

Annual Financial Report **2021**



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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, 14 April 2022

The Management Board



Bruno Ettenauer, MRICS



Herwig Teufelsdorfer, MRICS



Friedrich Wachernig, MBA

MANAGEMENT REPORT

Group fundamentals

Business activities and corporate structure

S IMMO Group 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 hotel operations. The company operates in Austria, Germany and CEE (Slovakia, Czechia, Hungary, Romania, Bulgaria and Croatia). The portfolio consists of office buildings, retail properties, hotels and residential properties. S IMMO does not engage in research and development.

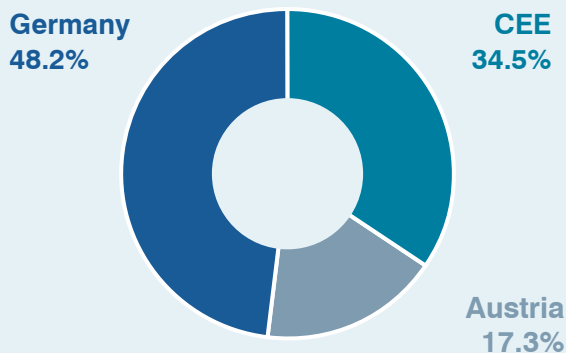
In addition to its headquarters in Vienna, S IMMO Group has its own employees in Germany, Hungary, Croatia and Romania. The property management firm Maior Domus is one of the Group's companies in Germany. The subsidiaries are responsible for local asset management and letting activities, among other things.

In addition, the Group holds numerous project, property and holding companies. S IMMO AG has been listed on the Vienna Stock Exchange since 1987 and was included in the ATX, the Austrian benchmark index, in September 2017. The Group employed an annual average of 543 people (2020: 597) on a head-count basis, including employees for hotel operations and excluding dormant staff and trainees.

Property portfolio

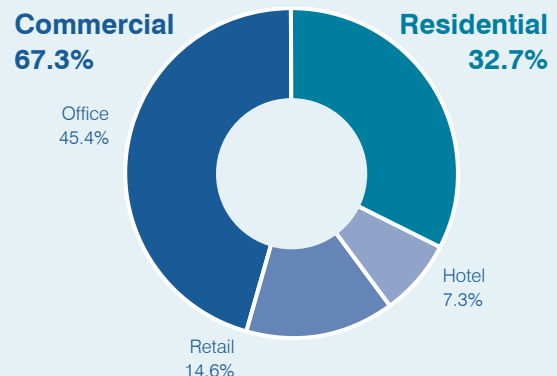
As of 31 December 2021, S IMMO Group's property portfolio consisted of 375 properties (31 December 2020: 358) with a book value of EUR 2,830.8m (31 December 2020: EUR 2,476.9m) and a total area (total lettable space including potential projects) of around 1.4 million m² (31 December 2020: 1.3 million m²). Most of the properties are located in capital cities within the European Union.

Book value by region ¹



¹ Including book value of land bank

Book value by type of use ¹



¹ Book value excluding land bank

Based on book value, properties in Austria accounted for 17.3% (31 December 2020: 18.5%) of the portfolio, while properties in Germany accounted for 48.2% (31 December 2020: 49.3%). Properties in CEE made up 34.5% of the portfolio (31 December 2020: 32.2%).

As of 31 December 2021, the portfolio broke down by main type of use not including plots of land and based on book values to 45.4% office buildings (31 December 2020: 43.1%), 14.6% retail properties (31 December 2020: 17.9%), 32.7% residential properties (31 December 2020: 30.2%) and 7.3% hotels (31 December 2020: 8.8%). The high quality of the portfolio and asset management is reflected in the very good occupancy rate and yield. The occupancy rate of the portfolio as a whole was 94.0% (31 December 2020: 93.9%). 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 5.0% (31 December 2020: 5.1%).

Overview of rental yields¹

| in % | 31 December 2021 | 31 December 2020 |
|--------------|------------------|------------------|
| Germany | 4.1 | 4.4 |
| Austria | 4.3 | 4.6 |
| CEE | 6.6 | 6.5 |
| Total | 5.0 | 5.1 |

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.

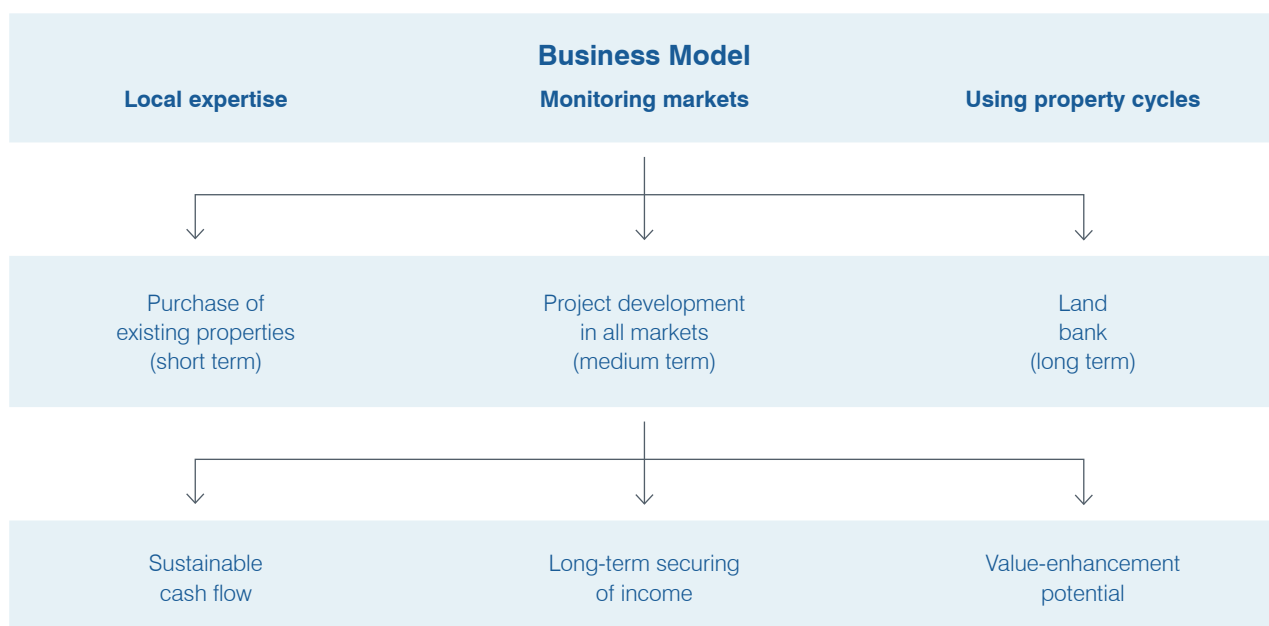
Strategy and objectives

S IMMO Group has been pursuing a prudent business policy for three and a half decades with the aim of creating sustainable value for its shareholders. The company is constantly working to increase its earnings and to safeguard its income in the long term.

To achieve this, the company uses a business model that has proven itself over many years, anticipating property cycles for the various asset classes in order to benefit from them. The company's local experts continuously monitor the markets in which S IMMO operates to detect trends in the respective property sector early on. They evaluate when it makes business

sense to buy or sell existing properties and land or to develop projects.

The company invests in portfolio properties that generate rental income immediately and in project developments that contribute to the company's cash flow in the medium term. The company always focuses on high-quality properties and pays special attention to ESG criteria. For example, the company completed the acquisition of two Class A office buildings in Bucharest in June 2021. The properties are qualified for LEED platinum and WELL core gold. A LEED gold certified Class A office property was acquired in Budapest. S IMMO is examining other interesting acquisition options on an ongoing basis, presently in the CEE region in particular, but also in Austria and



Germany. In its development operations, the company is currently working on an office project in Budapest. Sustainability is an especially high priority for this project development as well, where the company is aiming for BREEAM, WELL and Access4you certifications.

The acquisition of large areas of undeveloped land in the vicinity of Berlin has been another pillar of S IMMO AG's business model since 2018, and has meant a promising development pipeline for the company since that time. These are properties in an attractive setting that combine the comforts of green surroundings with good infrastructure (e.g. a train station or motorway access). The goal is to develop new concepts for use in line with and taking into account local interests. S IMMO believes that there is considerable potential for appreciation in tapping and developing areas in Berlin's affluent suburbs.

S IMMO's property portfolio is diversified in terms of both type of use (office buildings, retail properties, hotels and residential properties) and region (Austria, Germany and CEE). The company has also continued to benefit from this multi-asset approach in the past two years, which have been defined by the COVID-19 pandemic. The individual types of use have been impacted by the various measures to contain the pandemic to differing degrees. Portfolio diversification and very active asset management helped to keep the negative impact on the company's overall income within narrow limits.

The company did not experience any restrictions in terms of financing. For example, S IMMO issued a green bond at the start of both 2021 and 2022, further underlining the company's commitment to a green business strategy. The proceeds from these bonds are being used for sustainable property investments.

S IMMO's management anticipates that 2022 will be defined by the aftereffects of the pandemic. S IMMO has been back on track for growth for several months and is focusing on its core business: the letting and management of high-yield properties and the acquisition of high-quality and sustainable properties with a strong contribution to earnings. In this context, S IMMO sold its shares in CA Immobilien Anlagen AG in July 2021. The disposal of the investment in IMMOFINANZ AG was agreed in January 2022 and completed at the beginning of March 2022. The proceeds generated by the sale of these two investments create an excellent launch pad for growing S IMMO's property portfolio and significantly increasing the company's earnings potential. Several interesting acquisitions are currently being considered as a means of reinvesting the proceeds.

Management and control

In the 2021 financial year, the Supervisory Board also made a decision on the successor to Mr. Vejdovszky and reorganised the S IMMO Management Board team: Dr. Ettenauer, MRICS, was appointed as the Chief Executive Officer (CEO) for a period of three years effective 15 March 2021. Mr. Teufelsdorfer, MRICS, was appointed as S IMMO AG's Chief Investment Officer (CIO) effective 12 April 2021 for a term of three years, while the contract with Mr. Wachernig, MBA, in the role of Chief Operating Officer (COO) was renewed for another three years until 30 June 2024. The Management Board had three members as of the end of the year.

The Management Board is pursuing a responsible and stable management strategy aimed at enhancing earnings and increasing the Group's value on a long-term basis. Furthermore, the Management Board works closely with the Supervisory Board, which had eleven members as of 31 December 2021 – eight capital market representatives and three employee representatives (for details see section 5.6. in the notes).

Economic report

Economic overview

Following a robust recovery of global economic growth in the summer of 2021 due to the initial, rapid progress in the vaccination of the population, there was a significant downturn towards the end of the year. This can primarily be attributed to high COVID-19 infection rates, further lockdowns, persistent global supply chain problems, and new uncertainties regarding the Omicron variant.

The forecasts for economic growth, most of which were reasonably optimistic at the end of the year, all had to be revised in March 2022 following Russia's attack on Ukraine at the end of February 2022. The Russian invasion is expected to weaken economic growth in the CEE region and in the EU as a whole and exacerbate tensions between Russia and the West. The harsh punitive sanctions imposed by the EU will also affect the EU's economic development, not least because the EU depends on Russia for about one-third of its natural gas needs. A further increase in energy prices, which have already risen, is therefore likely, a circumstance which will affect not only private individuals but also industry as a whole. At the same time, uncertainties are growing with regard to international procurement and supply processes and a corresponding increase in purchase prices. A further rise in inflation cannot be ruled out either. A massive increase in food prices is also expected. Ukraine and Russia have so far accounted for one-third of global wheat exports and just under one-fifth of international corn exports. Massive export losses and an increase in grain prices of up to 30% could be the result.

According to the European Commission, the European Union (EU) reached its pre-pandemic GDP level in the third quarter of 2021. Following a strong recovery of the EU economy by 5.3% in 2021, the EU Commission originally forecast growth of 4.0% for 2022, but in March 2022 assumed that growth would be significantly below this figure. In its updated March forecast for Europe, the European Central Bank (ECB) expected real GDP growth to average 3.7% in 2022, 2.8% in 2023 and 1.6% in 2024. The Organisation for Economic Co-operation and Development (OECD) in turn published an estimate in March that global growth could fall by more than 1% in 2023 and EU growth by 1.4%. Global inflation could rise by almost 2.5% and by 2% in the EU.

According to the December forecast of the Oesterreichische Nationalbank (OeNB), the Austrian economy recorded growth of 4.9% in 2021. With the negative effects of the fourth coronavirus wave on tourism and global supply bottlenecks coming to an end, the economy was initially expected to recover quickly in 2022 and grow by 4.3%. Following Russia's invasion, the forecast was revised in March to real GDP growth of 3.5% in 2022 and inflation of 5.3%. This implies 0.8 percentage points weaker GDP growth and 2.1 percentage points higher inflation than previously assumed. In March, the Institute of Economic Research (WIFO) expected inflation in Austria to rise temporarily to 7% in the coming months and to decline only gradually in the course of 2022. Overall, WIFO expects real GDP to grow by 3.9% this year instead of 5.2% as planned.

At the time this report went to press in mid April 2022, these were the most up-to-date forecasts. However, it can be assumed that the ongoing war in Ukraine will necessitate further adjustments in the coming weeks and months. At the editorial deadline, the war in Ukraine had no direct impact on S IMMO Group. However, the further development and future effects of COVID-19 and potential interest rate increases by central banks are difficult to assess at present.

Real estate market overview

The year 2021 was once again dominated by the COVID-19 pandemic. The real estate market was not immune to these developments, but there was also positive news. The investment volume returned to pre-crisis levels for the first time. However, the peak in completions that was originally expected in 2021 will be pushed into 2022 due to construction delays. New trends such as remote working and online shopping continue to influence the real estate markets. The lack of city tourism made things difficult for the hotel industry, but initial forecasts for 2022 project an upswing starting in the spring.

Austria

Many tenants are moving to ESG-compliant offices, so there is strong demand for modern and, above all, flexible-use office space. The take-up totalled 169,000 m² and the vacancy rate was roughly 4.3% in 2021, which represents a historic low. Prime rents amounted to EUR 26.00/m²/month in 2021, which is only a slight change versus the prior year. Due to a low completion level of roughly 130,000 m², the Vienna office segment will

Overview of the real estate market¹

| | Prime rents (EUR/m ² /month) | | | | Prime gross yield (%) | | | | Total leasing activity (m ²) | | Vacancy rate (%) | |
|------------|---|--------|--------------------|--------|-----------------------|--------|-------------------|-------------------|--|---------------------|------------------|--------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | Office | Office | Retail | Retail | Office | Office | Retail | Retail | Office | Office | Office | Office |
| Berlin | 41.00 | 38.50 | 250.00 | 250.00 | 2.50 | 2.65 | 3.25 | 3.35 | 817,000 | 661,000 | 3.0 | 2.6 |
| Bratislava | 17.00 | 17.00 | 67.00 ² | 67.00 | 5.25 | 5.50 | 6.00 ² | 6.00 ² | 156,000 | 104,000 | 11.7 | 11.1 |
| Bucharest | 18.75 | 18.75 | 75.00 ² | 45.00 | 6.75 | 7.00 | 8.00 | 8.00 | 163,000 | 141,200 | 13.1 | 12.4 |
| Budapest | 24.00 | 26.00 | 110.00 | 115.00 | 5.25 | 5.75 | 5.50 | 5.75 | 217,000 | 190,100 | 9.2 | 9.1 |
| Vienna | 26.00 | 25.00 | 320.00 | 325.00 | 3.20 | 3.35 | 3.35 | 3.45 | 166,000 | 250,000 | 4.3 | 4.6 |
| Zagreb | 15.50 | 15.50 | 70.00 | 70.00 | 7.75 | 8.00 | 6.75 | 6.75 | 22,000 ³ | 40,000 ³ | 4.0 | 4.0 |

¹ Source: CBRE Research

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

³ Estimated figure

remain a landlord's market in 2022 according to CBRE. The EU taxonomy and the associated environmental regulations will result in challenges for the Vienna office market with regard to soil sealing and thus the development of new properties. As a result, roughly 77% of the 130,000 m² in completions will be renovated spaces. Conditions on the office market are not expected to ease until 2023.

The Austrian hotel market also experienced a gradual recovery in 2021. Net room revenues in Vienna increased by 27.7% to EUR 305m compared with the previous years (2020: EUR 231m; 2019: EUR 1,021m). Due to the COVID-19 pandemic, occupancy saw only sluggish growth. Just 24% of the hotel beds in Vienna were occupied during the reporting period. This represents a slight increase compared with the prior year (2020: 22.3%). A total of 58,000 beds were available in Vienna in December 2021, 23,800 more than in December 2020 (this corresponds to approximately 87% of the beds on offer in 2019). However, the number of available hotels and beds is increasingly changing due to the COVID-19 pandemic. Many establishments in the four-star and three-star segments were forced to close and are only gradually reopening.

Germany

The boom on Berlin's residential real estate market was only mildly affected by the COVID-19 pandemic. However, purchase prices for free-hold flats rose less rapidly. The offer price averaged EUR 5,270/m² in February 2022 – an increase of 4.4% in

year-on-year terms. In total, 27,640 flats were offered in Berlin over the past twelve months. By contrast, the offer price for newly built flats surged from EUR 6,091/m² to EUR 7,910/m². This represents a plus of roughly 23.5%. Berlin is still a top location for residential properties.

The Berlin office market also had a good year. Berlin is one of the country's strongest and most attractive office locations, and this did not change in 2021. Office take-up amounted to approximately 834,000 m² last year, an increase of around 17.5% year-on-year. The vacancy rate rose from 2.6% to 3% over the course of 2021. At 1.28 million m², the space under construction declined by 4% and thus nearly reached the level seen in the previous year. Average rents increased by roughly 3% to EUR 28.20/m²/month. Prime rents also climbed to EUR 41.00/m²/month and are expected to continue rising in the coming year. Thus, the Berlin office market is on course to return to its previous strength, which is particularly evident based on the low vacancy rate.

CEE

The office market in Budapest continued to struggle significantly due to the uncertainties resulting from the COVID-19 pandemic, but a recovery is gradually starting to materialise. Despite the challenges caused by the continued COVID-19 crisis, average quoted rents remained at a stable level of EUR 13.50/m²/month. Construction activity brought only a modest volume of new office spaces onto the market last year, as no new space was

Sources: B2B Wien, BNP Paribas Real Estate, CBRE, Cushman & Wakefield, European Central Bank (ECB), European Commission (EC), Guthmann Market Report, International Monetary Fund (IMF), KSH, OECD, OeNB, Property Forum Europe, SeeNews, WIFO

completed in the third and fourth quarters of 2021. The vacancy rate of 9.2% was stable versus the prior year (2020: 9.1%).

The office market in Bratislava had a vacancy rate of 11.7% at the end of the fourth quarter of 2021. Prime rents came to EUR 17.00/m²/month and thus remained stable compared with the previous year. In total, approximately 97,900 m² of office space were let in the fourth quarter of 2021, which represents an impressive increase of 49.7% versus 2020 (2019: 61,994 m² of office space were let).

The office stock in Zagreb totalled roughly 1.164 million m² at the end of the third quarter of 2021. Prime rents remained constant compared with the prior year at EUR 15.50/m²/month. The vacancy rate remained stable at around 4%, with numerous completions in 2021.

The stock of office space in Bucharest saw a moderate increase to 3.19 million m² in 2021 (2020: 2.95 million m²). However, the vacancy rate of 13.1% was the highest level in five years and can be attributed primarily to older office buildings. Prime rents in Bucharest came to EUR 18.75/m²/month in 2021.

The retail sector in Romania is only gradually recovering from the COVID-19 pandemic. In total, only around 100,000 m² of new retail space was added in 2021. A large number of projects (approximately 300,000 m²) is scheduled to be completed by the end of 2022. This also includes the expansion of the Colosseum Mall in Bucharest. Rents remained at a stable level, with prime rents at the major shopping centres in Bucharest totalling roughly EUR 75.00/m²/month.

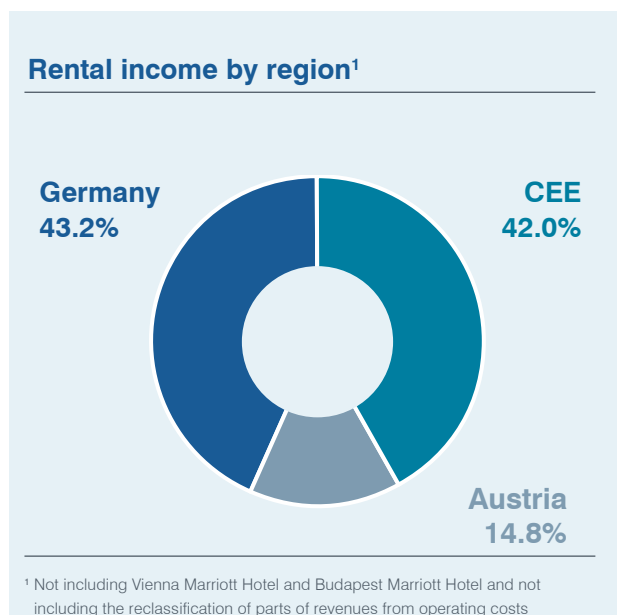
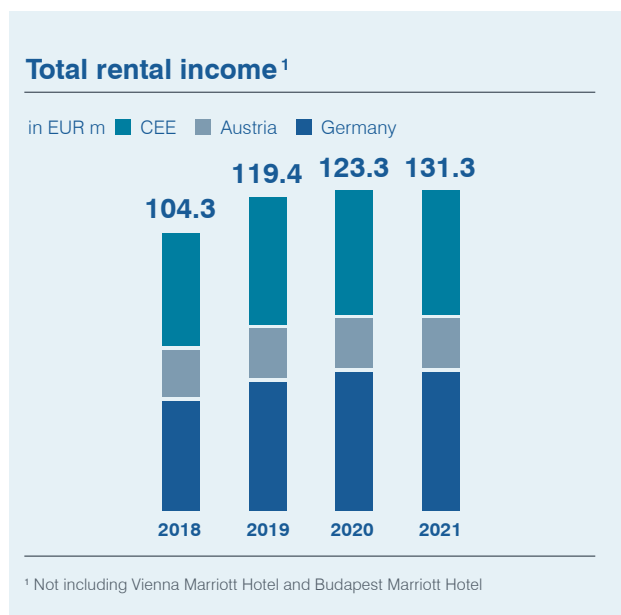
The hotel sector in the CEE region had a good year in 2021. Due to the sustained vaccination progress, many tourists were able to be won back for this region. In Hungary, for example, overnight stays grew by 24.1% versus 2020. However, this figure is still around 36.1% lower than before the start of the pandemic. The hotel sector is enjoying a strong recovery in other countries, as well. In Romania, the number of overnight stays jumped to roughly 1m, an increase of 56.6% year-on-year. It is believed that the markets – depending on the size and importance of the destination – will fully recover by 2024. Particularly capital cities will continue to be popular tourist destinations.

Business development and performance

Despite the ongoing COVID-19 pandemic and the uncertainties that accompanied it, the 2021 financial year was one of the most successful in the company's history. The direct impacts of the pandemic affected mainly the hotel business, and were kept within narrow limits through prudent portfolio management, diversification of the portfolio by country and type of use, and a strong liquidity base. In addition, the company's best-ever property valuation result was achieved in 2021, primarily because of increases in value in the Germany segment.

There was also a significant improvement in the financial result compared with the previous year. This was attributable to factors such as higher dividend income and improved derivative valuations.

The equity investments in CA Immobilien Anlagen AG and IMMOFINANZ AG performed extremely positively in the 2021 financial year. Consequently, in July, S IMMO AG contributed its shares in CA Immobilien Anlagen AG to the takeover offer of



SOF-11 Klimt CAI S.à r.l., a company controlled by Starwood Capital Group. Based on the offer price of EUR 37.00 per share, cash inflow before taxes of approximately EUR 230m was generated. Recognition at fair value in other comprehensive income means that the stated amounts in conclusion of this successful investment are not reflected in the income statement. However, a valuation gain before deferred taxes of around EUR 35.5m was recognised in other comprehensive income.

A revaluation of around EUR 93.3m was also recognised in other comprehensive income for the shares in IMMOFINANZ AG, before deferred taxes. This gain was also finally realised in the 2022 financial year through committal to the offer of the CPI Property Group after a further revaluation in the first quarter, with the result that there were no more investments in equity instruments of peer companies at the end of the first quarter of 2022.

On the financing side, S IMMO continues to operate in a highly favourable environment, hence the issue of a further green bond in January 2022 with a coupon of 1.25% and a term of five years.

The net income attributable to the shareholders of the parent company reached the highest level in the company's history at EUR 229.5m (2020: EUR 56.5m). At EUR 3.24 (2020: EUR 0.79), earnings per share also broke the existing record set in 2019 (EUR 3.21).

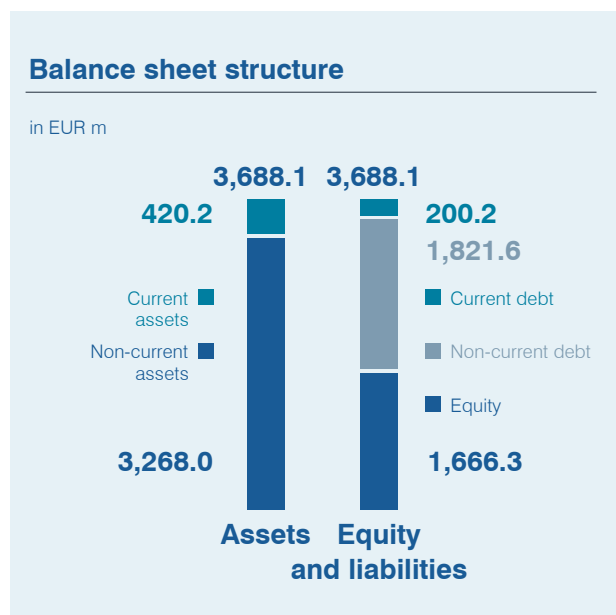
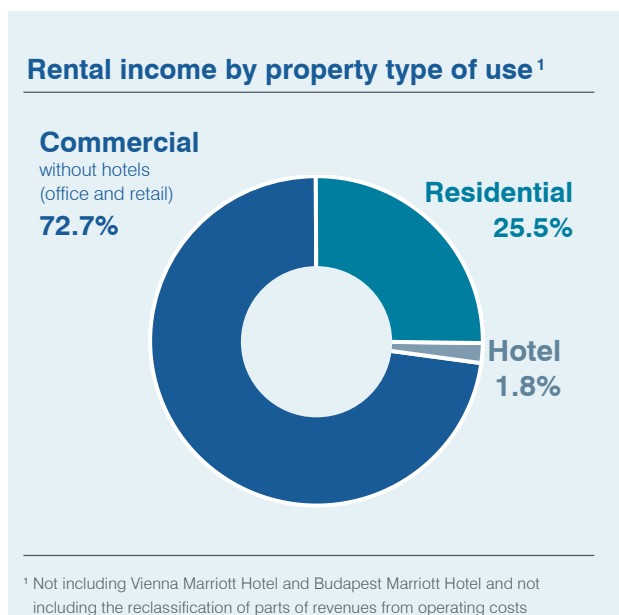
Significant improvement of the gross profit, owner-operated hotels improved year-on-year

Rental income for the financial year 2021 came to EUR 131.3m, up by 6.5% on the prior-year figure of EUR 123.3m. This increase in these times of crisis is attributable to acquisitions as well as prudent management of portfolio properties and the high quality of the portfolio.

Revenues from hotel operations increased to EUR 31.2m against the previous year (2020: EUR 17.8m), but remained well below the pre-pandemic year (2019: EUR 59.1m) due to the ongoing COVID-19 crisis. In total, revenues rose from EUR 173.9m to EUR 196.9m in 2021.

At EUR 66.8m (2020: EUR 66.8m), expenses from property operations remained unchanged despite property purchases and an associated increase in operating costs. The main reason for this was a significant improvement in the write-downs and valuation allowances on receivables.

Broken down by region, 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 14.8% and 43.2% respectively (2020: 15.8% and 44.3%), around 58.0% in total (2020: 60.1%). The share contributed by CEE amounted to 42.0% (2020: 39.9%). In terms of main types of use, and excluding operating cost allocations recognised in rental income, commercial properties excluding hotels (office and retail) contributed 72.7% (2020: 73.1%) of rental income. Hotels contributed 1.8% (2020: 1.5%) and residential properties 25.5% (2020: 25.4%).



At a total of EUR 7.5m, gross profit from hotel operations was up significantly on the previous year (2020: EUR -0.3m). However, due to the impacts of COVID-19, it was still significantly lower than before the pandemic (2019: EUR 16.9m). For the forthcoming quarters, it remains to be seen how urban tourism will develop in view of available vaccinations, test capacities and possible virus mutations.

Gross profit for the entire property portfolio, which reflects the operating performance of both the rental properties and of the owner-operated hotels, rose sharply to EUR 109.5m (2020: EUR 91.5m), taking it to around the level of 2019 (EUR 109.7m).

Property investments

As in the previous year, there were considerably more acquisitions than disposals in the 2021 financial year. Alongside the continued acquisitions in the Germany segment, two office properties in Bucharest were purchased in the middle of the year, and another one in Budapest was bought in the fourth quarter.

Disposals totalled EUR 39.6m (2020: EUR 46.9m), which was below the long-term average.

Substantial increase in valuation result and significant improvement in financial result, management expenses with non-recurring effects

Management expenses rose from EUR 20.4m in 2020 to EUR 28.2m. This increase was mainly attributable to non-recurring effects on the shares of S IMMO AG associated with the takeover offer from IMMOFINANZ AG. There was also a rise in personnel costs, which was due to factors including the changes to the Management Board in the first quarter of 2021, and so was partly non-recurring in nature.

At EUR 198.7m (2020: EUR 39.1m), the result from property valuation remained very positive despite the COVID-19 pandemic. Specifically, Germany accounted for EUR 156.0m (2020: EUR 52.7m), Austria for EUR 31.8m (2020: EUR 8.7m) and CEE for EUR 10.9m (2020: EUR -22.3m). Consequently the upward trend of the first half-year was confirmed and, in contrast with the previous year, a positive net valuation result was attained in all regions.

Overall, EBIT was more than two and a half times higher than in the previous year, at EUR 270.3m (2020: EUR 101.0m).

The financial result improved significantly to EUR 0.7m (2020: EUR -29.4m). This is attributable to dividend income from the investments in CA Immobilien Anlagen AG and IMMOFINANZ AG as well as positive valuation effects on derivatives and the mandatory convertible bond of IMMOFINANZ AG up to its conversion into shares.

The cost of funding (based on variable- and fixed-interest financial liabilities including bonds and derivatives) totalled 2.09% as of 31 December 2021 (31 December 2020: 2.29%).

Net income and earnings per share at record levels

On account of the described effect, net income more than quadrupled year-on-year to EUR 230.6m (2020: EUR 56.9m), the highest figure in the company's history to date. Earnings per share also increased to EUR 3.24 (2020: EUR 0.79) in line with this.

Earnings and financial position

Cash flow

Cash flow from operating activities for 2021 came to EUR 69.0m (2020: EUR 55.4m). In contrast with the previous year, cash flow from investing activities was very positive, chiefly on account of the proceeds from the sale of the shares in CA Immobilien Anlagen AG, and amounted to EUR 109.0m (2020: EUR -114.2m). Cash flow from financing activities reached EUR 133.3m (2020: EUR 11.7m), partly as a result of the issue of a green bond in the first quarter of 2021.

Consolidated statement of financial position

S IMMO Group's total assets increased considerably from EUR 3,122.6m to EUR 3,688.1m. Despite a dividend distribution of EUR 35.3m, this balance-sheet growth was accompanied by an increase in the equity ratio from 44.3% to 45.2%. The stated increases are partly attributable to valuation effects for properties and investments in property shares, some of which were realised in the 2021 financial year (sale of the shares in CA Immobilien Anlagen AG) and some in the first quarter of 2022 (sale of the shares in IMMOFINANZ AG).

On account of the revaluations for both investments and the sale of the shares in CA Immobilien Anlagen AG, the item "other financial assets" decreased to EUR 398.0m (31 December 2020: EUR 497.7m). In the statement of comprehensive income, excluding deferred taxes, a total of EUR 129.6m (2020: EUR -124.7m) was recognised directly in equity for the valuation of equity instruments.

Cash and cash equivalents totalled EUR 375.8m at the end of the year (31 December 2020: EUR 64.5m).

Equity not including minority shares increased to EUR 1,662.2m as of 31 December 2021 (31 December 2020: EUR 1,380.6m). Accordingly, the book value per share rose sharply to EUR 23.57 (31 December 2020: EUR 19.34).

The EPRA NAV, calculated as equity excluding minority interests plus hidden reserves for non-current assets (2021: EUR 129.0m, 2020: EUR 118.7m), plus the fair value of derivatives (2021: EUR 22.3m, 2020: EUR 42.0m) and plus deferred taxes (2021: EUR 252.5m; 2020: EUR 194.7m), also increased significantly compared to the previous year, improving from EUR 24.32 per share to EUR 29.29. The increase in EPRA NTA is in a similar order of magnitude, improving from EUR 24.06 per share as of 31 December 2020 to EUR 29.09 per share as of 31 December 2021. The objective of EPRA NTA is to present net assets on a long-term basis, but under the premise that companies acquire and dispose of assets, thereby realising certain levels of deferred taxes. In contrast to the EPRA NAV, the adjustment for deferred taxes for 2021 is only EUR 238.6m (2020: EUR 176.7m). Furthermore, a deduction for intangible assets was made (2021: EUR 0.4m, 2020: EUR 0.3m).

Financial management

All of S IMMO's loan liabilities are denominated in euros. As of 31 December 2021, around 11% (31 December 2020: 15%) of the long-term loans were fixed-rated and 89% of the long-term loans were variable-rated (31 December 2020: 85%). S IMMO

reduces the risk of rising interest rates on variable-rate financing with interest rate hedges.

Breakdown of financial liabilities

| EUR m | 2021 | 2020 |
|---|----------------|----------------|
| Issued bonds (non-current) | 646.8 | 497.2 |
| Other financial liabilities (non-current) | 920.2 | 873.8 |
| Issued bonds (current) | 0 | 28.5 |
| Other financial liabilities (current) | 138.6 | 99.3 |
| Total | 1,705.6 | 1,498.8 |

S IMMO's reported property investments (including investments in shares of listed real estate companies) amounted to EUR 3,226.2m as of 31 December 2021 (31 December 2020: EUR 2,973.6m). The loan-to-value ratio (LTV ratio) for financing secured with properties was slightly lower than last year and came to 30.7% (31 December 2020: 31.3%). In addition, S IMMO has unsecured financing as well. As of 31 December 2021, the LTV ratio for unsecured financing amounted to 9.8% (31 December 2020: 15.5%). In total, the company's LTV ratio was 40.4% (31 December 2020: 46.8%).

The following table shows the calculation method:

| EUR m | 2021 | | 2020 | |
|---|--------------|--------------|--------------|--------------|
| | unsecured | secured | unsecured | secured |
| Secured financial liabilities without derivatives | 0 | 990.1 | 0 | 930.2 |
| Issued bonds and other unsecured financing | 690.6 | 0 | 525.7 | 0 |
| Cash and cash equivalents | -375.8 | 0 | -64.5 | 0 |
| Total | 314.8 | 990.1 | 461.2 | 930.2 |
| Property investments | 3,226.2 | 3,226.2 | 2,973.6 | 2,973.6 |
| LTV ratio in % | 9.8 | 30.7 | 15.5 | 31.3 |
| Total in % | 40.4 | | 46.8 | |

As of 31 December 2021, S IMMO's liabilities to banks were spread among 23 (2020: 23) individual banks. The average maturity of non-current liabilities to banks was 5.2 years (2020: 5.3 years).

A green bond was issued for the first time in the company's history in the first quarter of 2021. The bond had a total volume of EUR 150m, a coupon of 1.75% p.a. and a term of seven years.

Related party disclosures

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

Non-financial performance indicators and corporate responsibility

Details on the non-financial performance indicators and on corporate responsibility can be found in the 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. All shares have the same rights.

2. S IMMO AG's articles of association restrict the voting rights of each shareholder at the Annual General Meeting to a maximum of 15% of the issued share capital. For this purpose, shares held by companies that together constitute a group for the purposes of section 15 Austrian Stock Corporation Act (AktG) are to be aggregated, as are shares held by third parties for the account of the relevant shareholder or the account of a company forming part of a group with that shareholder. Holdings of shares by shareholders exercising their voting rights in concert in virtue of an agreement or as part of coordinated behaviour are also to be aggregated. 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:

On 04 March 2022, CPI Property Group S.A. announced that it holds 42.55% of the shares issued by the company (26.49% via IMMOFINANZ AG) in S IMMO.

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. of the BörseG and that it therefore cannot guarantee the completeness or correctness of the above information. Moreover, notifications in accordance with the 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 two, three or four members. The members of the Management Board are appointed by the Supervisory Board by a three-quarters majority of the votes cast. The Supervisory Board may at the same time appoint a member of the Management Board as Chair and another member as Deputy Chair. This resolution also requires a three-quarters majority of the votes cast. Appointment to the Management Board is open only to those under the age of 65 at the time of appointment. The Supervisory Board consists of a maximum of ten members elected by the Annual General Meeting. Resolutions proposing increases in share capital are passed by the Annual General Meeting by a simple 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 AktG, with the approval of the Supervisory Board, for a period of five years after entry of this amendment to the articles of incorporation in the company register, i.e. until 26 No-

vember 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 may 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 31st Annual General Meeting on 12 October 2020, the Management Board was authorised under the provisions of section 65 (1) item 8 and (1a) and (1b) AktG for a period of 30 months from the date of the passing of the resolution, that is, until 12 April 2023, with the approval of the Supervisory Board, to acquire treasury shares of the company up to the statutory maximum of 10% of the company's share capital on one or more occasions, and if appropriate to cancel them. As of 31 December 2021, the company holds 3,084,797 treasury shares, which corresponds to approximately 4.2% of the current share capital. The Management Board was also authorised for a period of five years from the date of the passing of the resolution, that is, until 12 October 2025, 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 may 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, 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 may 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 of around EUR 34m), the 3.25% S IMMO bond 2015–2027 issued in April 2015 (volume of EUR 65m), 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 of EUR 150m) and the 1.25% S IMMO green bond 2022–2027 issued in January 2022 (volume of EUR 50m) 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 and 2022, 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 and 2022, 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. There are 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 faces a host 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 in a timely manner as well as identify negative developments and potential risk factors in good time, 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 the development, acquisition, leasing, operation, refurbishment and sale of real estate in Austria, Germany and CEE along the life cycle of long-term real estate investments. The portfolio contains commercially used properties (office, retail and hotel) and residential properties. Other activities of the Group therefore include:

- Real estate project development
- Operation of hotels and shopping centres
- Refurbishment of portfolio properties
- Asset management
- Property management

In addition, S IMMO AG held shares in the Austrian listed ATX real estate companies CA Immobilien Anlagen AG and IMMO-FINANZ AG in 2021. The shares in CA Immobilien Anlagen AG were included in the takeover bid of Starwood Capital Group in July 2021 at a price of EUR 37.00 per share and sold. At the end of January 2022, it was agreed with CPI Property Group that S IMMO AG would transfer all of its IMMOFINANZ shares as well as all those shares it may acquire through its partial offer for IMMOFINANZ shares at a price of EUR 23.00 per share to CPI Property Group as soon as the CPI offer has been cleared by the antitrust authorities. The sale of the shares was completed at the beginning of March 2022.

