnrücklagen

Im laufenden Jahr haben sich die Gewinnrücklagen wie folgt entwickelt:

	Stand am 01.01.2023 EUR	Veränderung EUR	Stand am 31.12.2023 EUR
Rücklage für eigene Anteile	11.208.609,90	660.352,31	11.868.962,21
freie Rücklagen	32.919.381,15	-2.358.829,47	30.560.551,68
	44.127.991,05	-1.698.477,16	42.429.513,89

Bezüglich der Veränderungen verweisen wir auf die Erläuterungen zum Eigenkapital insbesondere auf den Absatz zum Rückkauf der eigenen Aktien.

Rückstellungen

Die Rückstellungen haben sich im Geschäftsjahr wie folgt entwickelt:

	Stand 01.01.2023 EUR	Verwendung EUR	Auflösung EUR	Zuweisung EUR	Stand 31.12.2023 EUR
Steuerrückstellungen	3.999.329,36	1.530.000,00	2.193.271,36	0,00	276.058,00
davon Rückstellungen für latente Steuern	1.141.594,00	0,00	1.115.536,00	0,00	26.058,00
sonstige Rückstellungen	4.296.510,22	4.009.591,12	67.972,50	4.040.552,13	4.259.498,73
	8.295.839,58	5.539.591,12	2.261.243,86	4.040.552,13	4.535.556,73

Die **sonstigen Rückstellungen** setzen sich folgendermaßen zusammen:

	Stand am 31.12.2023 TEUR	Stand am 31.12.2022 TEUR
Rechts-, Prüfungs-, Beratungs-, Schätz-, Veröffentlichungskosten	483	692
Gebäudeinvestitionen	189	314
Instandhaltung	379	181
Personal	3.208	3.110
	4.259	4.297

Latente Steuern

Im aktuellen Jahr stellt der bilanzierte Rückstellungsbetrag für latente Steuern wieder einen Überhang passiver über aktive latente Steuern dar. Eine Saldierung der aktiven mit den passiven latenten Steuern wird vorgenommen, weil eine Aufrechnung der tatsächlichen Steuererstattungsansprüche mit den tatsächlichen Steuerschulden rechtlich möglich ist.

Die Entwicklung der aktiven und passiven latenten Steuern (vor Aufrechnung der Salden innerhalb der gleichen Steuerjurisdikatur) stellt sich wie folgt dar:

	Unternehmensrecht	Steuerrecht	Temporäre Differenzen	Latente Steuer (Steuersatz 20%)
Aktive latente Steuern				
Kosten der Geldbeschaffung	0	1.806.494	1.806.494	361.299
Übertragungsbetrag Abfertigung	0	44.987	44.987	8.997
Summe Stand 31.12.2023				370.296

	Unternehmensrecht	Steuerrecht	Temporäre Differenzen	Latente Steuer (Steuersatz 20%)
Passive latente Steuern				
Verschmelzungswerte	2.296.840	0	-2.296.840	-459.368
Temporäre Differenzen Buchwerte des Immobilienvermögens	14.410.630	14.725.698	315.068	63.014
Summe Stand 31.12.2023				-396.354

Per 31.12.2023 ergibt sich auf saldierter Basis eine passive Latenz in Höhe von TEUR 26 (Vorjahr: TEUR 1.142). Die Veränderung zum Vorjahr in Höhe von TEUR 1.116 stellt einen latenten Steuerertrag dar. Latente Steuern auf temporäre Differenzen, die sich zwischen dem steuerrechtlichen Wertansatz von Anteilen an verbundenen Unternehmen und Beteiligungen und dem

unternehmensrechtlichen Wertansatz ergeben, werden nur insofern gebildet, als dass die Gesellschaft nicht in der Lage ist, den zeitlichen Verlauf der Auflösung der temporären Differenzen zu steuern, und es nicht wahrscheinlich ist, dass sich die temporären Differenzen in absehbarer Zeit auflösen werden.

	Unternehmensrecht	Steuerrecht	Temporäre Differenzen	Latente Steuer (Steuersatz 23%)
Aktive latente Steuern				
Kosten der Geldbeschaffung	0	2.152.369	2.152.369	495.045
Übertragungsbetrag Abfertigung	0	59.983	59.983	13.796
Summe Stand 31.12.2022				508.841

	Unternehmensrecht	Steuerrecht	Temporäre Differenzen	Latente Steuer (Steuersatz 23%)
Passive latente Steuern				
Verschmelzungswerte	6.349.574	0	-6.349.574	-1.460.402
Temporäre Differenzen Buchwerte des Immobilienvermögens	17.257.999	16.431.768	-826.231	-190.033
Summe Stand 31.12.2022				-1.650.435

Verbindlichkeiten

Anleihen

Die Anleiheverbindlichkeiten zum 31.12.2023 setzen sich folgendermaßen zusammen:

ISIN	Buchwert TEUR	Kupon	Begeben in	Laufzeit bis
AT0000A2MKW4 (Green Bond)	70.449,50	1,75%	2021	04.02.2028
AT0000A2UVR4 (Green Bond)	25.058,50	1,25%	2022	11.01.2027
AT0000A1DBM5	15.890,00	3,25%	2015	09.04.2025
AT0000A1DWK5	34.199,00	3,25%	2015	21.04.2027
AT0000A1Z9D9	100.000,00	1,75%	2018	06.02.2024
AT0000A1Z9C1	50.000,00	2,875%	2018	06.02.2030
AT0000A285H4	150.000,00	1,875%	2019	22.05.2026
AT0000A2AE8	100.000,00	2,00%	2019	15.10.2029
AT0000A35Y85 (Green Bond)	75.000,00	5,50%	2023	12.07.2028
Gesamt	620.597,00			

Sämtliche Anleihenverbindlichkeiten sind endfällig.

Verbindlichkeiten

Die einzelnen Verbindlichkeitsposten zeigen folgendes Bild:

	Restlaufzeit bis zu einem Jahr EUR	Restlaufzeit zwischen einem und fünf Jahren EUR	Restlaufzeit über fünf Jahren EUR	Bilanzwert EUR
Anleihen	100.000.000,00	370.597.000,00	150.000.000,00	620.597.000,00
Verbindlichkeiten gegenüber Kreditinstituten	4.183.937,31	98.385.517,00	15.435.022,07	118.004.476,38
Verbindlichkeiten aus Lieferungen und Leistungen	1.322.396,31	0,00	0,00	1.322.396,31
Verbindlichkeiten gegenüber verbundenen Unternehmen	341.926.331,53	148.724.360,36	895,90	490.651.587,79
sonstige Verbindlichkeiten	14.618.504,13	0,00	1.336.800,68	15.955.304,81
	462.051.169,28	617.706.877,36	166.772.718,65	1.246.530.765,29

Die einzelnen Verbindlichkeitsposten zeigen zum 31.12.2022 folgendes Bild:

	Restlaufzeit bis zu einem Jahr TEUR	Restlaufzeit zwischen einem und fünf Jahren TEUR	Restlaufzeit über fünf Jahren TEUR	Bilanzwert TEUR
Anleihen	0	325.148	220.450	545.597
Verbindlichkeiten gegenüber				
Kreditinstituten	4.713	55.290	72.618	132.621
Verbindlichkeiten aus				
Lieferungen und Leistungen	648	0	0	648
Verbindlichkeiten gegenüber				
verbundenen Unternehmen	294.742	10.899	64	305.706
sonstige Verbindlichkeiten	10.628	0,00	1.794	12.422
	310.731	391.337	294.926	996.994

Verbindlichkeiten gegenüber Kreditinstituten

Vom Gesamtbetrag der Verbindlichkeiten gegenüber Kreditinstituten sind TEUR 118.004 (Vorjahr: TEUR 132.621) dinglich besichert (Grundpfandrecht).

Derivate Finanzinstrumente

DDerivate werden zur Reduzierung des Zinsänderungsrisikos eingesetzt. Zinsänderungsrisiken ergeben sich aufgrund bestehender variabel verzinslicher Finanzierungsverbindlichkeiten. Sicherungsinstrumente werden in der Regel auf die Laufzeit der abzusichernden Zahlungsströme aus den Finanzierungsverbindlichkeiten abgeschlossen, für den Fall, dass Sicherungsinstrumente beispielsweise nicht für die gesamte Laufzeit der Finanzierungsverbindlichkeiten verfügbar sind, kommen auch rollierende Sicherungsstrategien zum Einsatz.

Die Gesellschaft hatte zum Bilanzstichtag Zinsswap- und Zinscap-Verträge abgeschlossen:

	Volumen in TEUR	Marktwert in TEUR
Positive Zinsswaps	298.371	10.065
Positive Zinscaps	10.000	35
	308.371	10.100

Die Gesellschaft hatte zum Bilanzstichtag vom Vorjahr Zinsswap- und Zinscap-Verträge abgeschlossen:

	Volumen in TEUR	Marktwert in TEUR
Positive Zinsswaps	489.000	32.742
Positive Zinscaps	130.000	1.293
	619.000	34.035

Verbindlichkeiten gegenüber verbundenen Unternehmen

Die Verbindlichkeiten gegenüber verbundenen Unternehmen betreffen Verbindlichkeiten aus Cash Pooling in Höhe von TEUR 177.853 (Vorjahr: TEUR 224.769), Verbindlichkeiten aus erhaltenen Darlehen in Höhe von TEUR 302.896 (Vorjahr: TEUR 77.444), Verbindlichkeiten aus Lieferungen und Leistungen in Höhe von TEUR 0 (Vorjahr: TEUR 9), Steuerverbindlichkeiten gegenüber dem Gruppenträger bzw. österreichischen Konzerngesellschaften in Höhe von TEUR 9.803 (Vorjahr: TEUR 3.484) sowie sonstige Verbindlichkeiten in Höhe von TEUR 100 (Vorjahr: TEUR 0).

Sonstige Verbindlichkeiten

Die sonstigen Verbindlichkeiten enthalten mit TEUR 1.337 (Vorjahr: TEUR 1.794) Kautionen, mit TEUR 4.248 (Vorjahr: TEUR 765) Verbindlichkeiten aus Steuern, mit TEUR 104 (Vorjahr: TEUR 116) Verbindlichkeiten aus sozialer Sicherheit, mit TEUR 9.519 (Vorjahr: TEUR 7.603) Verbindlichkeiten aus Anleihezinsen und mit 747 (Vorjahr: TEUR 2.144) übrige Verbindlichkeiten.

In den sonstigen Verbindlichkeiten sind Aufwendungen in Höhe von TEUR 10.410 (Vorjahr TEUR 10.034) enthalten, die erst nach dem Stichtag zahlungswirksam werden.

Rechnungsabgrenzungsposten

Die Position Rechnungsabgrenzungsposten besteht aus dem Agio im Zusammenhang mit der Begebung einer Anleihe in Höhe von EUR 279.466,62 (Vorjahr: TEUR 325) und den passiven Rechnungsabgrenzungen zu den Investitionszuschüssen in Höhe von EUR 342.523,95 (Vorjahr: TEUR 195).

Haftungsverhältnisse und sonstige finanzielle Verpflichtungen

Zum 31.12.2023 bestehen diverse Haftungsverhältnisse. Diese gliedern sich auf in Garantien in Höhe von TEUR 633.640 (Vorjahr: TEUR 326.324), Patronatserklärungen in Höhe von TEUR 146.128 (Vorjahr: TEUR 186.658) für Konzerngesellschaften sowie sonstige Haftungen in Höhe von TEUR 6.110 (Vorjahr: TEUR 235).

Die Gesellschaft hat zudem zu Gunsten einzelner Konzerngesellschaften harte Patronatserklärungen abgegeben, mit denen sie sich verpflichtet hat, diese Gesellschaften ab dem jeweiligen Erklärungsdatum zumeist über mindestens 12 Monate so mit finanziellen Mitteln auszustatten, dass diese jederzeit in der Lage sind, alle Zahlungsverpflichtungen zeitgerecht erfüllen zu können.

2.2 Gewinn- und Verlustrechnung

Die Erstellung der Bilanz sowie der Gewinn- und Verlustrechnung wurde den gesetzlichen Vorschriften entsprechend vorgenommen. Die Gewinn- und Verlustrechnung wurde nach dem Gesamtkostenverfahren erstellt.

Umsatzerlöse

Die Umsatzerlöse setzen sich wie folgt zusammen:

	2023 TEUR	2022 TEUR
Erlöse aus Vermietung	18.742	17.084
Betriebskostenweiterverrechnung	4.791	4.407
Konzerninterne Verrechnungen	5.489	4.385
Diverse	174	192
	29.196	26.068

Die konzerninternen Verrechnungen betreffen Verrechnungen von Dienstleistungen im Zusammenhang mit Asset Management, Projektentwicklung, Cash Management, Finanzierung und sonstigen Leistungen sowie Verwaltungsentgelte bzw. eine Personalüberlassung. Weiters sind in dieser Position Haftungsprovisionen in Zusammenhang mit gewährten Creditsicherheiten für Konzerngesellschaften erfasst.

Die Umsatzerlöse betreffen in Höhe von TEUR 26.950 (Vorjahr: TEUR 23.565) das Inland und in Höhe von TEUR 2.246 (Vorjahr: TEUR 2.503) die Europäische Union..

Sonstige betriebliche Erträge

	2023 TEUR	2022 TEUR
Erträge aus der Auflösung von Rückstellungen	68	427
Erträge aus dem Abgang von Anlagevermögen	45.557	5.159
Diverse	143	406
	45.768	5.992

Aufwendungen für sonstige bezogene Herstellungsleistungen

	2023 TEUR	2022 TEUR
Betriebskosten und laufende öffentliche Abgaben gemäß § 21 Abs 1 und 2 MRG	5.381	4.604
Instandhaltungsaufwendungen	2.799	1.215
	8.180	5.819

Personalaufwand

In den Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen sind Aufwendungen für freiwillige Abfertigungen in Höhe von TEUR 229 (Vorjahr: TEUR 0) und Leistungen an die Mitarbeitervorsorgekasse in Höhe von TEUR 130 (Vorjahr: TEUR 120) enthalten.

Die Bezüge der Mitglieder des Vorstands lassen sich wie folgt aufgliedern:

	2023 TEUR	2022 TEUR
Fix	830	1.077
Variabel	2.319	4.671
davon Auszahlung im laufenden Geschäftsjahr	1.429	3.028
davon Abgrenzung Abgangsschädigung	0	1.000
davon Abgrenzung Prämie 2023/2022	890	643
	3.149	5.748

Neben den oben genannten Beträgen bestanden noch sonstige Bezüge, die im Wesentlichen die Beiträge an Pensionskassen in Höhe von TEUR 44 (Vorjahr: TEUR 114) und die Beiträge an die Mitarbeitervorsorgekasse in Höhe von TEUR 23 (Vorjahr: TEUR 39) enthalten.

Abschreibungen auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen

Die Abschreibungen enthalten neben den planmäßigen Abschreibungen in Höhe von TEUR 4.751 (Vorjahr: TEUR 4.758) auch Vollabschreibungen geringwertiger Wirtschaftsgüter in Höhe von TEUR 20 (Vorjahr: TEUR 9). Der Verbrauch des Investitionszuschusses in Höhe von TEUR 93 (Vorjahr: TEUR 93) ist in den Abschreibungen enthalten.

Sonstige betriebliche Aufwendungen

Die ausgewiesenen **übrigen betrieblichen Aufwendungen** setzen sich folgendermaßen zusammen:

	2023 TEUR	2022 TEUR
Verwaltungskosten	3.189	3.644
Investor Relations und Unternehmenskommunikationskosten	1.031	1.401
Rechts- und Beratungsaufwand	2.937	3.111
Vergütungen an Aufsichtsratsmitglieder	179	246
Aufwendungen für Forderungsausfälle und Dotierung von Wertberichtigungen zu Forderungen	9	0
Diverse	1.813	927
	9.158	9.329

Erträge aus Beteiligungen

Hierunter werden erhaltene Dividenden aus Anteilen an verbundenen Unternehmen in Höhe von TEUR 233.820 (Vorjahr: TEUR 25.000) und aus Beteiligungen in Höhe von TEUR 998 (Vorjahr: TEUR 711) ausgewiesen.