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 local risk owners, thus ensuring comprehensive bottom-up information for the Management Board. At the Group level, a specialist unit for central risk management is in place. As the risk owner, the risk coordinator regularly reports to the full Management Board.

In addition to internal regulations and guidelines, risk management at S IMMO comprises ongoing reports in the context of regular meetings with the Management Board. 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 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 2021 and also with regard to business activities in 2022.

Naturally, the COVID-19 pandemic had an impact on the financial year 2021. While the increasing progress of the vaccination programmes led to a slight recovery, nevertheless some drastic measures such as lockdowns still had to be taken by local governments in the markets served by S IMMO in some cases. Restrictions and closures were imposed primarily in the hotel, hospitality and retail sectors. The result was a significant change in consumer and travel behaviour, which had a negative impact on the number of visitors and overnight stays and thus on revenue.

The financial year 2022 started with another wave of infections caused by the new Omicron variant. This virus variant is expected to cause milder illness, which together with vaccination could possibly lead to a foreseeable end of the pandemic or a transition to endemicity. However, it is difficult to predict how long the health crisis will last and how it will progress, and this entails corresponding uncertainties regarding the development of national economies and the real estate and capital markets. Russia's invasion of Ukraine at the end of February and the duration of the war are also not foreseeable despite peace negotiations. Both uncertainties are outside the company's sphere of

influence and thus make reliable medium- to long-term planning almost impossible.

Whether there are long-term or persistent adverse effects depends on the duration of the current crisis as well as the trends towards working from home and e-commerce. 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 generally expects that it will ultimately be able to overcome the impacts of the pandemic and seize potential opportunities effectively with its diversified strategy. In this respect, as things stand, the company does not expect any lasting negative changes that would materially affect the Group's long-term prospects.

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 processes 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 automated 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 respective 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 these to headquarters for further processing. The subsidiaries use external service providers 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, 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. In addition, special audits are commissioned as required. Only external experts are commissioned to perform the audits. The results of the audits are reported to the Management Board. The Audit Committee of the Supervisory Board is regularly informed regarding the audit plan and the results of the audits.

Risk overview

| Corporate strategy risks | Property-specific risks | Financial risks | ESG risks |
|--|---|---|---|
| <ul style="list-style-type: none">■ Business environment and industry risk■ Investment risk■ Capital market risk | <ul style="list-style-type: none">■ Property portfolio risk■ Letting and rental default risk■ Property development risk■ Construction risk■ Property valuation risk | <ul style="list-style-type: none">■ Liquidity risk■ Interest rate risk■ Financing risk■ Exchange rate risk■ Tax risks | <ul style="list-style-type: none">■ Environmental and climate risks■ Social risks■ Governance risks |

Explanations on individual risks

Corporate strategy risks

Strategic risks are closely related to S IMMO's business strategy and could strongly influence it.

Business environment and industry risk

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, rent reductions, rental defaults or a termination of rental agreements by tenants may occur. S IMMO counters these risks by owning properties in different regions with various types of use. Careful asset management and constant monitoring also contribute to reducing the described risks.

Due to the current COVID-19 crisis and the war in Ukraine, economic forecasts and estimates regarding the future performance of the property markets are difficult. The pandemic continues to be challenging for hotel and retail properties. However, a recovery is increasingly foreseeable. An economic overview and an assessment of the property markets can be found in the economic report.

Investment risk

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.

The ongoing uncertainties regarding the duration and intensity of the COVID-19 crisis have an impact on the investment risk. Delays in the approval and construction process are expected in development projects, even though they have been manageable so far. With regard to investments in existing properties, the risk of potential tenant defaults or the need to support tenants is transferred to the buyer upon closing of the transaction.

Capital market risk

The capital market is very important to S IMMO in terms of raising equity and debt. Unstable capital markets or uncertainties due to the war in Ukraine can impair 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 AG.

Property-specific risks

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

Property portfolio risk

S IMMO counters property portfolio risk with a balanced portfolio mix. The portfolio contains offices, retail and residential properties as well as hotels. In geographical terms, the properties are divided between Germany, Austria and CEE. The Group

focuses on capital cities and metropolises within the European Union. The value of a property depends largely on its location and intended use. Therefore, the attractiveness of the location or the potential use can significantly affect S IMMO's financial situation. In general, diversification within the portfolio can cushion the risks of one market through positive developments in another market.

All of S IMMO's markets have been and continue to be affected by the COVID-19 crisis. However, different types of use are impacted in different ways. As far as their finances allow, the local governments have put together various packages of measures to boost their respective economies. The diversified property portfolio has helped to reduce the negative effects of the COVID-19 crisis. In terms of types of use, hotels have been the hardest hit. In some cases, retail was also affected by the ordered closures. The office segment has been unaffected by the crisis and the residential asset class is actually benefiting from the current situation in part.

Letting and rental default risk

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 regarding 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.

The COVID-19 crisis also has impacts as far as these risks are concerned, albeit with regional differences and depending on the measures taken by the local governments. In Austria, for

example, retail closed down during lockdowns, but parts of the sector received some state support as compensation. To date, the various closures and restrictions have mainly affected hotels and ground-floor spaces in the buildings (e.g. restaurants, cafés and fitness centres), some of which have suffered substantial declines in revenue due to extensive regulations on working from home. The office segment appears to be very stable so far.

Despite the currently challenging situation – take-up in particular is heavily dependent on viewing opportunities – S IMMO has managed to conclude rental agreements via various digital and virtual channels.

Property development risk

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.

The COVID-19 pandemic affects development risks, too. Delays in the approval and construction process are expected in development projects. These result, for instance, from infected employees at administrative bodies, or from various protective measures that may slow down construction. To date, delays of this kind have affected the projects of S IMMO to only a very limited extent.

Construction risk

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 risk

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 condition of the property and the letting level, property experts can also take into account other factors such as taxes on land and property, operating costs, third-party claims on the basis of environmental risks or risks associated with specific construction 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 values, and generally has them valued once or twice a year by external experts.

So far, the COVID-19 pandemic has had only a minor effect on the company's property values. The assessment of the residential and office properties is positive and stable. Consequently, returns are barely subject to upward variations. Investments in residential properties are perceived as secure, which is why returns are actually falling in this segment. To date, properties are also showing stable returns in the retail segment, as a catch-up effect is expected in the sector in the medium term. Hotel property values have decreased due to reduced travel activity. However, the diversification of S IMMO's portfolio means that negative impacts on the portfolio have been limited thus far.

Financial risks

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

Liquidity risk

On the basis of continuous liquidity planning, the Finance department coordinates S IMMO Group's cash flows in cooperation with the Project Development, Asset Management and Acquisition departments, checks them for plausibility and adjusts them in order to ensure liquidity. 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 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 risk

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 ECB's key interest rate has already been at a negative level for several years now. However, an increase in long-term interest rates has been observed since the end of 2021. It is currently unclear whether and when the European Central Bank will raise the key interest rate. In the short to medium term, forecasts continue to point to a negative three-month EURIBOR. 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 2021, 11% (31 December 2020: 15%) of loans were fixed-rate and 89% (31 December 2020: 85%) 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. At the end of the year, the entire variable rate financing portfolio was hedged. The extent to which the Group uses instruments of this kind depends on the assumptions and market expectations of the management and the responsible employees at S IMMO 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, 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. A three-month EURIBOR of 1.0% p.a. reduces the cost of funding by two basis points.

Financing risk

Market conditions for property financing are constantly changing. Even so, despite the COVID-19 crisis, S IMMO has not yet observed any lasting changes to or deteriorations in banks' willingness to provide funds. Properties showing minimal or at least not sustained effects of the COVID-19 crisis on account of their asset class, location or tenant base – such as residential, office or retail properties – can still be financed at identical or similar terms as before the crisis. 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 (23 individual banks as of the reporting date of 31 December 2021). Borrowing is monitored on the basis of approvals on a staggered basis by the Management Board and Supervisory Board. As of 31 December 2021, non-current liabilities to banks had an average weighted residual term of 5.2 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 2021, the Group-wide loan-to-value ratio for secured financing stood at 30.7% (31 December 2020: 31.3%). In addition, the Group has unsecured financing (utilised credit lines and loans). The loan-to-value ratio for unsecured financing amounted to 9.8% (31 December 2020: 15.5%) 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.

Exchange rate risk

S IMMO Group's borrowings are entirely denominated in euros and rental agreements are linked mainly 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 or loss statement.

Tax risks

As an international property group that currently has companies in eight 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.

ESG risks

For S IMMO Group, the management of ESG risks encompasses various risks related to the ESG criteria of environment, social affairs and corporate governance. Legal and regulatory requirements such as the Sustainability and Diversity Improvement Act (NaDiVeG) and the EU Taxonomy Regulation require us to address specific sustainability risks in the areas of climate change, employees, respect for human rights, the fight against corruption and bribery, and others. The following section of the risk 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 and climate 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. The latter can be divided into physical and transitory risks. The following information on climate risk management in this section is based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The strategic monitoring of environmental and climate risks and the pursuit of potential opportunities are the responsibility of the Management Board member responsible for ESG and the ESG Committee of the Supervisory Board. Operational assessment and management are the joint responsibility of the Risk Management, Portfolio Management and Sustainability Management departments, which engage in a direct and active exchange of information on these issues.

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. Several stronger earthquakes in Croatia in 2020, in which S IMMO properties were only affected to a smaller extent, confirmed the decision for this mix of measures. Repairs to the buildings that were necessary due to earthquake damage were covered by insurance.

In construction activities, a potential risk emanates from the materials used. 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. A considerable part of the property portfolio has already been awarded green building certificates, which also require a reduction in hazardous materials. S IMMO is striving to further increase the share of certified properties. 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.

Against the backdrop of an assumed global warming of two degrees Celsius, the so-called "2-degree scenario", and according to internal experts, the company is confronted with a number of potential climate risks, some of which are already significant at the present time and whose impact will increase further as global warming progresses.

In the area of acute physical risks, heat waves and heavy precipitation are considered significant in their own right, as they are expected to become increasingly frequent and more severe than in the past. In addition, floods and hail pose a direct risk of damage to real estate and resulting temporary restrictions on the usability of buildings. A similar outlook emerges for chronic physical risks: General temperature changes, heat stress, and changing precipitation patterns also cause the acute risks to become entrenched over the long term. In order to minimise the impact of these risks, S IMMO conducts precise site analyses for acquisitions and investments and obtains guarantee declarations where necessary.

Furthermore, the way in which businesses, policymakers and society deal with climate change gives rise to transitory risks for the company. More drastic taxation of greenhouse gas emissions and the associated technological need for investment in renewable energy generation, the improvement of energy efficiency, and the digitalisation and networking of buildings will become significant cost drivers. At the same time, this reduces significant market risks, primarily the loss of value of carbon-intensive buildings, the more difficult leasing of carbon-intensive buildings, and increased costs due to higher energy and commodity prices. In addition, the enhanced reporting requirements to be fulfilled reflect the preferences of shareholders and creditors for products and business models with a high ESG orientation.

Climate risks affect the company not only through climate change, but conversely there is also a risk that the company will further increase the greenhouse effect and thus further contribute to climate change. The construction and operation of buildings are fundamentally greenhouse gas intensive, which means that S IMMO has a special responsibility to increase energy efficiency and reduce greenhouse gas emissions. A recently introduced portfolio-wide and property-related monitoring system is designed to identify and implement potential optimisation measures on the basis of complete and detailed data. In parallel, attention is being paid to energy-efficient construction methods and the use of high-quality and ecologically compatible materials in current and future projects. More detailed information on the use of energy and emissions can be found in the non-financial report starting on page 97.

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. 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.

Climate risks are identified, assessed and managed across departments by Risk Management, Portfolio Management and Sustainability Management, with plans to expand the assessment to include, for example, scientific scenarios and greater geographical granularity. At the time of reporting, climate risk management is an integral part of the Group-wide risk management and the company's greenhouse gas emissions are recorded in accordance with the classification into the three Scopes of the Greenhouse Gas Protocol (direct, indirect and other indirect emissions). Further key figures and targets are being developed.

Social risks

S IMMO is committed to the highest degree of compliance with all human rights. In addition to health and safety in the workplace and the right to fair pay and responsible treatment of employees, in the context of the Group this relates above all to the protection of minors, the prohibition of child labour, the right to equal opportunities and equal treatment, and the prohibition of discrimination.

All of S IMMO's activities are conducted in accordance with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the eight core conventions of the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises. To this end, a central and confidential point of contact has been established for reporting suspected human rights violations, and mandatory training on this topic will expand the established risk minimisation control mechanisms in the coming calendar year.

In the course of the company's activities, there may be individual cases of discrimination, sexual harassment, short-term undercutting of the appropriate wage level or exposure to increased physical risks. To counteract these and other risks, the company has developed a comprehensive human rights policy, which is available at www.simmoag.at/en/csr.

The company constantly addresses the challenges and potential risks that may arise in connection with its employees. It is therefore a matter of course for S IMMO to minimise possible negative effects on health. A current focus with regard to the protection of S IMMO's employees is the handling of the COVID-19 pandemic. An internal COVID-19 working group adapts the protective measures depending on the circumstances in the office. The aim of the measures is to protect all employees from infection as well as to maintain the company's ability to operate. In the worst case, infections within the company could have a negative impact on the continuity of various business activities. Through a mix of measures such as a company vaccination campaign, the reduction of office attendance times through remote working, the creation of individual offices, the possibility of regular free PCR tests and mask regulations, the risk of infection was actively minimised in 2021.

Switching to remote working minimises the risk of infection, but in return poses risks in terms of physical and mental health. A workstation that is not ergonomically adapted can cause physical pain, and on a psychological level, it may be difficult to separate work and private life. S IMMO endeavours to find individual solutions with all employees as necessary, to take into

account any care obligations as best as possible and to ensure a good work-life balance in this context as well.

Another risk with regard to personnel is employee turnover. S IMMO has a lean organisation and flat structures. The departure of management and specialist staff could therefore have a negative impact on the company's development, as it is hardly possible or very difficult to compensate for the expertise of good employees in the short term. The company therefore strives to be attractive as an employer in the long term and also offers its employees individual solutions to make everyday working life easier.

In addition, construction activities such as conversions, maintenance and renovation measures give rise to potential occupational safety risks, but at S IMMO AG these are limited to general construction coordination tasks. Poor quality and non-compliance with safety regulations by contractors can endanger the safety and health of workers. Construction activities in 2021 were affected by the pandemic to only a minor extent and were largely implemented as planned. Beyond the general construction coordination duties, compliance with occupational safety requirements is monitored separately at the contracted companies.

During the use of the building in the rental phase, personal injuries to tenants, visitors and passers-by may occur if S IMMO as the owner does not sufficiently fulfil its duties of care and maintenance. It is therefore ensured at all times that all responsibilities are taken into account through appropriate personnel and physical precautions at the properties. In addition, there is a risk of damage to S IMMO's image as a landlord if tenants were to widely discredit S IMMO due to controversial actions.

Despite all due care and systemic and procedural precautions, there is a risk that cyberattacks and unauthorised disclosures may result in violations of the personal rights and privacy of individuals, particularly in the area of employee and tenant data. The company counters this risk with ongoing monitoring of the case law and, if necessary, with adjustments to its infrastructure and processes in order to minimise the number of breaches and resulting claims and, if necessary, to comply with them in a timely manner. A separate cross-departmental working group deals with current developments and issues relating to data security and protection several times a year.

Governance risks

Fundamental values such as transparency and fair and sustainable corporate governance are deeply rooted in S IMMO's corporate structure. S IMMO has been committed to compliance

with the Austrian Code of Corporate Governance since 2007 (for details, please refer to page 90).

The company's Code of Conduct obliges executive bodies and employees to act in accordance with highest ethical standards. Employees who become aware of a proven or possible violation of the Code of Conduct must either report it immediately to the Compliance Officer of S IMMO AG or submit a corresponding report anonymously via the whistleblower system that is publicly accessible on the company's website.

The risk of corruption is always present in day-to-day business. Some of the countries in which S IMMO operates have a poor ranking according to the Corruption Perceptions Index, among others, 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 Guideline for the Prevention of Bribery, Acceptance of Advantages 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 advantages and corruption. This binding guideline 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. In the future, mandatory training sessions will be held annually on the contents of the Code of Conduct and the Guideline on the Prevention of Bribery, Acceptance of Advantages and Corruption.

When selecting its business partners and suppliers, S IMMO assumes its responsibility within the supply chain and attaches great importance to the contractual framework and regulations. Compliance with the high legal standards and regulations within the European Union is the minimum requirement. The company mostly works with renowned and recognised partners, and the cooperation is preceded by a corresponding selection process. This also minimises the financial risk of penalties or legal restrictions.

IT security is a key area of risk, particularly in light of the significant increase in the digitalisation of corporate processes. S IMMO defines IT risks as the danger that certain vulnerabilities in the systems, components, communication networks or software will occur and subsequently prevent the company or individuals from successfully implementing their tasks or processes in a timely manner. IT risks are directly related to the security of IT systems. Sources of risk include, for example, viruses, short- or long-term cyberattacks (including loss of customer data) on individual systems or the entire network, the theft of hardware, fires in data centres, power failures or hard disk crashes.

S IMMO's IT risk management is designed to identify potential IT risks at an early stage, implement necessary countermeasures and minimise potential threats. The measures taken include installing security-relevant updates on all servers and clients, regular vulnerability scans of servers, using up-to-date antivirus software, hosting servers in the IT service provider's failsafe data centre, using BIOS passwords, encrypting employees' hard drives, using encrypted work cell phones by default and active website filters, monitoring firewalls, and so on. In addition, a cyber AI security solution is deployed. Moreover, sensors of the cyber AI security solution have been installed on all clients. As a result, the IT infrastructure is monitored around the clock and in the event of a cyberattack, the company is informed by its own security team. For 2022, an IT security PEN test is planned, as well as the introduction of regular IT security training via S IMMO's new training portal. Despite taking the greatest care and using the latest technology in the area of IT security, an IT failure or a cyberattack on S IMMO's systems cannot be ruled out.

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 by IFRS. As the outcome of (arbitration) court proceedings is generally difficult to predict, expenses in excess of the provisions may be incurred. Significant risks may also arise from changes in the legal situation, particularly as S IMMO operates in a highly regulated environment and in various jurisdictions. The clear interpretation of legal norms and contractual provisions may also be difficult in the context of the COVID-19 crisis due to the unusual factual and legal situation, which may lead to further litigation or the need for increased settlement.

The Group operates in a regulatory environment whose provisions – in particular those defined by market abuse, data protection and antitrust law – are and will continue to be applicable with very high penalty threats. 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.

Overall statement on risks

S IMMO AG's business activities are subject to a large number of risks and are heavily dependent on the economic situation in the markets in which the Group operates. In general, the European Union experienced strong growth in 2021 compared to the previous year, but there was a renewed slowdown towards the end of the year compared to the previous quarter due to the Omicron infection wave. Many experts believe that the milder course of disease caused by the new mutation and the increasing vaccination coverage of the population could lead to an end of the pandemic.

Also the effects of the recently observed rising inflation rates on S IMMO's business activities cannot be definitively assessed at this time. On the one hand, forecasts regarding the duration and extent – especially in connection with the war in Ukraine – are currently subject to considerable uncertainty, and on the other hand, it is still completely unclear what measures central banks and politicians will take in this context. As there may be at least indirect effects on almost all risk categories, S IMMO also monitors all risk categories with regard to different inflation trends.

The war in Ukraine with its negative economic consequences for the European Union also represents a major uncertainty factor. One fear is that there will be a further increase in energy prices and a negative impact on procurement and supply processes and thus on purchasing prices. Reliable forecasts are hardly feasible, which also makes short- and medium-term planning challenging. This is further aggravated by the fact that the uncertainties lie outside the company's sphere of influence.

The past few months have shown that S IMMO AG's portfolio, which is diversified by region and type of use, has proven its worth, even in the current crisis. Nevertheless, negative effects on consumer behaviour – due to local COVID measures in the markets served by S IMMO – and thus on the revenues of S IMMO's tenants cannot be ruled out. As a consequence, this could have a negative impact on rental income. Negative effects could also arise in the case of valuation, rental or real estate portfolio risk. Economic developments always have an impact on capital markets. Fluctuations on the stock markets subsequently influence the market capitalisation of S IMMO AG as well as the valuation of its investments.

Another risk area relates to the liquidity and financing situation in the company. S IMMO AG is in a good financial position. Despite the COVID-19 crisis, there has fortunately been no sign of lasting changes to or deterioration in banks' willingness to provide funds.

The company counters all risks with careful risk monitoring and a responsible risk policy. However, the occurrence of risks cannot be completely ruled out. Provisions are made for potential risks.

The management generally expects a further recovery in all types of use and regions in the coming months. The focus is on

the company's core business. At present, the company is benefiting from the attractive price level for residential properties in larger German cities. The company also sees tremendous value enhancement potential for the land purchases in the area around Berlin. In addition, interesting acquisition options are being examined on an ongoing basis in the CEE region.

Outlook

Significant events after the balance sheet date

In January 2022, S IMMO issued another green bond with a nominal value of EUR 50 million, a term of five years and a coupon of 1.25%.

At the end of January 2022, CPI Property Group and S IMMO agreed that the former would increase the offer price of its mandatory offer to IMMOFINANZ shareholders to EUR 23.00 (cum dividend). In return, S IMMO AG committed to transfer all of its shares in IMMOFINANZ, as well as all those shares it may acquire through its partial offer for IMMOFINANZ shares, to CPI Property Group. The sale of S IMMO's stake in IMMOFINANZ to CPI Property Group was completed at the beginning of March 2022.

The outbreak of the war in Ukraine also fell into the first quarter of 2022. S IMMO does not own any properties in Ukraine nor in Russia and is therefore only indirectly affected by the current war. However, effects on S IMMO Group's business activities cannot yet be conclusively assessed at the editorial deadline for this report.

At the time this report went to press, the effects of the COVID-19 pandemic and the related uncertainties in the markets in which S IMMO operates persist.

On 14 April 2022, S IMMO was informed by CPI Property Group that it would immediately request the convening of an extraordinary general meeting to resolve on the abolishment of the maximum voting rights (15%) enshrined in S IMMO's articles of association. Following the legally effective abolition of the maximum voting right, CPI Property Group would acquire a controlling interest in S IMMO within the meaning of section 22 of the Austrian Takeover Act. In this case, CPI Property Group

intends to make a mandatory offer. The price of the intended mandatory offer would be at least EUR 22.00 per S IMMO share cum dividend at the time of this announcement of intent, according to the ad hoc announcement of CPI Property Group dated 14 April 2022 pursuant to section 26 (1) of the Austrian Takeover Act.

Expected economic development

The economic recovery seen in 2021 was dampened by the new Omicron variant towards the end of the year. Nevertheless, the economic forecasts were reasonably optimistic before Russia's attack on Ukraine at the end of February 2022, but consequently had to be corrected in March 2022. It can be assumed that the war in Ukraine will significantly slow down or stall the economic recovery in Europe. A further increase in energy prices and renewed delays in procurement and supply processes are to be expected, which will ultimately lead to higher purchase prices and push inflation up further. In its updated March forecast for Europe, the European Central Bank (ECB) expected real GDP growth to average 3.7% in 2022 (details can be found in the economic report on page 7).

The current situation in Ukraine is also having an impact on the capital markets. On the first day of Russia's attack, the international exchanges suffered substantial losses in some cases. Due to the ongoing war, uncertainty remains on the international capital markets.

Expected developments on the real estate markets

Because the real estate industry is highly dependent on the economic developments in the given regions, it can be assumed that the war in Ukraine will also impact the real estate markets.

A deterioration of the economic situation can lead to rent reductions, rent defaults, or lease terminations by tenants. S IMMO AG does not own any properties in Ukraine or in Russia, but indirect effects cannot be ruled out.

Along with the war in Ukraine, the COVID-19 pandemic also makes it difficult to make reliable medium- and long-term projections about the development of the real estate markets. In general, the pandemic is particularly challenging for the property use types of hotels and retail. However, a continuing recovery is expected for 2022, with the tourism sector in particular benefiting from increasing vaccination progress. The property use types of residential, office, and logistics will remain the focus of investors in 2022. Trends such as remote working and online shopping may continue to impact the real estate markets.

Expected business development

Flexibility and sustainability are the topics that are increasingly important in all asset classes in the real estate sector – the more flexibly a space can be used, the more sustainable a property is in terms of a low carbon footprint, the more attractive it is. In the retail segment, location is still decisive for the success of a property, while in the residential segment, people increasingly want to be close to nature, a development that has emerged in response to the COVID-19 pandemic. In case of office buildings, the trends are shorter and shorter lease terms and flexible use. As a major, experienced investor, S IMMO has the necessary knowledge and expertise to appropriately deal with the changing requirements.

The year 2022 will primarily be defined by the aftereffects of the COVID-19 pandemic. In general, a mounting recovery is expected in all property use types and regions. However, events are currently being overshadowed by the geopolitical situation in Ukraine, and it remains to be seen how the conflict will progress.

S IMMO sold its shares in CA Immobilien Anlagen AG in July 2021. At the beginning of 2022, the sale of the shares in IMMO-FINANZ AG was contractually regulated and completed at the beginning of March 2022. Therefore, the company has a comfortable liquidity cushion and will fully concentrate on its core business: the letting and management of high-earnings properties in Germany, Austria and Central and Eastern Europe and the acquisition of properties with high value-enhancement potential. There are currently several attractive acquisitions in the pipeline.

Thus, all signs are pointing to growth. S IMMO reaffirmed its sustainable investment strategy with the issue of another green bond at the beginning of the year. Along with a maturity profile that is well distributed over the coming years, S IMMO has thus established a very solid starting position in terms of financing for the coming months.

Although the German market still offers attractive opportunities, the focus of the acquisition possibilities for 2022 is clearly on the CEE region. Potential acquisitions are currently being assessed in various markets and specific discussions are under way to strengthen the cash flow and FFO I through direct property investments.

Vienna, 14 April 2022

The Management Board



Bruno Ettenauer Herwig Teufelsdorfer Friedrich Wachernig

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated statement of financial position

as of 31 December 2021

| Assets EUR '000 | Notes | 31 December 2021 | 31 December 2020 |
|---|--------------|-------------------------|-------------------------|
| Non-current assets | | | |
| Investment properties | | | |
| Rented properties | 3.1.1. | 2,642,929 | 2,316,747 |
| Properties under development and undeveloped land | 3.1.1. | 77,034 | 38,175 |
| | | 2,719,963 | 2,354,922 |
| Owner-operated properties | 3.1.2. | 110,834 | 117,617 |
| Other plant and equipment | 3.1.2. | 5,536 | 6,346 |
| Intangible assets | 3.1.2. | 358 | 251 |
| Interests in companies measured at equity | 3.1.3. | 27,367 | 24,376 |
| Group interests | 3.1.4. | 5,346 | 4,609 |
| Other financial assets | 3.1.4. | 398,001 | 497,721 |
| Deferred tax assets | 3.1.16. | 561 | 1,178 |
| | | 3,267,966 | 3,007,020 |
| Current assets | | | |
| Inventories | 3.1.5. | 262 | 208 |
| Trade receivables | 3.1.6. | 6,904 | 4,270 |
| Other financial assets | 3.1.6. | 14,238 | 13,787 |
| Other assets | 3.1.7. | 22,928 | 28,477 |
| Cash and cash equivalents | 3.1.8. | 375,823 | 64,503 |
| | | 420,155 | 111,245 |
| Assets held for sale | 3.1.9. | 0 | 4,345 |
| | | 420,155 | 115,590 |
| | | 3,688,121 | 3,122,610 |

| Equity and liabilities EUR '000 | Notes | 31 December 2021 | 31 December 2020 |
|--|--------------|-------------------------|-------------------------|
| Shareholders' equity | | | |
| Share capital | 3.1.10. | 256,249 | 259,397 |
| Capital reserves | 3.1.10. | 160,612 | 173,855 |
| Other reserves | 3.1.10. | 1,245,361 | 947,299 |
| | | 1,662,222 | 1,380,551 |
| Non-controlling interests | | | |
| | 3.1.11. | 4,081 | 3,277 |
| | | 1,666,303 | 1,383,828 |
| Non-current liabilities | | | |
| Issued bonds | 3.1.13. | 646,819 | 497,215 |
| Other financial liabilities | 3.1.12. | 920,201 | 873,801 |
| Provisions for employee benefits | 3.1.14. | 1,264 | 1,349 |
| Other liabilities | 3.1.15. | 348 | 957 |
| Deferred tax liabilities | 3.1.16. | 253,011 | 195,887 |
| | | 1,821,643 | 1,569,209 |
| Current liabilities | | | |
| Issued bonds | 3.1.13. | 0 | 28,529 |
| Financial liabilities | 3.1.12. | 138,581 | 99,273 |
| Income tax liabilities | | 6,070 | 2,384 |
| Trade payables | 5.1.1. | 5,673 | 3,616 |
| Other liabilities | 3.1.15. | 49,851 | 35,771 |
| | | 200,175 | 169,573 |
| | | 3,688,121 | 3,122,610 |

Consolidated income statement

for the financial year 2021

| in EUR '000 | Notes | 2021 | 2020 |
|---|---------|----------------|---------------|
| Revenues | | | |
| Rental income | 3.2.1. | 131,294 | 123,255 |
| Revenues from operating costs | 3.2.1. | 34,359 | 32,871 |
| Revenues from hotel operations | 3.2.1. | 31,203 | 17,789 |
| | | 196,856 | 173,915 |
| Other operating income | | 3,175 | 2,501 |
| Property operating expenses | 3.2.2. | -66,795 | -66,760 |
| Hotel operating expenses | 3.2.2. | -23,702 | -18,126 |
| Gross profit | | 109,534 | 91,530 |
| Income from property disposals | 3.2.3. | 39,598 | 46,910 |
| Book value of property disposals | 3.2.3. | -39,598 | -46,910 |
| Result from property disposals | 3.2.3. | 0 | 0 |
| Management expenses | 3.2.4. | -28,237 | -20,398 |
| Earnings before interest, tax, depreciation and amortisation (EBITDA) | | 81,297 | 71,132 |
| Depreciation and amortisation | 3.2.5. | -9,646 | -9,232 |
| Results from property valuation | 3.2.6. | 198,686 | 39,056 |
| Operating income (EBIT) | | 270,337 | 100,956 |
| Financing costs | 3.2.7. | -30,723 | -43,226 |
| Financing income | 3.2.7. | 25,255 | 8,821 |
| Results from companies measured at equity | 3.2.7. | 6,173 | 5,035 |
| Financial result | | 705 | -29,370 |
| Earnings before tax (EBT) | | 271,042 | 71,586 |
| Taxes on income | 3.1.16. | -40,484 | -14,674 |
| Consolidated net income | | 230,558 | 56,912 |
| of which attributable to shareholders in the parent company | | 229,521 | 56,537 |
| of which attributable to non-controlling interests | | 1,037 | 375 |
| Earnings per share | | | |
| undiluted = diluted | 3.2.8. | 3.24 | 0.79 |

Consolidated statement of comprehensive income

for the financial year 2021

| in EUR '000 | Notes | 2021 | 2020 |
|---|---------|----------------|----------------|
| Consolidated net income | | 230,558 | 56,912 |
| Change in value of cash flow hedges | 5.1.2. | 11,480 | -4,281 |
| Income taxes on cash flow hedges | 5.1.2. | -2,141 | 767 |
| Reclassification of derivative valuation effects | 5.1.2. | 287 | 2,446 |
| Income taxes on reclassification of derivative valuation effects | 5.1.2. | -72 | -611 |
| Reserve for foreign exchange rate differences | 3.1.10. | 424 | 3,398 |
| Other comprehensive income for the period (realised through profit or loss) | | 9,978 | 1,719 |
| Valuation of financial assets FVOCI | | 129,642 | -124,746 |
| Income taxes from measurement of financial assets FVOCI | | -35,700 | 31,187 |
| Remeasurement of post-employment benefit obligations | | -67 | -18 |
| Income taxes on remeasurement of post-employment benefit obligations | | 17 | 5 |
| Other comprehensive income for the period (not realised through profit or loss) | | 93,892 | -93,572 |
| Other comprehensive income for the period | | 103,870 | -91,853 |
| of which attributable to shareholders in parent company | | 103,870 | -91,853 |
| of which attributable to non-controlling interests | | 0 | 0 |
| Total comprehensive income | | 334,428 | -34,941 |
| of which attributable to shareholders in parent company | | 333,391 | -35,316 |
| of which attributable to non-controlling interests | | 1,037 | 375 |

Consolidated cash flow statement

for the financial year 2021

| in EUR '000 | Notes | 2021 | 2020 |
|---|--------------------|----------------|----------|
| Earnings before taxes (EBT) | | 271,042 | 71,586 |
| Results from property valuation | 3.2.6. | -198,686 | -39,056 |
| Depreciation and amortisation | 3.2.5. | 9,646 | 9,232 |
| Results on property sales | 3.2.3. | 0 | 0 |
| Taxes on income paid | 3.1.16. | -15,420 | -6,756 |
| Financial result | 3.2.7. | -705 | 29,370 |
| Operating cash flow | | 65,877 | 64,376 |
| Changes in net current assets | | | |
| Receivables and other assets | | -2,734 | 1,791 |
| Provisions, other financial and non-financial liabilities | | -722 | -19 |
| Current liabilities | | 6,544 | -10,746 |
| Cash flow from operating activities | | 68,965 | 55,402 |
| Cash flow from investing activities | | | |
| Investments in property portfolio (rented properties, developing projects, undeveloped land, owner-operated properties) | | -35,579 | -73,882 |
| Investments in intangible assets | | -236 | -137 |
| Investments in other fixed assets | | -882 | -2,745 |
| Disposal of equity instruments of other companies | 3.1.4. | 234,605 | 0 |
| Acquisition of equity instruments of other companies | 3.1.4. | 0 | -50,982 |
| Investments in financial assets | | -38 | -18,297 |
| Disposals of financial assets | | 16 | 0 |
| Investments in companies measured at equity | | -151 | -4,302 |
| Divestments in companies measured at equity | | 510 | 14,218 |
| Net cash flow from initial consolidations | 2.2.4. | -151,998 | -44,376 |
| Other changes in companies measured at equity | | 3,783 | 13,017 |
| Disposals of properties | 3.2.3. | 39,598 | 46,910 |
| Dividends from companies measured at equity | | 356 | 588 |
| Dividends from listed companies | 3.1.4. 3.2.7. | 17,755 | 4,580 |
| Income from equity investments | 3.1.4. | 343 | 267 |
| Interest received | 3.2.7. | 927 | 942 |
| Cash flow from investing activities | | 109,009 | -114,199 |

| in EUR '000 | Notes | 2021 | 2020 |
|--|---------|----------------|---------------|
| Consolidated cash flow statement continued | | | |
| Cash flow from financing activities | | | |
| Issue of shares | 3.1.10. | 0 | 146,477 |
| Buyback of treasury shares | 3.1.10. | -16,392 | -22,379 |
| Bond issues | 3.1.13. | 149,143 | 0 |
| Bond redemptions | 3.1.13. | -28,549 | 0 |
| Distribution of minority shares | | -232 | -8 |
| Increases in financing | 3.1.12. | 165,360 | 67,079 |
| Decreases in financing | 3.1.12. | -63,932 | -93,964 |
| Dividend payment | 3.1.10. | -35,329 | -50,185 |
| Interest paid | | -36,723 | -35,284 |
| Cash flow from financing activities | | 133,346 | 11,736 |
| Cash and cash equivalents 01 January | | 64,503 | 111,564 |
| Net change in cash and cash equivalents | | 311,320 | -47,061 |
| Cash and cash equivalents 31 December¹ | | 375,823 | 64,503 |

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

Changes in consolidated equity

| in EUR '000 | Share capital | Capital reserves | Foreign currency translation reserve | Hedge accounting reserve | Equity instruments reserve | Other reserves | Subtotal S IMMO share-holders | Non-controlling interests | Total |
|--|----------------|------------------|--------------------------------------|--------------------------|----------------------------|------------------|-------------------------------|---------------------------|------------------|
| As of 01 January 2021 | 259,397 | 173,855 | -11,337 | -18,802 | -2,140 | 979,577 | 1,380,551 | 3,277 | 1,383,828 |
| Consolidated net income | 0 | 0 | 0 | 0 | 0 | 229,521 | 229,521 | 1,037 | 230,558 |
| Other comprehensive income | 0 | 0 | 424 | 9,554 | 93,942 | -50 | 103,870 | 0 | 103,870 |
| Issue of shares | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Buyback of treasury shares | -3,148 | -13,243 | 0 | 0 | 0 | 0 | -16,392 | 0 | -16,392 |
| Distribution with respect to non-controlling interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -232 | -232 |
| Other changes | 0 | 0 | 0 | 0 | -73,564 | 73,564 | 0 | 0 | 0 |
| Distribution for 2020 to shareholders ¹ | 0 | 0 | 0 | 0 | 0 | -35,329 | -35,329 | 0 | -35,329 |
| As of 31 December 2021 | 256,249 | 160,612 | -10,913 | -9,247 | 18,238 | 1,247,284 | 1,662,222 | 4,081 | 1,666,303 |
| As of 01 January 2020 | 240,544 | 68,832 | -14,735 | -17,123 | 91,419 | 973,238 | 1,342,175 | 2,910 | 1,345,085 |
| Consolidated net income | 0 | 0 | 0 | 0 | 0 | 56,537 | 56,537 | 375 | 56,912 |
| Other comprehensive income | 0 | 0 | 3,398 | -1,679 | -93,559 | -13 | -91,853 | 0 | -91,853 |
| Issue of shares | 24,314 | 122,766 | 0 | 0 | 0 | 0 | 147,080 | 0 | 147,080 |
| Buyback of treasury shares | -5,461 | -17,743 | 0 | 0 | 0 | 0 | -23,204 | 0 | -23,204 |
| Distribution with respect to non-controlling interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -8 | -8 |
| Distribution for 2019 to shareholders | 0 | 0 | 0 | 0 | 0 | -50,185 | -50,185 | 0 | -50,185 |
| As of 31 December 2020 | 259,397 | 173,855 | -11,337 | -18,802 | -2,140 | 979,577 | 1,380,551 | 3,277 | 1,383,828 |

¹ The dividend distribution of kEUR 35,329 in 2021 (2020: kEUR 50,185) corresponds to a dividend of EUR 0.50 (2020: EUR 0.70) per share, and was effected on 28 October 2021.

Notes to the consolidated financial statements

as of 31 December 2021

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 Friedrichstrasse 10, 1010 Vienna, Austria. The company has been listed on the Vienna Stock Exchange since 1987, in the Prime Market segment since 2007. S IMMO was included in the Austrian ATX benchmark index for the first time on 18 September 2017. It has subsidiaries in Austria, Germany and CEE (Czechia, Slovakia, Hungary, Croatia, Romania and Bulgaria) as of the reporting date. As of 31 December 2021, 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.

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.

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.

If there are no business combinations as defined by IFRS 3, the assets and liabilities acquired are recognised at the proportionately attributable acquisition costs. Typically, hidden reserves recognised as part of share deals are mostly or exclusively attributable to properties.

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 84 (2020: 80) companies (property holding and intermediary holding companies) that are fully consolidated and directly or indirectly owned by S IMMO AG, and 6 (2020: 5) companies included at equity.

Changes in the consolidation group in the financial year 2021

In the second quarter of 2021, the two companies SPC DELTA PROPERTY DEVELOPMENT COMPANY SRL, Romania, (Campus 6.2), and SPC SIGMA PROPERTY DEVELOPMENT COMPANY SRL, Romania, (Campus 6.3), were acquired by way of a share deal. The purchase prices (excluding incidental purchase

costs) of kEUR 12,902 (Campus 6.2) and kEUR 11,427 (Campus 6.3) consisted entirely of cash. The loans included in non-current liabilities in the amount of kEUR 33,016 (Campus 6.2) and kEUR 34,063 (Campus 6.3) were repaid in the course of the settlement of the purchase. In the fourth quarter of 2021, BudaPart Auratus Kft., Hungary, was also acquired by way of a share deal. The purchase price (excluding incidental purchase costs) of kEUR 27,176 consisted entirely of cash. The loan of kEUR 46,361 included in non-current liabilities was repaid in the course of the purchase. Of the purchase prices listed above, an advance payment of kEUR 5,000 for Campus 6.2 was made in the financial year 2021, and a further kEUR 3,232 for BudaPart Gate was not yet due in 2021. The acquired companies had the following book values at the time of acquisition:

| EUR '000 | Campus 6.2 | Campus 6.3 | BudaPart Gate | Total book value |
|--------------------------------------|---------------|---------------|---------------|------------------|
| Non-current assets | | | | |
| Property assets | 50,610 | 45,580 | 71,608 | 167,798 |
| Current assets | | | | |
| Other current assets | 1,801 | 1,496 | 283 | 3,580 |
| Cash and cash equivalents | 1,489 | 379 | 2,846 | 4,714 |
| Total assets | 53,900 | 47,455 | 74,737 | 176,092 |
| Non-current liabilities | -33,028 | -34,079 | -46,999 | -114,106 |
| Current liabilities | -7,970 | -1,949 | -500 | -10,419 |
| Total book value of disposals | 12,902 | 11,427 | 27,238 | 51,567 |

In the first quarter of 2021, S IMMO Croatia d.o.o. (formerly SOPOT Property d.o.o.), Croatia, was included in the consolidated financial statements of S IMMO AG as a fully consolidated company for the first time. The company was founded in 2020 and was not included in the previous year in the consolidation group due to its immateriality and was instead reported as an investment. Cash and cash equivalents at the time of initial consolidation amounted to kEUR 2. In the third quarter of 2021 the newly founded S IMMO Berlin Finance GmbH, Germany,

was also fully included in the consolidation group. A business combination as per IFRS 3 did not occur for any of the newly consolidated companies, as the definition of a business according to IFRS 3 was not met. In the second quarter of 2021, the previously fully consolidated Einkaufs-Center Sofia G.m.b.H. & Co. KG, Germany, was dissolved.

In the fourth quarter of 2021, the associated company Talent Ágazati Képzőközpont Nonprofit Kft. was also founded.

Overview of the 2021 consolidation group on a company basis

| | Location | Nominal capital 2021 | Nominal capital 2020 | Group share % 2021 | Group share % 2020 | Local currency 2021 | Local currency 2020 | Consolidation type 2021 | Consolidation type 2020 |
|---|------------|----------------------|----------------------|--------------------|--------------------|---------------------|---------------------|-------------------------|-------------------------|
| 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 | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| Hotel DUNA Beteiligungs Gesellschaft m.b.H. | AT, Vienna | 145,346 | 145,346 | 100 | 100 | EUR | EUR | FC | FC |
| AKIM Beteiligungen GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |

| | Location | Nominal capital 2021 | Nominal capital 2020 | Group share % 2021 | Group share % 2020 | Local currency 2021 | Local currency 2020 | Consolidation type 2021 | Consolidation type 2020 |
|--|------------|----------------------|----------------------|--------------------|--------------------|---------------------|---------------------|-------------------------|-------------------------|
| 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 | 100 | 100 | EUR | EUR | FC | FC |
| SIAG Berlin Wohnimmobilien GmbH | AT, Vienna | 3,982,500 | 3,982,500 | 99.74 | 99.74 | EUR | EUR | FC | 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 | 89.84 | 89.67 | 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 |
| QBC Gamma SP Immomangement GmbH in Liqu. | 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 | 23.18 | 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 | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | 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 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Vier GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Fünf GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Sechs GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Sieben GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Acht GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Neun GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Zehn GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Elf GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Property Zwölf GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | 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 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Group Finance GmbH | AT, Vienna | 35,000 | 35,000 | 100 | 100 | EUR | EUR | FC | FC |
| WASHINGTON PROEKT EOOD | BG, Sofia | 4,054,450 | 4,054,450 | 100 | 100 | BGN | BGN | FC | 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 |
| Lützwow-Center GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| Ikaruspark GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Germany GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S Immo Geschäftsimmobilien GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| Markt Carree Halle Immobilien GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| Tözl Immobilien GmbH | DE, Berlin | 25,000 | 25,000 | 99.74 | 99.74 | EUR | EUR | FC | FC |

| | Location | Nominal capital 2021 | Nominal capital 2020 | Group share % 2021 | Group share % 2020 | Local currency 2021 | Local currency 2020 | Consolidation type 2021 | Consolidation type 2020 |
|---|----------------|----------------------|----------------------|--------------------|--------------------|---------------------|---------------------|-------------------------|-------------------------|
| Einkaufs-Center Sofia G.m.b.H. & Co. KG | DE, Hamburg | N/A | 87,000,000 | N/A | 65 | N/A | EUR | N/A | FC |
| SIAG Deutschland Beteiligungs-Verwaltungs GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| SIAG Deutschland Beteiligungs GmbH & Co. KG | DE, Berlin | 100,000 | 100,000 | 94.9 | 94.9 | EUR | EUR | FC | FC |
| SIAG Leipzig Wohnimmobilien GmbH | DE, Berlin | 750,000 | 750,000 | 99.74 | 99.74 | EUR | EUR | FC | FC |
| Maior Domus Hausverwaltungs GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| SIAG Property I GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| SIAG Property II GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Berlin I GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Berlin II GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Berlin III GmbH | DE, Berlin | 25,000 | 25,000 | 93 | 93 | EUR | EUR | FC | FC |
| S IMMO Berlin IV GmbH | DE, Berlin | 25,000 | 25,000 | 93 | 93 | EUR | EUR | FC | FC |
| S IMMO Berlin V GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Berlin VI GmbH | DE, Berlin | 25,000 | 25,000 | 100 | 100 | EUR | EUR | FC | FC |
| S IMMO Berlin Finance GmbH | DE, Berlin | 25,000 | N/A | 100 | N/A | EUR | N/A | FC | N/A |
| 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 | 3,000,000 | 3,000,000 | 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 | 6,000,000 | 6,000,000 | 100 | 100 | HUF | HUF | FC | FC |
| S IMMO APM Hungary Kft. | HU, Budapest | 20,000,000 | 20,000,000 | 100 | 100 | HUF | HUF | FC | FC |
| Váci 113 Offices A Kft. | HU, Budapest | 5,000,000 | 4,000,000 | 100 | 100 | HUF | HUF | FC | FC |
| Váci 113 Offices B Hungary Kft. | HU, Budapest | 4,000,000 | 4,000,000 | 100 | 100 | HUF | HUF | FC | FC |
| Talent Ágazati Képzőközpont Nonprofit Kft. | HU, Budapest | 3,250,000 | N/A | 20 | N/A | HUF | N/A | E | N/A |
| BudaPart Auratus Kft. | HU, Budapest | 4,070,000 | N/A | 100 | N/A | EUR | 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 | 80,732,000 | 80,732,000 | 100 | 100 | RON | RON | FC | FC |
| S IMMO APM ROMANIA S.R.L. (previously: ROTER INVESTITII IMOBILIARE SRL) | RO, Bucharest | 10,289,770 | 10,289,770 | 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 |
| THE MARK II OFFICES S.R.L. | RO, Bucharest | 45,576 | 45,576 | 100 | 100 | RON | RON | FC | FC |
| SPC DELTA PROPERTY DEVELOPMENT COMPANY SRL | RO, Bucharest | 21,792,510 | N/A | 100 | N/A | RON | N/A | FC | N/A |
| SPC SIGMA PROPERTY DEVELOPMENT COMPANY SRL | RO, Bucharest | 24,255,000 | N/A | 100 | N/A | RON | N/A | FC | N/A |
| 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 | 51 | 51 | EUR | EUR | E | E |
| SIAG Fachmarktzentrum, 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 |

| | Location | Nominal capital 2021 | Nominal capital 2020 | Group share % 2021 | Group share % 2020 | Local currency 2021 | Local currency 2020 | Consolidation type 2021 | Consolidation type 2020 |
|--|----------------|----------------------|----------------------|--------------------|--------------------|---------------------|---------------------|-------------------------|-------------------------|
| 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 | 20,000 | 20,000 | 100 | 100 | HRK | HRK | FC | FC |
| Savska 32 d.o.o. | HR, Zagreb | 20,000 | 20,000 | 100 | 100 | HRK | HRK | FC | FC |
| S IMMO Croatia d.o.o. (previously: SOPOT Property d.o.o.) | HR, Zagreb | 70,000 | N/A | 100 | N/A | HRK | N/A | FC | N/A |
| Zagrebtower d.o.o. | HR, Zagreb | 15,347,000 | 15,347,000 | 100 | 100 | HRK | HRK | FC | FC |

Einkaufs-Center Sofia Verwaltungs G.m.b.H., Germany, Hamburg (group share 65%) was disposed of for kEUR 16 in the first quarter of 2021. There are no longer any subsidiaries that were not included in the scope of consolidation due to their minor significance for the consolidated financial statements as of 31 December 2021. 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 subsidiaries in Romania, Croatia, Czechia and the majority of the subsidiaries in Hungary, 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.

For one subsidiary operating in Bulgaria and two subsidiaries in Hungary, the functional currency is 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:

| | Czechia CZK | Hungary HUF | Bulgaria BGN | Romania RON | Croatia HRK |
|-------------------------------|----------------|----------------|-----------------|----------------|----------------|
| Closing rate 31 December 2021 | 24.858 | 369.190 | 1.956 | 4.949 | 7.516 |
| Average rate in 2021 | 25.649 | 358.608 | 1.956 | 4.925 | 7.526 |
| Closing rate 31 December 2020 | 26.242 | 363.890 | 1.956 | 4.868 | 7.552 |
| Average rate in 2020 | 26.498 | 354.052 | 1.956 | 4.843 | 7.544 |

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 2021

In preparing the consolidated financial statements, the following amendments to existing IAS, IFRS and interpretations as well as newly issued standards and interpretations were taken into

account, provided they had been published in the Official Journal of the European Union by 28 December 2021 and had entered into force by that date:

| Standard | Content | To be applied from |
|--|--|--------------------|
| IFRS 16 | COVID-19-Related Rent Concessions | April 2021 |
| IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 | Interest rate benchmark reform (IBOR reform) — Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 | January 2021 |
| IFRS 4 | Deferral of IFRS 9 | January 2021 |

IFRS 16 “COVID-19-Related Rent Concessions”

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2020, the IASB made an amendment to IFRS 16 Leases which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.

Entities applying the practical expedients must disclose whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognised in profit or loss arising from the rent concessions.

The relief was originally limited to reduction in lease payments that were due on or before 30 June 2021. However, the IASB subsequently extended this date to 30 June 2022.

If a lessee has already applied the original practical expedient, it is required to continue to apply it consistently to all lease contracts with similar characteristics and in similar circumstances, using the subsequent amendment. If a lessee did not apply the original practical expedient to eligible lease concessions, it may not apply the current expedient either.

However, if a lessee has not yet established an accounting policy on applying (or not) the practical expedient to eligible lease concessions, it can still decide to do so.

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

Interest rate benchmark reform (IBOR reform) – Phase 2:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.

The Phase 2 amendments provide the following reliefs:

- When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement.
- The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectivenesses might need to be recorded.

Affected entities need to disclose information about the nature and extent of risks arising from IBOR reform to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing that transition.

Given the pervasive nature of IBOR-based contracts, the reliefs could affect companies in all industries.

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

IFRS 4 “Deferral of IFRS 9”

The amendments to IFRS 4 are intended to address the temporary accounting issues arising from the different effective dates of IFRS 9 Financial Instruments and the future IFRS 17 Insurance Contracts. In particular, in order to align the effective date of IFRS 9 with the effective date of the new IFRS 17, the temporary exemption from IFRS 9 is extended until 2023.

Thus, for financial years beginning before 01 January 2023, insurers may apply IAS 39 Financial Instruments: Recognition and Measurement. An insurer using the temporary exemption from IFRS 9 has to:

- Apply those requirements of IFRS 9 that are necessary to provide the disclosures required by paragraphs 39B-39J of IFRS 4; and
- apply all otherwise relevant IFRSs to its financial instruments, except as described in paragraphs 20A-20Q, 39B-39J and 46-47 of IFRS 4.

After the conditions for a temporary exemption from IFRS 9 expire as a result of a reassessment, the entity may continue to use this exemption only until the end of the financial year that began immediately after this reassessment. However, for financial years beginning on or after 01 January 2023, the entity shall apply IFRS 9.

The amendment to paragraph 20O of IFRS 4 permits an entity to retain the relevant accounting policies of the associate or joint venture in accordance with paragraphs 35-36 of IAS 28 for annual periods beginning before 01 January 2023.

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

2.4.2. Standards, interpretations and amendments to published standards that are not yet mandatory in 2021 and have not been applied early

The following standards and interpretations were introduced or amended by 28 December 2021, but their application was not yet mandatory for the financial year 2021. Early application is not planned.

| Standard | Content | Adopted and to be applied from |
|-----------------------------|--|--------------------------------|
| IFRS 17 | Insurance Contracts | January 2023 |
| Annual Improvements to IFRS | Cycle 2018-2020 | January 2022 |
| IAS 16 | Amendments to IAS 16: Property, Plant and Equipment — Proceeds before Intended Use | January 2022 |
| IFRS 3 | Amendments to IFRS 3: Reference to the Conceptual Framework | January 2022 |
| IAS 37 | Amendments to IAS 37: Onerous Contracts — Cost of Fulfilling a Contract | January 2022 |

| Standard | Content | Not adopted and to be applied from |
|----------------------------------|---|------------------------------------|
| IAS 1 | Amendments to IAS 1: Classification of Liabilities as Current or Non-current | January 2023 |
| IAS 1, IFRS Practice Statement 2 | Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies | January 2023 |
| IAS 8 | Amendments to IAS 8: Definition of Accounting Estimates | January 2023 |
| IAS 12 | Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction | January 2023 |
| IFRS 17 | Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17) | January 2023 |

Standards and interpretations already adopted by the EU but not applied early

IFRS 17 “Insurance Contracts”

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

An optional, simplified premium allocation approach is permitted for the measurement of the liability for the remaining coverage for short duration contracts, which are often written by indemnity and accident insurers.

There is a modification of the general measurement model called the “variable fee approach” for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity’s share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

From the current perspective, no significant effects on the net assets, financial position and results of operations of the Group are expected.

Annual Improvements to IFRS (2018–2020 cycle)

The following improvements were finalised in May 2020:

- IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.
- IFRS 1 First-time Adoption of International Financial Reporting Standards – the rule that entities (option not available to subsidiaries of investment entities) that become first-time adopters of IFRS at a later time than their parent company are allowed to measure their assets and liabilities at carrying amounts recorded in their parent's books (excluding the effects from consolidation procedures) is amended by the possibility to measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.
- IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align IAS 41 with the rules of IFRS 13 and with an amendment for IAS 41 from 2008, under which it is not mandatory to use pre-tax discount rates for the determination of fair values.

From the current perspective, no significant effects on the net assets, financial position and results of operations of the Group are expected.

Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use

The amendment to IAS 16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use (like, e.g., the sale of samples produced during test-runs). It also clarifies that an entity is “testing whether the asset is functioning properly” when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

From the current perspective, no significant effects on the net assets, financial position and results of operations of the Group are expected.

Amendments to IFRS 3: Reference to the Conceptual Framework

Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date. Absent of the amendment is an entity which would have recognised liabilities that may not be recognised under IAS 37 / IFRIC 21 and that would, consequently, have been required to be derecognised via profit and loss.

From the current perspective, no significant effects on the net assets, financial position and results of operations of the Group are expected.

Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract

The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

From the current perspective, no significant effects on the net assets, financial position and results of operations of the Group are expected.

Standards and interpretations not yet adopted by the EU

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. The classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the "settlement" of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

From the current perspective, no material effects on the Group's net assets, financial position and results of operations are expected.

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies

The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is "material accounting policy information" 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.

Amendments to IAS 8: Definition of Accounting Estimates

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, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

From the current perspective, no material effects on the Group's net assets, financial position and results of operations are expected.

Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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. They will typically apply to transactions such as leases of lessees and decommissioning obligations 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, and
- 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 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.

From the current perspective, no material effects on the Group's net assets, financial position and results of operations are expected.

Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17)

The amendment to IFRS 17 is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

From the current perspective, no material effects on the Group's net assets, financial position and results of operations are expected.

2.5. Changes in accounting and valuation policies

There were no changes in accounting and valuation policies in the financial year 2021.

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. Properties 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.

Where financing can be directly associated with these properties, borrowing costs of qualifying properties during the period of construction are capitalised as part of acquisition and construction cost.

2.6.2. Inventories

Properties held for sale in the ordinary course of business are not subject to IAS 40, but are to be treated as inventories under IAS 2. Properties held for sale are recognised at cost of acquisition or construction and subsequently measured at the lower of cost of acquisition and construction or net realisable value. The net realisable value is the estimated proceeds of sale less the estimated costs of completion and the estimated selling costs. The net realisable value is recalculated in every subsequent period. The costs of acquisition or construction include not only the direct costs of acquisition but also incidental and other costs.

2.6.3. 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 2.6.6.1. of the notes).

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.

Where construction finance can be directly associated with these properties, the borrowing costs of qualifying properties during the period of construction are capitalised as part of acquisition and construction cost.

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 | 10 |

2.6.4. 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.

Intangible assets with a limited useful life are subject to amortisation. This primarily deals with software, calculated on the basis of the following useful lives:

| | Useful life in years | |
|----------|----------------------|----|
| | from | to |
| Software | 3 | 6 |

As required under IAS 36, the assets are also reviewed for impairment.

Intangible assets acquired for consideration are recognised at acquisition cost less straight-line amortisation and provision for any impairment losses. S IMMO Group has not capitalised any internally generated intangible assets.

2.6.5. Financial instruments

2.6.5.1. 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 recognises its interests in the listed company IMMOFINANZ AG, as well as one additional interest, at fair value through other comprehensive income.

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 (non-current)
- Current financial liabilities
- Trade payables

The fair value of listed financial instruments is their market price at the balance sheet date. 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.

2.6.5.2. 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. The fair value measurement of derivatives is based on estimates made by external experts.

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 offsetting 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 reduce the risk on existing variable-rate loans, future reinvested funds and transactions expected to be very probable in the future (forecast transactions) by using offsetting derivatives. Cash flow hedging arrangements are used for this purpose.

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 2021, hedge accounting was applied for interest rate swaps with a nominal value of kEUR 503,998 (31 December 2020: kEUR 397,440). 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. In the financial year 2021, no ineffective portions were realised through profit or loss.

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 2021, derivative valuation effects of kEUR 215 (2020: kEUR 1,835) 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. A mathematical a priori effectiveness test can be waived if there is a critical terms match. The dollar-offset method with sensitivity analyses is used for the mathematical effectiveness test, in which the hedged item is represented by a hypothetical derivative whose volume and variable-rate exposure match those of the hedged item. The relative difference calculation method is also used.

2.6.6. Impairment of assets

2.6.6.1. 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 2021, the fair values determined by external valuation reports of the hotels are significantly higher than their respective carrying amounts despite the negative impact of COVID-19.

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 2021 or the previous year.

2.6.6.2. 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 (mainly the shares held in listed property holding companies), 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 pandemic, 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.

2.6.7. Other assets

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

2.6.8. 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 2021, a provision of kEUR 5 (31 December 2020: kEUR 1) for bank balances was recorded based on the default probabilities observed in the market.

2.6.9. 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.

The Group did not intend to dispose of any property at the end of the reporting period as of 31 December 2021.

2.6.10. 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 on the property portfolio have been provided for in full, and even under appropriate conditions – for example, in the case of a share deal – it would be possible that disposals would be treated as not being subject to taxes on income. Deferred tax assets on loss carryforwards are recognised in contrast to this 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 assets 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.

2.6.11. 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 2021, 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. COVID-19-related rental concessions to tenants of S IMMO are accounted for in accordance with the general rules of IFRS 16.

2.6.12. Revenues

2.6.12.1. 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.

2.6.12.2. 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.

2.6.12.3. 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.

2.6.12.4. 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 gains 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 2021 EUR '000 | Level 1 | Level 2 | Level 3 | Total |
|---|----------------|----------------|----------------|--------------|
| Properties held as financial investments | | | | |
| Rental properties | 0 | 0 | 2,642,929 | 2,642,929 |
| Properties under development and undeveloped land | 0 | 0 | 77,034 | 77,034 |
| Group interests | 0 | 0 | 5,346 | 5,346 |
| Other financial assets | | | | |
| Listed equity instruments | 395,440 | 0 | 0 | 395,440 |
| Subordinated mandatory convertible bond | 0 | 0 | 0 | 0 |
| Derivatives | 0 | 2,553 | 0 | 2,553 |
| Assets held for sale | 0 | 0 | 0 | 0 |
| Financial liabilities | | | | |
| Derivatives | 0 | -24,847 | 0 | -24,847 |
| 31 December 2020 EUR '000 | | | | |
| Level 1 | | | | |
| Level 2 | | | | |
| Level 3 | | | | |
| Total | | | | |
| Properties held as financial investments | | | | |
| Rental properties | 0 | 0 | 2,316,747 | 2,316,747 |
| Properties under development and undeveloped land | 0 | 0 | 38,175 | 38,175 |
| Group interests | 0 | 0 | 4,609 | 4,609 |
| Other financial assets | | | | |
| Listed equity instruments | 478,689 | 0 | 0 | 478,689 |
| Subordinated mandatory convertible bond | 0 | 18,068 | 0 | 18,068 |
| Derivatives | 0 | 938 | 0 | 938 |
| Assets held for sale | 0 | 0 | 4,345 | 4,345 |
| Financial liabilities | | | | |
| Derivatives | 0 | -42,908 | 0 | -42,908 |

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 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, EHL and Dr Heinz Muhr). The valuations were prepared in compliance with 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.

Investment property had a book value of kEUR 2,719,963 (31 December 2020: kEUR 2,354,922). As of 31 December 2021 no property was held for sale (31 December 2020: kEUR 4,345).

2.8.1.1. Valuation methods in connection with investment property

The following measurement methods were used in calculating hierarchy Level 3 fair values: capitalised earnings method, discounted cash flow method (DCF method), residual value method and sales comparison approach.

The capitalised earnings method uses, among others, the following input factors for the measurement: adjusted sustainable rent, total operating costs, remaining useful life, capitalisation rate and land value.

The discounted cash flow method works, among others, with the following input factors: net rental income, discount rate and capitalisation rate.

The residual value method is based on investment considerations and calculates the residual value based on an earnings value or net capital value derived from discounted cash flow analysis on the assumption that the property is already completed, which remains when the property is sold at the current measurement date, taking account of any outstanding construction, development costs, market financing costs for completion and marketing costs, allowing for an appropriate profit for the developer. Future rental income and capitalisation rates are input parameters here.

In the sales comparison approach, purchase prices that are actually achieved or achievable for comparable properties are included as comparative values. Differing characteristics of the properties to be compared are taken into account in the form of premiums or discounts on the value.

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

Different valuation methods were used in the various asset classes.

The following table includes all properties measured at fair value by external appraisers, excluding those in the position of financial investment (mainly rights of use) for which no valuation reports are available. These amount to kEUR 4,827.

| | Book value as of 31 December 2021 EUR '000 | Valuation method | Input factors | Range/mean value¹ |
|--------------|--|-----------------------------|--|---|
| Austria | 441,080 | Capitalised earnings method | Capitalisation rate | 1.80% to 5.60% |
| | | | Remaining useful life | 41 years (average) |
| | | | Market rent (EUR/m ² /month) | 1.36 to 25.91 |
| Germany | 1,365,616 | Discounted cash flow | Capitalisation rate | 1.90% to 8.35% |
| | | | Discount rate | 3.80% to 8.85% |
| | | | Market rent (EUR/m ² /month) | 4.30 – 17.83 |
| | | Residual value method | Construction costs (EUR/m ²) | 1,194 |
| | | | | Market rent (EUR/m ² /month) |
| | | Sales comparison approach | EUR/m ² | 0.59 to 400.77 |
| CEE | 908,440 | Discounted cash flow | Capitalisation rate | 5.5% to 7.50% |
| | | | Discount rate | 6.5% to 9.25% |
| | | | Market rent (EUR/m ² /month) | 9.39 to 23.99 |
| | | Capitalised earnings method | Capitalisation rate | 3.95% to 8.15% |
| | | | Remaining useful life | 43 years (average) |
| | | Residual value method | Market rent (EUR/m ² /month) | 8.26 – 16.44 |
| | | | Construction costs (EUR/m ²) | 700 – 1,200 |
| | | | Market rent (EUR/m ² /month) | 10.50 to 15.50 |
| | | Sales comparison approach | EUR/m ² | 22.37 |
| Total | 2,715,136 | | | |

¹ Across all types of use

| | Book value as of 31 December 2020 EUR '000 | Valuation method | Input factors | Range/mean value ¹ |
|---------------------------|--|-----------------------------|--|--|
| Austria | 406,960 | Capitalised earnings method | Capitalisation rate | 2.30% to 5.60% |
| | | | Remaining useful life | 39 years (average) |
| | | | Market rent (EUR/m ² /month) | 1.32 to 27.69 |
| Germany | 1,218,510 | Discounted cash flow | Capitalisation rate | 1.75% to 6.6% |
| | | | Discount rate | 3.7% to 8.1% |
| | | | Market rent (EUR/m ² /month) | 3.81 – 13.31 |
| | | Residual value method | Construction costs | EUR 788/m ² to EUR 1,043/m ² |
| | | | Market rent (EUR/m ² /month) | EUR 10.2/m ² |
| Sales comparison approach | EUR/m ² | 0.59 to 357.29 | | |
| CEE | 722,830 | Discounted cash flow | Capitalisation rate | 5.4% to 7.75% |
| | | | Discount rate | 7.35% to 8.75% |
| | | | Market rent (EUR/m ² /month) | 9.43 to 23.0 |
| | | Capitalised earnings method | Capitalisation rate | 4.18% to 8.16% |
| | | | Remaining useful life | 45 years (average) |
| | | | Market rent (EUR/m ² /month) | 7.29 – 16.50 |
| | | Residual value method | Capitalisation rate | 6% |
| | | | Market rent (EUR/m ² /month) | 10 to 14.5 |
| | | | Sales comparison approach | Mean value, comparative value |
| Total | 2,348,300 | | | |

¹ Across all types of use

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

The expert valuations 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 following tables show the sensitivity of the fair value of rented investment property changes in sustainable rental yields and

interest rates. The table does not include land that was valued based on the reference figure, properties valued at residual value and rights of use totalling kEUR 81,461.

Change in sustainable rent

| EUR '000 | 2021 | | | 2020 | | |
|----------|------------------|------------------|------------------|------------------|------------------|------------------|
| | -10% | Output value | +10% | -10% | Output value | 10% |
| Austria | 395,620 | 441,080 | 486,540 | 365,500 | 406,960 | 448,280 |
| Germany | 1,189,959 | 1,306,222 | 1,409,344 | 1,095,981 | 1,174,032 | 1,249,004 |
| CEE | 806,030 | 891,200 | 977,130 | 638,840 | 705,700 | 772,100 |
| | 2,391,609 | 2,638,502 | 2,873,014 | 2,100,321 | 2,286,692 | 2,469,384 |

Change in interest rate

| EUR '000 | 2021 | | | 2020 | | |
|----------|------------------|------------------|------------------|------------------|------------------|------------------|
| | -10% | Output value | 10% | -10 % | Output value | 10% |
| Austria | 469,990 | 441,080 | 414,480 | 433,890 | 406,960 | 382,230 |
| Germany | 1,475,684 | 1,306,222 | 1,168,791 | 1,324,273 | 1,174,032 | 1,050,114 |
| CEE | 990,610 | 891,200 | 809,450 | 781,980 | 705,700 | 642,260 |
| | 2,936,284 | 2,638,502 | 2,392,721 | 2,540,143 | 2,286,692 | 2,074,604 |

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 358 (31 December 2020: kEUR 251), that of other property, plant and equipment to kEUR 5,536 (31 December 2020: kEUR 6,346). Owner-operated properties had a book value of kEUR 110,834 (31 December 2020: kEUR 117,617).

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.

The estimates are made by external experts.

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 future payment flows are determined by means of interest modelling using the Hull-White model, specifically using a Monte Carlo simulation. 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 Thomson Reuters and Bloomberg.

For the determination of credit value adjustments/debit value adjustments (CVA/DVA) credit spreads were first defined to estimate the probability of default. Then, the share of the default risk was estimated on the basis of theoretical considerations and extrapolated for multiple maturities using an approximate formula to generate a CDS spread curve.

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 BPS or -50 BPS:

| | 31 December 2021 | | | |
|-------------------------|------------------|--|-----------------|-------------|
| | Nominal | Fair value before interest rates shift | Change EUR '000 | Change in % |
| +100 BP EUR '000 | | | | |
| Swaps | 756,998 | -22,481 | 29,911 | 133 |
| Caps | 165,000 | 187 | 275 | 148 |
| Total | 921,998 | -22,294 | 30,186 | 135 |

| | 31 December 2021 | | | |
|------------------------|------------------|--|-----------------|-------------|
| | Nominal | Fair value before interest rates shift | Change EUR '000 | Change in % |
| -50 BP EUR '000 | | | | |
| Swaps | 756,998 | -22,481 | -14,045 | -62 |
| Caps | 165,000 | 187 | -72 | -39 |
| Total | 921,998 | -22,294 | -14,117 | -63 |

| | 31 December 2020 | | | |
|-------------------------|------------------|--|-----------------|-------------|
| | Nominal | Fair value before interest rates shift | Change EUR '000 | Change in % |
| +100 BP EUR '000 | | | | |
| Swaps | 650,440 | -41,990 | 30,679 | 73 |
| Caps | 190,000 | 21 | 101 | 473 |
| Total | 840,440 | -41,969 | 30,780 | 73 |

| | 31 December 2020 | | | |
|------------------------|------------------|--|-----------------|-------------|
| | Nominal | Fair value before interest rates shift | Change EUR '000 | Change in % |
| -50 BP EUR '000 | | | | |
| Swaps | 650,440 | -41,990 | -14,051 | -33 |
| Caps | 190,000 | 21 | -13 | -62 |
| Total | 840,440 | -41,969 | -14,064 | -34 |

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 7,217 (31 December 2020: kEUR 13,933) 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 2021 (offset) | -10% | 10% | Output value for deferred tax 2020 (offset) | -10% |
|------------------------------|---------|--|---------|---------|--|---------|
| Deferred taxes on properties | 290,968 | 244,692 | 200,943 | 249,083 | 209,847 | 172,359 |

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 | 2021 | | | 2020 | | |
|----------------------|--------|--------------|--------|--------|--------------|--------|
| | -0.30% | Output value | +0.30% | -0.30% | Output value | +0.30% |
| Severance payments | 882 | 868 | 855 | 984 | 971 | 958 |
| Long-service bonuses | 405 | 396 | 387 | 387 | 378 | 369 |

Change in valorisation

| EUR '000 | 2021 | | | 2020 | | |
|----------------------|--------|--------------|--------|--------|--------------|--------|
| | -0.20% | Output value | +0.20% | -0.20% | Output value | +0.20% |
| Severance payments | 860 | 868 | 877 | 963 | 971 | 979 |
| Long-service bonuses | 391 | 396 | 401 | 373 | 378 | 384 |

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 2020 | 2,188,317 | 21,846 |
| Additions | 101,840 | 18,209 |
| Disposals | -469 | -6 |
| Reclassification | 0 | 0 |
| Other changes | 0 | 0 |
| Changes in fair value (realised through profit or loss) | 33,269 | 2,471 |
| Reclassifications as properties held for sale | -6,210 | -4,345 |
| As of 31 December 2020 | 2,316,747 | 38,175 |
| of which pledged as security | 2,234,907 | 0 |
| As of 01 January 2021 | 2,316,747 | 38,175 |
| Additions | 192,704 | 8,951 |
| Disposals | -53 | 0 |
| Reclassification | -28,315 | 28,315 |
| Other changes | 0 | 0 |
| Changes in fair value (realised through profit or loss) | 182,717 | 1,593 |
| Reclassifications as properties held for sale | -20,871 | 0 |
| As of 31 December 2021 | 2,642,929 | 77,034 |
| of which pledged as security | 2,567,475 | 18,006 |

In addition, a change in fair value in the amount of kEUR 14,376 (2020: kEUR 3,316) was realised through profit or loss for the properties held for sale. The reclassification to property held for sale relates entirely to a property sold during the financial year 2021.

Additions by operating segments were as follows:

Rented properties

| EUR '000 | 31 December 2021 | 31 December 2020 |
|----------|------------------|------------------|
| Austria | 2,359 | 470 |
| Germany | 15,604 | 51,315 |
| CEE | 174,741 | 50,055 |
| | 192,704 | 101,840 |

Properties under development and undeveloped land

| EUR '000 | 31 December 2021 | 31 December 2020 |
|----------|------------------|------------------|
| Austria | 0 | 0 |
| Germany | 8,276 | 14,401 |
| CEE | 675 | 3,808 |
| | 8,951 | 18,209 |

Consisting of:

Rental properties

| EUR '000 | 31 December 2021 | 31 December 2020 |
|----------|------------------|------------------|
| Austria | 441,080 | 406,960 |
| Germany | 1,306,222 | 1,190,110 |
| CEE | 895,627 | 719,677 |
| | 2,642,929 | 2,316,747 |

The measurement of the fair value of rental properties totalling kEUR 2,642,929 (2020: kEUR 2,316,747) in the financial year 2021 was based on hierarchy Level 3.

Properties under development and undeveloped land

| EUR '000 | 31 December 2021 | 31 December 2020 |
|----------|------------------|------------------|
| Austria | 0 | 0 |
| Germany | 59,394 | 30,900 |
| CEE | 17,640 | 7,275 |
| | 77,034 | 38,175 |

The measurement of the fair value of development projects and undeveloped land in the financial year 2021 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 7,733 result from property purchasing contracts concluded until 31 December 2021.

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 2021, as in the financial year 2020.

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 property, plant and equipment | Intangible assets | Total |
|--|---------------------------|-------------------------------------|-------------------|----------------|
| Costs of acquisition as of 01 January 2020 | 217,758 | 5,447 | 381 | 223,586 |
| Currency translation | 0 | -208 | -16 | -224 |
| Additions | 812 | 2,793 | 137 | 3,742 |
| Disposals | -144 | -383 | -122 | -649 |
| As of 31 December 2020 | 218,426 | 7,649 | 380 | 226,455 |
| As of 01 January 2021 | 218,426 | 7,649 | 380 | 226,455 |
| Currency translation | 0 | -26 | -2 | -28 |
| Additions | 930 | 1,067 | 235 | 2,232 |
| Disposals | -171 | -189 | 0 | -360 |
| As of 31 December 2021 | 219,185 | 8,501 | 613 | 228,299 |

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 property, plant and equipment | Intangible assets | Total |
|---|---------------------------|-------------------------------------|-------------------|----------------|
| Accumulated depreciation and amortisation as of 01 January 2020 | 93,381 | 324 | 139 | 93,844 |
| Currency translation | 0 | -247 | -12 | -259 |
| Depreciation and amortisation | 7,519 | 1,589 | 124 | 9,232 |
| Disposals | -91 | -363 | -122 | -576 |
| As of 31 December 2020 | 100,809 | 1,303 | 129 | 102,241 |
| Currency translation | 0 | -122 | -2 | -124 |
| Depreciation and amortisation | 7,593 | 1,925 | 128 | 9,646 |
| Disposals | -51 | -141 | 0 | -192 |
| As of 31 December 2021 | 108,351 | 2,965 | 255 | 111,571 |
| Book value as of 01 January 2020 | 124,377 | 5,123 | 242 | 129,742 |
| Book value as of 31 December 2020 | 117,617 | 6,346 | 251 | 124,214 |
| Book value as of 31 December 2021 | 110,834 | 5,536 | 358 | 116,728 |

3.1.3. Interests in companies measured at equity

The book value of the companies measured at equity came to kEUR 27,367 as of 31 December 2021 (31 December 2020: kEUR 24,376). 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 2021 | 31 December 2020 |
|------------------------------|------------------|------------------|
| Non-current assets | 44,500 | 41,900 |
| Current assets | 16,120 | 14,647 |
| Non-current liabilities | 7,897 | 7,363 |
| Current liabilities | 2,499 | 2,040 |
| Net assets | 50,224 | 47,144 |
| Group interest in net assets | 13,502 | 12,523 |

| EUR '000 | 2021 | 2020 |
|--|-------|--------|
| Revenues | 1,825 | 1,209 |
| Net income for the period | 4,170 | 11,851 |
| Group share of the profit for the period | 1,193 | 4,477 |

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

Joint ventures

| EUR '000 | 31 December 2021 | 31 December 2020 |
|------------------------------|------------------|------------------|
| Non-current assets | 64,380 | 59,977 |
| Current assets | 3,379 | 4,765 |
| Non-current liabilities | 37,922 | 37,600 |
| Current liabilities | 2,652 | 3,900 |
| Net assets | 27,185 | 23,242 |
| Group interest in net assets | 13,865 | 11,853 |

| EUR '000 | 2021 | 2020 |
|--|-------|-------|
| Revenues | 4,546 | 4,695 |
| Net income for the period | 4,945 | 2,243 |
| Group share of the profit for the period | 2,522 | 1,144 |

The joint venture is allocated to the CEE segment.

Companies measured at equity

| EUR '000 | 2021 | 2020 |
|--|---------------|---------------|
| As of 01 January | 24,376 | 36,284 |
| Current profits | 3,719 | 6,195 |
| Current losses | -3 | -574 |
| Result from companies measured at equity | 3,716 | 5,621 |
| Decrease of capital reserves | -510 | -1,275 |
| Additions | 141 | 76 |
| Disposals | 0 | -15,742 |
| Withdrawals/dividends | -356 | -588 |
| Other | 0 | 0 |
| As of 31 December | 27,367 | 24,376 |

In the financial year 2021, as in the previous year, there were no proportional losses from companies included at equity that were not recognised. Cumulatively, there were no 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 (31 December 2021: kEUR 5,344; 31 December 2020: kEUR 4,553). For this equity investment, income of kEUR 337 (2020: kEUR 267) was recognised in profit or loss as a result of a distribution.

Other financial assets mainly include shares in the company IMMOFINANZ AG that are accounted for as FVOCI (fair value through OCI).