Sonstige Zinsen und ähnliche Erträge

Die sonstigen Zinsen und ähnlichen Erträge betreffen mit TEUR 4.534 (Vorjahr: TEUR 3) Zinserträge aus Bankguthaben, mit TEUR 15.159 (Vorjahr: TEUR 16.744) Erträge aus Derivaten, mit TEUR 59 (Vorjahr: TEUR 73) Zinsen aus dem Cash Pool und mit TEUR 48 (Vorjahr: TEUR 19) Anspruchszinsen für das Körperschaftsteuerguthaben.

Zinsen und ähnliche Aufwendungen

Der Zinsaufwand resultiert mit TEUR 5.484 (Vorjahr: TEUR 1.751) aus Bankzinsen, mit TEUR 21.994 (Vorjahr: TEUR 4.061) aus Darlehen von verbundenen Unternehmen bzw. dem Cash Pool, mit TEUR 13.128 (Vorjahr: TEUR 13.408) aus begebenen Anleihen, mit TEUR 2 (Vorjahr: TEUR 0) aus Nebenkosten für Aktienrückkäufe, mit TEUR 775 (Vorjahr: TEUR 2.780) aus sonstigen Zinsen und ähnlichen Aufwendungen und im Vorjahr mit TEUR 3.678 aus Derivaten.

Steuern vom Einkommen und vom Ertrag

Dieser Posten beinhaltet mit TEUR 9.738 die Gruppenumlage 2023 gegenüber der IMMOFINANZ AG (Vorjahr: Körperschaftsteueraufwand (keine Gruppenumlage) TEUR 16.855), Körperschaftsteuererträge aus Vorperioden in Höhe von TEUR 123 (Vorjahr: Aufwand TEUR 3), sowie Ertrag aus latenten Steuern in Höhe von TEUR 1.116 (Vorjahr: Aufwand TEUR 3.859). Weiters gelangen Erträge aus Steuerumlagen für das aktuelle Jahr und das Vorjahr in Höhe von TEUR 3.829 (Vorjahr: TEUR 23.048) zum Ausweis.

Mindestbesteuerung

Im Dezember 2022 wurde die EU-Richtlinie zur Gewährleistung einer globalen Mindestbesteuerung für multinationale Unternehmensgruppen und große inländische Gruppen in der Union (EU-Richtlinie Nr. 2022/2523 vom 14. Dezember 2022) von den EU-Mitgliedstaaten beschlossen. Die EU-Richtlinie war von den EU-Mitgliedstaaten bis zum 31. Dezember 2023 in nationales Recht mit Wirkung ab 1. Januar 2024 umzusetzen. Die EU-Richtlinie sieht eine zusätzliche Steuer auf Gewinne vor, die mit einem effektiven Steuersatz von weniger als 15% besteuert werden.

In Österreich wurde die EU-Richtlinie mit dem Mindestbesteuerungsreformgesetz BGBl 187/2023 mit Wirkung ab 1. Januar 2024 umgesetzt.

Die in § 198 Abs 10 Z4 UGB neu geregelte, verpflichtend anzuwendende Ausnahme der Bilanzierung von latenten Steueransprüchen und -verbindlichkeiten, die sich aus der Einführung des Mindestbesteuerungsgesetzes ergeben, wurde von der

S IMMO AG angewendet. Laufende Steuern waren mangels Anwendbarkeit zum 31.12.2023 nicht zu erfassen.

Aufgrund der Übernahme der IMMOFINANZ AG und der S IMMO AG durch die CPI Property Group S.A. im Jahr 2022 wird die Umsatzschwelle von EUR 750 Mio. überschritten. Daher unterliegen die S IMMO AG sowie die S IMMO Konzerngesellschaften den Bestimmungen des Mindestbesteuerungsgesetzes. Die CPI Property Group S.A. ist die oberste Muttergesellschaft der S IMMO AG sowie der S IMMO Konzerngesellschaften, wobei die IMMOFINANZ AG die oberste österreichische Muttergesellschaft darstellt.

Die quantitativen Auswirkungen aus der Anwendung des Mindestbesteuerungsgesetzes können derzeit auf Grund der Komplexität der Gesamtstruktur des Konzerns noch nicht verlässlich geschätzt werden.

Aufwendungen für den Abschlussprüfer

Bezüglich der Angabe gemäß § 238 Abs. 1 Z 18 UGB (Aufwendungen für die Abschlussprüfung) wird auf die entsprechende Angabe im Anhang des Konzernabschlusses zum 31.12.2023 verwiesen, der beim Firmenbuch des Handelsgerichts Wien hinterlegt ist.

3. Ergänzende Angaben

Arbeitnehmer

Die Gesellschaft beschäftigte im Jahresdurchschnitt 2 Vorstandsmitglieder, 43 Angestellte und keine Arbeiter (im Vorjahr 3 Vorstandsmitglieder, 49 Angestellte und keine Arbeiter).

Konzernverhältnisse

Die S IMMO AG, Wien, stellt einen Konzernabschluss gemäß § 245a UGB in Übereinstimmung mit den vom International Accounting Standards Board (IASB) formulierten Standards (IFRS und IAS) und Interpretationen (IFRIC und SIC), wie sie in der Europäischen Union (EU) anzuwenden sind, auf. Der Konzernabschluss ist beim Handelsgericht Wien hinterlegt. Ein gesonderter konsolidierter nicht finanzieller Bericht wird erstellt und im Rahmen des Geschäftsberichtes veröffentlicht.

Die S IMMO AG, Wien, stellt den Konzernabschluss für den kleinsten Kreis von Unternehmen auf. Die CPI PROPERTY GROUP S.A. stellt den Konzernabschluss für den größten Kreis von Unternehmen auf. Der Konzernabschluss wird am Unternehmenssitz in Luxemburg veröffentlicht.

Gruppenbesteuerung

Die bisherige steuerliche Unternehmensgruppe gemäß § 9 Abs. 1 KStG mit der S IMMO AG als Gruppenträgerin wurde rückwirkend mit Beginn des Jahres 2023 beendet.

Die Gesellschaft ist nunmehr und mit Wirkung ab Beginn des Jahres 2023 Gruppenmitglied einer steuerlichen Unternehmensgruppe gemäß § 9 Abs. 1 KStG der IMMOFINANZ AG.

Zwischen dem Gruppenträger IMMOFINANZ AG und der S IMMO AG besteht ein Vertrag zur Regelung des Steuerausgleichs. Die S IMMO AG bildet dabei einen eigenen Steuerumlageverrechnungskreis, welcher sich aus der S IMMO AG selbst und den S IMMO Gruppenmitgliedern zusammensetzt.

Die Ermittlung des Steuerausgleichs des Steuerumlagenverrechnungskreises erfolgt demnach nach der Belastungsmethode: weist der Steuerumlagenverrechnungskreis ein positives steuerliches Ergebnis aus, dann ist eine positive Steuerumlage in Höhe von 20% an den Gruppenträger zu entrichten. Im Falle eines negativen steuerlichen Ergebnisses ist dieses mit späteren positiven Ergebnissen des Steuerumlagenverrechnungskreises ohne zeitliche Beschränkung zu verrechnen.

Die Ermittlung des Steuerausgleichs der S IMMO Gruppenmitglieder erfolgt ebenfalls nach der Belastungsmethode: weist ein Gruppenmitglied ein positives steuerliches Ergebnis aus, dann ist eine positive Steuerumlage in Höhe von 24% an die S IMMO AG zu entrichten. Im Falle eines negativen steuerlichen Ergebnisses erhält das inländische Gruppenmitglied keine sofortige Zahlung, vielmehr werden die negativen Ergebnisse als interner Verlustvortrag des jeweiligen Gruppenmitgliedes in Evidenz gehalten und mit zukünftigen positiven Ergebnissen verrechnet.

Nahestehende Unternehmen und Personen

Es bestehen weder heuer noch im Vorjahr Beziehungen mit nahestehenden Personen, welche nicht fremdüblich sind.

Die Organe der Gesellschaft setzten sich wie folgt zusammen:

Vorstand:

- MMag. Holger SCHMIDTMAYR, MRICS (bis 16.06.2023)
- DI Herwig TEUFELSDORFER, MRICS (bis 02.02.2024)
- Radka DOEHRING (seit 17.06.2023)
- Tomáš SALAJKA (seit 03.02.2024)

Aufsichtsrat:

- Martin MATULA, (seit 29.01.2024, Vorsitzender)
- Vladislav JIRKA, PH.D. (seit 29.01.2024, 1. stellvertretender Vorsitzender seit 29.01.2024)
- JUDr. Matej CSENKY (seit 29.01.2024, 2. stellvertretender Vorsitzender seit 29.01.2024)
- Vít URBANEC, M.D. (seit 29.01.2024)
- Andreas FEUERSTEIN (Arbeitnehmervertreter)
- Dr. Karin REST, EMBA (bis 15.01.2024, Vorsitzende bis 15.01.2024)
- Martin NĚMEČEK (bis 29.01.2024, 1. stellvertretender Vorsitzender bis 29.01.2024)
- Dkfm. Ulrich Steffen RITTER (bis 29.01.2024, 2. stellvertretender Vorsitzender bis 29.01.2024)
- John VERPELETI (bis 29.01.2024)
- Mag. Elisabeth WAGERER (Arbeitnehmervertreterin bis 02.02.2024)

Die Aufsichtsratsmitglieder erhielten für das Geschäftsjahr 2023 folgende Vergütungen (inkl. Sitzungsgelder):

Dr. Karin REST, EMBA	EUR 50.000,00
Martin NĚMEČEK	EUR 45.000,00
Dkfm. Ulrich Steffen RITTER	EUR 48.237,97
John VERPELETI	EUR 35.389,49

Vorschüsse, Kredite und Haftungsverhältnisse

Es bestehen keine Vorschüsse, Kredite oder Haftungsverhältnisse an die Mitglieder des Vorstandes bzw. des Aufsichtsrates.

Ereignisse nach dem Bilanzstichtag

Am 15.01.2024 begann ein Aktienrückkauf-Programm, welches voraussichtlich am 31.03.2024 enden wird.

Im Februar 2024 wurde eine Absichtserklärung für den möglichen Ankauf eines Immobilienportfolios in Tschechien von der CPI Property Group S.A. unterzeichnet.

Im März 2024 wurde die Portfoliostrategie angepasst. Im Zentrum steht die schrittweise Portfoliobereinigung allem voran um kleine und mittelgroße Büroimmobilien mit begrenztem Entwicklungspotenzial. Diese strategische Weichenstellung sieht – je nach Marktentwicklung und nur dann, wenn angemessene Preise erzielt werden können – in erster Linie substanzielle Veräußerungen in Kroatien, der Slowakei und Österreich vor und könnte zu einem vollständigen Marktaustritt in Kroatien und der Slowakei führen. In Österreich soll jedenfalls ein relevantes Portfolio bestehen bleiben. Die Erträge aus den Veräußerungen sollen strategiekonform in ertragsstarke Büro- und Gewerbeflächen in der CEE-Region reinvestiert werden. Darüber hinaus wurde das laufende Verkaufsprogramm in Deutschland auf das gesamte deutsche Portfolio ausgeweitet. In diesem Zusammenhang werden Einzel- und Portfolio-Verkäufe ebenso wie ein möglicher kompletter Rückzug aus dem deutschen Markt geprüft.

Weiters wurden im ersten Quartal 2024 drei Liegenschaften der S IMMO AG verkauft.

Wien, am 25.03.2024



Radka Doehring



Tomáš Salajka

Anlagenspiegel zum 31. Dezember 2023

	Anschaffungs-/Herstellungskosten				kumulierte Abschreibungen					Buchwerte		
	Stand	Zugänge	Abgänge	Um-	Stand	Stand	Abschrei-	Abgänge	Stand	Stand	Stand	
	01.01.23 EUR	EUR	EUR	buchungen EUR	31.12.23 EUR	01.01.23 EUR	bungen EUR	EUR	31.12.22 EUR	01.01.23 EUR	31.12.23 EUR	
A. ANLAGE-VERMÖGEN												
I. Immaterielle Vermögensgegenstände												
1. gewerbliche Schutzrechte und ähnliche Rechte und Vorteile und Software	447.283,44	36.307,55	2.611,42	916.382,90	1.397.362,47	366.027,69	142.841,44	1.065,11	507.804,02	81.255,75	889.558,45	
2. geleistete Anzahlungen	402.114,20	514.268,70	0,00	-916.382,90	0,00	0,00	0,00	0,00	0,00	402.114,20	0,00	
	849.397,64	550.576,25	2.611,42	0,00	1.397.362,47	366.027,69	142.841,44	1.065,11	507.804,02	483.369,95	889.558,45	
II. Sachanlagen												
1. Grundstücke und Bauten	211.413.764,38	148.201,97	32.724.417,58	1.028.470,25	179.866.019,02	89.165.297,45	4.512.408,95	12.683.687,72	80.994.018,68	122.248.466,93	98.872.000,34	
davon Grundwert	44.760.709,10	0,00	6.999.037,99	0,00	37.761.671,11	0,00	0,00	0,00	0,00	44.760.709,10	37.761.671,11	
2. andere Anlagen, Betriebs- und Geschäftsausstattung	1.003.378,65	199.198,71	883.065,33	4.999,99	324.512,02	704.641,46	115.581,36	687.254,96	132.967,86	298.737,19	191.544,16	
3. Anlagen in Bau	778.044,14	661.427,71	261.956,01	-1.033.470,24	144.045,60	0,00	0,00	0,00	0,00	778.044,14	144.045,60	
	213.195.187,17	1.008.828,39	33.869.438,92	0,00	180.334.576,64	89.869.938,91	4.627.990,31	13.370.942,68	81.126.986,54	123.325.248,26	99.207.590,10	
III. Finanzanlagen												
1. Anteile an verbundenen Unternehmen	1.253.313.174,92	279.500.000,00	0,00	0,00	1.532.813.174,92	0,00	0,00	0,00	0,00	1.253.313.174,92	1.532.813.174,92	
2. Beteiligungen	3.054.017,60	0,00	0,00	0,00	3.054.017,60	0,00	0,00	0,00	0,00	3.054.017,60	3.054.017,60	
	1.256.367.192,52	279.500.000,00	0,00	0,00	1.535.867.192,52	0,00	0,00	0,00	0,00	1.256.367.192,52	1.535.867.192,52	
SUMME ANLAGENSPIEGEL	1.470.411.777,33	281.059.404,64	33.872.050,34	0,00	1.717.599.131,63	90.235.966,60	4.770.831,75	13.372.007,79	81.634.790,56	1.380.175.810,73	1.635.964.341,07	

Lagebericht für das Geschäftsjahr 2023

Geschäftstätigkeit der S IMMO AG

Die S IMMO AG ist eine international tätige Immobilieninvestment- und entwicklungsgesellschaft mit Sitz in Wien und Notiz an der Wiener Börse. Sie ist zum 31.12.2023 als Konzernleitgesellschaft der S IMMO Gruppe direkt bzw. über Tochterunternehmen indirekt in den Segmenten Österreich, Deutschland, Ungarn, Rumänien, Tschechien, Slowakei und Kroatien tätig. In ihrem Portfolio hält die Gesellschaft unmittelbar bzw. mittelbar über Tochterunternehmen Büro-, Geschäfts- und Wohnflächen sowie Hotels. Das Unternehmen verfolgt das Ziel, den Unternehmenswert im Sinne seiner Aktionäre durch langfristige, ertragsreiche Immobilieninvestments bzw. Immobilienprojektentwicklungen nachhaltig zu steigern. Unter dieser Prämisse entwickelt es das Portfolio beständig weiter und optimiert es durch aktives Asset Management.

Zweigniederlassungen

Der Firmensitz der S IMMO AG ist in Wien. Es bestehen keine Zweigniederlassungen.

Forschung und Entwicklung

Die S IMMO AG betreibt keine Forschung und Entwicklung.

Geschäftsverlauf

Der Geschäftsverlauf 2023 war vor allem von nach wie vor hohen Zinsen und hoher Inflation und unternehmensintern vom Verkauf von drei Liegenschaften in Wien geprägt. Aufgrund eines umsichtigen Bestandsmanagements konnten die Auswirkungen der aktuell schwierigen wirtschaftlichen Rahmenbedingungen auf die von der S IMMO AG gehaltenen Liegenschaften eingedämmt werden.

Die Umsatzerlöse im Geschäftsjahr lagen mit TEUR 29.196 über dem Vorjahr (2022: TEUR 26.068), was im Wesentlichen auf gestiegene Mieterlöse zurückzuführen ist.