In July 2021, the shares in CA Immobilien Anlagen AG were sold. A total of 6,340,681 shares were submitted into Starwood Capital Group's takeover offer at a price of EUR 37.00. The company recorded a cash inflow of kEUR 234,605 before taxes.

In the third quarter of 2021, IMMOFINANZ AG announced the early mandatory conversion of the 4.00% mandatory convertible bonds. The optional mandatory conversion date was 26 September 2021, and the delivery date of the shares was 27 September 2021.

Dividend income totalling kEUR 19,499 (IMMOFINANZ AG: kEUR 13,158; CA Immobilien Anlagen AG: kEUR 6,341) was realised through profit or loss in the reporting period (2020: CA Immobilien Anlagen AG: kEUR 6,317). As a result of deduction of withholding tax for the dividend of CA Immobilien Anlagen AG, only kEUR 17,755 (2020: kEUR: 4,580) was cash-effective here.

For the financial year 2021, there was a revaluation of shares in IMMOFINANZ AG and CA Immobilien Anlagen AG recognised in other comprehensive income in the amount of kEUR 128,851 (2020: kEUR -125,495). In connection with the sale of the shares in CA Immobilien Anlagen AG, the amounts historically recognised in the reserve for equity instruments for the shares in CA Immobilien Anlagen AG were reclassified to other reserves. This reclassification had no effect on the total amount of the "Equity" item.

In the third quarter the mandatory convertible bond of IMMOFINANZ AG was converted into 1,049,580 shares of IMMOFINANZ AG at a conversion price of EUR 17.1472.

As of 31 December 2021, S IMMO Group held shares of IMMOFINANZ Group and vice versa.

This item also includes derivatives in the amount of kEUR 2,553 (31 December 2020: kEUR 938).

3.1.5. Inventories

Inventories exist to a minor extent and are measured at cost. The net realisable value of inventories does not exceed 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 | 2021 | 2020 |
|--------------------------|--------------|--------------|
| As of 01 January | 4,218 | 1,955 |
| Utilisation | -482 | -3 |
| Reversal | -2,509 | -2,091 |
| Increase | 2,312 | 4,357 |
| As of 31 December | 3,539 | 4,218 |

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 2021

| EUR '000 | Up to 90 days past due | 91–365 days | >365 days | Total |
|---|------------------------|--------------|---------------|---------------|
| Gross trade receivables | | | | |
| Austria | 1,195 | 157 | 132 | 1,484 |
| Germany | 810 | 463 | 995 | 2,268 |
| CEE | 5,321 | 398 | 972 | 6,691 |
| Total | 7,326 | 1,018 | 2,099 | 10,443 |
| Valuation allowances for trade receivables | | | | |
| Austria | -143 | -80 | -100 | -323 |
| Germany | -114 | -222 | -934 | -1,270 |
| CEE | -740 | -270 | -935 | -1,946 |
| Total | -997 | -572 | -1,969 | -3,539 |
| Net trade receivables | | | | |
| Austria | 1,052 | 77 | 32 | 1,161 |
| Germany | 696 | 242 | 60 | 998 |
| CEE | 4,581 | 128 | 37 | 4,745 |
| Total | 6,329 | 447 | 129 | 6,904 |

31 December 2020

| EUR '000 | Up to 90 days past due | 91–365 days | >365 days | Total |
|---|------------------------|--------------|---------------|---------------|
| Gross trade receivables | | | | |
| Austria | 588 | 150 | 183 | 921 |
| Germany | 385 | 814 | 1,277 | 2,476 |
| CEE | 3,923 | 504 | 663 | 5,090 |
| Total | 4,897 | 1,468 | 2,123 | 8,487 |
| Valuation allowances for trade receivables | | | | |
| Austria | -56 | -43 | -136 | -235 |
| Germany | -165 | -441 | -1,160 | -1,766 |
| CEE | -1,191 | -372 | -653 | -2,217 |
| Total | -1,412 | -857 | -1,949 | -4,218 |
| Net trade receivables | | | | |
| Austria | 532 | 107 | 47 | 686 |
| Germany | 220 | 373 | 117 | 710 |
| CEE | 2,732 | 131 | 10 | 2,873 |
| Total | 3,484 | 611 | 174 | 4,270 |

3.1.6.3. Other current financial assets

| EUR '000 | 31 December 2021 | 31 December 2020 |
|---|------------------|------------------|
| Property management agent clearing accounts | 1,815 | 798 |
| Receivables from disposals of properties and property holding companies | 1,201 | 3,419 |
| Deposits | 6,105 | 5,440 |
| Finance receivables | 0 | 99 |
| Other | 5,117 | 4,031 |
| | 14,238 | 13,787 |

3.1.7. Other assets

The other assets of kEUR 22,928 (31 December 2020: kEUR 28,477) consisted mainly of prepaid expenses, tax receivables and prepayments.

3.1.8. Cash and cash equivalents

| EUR '000 | 31 December 2021 | 31 December 2020 |
|---------------|------------------|------------------|
| Bank balances | 375,684 | 64,362 |
| Cash in hand | 139 | 141 |
| | 375,823 | 64,503 |

3.1.9. Properties held for sale

Properties are held for sale if the management intends to dispose of them in the near future. Currently, this intention does not exist for any property.

| EUR '000 | Austria | Germany | CEE | Total |
|-------------------------------|----------|----------|--------------|--------------|
| As of 01 January 2020 | 0 | 36,500 | 0 | 36,500 |
| Reclassification | 0 | 6,210 | 4,345 | 10,555 |
| Additions/property valuations | 0 | 4,200 | 0 | 4,200 |
| Disposals | 0 | -46,910 | 0 | -46,910 |
| As of 31 December 2020 | 0 | 0 | 4,345 | 4,345 |
| Reclassification | 0 | 20,871 | 0 | 20,871 |
| Additions/property valuations | 0 | 14,399 | -23 | 14,376 |
| Disposals | 0 | -35,270 | -4,322 | -39,592 |
| As of 31 December 2021 | 0 | 0 | 0 | 0 |

3.1.10. Equity

The nominal capital of the Group's parent company amounted to kEUR 267,458 (2020: kEUR 267,458) and is fully paid up.

On 28 October 2020, a share repurchase programme started, which ended on 30 June 2021. On 02 September 2021, another share repurchase programme started, which ended on 31 December 2021.

In the financial year 2021, a total of 866,446 shares had been repurchased at a total price of kEUR 16,392. S IMMO AG thus held 3,084,797 treasury shares as of 31 December 2021 (31 December 2020: 2,218,351).

Details of share capital

| EUR '000 | 2021 | 2020 |
|---------------------------|----------------|----------------|
| Total share capital | 267,458 | 267,458 |
| Treasury shares (nominal) | -11,209 | -8,061 |
| | 256,249 | 259,397 |

As in the previous year, no shares were cancelled in the financial year 2021.

The shares are listed in the Prime Market segment of the Vienna Stock Exchange. S IMMO was included in the Austrian ATX benchmark index for the first time on 18 September 2017.

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 160,612 (31 December 2020: kEUR 173,855) are restricted reserves in the meaning of section 229 (5) Austrian Commercial Code (UGB).

The other reserves of kEUR 1,247,284 (31 December 2020: kEUR 979,577) shown in the statement of changes in consolidated equity consist mainly of reversed capital reserves together with accumulated retained earnings. In connection with the sale of the shares in CA Immobilien Anlagen AG, the amounts (kEUR 73,564) historically recognised in the reserve for equity instruments for the shares in CA Immobilien Anlagen AG were reclassified to other reserves. This reclassification had no effect on the total amount of the "Equity" item. The foreign currency reserve of kEUR -10,913 (31 December 2020: kEUR -11,337) is made up of the currency translation differences in accordance with IAS 21. The hedge accounting reserve of

kEUR -9,247 (31 December 2020: kEUR -18,802) comprises the measurement differences on cash flow hedges recognised under equity. The equity instruments reserve of kEUR 18,238 (31 December 2020: kEUR -2,140) comprises the share in IMMOFINANZ AG described in 3.1.4. as well as a Group interest. The shares in IMMOFINANZ AG are measured at their market price. The measurement of the Group interest is based on a Level 3 fair value calculation.

For the financial year 2021, the Management Board intends to propose distribution of a dividend of EUR 0.65 per share entitled to dividend.

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 incorporation 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 4,081 (31 December 2020: kEUR 3,277). The change in the amount of kEUR -232 (2020: kEUR -8) shown in the statement of changes in consolidated equity is due to distributions.

3.1.12. Financial liabilities

Other current and non-current financial liabilities primarily include loan liabilities (kEUR 1,010,247; 2020: kEUR 908,964), which are generally secured by mortgages. In addition, derivative liabilities, bond interest, lease liabilities and security deposits are included. As of 31 December 2021, the cost of funding of mortgage-secured bank financing amounted to 0.86% for Germany (31 December 2020: 0.90%), 1.12% for Austria (31 December 2020: 1.36%), and 1.47% for CEE (31 December 2020: 1.69%).

Financial liabilities are as follows:

31 December 2021

| EUR '000 | Changes in cash and cash equivalents | | | Non-cash changes | | 31 December 2021 |
|---|--------------------------------------|-----------------------|--------------------------------------|-----------------------|------------------------|------------------|
| | 01 January 2021 | New loans/ repayments | Change in the scope of consolidation | Changes in fair value | Other non-cash changes | |
| Other non-current financial liabilities | 830,893 | 63,627 | 650 | 0 | 224 | 895,394 |
| Other current financial liabilities | 99,273 | 29,571 | 0 | 0 | 9,697 | 138,541 |
| Subtotal of other non-current and current financial liabilities | 930,166 | 93,198 | 650 | 0 | 9,921 | 1,033,935 |
| of which recognised as increases and decreases in cash flow from financing activities | | 101,428 | | | | |
| of which paid interest recognised in cash flow from financing activities | | -8,229 | | | | |
| Derivatives | 42,908 | 0 | 0 | -18,061 | 0 | 24,847 |
| Bonds | 525,744 | 120,594 | 0 | 0 | 481 | 646,819 |
| of which recognised in cash flow from financing activities | | 120,594 | | | | |
| Total | 1,498,818 | 213,792 | 650 | -18,061 | 10,402 | 1,705,601 |

| EUR '000 | 01 January 2020 | Changes in cash and cash equivalents | | Non-cash changes | | 31 December 2020 |
|---|------------------|--------------------------------------|--------------------------------------|-----------------------|------------------------|------------------|
| | | New loans/ repayments | Change in the scope of consolidation | Changes in fair value | Other non-cash changes | |
| Other non-current financial liabilities | 811,028 | 18,818 | 482 | 0 | 565 | 830,893 |
| Other current financial liabilities | 145,190 | -54,058 | 0 | 0 | 8,141 | 99,273 |
| Subtotal of other non-current and current financial liabilities | 956,217 | -35,240 | 482 | 0 | 8,706 | 930,166 |
| of which recognised as increases and decreases in cash flow from financing activities | | -26,885 | | | | |
| of which paid interest recognised in cash flow from financing activities | | -8,355 | | | | |
| Derivatives | 37,865 | 0 | 0 | 5,043 | 0 | 42,908 |
| Bonds | 525,352 | 0 | 0 | 0 | 392 | 525,744 |
| of which recognised in cash flow from financing activities | | 0 | | | | |
| Total | 1,519,435 | -35,240 | 482 | 5,043 | 9,098 | 1,498,818 |

3.1.13. Issued bonds

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

| ISIN | Total nominal value EUR '000 | Coupon | Effective interest rate | Maturity | Market values ¹ |
|---------------------------|------------------------------|--------|-------------------------|------------------|----------------------------|
| AT0000A1Z9D9 | 100,000.0 | 1.75% | 1.90% | 06 February 2024 | 102.00 |
| AT0000A1DBM5 | 33,993.5 | 3.25% | 3.36% | 09 April 2025 | 107.80 |
| AT0000A285H4 | 150,000.0 | 1.875% | 1.96% | 22 May 2026 | 104.55 |
| AT0000A1DWK5 | 65,000.0 | 3.25% | 3.31% | 21 April 2027 | 109.90 |
| AT0000A2MKW4 (green bond) | 150,000.0 | 1.75% | 1.84% | 04 February 2028 | 104.00 |
| AT0000A2AEA8 | 100,000.0 | 2.00% | 2.01% | 15 October 2029 | 105.05 |
| AT0000A1Z9C1 | 50,000.0 | 2.875% | 2.93% | 06 February 2030 | 109.90 |

¹ The market values are based on the most recent transactions before 31 December 2021.

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 2021 include provisions for severance benefits (kEUR 868; 31 December 2020: kEUR 971) and provisions for long-service entitlements (kEUR 396; 31 December 2020: kEUR 378). The following parameters were taken as a basis for the actuarial calculation:

| | 31 December 2021 | 31 December 2020 |
|-------------------------------|------------------|------------------|
| Actuarial interest rate | 0.17% to 0.54% | -0.20% to 0.11% |
| Expected rise in salaries | 2.00% to 2.25% | 1.50% to 1.70% |
| Blanket fluctuation allowance | 0.00% to 26.10% | 0.00% to 26.10% |

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

The present values of pension, severance and long-service entitlements developed as follows:

| EUR '000 | Severance payment | Anniversary |
|--|-------------------|--------------|
| Present value of obligation at 01 January 2020 | 958 | 418 |
| Current service costs | 20 | 39 |
| Interest expense | 1 | 1 |
| Payments | -26 | -43 |
| Remeasurement of benefit obligations – experience adjustments | 13 | -26 |
| Remeasurement of benefit obligations – financial assumptions | 0 | -11 |
| Remeasurement of benefit obligations – demographic assumptions | 5 | 0 |
| Present value of obligation on 31 December 2020 | 971 | 378 |
| Provisions for employee benefits as of 31 December 2020 | 971 | 378 |
| Present value of obligation at 01 January 2021 | 971 | 378 |
| Current service costs | 24 | 35 |
| Interest expense | -1 | 0 |
| Payments | -194 | -38 |
| Remeasurement of benefit obligations – experience adjustments | 55 | 16 |
| Remeasurement of benefit obligations – financial assumptions | 13 | 5 |
| Remeasurement of benefit obligations – demographic assumptions | 0 | 0 |
| Present value of obligation on 31 December 2021 | 868 | 396 |
| Total provisions for employee benefits as of 31 December 2021 | | 1,264 |

The obligation to recognise a provision for severance 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 severance 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 prepaid expenses.

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 | 2021 | 2020 |
|----------------|----------------|----------------|
| Current taxes | -19,849 | -8,460 |
| Deferred taxes | -20,635 | -6,214 |
| | -40,484 | -14,674 |

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 | 01-12/2021 | 01-12/2020 |
|--|---------------|---------------|
| Net income before tax | 271,042 | 71,586 |
| Income tax expense at the standard Austrian income tax rate of 25% | -67,761 | -17,897 |
| Effects of differing foreign tax rates | 20,533 | 5,432 |
| One-off effects of sales | 0 | 0 |
| Tax-free dividends from IMMOFINANZ AG and CA Immobilien Anlagen AG | 4,875 | 1,579 |
| Decreases relating to non-taxable income | 2,674 | 827 |
| Increases relating to non-deductible expenses | -805 | -4,616 |
| Tax expense as disclosed | -40,484 | -14,674 |
| Effective tax rate | 14.94% | 20.50% |

The Group parent is the parent of a tax group in accordance with section 9 (1) Austrian Corporate Tax Act (KStG).

There is an agreement governing tax equalisation between the parent and the Group members, which stipulates that tax equalisation is determined according to the stand-alone method: If a domestic group member has a positive tax result, a positive tax allocation of 25% is paid to the parent. In the case of a negative tax result, the domestic group member does not receive an immediate payment. Instead, the negative results are recognised as an internal loss carryforward of the respective group member, which can be offset against future positive results.

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 | 2021 | | 2020 | |
|--|------------|-----------------|--------------|-----------------|
| | Assets | Liabilities | Assets | Liabilities |
| Properties | 0 | -244,692 | 387 | -210,233 |
| Financial instruments | 4,995 | -18,363 | 9,139 | -6,548 |
| Other items | 900 | -2,507 | 252 | -1,640 |
| Tax loss carryforwards | 7,217 | 0 | 13,933 | 0 |
| Subtotal | 13,112 | -265,562 | 23,712 | -218,421 |
| Netting | -12,551 | 12,551 | -22,534 | 22,534 |
| Deferred tax assets (+)/liabilities (-) | 561 | -253,011 | 1,178 | -195,887 |

Of these totals, deferred tax assets of kEUR 1,892 (2020: kEUR 4,105) from derivatives valuation were recognised under other comprehensive income. No deferred tax assets have been recognised for tax loss carryforwards totalling kEUR 43,017 (31 December 2020: kEUR 37,339). Most of the tax loss carryforwards are available indefinitely. In the CEE segment, there are some time constraints. Where this is the case, the ability to recognise deferred taxes is determined using projections.

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 1,337,542 (2020: kEUR 1,065,049).

As of the reporting date, there are open one-seventh write-downs from historical tax depreciation of shareholdings in the amount of approximately kEUR 3,313 (2020: kEUR 0).

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 2022 | Applicable tax rate in 2021 |
|----------|-----------------------------|-----------------------------|
| Austria | 25.00% | 25.00% |
| Germany | 15.8%–30.2% | 15.8%–30.2% |
| Czechia | 19.00% | 19.00% |
| Slovakia | 21.00% | 21.00% |
| Hungary | 9.00% | 9.00% |
| Croatia | 18.00% | 18.00% |
| Romania | 16.00% | 16.00% |
| Bulgaria | 10.00% | 10.00% |

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 2025. This reduction in Austrian corporate income tax will mainly affect the recognised deferred tax liabilities on Austrian real estate as well as current taxes and any capitalisable loss carryforwards of companies subject to taxation in Austria.

3.2. Income statement

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

Rental income

| EUR '000 | 2021 | 2020 |
|---|----------------|----------------|
| Commercial excl. hotels | 95,629 | 90,241 |
| Hotels | 2,332 | 1,739 |
| Residential property | 33,333 | 31,275 |
| Rental income according to the consolidated income statement | 131,294 | 123,255 |

On the whole, rental income was affected by the COVID-19 pandemic only to a relatively limited extent and improved by around 2% in a like-for-like view compared to the previous year. The hotel sector continued to be the most affected by the pandemic, although there was also an improvement here compared to the previous year.

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 6,202 (2020: kEUR 5,762) 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.

Although hotel operations were also significantly affected by COVID-19 in the financial year 2021 compared to the pre-pandemic period, revenue from hotel operations increased significantly to kEUR 31,203 (2020: kEUR 17,789). In the current financial year, revenue-increasing grants of kEUR 4,669 (2020: kEUR 800) were recognised in connection with COVID-19. At the gross profit level, a significant improvement was achieved to kEUR 7,501 (2020: kEUR -338).

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 | 2021 | 2020 |
|--|----------------|----------------|
| Operating costs | -45,244 | -41,597 |
| Maintenance expenses | -17,133 | -16,991 |
| Depreciation and amortisation and loss allowance | 39 | -4,365 |
| Commissions | -1,109 | -1,030 |
| Other | -3,348 | -2,777 |
| | -66,795 | -66,760 |

Expenses of kEUR 976 (2020: kEUR 669) were attributable to properties not yet generating income. The improvement in write-downs and allowances of trade receivables from kEUR -4,365 to kEUR 39 is largely due to the effects of the COVID-19 crisis. In the financial year 2021, grants amounting to kEUR 1,704 (2020: kEUR 2,925) were recognised as a reduction in expenses in connection with COVID-19. In the course of the improved business performance compared to the previous year, expenses from hotel management also increased (2021: kEUR 23,702, 2020: kEUR 18,126). 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. Gains on property disposals

| EUR '000 | 2021 | 2020 |
|--|----------------|----------------|
| Income from property disposals | | |
| Properties held as financial investments | 6 | 0 |
| Properties held for sale | 39,592 | 46,910 |
| | 39,598 | 46,910 |
| Book value of property disposals | | |
| Properties held as financial investments | -6 | 0 |
| Properties held for sale | -39,592 | -46,910 |
| | -39,598 | -46,910 |
| Gains on property disposals | | |
| Properties held as financial investments | 0 | 0 |
| Properties held for sale | 0 | 0 |
| | 0 | 0 |

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

3.2.4. Management expenses

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

| EUR '000 | 2021 | 2020 |
|---|----------------|----------------|
| Staff costs | -14,608 | -12,272 |
| Legal, audit, consulting and appraisal costs | -7,679 | -3,456 |
| Servicing fees and administration costs | -387 | -405 |
| Corporate communications and investor relations | -1,451 | -1,203 |
| Other taxes and duties | -657 | -551 |
| Other | -3,455 | -2,511 |
| | -28,237 | -20,398 |

Fees for the Group's auditor for 2021 totalled kEUR 218 (2020: kEUR 237). This amount is divided into the following fields of activity:

| EUR '000 | 2021 | 2020 |
|--|------------|------------|
| Audit of the consolidated financial statements | 69 | 64 |
| Other audit-related services | 115 | 126 |
| Tax consultation services | 0 | 0 |
| Other services | 34 | 47 |
| | 218 | 237 |

The Group employed an annual average of 543 people (2020: 597) on a headcount basis, including employees for hotel operations and excluding dormant staff and trainees.

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.

The increase in legal, audit, consulting and appraisal fees is mainly attributable to special effects in connection with the take-over bid by IMMOFINANZ AG for S IMMO AG.

Defined contribution plans

As required by law, S IMMO Group pays 1.53% of the relevant monthly salaries into an employees' severance pay and pension fund for all employees who joined the Group in Austria after 31 December 2002. Personnel expenses included contributions of kEUR 101 (2020: kEUR 88) paid into the fund. For other defined contribution plans, kEUR 225 (2020: kEUR 175) 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 | 2021 | 2020 |
|-------------------------------------|---------------|---------------|
| Owner-operated properties | -7,593 | -7,519 |
| Other property, plant and equipment | -1,925 | -1,589 |
| Intangible assets | -128 | -124 |
| | -9,646 | -9,232 |

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 | 2021 | 2020 |
|-----------------------|----------------|---------------|
| Changes in fair value | | |
| Increases | 225,563 | 91,421 |
| Reductions | -26,877 | -52,365 |
| Others | 0 | 0 |
| | 198,686 | 39,056 |

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

| EUR '000 | 2021 | 2020 |
|----------|----------------|---------------|
| Austria | 31,774 | 8,661 |
| Germany | 156,030 | 52,735 |
| CEE | 10,882 | -22,340 |
| | 198,686 | 39,056 |

3.2.7. Financing result

| EUR '000 | | 2021 | 2020 |
|--|--|----------------|----------------|
| Bank interest expense (incl. derivatives accounted for) | | -20,608 | -20,599 |
| Effects arising from hedge accounting and the measurement of interest derivatives through profit or loss | | 7,908 | -3,399 |
| Result from foreign exchange differences | | -786 | -3,626 |
| Bond interest | | -14,668 | -12,893 |
| Other financing and interest expenses | | -2,568 | -2,709 |
| Financing expenses | | -30,723 | -43,226 |
| Bank interest revenue | | 13 | 31 |
| Income from financial investments | | 20,159 | 6,584 |
| Other financing and interest income | | 5,083 | 2,206 |
| Financing income | | 25,255 | 8,821 |
| Results from companies measured at equity | | 6,173 | 5,035 |
| | | 705 | -29,370 |

The increase in income from financial investments is due to the distribution of a dividend by IMMOFINANZ AG in the financial year 2021, whereas the dividend income of the previous year is only related to CA Immobilien Anlagen AG. In total, the dividend for the investments in IMMOFINANZ AG and CA Immobilien Anlagen AG amounted to kEUR 19,499 (2020: kEUR 6,317).

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.

| | | 2021 | 2020 |
|--------------------------------------|--------|------------|------------|
| Own share in consolidated net profit | kEUR | 229,521 | 56,537 |
| Average number of outstanding shares | number | 70,884,865 | 71,970,352 |
| Basic earnings | EUR | 3.24 | 0.79 |
| Diluted earnings | EUR | 3.24 | 0.79 |

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 occurs by region at S IMMO Group. The assessment and analysis of the regional structure follows the strategic direction, which differentiates between Austria, Germany and CEE.

The regions are as follows:

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

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

CEE: The CEE segment includes the subsidiaries in Slovakia, Czechia, Hungary, Bulgaria, Croatia and Romania.

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 CEO has been nominated as the chief operating decision maker with responsibility for segment operations. The CEO is 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 CEO.

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 13,502 for the segment of Austria (31 December 2020: kEUR 12,523), and kEUR 13,865 (31 December 2020: kEUR 11,853) for the segment of CEE.

| EUR '000 | Austria | | Germany | | CEE | | Total | |
|---|---------------|--------------|----------------|---------------|---------------|--------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Rental income | 19,024 | 19,084 | 56,839 | 54,744 | 55,431 | 49,427 | 131,294 | 123,255 |
| Revenues from operating costs | 3,975 | 3,975 | 12,415 | 13,597 | 17,969 | 15,299 | 34,359 | 32,871 |
| Revenues from hotel operations | 16,460 | 8,705 | 0 | 0 | 14,743 | 9,084 | 31,203 | 17,789 |
| Total revenues | 39,459 | 31,764 | 69,254 | 68,341 | 88,143 | 73,810 | 196,856 | 173,915 |
| Other operating income | 408 | 688 | 828 | 954 | 1,939 | 859 | 3,175 | 2,501 |
| Property operating expenses | -7,348 | -7,245 | -33,294 | -31,526 | -26,153 | -27,989 | -66,795 | -66,760 |
| Hotel operating expenses | -13,150 | -9,697 | 0 | 0 | -10,553 | -8,429 | -23,702 | -18,126 |
| Gross profit | 19,370 | 15,510 | 36,788 | 37,769 | 53,376 | 38,251 | 109,534 | 91,530 |
| Result from property disposals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Management expenses | -18,537 | -11,278 | -6,985 | -6,814 | -2,714 | -2,307 | -28,237 | -20,398 |
| EBITDA | 832 | 4,232 | 29,803 | 30,956 | 50,662 | 35,944 | 81,297 | 71,132 |
| Depreciation and amortisation | -4,921 | -4,866 | -180 | -203 | -4,544 | -4,163 | -9,646 | -9,232 |
| Results from property valuation | 31,774 | 8,661 | 156,030 | 52,735 | 10,882 | -22,340 | 198,686 | 39,056 |
| EBIT | 27,684 | 8,027 | 185,653 | 83,488 | 57,000 | 9,441 | 270,337 | 100,956 |
| Non-current assets as of 31 December | 906,738 | 977,120 | 1,368,025 | 1,221,862 | 993,204 | 808,038 | 3,267,966 | 3,007,020 |
| Non-current liabilities as of 31 December | 870,856 | 719,682 | 507,563 | 484,911 | 443,224 | 364,616 | 1,821,643 | 1,569,209 |

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.

5. Other information

5.1. Financial instruments

5.1.1. Categories

S IMMO Group classifies its financial instruments as follows:

31 December 2021

| 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 | | 5,344 | 2 | | | | 5,346 |
| Other financial assets | 2,367 | 395,440 | 186 ² | 8 | | | 398,001 |
| Current assets | | | | | | | |
| Trade receivables | | | | 6,904 | | | 6,904 |
| Other financial assets | | | | 14,238 | | | 14,238 |
| Cash and cash equivalents | | | | 375,823 | | | 375,823 |
| Total assets | 2,367 | 400,784 | 188 | 396,973 | 0 | 0 | 800,312 |
| Equity and liabilities | | | | | | | |
| Non-current liabilities | | | | | | | |
| Issued bonds | | | | | 646,819 | | 646,819 |
| Other financial liabilities | 12,025 | | | | 895,394 | 12,782 ² | 920,201 |
| of which lease liabilities | | | | | 5,529 | | |
| Current liabilities | | | | | | | |
| Issued bonds | | | | | 0 | | 0 |
| Financial liabilities ¹ | | | | | 138,541 | 40 ² | 138,581 |
| of which lease liabilities | | | | | 1,142 | | |
| Trade payables | | | | | 5,673 | | 5,673 |
| Total equity and liabilities | 12,025 | 0 | 0 | 0 | 1,686,427 | 12,822 | 1,711,274 |

¹ Including bond interest accrued

² Derivatives not in hedge accounting

| 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 | | 4,553 | 56 | | | | 4,609 |
| Other financial assets | 917 | 478,689 | 18,089 | 26 | | | 497,721 |
| Current assets | | | | | | | |
| Trade receivables | | | | 4,270 | | | 4,270 |
| Other financial assets | | | | 13,787 | | | 13,787 |
| Cash and cash equivalents | | | | 64,503 | | | 64,503 |
| Total assets | 917 | 483,242 | 18,145 | 82,586 | 0 | 0 | 584,890 |
| Equity and liabilities | | | | | | | |
| Non-current liabilities | | | | | | | |
| Issued bonds | | | | | 497,215 | | 497,215 |
| Other financial liabilities | 22,055 | | | | 830,893 | 20,853 ² | 873,801 |
| of which lease liabilities | | | | | 6,183 | | |
| Current liabilities | | | | | | | |
| Issued bonds | | | | | 28,529 | | 28,529 |
| Financial liabilities ¹ | | | | | 99,273 | | 99,273 |
| of which lease liabilities | | | | | 2,773 | | |
| Trade payables | | | | | 3,616 | | 3,616 |
| Total equity and liabilities | 22,055 | 0 | 0 | 0 | 1,459,526 | 20,853 | 1,502,434 |

¹ Including bond interest accrued

² 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 682,905 as of 31 December 2021 (31 December 2020: kEUR 557,582). The book values indicated for the other financial liabilities largely correspond to the fair values.

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

| EUR '000 | 2021 | | 2020 | |
|---|--------------------------|-------------------|--------------------------|---------------------|
| | Current financial result | Valuation effects | Current financial result | Valuation effects |
| Interest and other derivatives | -8,516 | 7,908 | -7,836 | -4,199 |
| Income from equity instruments FVOCI ² | 20,153 | 0 | 6,584 | 0 |
| Other financial assets FVPL | 551 | 4,120 | 320 | 68 |
| Financial assets at amortised cost | 111 | 39 ¹ | 1,334 | -4,365 ¹ |
| Financial liabilities at amortised cost | -29,009 | 0 | -27,047 | 0 |

¹ Recognised within the expense from property management

² Thereof dividend income from listed companies kEUR 19,499 (2020: kEUR 6,317)

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 disclosed under other non-current financial assets (31 December 2021: kEUR 2,553; 31 December 2020: kEUR 938) and under non-current financial liabilities (31 December 2021: kEUR -24,807; 31 December 2020: kEUR -42,908) and under current financial liabilities (31 December 2021: kEUR -40; 31 December 2020: kEUR 0). The table below shows the maturity structure of all derivatives used by the Group.

| EUR '000 | 31 December 2021 | | | | 31 December 2020 | | | |
|--------------|------------------|---------------------|---------------------|-----------|------------------|---------------------|---------------------|-----------|
| | Nominal | Positive fair value | Negative fair value | Maturity | Nominal | Positive fair value | Negative fair value | Maturity |
| Swaps | 3,000 | 0 | -40 | < 1 year | 0 | 0 | | < 1 year |
| | 322,693 | 84 | -9,989 | 1–5 years | 253,270 | 0 | -14,844 | 1–5 years |
| | 431,305 | 2,283 | -14,818 | > 5 years | 397,170 | 917 | -28,064 | > 5 years |
| Caps | 25,000 | 0 | 0 | < 1 year | 25,000 | 0 | | < 1 year |
| | 140,000 | 186 | 0 | 1–5 years | 155,000 | 16 | | 1–5 years |
| | 0 | 0 | 0 | > 5 years | 10,000 | 5 | | > 5 years |
| Total | 921,998 | 2,553 | -24,847 | | 840,440 | 938 | -42,908 | |

In the financial year, measurement changes of kEUR 11,767 (2020: kEUR -1,835) not including deferred taxes and deferred taxes for derivatives of kEUR -2,213 (2020: kEUR 156) are recognised in other comprehensive income. In total, kEUR 9,554 (2020: kEUR -1,679) was therefore recognised in other comprehensive income.

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 2021, around 89% (31 December 2020: 85%) of other financial liabilities consisted of variable-rate loans and roughly 11% (31 December 2020: 15%) were fixed-rate loans. The current and non-current financial liabilities include fixed-rate loans in the amount of kEUR 109,027 (31 December 2020: kEUR 134,155). The variable-rate loans are based almost entirely on the three-month EURIBOR with quarterly interest rate adjustments. In the 2014, 2015, 2018, 2019 and 2021 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 2021) is 2.09% (31 December 2020: 2.29%).

The stress test (based on the variable- and fixed-rate financial liabilities as of 31 December 2021) shows that increases in the base rate (EURIBOR) have only a small effect on the Group's financing costs. For example, a 200 bp increase in the three-month EURIBOR compared with the three-month EURIBOR as of 31 December 2021 would increase financing costs by 2 bp.

Stress test as of 31 December 2021

| Interest rate (3M EURIBOR) | Cost of funding | Difference in cost of funding | Interest sensitivity |
|----------------------------|-----------------|-------------------------------|----------------------|
| Interest rate 3% | 2.09% | 0 bp | 0% |
| Interest rate 2% | 2.11% | 2 bp | 1% |
| Interest rate 1% | 2.07% | -2 bp | -2% |
| Interest rate 0.5% | 2.05% | -4 bp | -9% |
| Interest rate -0.5% | 2.08% | -1 bp | 1% |
| Interest rate -1% | 2.15% | 6 bp | -6% |

Stress test as of 31 December 2020

| Interest rate (3M EURIBOR) | Cost of funding | Difference in cost of funding | Interest sensitivity |
|----------------------------|-----------------|-------------------------------|----------------------|
| Interest rate 3% | 2.40% | 11 bp | 4% |
| Interest rate 2% | 2.39% | 10 bp | 5% |
| Interest rate 1% | 2.31% | 2 bp | 2% |
| Interest rate 0.5% | 2.27% | -2 bp | -4% |
| Interest rate -0.5% | 2.29% | 0 bp | 0% |
| Interest rate -1% | 2.36% | 7 bp | -7% |

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.

As in the previous year there were no covenant breaches in the reporting period.

In 2021, the loan to value ratio for secured financing amounted to 30.7% (2020: 31.3%) and for unsecured financing to 9.8% (2020: 15.5%). To keep lender risks to a minimum, S IMMO Group works with a total of 23 different, well-known financial institutions in Austria and Germany.

| | Share in credit financing |
|----------------------|----------------------------------|
| Erste Group | 12% |
| Savings banks | 8% |
| Other Austrian banks | 34% |
| Insurance | 10% |
| German banks | 35% |

Maturity analysis of financial liabilities

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

31 December 2021

| EUR '000 | Issued bonds | Other financial liabilities¹ | Trade payables |
|--|---------------------|--|-----------------------|
| Remaining maturity less than 1 year | 13,842 | 148,638 | 5,673 |
| Remaining maturity between 1 and 5 years | 334,758 | 505,776 | 0 |
| Remaining maturity over 5 years | 384,113 | 462,166 | 0 |

¹ Thereof leases less than 1 year: kEUR 2,801, between 1 and 5 years: kEUR 2,112, more than 5 years: kEUR 9,448
Thereof derivatives less than 1 year: kEUR 9,179, between 1 and 5 years: kEUR 27,851, more than 5 years: kEUR 5,262

31 December 2020

| EUR '000 | Issued bonds | Other financial liabilities¹ | Trade payables |
|--|---------------------|--|-----------------------|
| Remaining maturity less than 1 year | 41,051 | 123,782 | 3,616 |
| Remaining maturity between 1 and 5 years | 177,113 | 540,378 | 0 |
| Remaining maturity over 5 years | 387,225 | 434,820 | 0 |

¹ Thereof leases less than 1 year: kEUR 2,798, between 1 and 5 years: kEUR 2,607, more than 5 years: kEUR 9,827
Thereof derivatives less than 1 year: kEUR 8,727, between 1 and 5 years: kEUR 29,708, more than 5 years: kEUR 8,376

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. The procedure for the determination of these provisions is explained in note 2.6.

| EUR '000 | 2021 | 2020 |
|-----------------------|----------------|----------------|
| In the following year | 105,179 | 91,276 |
| For the next 4 years | 241,706 | 205,080 |
| Over 5 years | 105,810 | 94,600 |
| | 452,695 | 390,956 |

5.2.4 Climate risks

S IMMO is exposed to climate risks that can have an impact on the property portfolio and its management in particular. Climate risks in this context are currently reflected in the market parameters used in property valuations on the one hand, and are also taken into account in the company's investment programme on the other.

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.

Total future minimum rental revenues from S IMMO as lessor agreements are as follows:

Depending on developments, climate risks may change the market interest rates or rents used in the valuations (see section 2.8.1.2.) or may mean that future green financing, such as the green bonds issued, is not available or is only available on less favourable terms.

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 2020 | 1,637 | 29 | 160 | 1,826 |
| Additions | 0 | 48 | 0 | 48 |
| Disposals | 0 | 0 | -10 | -10 |
| Depreciation and amortisation | -136 | -35 | -64 | -235 |
| Book value as of 31 December 2020 | 1,501 | 42 | 86 | 1,629 |
| As of 01 January 2021 | 1,501 | 42 | 86 | 1,629 |
| Additions | 0 | 110 | 75 | 185 |
| Disposals | 0 | 0 | 0 | 0 |
| Depreciation and amortisation | -137 | -33 | -74 | -244 |
| Book value as of 31 December 2021 | 1,364 | 119 | 87 | 1,570 |

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 and intangible assets"

The following items were recognised in the income statement:

| EUR '000 | 2021 | 2020 |
|--|------|------|
| Interest expenses for lease liabilities | 347 | 377 |
| Expenses for short-term leases | 38 | 27 |
| Expenses for short-term leases for an asset of low value | 2 | 1 |

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.

5.6. Related party disclosures

For S IMMO Group related parties are as follows:

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

There were no related party transactions with the shareholders of S IMMO AG in the financial year 2021.

S IMMO Group's managing bodies are as follows:

S IMMO AG Management Board

- Bruno Ettenauer, MRICS (Chief Executive Officer since 15 March 2021)
- Herwig Teufelsdorfer, MRICS (since 12 April 2021)
- Friedrich Wachernig, MBA
- Ernst Vejdivszky (until 31 March 2021)

S IMMO AG Supervisory Board

- Karin Rest, EMBA (chairwoman)
- Christian Hager (first deputy chairman)
- Manfred Rapf (second deputy chairman)
- Ewald Aschauer (since 14 October 2021)
- Florian Beckermann, LL.M. (since 14 October 2021)
- Hanna Bomba
- Christian Böhm (since 14 October 2021)
- John Nacos (since 14 October 2021)
- Andreas Feuerstein (employee representative since 22 October 2021)
- Holger Schmidtmayr, MRICS (employee representative since 26 January 2021)
- Elisabeth Wagerer (employee representative since 26 January 2021)

The remuneration of the Management Board breaks down as follows:

| EUR '000 | 2021 | 2020 |
|---|--------------|--------------|
| Fixed | 1,250 | 825 |
| Variable | 2,221 | 1,186 |
| of which disbursement in the current financial year | 1,247 | 1,186 |
| of which accrual premium 2021 | 974 | 0 |
| | 3,471 | 2,011 |

In addition to the amounts specified above, other benefits consisted primarily of contributions to pension funds in the amount of kEUR 122 (2020: kEUR 83) and contributions to the staff benefit fund in the amount of kEUR 36 (2020: kEUR 31).

In 2021, members of the Supervisory Board received remuneration amounting to kEUR 213 (2020: kEUR 268). 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 2021, there were no receivables or payables due to related parties of the S IMMO Group except the associated companies.

The S IMMO Group grants loans to associated companies recognised according to the equity method. As of 31 December 2021, there were no longer receivables resulting from these loans (31 December 2020: kEUR 0). In 2021, there was no interest income from loans (2020: kEUR 861). 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

In the first quarter of 2022, a green bond with a nominal value of EUR 50m, a term of five years and a coupon of 1.25% was successfully placed.

In the first quarter of 2022, CPI Property Group and S IMMO Group entered into an agreement under which CPI Property Group has undertaken to increase the offer price for shares in IMMOFINANZ AG communicated in the context of an anticipatory mandatory offer to EUR 23.00 per share (cum dividend). In return, S IMMO Group has undertaken to transfer to CPI Property Group all shares in IMMOFINANZ AG held by it as well as all shares tendered into the partial offer by S IMMO. Upon execution of this agreement in the first quarter of 2022, S IMMO Group transferred all of its shares in IMMOFINANZ AG to CPI Property Group. The shares held as of 31 December 2021 were sold to CPI Property Group for total pre-tax proceeds of approximately EUR 403.5m.

The outbreak of the war in Ukraine also occurred in the first quarter of 2022. S IMMO does not own any properties in Ukraine or Russia and is therefore only indirectly affected by the crisis, but the final impact on S IMMO Group's business activities cannot yet be estimated.

At the time of preparing this report, the effects of the COVID-19 pandemic and the related uncertainties still persist in the markets in which S IMMO operates.

On 14 April 2022, S IMMO was informed by CPI Property Group that it would immediately request the convening of an extraordinary general meeting to resolve on the abolishment of the maximum voting rights (15%) enshrined in S IMMO's articles of association. Following the legally effective abolition of the maximum voting right, CPI Property Group would acquire a controlling interest in S IMMO within the meaning of section 22 of the Austrian Takeover Act. In this case, CPI Property Group intends to make a mandatory offer. The price of the intended mandatory offer would be at least EUR 22.00 per S IMMO share cum dividend at the time of this announcement of intent, according to the ad hoc announcement of CPI Property Group dated 14 April 2022 pursuant to section 26 (1) of the Austrian Takeover Act.

Vienna, 14 April 2022

The Management Board



Bruno Ettenauer Herwig Teufelsdorfer Friedrich Wachernig

Auditor's report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of S IMMO AG, Vienna, Austria, and its subsidiaries ("the Group"), which comprise the Consolidated statement of financial position as at 31 December 2021, and the Consolidated Income Statement, the Consolidated statement of comprehensive income, Consolidated cash flow statement, Changes in consolidated equity for the year then ended, and the Notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for our Opinion

We conducted our audit in accordance with the EU Regulation 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on 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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

Measurement of investment properties

Refer to notes sections 2.6.1., 2.8.1., 3.1.1. and 3.2.6.

Risk for the Consolidated Financial Statements

Investment Property with more than 74 percent (prior year 75 percent) of the total assets is the most significant item in the consolidated financial statements of the company. Investment properties are stated at fair value in accordance with IAS 40 in conjunction with IFRS 13. For the measurement of investment property S IMMO AG engages external assessors on an annual basis.

The measurement strongly depends on estimates with regard to input parameters that are both observable and not observable in the market and is therefore materially based on judgement. As a result, the measurement of investment properties is significant for our audit.

Our Response

We assessed the valuation of the investment property as follows:

- In the course of our audit, we gained an understanding of the valuation process and its internal controls. In addition, we evaluated the internal controls of the company connected to the data used for the measurement of the real estate portfolio.
- We evaluated the objectivity, independence and expertise of the external assessors.

■ We assessed for valuation reports in samples the basis data applicable as of the reporting date and relating to specific objects – on which measurement is based (i.e. current rent and most recent number of vacancies).

■ In cooperation with our internal valuation specialist for real estate we assessed the valuation models used by the external assessors in respect of compliance with IAS 40 and IFRS 13 and critically dealt with the significant measurement assumptions and parameters, such as sustainable rents and the discount rates applied, and reconciled this information with external market data.

■ We have checked the plausibility of the fair values on the basis of the gross yield of the individual properties with data observable on the market.

■ Further, we assessed whether the disclosures in the notes with respect of the measurement assumptions and insecurity of estimates are appropriate.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact. If we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) 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.

Management is also 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

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 audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

■ We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

■ We 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.

■ We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

■ We 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 audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit 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.

■ We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

■ We obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.

■ We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.

■ From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements.

Management is responsible for the preparation of the group management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Additional Information in accordance with Article 10 AP Regulation

We were elected as auditors at the Annual General Meeting on 14 October 2021 and were appointed by the supervisory board on 4 November 2021 to audit the financial statements of Company for the financial year ending on 31 December 2021.

In addition, during the Annual General Meeting, we have been elected as auditors for the following financial year and appointed by the supervisory board.

We have been auditors of the Company, without interruption, since the consolidated financial statements at 31 December 2018.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Group.

Engagement Partner

The engagement partner is Mr Thomas Smrekar.

Vienna, 21 April 2022

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:
Thomas Smrekar
Wirtschaftsprüfer
(Austrian Chartered Accountant)

Dear Shareholders,

S IMMO AG began 2021 with the successful issuance of its first green bond. Despite the challenging market environment and the ongoing COVID-19 pandemic, the following months progressed very successfully for S IMMO. The pandemic impacted the company's revenue to a lesser extent than in 2020. Once again, S IMMO's business model proved itself even in times of crisis. The annual result for 2021 amounted to EUR 230.6m and is so far the highest value in the company's history.

The good operating performance is also reflected in the price performance of the S IMMO share. Over the 2021 financial year, the S IMMO share rose by more than 28% in value, closing out the year at EUR 21.75. The company is excellently positioned, both operationally and financially, to continue generating value added for its shareholders moving forward.

Composition of the Supervisory Board

There were personnel changes on the Supervisory Board of S IMMO AG in the reporting year. Firstly, four new members were elected to the Supervisory Board at the 32nd Annual General Meeting on 14 October 2021. Secondly, three members of the Works Council were appointed to the Supervisory Board during the 2021 financial year. Accordingly, the Supervisory Board had eleven members as of 31 December 2021 – eight capital market representatives and three employee representatives. The current composition of the Supervisory Board and its individual committees allows the optimal performance of the assigned duties with regard to the distribution of competencies.

Capital market representatives

- Karin Rest (Chairwoman of the Supervisory Board)
- Christian Hager (First Deputy Chairman of the Supervisory Board)
- Manfred Rapf (Second Deputy Chairman of the Supervisory Board)
- Ewald Aschauer
- Florian Beckermann
- Hanna Bomba
- Christian Böhm
- John Nacos



Karin Rest

Employee representatives

- Andreas Feuerstein
- Holger Schmidtmayr
- Elisabeth Wagerer

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" from page 95 in this report.

Activities of the Supervisory Board

In the reporting year, the Supervisory Board performed its duties under the law, the articles of incorporation 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, risk and opportunity management, strategic development, relevant ESG issues and business performance – including the effects of the COVID-19 pandemic and the result-

ing acceleration of trends on S IMMO AG and its subsidiaries. In particular, the Supervisory Board also discussed the takeover bid made by IMMOFINANZ AG to the shareholders of S IMMO AG in the first half of the year, which did not go ahead, and the partial offer by S IMMO AG to the shareholders of IMMOFINANZ AG.

In 2021, the Supervisory Board also made a decision on the successor to Mr. Ernst Vejdovszky, whose Management Board mandate ended, and reorganised the S IMMO Management Board team. Mr. Bruno Ettenauer was appointed as the Chief Executive Officer (CEO) for a period of three years effective 15 March 2021. Mr. Herwig Teufelsdorfer was appointed as S IMMO AG's Chief Investment Officer (CIO) for a period of three years effective 12 April 2021. The mandate of Mr. Friedrich Wachernig in the role of Chief Operating Officer (COO) was extended by another three years until 30 June 2024.

Committees of the Supervisory Board

The Supervisory Board is assisted in the performance of its duties by committees. There were four committees as of 31 December 2021: the Audit Committee, the Nomination and Remuneration Committee (since 03 November 2021)¹, the ESG Committee (since 10 September 2021) and the Strategy Committee (since 03 November 2021). Information on the duties, the number of meetings and the composition of the individual committees can be found from page 90 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 KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (KPMG) 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 new recommendation to elect KPMG as the auditor of the (consolidated) financial statements was issued. KPMG was elected as the auditor of the annual and consolidated financial statements for the 2021 financial year at the 32nd Annual General Meeting on 14 October 2021.

2021 annual and consolidated financial statements

KPMG audited the annual and consolidated financial statements for the period ended 31 December 2021 and issued them with an unqualified audit opinion. KPMG confirmed that the annual financial statements for the period ended 31 December 2021 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 2021 and of its earnings for the 2021 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 2021. In addition, KPMG confirmed that the consolidated financial statements for the period ended 31 December 2021 comply with the statutory requirements and give a true and fair view of the assets and finances of the Group as of 31 December 2021 and of its earnings for the 2021 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 2021. 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 2021 submitted by the Management Board, together with the management report, the corporate governance report and the proposal for the distribution of profits. The Audit Committee also reviewed the consolidated financial statements for the period ended 31 December 2021 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 KPMG. 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 2021, 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.

¹ Until 03 November 2021: Management Board Committee (Remuneration Committee)
S IMMO AG | Annual Financial Report 2021

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 distribution of profits be adopted, and that the Annual General Meeting officially grant its approval for the activities of the Management Board and the Supervisory Board.

Finally, on behalf of the Supervisory Board, I would like to thank the Management Board and the S IMMO team for their daily efforts in the challenging 2021 financial year. At the same time, I wish the entire workforce and the members of the Management Board of the company good health and every success for the 2022 financial year.

Vienna, April 2022

The Supervisory Board

A handwritten signature in black ink, appearing to be 'Karin Rest', written over a light grey rectangular background.

Karin Rest, Chairwoman

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 not fully complied with by S IMMO AG:

C Rule 2: "Shares are to be construed in accordance with the principle of one share – one vote."

The 73,608,896 shares in S IMMO AG are fundamentally construed in accordance with the principle "one share – one vote". All shares carry the same rights. In particular, there are no registered shares with special rights such as nomination of Supervisory Board members or preference shares. The only restriction regarding the voting right associated with all shares exists in the context of the maximum voting right provided for in section 13 (3) of the articles of incorporation. At the Annual General Meeting, the voting rights of each shareholder are accordingly limited to 15% of the issued share capital. For this purpose, shares held by companies that together constitute a group for the purposes of section 15 Austrian Stock Corporation Act (AktG) are to be aggregated, as are shares held by third parties for the account of the relevant shareholder or the account of a company forming part of a group with that shareholder. Holdings of shares by shareholders exercising their voting rights in concert in virtue of an agreement or as part of coordinated behaviour are also to be aggregated. The maximum voting right was adopted at the 17th Annual General Meeting of S IMMO AG on 03 May 2006.

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

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 to be necessary to commission a company to perform such an evaluation.

2. Composition of managing bodies

Management Board

In the past financial year, the Management Board team of S IMMO AG was restructured. Mr. Ettenauer was appointed Chief Executive Officer with effect from 15 March 2021 for a period of three years. Mr. Teufelsdorfer was appointed Chief Investment Officer of the company for a period of three years effective 12 April 2021. The mandate of Mr. Wachernig was also extended by a further three years until 30 June 2024 in the function of Chief Operating Officer. The Management Board mandate of Mr. Vejdovszky ended on 31 March 2021. As of 31 December 2021, the Management Board therefore consisted of three members. More detailed information about the individual members of the Management Board and their responsibilities is shown in the overview of 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 2021, the Supervisory Board consisted of eleven members – eight capital market representatives and three employee representatives. Information on the Supervisory Board members, their positions on the Supervisory Board and, where applicable, on other individual Supervisory Board committees, can be found in the overview of management bodies.

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 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.

All of the Supervisory Board members in office as of 31 December 2021 have declared themselves independent within the meaning of C Rule 53 and within the meaning of C Rule 54.

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 incorporation and the rules and procedures.

The Management Board runs the company – its allocation of tasks is set out in the overview of management bodies. The Management Board also 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 2021, the Supervisory Board consisted of eight capital market representatives and three employee representatives – eleven members in total.

The Supervisory Board has formed four committees from among its members, which are listed below. In the 2021 reporting year, 13 Supervisory Board meetings were held, some of which were held in person and some via telephone or video conference due to COVID-19. Each member of the Supervisory Board participated in more than half of the Supervisory Board meetings in person or by telephone or video conference (a detailed list of attendances in the past financial year can be found below).

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 2021, the Audit Committee consisted of the following members: Mr. Rapf (chairman), Mr. Aschauer (deputy chairman), Mr. Böhm, Mr. Nacos and Mr. Schmidtmayr (delegated as employee representative). The Audit Committee met four times in the reporting year.

Nomination and Remuneration Committee (since 03 November 2021)

The Committee for Management Board Matters existed until 03 November 2021. Its scope of work included negotiating, concluding and amending contracts with Management Board members. The Nomination and Remuneration Committee was formed on 03 November 2021. The competencies of the Committee for Management Board Matters were expanded. The Nomination and Remuneration Committee is now responsible for negotiating, concluding and amending contracts with

members of the Management Board. The committee prepares the principles for the remuneration of the Management Board and Supervisory Board members and submits proposals to the full Supervisory Board for filling vacancies on the Management Board and Supervisory Board. As of 31 December 2021, the Nomination and Remuneration Committee consisted of the following members: Ms. Rest (chairwoman), Mr. Hager (deputy chairman), Mr. Rapf and Mr. Feuerstein (delegated as employee representative).

ESG Committee (since 10 September 2021)

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. As of 31 December 2021, the ESG Committee was composed of the following members: Ms. Rest (chairwoman), Ms. Bomba

and Ms. Wagerer (delegated as employee representative). The ESG Committee met once in the reporting year 2021.

Strategy Committee (since 03 November 2021)

The responsibilities of the Strategy Committee include the preparation and evaluation of decisions on general business policy and the preparation of decisions of the Supervisory Board that are strategically significant for the company. As of 31 December 2021, the Strategy Committee had the following members: Ms. Rest (chairwoman), Mr. Hager (deputy chairman), Mr. Beckermann, Ms. Bomba and Ms. Wagerer (delegated as employee representative). The Strategy Committee met once in the 2021 financial year.

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

Attendance in 2021 (in person and via telephone or video conference)

| First half-year 2021 | SBM 28 January 2021 | SBM 17 February 2021 | SBM 22 February 2021 | SBM 02 March 2021 | SBM 15 March 2021 | AC 15 March 2021 | SBM 29 March 2021 | AC 29 March 2021 | SBM 02 June 2021 |
|---|---------------------------|----------------------------|----------------------------|-------------------------|-------------------------|------------------------|-------------------------|------------------------|------------------------|
| Karin Rest (chairwoman) | 1 | 1 | 1 | 1 | 1 | | 1 | | 1 |
| Christian Hager (first deputy) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Manfred Rapf (second deputy) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Hanna Bomba | 1 | excused | 1 | 1 | 1 | | 1 | | 1 |
| Holger Schmidtmayr (since 26 January 2021 as employee representative) | | | 1 | 1 | 1 | | 1 | | 1 |
| Elisabeth Wagerer (since 26 January 2021 as employee representative) | | | 1 | 1 | 1 | | 1 | | 1 |

| Second half-year 2021 | SBM 28 July 2021 | SBM 10 Sep- tember 2021 | AC 10 Sep- tember 2021 | SBM 30 Sep- tember 2021 | SBM 03 No- vember 2021 | SC 17 No- vember 2021 | SBM 02 De- cember 2021 | AC 02 De- cember 2021 | SBM 06 De- cember 2021 | ESG 20 De- cember 2021 |
|---|------------------------|----------------------------------|---------------------------------|----------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|---------------------------------|
| Karin Rest (chairwoman) | 1 | 1 | | 1 | 1 | 1 | 1 | | 1 | 1 |
| Christian Hager (first deputy) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | 1 | |
| Manfred Rapf (second deputy) | 1 | 1 | 1 | 1 | 1 | | 1 | 1 | 1 | |
| Ewald Aschauer (since 14 October 2021) | | | | | 1 | | 1 | 1 | excused | |
| Florian Beckermann (since 14 October 2021) | | | | | 1 | 1 | 1 | | 1 | |
| Hanna Bomba | 1 | 1 | | 1 | 1 | 1 | 1 | | excused | 1 |
| Christian Böhm (since 14 October 2021) | | | | | 1 | | 1 | 1 | 1 | |
| John Nacos (since 14 October 2021) | | | | | 1 | | excused | excused | 1 | |
| Andreas Feuerstein (since 22 October 2021 as employee representative) | | | | | 1 | | 1 | | 1 | |
| Holger Schmidtmayr (since 26 January 2021 as employee representative) | 1 | 1 | | 1 | 1 | | 1 | 1 | 1 | |
| Elisabeth Wagerer (since 26 January 2021 as employee representative) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | 1 | 1 |

SBM=Supervisory Board Meeting

AC=Audit Committee

SC=Strategy Committee

ESG=ESG Committee

■ Not a member or at this time not yet a member of the Supervisory Board or the relevant committee

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. The company places great emphasis on the advancement of women when filling senior managerial positions. As of 31 December 2021, 52.6% of the workforce and 42.9% of managers (excluding the Management Board) were female. Moreover, the company offers flexible working time solutions tailored to the needs of its employees. As of 31 December 2021, 21.1% of all employees worked part-time at the company's location in Vienna. When making appointments to the Management Board

and Supervisory Board, emphasis is placed on the maximum degree of professional skill and international experience in the interests of the company. In addition, the company makes a conscious effort to ensure a diverse composition with regard to professional qualifications and educational background, regardless of gender. There were no women on the Management Board of S IMMO AG in the reporting year. When appointing the Management Board, particular attention was paid to seeking and recruiting qualified female candidates. Unfortunately, despite a conscientious process, it was not possible to increase the proportion of women on the company's Management Board. In accordance with the legal requirements for a 30% quota of women, three members of the Supervisory Board must be female. S IMMO met these requirements as of 31 December 2021.



Bruno Ettenauer



Herwig Teufelsdorfer



Friedrich Wachernig

Management Board



Bruno Ettenauer, MRICS
Chief Executive Officer (CEO)

Born: 25 January 1961
Appointed until: 14 March 2024
First appointed: 15 March 2021

Responsible for finance, investor relations/
public relations/marketing, legal/
compliance, audit

After studying law at the University of Vienna, Mr. Ettenauer's career took him into the banking world, where he held various management positions at institutions including PSK Bank, Creditanstalt and Bank Austria Creditanstalt over the years. From 2006 to 2015, Mr. Ettenauer was CEO of CA Immobilien Anlagen AG and from 2016 to 2021 a managing partner at ETERRA Real Estate before becoming CEO of S IMMO AG.

Other appointments:

- Deputy Chairman of the Supervisory Board of KA Finanz AG
- Member of the Supervisory Board of COVID-19 Finanzierungsagentur des Bundes GmbH (COFAG)



Herwig Teufelsdorfer, MRICS
Member of the Management Board/
Chief Investment Officer (CIO)

Born: 17 March 1969
Appointed until: 11 April 2024
First appointed: 12 April 2021

Responsible for investment,
risk management, organisation,
IT/digitalisation, ESG, markets: Germany

After studying business engineering for mechanical engineering at Graz University of Technology, Mr. Teufelsdorfer started as a management consultant at GCI Management. This was followed by management positions at Vivico Real Estate GmbH and Bundesimmobilien-gesellschaft (BIG). He then served as managing director at Bank Austria Real Invest AM GmbH and board member of IVG Austria AG and the listed BUWOG AG. Most recently, he was a managing partner of 21st Real Estate GmbH in Berlin before being appointed to the Management Board of S IMMO AG as CIO.



Friedrich Wachernig, MBA
Member of the Management Board/
Chief Operating Officer (COO)

Born: 28 June 1966
Appointed until: 30 June 2024
First appointed: 15 November 2007

Responsible for project development,
asset management, HR, markets: Austria
and CEE

Mr. Wachernig began his career at Eraproject GmbH, a subsidiary of ERA Bau AG, after studying economics at the Vienna University of Economics and Business. This was followed by various development and management functions at Strabag AG, Raiffeisen Evolution GmbH and Porr Solutions GmbH with responsibility for Eastern European countries. Mr. Wachernig has been a member of the Management Board of S IMMO AG since 2007.

Until 31 March 2021

Ernst Vejdovsky

Born: 30 October 1953
First appointed: 01 January 2001

Responsible for finance, corporate
communications, investor relations,
acquisition, sales, risk management,
audit, asset management in Germany

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 | Other appoint- ments |
|---|--|---|---|---|---|--|
| Capital market representatives | | | | | | |
| Karin Rest, EMBA (1972) | Chairwoman of the Supervisory Board; Chairwoman of the Management Board Committee (until 03 November 2021); Chairwoman of the Nomination and Remuneration Committee (since 03 November 2021); Chairwoman of the Strategy Committee (since 03 November 2021); Chairwoman of the ESG Committee (since 10 September 2021) | Managing Director of VAMED-KMB Krankenhausmanagement und Betriebsführungs-ges.m.b.H. (since 01 June 2020) | 03 May 2018 (appointed until AGM in 2023) | Flughafen Wien AG (since 30 April 2013) | Chairwoman of the Supervisory Board of Wien Holding GmbH (since 03 July 2017); Wiener Stadtwerke GmbH (since 16 April 2015) | |
| Christian Hager (1967) | First Deputy Chairman of the Supervisory Board; Member of the Audit Committee (until 03 November 2021); Member of the Management Board Committee (until 03 November 2021); Deputy Chairman of the Nomination and Remuneration Committee (since 03 November 2021); Deputy Chairman of the Strategy Committee (since 03 November 2021) | Member of the Management Board at KREMSEBANK und Sparkassen AG (since 01 September 2008) | 23 June 2009 (appointed until AGM in 2024) | | | |
| Manfred Rapf (1960) | Second Deputy Chairman of the Supervisory Board; Chairman of the Audit Committee; Member of the Nomination and Remuneration Committee (since 03 November 2021) | Self-employed actuary (for more than 30 years) | 08 June 2017 (appointed until AGM in 2022) | | | |
| Ewald Aschauer (1982) | Member of the Supervisory Board; Deputy Chairman of the Audit Committee (since 03 November 2021) | Professor at the Vienna University of Economics and Business, Head of the Department of Corporate Accounting and Auditing (since 2020); Professor at the Institute of Accounting and Auditing at the Johannes Kepler University Linz (since 2014) | 14 October 2021 (appointed until AGM in 2026) | | Member of the Supervisory Board of Egger Holzwerkstoffe (since 2018; Head of the Audit Committee since 2019) | Member of the ORF Board of Trustees (since 2018); Chairman of the Advisory Board of COFAG (since 2020) |
| Florian Beckermann, LL.M. (1976) | Member of the Supervisory Board; Member of the Strategy Committee (since 03 November 2021) | Chairman of the Board at Austrian Shareholder Association IVA (since 2020); Managing Director at RE-STRUCTURE Business Consulting GmbH (since 2014) | 14 October 2021 (appointed until AGM in 2026) | | | |

| 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 | Other appoint- ments |
|---|---|---|---|--|--|---|
| Hanna Bomba (1978) | Member of the Supervisory Board; Member of the Strategy Committee (since 03 November 2021); Member of the ESG Committee (since 10 September 2021) | Managing Director of Huber Shop GmbH (AT and DE – since 20 October 2020); Managing Partner at Be Retail GmbH – Management Consulting (since 02 February 2018); Owner and Coach at BeMySelf Holistic Coaching (since 01 December 2019) | 03 May 2018 (appointed until AGM in 2023) | | Erste Immobilien Kapitalanlage-gesellschaft m. b. H. (since 01 August 2019) | |
| Christian Böhm (1958) | Member of the Supervisory Board; Member of the Audit Committee (since 03 November 2021) | Chairman of the Management Board at APK Pensionskasse AG (since 2002); Member of the Board at APK Pensions-kasse AG (since 1990) | 14 October 2021 (appointed until AGM in 2026) | Deputy Chairman of the Supervi- sory Board and Chairman of the Audit Committee at IMMOFINANZ AG (both from 01 Oc- tober 2020 until 19 October 2021); Member of the Super- visory Board of IMMOFINANZ AG (from 2010 to 19 October 2021) | Chairman of the Supervisory Board at APK Versicherung AG (since 2015); Chairman of the Supervisory Board at APK Vorsorgekasse AG (since 2015) | Deputy Chairman at Professional Association of Pension Funds – Fachverband der Pensions- kassen (since 2010); Member of the Governing Board at Pen- sionsEurope in Brussels (since 2004) |
| John Nacos (1967) | Member of the Supervisory Board; Member of the Audit Committee (since 03 November 2021) | Joint Managing Director and CIO of Aggregate Holdings S.A. (since 2021); Founding Partner of EG Real Estate Advisors (from 2014 to 2021) | 14 October 2021 (appointed until AGM in 2026) | | | |
| Employee representatives | | | | | | |
| Andreas Feuerstein (1964) | Member of the Supervisory Board; delegated as em- ployee representative to the Nomination and Remuneration Committee (since 03 Novem- ber 2021) | Investor Relations Director at S IMMO AG (since 2019); with S IMMO AG since 2002 | 22 October 2021 (term is open-ended) | | | |
| Holger Schmidtmayr, MRICS (1966) | Member of the Supervisory Board; delegated as employee representative to the Audit Committee (since 03 Novem- ber 2021) | Compliance Officer at S IMMO AG (since 2019) | 26 January 2021 (term is open-ended) | | | |
| Elisabeth Wagerer (1980) | Member of the Supervisory Board; delegated as employee representative to the ESG Committee (since 10 Septem- ber 2021) and to the Strategy Committee (since 03 Novem- ber 2021) | Head of Corporate Communications/Invest- or Relations and Press Spokeswoman (since 2016); with S IMMO AG since 2010 | 26 January 2021 (term is open-ended) | | | |

NON-FINANCIAL REPORT

Since the financial year 2017, S IMMO has published a non-financial report each 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. When preparing this report, S IMMO implements the legal requirements of section 267a of the Austrian Commercial Code (UGB) in full, in line with the Austrian Sustainability and Diversity Act (NaDiVeG). In addition, starting with the last financial year, information is disclosed in line with the EU Taxonomy Regulation (Regulation (EU) 2020/852).

To facilitate the transparency and comparability of strategies, measures and results, international frameworks are applied in this non-financial report for the first time. This report has been prepared in accordance with the GRI Standards: Core option. The GRI content index provides an overview of the applied standards and the sections that contain the relevant information (page 131 et seq.).

In addition, 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) are addressed. The EPRA Sustainability Performance Measures can be found starting on page 135.

Scope and boundaries of the report

This non-financial report covers S IMMO and all its consolidated subsidiaries, and follows the principle of financial control. Therefore, any mention of S IMMO below refers to S IMMO and all its subsidiaries. A list of the respective companies can be found on page 37. For the first time, the data and key figures of the two hotels operated under management agreements, the Vienna Marriott Hotel and the Budapest Marriott Hotel, have been taken into account in this report. The existing management agreements with the hotel chain continue to preclude the possibility of active intervention in business operations.

Despite every effort to ensure extensive and full reporting, data in some areas is incomplete. For instance, in some places, the data for the Marriott hotels had to be omitted from the employee-related data. Express indication is given if this is the case.

Properties that were acquired or sold during the year and properties under development were not included in the calculation of key figures due to inconsistent data and for ease of comparison. However, these properties account for only a very small proportion of the portfolio. Further details on the data boundaries are presented in detail in the section Environment.

The company publishes the non-financial report each year as part of the annual report. The reporting period of this report is the past calendar year, and therefore extends from 01 January 2021 to 31 December 2021. Significant events between the balance sheet date (31 December 2021) and the editorial deadline for this report (14 April 2022) are set out in section 5.7. This report was published on 28 April 2022.

Audit

As part of the audit of the financial statements, the commissioned auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, examined whether all legally required information has been disclosed. The non-financial report was not subject to any other audit apart from this. The Management Board submitted the non-financial report to the ESG Committee of the Supervisory Board and the entire Supervisory Board for review. The Supervisory Board received, reviewed and discussed the non-financial report and found no reasons for objection.

Sustainability management

To take account of the increased requirements in terms of sustainability management, anchoring of the topic within the S IMMO organisation was stepped up last year. In spring 2021, the area of digitalisation/ESG was included in the Management

Board's responsibilities as part of the reconfiguration of the Management Board. In autumn, the Sustainability Management staff unit was created as a central point where the sustainability issues of all departments and subsidiaries are coordinated. One main focal point in the reporting year was the ascertainment of the actual situation as well as the standardisation and improvement of data collection and analysis, particularly with regard to consumption data. Sustainability is also becoming an increasingly important topic at the Supervisory Board level. Also in autumn 2021, the Supervisory Board set up an ESG Committee from among its members. The committee is tasked with reviewing and monitoring the strategy with regard to the company's social, economic and environmental responsibility.

Potential risks that arise in the context of S IMMO's business activities and could impact on various sustainability matters are incorporated into the Group's overarching risk management, which is the responsibility of the Management Board and is handled by the Risk Management department. In the run-up to producing this non-financial report, environmental, climate-related, social and governance-related risks were systematically identified and assessed. The identified risks and the handling of these risks are described in the separate risk management report starting on page 16 of the Group management report.

Partnerships and memberships

S IMMO uses memberships and partnerships 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 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 actively committed to sustainable development and the transfer of knowledge to this effect. In 2021, work in this area focused on the connection between sustainability and digitalisation and the preparation for a transition to the circular economy in the property sector. These partnerships will also be continued in 2022.

Materiality analysis

This non-financial report is based on a materiality analysis conducted in the reporting year, in which potential areas of sustainable management were examined and assessed with internal and external experts in connection with the Austrian Sustainability and Diversity Act (NaDiVeG) and the 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.

In the first step, two workshops were conducted with the CIO 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 according to the criteria of "influence on" and "interest in" S IMMO on a scale of 1–10. 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 representatives 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 topics identified as material are assigned to the following areas:

- Environment
- Social
- Governance
- Overarching topics

The material topics for S IMMO are therefore those 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 topics

| | |
|--------------------|---|
| 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 Data protection |
| Governance | Combating corruption |
| Overarching topics | Digitalisation Sustainable value enhancement |

In this non-financial report, S IMMO details its activities and the measures adopted in relation to the topics defined as material. The vast majority of the material topics are dealt with in the following sections: Environment, Social and Governance. Two of the material topics, digitalisation and sustainable value enhancement, must be regarded as higher-level topics that are closely linked with the sustainable development of S IMMO.

Digitalisation

S IMMO deals intensively with the opportunities and risks of digitalisation. To take account of its growing importance, the topic of digitalisation was integrated into the Management Board's responsibilities in the financial year 2021, and an experienced expert, Herwig Teufelsdorfer, was appointed as CIO. To remain competitive in the future, S IMMO launched a comprehensive digitalisation initiative in the last financial year. The aim is to make internal processes more efficient, improve employees' digital skills and turn the company from a process-led organisation to a data-led one in the medium term. Various work streams are being managed in conjunction with an external consultancy firm and in close coordination with the

internal experts. The spectrum ranges from governance and security issues to collaboration processes and reporting routines. There is a dedicated ESG work stream, with the main focus on standardised data collection and processing across the portfolio.

Sustainable value enhancement

S IMMO has been pursuing a prudent and proven business policy for nearly 35 years. Details of this and an overview of the business model can be found in the Group fundamentals section starting on page 4. As part of the increasing anchoring of sustainability in all divisions, S IMMO has also drawn up guiding principles that define the company's fundamental values as well as setting out its vision and purpose.

S IMMO guiding principles

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 |

Further key pillars of the corporate culture are set out in S IMMO's Code of Conduct and human rights policy (both are available at www.simmoag.at/sustainability).

Sustainable value enhancement in the interest of shareholders is a key focal point of the corporate strategy. To this end, the company combines stable property markets such as Austria and Germany, where sharp rises in value have been apparent in recent years in particular, with more profitable growth markets in the CEE region. This diversification also serves to spread and minimise risk, something from which the company has also benefited in the last two years with regard to the COVID-19 crisis.

In addition, S IMMO has been pursuing a sustainable dividend strategy since 2011 with the aim of letting its shareholders participate in the company's success. The dividend amount has been continuously increased. Even amid the crisis in 2020, there was a payout on the basis of a highly successful operating result in 2019.

In all its activities, S IMMO never loses sight of its responsibility to people and the environment, and is appreciative and respectful in its dealings with its stakeholder groups. Details regarding employee satisfaction as well as the company's employees and shareholder policy can be found in the subsequent sections.

Environment

Responsible interaction with the environment has been an integral part of S IMMO's operating and strategic activities for many years. This is not limited simply to compliance with all legal requirements and regulatory conditions, but is also reflected in its anchoring in the company's guiding principles and the result of the materiality analysis that was conducted in the reporting year. The following environmental issues were identified as significant in this process:

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

In view of the ever advancing process of climate change, it has become essential that, as a society, we understand and take into account the mutual effects of environmental changes and business activities on each other. S IMMO therefore actively incorporates environmental aspects into its economic decisions and has additionally expanded its risk management to include climate risks on the basis of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). Further details can be found in the risk management report starting on page 16.

The organisational anchoring of sustainability management in the Supervisory Board, the Management Board and a separate operational staff unit in 2021 underlines S IMMO's integrated approach to sustainability and enables it to manage the key environmental issues in a centralised way. For example, the past year was characterised primarily by the comprehensive optimisation of data recording and analysis supported by IT systems in the areas of energy and water consumption data relating to the property portfolio and vehicle fleet data. The resulting enhancement of the data quality will enable the company to manage and optimise the consumption of energy and resources in a targeted way in the future. Especially in regard to the properties, it is now possible to evaluate the optimisation measures that have been implemented thanks to continuous monitoring at property level. Together with other measures such as the increase in the share of renewable energy sources and the modernisation of buildings, S IMMO is setting out to gradually reduce its ecological footprint.

The improvement in the sustainability performance is a stated and, at the same time, practised corporate objective, in which S IMMO employees play an essential role. In order to raise the awareness of S IMMO's employees on environmental issues and climate change, they are kept continually informed about the implementation of concrete measures and actively involved in the processes. Moreover, employees and business partners are also included in environmental activities when this is within the company's power. S IMMO is currently focusing on optimising data collection and analysis in order to make reliable and prompt statements about the actual situation. The aim is also to set specific targets in the future on the basis of this information.

Boundaries on environmental key figures

The key performance figures reported in this section relate essentially to the group of fully consolidated companies of S IMMO (starting on page 37) and follow the financial control approach. Shares that are accounted for using the equity method are not included in the calculation.

As of 31 December 2021, S IMMO's property portfolio, which includes lettable buildings, owner-operated hotels, development projects and land, consisted of 375 properties (2020: 358). The total area amounts to around 1.4 million m² (2020: 1.3 million m²) and the main lettable area to approximately 1.1 million m² (2020: 1.1 million m²). Based on book values, properties in Austria accounted for 17.3% (2020: 18.5%) of the portfolio, while properties in Germany comprised 48.2% (2020: 49.3%). Properties in CEE made up 34.5% of the portfolio (2020: 32.2%). Looking at the portfolio broken down by main types of use excluding plots of land and on the basis of carrying amounts, offices accounted for 45.4% (2020: 43.1%), retail properties for 14.6% (2020: 17.9%), residential properties for 32.7% (2020: 30.2%) and hotels for 7.3% (2020: 8.8%) as of 31 December 2021.

The property-related consumption and emissions data in this section refers only to buildings that were included in the S IMMO portfolio for the entire calendar year under review. The comparatively very small number of acquisitions and sales during the year as well as leasehold properties, development projects and plots of land are not included due to inconsistent data and for ease of comparison. The three buildings that are held by associates and joint ventures, which are accounted for using the equity method are also not included. A total of 328 buildings are thus considered for the 2021 reporting year and 317 buildings in total for 2020, which also include the two owner-operated hotels in Budapest and Vienna.

Building certificates

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, in 2014, the Group started the step-by-step certification of portfolio properties using internationally recognised certification frameworks for buildings with low emissions – known as green buildings. All the Group's own development projects are now planned and implemented in accordance with these standards, while acquisitions of properties are also evaluated along the same lines.

As of 31 December 2021, S IMMO's property portfolio that was certified under BREEAM, LEED and WELL comprised a total of 11 properties (2020: 7) with a total main lettable area of 241,580 m² (2020: 178,839 m²). This corresponds to 21.4% (2020: 16.6%) of the main lettable area of the entire portfolio and a year-on-year increase of 35.1%. The presentation of certified properties was adjusted in this report. The previous year's report published the total area including underground parking spaces, and this data has been replaced by the main lettable area. Moreover, the Einsteinova Business Center that is certified as BREEAM Excellent is no longer included, as this property accounted for using the equity method does not form part of the scope of full consolidation. These two adjustments were made against the background of a harmonisation of the non-financial reporting during the first-time application of the GRI Standards.

Certified properties as of 31 December

| Property | Country | Use type | Certification | Certified main lettable area in m ² | |
|--|---------|----------|----------------------------------|--|--------------------|
| | | | | 2021 | 2020 |
| 10000 Zagreb, Miramarska cesta 23 (Eurocenter) | Croatia | Office | BREEAM Very Good | 8,229 | 8,229 |
| 10000 Zagreb, Radnička cesta 80 (Zagrebtower) | Croatia | Office | BREEAM Excellent | 25,303 | 25,307 |
| 010735 Bucharest, Calea Griviței 82-98 (The Mark) | Romania | Office | BREEAM Excellent | 25,395 | 25,395 |
| 040055 Bucharest, Calea Văcărești 391 (Sun Offices) | Romania | Office | BREEAM Good | 9,639 | 9,644 |
| 040055 Bucharest, Calea Văcărești 391 (Sun Plaza) | Romania | Retail | BREEAM Pass | 79,674 | 79,698 |
| 061102 Bucharest, Bulevardul Luliu Maniu 6N (Campus 6.2) | Romania | Office | LEED Platinum | 19,835 | Acquisition 2021 |
| 061102 Bucharest, Bulevardul Luliu Maniu 6P (Campus 6.3) | Romania | Office | LEED Platinum and WELL Core Gold | 17,629 | Acquisition 2021 |
| 1065 Budapest, Nagymező utca 44. (Pódium) | Hungary | Office | BREEAM Very Good | 5,749 | Certification 2021 |
| 1117 Budapest, Garda utca 2. (BudaPart Gate) | Hungary | Office | LEED Gold | 19,562 | Acquisition 2021 |
| 1134 Budapest, Váci út 35. (River Estates) | Hungary | Office | BREEAM Very Good | 20,245 | 20,245 |
| 1138 Budapest, Váci út 182. (Blue Cube) | Hungary | Office | BREEAM Excellent | 10,320 | 10,320 |
| Total | | | | 241,580 | 178,839 |

The proceeds from the first of the green bonds issued by S IMMO in January 2021 totalling EUR 150 million went entirely into the (re)financing of acquisitions and development of properties certified as green buildings and thus made a direct contribution to an ecologically and socially more sustainable real estate industry.