Die sonstigen betrieblichen Erträge des Geschäftsjahres 2023 sind vor allem durch den Verkauf von drei Liegenschaften in Wien geprägt, welche sich mit einem Nettobeitrag von rd. TEUR 45.557 in den sonstigen betrieblichen Erträgen niederschlug.

Gegenläufig zu den Umsatzerlösen stiegen die Aufwendungen für bezogene Leistungen auf TEUR 8.180 (2022: TEUR 5.819); die Personalaufwendungen sind nach Einmaleffekten im Vorjahr wieder etwas gesunken (2023: TEUR 11.730, 2022: TEUR 12.932).

Die sonstigen betrieblichen Aufwendungen betragen TEUR 9.158 (2022: TEUR 9.329) und lagen damit etwas unter dem Niveau des Vorjahres. Insgesamt ergab sich damit ein Betriebsergebnis von TEUR 41.126 (2022: TEUR -787).

Das Finanzergebnis war geprägt von sehr hohen Beteiligungserträgen (2023: TEUR 234.818, 2022: TEUR 25.711), einer Verbesserung der Position „sonstige Zinsen und ähnliche Erträge“ (2023: TEUR 19.800, 2022: TEUR 16.839), welche v. a. aus Zinserträgen aus Zinsderivaten resultierte, sowie aus einer Veränderung der Position „Zinsen und ähnliche Aufwendungen“ (2023: TEUR -41.383, 2022: TEUR -25.678). Das Finanzergebnis war insgesamt äußerst positiv und belief sich auf TEUR 213.235 (2022: TEUR 16.872).

Insgesamt ergab sich für das Geschäftsjahr ein Jahresüberschuss von TEUR 249.691 (2022: TEUR 18.416).

Anstieg von Bilanzsumme und Liquiditätsreserve

Sowohl die Bilanzsumme (31.12.2023: 2.051.918, 31.12.2022: TEUR 1.588.707) als auch die Position „Kassenbestand, Guthaben bei Kreditinstituten“ (31.12.2023: TEUR 381.910; 31.12.2022: TEUR 137.524) der Gesellschaft haben sich im Geschäftsjahr erhöht. Im Juli 2023 wurde eine Anleihe mit einem Nominale von EUR 75 Mio., einem Kupon von 5,5 % und einer 5-jährigen Laufzeit begeben. Weiters wurden drei Liegenschaften in Wien verkauft.

Das Eigenkapital belief sich zum 31.12.2023 auf TEUR 800.229 (31.12.2022: TEUR 552.898). Die Eigenkapitalquote lag zum Stichtag 31.12.2023 mit rund 39 % (31.12.2022: 35,5%) über dem Vorjahresniveau.

Die Verbindlichkeiten aus Anleihen erhöhten sich von TEUR 545.597 auf TEUR 620.597, die Verbindlichkeiten gegenüber Kreditinstituten haben sich von TEUR 132.621 per 31.12.2022 auf TEUR 118.004 verringert.

Voraussichtliche Entwicklung

Die Auswirkungen sowohl der Ukraine-Krise und als auch der Inflations- und Zinsentwicklungen, die sich sowohl im Bereich der von der S IMMO AG gehaltenen Immobilien als auch in den Konzerngesellschaften mit Auswirkung auf die S IMMO AG als Konzernmuttergesellschaft manifestieren können, sind aus heutiger Sicht in ihrer konkreten Gesamtauswirkung schwer zu prognostizieren.

Im Geschäftsjahr 2022 hat die S IMMO Gruppe einen Strategiewechsel beschlossen, der v.a. die Veräußerung deutscher Wohnimmobilien und der Reinvestition in Büroimmobilien in anderen Kernmärkten, v.a. in Österreich und CEE, vorsieht. Darüber hinaus wurde Anfang 2023 das aktuelle Verkaufsprogramm von Wohnimmobilien um deutsche Gewerbeimmobilien außerhalb von Berlin erweitert.

Im Geschäftsjahr 2023 wurden diese freien Mittel in Ankäufe von Büro und Gewerbeimmobilien von der CPI Property Group und der IMMOFINANZ AG investiert, was die Ertragskraft der Gruppe im Immobilienkerngeschäft stärken wird. Die S IMMO bleibt als Bestandhalterin eines hochqualitativen Immobilienportfolios mit Fokus auf Büroimmobilien in Hauptstädten der Europäischen Union positioniert und baut weiterhin auf ein sehr solides und ausgewogenes Finanzierungsprofil. Zeitgleich gewinnt die S IMMO als Teil der CPI Property Group einen starken strategischen Finanzpartner. Ziel ist es, von der langjährigen hervorragenden Etablierung und den jeweiligen Stärken der S IMMO sowie der CPI Property Group S.A. und der IMMOFINANZ AG zu profitieren.

Im März 2024 wurde die Portfoliostrategie angepasst. Im Zentrum steht die schrittweise Portfoliobereinigung allem voran um kleine und mittelgroße Büroimmobilien mit begrenztem Entwicklungspotenzial. Diese strategische Weichenstellung sieht – je nach Marktentwicklung und nur dann, wenn angemessene Preise erzielt werden können – in erster Linie substanzielle Veräußerungen in Kroatien, der Slowakei und Österreich vor und könnte zu einem vollständigen Marktaustritt in Kroatien und der Slowakei führen. In Österreich soll jedenfalls ein relevantes Portfolio bestehen bleiben. Die Erträge aus den Veräußerungen sollen strategiekonform in ertragsstarke Büro- und Gewerbeflächen in der CEE-Region reinvestiert werden. Darüber hinaus wurde das laufende Verkaufsprogramm in Deutschland auf das gesamte deutsche Portfolio ausgeweitet. In diesem Zusammenhang werden Einzel- und Portfolio-Verkäufe ebenso wie ein möglicher kompletter Rückzug aus dem deutschen Markt geprüft.

Risikomanagement

Als Konzernmuttergesellschaft eines international tätigen Immobilienkonzerns ist die S IMMO AG mit einer Vielzahl von Chancen und Risiken konfrontiert, die auf die operative Geschäfts-

tätigkeit, die Entscheidungsprozesse sowie auf die strategische Unternehmensführung Einfluss haben. Durch die Identifizierung, Analyse, Steuerung und Überwachung der Chancen und Risiken versucht die Gruppe, sowohl Potenziale zeitnah zu erkennen als auch negative Entwicklungen und potenzielle Risikofaktoren rechtzeitig zu identifizieren, deren Ursache zu verstehen und diese so weit als möglich zu minimieren. Dennoch kann das Eintreten von Risiken nicht ausgeschlossen werden. Die S IMMO beschäftigt sich mit langfristigen Immobilien-Investitionen in Form von An- und Verkauf von Immobilien, Projektentwicklung, Vermietung, Asset Management, Revitalisierung und Sanierung von Gebäuden und dem Betrieb von Hotels und Einkaufszentren. Die Immobilien befinden sich in den Hauptstädten und größeren Städten in Österreich, Deutschland, Ungarn, Tschechien sowie in weiteren CEE-Ländern. Im Portfolio befinden sich vorwiegend Büros, aber auch Einkaufszentren, Hotels und Wohnimmobilien. In den vergangenen Monaten beschäftigte sich die S IMMO damit, Wohnimmobilien in Deutschland sowie Gewerbeimmobilien außerhalb von Berlin zu veräußern. Die daraus gewonnenen liquiden Mittel wurden in Büro- sowie Retailimmobilien in CEE und Österreich reinvestiert.

Die S IMMO betreibt Risikoidentifikation, Risikosteuerung, Risikobewertung und Risikobewältigung auf Basis eines Standardrisikokatalogs in enger Abstimmung mit Risikoeigner:innen in allen Segmenten und auf Holdingebene. Auf dieser Basis erfolgt eine gruppenweit idente, formalisierte und in eine quantitativ einheitliche Bewertungslogik verschränkte Dokumentation der Entscheidungen hinsichtlich des Risikoappetits für jede einzelne Position des Standardrisikokatalogs, wobei über eine Aggregationsfunktion die Risikopositionen der Gesellschaft je Segment und auf Holdingebene dargestellt werden. Die Basis der Risikoidentifikation liegt bei den jeweiligen Risikoeigner:innen und stellt so eine umfassende Bottom-up-Information des Vorstands sicher. Auf Konzernebene wird das zentrale Risikomanagement von einem Risikomanager gesteuert. Die Person fungiert auch als Risikokoordinator und berichtet regelmäßig an den Gesamtvorstand.

Das Risikomanagement der S IMMO umfasst neben internen Richtlinien und Regelungen laufende Berichte im Rahmen von regelmäßigen Jours fixes an den Gesamtvorstand. Weiters existieren Kontrollmaßnahmen, die in der Gruppe implementiert sind und der Früherkennung, Steuerung sowie Überwachung von Risiken dienen. Der Vorstand trifft die wesentlichen risikorelevanten Entscheidungen. Investitions- und Deinvestitionsvorhaben unterliegen ab einer bestimmten Wertgrenze zusätzlich der Genehmigung durch den Aufsichtsrat. Der Aufsichtsrat wird über die aktuelle Risikoeinschätzung, mögliche Risiken sowie über das Interne Kontrollsystem regelmäßig im Zuge der mindestens zweimal jährlich stattfindenden Prüfungsausschusssitzungen informiert.

Die in diesem Abschnitt dargestellten Risikogruppen wurden und werden sowohl rückblickend für das Geschäftsjahr 2023 als auch im Hinblick auf die Geschäftstätigkeit 2024 regelmäßig analysiert und bewertet.

Das Geschäftsjahr 2023 war nach wie vor von einer Reihe an geopolitischen und gesamtwirtschaftlichen Ereignissen geprägt. Die Weltwirtschaft hat auf Grund sinkender Energiepreise. Anzeichen einer ersten Beruhigung gezeigt, der Arbeitsmarkt hat sich in den wesentlichen Wirtschaftsnationen stabilisiert, dennoch bleibt der Aufschwung schwach und die Prognosen für 2024 sind verhalten. Die weiterhin hohe Inflation und die infolgedessen straffe Geldpolitik, der anhaltende Krieg in der Ukraine sowie die zahlreichen Konfliktherde im Nahen Osten beeinträchtigen das globale Wirtschaftsgeschehen sowie die internationalen Immobilienmärkte.

Für das Geschäftsjahr 2024 wird entscheidend sein, ob die straffe Geldpolitik ihre Wirkung zeigt und die Inflation in Richtung der angestrebten 2 % sinkt, ohne dass dadurch zu stark die Konjunktur abgewürgt wird. Expert:innen rechnen mit einer ersten Zinssenkung im Sommer, gefolgt von zwei weiteren Zinssenkungsschritten noch in diesem Jahr, in Abhängigkeit von der Inflations- und Wirtschaftsentwicklung. Nachdem branchenspezifische Faktoren wie stark gestiegene Baukosten, hohe Zinskosten und eine restriktivere Kreditvergabepolitik der Banken in den letzten Monaten für zusätzliche negative Effekte in der Immobilienbranche sorgten und zahlreiche Insolvenzen zur Folge hatten, würde eine Lockerung der Geldpolitik und damit verbunden eine deutliche Senkung der Zinsen zu einer leichten Beruhigung am Immobilienmarkt führen.

Viele der genannten Unsicherheiten liegen außerhalb des Einflussbereichs des Unternehmens und machen eine zuverlässige mittel- bis langfristige Planung sehr schwierig. Die S IMMO besitzt jedoch ein im Rahmen einer konservativen und konsequenten Investitionspolitik aufgebautes Immobilienportfolio in sehr guten Lagen. Das Management geht grundsätzlich davon aus, mit seiner Strategie die kommenden Herausforderungen gut bewältigen und potenzielle Chancen ergreifen zu können.

Internes Kontrollsystem

Für alle wesentlichen Geschäftsprozesse besteht ein Internes Kontrollsystem (IKS). Dabei wird unter anderem die Zuverlässigkeit der Finanzberichterstattung überwacht und kontrolliert. Das IKS bildet gemeinsam mit der Internen Revision und der (börsenrechtlichen) Compliance das interne Überwachungssystem der S IMMO Gruppe. Wesentliche Kernprozesse – insbesondere auch jene der Konzernrechnungslegung – sind in der internen Prozessdatenbank erfasst. Diese beinhaltet eine Risiko-Kontroll-Matrix, in der die Abläufe, potenzielle Einzelrisiken und die zugeordneten Kontrollschritte definiert sind.

Wesentliche Merkmale des rechnungslegungsbezogenen IKS sind:

- Klare Funktionstrennung zwischen den Bereichen Finanz- und Rechnungswesen sowie anderen Verantwortungsbereichen (z.B. Treasury)
- Richtlinien zur Anwendung einheitlicher Bilanzierungs- und Bewertungsmethoden im Konzernabschluss
- Beurteilung jener Risiken, die zu einer wesentlichen Fehldarstellung von Transaktionen führen können (z.B. inkorrekte Zuordnung zu Bilanz- und GuV-Positionen)
- Entsprechende Kontrollroutinen bei der Erstellung des Konzernabschlusses
- Berichte an interne Adressaten (Vorstand und Aufsichtsrat) umfassen unter anderem Quartals-, Segment- und Liquiditätsberichte sowie im Bedarfsfall einzelne anlassbezogene Analysen.
- Der Prozess der Konzernabschlusserstellung sieht vor, dass die jeweiligen Buchhaltungen der Einzelgesellschaften zu jedem Stichtag Reporting-Packages auf Basis des konzernweiten Accounting-Manuals erstellen und an das Headquarter zur weiteren Verarbeitung übermitteln. Hierbei bedienen sich die Tochterunternehmen externer Serviceprovider oder lokaler Managementgesellschaften der CPI Property Group S.A., welche im Auftrag und unter der Verantwortung der jeweiligen Geschäftsführung die Berichtspakete erstellen. Im Rahmen der prozessbezogenen Kontrolltätigkeiten finden durch das Konzernrechnungswesen regelmäßige Überprüfungen der Vollständigkeit und Richtigkeit der gemeldeten Daten statt. Ebenso werden diverse Abweichungsanalysen in laufender Abstimmung mit dem Vorstand durchgeführt. Dabei werden unter anderem die Daten aller Konzerngesellschaften im Headquarter zusammen mit den Fachabteilungen (z.B. Asset Management und Steuern) unter Einbeziehung der Buchhaltungen der Einzelgesellschaften überprüft. Im Rahmen der Konzernabschlusserstellung bedient sich das Konzernrechnungswesen einer validierten Konsolidierungssoftware. Die Funktionsfähigkeit des Risikomanagements wird mittels kritischer Eigeneinschätzung durch die Gruppe, aber auch auf freiwilliger Basis jährlich vom Konzernabschlussprüfer gemäß den Anforderungen der C-Regel Nr. 83 des Österreichischen Corporate Governance Kodex (ÖCGK) beurteilt. Das Ergebnis dieser Prüfung wird dem Vorstand, dem Aufsichtsrat und dem Prüfungsausschuss zur Kenntnis gebracht.

Interne Revision

Die Interne Revision der S IMMO AG koordiniert Prüfungen wesentlicher Geschäftsprozesse der Konzern-Muttergesellschaft bzw. ihrer in- und ausländischen Tochtergesellschaften hinsichtlich deren Funktionsfähigkeit, bestehender Risiken und Kontrollschwächen sowie möglicher Effizienzverbesserungspotenziale.

Die Grundlage für die in mehrjährigen Zyklen stattfindenden Revisionsprüfungen bildet der vom Vorstand und Aufsichtsrat genehmigte Jahresrevisionsplan. Zusätzlich werden im Bedarfsfall Sonderprüfungen beauftragt. Mit der Durchführung der Revisi-

onsprüfungen werden externe Expert:innen beauftragt. Die Ergebnisse der Prüfungen werden an den Vorstand sowie den Prüfungsausschuss des Aufsichtsrats berichtet.

Risikoübersicht

Unternehmensstrategische Risiken	Immobilien spezifische Risiken	Finanzielle Risiken	ESG-Risiken	Sonstige Risiken
<ul style="list-style-type: none"> • Umfeld- und Branchenrisiken • Strategische Risiken • Investitionsrisiken • Kapitalmarktrisiken 	<ul style="list-style-type: none"> • Immobilienportfoliorisiken • Vermietungs- und Mietausfallrisiken • Immobilienentwicklungsrisiken • Bautechnische Risiken • Immobilienbewertungsrisiken 	<ul style="list-style-type: none"> • Liquiditätsrisiken • Zinsänderungsrisiken • Finanzierungsrisiken • Kreditrisiken • Fremdwährungsrisiken 	<ul style="list-style-type: none"> • Umweltrisiken • Soziale Risiken • Governance-Risiken 	<ul style="list-style-type: none"> • Generelle externe Risiken • Rechtsrisiken • Sonstige operationale Risiken

Erläuterung der Einzelrisiken

Unternehmensstrategische Risiken

Umfeld- und Branchenrisiken

Die Entwicklung einer Branche ist stark von äußeren Faktoren wie Konjunktur, technologischen oder politisch-rechtlichen Rahmenbedingungen abhängig. Da sich das wirtschaftliche Umfeld laufend ändert, sind die sich daraus ergebenden Risiken nur schwer prognostizierbar. Eine Verschlechterung der wirtschaftlichen Situation in einem Markt kann die Kauf- und Verkaufspreise, den Wert einer Immobilie und deren Rendite beeinflussen. Darüber hinaus kann es zu Mietreduktionen, Mietausfällen, zur Kündigung von Mietverträgen durch Mieter:innen oder Verringerung des Flächenbedarfs durch hybride Arbeitskonzepte kommen. Sorgfältiges Asset Management und ständiges Monitoring tragen zur Reduktion der beschriebenen Risiken bei.

Ein gesamtwirtschaftlicher Überblick sowie eine Einschätzung der Entwicklung der für die S IMMO relevanten Immobilienmärkte sind im Wirtschaftsbericht dargestellt. Grundsätzlich kann davon ausgegangen werden, dass Immobilienmärkte auch in den kommenden Monaten noch von den hohen Zinsen, der restriktiven Kreditvergabepolitik und den unverändert hohen Baukosten beeinflusst werden. Diesen Risiken begegnet die S IMMO mit einem krisenerprobten Geschäftsmodell und einem hochwertigen Immobilienportfolio in ausgezeichneten Lagen.

Strategische Risiken

Strategische Risiken sind eng mit der Geschäftsstrategie der S IMMO verbunden und können diese gegebenenfalls stark beeinflussen. Zu den strategischen Risiken zählen beispielsweise das Planungsrisiko, also das Risiko, das sich aus der Inkonsistenz zwischen den strategischen Zielen, der Geschäftsstrategie, den zur Verfügung stehenden Ressourcen und der jeweiligen Marktsituation ergibt.

Investitionsrisiken

Die S IMMO ist sowohl bei Investitionen in Immobilienentwicklungsprojekte als auch bei Immobilienzuleufen Risiken ausgesetzt. Diese werden oft durch Faktoren verursacht, die außerhalb des Wirkungsbereichs der Gruppe liegen, wie beispielsweise Verzögerungen bei der Fertigstellung von Immobilienprojekten oder die nachträgliche Verschlechterung der lokalen wirtschaftlichen Lage. Daher zielt die Unternehmensstrategie darauf ab, durch sorgsame Auswahl, Planung und Ausführung der Immobilienprojekte bzw. der Immobilienzuleufe potenzielle Investitionsrisiken zu reduzieren. Es sind Limits festgelegt, ab welchem Investitionsvolumen eine Genehmigung durch den Aufsichtsrat erforderlich ist. Dennoch verbleibt bei jeder Investition immer ein Restinvestitionsrisiko, das sich beispielsweise auf Cashflows und Bewertungen negativ auswirken kann.

Auf Grund der makroökonomischen Rahmenbedingungen können im Ankaufsprozess vereinbarte Transaktionswerte nach Abschluss der Transaktion in den nachfolgenden Bewertungen unter Druck kommen und die Wirtschaftlichkeit des geplanten Ankaufs reduzieren bzw. sich in weiterer Folge auch negativ auf den Transaktionswert im Zuge eines etwaigen Verkaufs auswirken.

Kapitalmarktrisiken

Die S IMMO ist mit Aktien und Anleihen an der Wiener Börse notiert und die Finanzierung am Kapitalmarkt von entsprechender Bedeutung. Ereignisse und Sachverhalte wie instabile Kapitalmärkte, Unsicherheiten auf Grund von politischen Geschehnissen wie dem Krieg in der Ukraine oder dem Nahostkonflikt, der starke Zinsanstieg in den letzten Monaten, ein schwieriges wirtschaftliches Umfeld etc. können die Finanzierungsmöglichkeiten der Gruppe beeinträchtigen. Durch transparente und ver-

lässliche Informationen soll den Anleger:innen eine fundierte Entscheidungsgrundlage geboten und das Vertrauen des Kapitalmarkts in die von der S IMMO emittierten Wertpapiere gestärkt werden.

Immobilienpezifische Risiken

Die S IMMO unterliegt allen Risiken, die mit dem Kauf, der Entwicklung, der Bewirtschaftung und dem Verkauf von Immobilien zusammenhängen.

Immobilienportfoliorisiken

Die S IMMO besitzt ein ertrags- und cashflowstarkes Immobilienportfolio, das sich zu 100 % in der Europäischen Union befindet. Das Portfolio setzt sich vorwiegend aus Büros, aber auch Einkaufszentren, Hotels und Wohnimmobilien zusammen. Der Wert einer Immobilie hängt zu einem beträchtlichen Teil von ihrem Standort, der beabsichtigten Nutzung sowie dem technischen Standard ab. Die Attraktivität des Standorts, die mögliche Nutzung der Objekte sowie die ESG-Konformität der Objekte können daher die finanzielle Lage der S IMMO erheblich beeinflussen. Die langfristige Wertschöpfung, die im Geschäftsmodell der S IMMO verankert ist, hat sich auch in Krisenzeiten als sehr robust erwiesen.

Vermietungs- und Mietausfallrisiken

Das Vermietungsrisiko ist stark mit der allgemeinen wirtschaftlichen Lage in den verschiedenen Märkten verknüpft und damit auch mit entsprechenden Planungsunsicherheiten behaftet. Grundsätzlich besteht immer ein gewisses Vermietungsrisiko auf Grund der unterschiedlichen politischen und wirtschaftlichen Entwicklung der einzelnen Märkte – auch bei Vertragsverlängerungen. Die Konkurrenzsituation kann sich ebenfalls auf den Vermietungsgrad bzw. auf Vertragsverlängerungen auswirken. Der Wettbewerb zwischen den Eigentümer:innen um namhafte, attraktive Mieter:innen besteht immer. Je nach wirtschaftlicher Entwicklung in den unterschiedlichen Märkten, in denen die S IMMO tätig ist, können die Mieten unter Druck kommen. Dies kann dazu führen, dass Mietpreise akzeptiert werden müssen, die niedriger sind als ursprünglich prognostiziert. Außerdem unterliegt die S IMMO dem Mietausfallrisiko. Ist die Gruppe nicht in der Lage, auslaufende Mietverträge zu vorteilhaften Konditionen zu verlängern oder geeignete kreditwürdige Mieter:innen zu finden, die bereit sind, längerfristige Mietverhältnisse einzugehen, beeinträchtigt dies den Marktwert der betreffenden Immobilien. Darüber hinaus kann es zu langen Leerständen kommen. Besonders in Zeiten wirtschaftlicher und politischer Unsicherheiten kann die S IMMO dazu gezwungen sein, Mietenkungen zu akzeptieren, um den Vermietungsgrad aufrechtzuerhalten. Die Bonität von Mieter:innen, insbesondere während eines wirtschaftlichen Abschwungs, kann kurz- oder mittelfristig sinken. Darüber hinaus kann das Risiko entstehen, dass Mieter:innen insolvent werden oder sonst außerstande sind, ihren Zahlungspflichten aus dem Mietvertrag nachzukommen.

Trends wie New Work (Vier-Tage-Woche, hybride Arbeitsmodelle, Open-Space-Büros) haben in den letzten Quartalen das Arbeitsumfeld in Büros verändert, was in weiterer Folge zu einem Sinken des Büroflächenbedarfs bei Mieter:innen führen kann. Generell kann es in Zeiten wirtschaftlichen Abschwungs und steigender Mietbelastungen für Mieter:innen auf Grund von Inflation – auch unabhängig von neuen Arbeitsmodellen – zum Wunsch nach Flächen- oder Mietreduktionen kommen. Auch können sich dadurch Umzüge und Neuanmietungen reduzieren, da abgewartet wird, bis sich die wirtschaftliche Lage wieder entspannt. Durch aktives Asset Management und einem laufenden Austausch mit ihren Mieter:innen versucht die S IMMO, diesen Tendenzen entgegenzuwirken.

Immobilienentwicklungsrisiken

Im Bereich von Immobilienentwicklungen können Risiken im Zusammenhang mit Verzögerungen bei der Erlangung von behördlichen Genehmigungen, Errichtungsdauer, Baukostenüberschreitungen, (Bau-)Qualitätsmängeln oder der Vermietung entstehen. Diesen Risiken begegnet die S IMMO mit regelmäßigen Qualitäts-, Kosten- und Terminkontrollen sowie Abweichungsanalysen.

Bedingt durch die Baukostensteigerungen und den hohen Zinsen kommt es aktuell zu Verzögerungen und Verschiebungen von Baustarts. Ebenfalls kann sich die Wirtschaftlichkeit der Projektrechnungen verschlechtern. Durch die konservative Entwicklungsstrategie der S IMMO und das damit verbundene Abwarten bis zur Entspannung der Baupreise und der Reduktion der Finanzierungskosten ist die S IMMO in diesem Bereich kaum Risiken ausgesetzt. Derzeit hat die S IMMO keine Entwicklungsprojekte in Bau, weswegen die Entwicklungsrisiken gering sind.

Bautechnische Risiken

Unter dem bautechnischen Risiko versteht man einerseits das Risiko auftretender Schäden an neu errichteten Objekten und Bestandsobjekten, welches die S IMMO durch branchenübliche Bauverträge mit erfahrenen Baufirmen, Gewährleistungsfristen und -garantien reduziert. Um Risiken in diesem Bereich in Grenzen zu halten, werden eingehende Prüfungen vor Ablauf der Gewährleistungsfristen veranlasst, um mögliche Schäden noch auf Kosten der Bauunternehmen zu beheben. Zur Absicherung gegen klassische Schäden bei Bestandsgebäuden wie Feuer oder Wasser schließt die S IMMO marktübliche Versicherungen ab. Gleichzeitig steigen Reparaturaufwendungen mit dem Lebensalter der Bestandsgebäude, wesentliche Anlagen müssen nach Ablauf der Nutzungsdauer getauscht werden. Durch aktives Asset Management und laufende Wartungen sowie sinnvolle Instandhaltungs- und Instandsetzungsmaßnahmen ist die S IMMO stets bestrebt, größere negative Auswirkungen zu vermeiden.

Immobilienbewertungsrisiken

Die Immobilienbewertung hängt von verschiedenen makroökonomischen Gegebenheiten – außerhalb des Einflussbereichs der Gruppe – und immobilien-spezifischen Faktoren ab. Das Immobilienbewertungsrisiko beschreibt in diesem Zusammenhang das Risiko von negativen Wertschwankungen des Immobilienportfolios. Neben den erwarteten Mieteinnahmen, dem technischen Zustand des Objekts und dem Vermietungsgrad berücksichtigen Immobiliensachverständige auch andere Faktoren wie beispielsweise Steuern auf Grund und Boden, nicht umlegbare Betriebskosten, Ansprüche Dritter auf Basis von Umweltrisiken oder mit bestimmten Baumaterialien verbundene Risiken. Jede Wertänderung einer Immobilie kann den Bilanzgewinn oder -verlust und in weiterer Folge das Eigenkapital und somit auch den Börsenkurs und die Kreditwürdigkeit der Gruppe beeinflussen. Die Gruppe bilanziert die als Finanzinvestition gehaltenen Immobilien zum Verkehrswert, wobei die Immobilien üblicherweise ein- bis zweimal im Jahr von externen Gutachter:innen bewertet werden. Im aktuellen wirtschaftlichen Umfeld beeinflussen die inflationsbedingt gestiegenen Kosten und die stark gestiegenen Zinsen die Immobilienbewertungsergebnisse negativ.

Finanzielle Risiken

Die Steuerung von finanziellen Risiken beinhaltet für die S IMMO Gruppe vor allem die Berücksichtigung von Liquiditäts-, Zinsänderungs-, Finanzierungs-, Kredit- und Währungsrisiken.

Liquiditätsrisiken

Zur Sicherstellung der Liquidität werden die Zahlungsströme der S IMMO Gruppe laufend unter Einbeziehung der Fachabteilungen evaluiert, um frühzeitig liquiditätssichernde/-stärkende Maßnahmen ergreifen zu können. Die Gruppe verfügt über fluktuierende Bestände liquider Mittel, die sie nach den jeweiligen operativen und strategischen Erfordernissen und Zielen veranlagt. Weiters tätigt sie Absicherungsgeschäfte, insbesondere um sich gegen Zinsänderungen und die damit verbundenen Schwankungen ihrer Finanzierungskosten abzusichern. Solche Absicherungsgeschäfte könnten sich als ineffizient oder ungeeignet herausstellen, um die angestrebten Ziele zu erreichen, sowie zu ergebniswirksamen Verlusten führen. Darüber hinaus ist die Gruppe dem Risiko ausgesetzt, dass ihre Vertragspartner:innen die Verpflichtungen aus den Absicherungs- oder Veranlagungsgeschäften nicht vereinbarungsgemäß erfüllen (Kontrahentenrisiko). Diesem Risiko begegnet die S IMMO Gruppe, indem sie Veranlagungs- und Absicherungsgeschäfte nur bei namhaften Banken mit guter Bonität abschließt. Im Falle einer Verschärfung der Eigenkapital- und Liquiditätsvorschriften für Banken und daraus resultierender restriktiverer Kreditvergabe sowie reduzierter Beleihungshöhen kann es zu Schwierigkeiten bei Refinanzierungen kommen. Die S IMMO kann davon trotz überwiegend langfristig abgeschlossener Kreditverträge hauptsächlich bei Kreditverlängerungen und Refinanzierungen betroffen sein (siehe auch Finanzierungsrisiko). Das Risiko kann

primär auftreten, wenn es bei Kreditverlängerungen oder Refinanzierungen zu Verzögerungen kommt, oder diese in einer geringeren Höhe als erwartet erfolgen. Würde es der S IMMO nicht der nicht zeitgerecht gelingen, geeignete und angemessene Fremdkapitalfinanzierungen für Projektentwicklungen und Akquisitionen oder die Refinanzierung auslaufender Fremdkapitalfinanzierungen in Anspruch zu nehmen, könnte dies die Fähigkeit, ihren Verpflichtungen aus Projektentwicklungsverträgen oder Akquisitionsprojekten nachzukommen, erheblich beeinträchtigen. Weiters besteht das Risiko, Anleihen nicht zurückzahlen zu können. Eine aus mangelnder Verfügbarkeit freier Liquidität resultierende Unfähigkeit, den Verpflichtungen aus bereits bestehenden Finanzierungsverträgen und Teilschuldverschreibungen nachzukommen, kann einen wesentlich nachteiligen Einfluss auf die Vermögens-, Finanz- und Ertragslage der Gruppe haben und die Bonität dieser beeinträchtigen.