The modernisation and certification of other portfolio buildings and the acquisition and development of appropriately certified properties are planned for 2022.

Implementation of the EU Taxonomy

With the EU Taxonomy Regulation (Regulation (EU) 2020/852), the European Union has presented a standardised set of rules for classifying environmentally sustainable economic activities that were applied for the first time in the last financial year 2021. S IMMO is consequently 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. In the past financial year, it was not yet necessary to disclose taxonomy-aligned economic activities, meaning sustainable activities in accordance with the technical screening criteria of the taxonomy.

All disclosures are made on the basis of the current interpretation of the legal situation, where uncertainties in interpretation result from legal terms that have not yet been adequately defined. Because the legal situation continues to change at the moment, S IMMO adopts a conservative approach in its declaration of taxonomy-eligible economic activities.

Turnover

The economic activity "Acquisition and ownership of buildings" has been identified as material and taxonomy-eligible for the calculation of the taxonomy-eligible share of turnover. Starting out from the total revenues recognised in the consolidated financial statements prepared according to IFRS, the taxonomy-eligible turnover consists of the rental income and revenues from operating costs that S IMMO generates in the course of renting and leasing out its properties.

Capital expenditure (CapEx)

The basis for the capital expenditure 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, in the reporting year at S IMMO this relates to the acquisition of buildings within the meaning of the economic activity "Acquisition and ownership of buildings", capitalisations directly associated with property portfolios of this kind, investments in the vehicle fleet and other taxonomy-eligible investments in property, plant and equipment.

Operating expenditure (OpEx)

The relevant categories for determining the taxonomy-eligible operating expenses 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 in relation to its property portfolio are of major significance in the context of the taxonomy-eligible economic activity "Acquisition and ownership of buildings". S IMMO does not conduct any research and development. Short-term leasing is operated only to an extremely limited extent and is thus not taken into consideration.

EU Taxonomy key performance indicators 2021

| EU Taxonomy key performance indicator | Taxonomy-eligible | | Taxonomy-non-eligible | | Total |
|---------------------------------------|-------------------|-----------|-----------------------|-----------|---------|
| | Absolute (kEUR) | Share (%) | Absolute (kEUR) | Share (%) | kEUR |
| Revenues | 165,328 | 84 | 31,528 | 16 | 196,856 |
| Capital expenditure | 192,784 | 94.6 | 11,073 | 5.4 | 203,857 |
| Operating costs | 17,034 | 99.4 | 99 | 0.6 | 17,133 |

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 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. 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 exert a certain influence on the energy efficiency of the buildings through structural measures in the course of maintenance work and modernisation, including for example by upgrading the building services equipment,

replacing the heating system or optimising the insulation, and therefore applies as a matter of principle the highest standards in development projects and in energy-efficient and structural renovations of portfolio 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 communal 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.

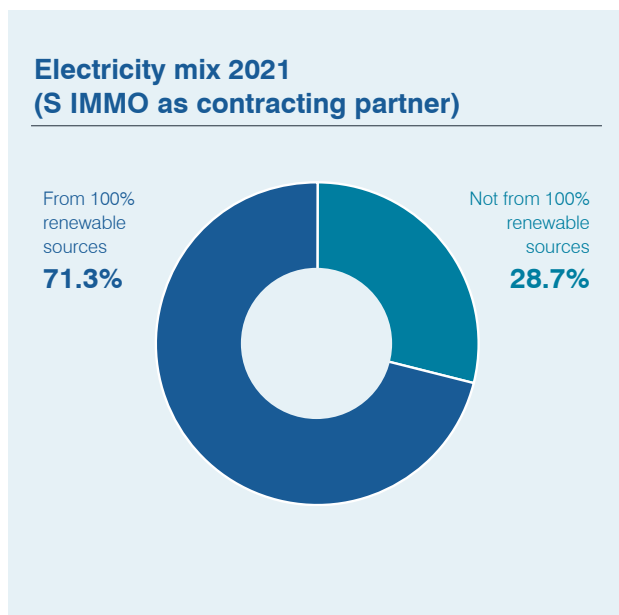
Against the background of the allocation of costs to the tenants as part of service charge reconciliations, when entering into supply contracts S IMMO always pays attention to relevant cost and competition factors, in addition to the energy mix, in order to maintain conformity with the market.

Natural gas, district heating and liquefied petroleum gas are used in the properties of S IMMO to cover the heating demand. Domestic heating oil is still used in some individual cases. Heating oil will be replaced as a heating source by alternatives when buildings are modernised in the future.

The electricity demand on the landlord's side for the whole of the property portfolio in Austria and Germany has been covered since 2020 by purchased electricity from 100% renewable sources (solar energy, hydropower and wind energy as well as biofuels). The buildings in Croatia, Romania and Slovakia were also switched to purely sustainable electricity sources in 2021. With the exception of a very recently acquired property, the procurement of electricity in Hungary will also change to green electricity at the start of 2022. S IMMO is thus very close to meeting the target of switching its electricity purchases to 100% renewable sources throughout the portfolio by the end of 2022. Moreover, portfolio properties are gradually being fitted with photovoltaic systems in order to offer the possibility for buildings to have their own, independent electricity supply. The first projects are already under way in Austria and Hungary.

Another project that contributes to the target of an improved energy footprint is the introduction of an environmental data management system. In December 2021, the purchase of a software solution created the basis for a digital platform for the portfolio-wide management of consumption data. Against the background that this data is supplied by a variety of service providers from several countries, the system serves to continually enhance and harmonise the quality of environmental data and also to recognise deviations and incorrect data more quickly. In parallel with this, it enables the properties to be compared in terms of their environmental performance and allows needs for action and optimisation to be identified. Measures to continually improve energy consumption in the buildings can thus be implemented in a targeted way.

Furthermore, digital consumption meters, known as smart meters, are set to be introduced in Austria and Germany in 2022 and connected to the IT infrastructure, where the aim is to record energy data close to 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 data recording and analysis are playing a part in increasing sustainability in the operation of the buildings and consequently in improving the carbon footprint of S IMMO (for more details on this, please see page 110 et seq.).



Changes were made to the scope of the energy data and the methods for calculating it in the course of the adaptation of the environmental data management. This data is recorded specifically for each building by the respective property manager, managed centrally and, when necessary, harmonised for analysis by using conversion factors from the local utility companies. A detailed breakdown by energy source and the consideration of electricity consumption beyond the communal areas have been newly added. Together with the disclosures on energy consumption when obtained directly by tenants in accordance with category 13 of the Greenhouse Gas Protocol (GHG Protocol, see page 110), which have also been included for the first time, the energy data now represents the entire consumption in the building.

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 using 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) and the German Federal Ministry of Transport, Building and Urban Development (now the Federal Ministry for Digital

and Transport). In very few cases, exact figures were not yet available for consumption on the part of S IMMO. These have also been extrapolated accordingly. 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 purchases 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, for the first time the energy data also includes consumption by the Group's own vehicle fleet based on mileage, the consumption according to the manufacturer's specifications and conversion factors from the Environment Agency (Republic of Austria). Energy consumption outside the organisation, which relates to business travel and employee commuting, are not considered to be directly relevant from an energy management standpoint and are therefore not calculated. Instead, the kilometres travelled and greenhouse gas emissions are recorded as the aim is to reduce the carbon footprint. For more information on this, please see page 110. 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 135.

Energy consumption

| Energy consumption indicator | Definition | Unit | Austria | | Germany | | CEE | | Total | |
|---|--|--------------------|---------|---------|---------|---------|---------|---------|-----------|-----------|
| | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Energy consumption within the organisation | Fuel consumption from non-renewable sources | MWh | 2,299 | 1,957 | 29,552 | 27,422 | 39,164 | 32,281 | 71,015 | 61,660 |
| | of which petrol consumption | MWh | 3 | 0 | 55 | 48 | 0 | 0 | 58 | 48 |
| | of which diesel consumption | MWh | 37 | 35 | 7 | 8 | 0 | 0 | 44 | 43 |
| | of which natural gas consumption | MWh | 2,259 | 1,922 | 26,240 | 24,307 | 39,164 | 32,281 | 67,663 | 58,509 |
| | of which liquefied petroleum gas consumption | MWh | 0 | 0 | 283 | 93 | 0 | 0 | 283 | 93 |
| | of which heating oil consumption | MWh | 0 | 0 | 2,967 | 2,967 | 0 | 0 | 2,967 | 2,967 |
| | Electricity consumption | MWh | 6,764 | 6,237 | 2,928 | 2,948 | 54,291 | 47,353 | 63,983 | 56,538 |
| | of which from 100% renewable sources | MWh | 6,764 | 6,237 | 2,928 | 2,948 | 35,920 | 31 | 45,612 | 9,217 |
| | Heating consumption (district heating) | MWh | 9,177 | 8,179 | 24,008 | 20,768 | 2,669 | 2,320 | 35,854 | 31,266 |
| | Total energy consumption | MWh | 18,239 | 16,374 | 56,489 | 51,138 | 96,125 | 81,953 | 170,853 | 149,465 |
| Energy consumption outside the organisation | Energy consumption of downstream leased assets (category 13 of the GHG Protocol) | MWh | 12,653 | 12,561 | 48,041 | 46,560 | 1,506 | 1,547 | 62,200 | 60,669 |
| Energy intensity | Energy intensity ratio (total energy consumption within the organisation) | kWh/m ² | 133 | 119 | 102 | 94 | 263 | 241 | 162 | 146 |
| | Main lettable area | m ² | 137,063 | 137,060 | 553,916 | 543,431 | 365,811 | 340,632 | 1,056,790 | 1,021,123 |

Compared with the calendar year 2020, energy consumption and intensity increased in almost all areas during the reporting year, due to the easing steps in connection with the COVID-19 pandemic and thus a more intensive utilisation – especially of commercial properties. In CEE, the share of electricity from 100% renewable sources increased significantly.

Water management

Providing clean water is a matter of course for S IMMO. The company holds the view that sustainable water reserves, safe drinking water and the protection of ecosystems through appropriate sanitation facilities and equipment are basic needs. 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 as S IMMO properties in northern and central Germany as well as Romania are located in areas that suffer from high water stress according to the Aqueduct Water Risk Atlas. Specifically, this concerns the cities of Berlin, Bremen, Erfurt, Halle (Saale), Leipzig, Potsdam and Weimar as well as Bucharest. The operation of the properties does not involve any major water usage or water storage on an industrial scale and so 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, especially in the regions suffering from increased water stress, and therefore evaluate possible measures to be taken.

In almost all its properties, ensuring the overall water supply from the local utility companies is the responsibility of S IMMO. Only in 7 properties is water obtained 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 management of the properties.

For ease of comparison, the water consumption of 7 properties in which water is obtained by the tenants has also been included for the first time. As accurate data is not always 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 consumption

| Water consumption indicator | Definition | Unit | Austria | | Germany | | CEE | | Total | |
|-----------------------------|---|------------------|---------|---------|---------|---------|---------|---------|-----------|-----------|
| | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Water consumption | Total water consumption | m ³ | 73,150 | 63,759 | 366,849 | 377,619 | 205,348 | 172,447 | 645,347 | 613,825 |
| | of which from areas subject to water stress | m ³ | 0 | 0 | 304,408 | 313,053 | 85,241 | 70,749 | 389,649 | 383,802 |
| Water intensity | Water intensity ratio | l/m ² | 534 | 465 | 662 | 695 | 561 | 506 | 611 | 601 |
| | Main lettable area | m ² | 137,063 | 137,060 | 553,916 | 543,431 | 365,811 | 340,632 | 1,056,790 | 1,021,123 |

Total water consumption increased in 2021 compared to the previous year as COVID-19-related restrictions were partially relaxed or lifted, which resulted in a higher utilisation of the properties. Nevertheless, both water consumption and its intensity have decreased across the Germany portfolio.

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 actively takes steps to reduce the negative impacts to the minimum possible. As part of its own requirement always to implement development projects to the highest standards of recognised building certification, S IMMO focuses on using ecological building materials and thus on promoting

more sustainable construction. Also when properties are maintained and renovated, building materials are replaced where possible by environmentally compatible alternatives. In addition to reducing noise and dust pollution for residents, effective construction site waste management, the secure 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. Strict compliance with official regulations is guaranteed in all cases. With the transition to the circular economy, S IMMO sees further potential for optimisation and an industry-wide need for action in this area.

S IMMO is additionally working on developing a portfolio-wide and system-supported process for recording the generation of waste in the operation of its properties similar to what it is doing with energy consumption data. It is planned to record and subsequently monitor both the type and quantity of the waste and its treatment and ability to be recycled. Because of the large local differences across the portfolio and the fact that information is not completely available from the municipal institutions, it is not yet possible to present an overall view of the waste management at the moment.

In its own office premises, S IMMO attaches great importance to avoiding waste and, in addition to the use of environmentally friendly paper, has therefore also focused since the reporting year on intelligent follow-me printing technology with minimal toner consumption. Complete data on paper consumption is not available as the switch between technologies occurred during the year. Moreover, the company judges the importance of its paper consumption to be low in view of its business activities and the generation of waste throughout the portfolio, which is why this aspect is not examined in more detail.

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 façades 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, but where the enhanced attractiveness for the users of the building also plays 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 will be equipped 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.

As part of the land bank in the areas surrounding Berlin, S IMMO manages approximately 200 ha of forest 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 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 independent developments on 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 2021, it included a total of 17 vehicles (2020: 17) at locations in Germany and Austria, which are managed and maintained by local management. No cars belonging to the company are held at the locations in the CEE countries. The size and the costs of the vehicles match the purpose for which they are intended. In addition to hybrid vehicles, a purely electric vehicle can also be found among the latest purchases. 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 a management software program 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 portfolio 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 intercontinental flights. A greater need for international travel by plane also arises at the hotel operating companies 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 take a private car, taxi or public transport. The disclosures therefore also contain estimates based on the average travel patterns of the employees in question, which comprise routes and frequency.

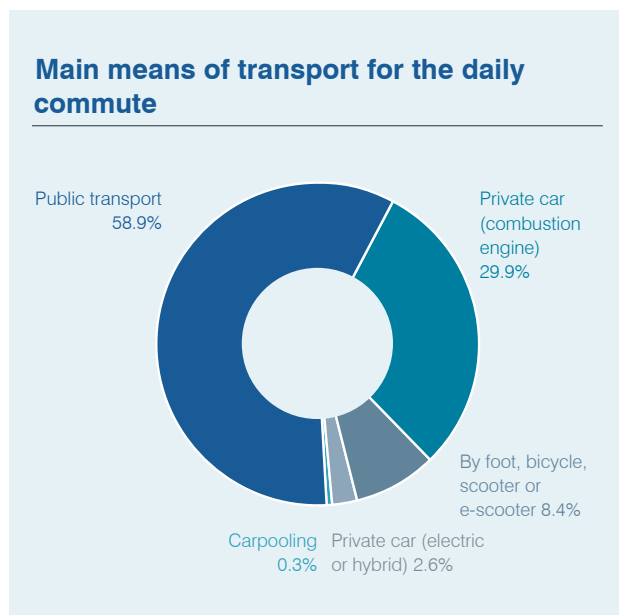
Business travel

| Means of transport | Unit | Austria | | Germany | | CEE | | Total | |
|---|------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|
| | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Company car | km | 79,000 | 65,000 | 140,706 | 131,802 | 0 | 0 | 219,706 | 196,802 |
| Private car | km | 7,613 | 8,254 | 7,399 | 2,292 | 26,654 | 15,995 | 41,666 | 26,541 |
| Hire car and taxi | km | 5,067 | 4,253 | 346 | 251 | 26,788 | 24,088 | 32,201 | 28,592 |
| Public transport (bus, tram, underground rail, train) | km | 30,325 | 10,504 | 27,283 | 22,733 | 17,525 | 9,315 | 75,133 | 42,552 |
| Aeroplane | km | 182,690 | 160,000 | 4,220 | 7,260 | 40,626 | 8,923 | 227,536 | 176,183 |
| Total | | 304,695 | 248,011 | 179,954 | 164,338 | 111,593 | 58,321 | 596,242 | 470,670 |

Following a significant reduction in travel in 2020 due to the pandemic-related restriction measures, travel increased again in the reporting year. Nevertheless, it is significantly below the pre-crisis level, with public transport showing the largest relative increase.

In the coming years, S IMMO will also endeavour – 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 minimum by using new forms of communication technology.

In 2021, S IMMO conducted a voluntary survey to record for the first time the commuting patterns of its employees at all locations, including the hotels. The survey included questions on the average commuting distance and the means of transport primarily used for this. The results were extrapolated on a location-specific basis to the entire workforce. 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 benefit 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 from companies that they live up to their responsibility in this respect. It is not only the impacts of climate change on the company and its actions that play a role here, but also the influence the company can exert on climate change.

In the context of this double materiality, i.e. the mutual influences exerted by the climate and business activities on each other, S IMMO has on the one hand added key climate risks to its risk management on the basis of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) (see the risk management report starting on page 16) and, on the other, significantly expanded the calculation of the greenhouse gas emissions associated with its activities. This expansion includes broadening the extent of recording the underlying consumption data and additionally calculating indirect emissions. Following the recommendations of the Greenhouse Gas Protocol (GHG Protocol) and in accordance with the financial 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 37).

In terms of the energy consumption of the property portfolio, this consequently means that only the energy purchased by S IMMO is included in the calculation of the direct and indirect emissions under Scope 1 and Scope 2 of the GHG Protocol. Energy consumption where the purchase is made directly by the tenants is regarded as emissions under Scope 3, as no financial control over the terms and conditions of the contract for the energy procurement is given here.

All emission values are calculated in CO₂ equivalents and on the basis of the collected energy consumption data (see page 106)

as well as the kilometres travelled for business or commuting purposes (see page 109). In the case of the company's own vehicles for which no emission factors expressed in CO₂ equivalents are available, a pure CO₂ emission factor has been used. 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. Fugitive emissions, which may arise for example when operating air conditioning and cooling systems, are not presented, as no data is available. On account of the substantial changes and expansions in the area of recording consumption and emissions in the reporting year as well as the gradual return to normal operation of the properties following the restrictions caused as a result of COVID-19 in the previous year, S IMMO has decided to select 2021 as the base year and thus the starting point of the future strategic reduction of its greenhouse gas emissions.

The IT-supported and central monitoring of consumption, which is also linked to the relevant emission factors, also plays a key role here, as do the previously described use of renewable energy sources and the modernisation of infrastructure. The greenhouse gas emissions have also been calculated for the 2020 calendar year using the new methodology for transparency reasons.

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 in 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. In the operation of buildings, natural gas, liquefied petroleum gas and heating oil are used as fossil fuel sources, while the company's own vehicles with internal combustion engines use petrol and diesel fuels. In the case of the properties, emission factors of the state environmental office (state of Brandenburg) and of the Environment Agency (Republic of Austria) that are related to the types of consumption are used to calculate the emissions, where possible while taking regional differences within the portfolio into consideration. Emissions data related to the vehicle fleet use engine-specific emission factors in accordance with the vehicle registration documents and the manufacturer's specifications.

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.

The location-based Scope 2 emissions are calculated using country-specific emission factors that are provided by ecoinvent (version 3.8), the International Energy Agency (IEA) and the Environment Agency (Republic of Austria). Electricity from 100% renewable sources is regarded as carbon-neutral for the calculation of the market-based emissions. An emission factor of the local utility company Wien Energie is additionally applied for the district heating obtained for the Vienna properties. 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. S IMMO is collecting data on this type of emission for the first time and has classified the following three out of a total of 15 categories pursuant to the GHG Protocol as relevant:

- Category 6: Business travel
- Category 7: Employee commuting
- Category 13: Downstream leased assets

The reason these categories have been selected is that the energy consumption of the properties that is based on supply contracts between tenants and utility companies is directly related to the operation of the buildings and thus the core activity of S IMMO as a portfolio manager. The resulting category 13 emission are thus an integral element of S IMMO's climate footprint, even if it can exert only a limited influence on the consumption patterns of the tenants. More direct is the influence the company has over the frequency and nature of business trips and, as a result of incentives, on the means of transport that its employees choose for their commute, which is why categories 6 and 7 have also been selected. The inclusion of other categories in the greenhouse gas inventory in the future is being evaluated on an ongoing basis, but at the moment not all the necessary data is consistently available for this yet.

In the case of energy-related emissions, the calculations of the Scope 3 emissions follow the principle of the market-based method in order to be able to show the positive effects in the property operations when tenants select renewable energy sources and thus to provide further incentives for the transition to green energy throughout society. The property-related Scope 3 emissions were consequently calculated using the emission factors specified under Scope 1 and Scope 2 (market-based). Emissions associated with business travel and commuting were determined using emission factors of the Department for Environment, Food and Rural Affairs (United Kingdom).

Greenhouse gas emissions

| Emissions indicator | Definition | Unit | Austria | | Germany | | CEE | | Total | |
|---|---|-------------------------------------|---------|-------------------|---------|-------------------|---------|-------------------|-----------|-------------------|
| | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Direct GHG emissions (Scope 1) | Direct GHG emissions | t CO ₂ e | 462 | 394 | 6,173 | 5,736 | 7,833 | 6,456 | 14,468 | 12,586 |
| Indirect energy-related GHG emissions (Scope 2) | Location-based indirect energy-related GHG emissions | t CO ₂ e | 2,623 | 2,379 | 3,403 | 3,082 | 15,210 | 13,349 | 21,237 | 18,810 |
| | Market-based indirect energy-related GHG emissions | t CO ₂ e | 202 | 180 | 2,427 | 2,100 | 5,144 | 13,349 | 7,773 | 15,628 |
| Other indirect GHG emissions (Scope 3) | Other indirect GHG emissions | t CO ₂ e | 2,161 | 2,033 | 14,110 | 13,592 | 445 | 302 | 16,716 | 15,927 |
| | of which category 6: Business travel | t CO ₂ e | 31 | 27 | 3 | 2 | 16 | 9 | 51 | 38 |
| | of which category 7: Employee commuting | t CO ₂ e | 122 | no data collected | 77 | no data collected | 140 | no data collected | 339 | no data collected |
| | of which category 13: Downstream leased assets | t CO ₂ e | 2,008 | 2,006 | 14,030 | 13,590 | 289 | 293 | 16,326 | 15,889 |
| GHG emissions intensity | GHG emissions intensity ratio (Scopes 1 and 2 location-based) | kg CO ₂ e/m ² | 23 | 20 | 17 | 16 | 63 | 58 | 34 | 31 |
| | GHG emissions intensity ratio (Scopes 1 and 2 market-based) | kg CO ₂ e/m ² | 5 | 4 | 16 | 14 | 35 | 58 | 21 | 28 |
| | Main lettable area | m ² | 137,063 | 137,060 | 553,916 | 543,431 | 365,811 | 340,642 | 1,056,790 | 1,021,123 |

The higher utilisation of buildings and increased travel activities in the wake of the relaxation of measures to contain the COVID-19 pandemic led to higher energy consumption in 2021 and subsequently to a general increase in greenhouse gas emissions and their intensities. In addition, emissions related to employees commuting, recorded for the first time, increase the values for the reporting year. Through extensive purchasing of electricity from 100% renewable sources for the CEE portfolio, it was possible to significantly reduce overall Scope 2 emissions under the market-based approach.

Social

S IMMO is not just an employer but 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 for our community at large, a responsibility 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
- Data protection

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 and 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. S IMMO sup-

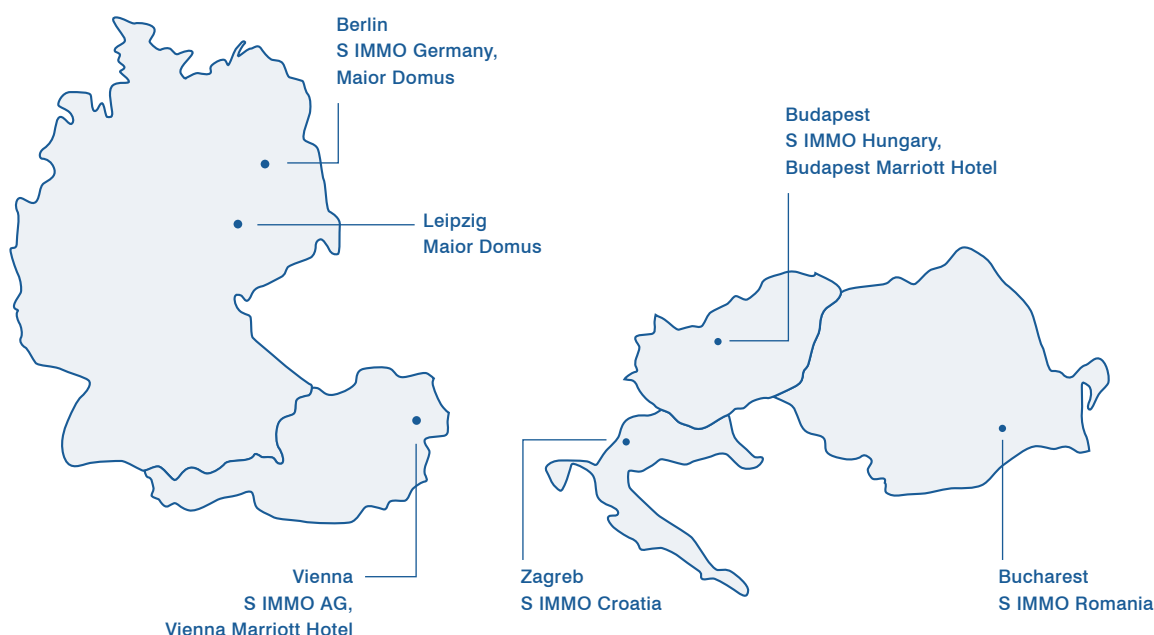
ports an open corporate culture in which cooperation as well as the satisfaction and health of all employees are promoted at all levels.

S IMMO aspires to attract the best people in order to actively shape the company's future together with them each and every day. Knowing that this will only happen if the company empowers its staff to achieve a healthy work-life balance, S IMMO constantly endeavours to provide an environment where employees can reconcile these two aspects of their lives. This generates motivation, promotes team spirit and fosters a feeling of solidarity.

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 and support the needs and challenges of their local teams.

In expanding reporting in general, S IMMO has also increased the level of detail provided regarding employee data. For the first time, this includes the employees of the Marriott hotels in Vienna and Budapest. Where reference is made in the following to S IMMO, this should be understood to include all employees in Austria, Germany, Hungary, Croatia and Romania, plus hotel

S IMMO locations



employees in Vienna and Budapest for the first time. If a key indicator does not refer to all locations, this is explicitly stated.

Some data diverges from that reported in the previous year due to the above changes in collection and analysis methods and internal processes. In order to guarantee comparability of key performance indicators, 2020 figures are presented according to the new methodology and include hotel employees.

Employees

S IMMO has employees in five countries (Austria, Germany, Hungary, Croatia and Romania). These local teams also manage business activities in Slovakia, Czechia and Bulgaria. Responsibility for human resources activities and compliance with all country-specific and labour law requirements lies with the 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 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. Annual performance reviews conducted with each staff member are standard within the company, as are events to build team spirit.

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 543 people (2020: 597) on a headcount basis, including employees for hotel operations and excluding dormant staff and interns. Excluding hotel employees, the number of employees was 133 (2020: 130).

The two hotels – Vienna Marriott and Budapest Marriott – are operated under management agreements. Management of the hotel staff is the responsibility of the respective hotel's management and is outside S IMMO's control.

Overview of employees as of 31 December

| | Austria | | Germany | | CEE | | Total | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Number of employees (headcount) | 264 | 257 | 70 | 74 | 227 | 197 | 561 | 528 |
| Average age in years | 38.3 | 38.1 | 42.6 | 43.0 | 38.7 | 39.6 | 39.0 | 39.4 |
| Women, total | 109 | 112 | 34 | 36 | 114 | 102 | 257 | 250 |
| Men, total | 155 | 145 | 36 | 38 | 113 | 95 | 304 | 278 |
| Number of employees, under 30 years old* | 4 | 2 | 11 | 12 | 69 | 44 | 84 | 58 |
| Women* | 2 | 2 | 6 | 7 | 40 | 31 | 48 | 40 |
| Men* | 2 | 0 | 5 | 5 | 29 | 13 | 36 | 18 |
| Number of employees, 30–50 years old* | 28 | 29 | 34 | 37 | 114 | 117 | 176 | 183 |
| Women* | 16 | 17 | 20 | 21 | 61 | 63 | 97 | 101 |
| Men* | 12 | 12 | 14 | 16 | 53 | 54 | 79 | 82 |
| Number of employees, over 50 years old* | 14 | 11 | 25 | 25 | 44 | 36 | 83 | 72 |
| Women* | 5 | 4 | 8 | 8 | 20 | 15 | 33 | 27 |
| Men* | 9 | 7 | 17 | 17 | 24 | 21 | 50 | 45 |

Overview of employees as of 31 December

| | Austria | | Germany | | CEE | | Total | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Women, total in % | 50.0 | 54.8 | 48.6 | 48.6 | 50.2 | 51.8 | 45.8 | 47.3 |
| Men, total in % | 50.0 | 45.2 | 51.4 | 51.4 | 49.8 | 48.2 | 54.2 | 52.7 |
| Number of employees, under 30 years old in %* | 8.7 | 4.8 | 15.7 | 16.2 | 30.4 | 22.3 | 15.0 | 11.0 |
| Women, in %* | 4.3 | 4.8 | 54.5 | 58.3 | 58.0 | 70.5 | 57.1 | 69.0 |
| Men, in %* | 4.3 | 0.0 | 45.5 | 41.7 | 42.0 | 29.5 | 42.9 | 31.0 |
| Number of employees, 30–50 years old in %* | 60.9 | 69.0 | 48.6 | 50.0 | 50.2 | 59.4 | 31.4 | 34.7 |
| Women, in %* | 34.8 | 40.5 | 58.8 | 56.8 | 53.5 | 53.8 | 55.1 | 55.2 |
| Men, in %* | 26.1 | 28.6 | 41.2 | 43.2 | 46.5 | 46.2 | 44.9 | 44.8 |
| Number of employees, over 50 years old in %* | 30.4 | 26.2 | 35.7 | 33.8 | 19.4 | 18.3 | 14.8 | 13.6 |
| Women, in %* | 10.9 | 9.5 | 32.0 | 32.0 | 45.5 | 41.7 | 39.8 | 37.5 |
| Men, in %* | 19.6 | 16.7 | 68.0 | 68.0 | 54.5 | 58.3 | 60.2 | 62.5 |

* For the age structure data, the Austria column only includes the data for S IMMO AG in Vienna. The data for the Vienna Marriott Hotel is not available in full.

Employees by type of contract as of 31 December

| | Austria | | Germany | | CEE | | Total | |
|---|------------|------------|-----------|-----------|------------|------------|------------|------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Number of employees with a permanent contract* | 244 | 238 | 70 | 74 | 37 | 25 | 351 | 337 |
| Women* | 23 | 23 | 33 | 36 | 22 | 15 | 78 | 74 |
| Men* | 20 | 17 | 37 | 38 | 15 | 10 | 72 | 65 |
| Number of employees with a temporary contract | 20 | 19 | 0 | 0 | 190 | 172 | 210 | 191 |
| Women | 5 | 6 | 0 | 0 | 92 | 87 | 97 | 93 |
| Men | 15 | 11 | 0 | 0 | 98 | 85 | 113 | 96 |
| Total | 264 | 257 | 70 | 74 | 227 | 197 | 561 | 528 |

* In the data on gender distribution among employees with permanent contracts, only data for S IMMO AG in Vienna is included in the Austria column. The data for the Vienna Marriott Hotel is not available in full.

Employees by type of employment as of 31 December

| | Austria | | Germany | | CEE | | Total | |
|--------------------------------------|------------|------------|-----------|-----------|------------|------------|------------|------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Number of full-time employees | 231 | 226 | 56 | 58 | 215 | 182 | 502 | 466 |
| Women | 82 | 83 | 27 | 35 | 106 | 93 | 215 | 211 |
| Men | 149 | 143 | 29 | 23 | 109 | 89 | 287 | 255 |
| Number of part-time employees | 33 | 31 | 14 | 16 | 12 | 15 | 59 | 62 |
| Women | 27 | 28 | 7 | 8 | 8 | 9 | 42 | 45 |
| Men | 6 | 3 | 7 | 8 | 4 | 6 | 17 | 17 |
| Total | 264 | 257 | 70 | 74 | 227 | 197 | 561 | 528 |

Diversity, equal opportunities and employee retention

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. S IMMO is committed to providing a discrimination-free work environment characterised by mutual trust in which everyone is treated with dignity and respect. Every team member is appreciated, regardless of gender, age, physical or mental limitations, marital status, sexual orientation, skin colour, religious or political beliefs, ethnic or social background or nationality.

There were no reported cases of discrimination at S IMMO based on personal background, skin colour, gender, religion, political affiliation, national origin or social background in 2021 or the previous year.

The average age of employees was 39.0 in the reporting year (2020: 39.4).

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. Female employees accounted for 45.8% of the workforce as of 31 December 2021 (2020: 47.3%). Not including the employees of the two hotels, the percentage of women working at S IMMO and its subsidiaries is 52.6% (2020: 53.1%).

Senior managers are defined at S IMMO as employees at the Vienna location with HR responsibility (excluding the Management Board) and the managing directors of the subsidiaries. Only managing directors are considered senior managers at the hotels. As of 31 December 2021, the proportion of women in senior management was 34.5% (2020: 32.1%). Excluding the hotels, this figure was 42.9% (31 December 2020: 38.5%).

Gender distribution in % as of 31 December

| | Austria | | Germany | | CEE | | Total | |
|---------------------------------|---------|------|---------|------|------|------|-------|------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Senior managers | | | | | | | | |
| Women | 35.3 | 35.3 | 50.0 | 50.0 | 30.0 | 22.2 | 34.5 | 32.1 |
| Men | 64.7 | 64.7 | 50.0 | 50.0 | 70.0 | 77.8 | 65.5 | 67.9 |
| Under 30 years old | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 30–50 years old | 58.8 | 52.9 | 50.0 | 50.0 | 60.0 | 66.7 | 58.6 | 57.1 |
| Over 50 years old | 41.2 | 47.1 | 50.0 | 50.0 | 40.0 | 33.3 | 41.4 | 42.9 |
| Non-management employees | | | | | | | | |
| Women* | 58.8 | 64.5 | 48.5 | 48.6 | 52.4 | 55.2 | 52.2 | 54.5 |
| Men* | 41.2 | 35.5 | 51.5 | 51.4 | 47.6 | 44.8 | 47.8 | 45.5 |
| Under 30 years old* | 8.8 | 6.5 | 16.2 | 16.7 | 34.8 | 26.7 | 27.3 | 21.6 |
| 30–50 years old* | 64.7 | 74.2 | 50.0 | 50.0 | 47.6 | 53.3 | 50.2 | 54.9 |
| Over 50 years old* | 26.5 | 19.4 | 33.8 | 33.3 | 17.6 | 20.0 | 22.5 | 23.5 |

* In the data on non-management employees, the Austria column only includes data for S IMMO AG in Vienna. Data for the Vienna Marriott Hotel are not available in full.

With the company's best interests in mind, the emphasis when making appointments to the Management Board and the Supervisory Board has been on the maximum degree of professional skill and international experience possible. In addition, the company makes a conscious effort to ensure a diverse composition with regard to professional qualifications and educational background, regardless of gender. There were no women on the Management Board of S IMMO AG in the reporting year. This situation was considered when seeking a successor to the CEO and appointing a third Management Board member in the first

quarter of 2021; the consultant engaged was explicitly instructed to consider female candidates. Despite a conscientious process, regrettably it was not possible to increase the share of women on the company's Management Board. The company remains clearly committed to the goal of appointing women to the company's Management Board over the medium term. In accordance with the legal requirements for a 30% quota of women, three members of the Supervisory Board must be female. S IMMO met these requirements as of 31 December 2021.

Members of the Supervisory Board and Management Board as of 31 December

| | Supervisory Board | | Management Board | |
|---------------------|-------------------|----------|------------------|----------|
| | 2021 | 2020 | 2021 | 2020 |
| By gender | | | | |
| Women | 3 | 2 | 0 | 0 |
| Men | 8 | 2 | 3 | 2 |
| By age group | | | | |
| Under 30 years old | 0 | 0 | 0 | 0 |
| 30–50 years old | 5 | 2 | 0 | 0 |
| Over 50 years old | 6 | 2 | 3 | 2 |
| Total | 11 | 4 | 3 | 2 |

Members of the Supervisory Board and Management Board as of 31 December

| | Supervisory Board | | Management Board | |
|---------------------------|-------------------|------|------------------|-------|
| | 2021 | 2020 | 2021 | 2020 |
| By gender, in % | | | | |
| Women | 27.3 | 50.0 | 0.0 | 0.0 |
| Men | 72.7 | 50.0 | 100.0 | 100.0 |
| By age group, in % | | | | |
| Under 30 years old | 0.0 | 0.0 | 0.0 | 0.0 |
| 30–50 years old | 45.5 | 50.0 | 0.0 | 0.0 |
| Over 50 years old | 54.5 | 50.0 | 100.0 | 100.0 |

The locations in which S IMMO subsidiaries operate are barrier-free, and ease of access is taken into account for all new buildings. As of 31 December 2021, a total of 12 people (2020: 11) with long-term physical, mental or psychological impairments or impairment of their sensory functions were employed.

S IMMO is committed to the idea that 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, working from home and the option of personalised working and part-time work patterns, including in

conjunction with study or training. Paternal leave and sabbaticals are also supported, as are various schemes to simplify re-entry into the workplace after parental leave. Such opportunities are positively viewed and very well received by S IMMO employees.

As of 31 December 2021, 10.5% of staff members were employed on a part-time basis (2020: 11.7%), 71.2% of whom were women (2020: 72.6%). 31 employees were on parental leave as of 31 December 2021 (2020: 35). In the reporting year, 10 employees returned from parental leave, of which 9 were women and 1 was a man.

Parental leave as of 31 December

| | Austria | | Germany | | CEE | | Total | |
|--|-----------|-----------|----------|----------|-----------|-----------|-----------|-----------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Number of employees on parental leave | 12 | 10 | 2 | 3 | 17 | 22 | 31 | 35 |
| Women | 12 | 10 | 1 | 3 | 17 | 22 | 30 | 35 |
| Men | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |
| Number of employees returning from parental leave | 3 | 2 | 4 | 0 | 3 | 1 | 10 | 3 |
| Women | 3 | 2 | 3 | 0 | 3 | 1 | 9 | 3 |
| Men | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 0 |

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 for the business model and contact between families strengthens team spirit and promotes identification with the company. In order to continuously encourage a feeling of togetherness, a variety of events are organised.

In Austria, these include an annual summer festival, to which families are invited, a Christmas party, team excursions and joint participation in events such as the Business Run in Vienna. It was possible to stage these events and activities only to a limited extent in the reporting year owing to the COVID-19 pandemic. However, S IMMO assumes that it will once again have the opportunity to hold joint events in 2022.

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 is not only 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.