Zinsänderungsrisiken

Der weitaus überwiegende Teil der Finanzierungsverträge der S IMMO Gruppe sieht einen variablen Zinssatz basierend auf dem Drei-Monats-EURIBOR als Referenz-Zinssatz vor, wodurch das Risiko eines sich ändernden Zinsniveaus besteht. Die Kosten des Zinsdienstes erhöhen sich bei Anstieg des jeweiligen Referenz-Zinssatzes. Seit Ende Dezember 2021 kam es zu einem Anstieg des Drei-Monats-EURIBOR von -0,57 % auf 3,9 % Ende Dezember 2023, angetrieben durch mehrere Erhöhungen des Leitzinses der EZB infolge der Bekämpfung der stark gestiegenen Inflation im Euroraum. Für das erste Halbjahr 2024 wird weiterhin ein hohes Zinsniveau erwartet. Eine erste Leitzinssenkung wäre Anfang Juni 2024 denkbar. Weitere Zinssenkungsschritte könnten bis Jahresende folgen – in Abhängigkeit von der Inflations- und Wirtschaftsentwicklung. Das Zinsänderungsrisiko reduziert die S IMMO Gruppe langfristig durch Zinsabsicherungen ihrer variabel verzinsten Kredite. Per 31.12.2023 waren 7 % (31.12.2022: 8 %) der Kreditverbindlichkeiten fix und 93 % (31.12.2022: 92 %) der Kreditverbindlichkeiten – fast ausschließlich an den Drei-Monats-EURIBOR gebunden – variabel verzinst. Zur Absicherung variabel verzinsten Kredite verwendet die S IMMO prinzipiell folgende derivative Finanzinstrumente: Swaps und Caps. Per 31.12.2023 war das variabel verzinsten Finanzierungsportfolio zu 99,4 % abgesichert. Damit ist die S IMMO AG gut gegen weitere Zinsanstiege abgesichert. Das Ausmaß, in dem sich die Gruppe derartiger Instrumente bedient, hängt von den Annahmen und Markterwartungen des Managements und der zuständigen Fachabteilungen in Bezug auf das zukünftige Zinsniveau sowie von der Entwicklung der Höhe der Kreditverbindlichkeiten ab. Erweisen sich diese Annahmen als unrichtig, kann dies zu einem beträchtlichen Anstieg des Zinsaufwands führen. Die durchgeführten Stresstests, welche die bestehenden Anleihen inkludieren (siehe Anhang, Kapitel 5.2.1.), zeigen, dass die S IMMO Gruppe an Änderungen des Zinsniveaus in einem geringen Ausmaß partizipiert. So würde z.B. ein Drei-Monats-EURIBOR von +300 BP im Vergleich zum 31.12.2023 zu einer Erhöhung der Finanzierungskosten von 3

BP führen und eine Zinssensitivität von 1 % bedeuten im Vergleich zu der dann gültigen Zinsbasis im Stresstest.

Finanzierungsrisiken

Die Marktbedingungen für Liegenschafts- oder Bestandsfinanzierungen ändern sich immer wieder. Durch den starken Anstieg der Zinsen und damit der Finanzierungskosten in Verbindung mit dem Druck auf die Immobilienwerte hat sich die Finanzierungsbereitschaft der Banken ganz generell stark verändert. Zudem ist zu beobachten, dass Banken infolge der Taxonomie-Verordnung der Erfüllung von ESG-Kriterien des Finanzierungsobjekts bei der Prüfung von Finanzierungsanfragen mehr Bedeutung zumessen. Die Attraktivität verschiedener Finanzierungsvarianten hängt von einer Reihe von Faktoren ab, von denen einige nicht von der Gruppe beeinflusst werden können. Diese Faktoren umfassen insbesondere Marktzinsen, steuerliche Aspekte und die Beurteilung des Werts und der Verwertbarkeit von Immobilien, die als Sicherheiten dienen, sowie die Einschätzung der allgemeinen wirtschaftlichen Lage und der zukünftigen konjunkturellen Entwicklung durch die Finanzierungspartner:innen. In Zeiten stark volatiler Immobilienmärkte sind Fremdkapitalgläubiger:innen unter Umständen nicht bereit, abreifende Kredite zu für die S IMMO Gruppe akzeptablen Konditionen zu prolongieren. Dies kann insbesondere zu höheren Margen, geringeren Beleihungshöhen und der Notwendigkeit zur Bestellung weiterer Sicherheiten sowie generell zu einem Mangel an Refinanzierungsmöglichkeiten führen. Sollte die Gruppe außerstande sein, Liquidität oder Fremdmittel im benötigten Ausmaß zur benötigten Zeit zu generieren bzw. zu akzeptablen Konditionen aufzunehmen, könnte ihre Fähigkeit beeinträchtigt sein, ihren Verpflichtungen aus Finanzierungsverträgen nachzukommen. Dieses Finanzierungsrisiko versucht die S IMMO Gruppe durch Streuung ihrer Kreditgeber:innen (zum Bilanzstichtag per 31.12.2023 waren es 19 Einzelbanken) zu reduzieren. Eine Kontrolle der Kreditaufnahmen erfolgt durch Genehmigungen nach gestaffelten Beträgen durch den Vorstand und den Aufsichtsrat. Per 31.12.2023 hatten die Bankverbindlichkeiten eine durchschnittliche Laufzeit von 5,0 Jahren. Die Langfristigkeit der Finanzierung entspricht der branchenüblichen Praxis. Darüber hinaus besteht das Risiko, dass Financial Covenants (Klauseln in Kreditverträgen hinsichtlich des zulässigen Verschuldungsgrads und des Schuldendienstdeckungsgrads) oder andere Vertragsbedingungen, Gewährleistungen oder Auflagen in Finanzierungsverträgen nicht eingehalten werden können. Dies kann die Flexibilität bei der Finanzierung zukünftiger Geschäftstätigkeit einschränken. Die Einhaltung von Financial Covenants wird von der S IMMO Gruppe – in engem Kontakt mit kreditvergebenden Finanzinstituten – laufend überwacht. Covenant-Verletzungen können einen Verzugsfall darstellen. Die Gruppe legt großen Wert auf ein ausgewogenes Verhältnis zwischen Finanzierungen und Verkehrswerten der Immobilien (Loan-to-Value-Ratio). Zum Stichtag 31.12.2023 lag die Loan-to-Value-Ratio für besicherte Finanzierungen bei 44,0 % (31.12.2022: 33,2 %). Darüber hinaus verfügt die Gruppe

über unbesicherte Finanzierungen (ausgenutzte Kreditlinien und Anleiheverbindlichkeiten). Die Loan-to-Value-Ratio für unbesicherte Finanzierungen betrug 5,0 % (31.12.2022: 8,1%) des Immobilienvermögens. Trotz genauen Monitorings der Finanzierungsinstrumente und der relevanten Parameter kann bei entsprechend negativer Entwicklung der Konjunktur und des Finanzierungsumfelds nicht ausgeschlossen werden, dass die S IMMO mit Risiken im Bereich der Refinanzierung konfrontiert wird.

Kreditrisiken

Als Kreditrisiko wird unter anderem die Gefahr verstanden, dass Vertragspartner:innen ausfallen oder ihre Verpflichtung nicht mehr rechtzeitig oder zur Gänze erfüllen können (Gegenpartei-ausfallrisiko). Treten Kreditrisiken ein, können daraus für die Gesellschaft finanzielle Schäden entstehen. Diesem Risiko wirkt die Gesellschaft zum einen mit einer sorgfältigen Auswahl der Vertragspartner:innen und zum anderen mit Garantien und einer entsprechenden Vertragsgestaltung in Form von Strafzahlungen oder anderen Entschädigungen entgegen. Kann eine Forderung teilweise oder gänzlich nicht eingebracht werden, wird sie abgeschrieben bzw. wertberichtigt. Zusätzlich kann zum Kreditrisiko noch das Länderrisiko gezählt werden. Darunter versteht man spezielle Verlustrisiken, die sich aus unsicheren politischen, wirtschaftlichen und sozialen Verhältnissen eines anderen Staats ergibt. In Folge können sich ebenfalls Schwierigkeiten bei der Eintreibung von Forderungen gegenüber ausländischen Vertragspartner:innen ergeben. Dieses Risiko minimiert die S IMMO, indem sie nur in EU-Ländern mit stabiler Rechtslage tätig ist.

Fremdwährungsrisiken

Kreditfinanzierungen der S IMMO Gruppe sind fast ausschließlich in Euro denominated und die Mietverträge sind überwiegend an den Euro gebunden. Daher ist das unmittelbare cashwirksame Fremdwährungsrisiko als gering anzusehen. Mittelbar könnte sich ein verändertes Umfeld in einer anderen Währung auf die Kaufkraft der Kund:innen vor Ort auswirken, was mittelfristig eine Auswirkung auf die Immobilienbewertungen hätte. Buchhalterisch könnten auch kurzfristige, nicht cashwirksame Fremdwährungseffekte in der Gewinn- und Verlustrechnung schlagend werden.

ESG-Risiken

Die Steuerung von ESG-Risiken umfasst für die S IMMO unterschiedliche Risiken der ESG-Kriterien Umwelt, Soziales und Governance. Rechtliche und regulatorische Vorgaben wie beispielsweise das Nachhaltigkeits- und Diversitätsverbesserungsgesetz (NaDiVeG) und die EU-Taxonomie-Verordnung erfordern dabei eine Auseinandersetzung mit konkreten Nachhaltigkeitsrisiken unter anderem in den Bereichen Klimawandel, Arbeitnehmer:innen, Achtung der Menschenrechte und Bekämpfung von Korruption und Bestechung. Im folgenden Teil des Risikomanagementberichts werden wesentliche Risiken im Zusammen-

hang mit den im nichtfinanziellen Bericht genannten Themen sowie Maßnahmen zur Identifikation, Bewertung, Vermeidung und Begrenzung dieser Risiken beschrieben.

Umweltrisiken

Die S IMMO ist diversen Umwelt- und Klimarisiken ausgesetzt, welche sowohl im Betrieb als auch bei der Immobilienentwicklung auftreten können. Diese Risiken können auf Grund von geografischen Gegebenheiten, aber auch insbesondere im Zusammenhang mit dem voranschreitenden Klimawandel entstehen. Diese Klimarisiken sind in physische und transitorische Risiken zu unterscheiden. Speziell die in diesem Abschnitt angeführten Angaben zum Klimarisikomanagement der S IMMO erfolgen vor dem Hintergrund der Anforderungen der EU-Taxonomie sowie in Anlehnung an die Empfehlungen der Task Force on Climate-Related Financial Disclosures (TCFD). Die strategische Überwachung der Umweltrisiken – einschließlich der Klimarisiken – und die Verfolgung möglicher Chancen obliegen dem ESG-verantwortlichen Vorstandsmitglied sowie dem ESG-Ausschuss des Aufsichtsrats. Die operative Identifikation, Bewertung und Steuerung der Risiken ist Aufgabe der konzernübergreifenden Funktion Risk Management.

Zu den nicht durch den Klimawandel beeinflussten, wesentlichen Risiken gehören mögliche nukleare Zwischen- und Störfälle im geografischen Einzugskreis der eigenen Tätigkeit sowie die Erdbebengefahr – insbesondere in Kroatien und Rumänien. Die Berücksichtigung der Erdbebengefährdung fließt daher in Entscheidungen bei der Planung und statischen Berechnung der Entwicklungsprojekte, der Ankaufsobjekte sowie beim Abschluss adäquater Gebäude- und Spezialversicherungen mit ein. Reparaturen an Gebäuden, die auf Grund von Erdbebenschäden notwendig werden können, werden zudem von Versicherungen gedeckt. Davon abgesehen kann es zu Beeinträchtigungen kritischer Infrastruktur kommen, insbesondere in Form von Ausfällen, Engpässen oder Verunreinigungen der Energie und Wasserversorgung von Immobilien und Entwicklungsprojekten.

Bei Bautätigkeiten geht ein potenzielles Risiko von den verwendeten Materialien und im Speziellen von gefährlichen Baustoffen aus. In diesem Zusammenhang sind auch Gesetzesänderungen und Änderungen von umwelt- oder sicherheitsrechtlichen Vorschriften zu berücksichtigen, da diese die Entfernung bzw. den Austausch von Materialien erforderlich machen können. Um die Auswirkungen der Unternehmenstätigkeit auf die Umwelt zu reduzieren, werden Baustoffe im Zuge von Instandhaltungs- und Sanierungsmaßnahmen – wo möglich – durch umweltverträgliche Alternativen ersetzt. Zusätzlich ergeben sich auf Grund einer möglichen Kontamination durch schädliche Substanzen und Kriegsmaterial Risiken für Gebäude, Grundstücke und die Umwelt. In Bezug auf Bautätigkeiten können für Anrainer:innen Risiken aus der temporären Lärm- und Staubbelastung entstehen.

Um den Anforderungen der EU-Taxonomie hinsichtlich einer höchstauflösenden Klimarisiko- und Vulnerabilitätsbewertung im Einklang mit der hohen Lebensdauer von Immobilieninvestitionen gerecht zu werden, werden seit 2022 alle Gebäudeimmobilien der S IMMO mindestens alle zwei Jahre einer technologie- und wissenschaftsbasierten Klimarisikoanalyse durch einen externen Dienstleister unterzogen und die Ergebnisse in die konzerninterne Risikobewertung integriert. Dafür werden die einzelnen Objekte einer Szenarioanalyse, bezogen auf die repräsentativen Konzentrationspfade RCP2.6, RCP4.5, RCP6.0 und RCP8.5 je nach Datenverfügbarkeit mit Zeithorizonten zwischen 2040 und 2100, für alle relevanten physischen Klimarisikokategorien unterzogen und die Risiken anhand eines Durchschnitts dieser Konzentrationspfade bewertet.

Im Bereich der akuten physischen Risiken werden Sturm, starke Niederschläge und Hochwasser als wesentlich eingestuft, da davon auszugehen ist, dass diese zunehmend häufiger und heftiger auftreten werden als in der Vergangenheit. Darüber hinaus bergen diese akuten Risiken ein direktes Gefahrenpotenzial für Immobilienschäden und die daraus resultierende zeitweise eingeschränkte Nutzbarkeit der Gebäude. Bei den dauerhaft wirkenden chronischen physischen Risiken werden primär Hitze- und Wasserstress als wesentlich eingestuft, wobei letzterer den Gebäudebetrieb in vielen Fällen nur bedingt beeinträchtigen würde. Hingegen und über alle physischen Klimarisiken hinweg ist besonders der Hitzestress als signifikant einzustufen. Auf Grund der geografischen Lage und einem gemäßigt kontinentalen Klima sind hiervon insbesondere die Immobilien am Standort Bukarest betroffen, wobei aktuell diesem Risiko vor allem mit einer entsprechenden Dimensionierung der Kälte- und Kühltechnik der Gebäude begegnet wird.

Des Weiteren ergeben sich durch den Umgang von Politik, Wirtschaft und Gesellschaft mit dem Klimawandel transitorische Klimarisiken für das Unternehmen. Eine drastischere Besteuerung von Treibhausgasemissionen sowie die einhergehende technologische Notwendigkeit von Investitionen in erneuerbare Energieerzeugung, Verbesserung der Energieeffizienz sowie Digitalisierung und Vernetzung der Gebäude werden zu signifikanten Kostentreibern, wobei auch das Risiko potenzieller Fehlinvestitionen in Technologien gegeben ist. Gleichzeitig können durch emissionsärmere technische Lösungen erhebliche Marktrisiken aktiv gesenkt werden, primär der Wertverlust CO₂-intensiver Gebäude, die schwierigere Vermietbarkeit CO₂-intensiver Gebäude sowie erhöhte Kosten durch höhere Energie- und Rohstoffpreise. Zusätzlich spiegeln die zu bedienenden erweiterten Anforderungen an die Berichterstattung die Präferenzen von Aktionär:innen und Geldgeber:innen für Produkte und Geschäftsmodelle mit hoher ESG-Ausrichtung wider, weshalb die S IMMO fortlaufend Umfang, Verfügbarkeit und Transparenz ihrer ESG-Daten verbessert.

Klimarisiken wirken nicht nur durch den Klimawandel auf das Unternehmen, sondern im Sinne der doppelten Wesentlichkeit besteht umgekehrt auch das Risiko, dass das Unternehmen den Treibhauseffekt und somit den Klimawandel weiter vorantreibt. Die Errichtung und der Betrieb von Gebäuden sind grundsätzlich treibhausgasintensiv, womit sich eine besondere Verantwortung der S IMMO zur Steigerung der Energieeffizienz und Reduktion von Treibhausgasemissionen ergibt. Eine portfolioweite und objektbezogene Verbrauchsdatenüberwachung und die Berechnung der Treibhausgasemissionen gemäß dem Greenhouse Gas Protocol (GHG Protocol) soll dazu dienen, auf Basis vollständiger und detaillierter Daten gezielt mögliche Optimierungen zu identifizieren und zu realisieren. Um diesem Vorhaben einen strategischen Rahmen zu geben, sind konkrete Einsparungsziele Teil der ESG-Strategie der S IMMO, welche sich nun in der Umsetzung befindet.

Neben den Risiken bietet der Klimawandel auch Chancen für die S IMMO, beispielsweise durch die Erfordernis der Steigerung der eigenen Ressourceneffizienz, sowohl im Bau als auch im Betrieb, wobei der Trend hin zur Kreislaufwirtschaft den finanziellen Anreiz der Wiederverwendbarkeit von Materialien steigert und ihr somit eine stärkere wirtschaftliche Grundlage gibt. Insbesondere im Gebäudebetrieb können durch einen effizienteren Einsatz von Energie und Wasser sowohl Geld als auch Treibhausgasemissionen direkt und merklich eingespart werden, weshalb die S IMMO hier kurzfristig das größte Potenzial sieht. Der vermehrte Einsatz lokaler, erneuerbarer Energiegewinnung führt zu einem höheren Unabhängigkeitsgrad der Immobilien bei gleichzeitiger Emissionseinsparung. Eine breite und frühzeitige Umsetzung solcher Maßnahmen kann dabei auch Marktchancen bei klimabewussten Mieter:innen und Partnerunternehmen eröffnen und die Resilienz des Unternehmens längerfristig gewährleisten, wobei zusätzliche Investitionen durch Effizienzgewinne ausgeglichen oder sogar überkompensiert werden können.

Die angeführten Klimarisiken und -chancen beeinträchtigen die Resilienz der Konzernstrategie und das grundsätzliche Geschäftsmodell bisher in keinem wesentlichen Ausmaß. Gleichwohl finden sie auf Grund ihrer strategischen Berücksichtigung explizit Eingang in die operative und finanzielle Planung der S IMMO, um entsprechende Maßnahmen zur Risikominimierung und Nutzung von Chancen nach angemessener Beurteilung zu realisieren.

Soziale Risiken

Die sozialen Risiken der S IMMO unterteilen sich in die drei Bereiche Mitarbeiter:innen, Mieter:innen sowie Stakeholder:innen und Gesellschaft.

In Bezug auf die Mitarbeiter:innen bestehen soziale Risiken für das Unternehmen zum einen aus möglichen menschlichen Fehlern im täglichen Betrieb und zum anderen aus den Folgen einer schlanken Personalstruktur. So können Fluktuation, der Verlust von Schlüsselkräften und sonstige Personalengpässe negative Auswirkungen auf die Unternehmensentwicklung haben, da das Know-how von Mitarbeiter:innen kurzfristig kaum bzw. nur schwer kompensiert werden kann. Die Gesellschaft bemüht sich daher als Arbeitgeberin langfristig attraktiv zu sein und bietet ihren Mitarbeiter:innen auch individuelle Lösungen an, um den Arbeitsalltag zu erleichtern. Des Weiteren stellen Arbeitsunfälle und Mitarbeiterausfälle auf Grund körperlicher oder psychischer Belastung sowie Krankheit zusätzliche Risiken dar, denen mit unterschiedlichen infrastrukturellen und gesundheitlichen Vorbeuge- und Vorsorgemaßnahmen begegnet wird. Mit einem New-Work-Konzept bietet die S IMMO ihren Mitarbeiter:innen dabei unterschiedliche Lösungen für eine individuelle Gestaltung des Arbeitsalltags gemäß den persönlichen Bedürfnissen. Dazu zählen flexible Arbeitszeiten und Büroanwesenheiten sowie digitale Hilfsmittel.

Mit Blick auf die Mieter:innen kann es im Rahmen der Gebäudenutzung zu Personenschäden bei Mieter:innen, Besucher:innen und Passant:innen kommen, sollte die S IMMO als Eigentümerin ihren Eigentümer- und Betreiberpflichten nicht ausreichend nachkommen. Zu jedem Zeitpunkt wird deshalb sichergestellt, dass allen Verantwortungen durch entsprechende personelle und physische Vorkehrungen an den Immobilien Rechnung getragen wird. Des Weiteren besteht das Risiko, dass auf Grund von Unzufriedenheit seitens der Mieter:innen Mietverhältnisse gekündigt oder nicht verlängert werden, was in Folge einen Rückgang des Vermietungsgrads bedingen kann. Diesem Risiko plant die S IMMO zukünftig mit Mieterzufriedenheitsumfragen zusätzlich zum bestehenden Mieterdialog zu begegnen. Mieteinnahmen können außerdem durch Wirtschaftskrisen, regulatorische Eingriffe und andere Beschränkungen der Geschäftstätigkeiten der Mieter:innen negativ beeinflusst werden.

Zu den Risiken in Bezug auf alle Stakeholdergruppen zählen das Reputationsrisiko des Unternehmens, das Auftreten weiterer Gesundheitskrisen sowie Arten von ziviler Unruhe, politischer Gewalt, Terrorismus und Krieg, welche sich gesamtgesellschaftlich in ihrem Auftreten und in ihrem Ausmaß kaum vorhersehbar auswirken können.

Governance-Risiken

Die S IMMO bekennt sich seit 2007 zur Einhaltung des Österreichischen Corporate Governance Kodex. Zusätzlich verpflichtet

der Verhaltenskodex der S IMMO die Organe und Mitarbeiter:innen zu einem Verhalten, das den ethischen Standards des Unternehmens entspricht. Es besteht das Risiko, dass Inhalte dieser Kodizes nicht eingehalten werden. Mitarbeiter:innen, die Kenntnis von einem nachweislichen oder möglichen Verstoß gegen den Verhaltenskodex oder darin angeführte Compliance-Richtlinien erlangen, haben diesen unverzüglich entweder dem Compliance Management der S IMMO zu melden oder eine entsprechende Meldung anonym über das auf der Website der Gesellschaft öffentlich zugängliche digitale Whistleblower-System abzugeben. Die weiteren Governance-Risiken gliedern sich in die Bereiche Menschenrechte, Korruption, rechtliche und regulatorische Verstöße, außerdem Risiken mit Bezug auf Vorstand und Aufsichtsrat sowie Datenschutz und IT.

Im Bereich Menschenrechte wird der Umgang mit ebendiesen durch eine Organisationsrichtlinie geregelt und prozessual verankert. Als besonders relevant hat die S IMMO die folgenden Menschenrechtsrisiken identifiziert:

- Diskriminierung und Verletzung von Minderheitsrechten
- Sexuelle Belästigung
- Sklaverei, Folter, Zwangs-, Pflicht- und Kinderarbeit
- Eingriff in die Freiheitsphäre von Einzelpersonen
- Verletzung der Rechte auf Versammlung, Vereinigung,
- Kollektivverhandlungen und Streik
- Ungleiche und/oder unzulängliche Arbeitsbedingungen und Entlohnung
- Überschreitung von Arbeitszeiten
- Unzureichender Mutterschutz

Zentrale Anlaufstelle für alle Beschwerden und Verdachtsmeldungen hinsichtlich tatsächlicher und potenzieller Menschenrechtsbeeinträchtigungen ist das Compliance Management der S IMMO. Des Weiteren kann in erster Instanz auch das lokale Management in den Niederlassungen kontaktiert werden. Eine anonyme Meldung kann außerdem über das digitale Whistleblower-System des Konzerns abgegeben werden. Alle drei Kanäle stehen unternehmensinternen und -externen Personen gleichermaßen stets offen. Sämtliche gemeldeten Vorfälle laufen beim Compliance Management ein und werden vertraulich und unter Zusicherung der Wahrung der Anonymität behandelt. Bei Bestätigung eines Verdachtsfalls werden mögliche Gegenmaßnahmen identifiziert. Seit 2022 erfolgen jährliche Schulungen der Mitarbeiter:innen zu den Inhalten und der Umsetzung der Organisationsrichtlinie für Menschenrechte sowie des digitalen Whistleblower-Systems.

Im täglichen Wirtschaften ist das Risiko von Korruptionsfällen stets gegeben. Die S IMMO ist unter anderem in Ländern mit einem niedrigeren Ranking nach dem Corruption Perceptions Index tätig, wodurch es im Ernstfall zu Gesetzesverletzungen und in weiterer Folge zu Strafzahlungen kommen kann. Die S IMMO hat ihren Organen und Mitarbeiter:innen neben dem

Verhaltenskodex auch ein eigenes Regelwerk zur Hintanhaltung derartigen Verhaltens gegeben. Die auch auf der Website der Gesellschaft veröffentlichte Richtlinie zur Verhinderung von Bestechung, Vorteilsannahme und Korruption regelt die strukturellen und prozessualen Maßnahmen, um auch nur den Anschein von Bestechlichkeit, Vorteilsannahme und Korruption zu vermeiden. Diese verbindliche Richtlinie ist darauf ausgerichtet, die Sensibilisierung jeder und jedes Einzelnen zu stärken und das Bewusstsein für die Folgen von Korruption und die Möglichkeiten ihrer Bekämpfung zu schaffen. Zu den Inhalten des Verhaltenskodex und der Richtlinie zur Verhinderung von Bestechung, Vorteilsannahme und Korruption werden seit dem Geschäftsjahr 2022 jährlich verpflichtende Schulungen abgehalten.

Als international tätiger Immobilienkonzern mit Gesellschaften in derzeit sieben europäischen Ländern ist die S IMMO Gruppe mit einer Vielzahl von unterschiedlichen – laufenden Änderungen unterworfenen – nationalen Steuersystemen konfrontiert. Änderungen der lokalen steuerlichen Rahmenbedingungen (zum Beispiel bei den immobilienbezogenen Steuern, Umsatz- oder Ertragsteuern) sowie Unsicherheiten bzw. unterschiedliche Auffassungen in Bezug auf die Auslegung der vielfach komplexen steuerlichen Vorschriften können zu nicht geplanten Steuerbelastungen führen und stellen damit stets ein Ertragsrisiko dar. Die S IMMO versucht, allfällige Konsequenzen durch die kontinuierliche Zusammenarbeit mit lokalen Steuerexpert:innen frühzeitig zu erkennen sowie bei der Entscheidungsfindung zu berücksichtigen, und trifft für aus Betriebsprüfungen bzw. steuerlichen Verfahren bekannte Risiken ausreichende bilanzielle Vorsorge.

Die S IMMO Gruppe operiert in einem regulatorischen Umfeld, dessen Vorschriften – insbesondere in den Bereichen Arbeits-, Finanz-, Kartell-, öffentliches und Umweltrecht – mit hohen Strafdrohungen anwendbar sind oder sein werden. Die von der Gesellschaft ergriffenen Maßnahmen können sich als unzureichend herausstellen, Verstöße gegen Rechtsvorschriften hintanzuhalten, und damit die Verhängung von hohen Geldstrafen nach sich ziehen. Mit Bezug auf die Organe der S IMMO bestehen zusätzliche Risiken in Form von potenziell überhöhten Vorstandsremunerationen, Betrug und mangelnder Diversität in Vorstand und Aufsichtsrat, welchen die S IMMO mit einer transparenten Vergütungspolitik und strengen Compliance-Richtlinien begegnet. Im Nominierungsprozess und der Zusammensetzung der Organe werden unterschiedliche Diversitätskriterien, beispielsweise im Hinblick auf Know-how, Herkunft und Alter berücksichtigt.

Trotz aller Sorgfalt sowie systemischer und prozessualer Vorkehrungen besteht das Risiko, dass es im Rahmen von Cyberangriffen und unerlaubter Offenlegung zu Verletzungen der Persönlichkeitsrechte und Privatsphäre von Personen kommt, vor allem im Bereich der Daten von Mitarbeiter:innen und Mieter:innen. Diesem Risiko begegnet das Unternehmen mit laufendem

Monitoring der Judikatur sowie gegebenenfalls mit Anpassungen seiner Richtlinien, Infrastruktur und Prozesse in Bezug auf Datenschutz, um die Anzahl der Verletzungen und in Folge Forderungen zu minimieren und diese gegebenenfalls zeitgerecht zu erfüllen. Außerdem werden die Mitarbeiter:innen jährlich zu Datenschutzthemen verpflichtend geschult. IT-Sicherheitsrisiken gewinnen insbesondere im Licht einer erheblich zunehmenden Digitalisierung von Unternehmensabläufen an Bedeutung. Unter IT-Sicherheitsrisiken versteht die S IMMO die Gefahr, dass die Vertraulichkeit, Verfügbarkeit oder Integrität von Unternehmensdaten durch missbräuchliche Veröffentlichungen, Verschlüsselungen oder Verluste verletzt wird und das Unternehmen oder Personen daran hindert, ihre Aufgaben oder Prozesse zeitgerecht und erfolgreich umzusetzen. Dies kann vor allem die Folge von unzureichenden Berechtigungskonzepten, Cyberangriffen und Diebstahl von Hardware sein. Um diese Risiken zu minimieren, erfolgte 2022 die Durchführung eines externen Penetrationstests zur Identifikation und Behebung von IT-Sicherheitslücken, welcher 2024 wiederholt werden soll. Die S IMMO verfügt über ein zentrales Benutzer- und Log-Management und setzt rund um die Uhr ein intelligentes Cyberabwehrprogramm und Programme zur automatisierten Erkennung von Datensicherheitsrisiken ein. Des Weiteren werden Festplatten, Datenträger und mobile Geräte verschlüsselt und Server in einem ausfallsicheren Rechenzentrum eines externen Dienstleisters gehostet. Die Datensicherheitsrichtlinie des Unternehmens wird ständig weiterentwickelt und seit dem Jahr 2022 werden jährlich verpflichtende Mitarbeiterschulungen zur Datensicherheit abgehalten. Trotz aller getroffenen Maßnahmen kann ein Ausfall der IT-Infrastruktur bzw. ein Cyberangriff auf die Systeme der S IMMO nicht ausgeschlossen werden.

Bei der Auswahl von und der Zusammenarbeit mit ihren Geschäftspartner:innen und Lieferant:innen legt die S IMMO großen Wert auf die vertraglichen Rahmenbedingungen und Regelungen, wobei die Einhaltung der hohen gesetzlichen Standards und Bestimmungen innerhalb der Europäischen Union dabei das Mindestmaß darstellt. Die Zusammenarbeit erfolgt hier zumeist mit renommierten und anerkannten Partner:innen, welcher ein entsprechender Auswahlprozess vorangeht. Somit wird auch das finanzielle Risiko der Strafzahlungen oder gesetzlichen Restriktionen minimiert.

Sonstige Risiken

Generelle externe Risiken

Generelle externe Risiken können beispielsweise eintreten, wenn Unbefugte in die Firmenräumlichkeiten eindringen und Schäden durch Vandalismus oder Diebstahl verursachen. Auch Brand- und Wasserschäden oder das Fehlen von geeigneten Geschäftspartner:innen zählen zu den generellen externen Risiken. Durch das Eintreten dieser kann es zu einer Einschränkung oder einem Stillstand des Betriebs kommen.

Rechtsrisiken

Die S IMMO ist auf Grund ihrer Geschäftstätigkeit einer Vielzahl von rechtlichen Risiken ausgesetzt. Diese resultieren unter anderem aus Rechtsstreitigkeiten im Zusammenhang mit der operativen Geschäftstätigkeit der S IMMO (zum Beispiel Streitigkeiten aus Immobilientransaktionen oder mit Baufirmen bzw. Mieter:innen) und regulatorischen Risiken. Für laufende Rechtsstreitigkeiten werden gegebenenfalls im gemäß IFRS erforderlichen Ausmaß Rückstellungen gebildet. Da der Ausgang (schieds-)gerichtlicher Verfahren in der Regel schwer vorhersehbar ist, können über die dotierten Rückstellungen hinausgehende Aufwendungen entstehen. Signifikante Risiken können sich auch aus Veränderungen der Rechtslage ergeben, zumal die S IMMO in einem stark regulierten Umfeld und in verschiedenen Jurisdiktionen tätig ist.

Sonstige operationale Risiken

Sonstige operationale Risiken betreffen Risiken im Zusammenhang mit Systemen und Prozessen innerhalb der Organisation. Um einen unterbrechungsfreien Ablauf in einer Organisation sicherzustellen, wird eine entsprechende Hardware und Software benötigt, die die notwendige Verarbeitungskapazität als auch die betrieblichen Bedürfnisse des Unternehmens unterstützt. Andernfalls kann es zu Verarbeitungsfehlern, Datenverlusten, fehlerhaften Daten oder Stillstandzeiten kommen. Gleiches gilt, wenn neue IT-Produkte nicht in das bestehende IT-Umfeld integriert werden können oder eine Technologieentwicklung fehlerhaft eingeschätzt wurde. Um Doppelarbeit oder einem erhöhten Abstimmungsbereich entgegenzuwirken, ist eine klare Definition von Verantwortlichkeiten und Abläufen essenziell.