The average period of service across all locations (excluding the Vienna Marriott hotel) is 7.4 years (2020: 8.3 years). S IMMO considers this period of service to be a positive sign that the company is viewed as a desirable employer by employees.

Not including the hotels, the fluctuation rate was 14.6% at S IMMO's branches (2020: 11.0%). The two hotel operations had extremely volatile staffing requirements on account of the various lockdowns, and the overall turnover rate for all locations was 67.0% in the reporting year (2020: 64.4%).

Hires, 01 January to 31 December*

| | Austria | | Germany | | CEE | | Total | |
|---------------------------|----------|----------|-----------|-----------|-----------|-----------|------------|-----------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| By gender | | | | | | | | |
| Women | 2 | 1 | 7 | 10 | 49 | 15 | 58 | 26 |
| Men | 5 | 0 | 6 | 4 | 37 | 14 | 48 | 18 |
| By age group | | | | | | | | |
| Under 30 years old | 2 | 1 | 5 | 5 | 62 | 16 | 69 | 22 |
| 30–50 years old | 1 | 0 | 4 | 7 | 19 | 13 | 24 | 20 |
| Over 50 years old | 4 | 0 | 4 | 2 | 5 | 0 | 13 | 2 |
| Total | 7 | 1 | 13 | 14 | 86 | 29 | 106 | 44 |
| By gender, in % | | | | | | | | |
| Women | 28.6 | 100.0 | 53.8 | 71.4 | 57.0 | 51.7 | 54.7 | 59.1 |
| Men | 71.4 | 0.0 | 46.2 | 28.6 | 43.0 | 48.3 | 45.3 | 40.9 |
| By age group, in % | | | | | | | | |
| Under 30 years old | 28.6 | 100.0 | 38.5 | 35.7 | 72.1 | 55.2 | 65.1 | 50.0 |
| 30–50 years old | 14.3 | 0.0 | 30.8 | 50.0 | 22.1 | 44.8 | 22.6 | 45.5 |
| Over 50 years old | 57.1 | 0.0 | 30.8 | 14.3 | 5.8 | 0.0 | 12.3 | 4.5 |

* No data available for the Vienna Marriott hotel.

Departures and turnover, 01 January to 31 December

| | Austria | | Germany | | CEE | | Total | |
|----------------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|-------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Departures | | | | | | | | |
| By gender | | | | | | | | |
| Women | 42 | 40 | 9 | 3 | 139 | 165 | 190 | 208 |
| Men | 34 | 34 | 8 | 8 | 132 | 134 | 174 | 176 |
| By age group | | | | | | | | |
| Under 30 years old | 37 | 44 | 5 | 1 | 98 | 95 | 140 | 140 |
| 30–50 years old | 27 | 22 | 7 | 5 | 127 | 155 | 161 | 182 |
| Over 50 years old | 12 | 8 | 5 | 5 | 46 | 49 | 63 | 62 |
| Total | 76 | 74 | 17 | 11 | 271 | 299 | 364 | 384 |
| Turnover in % | | | | | | | | |
| By gender | | | | | | | | |
| Women | 16.0 | 14.2 | 12.1 | 4.1 | 67.3 | 68.0 | 35.0 | 34.9 |
| Men | 13.0 | 12.1 | 10.7 | 10.9 | 63.9 | 55.2 | 32.0 | 29.5 |
| By age group | | | | | | | | |
| Under 30 years old | 14.1 | 15.7 | 6.7 | 1.4 | 47.4 | 39.2 | 25.8 | 23.5 |
| 30–50 years old | 10.3 | 7.8 | 9.4 | 6.8 | 61.5 | 63.9 | 29.6 | 30.5 |
| Over 50 years old | 4.6 | 2.8 | 6.7 | 6.8 | 22.3 | 20.2 | 11.6 | 10.4 |
| Total | 29.0 | 26.4 | 22.8 | 15.0 | 131.2 | 123.2 | 67.0 | 64.4 |

* Turnover 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).

Labour standards and occupational safety

Healthy employees are the foundation of a successful company. This is why preserving and promoting the health of S IMMO employees is so important. S IMMO pledges to provide all its employees a safe and healthy working environment and to practise accident prevention for the protection of employees, tenants and visitors.

The company has employees in European Union countries only and complies with all legal requirements regarding wages and working hours. S IMMO pledges to pay employees fair and living wages and salaries, and to fully respect the results of collective bargaining. Standard policies include fair work conditions and benefits (part-time work, job protection for expectant mothers, regular paid holiday and sick leave and paid parental leave).

In January 2021, a Works Council (in-house governing body representing employee interests) was elected at the Vienna location. It has three members (one woman and two men) and three deputy members (three women). The Works Council is authorised to take action including entering into works agreements and is involved in dismissals and redundancies. More-

over, all three members are seconded to the Supervisory Board, which provides additional representation of employee interests in this forum as well.

The Management Board welcomed and supported the election of the Works Council. 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. S IMMO's corporate culture includes professional interaction with employee representatives without any preferential or disadvantageous treatment whatsoever.

Moreover, S IMMO mainly focuses on prevention, offering employees various preventive measures as part of the company's health services. At the Vienna location, for instance, employees can take advantage of an annual check-up and seasonal vaccinations. For this purpose, S IMMO is always enquiring about current and new options that can be implemented in the company health promotion plan. As in the previous year, an occupational physician was also regularly available in Vienna in 2021 to answer questions employees might have about COVID-19. The preventive measures against COVID-19 are outlined below.

S IMMO complies with local occupational safety laws to ensure employee safety. These include first aid and fire prevention measures in particular. The Vienna location has a safety officer and several first responders on staff.

The company assesses the risk of accidents and injuries to be comparatively low for employees at the S IMMO locations due to their primary activity being office work and the risk faced by hotel employees to be slightly higher on account of their work. Preserving and promoting 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 indicator 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 the reporting year, S IMMO collected accumulated sick leave data relating to its employees for all locations (including the hotels). On average, employees at all locations took 6.7 (counted from the first day) days of sick leave (2020: 9.9). An additional 21 employees were on long-term sick leave in 2021. The definition of long-term sick leave is country-specific. Sick leave counted from the date on which the government begins to pay continued wages, rather than the company, is long-term sick leave.

In the 2021 reporting year, COVID-19 was the main employee health issue once again. The remote working and workplace safety rules previously established continued to pay off in the 2021 financial year. Thanks to extensive IT infrastructure that made working remotely possible without technical limitations or limitations on the type of work performed, S IMMO was able to continue operating at all times. The managing directors of S IMMO's subsidiaries regularly exchanged information with the Management Board and a dedicated COVID-19 working group in Vienna was able to react in real time to new developments. Government vaccination programmes were received very well by employees at all S IMMO locations.

The strictest possible safety standards and a robust testing system were implemented at the Vienna location. In spring 2021, employees were provided the opportunity to participate in a company vaccination programme with the result that the vaccination rate had already topped 90% at the start of the summer months. The COVID working group monitors the legal situation on an ongoing basis and modifies the applicable rules in the offices. This enabled the company to also rapidly implement the "3-G rule" (which stands for "geimpft, genesen, getestet" or vaccinated, recovered, tested) in effect from autumn onwards.

In addition to all applicable rules and regulations, S IMMO always considered it vital to flexibly address individual needs, challenges and sometimes risks faced by employees. The idea that the pandemic is just a health crisis falls short. It is important to also take into account the psychological effects and the particular situation of individuals and to ensure the well-being of the team beyond just physical safety.

Both management and the S IMMO team are very happy with the measures adopted in relation to occupational health and safety. The company will therefore keep them in place.

S IMMO recorded 20 work-related injuries to employees in 2021 (2020: 9). All of those occurred exclusively in the hotels. No fatalities occurred in 2021 (2020: 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 primarily work on construction sites. When selecting service providers, S IMMO will also exercise the utmost care and focus on the highest safety standards in future.

Remuneration and continuing education

S IMMO considers remunerating employees appropriately to be very important. In all countries in which S IMMO has employees, all legal provisions and requirements are conscientiously observed. Employees in Austria are covered by a collective agreement. The company compensates employees at market rates. Remuneration comprises a fixed salary – depending on the position – and often includes performance-based variable remuneration components as well. (For details, see the Remuneration Report, which is published on the company's website along with the other mandatory reporting no later than 21 days prior to the Annual General Meeting.) The principle of equal opportunity underpins the company's remuneration policy as well as personnel development efforts.

The majority of S IMMO 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. When such employees leave, this affects the company negatively. In addition to losing 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.

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. Focused support for employee training and continuing education in both the personal and the professional realms is important to S IMMO. S IMMO regards performance reviews between employees and their line managers as a key tool for identifying training and continuing education potential. 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 cooperation between employees and their managers, to groom employees in an efficient and targeted manner for their current and future roles, and to improve the corporate culture and climate of communication.

The primary focus in training and continuing education is on expanding employees' industry-specific knowledge, for example through the completion of postgraduate programmes in the field of real estate. 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 the 2021 financial year, there were no measures or programmes integrated into S IMMO's operations to provide training or professional development to employees or assist employees entering retirement or ending their employment.

In the coming years, in-house training will be expanded, not least to enable knowledge existing within the company to be utilised more extensively. The company plans to additionally enhance knowledge management with a digital training platform as part of a broad-based digital transformation initiative throughout the Group. Above all, this will strengthen employees' digital skills. Other plans include using e-learning for in-house courses on subjects such as data protection and compliance.

In the reporting year, the S IMMO Group trained an average of 56 apprentices (2020: 40), 53 of whom were trained at the two Marriott hotels. Except for the property management company Maior Domus in Germany, S IMMO itself does not generally train apprentices. That company had 2.5 apprentices on average over the year (2020: 2.5). 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.

No complete set of data on employee training and continuing education is collected for the Group. In Austria, EUR 30,000 (EUR 652 per employee) was spent on further education and training. S IMMO Germany invested EUR 1,200 (EUR 62 per employee), Maior Domus EUR 13,324 (EUR 242 per employee) in the training of employees. No data was reported by the locations in Budapest, Bucharest, or Zagreb. Work is under way on developing a uniform way to collect this data Group-wide.

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. A positive relationship between S IMMO and its tenants is essential for the success of the business and the company's reputation.

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 jointly to quickly find suitable solutions for individual tenants. S IMMO always strives to pursue a cooperative approach that complies with national laws – that is the only way to achieve an outcome acceptable to both parties. At the same time, the last year showed that the industries seriously affected often recovered faster and more completely than initially expected.

Tenant satisfaction

It is particularly important for S IMMO to ensure that satisfied tenants live in the company's properties for the long term. The company aims to achieve this goal by respectfully and continually communicating with tenants as equals and especially by offering tenants a complete range of services. The local teams on-site are the key players: They know the properties inside and out and maintain contact with potential and current tenants.

Maior Domus is S IMMO's own property management company, which manages properties and tenants in its own real estate portfolio in Germany. S IMMO Hungary manages tenants and properties in Budapest. The sometimes very small teams at other locations are supported by external service providers.

This approach allows S IMMO to quickly and flexibly react and act in all situations. For the company, regular dialogue and direct contact with tenants are the foundation for long-term partnerships on a basis of mutual trust and are a key success factor.

Quality, safety and consumer protection

All of S IMMO's properties provide an excellent quality of life. Regular inspections as well as maintenance and modernisation projects at the individual properties ensure a safe and healthy environment for tenants and are an integral part of the company's day-to-day business. When any existing property is renovated or when the company develops a new project, the top priorities are always achieving the highest possible level of ten-

ant satisfaction and guaranteeing profitability while at the same time focusing on resource conservation and sustainability.

Stakeholders and society

S IMMO takes care to cultivate relationships with its stakeholders and enable them to personally share their views and experiences. Due to the pandemic, these efforts were again replaced by virtual alternatives in 2021. Our shareholders were most affected by this. The extraordinary shareholders' meeting in June 2021 and the Annual General Meeting in October 2021 were again held virtually for safety reasons. This is why S IMMO initiated a question-and-answer session ahead of the extraordinary shareholders' meeting at which S IMMO CEO Bruno Ettenauer discussed issues and provided answers to private shareholders. The format proved to be very popular and was continued when quarterly reports were published as well. In addition, many individual discussions were held virtually with investors in 2021, and the Management Board and IR team took part in numerous virtual and a few in-person roadshows.

Stakeholder relations

Continual dialogue with various stakeholder groups is important to S IMMO. The teams at the subsidiaries in Austria, Germany, Hungary, Romania and Croatia are familiar with local conditions and in some cases have long-standing relationships with the relevant stakeholders. Respectful interaction and communication as equals with all stakeholder groups is the foundation for successful cooperation. The company communicates with individual stakeholder groups through the relevant departments or the local teams. As part of the materiality analysis conducted in 2021, stakeholder groups were identified whose influence on and interest in the company is particularly large (see page 98).

S IMMO regularly challenges its communications activities to better meet the needs of stakeholder groups. In the reporting year, the company identified an increased need for information by S IMMO shareholders regarding the takeover offer by IMMO-FINANZ and the resulting extraordinary shareholders' meeting. The question-and-answer session for shareholders introduced for this purpose allowed investors to call in and ask CEO Bruno Ettenauer questions directly as well as to discuss current company and market developments with him. The question-and-answer sessions in the reporting year were held immediately after publication of the quarterly financials. The company plans to continue them in the following year.

Employees are also informed about recent developments using established channels of communication. In specific instances, the Management Board held virtual meetings to address the

team in real time to provide information and context for the current situation. Moreover, employees are always free to meet one-on-one with individual Management Board members.

In order to ensure optimal tenant satisfaction, S IMMO maintains an ongoing exchange of information with its tenants. The local teams serve as their expert point of contact on site and seek solutions individually tailored to meet our tenants' needs (see the Tenant satisfaction section for more information).

In the reporting year, the economic uncertainty associated with the COVID-19 pandemic also gave rise to increased information requirements among this stakeholder group. S IMMO always strives to partner with tenants to find solutions tailored to their needs and acceptable to both parties.

Human rights

S IMMO is aware that companies' activities can have an impact on human rights. The company has identified the following possible areas of risk in its business activities with an impact on human rights and manages these actively: protection of minors, prohibition against child labour and forced labour, protection of women's rights, protection of minorities, the right to equal opportunity and equal treatment, the prohibition against discrimination, occupational health and safety, the right to fair compensation and responsible management of employees.

S IMMO is committed to complying with the Universal Declaration of Human Rights, the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and eight fundamental conventions, and the OECD Guidelines for Multinational Enterprises. With regard to its employees, the company complies with the law, supports employee rights, is committed to the freedom of assembly and ensures that the interests of its employees are represented, if applicable, by a works council elected by employees. As of 31 December 2021, only the location in Vienna had elected a works council.

In particular, S IMMO pledges to adhere to Council Directive 76/207/EEC of 09 February 1976 on the implementation of the principle of equal treatment for men and women as regards access to employment and the 1979 UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW). S IMMO also undertakes to promote and protect the rights of minorities as laid down in the 1992 United Nations Minorities Declaration. S IMMO is additionally committed to complying with the UN Convention on the Rights of the Child and is there-

fore not at all involved in and does not condone the illegal employment or exploitation of children through work.

All employees are responsible for contributing to a working environment that is free of sexual harassment, putting a stop to unacceptable behaviour and reporting such incidents. The management is obliged to ensure equal opportunities, take action against violations of these standards and impose disciplinary measures.

In addition, S IMMO recognises the right to clean water as a fundamental human right. The company holds the view that sustainable water reserves, safe drinking water and the protection of ecosystems and communities with appropriate sanitation facilities and equipment are basic needs. 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.

The company encourages its employees to report suspected violations of S IMMO's human rights policy and ensures confidentiality. The central point of contact in such cases is S IMMO's Compliance Officer, who will contact management and convene a committee to resolve the case if necessary. A whistleblower platform was also rolled out to enable anonymous reporting.

There were no human rights violations at any of S IMMO's branches in the reporting year.

Personal privacy and data protection

Respecting personal privacy and protecting data are key issues for S IMMO and our stakeholders. Special importance is attached to protecting the personal data of employees and business partners. The theft and loss of personal data can have a negative impact on the company and have a lasting effect on the foundation of trust between it 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.

Prior to the entry into force of the EU General Data Protection Regulation (GDPR) in 2018, an in-house working group composed of employees from various departments such as Legal, IT and Corporate Communications & Investor Relations was formed to combat these risks.

The working group is responsible for creating and implementing internal data protection policies and updating the processing register that documents flows of personal data. The working group is an important internal point of contact for employees with regard to data protection law. Since it was elected in January 2021, the Works Council of S IMMO AG has also been included in meetings as necessary to ensure that employee interests and rights are represented. In addition, the members monitor the decisions of the Austrian Data Protection Authority (DSB) along with recent developments, and consult external legal experts as needed.

There were no complaints of GDPR violations by S IMMO in the 2021 financial year.

Secure IT infrastructure and protection against cyber crime are critically important for guaranteeing that both personal and business data remain protected. S IMMO employs state-of-the-art IT infrastructure, including current hardware and regular software and operating system updates. The IT department at S IMMO is supported by a well-known IT services company that has been in business for many years. Machine learning, which can detect anomalies in the system, is one technology used to identify the danger of cyberattacks at an early stage.

Damage containment procedures are initiated immediately when the loss of company-issued laptops or mobile phones is reported without delay. One of these measures is called “remote wipe” and involves deleting the data remotely and therefore preventing third parties from accessing it. Another key safeguard in this context is active user management to minimise damage in the event of a cyberattack. The targeted allocation of user permissions and roles ensures, for example, that they can only access the documents they require. Details on further IT safeguards can be found in the risk management report starting on page 24.

No cyberattacks on S IMMO’s IT infrastructure were recorded in 2021. There were also no leaks or thefts/loss of personal data.

Commitment to society and the local community

At S IMMO, we consider it important to take responsibility for issues beyond just our core business and to support charitable projects in the countries in which we do business. These include various projects by Caritas to provide shelter in Austria, Hungary, Romania and Bulgaria by giving people in crisis a place to live and young people prospects for the future.

For instance, we support four Hope Houses serving orphaned children and youth in Alba Iulia (Romania), a children’s home in Stremț (Romania) and a facility in Pokrovan (Bulgaria), a village that has long seen a high emigration rate, which is why many of its inhabitants live alone and in poverty. Members of the Roma minority in Hungary are often affected by poverty and unemployment. Here, S IMMO supports the “Unser Haus (Our House)” community centre, which provides care to socially disadvantaged children and adolescents. To promote sustainable development and change, S IMMO is keen to commit to long-term partnerships in countries in which it operates.

It is likewise very important to S IMMO that its employees are actively involved in social projects. In recent years, the S IMMO team in Austria has worked on several corporate volunteering projects in Caritas organisations. Volunteers prepared freshly cooked hot meals for those in need at “Zweite Gruft” in the 18th district of Vienna in 2019. These activities were unfortunately not possible in the past two years due to restrictions related to the pandemic.

Instead, S IMMO employees participated in the traditional Christmas donation drive. This time, the company decided to take a different approach and focus even more on acting together. S IMMO therefore invited employees to suggest organisations and projects that were near and dear to their hearts and required financial support. This produced a widely varied list of charities and S IMMO’s 2021 Christmas donation drive supported not just a single initiative but a number of different aid campaigns. These included the association TrauerZeit, Zentrum für trauernde Kinder und Familien Berlin Brandenburg e.V. (professional counselling for grieving children and youth), neunerimmo (affordable housing), Amnesty International Austria, a project to aid children in Hungary and an emergency shelter for youth, as well as Caritas’ efforts to support people with dementia and their families.

S IMMO is also active in the art world. In 2021, it made its facilities at Mariahilfer Strasse 103 available to the Vienna Art Supermarket – one of the largest contemporary art events in Austria – for the 15th time. For four months, original works by international artists were exhibited in a space of over 250 m² with the aim of making art more accessible and offering it to potential buyers at modest prices. The Art Supermarket was again hit by pandemic lockdowns in the 2021 season and so extended its run so that visitors could attend it until 26 March 2022, instead of until 19 February 2022. It proved highly popular, as in the years before.

S IMMO also supported the International Summer Academy operated by the University of Music and Performing Arts, Vienna (mdw Universität für Musik und darstellende Kunst Wien) and presented the Viennese Classicism Award.

Besides donating to charitable causes, S IMMO additionally focuses on promoting young talent in the academic arena. As part of the existing collaboration with Danube University Krems, the company has allowed students of the postgraduate real estate programme to undertake a foreign studies module at S IMMO Germany in Berlin in recent years. After being conducted online in 2020 due to the pandemic, the module was held in-person again in 2021.

Governance

As a company listed on the stock exchange, 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 90) as well as the guideline governing issuer compliance at S IMMO, the guideline governing the prevention of bribery, acceptance of benefits and corruption, the Code of Conduct and the human rights policy are available on the Group's website (www.simmoag.at/sustainability) for further information.

Responsible governance

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 (the deviations from the C Rules are also explained in the corporate governance report).

Shareholder structure, democracy and rights

The rights and obligations of shareholders arise from the Austrian Stock Corporation Act (AktG) and the articles of incorporation of S IMMO (www.simmoag.at/corporategovernance). The main rights include the right to profit-sharing and the right to participate, vote and receive information at the Annual General Meeting. Shareholders with shareholdings above clearly defined levels additionally 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. The articles of incorporation of S IMMO are available on the website (www.simmoag.at/corporategovernance).

Section 3 (3) of the articles of incorporation of S IMMO provides for a voting rights cap in the interest of minority shareholders. At the Annual General Meeting, the voting rights of each shareholder are accordingly limited to 15% of the issued share capital. Further details can be found in the corporate governance report from page 90.

Details of the shareholder structure and the company's IR activities can be found in the section S IMMO in the capital market and at www.simmoag.at/share.

Management structure and remuneration

In line with the Austrian Stock Corporation Act, 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 in turn responsible for the various divisions and functions. The constant, open exchange of information and short decision-making channels are paramount here. The Supervisory Board is responsible for appointing the Management Board, and 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, targeted cooperation.

S IMMO is committed to performance-oriented remuneration in line with market conditions for its Management Board members, aimed at 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) as per section 78a Austrian Stock Corporation Act (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).

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, long-term incentives for sustainable corporate development are set and 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 now submitted to the Annual General Meeting each year, and is published on the company's website no later than three weeks before the respective Annual General Meeting.

Diversity, structure and independence of the 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 87) and the corporate governance report (starting on page 90). In 2021, the Supervisory Board formed an ESG Committee from among its members that deals predominantly with the strategy and objectives in relation to sustainability criteria. In keeping with this, a member of the Management Board has also been explicitly assigned to ESG matters.

Collectively, the Supervisory Board has the relevant experience and expertise in the international property sector, retail, capital markets, banking, insurance and law that are required in order to perform all its supervisory duties effectively. Accordingly, when looking for new members of the Supervisory Board, the Nomination Committee 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. All members of the Nomination and Remuneration Committee have declared themselves independent.

Members are elected to the Supervisory Board at the Annual General Meeting. Under the articles of incorporation of S IMMO, no shareholder has the right to appoint a member of the Supervisory Board. 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/en/company/management.html), and the number of members who have declared themselves independent is disclosed in the corporate governance report starting on page 90. Business relationships with related parties, including with members of the Supervisory Board, require the approval of the Supervisory Board, and are disclosed on page 81 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).

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 company listed on the stock exchange, S IMMO is subject to the provisions of Austrian and European capital market legislation. Building upon that legislation, the company not only feels bound by the laws, but has also established a Code of Conduct as well as binding guidelines which lay down principles of conduct for business activity on a company-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 Supervisory Board. The statutory prohibition on competition applies as well.

In 2021, 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. 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 company-wide Code of Conduct that obliges all executive bodies and employees to behave in accordance with the highest ethical standards and to ensure the prevention of bribery, acceptance of benefits and corruption. 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 possible violations of the Code of Conduct, they must immediately either report them to the S IMMO Compliance Officer or submit a corresponding anonymous notification via the digital whistleblower system that is publicly accessible on the company's website. The reported incidents are treated in confidence, and the whistleblowers are guaranteed anonymity. Training courses regarding the contents of the Code of Conduct and the whistleblowing mechanisms are to be held on an annual basis.

Prevention of bribery, acceptance of benefits and corruption

S IMMO AG has a zero-tolerance policy regarding bribery, the acceptance of benefits and corruption. Corruption is usually 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 thus the jobs it provides. A binding internal guideline 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. Official S IMMO contact persons are available to all employees at their request and when a breach is suspected. Local management can also be contacted to report compliance infringements. Furthermore, there is an obligation to hold annual training courses on the implementation of the guideline. No training courses were carried out in this context in 2021.

For the purpose of preventing market abuse and the misuse of insider information, a guideline governing issuer compliance is established at S IMMO and is valid throughout the Group. It 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.

All current compliance measures will be continued in the future. For employees, this particularly means participation in compulsory training courses on the Code of Conduct and whistleblowing, the contents of the anti-corruption guideline and the guideline on issuer compliance. Ensuring that all employees are constantly aware of the key principles and actively put them into practice is a declared aim of the company. No instances of corruption were reported in the reporting year.

Supply chain

The suppliers commissioned by S IMMO are highly diversified and range from construction firms, property management firms and consultants to insurance firms 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 regularly collaborates 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, 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. Negative impacts particularly stem from transportation, space requirements and the disposal of problematic materials.

Although construction activity currently plays a secondary role in S IMMO's business activities, the company makes every effort 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. The company intends to draw up a Code of Conduct for business partners that will define social and environmental standards and be an integral part of new contracts. S IMMO regards this as an opportunity to contribute to a more environmentally sound and socially responsible property sector.

There were no significant changes in the supply chain during the reporting period.

Tax strategy

All property, management and holding companies of S IMMO are headquartered within the European Union and are situated solely in the countries in which S IMMO performs its primary business activities. Consequently, the company is entirely subject to the locally relevant tax conditions and can demonstrate a high level of tax transparency.

Audits

The Internal Control System (ICS) and the risk management of the company are explained in detail in the risk management report starting on page 16. Selection of the auditor is carried out by the Audit Committee, and is described in the Supervisory Board report (from page 87). 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 2018 financial year. For the 2013 to 2017 financial years, PwC Wirtschaftsprüfung GmbH 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 from page 72.

GRI Content Index

| GRI Standard | Explanation | Page/Explanation/Omission |
|--|--|--|
| GRI 102: General Disclosures (2016) | | |
| Organisational profile | | |
| 102-1 | Name of the organisation | S IMMO AG |
| 102-2 | Activities, brands, products, and services | Page 4 (Management report) |
| 102-3 | Location of headquarters | Friedrichstrasse 10, 1010 Vienna, Austria |
| 102-4 | Location of operations | Page 4 (Management report) |
| 102-5 | Ownership and legal form | Page 4 (Management report) |
| 102-6 | Markets served | Page 4 (Management report) |
| 102-7 | Scale of the organisation | Page 16 (Annual Report 2021: Key figures) Page 4 et seq. (Management report) Page 28 (Consolidated financial statements) Page 37 et seq. (Consolidated financial statements) Page 90 (Corporate governance report) |
| 102-8 | Information on employees and other workers | Page 115 et seq. (Non-financial report) 102-8 d: No significant part of the organisation's activities is carried out by staff who are not employees. Temporary workers are employed seasonally in the two hotels to cover peak periods. 102-8 f: For the collection of employee data, Excel templates are sent to the responsible contact persons of the subsidiaries as well as to the two hotels. The returned data is collected centrally, checked for plausibility and consolidated for this report. |
| 102-9 | Supply chain | Page 129 (Non-financial report) |
| 102-10 | Significant changes to the organisation and its supply chain | There were no significant changes in the supply chain in the 2021 financial year. For changes in the organisation, see page 4 et seq. (Management report). |
| 102-11 | Precautionary Principle or approach | Page 98 (Non-financial report) Page 16 et seq. (Risk management report) |
| 102-12 | External initiatives | Page 98 (Non-financial report) |
| 102-13 | Membership of associations | Page 98 (Non-financial report) |
| Strategy | | |
| 102-14 | Statement from senior decision-maker | Page 18 (Annual Report 2021: Letter from the management) |
| Ethics and integrity | | |
| 102-16 | Values, principles, standards, and norms of behaviour | Page 127 et seq. (Non-financial report) |
| Governance | | |
| 102-18 | Governance structure | Page 90 et seq. (Corporate governance report) Page 98 (Non-financial report) |
| Stakeholder engagement | | |
| 102-40 | List of stakeholder groups | Page 98 (Non-financial report) |
| 102-41 | Collective bargaining agreements | No complete information is available for the reporting year. Group-wide data collection is being worked on. |
| 102-42 | Identifying and selecting stakeholders | Page 98 (Non-financial report) |
| 102-43 | Approach to stakeholder engagement | Page 123 et seq. (Non-financial report) |
| 102-44 | Key topics and concerns raised | Page 98 et seq. (Non-financial report) Page 123 et seq. (Non-financial report) |

| GRI Standard | Explanation | Page/Explanation/Omission |
|---|--|---|
| Reporting practice | | |
| 102-45 | Entities included in the consolidated financial statements | Page 37 et seq. (Consolidated financial statements) |
| 102-46 | Defining report content and topic Boundaries | Page 97 (Non-financial report) |
| 102-47 | List of material topics | Page 99 (Non-financial report) |
| 102-48 | Restatements of information | Page 101 et seq. (Non-financial report) Page 103 et seq. (Non-financial report) Page 113 et seq. (Non-financial report) |
| 102-49 | Changes in reporting | Page 97 (Non-financial report) Page 98 et seq. (Non-financial report) |
| 102-50 | Reporting period | 01 January 2021–31 December 2021 |
| 102-51 | Date of most recent report | Annual Report 2021, published on 28 April 2022 |
| 102-52 | Reporting cycle | Annual |
| 102-53 | Contact point for questions regarding the report | sustainability@simmoag.at |
| 102-54 | Claims of reporting in accordance with the GRI Standards | This report has been prepared in accordance with the GRI Standards: Core option. |
| 102-55 | GRI content index | Page 131 et seq. |
| 102-56 | External assurance | Page 97 (Non-financial report) |
| GRI 201: Economic performance (2016) | | |
| 201-1 | Direct economic value generated and distributed | Page 28 et seq. (Consolidated financial statements) |
| Environment | | |
| GRI 103: Management approach (2016) | | |
| 103-1 | Explanation of the material topic and its Boundary | Page 97 et seq. (Non-financial report) Page 101 et seq. (Non-financial report) |
| 103-2 | The management approach and its components | Page 97 et seq. (Non-financial report) Page 101 et seq. (Non-financial report) |
| 103-3 | Evaluation of the management approach | Page 97 et seq. (Non-financial report) Page 101 et seq. (Non-financial report) |
| GRI 302: Energy (2016) | | |
| 302-1 | Energy consumption within the organisation | Page 103 et seq. (Non-financial report) |
| 302-2 | Energy consumption outside of the organisation | Page 103 et seq. (Non-financial report) |
| 302-3 | Energy intensity | Page 106 (Non-financial report) |
| GRI 303: Water and effluents (2018) | | |
| 303-1 | Interactions with water as a shared resource | Page 106 et seq. (Non-financial report) |
| 303-2 | Management of water discharge-related impacts | Page 106 et seq. (Non-financial report) |
| 303-5 | Water consumption | Page 107 (Non-financial report) |
| GRI 305: Emissions (2016) | | |
| 305-1 | Direct (Scope 1) GHG emissions | Page 110 et seq. (Non-financial report) |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Page 110 et seq. (Non-financial report) |
| 305-3 | Other indirect (Scope 3) GHG emissions | Page 110 et seq. (Non-financial report) |
| 305-4 | GHG emissions intensity | Page 112 (Non-financial report) |

| GRI Standard | Explanation | Page/Explanation/Omission |
|--|--|---|
| Social | | |
| GRI 103: Management approach (2016) | | |
| 103-1 | Explanation of the material topic and its Boundary | Page 97 et seq. (Non-financial report) Page 113 et seq. (Non-financial report) |
| 103-2 | The management approach and its components | Page 97 et seq. (Non-financial report) Page 113 et seq. (Non-financial report) |
| 103-3 | Evaluation of the management approach | Page 97 et seq. (Non-financial report) Page 113 et seq. (Non-financial report) |
| GRI 401: Employment (2016) | | |
| 401-1 | New employee hires and employee turnover | Page 119 et seq. (Non-financial report) |
| 401-3 | Parental leave | Page 118 (Non-financial report) 401-3 a: In general, all employees are entitled to take parental leave according to local legislation. 401-3 d: No complete information is available for the reporting year. Group-wide data collection is being worked on. 401-3 e: No complete information is available for the reporting year. Group-wide data collection is being worked on. |
| GRI 404: Training and education (2016) | | |
| 404-2 | Programmes for upgrading employee skills and transition assistance programmes | Page 122 (Non-financial report) |
| GRI 405: Diversity and equal opportunity (2016) | | |
| 405-1 | Diversity of governance bodies and employees | Page 117 (Non-financial report) |
| GRI 406: Non-discrimination (2016) | | |
| 406-1 | Incidents of discrimination and corrective actions taken | Page 116 (Non-financial report) |
| GRI 418: Customer privacy (2016) | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Page 125 (Non-financial report) |
| Governance | | |
| GRI 103: Management approach (2016) | | |
| 103-1 | Explanation of the material topic and its Boundary | Page 97 et seq. (Non-financial report) Page 127 et seq. (Non-financial report) |
| 103-2 | The management approach and its components | Page 97 et seq. (Non-financial report) Page 127 et seq. (Non-financial report) |
| 103-3 | Evaluation of the management approach | Page 97 et seq. (Non-financial report) Page 127 et seq. (Non-financial report) |
| GRI 205: Anti-corruption (2016) | | |
| 205-3 | Confirmed incidents of corruption and actions taken | No incidents of corruption were reported during the reporting period. |
| Digitalisation | | |
| GRI 103: Management approach (2016) | | |
| 103-1 | Explanation of the material topic and its Boundary | Page 99 (Non-financial report) |
| 103-2 | The management approach and its components | Page 99 (Non-financial report) |
| 103-3 | Evaluation of the management approach | Page 99 (Non-financial report) |

| GRI Standard | Explanation | Page/Explanation/Omission |
|--|--|--------------------------------|
| Sustainable value enhancement | | |
| GRI 103: Management approach (2016) | | |
| 103-1 | Explanation of the material topic and its Boundary | Page 99 (Non-financial report) |
| 103-2 | The management approach and its components | Page 99 (Non-financial report) |
| 103-3 | Evaluation of the management approach | Page 99 (Non-financial report) |

EPRA Sustainability Performance Measures of the property portfolio

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 and the calculation methodologies can be found in the section Environment of 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 Group's

vehicle fleet as well as commuting and travel activities are excluded. The like-for-like comparisons (LfL) include all 315 buildings that were part of the S IMMO portfolio in the last two full reporting years. The main lettable area was used as the metric for the calculation of the intensity ratios. Data on waste management (Waste-Abs and Waste-LfL) is not available in full and therefore not included.

| EPRA Performance Measure | Code | Boundary | Unit | Austria | | Germany | | CEE | | Total | |
|--|------------|---|--------------------|---------|--------|---------|--------|--------|--------|---------|--------|
| | | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Electricity consumption | Elec-Abs | Total consumption | MWh | 17,043 | 16,522 | 36,844 | 35,790 | 54,493 | 47,616 | 108,380 | 99,928 |
| | | of which obtained by S IMMO | MWh | 6,764 | 6,237 | 2,928 | 2,948 | 54,291 | 47,353 | 63,983 | 56,538 |
| | | Proportion of renewable sources, obtained by S IMMO | % | 100 | 100 | 100 | 100 | 66.2 | 0.1 | 71.3 | 16.3 |
| Electricity consumption LfL | Elec-LfL | Total consumption | MWh | 17,043 | 16,522 | 35,142 | 34,952 | 51,014 | 47,616 | 103,200 | 99,090 |
| | | of which obtained by S IMMO | MWh | 6,764 | 6,237 | 2,853 | 2,663 | 50,813 | 47,353 | 60,430 | 56,253 |
| District heating and cooling consumption | DH&C-Abs | Total consumption | MWh | 10,885 | 9,790 | 25,303 | 22,062 | 2,669 | 2,320 | 38,857 | 34,172 |
| | | of which obtained by S IMMO | MWh | 9,177 | 8,179 | 24,008 | 20,768 | 2,669 | 2,320 | 35,854 | 31,266 |
| | | Proportion of renewable sources, obtained by S IMMO | % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| District heating and cooling consumption LfL | DH&C-LfL | Total consumption | MWh | 10,885 | 9,790 | 24,345 | 22,062 | 2,669 | 2,320 | 37,889 | 34,172 |
| | | of which obtained by S IMMO | MWh | 9,177 | 8,179 | 23,051 | 20,768 | 2,669 | 2,320 | 34,897 | 31,266 |
| Fuel consumption | Fuels-Abs | Total consumption | MWh | 2,923 | 2,587 | 42,322 | 39,792 | 40,469 | 33,565 | 85,714 | 75,943 |
| | | of which obtained by S IMMO | MWh | 2,259 | 1,922 | 29,490 | 27,367 | 39,164 | 32,281 | 70,913 | 61,570 |
| | | Proportion of renewable sources, obtained by S IMMO | % | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fuel consumption LfL | Fuels-LfL | Total consumption | MWh | 2,923 | 2,587 | 41,124 | 39,029 | 37,616 | 33,565 | 81,663 | 75,180 |
| | | of which obtained by S IMMO | MWh | 2,259 | 1,922 | 28,700 | 26,604 | 36,311 | 32,281 | 67,270 | 60,807 |
| Energy intensity | Energy-Int | Total consumption | kWh/m ² | 225 | 211 | 189 | 180 | 267 | 245 | 220 | 206 |
| | | of which obtained by S IMMO | kWh/m ² | 133 | 119 | 102 | 94 | 263 | 241 | 162 | 146 |

| EPRA Performance Measure | Code | Boundary | Unit | Austria | | Germany | | CEE | | Total | |
|--|---------------|--|-------------------------------------|---------|--------|---------|---------|---------|---------|---------|---------|
| | | | | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Direct GHG emissions (Scope 1) | GHG-Dir-Abs | Obtained by S IMMO | t CO ₂ e | 452 | 384 | 6,156 | 5,721 | 7,833 | 6,456 | 14,441 | 12,562 |
| Indirect GHG emissions (Scope 2) | GHG-Indir-Abs | Location-based, obtained by S IMMO | t CO ₂ e | 2,623 | 2,379 | 3,403 | 3,082 | 15,210 | 13,349 | 21,237 | 18,810 |
| | | Market-based, obtained by S IMMO | t CO ₂ e | 202 | 180 | 2,427 | 2,100 | 5,144 | 13,349 | 7,773 | 15,628 |
| GHG emissions intensity (Scope 1 and Scope 2) | GHG-Int | Location-based, obtained by S IMMO | kg CO ₂ e/m ² | 22 | 20 | 17 | 16 | 63 | 58 | 34 | 31 |
| | | Market-based, obtained by S IMMO | kg CO ₂ e/m ² | 5 | 4 | 15 | 14 | 35 | 58 | 21 | 28 |
| Water consumption | Water-Abs | Total consumption | m ³ | 73,150 | 63,759 | 366,849 | 377,619 | 205,348 | 172,447 | 645,346 | 613,825 |
| Water consumption LfL | Water-LfL | Total consumption | m ³ | 73,150 | 63,759 | 354,767 | 371,269 | 195,862 | 172,447 | 623,779 | 607,475 |
| Water intensity | Water-Int | Total consumption | l/m ² | 534 | 465 | 662 | 695 | 561 | 506 | 611 | 601 |
| Number of sustainably certified assets as of 31 December | Cert-Tot | Number of sustainably certified assets | | 0 | 0 | 0 | 0 | 11 | 7 | 11 | 7 |
| | | Proportion of total main lettable area | % | 0 | 0 | 0 | 0 | 57.1 | 48.9 | 21.4 | 16.6 |

Vienna, 14 April 2022

The Management Board

Bruno Ettenauer Herwig Teufelsdorfer Friedrich Wachernig

Einzelabschluss

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Lagebericht für das Geschäftsjahr 2021

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 als Konzernleitgesellschaft der S IMMO Gruppe direkt bzw. über Tochterunternehmen indirekt in den Segmenten Österreich, Deutschland sowie Zentraleuropa 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, ertragreiche 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

Das Geschäftsjahr 2021 war nach wie vor von der Covid-19-Pandemie geprägt. Aufgrund großer operativer Anstrengungen, eines sorgsamsten Managements der Bestandsimmobilien und der Qualität des Portfolios konnten die Auswirkungen der Pandemie jedoch in engen Grenzen gehalten werden.