Gesamtaussage zu Risiken

Die Geschäftstätigkeit der S IMMO AG unterliegt einer Vielzahl von Risiken und ist stark von der Konjunktur und der Zinsentwicklung abhängig. Im Jahr 2023 war die Konjunktur allen voran vom Krieg in der Ukraine, dem Nahostkonflikt, hohen Inflationsraten und steigenden Zinsen massiv beeinflusst. Die Prognose für 2024 ist nach wie vor sehr verhalten und hängt wesentlich davon ab, inwieweit die Inflationsziele erreicht werden, ohne die Konjunktur abzuwürgen, und damit die straffe Geldpolitik gelockert werden kann. Die Immobilienbranche ist und wird in den kommenden Monaten mit Herausforderungen wie gestiegenen Baukosten, Ressourcenknappheit bei Investor:innen, Banken oder Bauträger:innen konfrontiert sein.

Die oben genannten Faktoren haben zumindest mittelbar Auswirkungen auf nahezu alle Risikokategorien der S IMMO. Aus diesem Grund begegnet das Unternehmen allen Risiken mit sorgfältigem Risikomonitoring und verantwortungsvoller Risikopolitik. Beispielsweise reduziert die S IMMO das mit der Erhöhung der Leitzinsen in Zusammenhang stehende Zinsänderungsrisiko mittels Absicherung von variabel verzinsten Krediten. Inflation und höhere Baukosten haben ebenfalls

Auswirkungen auf Projektentwicklungen – so kann es zu verzögerten Baustarts oder erheblichen Kostenerhöhungen kommen. Aktuell hat die S IMMO keine Immobilien in Bau. Gestiegene Zinsen und höhere Kosten können auch Bewertungsergebnisse von Immobilien negativ beeinflussen. In wirtschaftlich schwierigen Zeiten könnten Mieter:innen auf Grund von hohen Mietkosten Flächen- bzw. Mietreduktionen fordern. Dadurch erhöht sich das Vermietungsrisiko. Durch aktives Asset Management versucht die S IMMO, diesem Risiko entgegenzuwirken.

Mit den gesetzten Maßnahmen kann das Eintreten von Risiken nicht vollständig ausgeschlossen werden. Daher werden für bekannte konkrete und vorhersehbare Risiken bilanzielle Rückstellungen gebildet. Prognosen über den Krieg in der Ukraine oder den Nahostkonflikt liegen außerhalb des Einflussbereichs des Unternehmens und sind daher kaum vorhersehbar, was eine verlässliche Planung erschwert.

Zusammenfassend kann gesagt werden, dass die S IMMO über ein stabiles und ertragreiches Immobilienportfolio in sehr guten Lagen verfügt. Daher geht das Management grundsätzlich davon aus, mit seinem Geschäftsmodell und der daraus abgeleiteten Strategie die kommenden Herausforderungen gut bewältigen und potenzielle Chancen ergreifen zu können.

Finanzielle und nichtfinanzielle Leistungsindikatoren

Strategisches Ziel ist die nachhaltige Steigerung des Unternehmenswertes. Zentrale finanzielle Leistungsindikatoren (Kennzahlen) sind dabei für den Gesamtkonzern u.a. der NAV pro Aktie, die Loan to Value (LTV) Ratio sowie Kennzahlen wie das Bruttoergebnis und die Eigenkapitalquote.

Für die S IMMO AG wurden folgende finanzielle Leistungsindikatoren identifiziert:

		2023	2022
Eigenkapitalquote	%	39,0%	35,5%
Betriebsergebnis	TEUR	41.126	-787

Diese Finanzkennzahlen werden zur Steuerung des operativen Geschäfts durch mehrere nichtfinanzielle Leistungsindikatoren (Leerstandsquote, Portfoliostreuung, Standortqualität) ergänzt.

Der Netto-Geldfluss aus laufender Geschäftstätigkeit beträgt für 2023 226.517 TEUR (2022: TEUR 12.683). Der Cashflow aus der Investitionstätigkeit beträgt TEUR -215.087 (2022: TEUR 6.082), der Cashflow aus der Finanzierungstätigkeit beträgt TEUR +232.957 (2022: TEUR -235.325). Der Cashflow aus der Investitionstätigkeit ist im Wesentlichen von an Tochterunternehmen gegebenen Zuschüssen und Ausleihungen geprägt. Der Cashflow aus der Finanzierungstätigkeit ist u.a. von der Anlei-

heemission geprägt. Insgesamt betrug der Finanzmittelbestand am Ende der Periode TEUR 381.910 (2022: TEUR 137.524).

Informationen gemäß § 243a Abs. 1 Unternehmensgesetzbuch (UGB)

Gemäß § 243a Abs. 1 Unternehmensgesetzbuch (UGB) sind die folgenden Informationen anzugeben:

1. Das Grundkapital der S IMMO AG beträgt EUR 267.457.923,62 und ist in 73.608.896 auf Inhaber:innen lautende Stückaktien zerlegt. Es bestehen keine unterschiedlichen Aktiengattungen.
2. Dem Vorstand der S IMMO AG sind keine Vereinbarungen über Beschränkungen, die Stimmrechte oder die Übertragung von Aktien betreffen, bekannt.
3. Der Gesellschaft wurden folgende Beteiligungen über 10 % an ihr gemäß §§ 130 ff. Börsegesetz (BörseG) bzw. den entsprechenden Vorgängerbestimmungen gemeldet:

In Beteiligungsmeldungen gem. §§ 130 bis 134 BörseG 2018 vom 21.11.2022 und vom 28.12.2022 wurde der Gesellschaft mitgeteilt, dass Herr Radovan Vitek über die von diesem kontrollierten Gesellschaften CPI Property Group S.A. und IMMOFINANZ AG insgesamt 88,37 % der Aktien an der S IMMO AG (50 % plus 1 Aktie an der S IMMO AG werden direkt von IMMOFINANZ AG gehalten) zurechenbar sind.

Die S IMMO AG weist klarstellend darauf hin, dass sie auf Grund von Meldungen gemäß §§ 130 ff. BörseG vom Entstehen der genannten Beteiligungen über 10 % erfahren hat und daher die Vollständigkeit und Richtigkeit obiger Aufzählung nicht garantieren kann. Darüber hinaus haben Meldungen gemäß BörseG nur beim Erreichen, Über- oder Unterschreiten der darin festgesetzten Schwellenwerte zu erfolgen, weshalb das tatsächliche (aktuelle) Beteiligungsausmaß von den gemeldeten Zahlen abweichen kann.

4. Es bestehen keine Aktien mit besonderen Kontrollrechten.
5. Arbeitnehmer:innen, die im Besitz von Aktien sind, üben bei der Hauptversammlung ihr Stimmrecht gegebenenfalls unmittelbar aus.
6. Der Vorstand besteht aus ein, zwei, drei, vier oder fünf Personen. Der Aufsichtsrat kann beschließen, dass ein Vorstandsvorsitzender bestellt wird. Der Aufsichtsrat besteht aus mindestens drei und höchstens sechs von der Hauptversammlung gewählten Mitgliedern. Die Bestellung zum Aufsichtsratsmitglied kann vor Ablauf der Funktionsperiode von der Hauptversammlung mit einfacher Mehrheit der abgegebenen Stimmen widerrufen

werden (§ 31 Abs. 1 der Satzung). Über Satzungsänderungen – ausgenommen Beschlüsse über ordentliche Kapitalerhöhungen (für welche die einfache Mehrheit des bei der Beschlussfassung vertretenen Grundkapitals ausreichend ist) – beschließt die Hauptversammlung mit Drei-Viertel-Mehrheit des bei der Beschlussfassung vertretenen Grundkapitals.

7. a) Der Vorstand wurde mit Beschluss der 31. ordentlichen Hauptversammlung vom 12.10.2020 für die Dauer von fünf Jahren nach Eintragung dieser Satzungsänderung im Firmenbuch, somit bis 26.11.2025, gemäß § 169 AktG ermächtigt, mit Zustimmung des Aufsichtsrats das Grundkapital um bis zu EUR 133.728.961,81 durch Ausgabe von bis zu 36.804.448 Stück neuen auf Inhaber:innen lautenden Stammaktien der Gesellschaft gegen Bar- oder Sacheinlagen auch in mehreren Tranchen zu erhöhen und den Ausgabebetrag, der nicht unter dem anteiligen Betrag des Grundkapitals liegen darf, sowie die sonstigen Ausgabebedingungen im Einvernehmen mit dem Aufsichtsrat festzusetzen. Der Vorstand wurde auch ermächtigt, mit Zustimmung des Aufsichtsrats das Bezugsrecht der Aktionär:innen ganz oder teilweise auszuschließen, (i) wenn die Kapitalerhöhung gegen Bareinlage erfolgt und in Summe der rechnerisch auf die gegen Bareinlage unter Ausschluss des Bezugsrechts ausgegebenen Aktien entfallende Anteil am Grundkapital der Gesellschaft die Grenze von 10 % (zehn Prozent) des Grundkapitals der Gesellschaft zum Zeitpunkt der Ausübung der Ermächtigung nicht übersteigt, (ii) wenn die Kapitalerhöhung gegen Sacheinlage erfolgt, (iii) zur Bedienung einer Mehrzuteilungsoption (Greenshoe) oder (iv) für den Ausgleich von Spitzenbeträgen. Auf die Summe der nach dieser Ermächtigung unter Ausschluss des Bezugsrechts der Aktionär:innen gegen Bar- und Sacheinlagen ausgegebenen Aktien darf rechnerisch ein Anteil am Grundkapital von insgesamt nicht mehr als 10 % (zehn Prozent) des Grundkapitals der Gesellschaft zum Zeitpunkt der Einräumung der Ermächtigung entfallen. Auf diese Grenze sind sämtliche Bezugs- und Umtauschrechte auf neue Aktien anzurechnen, die auf eine während der Laufzeit dieser Ermächtigung unter Ausschluss des Bezugsrechts begebene Wandel-, Umtausch- oder Optionsanleihe eingeräumt worden sind. Der Aufsichtsrat ist ermächtigt, Änderungen der Satzung, die sich durch die Ausgabe von Aktien aus dem genehmigten Kapital ergeben, zu beschließen.

b) In der 33. ordentlichen Hauptversammlung vom 01.06.2022 wurde der Vorstand gemäß § 65 Abs. 1 Z 8 sowie Abs. 1a und Abs. 1b AktG für die Dauer von 30 Monaten ab dem Datum der Beschlussfassung, somit bis 01.12.2024, ermächtigt, mit Zustimmung des Aufsichtsrats eigene Aktien der Gesellschaft im Ausmaß von bis zu 10 % des Grundkapitals der Gesellschaft, auch unter wiederholter Ausnutzung der 10%-Grenze, sowohl über die Börse als auch außerbörslich auch unter Ausschluss des quotenmäßigen Andienungsrechts der Aktionär:innen zu erwerben. Zum 31.12.2023 hielt die Gesellschaft 3.266.537 eigene Aktien, was rund 4,4 % des derzeitigen Grundkapitals ent-

spricht (am 09.01.2024 wurde erneut ein Aktienrückkauf-Programm, welches voraussichtlich am 31.03.2024 endet, beschlossen). Der Vorstand wurde auch ermächtigt, für die Dauer von fünf Jahren ab Beschlussfassung, somit bis 01.06.2027, mit Zustimmung des Aufsichtsrats für die Veräußerung der eigenen Aktien auch eine andere Art als über die Börse oder durch ein öffentliches Angebot unter Ausschluss des Bezugsrechts der Aktionär:innen zu beschließen.

c) Der Vorstand wurde mit Beschluss der 31. ordentlichen Hauptversammlung vom 12.10.2020 gemäß § 174 Abs. 2 AktG ermächtigt, innerhalb von fünf Jahren ab dem Datum der Beschlussfassung, somit bis zum 12.10.2025, mit Zustimmung des Aufsichtsrats Wandelschuldverschreibungen, mit denen ein Umtausch- und/oder Bezugsrecht auf bis zu 7.360.889 Stück auf Inhaber:innen lautende Stückaktien der Gesellschaft mit einem anteiligen Betrag am Grundkapital von bis zu EUR 26.745.790,18 verbunden ist, mit oder ohne Bezugsrechtsausschluss, jeweils auch in mehreren Tranchen gegen Barwerte auszugeben und alle weiteren Bedingungen der Wandelschuldverschreibungen festzusetzen.

Diese Ermächtigung kann auch wiederholt ausgenutzt werden. Dabei darf die Summe aus (i) den an Inhaber:innen von Wandelschuldverschreibungen gemäß dieser Ermächtigung bereits gelieferten Aktien und (ii) den Aktien, für die Umtausch- und/oder Bezugsrechte aus bereits emittierten und im Rahmen der Wiederausnutzung zu emittierenden Wandelschuldverschreibungen ausgeübt werden können, die in diesem Beschluss festgesetzte Höchstzahl, welche 10 % des Grundkapitals entspricht, nicht übersteigen. Auf diese Grenze sind auch neue Aktien anzurechnen, die während der Laufzeit dieser Ermächtigung unter Ausschluss des Bezugsrechts der Aktionär:innen aus genehmigtem Kapital ausgegeben werden. Die Umtausch und/oder Bezugsrechte können durch Aktien aus bedingtem Kapital, genehmigtem Kapital, aus eigenen Aktien oder im Wege einer Lieferung durch Dritte oder einer Kombination daraus bedient werden.

Das Grundkapital wird gemäß § 159 Abs. 2 Z 1 AktG um bis zu EUR 26.745.790,18 durch Ausgabe von bis zu 7.360.889 Stück neuen auf Inhaber:innen lautenden Stückaktien bedingt erhöht. Die bedingte Kapitalerhöhung wird nur insoweit durchgeführt, als Inhaber:innen von auf der Grundlage der Hauptversammlungsbeschlusses vom 12.10.2020 ausgegebenen Wandelschuldverschreibungen von dem ihnen eingeräumten Umtausch- und/oder Bezugsrecht Gebrauch machen. Der Ausgabebetrag und das Umtausch- und/oder Bezugsverhältnis sind unter Berücksichtigung marktüblicher Berechnungsmethoden sowie des Kurses der Aktien der Gesellschaft zu ermitteln (Grundlagen der Berechnung des Ausgabebetrags). Der Ausgabebetrag darf nicht unter dem anteiligen Betrag des Grundkapitals liegen. Der Vorstand ist ermächtigt, mit Zustimmung des Aufsichtsrats die weiteren Einzelheiten der Durchführung

der bedingten Kapitalerhöhung (insbesondere Ausgabebetrag, Inhalt der Aktienrechte, Zeitpunkt der Dividendenberechtigung) festzulegen. Der Aufsichtsrat wird ermächtigt, Änderungen der Satzung, die sich durch die Ausgabe von Aktien aus dem bedingten Kapital oder auf Grund des Ablaufs der Frist zur Ausnutzung des bedingten Kapitals ergeben, zu beschließen.

8. Die im April 2015 begebene 3,25 % S IMMO Anleihe 2015–2025 (derzeit ausständiges Volumen: rund EUR 15,9 Mio.), die im April 2015 begebene 3,25 % S IMMO Anleihe 2015–2027 (derzeit ausständiges Volumen: rund EUR 34,2 Mio.), die im Februar 2018 begebene 1,75 % S IMMO Anleihe 2018–2024 (Volumen EUR 100 Mio.) bzw. die 2,875 % S IMMO Anleihe 2018–2030 (Volumen EUR 50 Mio.), die im Mai 2019 begebene 1,875 % S IMMO Anleihe 2019–2026 (Volumen EUR 150 Mio.), die im Oktober 2019 begebene 2 % S IMMO Anleihe 2019–2029 (Volumen EUR 100 Mio.), der im Februar 2021 begebene 1,75 % S IMMO Green Bond 2021–2028 (derzeit ausständiges Volumen: rund EUR 70,4 Mio.), der im Jänner 2022 begebene 1,25 % S IMMO Green Bond 2022–2027 (derzeit ausständiges Volumen: rund EUR 25,1 Mio.) sowie der im Juli 2023 begebene 5,5 % S IMMO Green Bond 2023–2028 (derzeit ausständiges Volumen: rund EUR 75 Mio.) enthalten sogenannte Change-of-Control-Klauseln. Gemäß den Bedingungen der 2014 und 2015 begebenen Anleihen sowie der 2021, 2022 und 2023 begebenen Green Bonds sind die Anleihegläubiger:innen im Falle eines Kontrollwechsels zur Kündigung der Teilschuldverschreibung berechtigt und können die sofortige Rückzahlung verlangen. Gemäß den Bedingungen der 2018 und 2019 begebenen Anleihen sind die Anleihegläubiger:innen im Falle eines Kontrollwechsels zur Kündigung der Teilschuldverschreibung berechtigt, sofern dieser Kontrollwechsel zu einer wesentlichen Beeinträchtigung der Fähigkeit der Emittentin führt, ihre Verpflichtungen aus den Teilschuldverschreibungen zu erfüllen. Ein Kontrollwechsel findet gemäß den Bedingungen der Anleihen dann statt, wenn eine oder mehrere gemeinsam vorgehende Personen oder eine Drittperson oder -personen, die für eine solche Person oder Personen handeln, zu irgendeiner Zeit direkt oder indirekt (i) mehr als 50 % der mit den Aktien der Emittentin verbundenen Stimmrechte (ohne Berücksichtigung des Höchststimmrechts) oder (ii) das Recht, die Mehrzahl der Mitglieder des Vorstands der Emittentin und/oder der Kapitalvertreter:innen im Aufsichtsrat der Emittentin zu bestimmen, erworben haben. Gemäß den Bedingungen der 2019 begebenen Anleihen findet ein Kontrollwechsel auch dann statt, wenn im Falle einer rechtskräftigen Aufhebung des Höchststimmrechts eine oder mehrere gemeinsam vorgehende Personen oder eine Drittperson oder -personen, die für eine solche Person oder Personen handeln, zu irgendeiner Zeit direkt oder indirekt mehr als 30 % der mit den Aktien der Emittentin verbundenen Stimmrechte erworben haben. Gemäß den Bedingungen der 2021, 2022 und 2023 begebenen Green Bonds findet ein Kontrollwechsel auch dann statt, wenn eine oder mehrere gemeinsam vorgehende Personen oder eine Drittperson oder -personen, die für eine

solche Person oder Personen handeln, zu irgendeiner Zeit direkt oder indirekt eine kontrollierende Beteiligung im Sinne des österreichischen Übernahmegesetzes, wodurch ein Pflichtangebot ausgelöst wird, erwerben.

9. Zum Zeitpunkt der Veröffentlichung dieses Geschäftsberichts bestanden keine Entschädigungsvereinbarungen zwischen der Gesellschaft und ihren Vorstands- und Aufsichtsratsmitgliedern oder Arbeitnehmer:innen für den Fall eines öffentlichen Übernahmeangebots.

Wien, am 25. März 2024

Der Vorstand



Radka Doehring



Tomáš Salajka

Bestätigungsvermerk

S IMMO AG, Wien

31. Dezember 2023

BESTÄTIGUNGSVERMERK *)

Bericht zum Jahresabschluss

Prüfungsurteil

Wir haben den Jahresabschluss der

S IMMO AG, Wien,

bestehend aus der Bilanz zum 31. Dezember 2023, der Gewinn- und Verlustrechnung für das an diesem Stichtag endende Geschäftsjahr und dem Anhang, geprüft.

Nach unserer Beurteilung entspricht der beigefügte Jahresabschluss den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage zum 31. Dezember 2023 sowie der Ertragslage der Gesellschaft für das an diesem Stichtag endende Geschäftsjahr in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Grundlage für das Prüfungsurteil

Wir haben unsere Abschlussprüfung in Übereinstimmung mit der EU-Verordnung Nr. 537/2014 (im Folgenden EU-VO) und mit den österreichischen Grundsätzen ordnungsmäßiger Abschlussprüfung durchgeführt. Diese Grundsätze erfordern die Anwendung der International Standards on Auditing (ISA). Unsere Verantwortlichkeiten nach diesen Vorschriften und Standards sind im Abschnitt „Verantwortlichkeiten des Abschlussprüfers für die Prüfung des Jahresabschlusses“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von der Gesellschaft unabhängig in Übereinstimmung mit den österreichischen unternehmensrechtlichen und berufsrechtlichen Vorschriften, und wir haben unsere sonstigen beruflichen Pflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns bis zum Datum des Bestätigungsvermerks erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu diesem Datum zu dienen.

Besonders wichtige Prüfungssachverhalte

Besonders wichtige Prüfungssachverhalte sind solche Sachverhalte, die nach unserem pflichtgemäßen Ermessen am bedeutendsten für unsere Prüfung des Jahresabschlusses des Geschäftsjahres waren. Diese Sachverhalte wurden im Zusammenhang mit unserer Prüfung des Jahresabschlusses als Ganzes und bei der Bildung unseres Prüfungsurteils hierzu berücksichtigt, und wir geben kein gesondertes Prüfungsurteil zu diesen Sachverhalten ab.

Nachfolgend stellen wir den aus unserer Sicht besonders wichtigen Prüfungssachverhalt dar:

Titel

Bewertung der Anteile an verbundenen Unternehmen

Risiko

Im Jahresabschluss der S IMMO AG zum 31. Dezember 2023 sind Anteile an verbundenen Unternehmen in wesentlichem Umfang ausgewiesen (EUR 1.532,8 Mio).

Für sämtliche Anteile an verbundenen Unternehmen wird ein Werthaltigkeitstest durchgeführt. Im Rahmen dieses Werthaltigkeitstests sind wesentliche Annahmen und Schätzungen zu treffen.

Da es sich bei den verbundenen Unternehmen vor allem um Immobiliengesellschaften handelt, basiert der Werthaltigkeitstest auf einer vereinfachten Unternehmensbewertung, deren wesentliche Basis die von externen, unabhängigen Sachverständigen erstellten Immobiliengutachten oder bereits vertraglich vereinbarte Verkaufspreise sind. Das wesentliche Risiko besteht bei den Immobiliengutachten in der Festlegung von Annahmen und Schätzungen wie Diskontierungs-/Kapitalisierungssatz und erzielbare Mieteinnahmen. Eine geringfügige Änderung dieser Annahmen und Schätzungen kann einen wesentlichen Einfluss auf die Bewertung der Anteile an verbundenen Unternehmen haben.

Die Angaben der Gesellschaft zu Anteilen an verbundenen Unternehmen sind im Jahresabschluss zum 31. Dezember 2023 in Abschnitt „1.2 Anlagevermögen“ enthalten.

Adressierung im Rahmen der Abschlussprüfung

Um dieses Risiko zu adressieren, haben wir die Annahmen und Schätzungen des Managements und der externen Sachverständigen kritisch hinterfragt und dabei unter Beiziehung unserer internen Immobilienbewertungsspezialisten unter anderem die folgenden Prüfungshandlungen durchgeführt:

- Beurteilung der Ausgestaltung des zugrundeliegenden Geschäftsprozesses der Beteiligungsbewertung
- Prüfung der angewandten Methodik sowie der rechnerischen Richtigkeit der vorgelegten Unterlagen und Berechnungen zur Beteiligungsbewertung
- Beurteilung der Kompetenz, Fähigkeit und Objektivität der vom Management beauftragten externen Sachverständigen
- Für ausgewählte Gutachten: Beurteilung der angewandten Methodik, Plausibilisierung der zugrundeliegenden Annahmen und Schätzungen (z.B. erzielbare Mieteinnahmen, Diskontierungs-/Kapitalisierungssatz, Nutzfläche, Leerstandsrate) mittels Vergleichs mit Marktdaten sowie Vergleich der Marktwerte laut Bewertungsgutachten mit einer von uns ermittelten Marktwertbandbreite
- Überprüfung ausgewählter Input-Daten laut Bewertungsgutachten anhand der Daten der entsprechenden Objektbuchführung bzw. zugrundeliegender Verträge
- Überprüfung, ob die Angaben der gesetzlichen Vertreter der Gesellschaft im Anhang vollständig und zutreffend sind

Hinweis auf sonstige Sachverhalte

Der Jahresabschluss der S IMMO AG, Wien, für das am 31. Dezember 2022 endende Geschäftsjahr wurde von einem anderen Abschlussprüfer geprüft, der am 27. März 2023 ein nicht modifiziertes Prüfungsurteil zu diesem Abschluss abgegeben hat.

Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich. Die sonstigen Informationen umfassen alle Informationen im Geschäftsbericht und im Jahresfinanzbericht, ausgenommen den Jahresabschluss, den Lagebericht und den Bestätigungsvermerk.

Unser Prüfungsurteil zum Jahresabschluss erstreckt sich nicht auf diese sonstigen Informationen, und wir geben dazu keine Art der Zusicherung.

Im Zusammenhang mit unserer Prüfung des Jahresabschlusses haben wir die Verantwortlichkeit, diese sonstigen Informationen zu lesen und dabei zu würdigen, ob die sonstigen Informationen wesentliche Unstimmigkeiten zum Jahresabschluss oder unseren bei der Abschlussprüfung erlangten Kenntnissen aufweisen oder anderweitig falsch dargestellt erscheinen.

Falls wir auf der Grundlage der von uns durchgeführten Arbeiten den Schluss ziehen, dass eine wesentliche falsche Darstellung dieser sonstigen Informationen vorliegt, sind wir verpflichtet, über diese Tatsache zu berichten. Wir haben in diesem Zusammenhang nichts zu berichten.

Verantwortlichkeiten der gesetzlichen Vertreter und des Prüfungsausschusses für den Jahresabschluss

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses und dafür, dass dieser in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie als notwendig erachten, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen, Sachverhalte im Zusammenhang mit der Fortführung der Unternehmenstätigkeit - sofern einschlägig - anzugeben, sowie dafür, den Rechnungslegungsgrundsatz der Fortführung der Unternehmenstätigkeit anzuwenden, es sei denn, die gesetzlichen Vertreter beabsichtigen, entweder die Gesellschaft zu liquidieren oder die Unternehmenstätigkeit einzustellen oder haben keine realistische Alternative dazu.

Der Prüfungsausschuss ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft.

Verantwortlichkeiten des Abschlussprüfers für die Prüfung des Jahresabschlusses

Unsere Ziele sind, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen falschen Darstellungen aufgrund von dolosen Handlungen oder Irrtümern ist, und einen Bestätigungsvermerk zu erteilen, der unser Prüfungsurteil beinhaltet. Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit der EU-VO und mit den österreichischen Grundsätzen ordnungsmäßiger Abschlussprüfung, die die Anwendung der ISA erfordern, durchgeführte Abschlussprüfung eine wesentliche falsche Darstellung, falls eine solche vorliegt, stets aufdeckt. Falsche Darstellungen können aus dolosen Handlungen oder Irrtümern resultieren und werden als wesentlich angesehen, wenn von ihnen einzeln oder insgesamt vernünftigerweise erwartet werden könnte, dass sie die auf der Grundlage dieses Jahresabschlusses getroffenen wirtschaftlichen Entscheidungen von Nutzern beeinflussen.

Als Teil einer Abschlussprüfung in Übereinstimmung mit der EU-VO und mit den österreichischen Grundsätzen ordnungsmäßiger Abschlussprüfung, die die Anwendung der ISA erfordern, üben wir während der gesamten Abschlussprüfung pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung.

Darüber hinaus gilt:

- Wir identifizieren und beurteilen die Risiken wesentlicher falscher Darstellungen aufgrund von dolosen Handlungen oder Irrtümern im Abschluss, planen Prüfungshandlungen als Reaktion auf diese Risiken, führen sie durch und erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unser Prüfungsurteil zu dienen. Das Risiko, dass aus dolosen Handlungen resultierende wesentliche falsche Darstellungen nicht aufgedeckt werden, ist höher als ein aus Irrtümern resultierendes, da dolose Handlungen kollusives Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen oder das Außerkraftsetzen interner Kontrollen beinhalten können.
- Wir gewinnen ein Verständnis von dem für die Abschlussprüfung relevanten internen Kontrollsystem, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit des internen Kontrollsystems der Gesellschaft abzugeben.
- Wir beurteilen die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den Vertretern dargestellten geschätzten Werte in der Rechnungslegung und damit zusammenhängende Angaben.
- Wir ziehen Schlussfolgerungen über die Angemessenheit der Anwendung des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit durch die gesetzlichen Vertreter sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die erhebliche Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir die Schlussfolgerung ziehen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, in unserem Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch die Abkehr der Gesellschaft von der Fortführung der Unternehmenstätigkeit zur Folge haben.
- Wir beurteilen die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse in einer Weise wiedergibt, dass ein möglichst getreues Bild erreicht wird.

Wir tauschen uns mit dem Prüfungsausschuss unter anderem über den geplanten Umfang und die geplante zeitliche Einteilung der Abschlussprüfung sowie über bedeutsame Prüfungsfeststellungen, einschließlich etwaiger bedeutsamer Mängel im internen Kontrollsystem, die wir während unserer Abschlussprüfung erkennen, aus.

Wir geben dem Prüfungsausschuss auch eine Erklärung ab, dass wir die relevanten beruflichen Verhaltensanforderungen zur Unabhängigkeit eingehalten haben, und tauschen uns mit ihm über alle Beziehungen und sonstigen Sachverhalte aus, von denen vernünftigerweise angenommen werden kann, dass sie sich auf unsere Unabhängigkeit und - sofern einschlägig – auf vorgenommene Handlungen zur Beseitigung von Gefährdungen oder angewandte Schutzmaßnahmen auswirken.

Wir bestimmen von den Sachverhalten, über die wir uns mit dem Prüfungsausschuss ausgetauscht haben, diejenigen Sachverhalte, die am bedeutsamsten für die Prüfung des Jahresabschlusses des Geschäftsjahres waren und daher die besonders wichtigen Prüfungssachverhalte sind. Wir beschreiben diese Sachverhalte in unserem Bestätigungsvermerk, es sei denn, Gesetze oder andere Rechtsvorschriften schließen die öffentliche Angabe des Sachverhalts aus oder wir bestimmen in äußerst seltenen Fällen, dass ein Sachverhalt nicht in unserem Bestätigungsvermerk mitgeteilt werden sollte, weil vernünftigerweise erwartet wird, dass die negativen Folgen einer solchen Mitteilung deren Vorteile für das öffentliche Interesse übersteigen würden.]

Sonstige gesetzliche und andere rechtliche Anforderungen

Bericht zum Lagebericht

Der Lagebericht ist aufgrund der österreichischen unternehmensrechtlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob er nach den geltenden rechtlichen Anforderungen aufgestellt wurde.

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Lageberichts in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften.

Wir haben unsere Prüfung in Übereinstimmung mit den Berufsgrundsätzen zur Prüfung des Lageberichts durchgeführt.

Urteil

Nach unserer Beurteilung ist der Lagebericht nach den geltenden rechtlichen Anforderungen aufgestellt worden, enthält die nach § 243a UGB zutreffenden Angaben, und steht in Einklang mit dem Jahresabschluss.

Erklärung

Angesichts der bei der Prüfung des Jahresabschlusses gewonnenen Erkenntnisse und des gewonnenen Verständnisses über die Gesellschaft und ihr Umfeld wurden wesentliche fehlerhafte Angaben im Lagebericht nicht festgestellt.

Zusätzliche Angaben nach Artikel 10 der EU-VO

Wir wurden von der Hauptversammlung am 2. Mai 2023 als Abschlussprüfer gewählt. Wir wurden am 7. Juli 2023 vom Aufsichtsrat beauftragt. Wir sind seit dem Geschäftsjahr 2023 Abschlussprüfer.

Wir erklären, dass das Prüfungsurteil im Abschnitt „Bericht zum Jahresabschluss“ mit dem zusätzlichen Bericht an den Prüfungsausschuss nach Artikel 11 der EU-VO in Einklang steht.

Wir erklären, dass wir keine verbotenen Nichtprüfungsleistungen (Artikel 5 Abs 1 der EU-VO) erbracht haben und dass wir bei der Durchführung der Abschlussprüfung unsere Unabhängigkeit von der geprüften Gesellschaft gewahrt haben.

Auftragsverantwortlicher Wirtschaftsprüfer

Der für die Abschlussprüfung auftragsverantwortliche Wirtschaftsprüfer Herr Mag. Alexander Wlasto.

Wien, am 25. März 2024

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Alexander Wlasto eh
Wirtschaftsprüfer

Mag. (FH) Isabelle Vollmer eh
Wirtschaftsprüferin

*) Die Veröffentlichung oder Weitergabe des Jahresabschlusses mit unserem Bestätigungsvermerk darf nur in der von uns bestätigten Fassung erfolgen. Dieser Bestätigungsvermerk bezieht sich ausschließlich auf den deutschsprachigen und vollständigen Jahresabschluss samt Lagebericht. Für abweichende Fassungen sind die Vorschriften des § 281 Abs 2 UGB zu beachten.