Trotzdem bleibt anzumerken, dass die pandemiebedingten Verwerfungen sowohl in Bezug auf die gesamtwirtschaftliche Situation als auch in den Märkten der S IMMO AG bzw. der S IMMO Gruppe auch über den 31.12.2021 fortbestehen. Dazu kam im ersten Quartal 2022 der Ausbruch des Ukraine-Konflikts, von dem die S IMMO Gruppe bzw. die S IMMO AG zwar nicht direkt betroffen sind, dessen künftige Auswirkungen aber derzeit noch nicht abschätzbar sind. S IMMO begegnet den diesbezüglichen Risiken durch ein engmaschiges, auf Früherkennung von Problemfeldern ausgerichtetes Management des Bestandsportfolios und durch ein sorgsames Liquiditätsmanagement. Das grup-

penweit nach Regionen und Nutzungsarten breit diversifizierte Portfolio sowie die ebenfalls breit gestreute Mieterstruktur tragen in Zeiten der Krise erheblich zur Risikominderung bei.

So lagen die Umsatzerlöse im Geschäftsjahr mit TEUR 23.353 auf einem ähnlichen Niveau wie im Vorjahr (2020: TEUR 23.527) bzw. dem Geschäftsjahr 2019, das von der Pandemie noch nicht betroffen war (2019: 26.486). In den Umsatzerlösen des Jahres 2019 waren im Ausmaß von TEUR 3.421 periodenfremde Erträge enthalten; bei Bereinigung um diesen Sonderposten bewegten sich die Umsatzerlöse der letzten 3 Jahre auf einem stabilen Niveau.

Die Aufwendungen für bezogene Leistungen bewegten sich auf dem Niveau des Vorjahres (2021: TEUR 5.436; 2020: TEUR 5.307); die Personalaufwendungen sind u.a. aufgrund der Vergrößerung des Vorstandsteams und aufgrund von Einmaleffekten i.Z.m. der Umbildung des Vorstands angestiegen (2021: TEUR 9.503; 2020: TEUR 7.243).

Die sonstigen betrieblichen Aufwendungen betragen TEUR 9.453 (2020: TEUR 5.329). Der Anstieg ist v.a. auf Sondereffekte i.Z.m. einem Übernahmeangebot der Immofinanz AG auf die S IMMO AG zurückzuführen. Insgesamt ergab sich damit ein Betriebsergebnis von TEUR -5.495 (2020: TEUR 1.470).

Im Gegenzug konnte das schon im Vorjahr positive Finanzergebnis aufgrund deutlich höherer Beteiligungserträge (2021: TEUR 50.510; 2020: TEUR 25.298), aufgrund einer Verbesserung der Position „Zinsen und ähnliche Aufwendungen“ (2021: TEUR -20.308; 2020: TEUR -26.207) sowie wegen einer Erhöhung der Position „sonstige Zinsen und ähnliche Erträge“ (2021: TEUR 5.224; 2020: TEUR 108) deutlich auf TEUR 35.426 (2020: TEUR 1.945) verbessert werden.

Insgesamt ergab sich für das Geschäftsjahr ein Jahresüberschuss von TEUR 41.541 (2020: TEUR 9.337).

Anstieg von Bilanzsumme und Liquiditätsreserve

Sowohl die Bilanzsumme (31.12.2021: TEUR 1.799.768; 31.12.2020: TEUR 1.411.790) als auch die Position „Kassenbestand, Guthaben bei Kreditinstituten“ (31.12.2021: TEUR 354.084; 31.12.2020: TEUR 46.102) der Gesellschaft haben sich trotz einer Dividendenausschüttung je Aktie von 0,5 Euro

und trotz des Rückkaufs von 866.446 Stück Aktien gegenüber dem Vorjahr deutlich erhöht.

Zurückzuführen ist der Liquiditätsanstieg u.a. auf die Begebung eines Green Bonds mit einem Nominale von TEUR 150.000, einer Laufzeit von 7 Jahren und einem fixen Kupon i.H.v. 1,75 %.

Das Eigenkapital blieb trotz Dividendenausschüttung und Aktienrückkauf auf dem Niveau des Vorjahres (31.12.2021: TEUR 580.322; 31.12.2020: TEUR 590.488). Aufgrund der Ausweitung der Bilanzsumme sank die Eigenkapitalquote zum Stichtag 31.12.2021 jedoch auf rund 32 % (31.12.2020: 42 %).

Im Geschäftsjahr 2021 wurden 866.446 Stück (2020: 1.502.927) eigene Aktien zu einem Gesamtbetrag von TEUR 16.392 (TEUR: 23.204) rückgekauft.

Die Verbindlichkeiten gegenüber Kreditinstituten haben sich von TEUR 112.997 zum Stichtag 31.12.2020 auf TEUR 150.344 per 31.12.2021 erhöht. Die Anleiheverbindlichkeiten sind aufgrund der Begebung eines Green Bonds im ersten Quartal auf TEUR 648.994 (31.12.2020: TEUR 527.543) gestiegen.

Sonstiges

Im ersten Quartal 2021 gab die IMMOFINANZ AG ein freiwilliges öffentliches Übernahmeangebot an die Aktionär:innen der S IMMO AG bekannt. Der Vorstand und der Aufsichtsrat der S IMMO AG lehnten den Angebotspreis von EUR 22,25 je Aktie (cum-dividend-Basis) als deutlich zu niedrig ab. Der Vollzug des Übernahmeangebots war an die Bedingung geknüpft, dass die Hauptversammlung die Aufhebung des seit 2006 in der Satzung des Unternehmens verankerten Höchststimmrechts von 15 % beschließt. Da die für die Abschaffung des Höchststimmrechts erforderliche (Kapital-)Mehrheit nicht erreicht wurde, war eine wesentliche Bedingung des Übernahmeangebots nicht erfüllt. Am 28.6.2021 gab die IMMOFINANZ AG bekannt, dass das Übernahmeangebot entfällt.

Am 14.04.2022 wurde die S IMMO von der CPI Property Group darüber informiert, dass sie die Einberufung einer außerordentlichen Hauptversammlung zur Abschaffung des in der Satzung des der S IMMO AG verankerten Höchststimmrechts verlangt. Nach rechtswirksamer Aufhebung des Höchststimmrechts würde die CPI Property Group eine kontrollierende Beteiligung im Sinne des § 22 Übernahmegesetz an der S IMMO erlangen. In diesem Fall beabsichtigt die CPI Property Group ein Pflichtangebot zu stellen. Der Preis des beabsichtigten Pflichtangebots betrage gemäß Ad-hoc-Meldung der CPI Property Group vom 14.04.2022 gemäß § 26 Abs 1 ÜbG zum Zeitpunkt dieser Absichtsbekanntgabe mindestens EUR 22,00 je S IMMO Aktie cum Dividende.

Voraussichtliche Entwicklung

Im ersten Quartal 2022 konnte inmitten der anhaltenden Covid-19-Krise ein Green Bond mit einem Nominale von TEUR 50.000, einem Kupon von 1,25 % und einer Laufzeit von 5 Jahren begeben werden. S IMMO hat damit den Weg einer Sicherung des derzeit historisch niedrigen Zinsniveaus und der Vermeidung großer Einzelfälligkeiten fortgesetzt.

Schwer prognostizierbar bleiben nach wie vor die Auswirkungen der Covid-19 Krise sowie der Ukraine-Krise, 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.

Im Geschäftsjahr 2021 hat eine Konzerngesellschaft der S IMMO Gruppe sämtliche an der CA Immobilien AG gehaltenen Anteile gewinnbringend veräußert.

Im ersten Quartal 2022 haben die CPI Property Group SA und die S IMMO Gruppe eine Vereinbarung geschlossen, nach der sich die CPI Property Group verpflichtet hat, den im Rahmen eines antizipativen Pflichtangebots kommunizierten Angebotspreis für Aktien der IMMOFINANZ AG auf EUR 23 Euro je Aktie (cum-Dividende) zu erhöhen. Im Gegenzug hat sich die S IMMO Gruppe verpflichtet, alle von ihr gehaltenen sowie alle in das im Dezember 2021 veröffentlichte Teilangebot der S IMMO Gruppe eingelieferten Anteile an der IMMOFINANZ AG an die CPI Property Group zu übertragen. Mit Vollzug dieser Vereinbarung im ersten Quartal 2022 hat die S IMMO Gruppe alle von ihr gehaltenen Anteile an der IMMOFINANZ AG an die CPI Property Group übertragen. Alle zum Stichtag 31.12.2021 vom Konzern bzw. der CEE Immobilien GmbH, einer Konzerngesellschaft der S IMMO Gruppe, gehaltenen Anteile wurden damit zu einem Gesamterlös vor Steuern von rund EUR 403,5 Mio. an die CPI Property Group veräußert.

Risikomanagement

S IMMO AG ist als oberste Konzerngesellschaft der S IMMO Gruppe einer Vielzahl an Risiken ausgesetzt, die mittelbar auch Risiken in sämtlichen Tochtergesellschaften umfassen. Die Risiken und Chancen entsprechen daher dem Grunde nach denen des Gesamtkonzerns.

Als international tätiger Immobilienkonzern ist die S IMMO Gruppe mit einer Vielzahl von Chancen und Risiken konfrontiert, die auf die operative Geschäftstätigkeit, 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 zeitnahe 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 vollständig ausgeschlossen werden. Die S IMMO beschäftigt sich entlang des Lebenszyklus von langfristigen Immobilien-Investitionen mit Entwicklung, Ankauf, Vermietung, Betrieb, Sanierung und Verkauf von Immobilien in Österreich, Deutschland und CEE. Im Portfolio befinden sich gewerblich genutzte Immobilien (Büro, Geschäft, Hotel) und Wohnimmobilien.

Darüber hinaus hielt die S IMMO im Jahr 2021 Beteiligungen an den österreichischen börsennotierten ATX-Immobilienunternehmen CA Immobilien Anlagen AG und IMMOFINANZ AG. Die Anteile an der CA Immobilien Anlagen AG wurden im Juli 2021 in das Übernahmeangebot der Starwood Capital Group zu einem Preis von EUR 37,00 je Aktie eingeliefert und verkauft. Ende Jänner 2022 wurde darüber hinaus mit der CPI Property Group vereinbart, dass die S IMMO alle ihre IMMOFINANZ Aktien sowie all jene Aktien, die sie möglicherweise durch ihr Teilangebot für IMMOFINANZ-Aktien erwirbt, an die CPI Property Group zu einem Preis von EUR 23,00 je Aktie überträgt, sobald das CPI-Angebot kartellrechtlich freigegeben ist. Der Verkauf der Aktien wurde Anfang März 2022 vollzogen.

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 lokalen Risikoeigner:innen und stellt so eine umfassende Bottom-Up-Information des Vorstands sicher. Auf Konzernebene existiert eine Stabstelle für das zentrale Risikomanagement. Dieser Risikokoordinator berichtet als Risikoeigner 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 Vorstand. 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. Investitionsvorhaben 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 2021 als auch im Hinblick auf die Geschäftstätigkeit 2022 regelmäßig analysiert und bewertet.

Die COVID-19-Pandemie hatte naturgemäß Einfluss auf das Geschäftsjahr 2021. Zwar brachte der zunehmende Impffortschritt eine leichte Erholung, dennoch mussten teilweise einschneidende Maßnahmen wie Lockdowns von den lokalen Regierungen in den von der S IMMO bearbeiteten Märkten ergriffen werden. Einschränkungen und Schließungen wurden vor allem in der Hotellerie, im Gastgewerbe und im Einzelhandel angeordnet. Ein deutlich verändertes Konsum- und Reiseverhalten war die Folge, was sich negativ auf Besucher- bzw. Nächtigungszahlen und damit auf den Umsatz auswirkte.

Das Geschäftsjahr 2022 startete mit einer weiteren Infektionswelle bedingt durch die neue Omikron-Mutation. Diese Virusvariante soll mildere Krankheitsverläufe verursachen, was gemeinsam mit der Impfung möglicherweise zu einem absehbaren Ende der Pandemie bzw. einen Übergang zu einer Endemie führen könnte. Dennoch lässt sich die weitere Entwicklung und die Dauer der Gesundheitskrise nur schwer vorhersagen, was Unsicherheiten bezüglich der Entwicklung der Volkswirtschaften sowie der Immobilien- und Kapitalmärkte mit sich bringt. Auch die Auswirkungen des im Februar erfolgten Einmarsches Russlands in die Ukraine bzw. die Dauer des Kriegs sind derzeit nicht absehbar. Beide Unsicherheiten liegen außerhalb des Einflussbereichs des Unternehmens und machen eine zuverlässige mittel- bis langfristige Planung damit nahezu unmöglich.

Ob es langfristige oder anhaltende Beeinträchtigungen gibt, hängt neben der Dauer der gegenwärtigen Krise auch von den durch die Pandemie verstärkten Trends zu Homeoffice und E-Commerce ab. Die S IMMO besitzt ein im Rahmen einer konservativen und konsequenten Investitionspolitik aufgebautes Immobilienportfolio in sehr guten Lagen. Das Management geht grundsätzlich davon aus, mit seiner diversifizierten Strategie die Auswirkungen der Pandemie letztlich gut bewältigen und potenzielle Chancen ergreifen zu können. Insofern erwartet das Unternehmen aktuell keine nachhaltig negative Veränderung, die die langfristigen Perspektiven der Gruppe wesentlich beeinflussen würde.

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 jener 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 Verantwortungsbe-
reichen (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 automationsge-
stützten Erstellung des Konzernabschlusses
- Berichte an interne Adressaten (Vorstand und Aufsichtsrat)
umfassen unter anderem Quartals-, Segment- und
Liquiditätsberichte sowie im Bedarfsfall einzelne anlass-
bezogene 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, 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 genehmigte Jahresrevisionsplan. Zusätzlich werden im Bedarfsfall Sonderprüfungen beauftragt. Mit der Durchführung der Revisionsprüfungen werden ausschließlich externe Expert:innen beauftragt. Die Ergebnisse der Prüfungen werden an den Vorstand berichtet. Der Prüfungsausschuss des Aufsichtsrats wird regelmäßig über den Revisionsplan sowie die Ergebnisse der durchgeführten Revisionsprüfungen informiert.

Risikoübersicht

| Unternehmensstrategische Risiken | Immobilienpezifische Risiken | Finanzielle Risiken | ESG-Risiken |
|--|--|---|---|
| Umfeld- und Branchenrisiko Investitionsrisiko Kapitalmarktrisiko | Immobilienportfoliorisiko Vermietungs- und Mietausfallrisiko Immobilienentwicklungsrisiko Bautechnisches Risiko Immobilienbewertungsrisiko | Liquiditätsrisiko Zinsänderungsrisiko Finanzierungsrisiko Fremdwährungsrisiko Steuerliche Risiken | Umwelt- und Klimarisiken Soziale Risiken Governance-Risiken |

Erläuterung der Einzelrisiken

Unternehmensstrategische Risiken

Strategische Risiken sind eng mit der Geschäftsstrategie der S IMMO verbunden und können diese gegebenenfalls stark beeinflussen.

Umfeld- und Branchenrisiko

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 wirtschaftli-

chen Situation in einem Markt kann die Kauf- und Verkaufspreise, den Wert einer Immobilie und deren Rendite beeinflussen. Darüber hinaus kann es zu Mietreduktionen, Mietausfällen oder zu Kündigungen von Mietverträgen durch Mieter:innen kommen. Diesen Risiken begegnet die S IMMO mit Immobilien in unterschiedlichen Regionen und mit verschiedenen Nutzungsarten. Sorgfältiges Asset Management und ständiges Monitoring tragen zur Reduktion der beschriebenen Risiken bei.

Auf Grund der anhaltenden COVID-19-Krise sowie des Ukraine-kriegs sind volkswirtschaftliche Prognosen sowie Einschätzungen der zukünftigen Entwicklungen der Immobilienmärkte schwierig. Die Pandemie ist nach wie vor herausfordernd für die

Nutzungsarten Hotel und Einzelhandel. Eine Erholung ist aber zunehmend absehbar.

Investitionsrisiko

Die S IMMO ist sowohl bei Investitionen in Immobilienentwicklungsprojekte als auch bei Immobilienzukäufen 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 Immobilienzukäufe 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.

Die anhaltenden Unsicherheiten bezüglich Dauer und Intensität der COVID-19-Krise haben einen Einfluss auf das Investitionsrisiko. Bei Entwicklungsprojekten ist mit Zeitverzögerungen im Genehmigungs- und Bauablauf zu rechnen, auch wenn diese bis dato überschaubar waren. Bei Investitionen in bestehende Objekte geht das Risiko von potenziellen Mieterausfällen oder der Notwendigkeit der Unterstützung der Mieter:innen beim Closing der Transaktion auf den Käufer über.

Kapitalmarktrisiko

Der Kapitalmarkt ist für die S IMMO bezüglich der Aufnahme von Eigen- und Fremdkapital von großer Wichtigkeit. Instabile Kapitalmärkte, sowie Unsicherheiten auf Grund des Kriegs in der Ukraine können die Finanzierungsmöglichkeiten der Gruppe beeinträchtigen. Durch transparente und verlässliche Informationen soll den Anleger:innen eine fundierte Entscheidungsgrundlage geboten und das Vertrauen des Kapitalmarkts in die von der S IMMO AG 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.

Immobilienportfoliorisiko

Mit einem ausgewogenen Portfoliomix begegnet die S IMMO dem Immobilienportfoliorisiko. Im Portfolio befinden sich Büros, Geschäfte, Wohnimmobilien und Hotels. Geografisch verteilen sich die Objekte auf die Regionen Deutschland, Österreich und CEE. Dabei konzentriert sich die Gruppe auf Haupt- und Großstädte innerhalb der Europäischen Union. Der Wert einer Immobilie hängt zu einem beträchtlichen Teil von ihrem Standort und der beabsichtigten Nutzung ab. Die Attraktivität des Standorts oder die mögliche Nutzung der Objekte können daher die finan-

zielle Lage der S IMMO erheblich beeinflussen. Generell können durch die Streuung innerhalb des Portfolios Risiken in einem Markt durch positive Entwicklungen in einem anderen Markt abgefedert werden.

Alle Märkte der S IMMO waren und sind von der COVID-19-Krise betroffen. Unterschiedliche Ausprägungen gibt es allerdings je nach Nutzungsart. Die lokalen Regierungen haben – auch in Abhängigkeit ihrer finanziellen Möglichkeiten – verschiedene Maßnahmenpakete zur Stützung der jeweiligen Wirtschaft geschnürt. Die negativen Auswirkungen der COVID-19-Krise konnten dank des diversifizierten Immobilienportfolios reduziert werden. Die Nutzungsart Hotel wurde am stärksten getroffen, teilweise war auch der Einzelhandel von den angeordneten Schließungen beeinträchtigt. Das Bürosegment blieb von der Krise bislang unberührt und die Assetklasse Wohnen profitiert teilweise sogar von der aktuellen Situation.

Vermietungs- und Mietausfallrisiko

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, Mietsenkungen 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.

Auch im Bereich dieser Risiken hat die COVID-19-Krise Auswirkungen, wenn auch regional unterschiedlich und abhängig von den Maßnahmen der lokalen Regierungen. In Österreich beispielsweise musste der Handel während der Lockdowns schließen, erhielt aber teilweise staatliche Unterstützung als Kompensation. Bis jetzt haben sich die unterschiedlichen Schlie-

ßungs- und Einschränkungsmaßnahmen hauptsächlich auf den Hotelbetrieb und auf Erdgeschossflächen in den Gebäuden (wie zum Beispiel Restaurants, Kantinen und Fitnesscenter) ausgewirkt, die auf Grund der umfassenden Homeoffice-Regelungen zum Teil drastische Umsatzeinbußen hinnehmen mussten. Das Bürosegment zeigt sich bis dato sehr stabil.

Trotz der aktuell herausfordernden Situation – gerade die Vermietungsleistung ist stark von Besichtigungsmöglichkeiten abhängig – ist es der S IMMO gelungen, Mietverträge unter Nutzung diverser digitaler und virtueller Kanäle abzuschließen.

Immobilienentwicklungsrisiko

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.

Die COVID-19-Pandemie hat auch Einfluss auf Entwicklungsrisiken. Bei Entwicklungsprojekten ist mit Zeitverzögerungen im Genehmigungs- und Bauablauf zu rechnen. Das ist die Folge beispielsweise von infizierten Mitarbeiter:innen in Ämtern oder von diversen Schutzmaßnahmen, die den Baufortschritt verlangsamen können. Bis dato waren die Projekte der S IMMO nur in sehr begrenztem Ausmaß von solchen Verzögerungen betroffen.

Bautechnisches Risiko

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, gröbere negative Auswirkungen zu vermeiden.

Immobilienbewertungsrisiko

Die Immobilienbewertung hängt von verschiedenen makroökonomischen Gegebenheiten – außerhalb des Einflussbereichs der Gruppe – und immobilienpezifischen Faktoren ab. Das Immobilienbewertungsrisiko beschreibt in diesem Zusammen-

hang das Risiko von negativen Wertschwankungen des Immobilienportfolios. Neben den erwarteten Mieteinnahmen, dem Zustand des Objekts und dem Vermietungsgrad können Immobiliensachverständige auch andere Faktoren wie beispielsweise Steuern auf Grund und Boden, Betriebskosten, Ansprüche Dritter auf Basis von Umweltrisiken oder mit bestimmten Baumaterialien verbundene Risiken berücksichtigen. Wertänderungen von Immobilien können u. a. zu Abschreibungen von Vermögensgegenständen und damit zu einer Verschlechterung der Eigenkapitalposition der Gesellschaft führen.

Die COVID-19-Pandemie hatte bis jetzt nur einen geringen Einfluss auf die Immobilienwerte der Gesellschaft. Die Einschätzung der Wohn- und Büroimmobilien ist gut bzw. solide, daher unterliegen die Renditen kaum Aufwärtsschwankungen. Investitionen in Wohnimmobilien werden als sicher empfunden, weshalb in diesem Bereich die Renditen sogar sinken. Auch im Segment Handel zeigen die Immobilien bislang stabile Renditen, da mittelfristig mit einem Aufholeffekt der Branche zu rechnen ist. Die Werte von Hotelimmobilien haben sich auf Grund der verminderten Reisetätigkeit reduziert. Negative Auswirkungen auf das Portfolio der S IMMO halten sich aber bis jetzt auf Grund der Diversifizierung des Portfolios in Grenzen.

Finanzielle Risiken

Die Steuerung von finanziellen Risiken beinhaltet für die S IMMO Gruppe vor allem die Berücksichtigung von Liquiditäts-, Zinsänderungs-, Finanzierungs- und Währungsrisiken.

Liquiditätsrisiko

Zur Sicherstellung der Liquidität werden die Zahlungsströme der S IMMO Gruppe von der Finanzierungsabteilung auf Basis einer kontinuierlichen Liquiditätsplanung in Zusammenarbeit mit den Bereichen Projektentwicklung, Asset Management und Akquisition koordiniert, auf Plausibilität geprüft und angepasst. 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. 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 Kreditvergaben sowie reduzierter Beleihungshöhen kann es zu Schwierigkeiten bei Refinanzierungen kommen. Die S IMMO kann davon trotz überwiegend langfristiger abgeschlossener Kreditverträge hauptsächlich bei Kreditverlän-

gerungen 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 oder 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 deren Bonität beeinträchtigen.

Zinsänderungsrisiko

Der weitaus überwiegende Teil der Finanzierungsverträge der S IMMO Gruppe sieht einen variablen Zinssatz basierend auf dem 3-Monats-EURIBOR als Referenz-Zinssatz vor, wodurch das Risiko eines sich ändernden Zinsniveaus besteht. Die Kosten des Zinsendienstes erhöhen sich bei Anstieg des jeweiligen Referenz-Zinssatzes. Der Leitzins der EZB ist bereits seit mehreren Jahren auf negativem Niveau. Seit Ende 2021 konnte jedoch ein Anstieg der langfristigen Zinssätze beobachtet werden. Derzeit ist unklar, ob und wann die Europäische Zentralbank den Leitzins anheben wird. Kurz- bis mittelfristig weisen die Prognosen weiterhin auf einen negativen 3-Monats-Euribor hin. Das Zinsänderungsrisiko reduziert die S IMMO Gruppe langfristig durch Zinsabsicherungen ihrer variabel verzinsten Kredite. Per 31.12.2021 waren 11 % (31.12.2020: 15 %) der konzernweiten Kreditverbindlichkeiten fix und 89 % (31.12.2020: 85 %) der Kreditverbindlichkeiten – fast ausschließlich an den 3-Monats-EURIBOR gebunden – variabel verzinst. Zur Absicherung variabel verzinsten Kredite verwendet die S IMMO Zinsswaps und Zinscaps. Per Jahresende war das gesamte variabel verzinsten Finanzierungsportfolio abgesichert. Das Ausmaß, in dem sich die Gruppe derartiger Instrumente bedient, hängt von den Annahmen und Markterwartungen des Managements und der zuständigen Mitarbeiter:innen der S IMMO 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. Stresstests, welche die bestehenden Anleihen inkludieren zeigen, dass die S IMMO Gruppe an Änderungen des Zinsniveaus in einem geringen Ausmaß partizipiert.

Finanzierungsrisiko

Die Marktbedingungen für Liegenschafts- oder Bestandsfinanzierungen ändern sich immer wieder. Dennoch konnte die S IMMO trotz der COVID-19-Krise bislang keine nachhaltigen

Änderungen oder Verschlechterungen bei der Finanzierungsbereitschaft der Banken beobachten. Immobilien, die auf Grund ihrer Assetklasse, Lage oder Mieter:innen wenig oder zumindest nicht nachhaltig von der COVID-19-Krise betroffen sind, wie z. B. Wohn-, Büro- oder auch Retailimmobilien, können nach wie vor zu gleichen oder ähnlichen Konditionen wie vor Beginn der Krise finanziert werden. 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 31.12.2021 waren es 23 Einzelbanken) zu reduzieren. Eine Kontrolle der Kreditaufnahmen erfolgt durch Genehmigungen nach gestaffelten Beträgen durch den Vorstand und den Aufsichtsrat. Per 31.12.2021 hatten die langfristigen Bankverbindlichkeiten eine durchschnittlich gewichtete Restlaufzeit von 5,2 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 31.12.2021 lag die Loan-to-Value-Ratio für besicherte Finanzierungen konzernweit bei 30,7 % (31.12.2020: 31,3 %). Darüber hinaus verfügt die Gruppe über unbesicherte Finanzierungen (ausgenutzte Kreditlinien und Anleiheverbindlichkeiten). Die konzernweite Loan-to-Value-Ratio für unbesicherte Finanzierungen betrug 9,8 % (31.12.2020: 15,5 %) des Immobilienvermögens. Trotz genauen Monitorings der Finanzierungsinstrumente und der relevanten Parameter kann bei ent-

sprechend negativer Entwicklung der Konjunktur und des Finanzierungsumfelds nicht ausgeschlossen werden, dass die S IMMO mit Risiken im Bereich der Refinanzierung konfrontiert wird.

Fremdwährungsrisiko

Kreditfinanzierungen der S IMMO Gruppe sind 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.

Steuerliche Risiken

Als international tätiger Immobilienkonzern mit Gesellschaften in derzeit acht 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.

ESG-Risiken

Die Steuerung von ESG-Risiken umfasst für die S IMMO unterschiedliche Risiken der ESG-Kriterien Umwelt, Soziales und Unternehmensführung. Rechtliche und regulatorische Vorgaben wie beispielsweise das Nachhaltigkeits- und Diversitätsverbesserungsgesetz (NaDiVeG) und die EU-Taxonomie-Verordnung erfordern dabei eine Auseinandersetzung mit konkreten Nachhaltigkeitsrisiken u. a. in den Bereichen Klimawandel, Arbeitnehmer:innen, Achtung der Menschenrechte und Bekämpfung von Korruption und Bestechung. Im folgenden Teil des Risikoberichts werden wesentliche Risiken im Zusammenhang mit den im nichtfinanziellen Bericht genannten Themen sowie Maßnahmen zur Identifikation, Bewertung, Vermeidung und Begrenzung dieser Risiken beschrieben.

Umwelt- und Klimarisiken

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. Letztere sind in physische und transitorische Risiken zu

unterscheiden. Die in diesem Abschnitt folgenden Angaben zum Klimarisikomanagement erfolgen in Anlehnung an die Empfehlungen der Task Force on Climate-Related Financial Disclosures (TCFD). Die strategische Überwachung der Umwelt- und Klimarisiken und die Verfolgung möglicher Chancen obliegen dem ESG-verantwortlichen Vorstandsmitglied sowie dem ESG-Ausschuss des Aufsichtsrats. Die operative Bewertung und Steuerung ist gemeinsame Aufgabe der Abteilungen Risk Management, Portfolio Management und Sustainability Management, welche zu diesen Themen in einem direkten und aktiven Austausch stehen.

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. Mehrere stärkere Erdbeben in Kroatien im Jahr 2020, bei denen S IMMO Immobilien nur in kleinerem Ausmaß betroffen waren, bestätigte die Entscheidung für diesen Maßnahmenmix. Reparaturen an den Gebäuden, die auf Grund von Erdbebenschäden notwendig waren, wurden von der Versicherung gedeckt.

Bei Bautätigkeiten geht ein potenzielles Risiko von den verwendeten Materialien 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. Ein beträchtlicher Teil des Immobilienportfolios wurde bereits mit Green-Building-Zertifikaten ausgezeichnet, welche auch eine Reduktion von gefährlichen Stoffen bedingen. Die S IMMO ist bestrebt, den Anteil zertifizierter Immobilien weiter zu erhöhen. Zusätzlich ergeben sich auf Grund von 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.

Vor dem Hintergrund einer angenommenen Erderwärmung von zwei Grad Celsius, dem sogenannten „2-Grad-Szenario“, sieht sich das Unternehmen nach Einschätzung von internen Expert:innen mit einer Reihe möglicher Klimarisiken konfrontiert, wobei einige dieser Risiken bereits zum jetzigen Zeitpunkt bedeutsam sind und sich ihr Wirkungsgrad mit Fortschreiten der Erderwärmung weiter erhöhen wird.

Im Bereich der akuten physischen Risiken werden Hitzewellen und starke Niederschläge als wesentlich eigenstuft, da davon auszugehen ist, dass diese zunehmend häufiger und heftiger auftreten werden als in der Vergangenheit. Darüber hinaus bergen Hochwasser und Hagel ein direktes Gefahrenpotenzial für Immobilienschäden und die daraus resultierende zeitweise eingeschränkte Nutzbarkeit der Gebäude. Ein ähnliches Bild zeigt sich bei den chronischen physischen Risiken: generelle Temperaturänderungen, Hitzestress und veränderte Niederschlagsmuster verankern die akuten Risiken auch langfristig. Um den Einfluss dieser Risiken zu minimieren, führt die S IMMO bei Akquisitionen und Investitionen genaue Standortanalysen durch und holt gegebenenfalls Garantieerklärungen ein.

Des Weiteren ergeben sich durch den Umgang von Wirtschaft, Politik und Gesellschaft mit dem Klimawandel transitorische Risiken 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. Gleichzeitig werden dadurch erhebliche Marktrisiken gesenkt, 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.

Klimarisiken wirken nicht nur durch den Klimawandel auf das Unternehmen, sondern umgekehrt besteht 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. Ein kürzlich eingeführtes portfolioweites und objektbezogenes Monitoring soll dazu dienen, auf Basis vollständiger und detaillierter Daten gezielt mögliche Optimierungen zu identifizieren und zu realisieren. Parallel dazu wird bei laufenden und zukünftigen Projekten auf eine energieeffiziente Bauweise sowie auf den Einsatz qualitativ hochwertiger und ökologisch verträglicher Materialien geachtet.

Neben den Risiken bietet der Klimawandel auch Chancen für die S IMMO, beispielsweise durch das 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. 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.

Die Klimarisiken werden abteilungsübergreifend durch Risk Management, Portfolio Management und Sustainability Management identifiziert, bewertet und gesteuert, wobei eine Ausweitung der Bewertung, beispielsweise unter Einbeziehung wissenschaftlicher Szenarien und einer höheren geografischen Granularität, angedacht ist. Zum Zeitpunkt der Berichterstattung ist das Klimarisikomanagement integraler Bestandteil des konzernweiten Risikomanagements und die Treibhausgasemissionen des Unternehmens werden entsprechend der Einteilung in die drei Scopes des Greenhouse Gas Protocol (direkt, indirekte und sonstige indirekte Emissionen) erfasst. Weitere Kennzahlen und Ziele sind in Ausarbeitung.

Soziale Risiken

Die S IMMO hat sich im höchsten Maße der Einhaltung aller Menschenrechte verschrieben. Neben der Gesundheit und Sicherheit am Arbeitsplatz und dem Recht auf faire Bezahlung und einem verantwortungsvollen Umgang mit Mitarbeiter:innen betrifft dies im Kontext der Gruppe vor allem den Schutz von Minderjährigen, das Verbot von Kinderarbeit, das Recht auf Chancengleichheit und Gleichbehandlung sowie das Verbot von Diskriminierung.

Alle Aktivitäten der S IMMO erfolgen im Einklang mit der Allgemeinen Erklärung der Menschenrechte, den UNO-Leitprinzipien für Wirtschaft und Menschenrechte, den acht Kernkonventionen der Internationalen Arbeitsorganisation (ILO) und den OECD-Leitsätzen für multinationale Unternehmen. Hierfür wurde eine zentrale und vertrauliche Anlaufstelle für die Meldung von vermuteten Menschenrechtsverstößen eingerichtet und verpflichtende Schulungen zu diesem Thema werden im kommenden Kalenderjahr die etablierten Kontrollmechanismen der Risikominimierung erweitern.

Im Zuge der Unternehmenstätigkeiten kann es in Einzelfällen zu Diskriminierungsvorfällen, sexuellen Belästigungen, kurzfristigen Unterschreitungen des angemessenen Lohnniveaus oder dem Aussetzen erhöhter körperlicher Risiken kommen. Um die-

sen und weiteren Risiken entgegenzuwirken, hat das Unternehmen eine umfassende Menschenrechtspolitik entwickelt, welche unter www.simmoag.at/csr abrufbar ist.

Das Unternehmen beschäftigt sich laufend mit den Herausforderungen und möglichen Risiken, die sich im Zusammenhang mit seinen Mitarbeiter:innen ergeben können. So ist es für die S IMMO selbstverständlich, mögliche negative Auswirkungen auf die Gesundheit auf ein Mindestmaß zu reduzieren. Ein aktueller Fokus hinsichtlich des Schutzes der Mitarbeiter:innen der S IMMO ist der Umgang mit der COVID-19-Pandemie. Eine interne COVID-19-Arbeitsgruppe passt die Schutzmaßnahmen je nach Begebenheit im Büro an. Ziel der Maßnahmen ist zum einen der Schutz aller Mitarbeiter:innen vor einer Infektion, zum anderen die Erhaltung der Betriebsfähigkeit des Unternehmens. Ansteckungen innerhalb des Unternehmens könnten im schlimmsten Fall die Aufrechterhaltung diverser Geschäftstätigkeiten negativ beeinflussen. Durch Maßnahmen wie beispielsweise eine betriebliche Impfaktion, Reduktion von Anwesenheitszeiten im Büro durch Homeoffice, Schaffung von Einzelbüros, Möglichkeit regelmäßiger PCR-Tests und Maskenregelungen wurde das Ansteckungsrisiko im Jahr 2021 aktiv minimiert.

Der Umstieg auf Homeoffice minimiert zwar das Ansteckungsrisiko, birgt aber im Gegenzug Risiken hinsichtlich der körperlichen und mentalen Gesundheit. Ein nicht ergonomisch angepasster Arbeitsplatz kann körperliche Schmerzen verursachen, auf psychischer Ebene fällt die Trennung zwischen Beruf und Privatleben möglicherweise schwer. Die S IMMO ist bemüht, mit allen Arbeitnehmer:innen gegebenenfalls auch individuelle Lösungen zu finden, etwaige Betreuungspflichten bestmöglich zu berücksichtigen und auch in diesem Kontext auf eine ausgeglichene Work-Life-Balance zu achten.

Ein weiteres Risiko in Bezug auf das Personal besteht in der Fluktuation. Die S IMMO ist schlank aufgestellt und pflegt flache Strukturen. Der Abgang von Führungs- und Fachkräften könnte somit negative Auswirkungen auf die Unternehmensentwicklung haben, da das Know-how guter Mitarbeiter:innen kurzfristig kaum bzw. nur schwer kompensiert werden kann. Die Gesellschaft bemüht sich daher als Arbeitgeberin langfristig attraktiv zu sein und bietet seinen Mitarbeiter:innen auch individuelle Lösungen an, um den Arbeitsalltag zu erleichtern.

Darüber hinaus ergeben sich aus Bautätigkeiten wie Umbauten, Instandhaltungs- und Sanierungsmaßnahmen potenzielle Risiken für die Arbeitssicherheit, die sich jedoch bei der S IMMO AG auf allgemeine Bauherrenaufgaben beschränkt. Mangelnde Qualität und Nichteinhaltung der Sicherheitsvorschriften bei Auftragnehmer:innen können die Sicherheit und Gesundheit der Arbeiter:innen gefährden. Die Bautätigkeiten waren im Jahr 2021 nur in geringem Ausmaß von der Pandemie beeinflusst und konnten weitgehend planmäßig umgesetzt werden. Über

die allgemeinen Bauherrenaufgaben hinaus wird die Einhaltung der Arbeitssicherheit bei den beauftragten Unternehmen gesondert überprüft.

Während der Gebäudenutzung in der Vermietungsphase kann es zu Personenschäden bei Mieter:innen, Besucher:innen und Passant:innen kommen, sollte die S IMMO als Eigentümerin ihren Sorgfalts- und Wartungspflichten nicht ausreichend nachkommen. Zu jedem Zeitpunkt wird deshalb sichergestellt, dass allen Verantwortungen durch entsprechende personelle und physische Vorkehrungen an den Immobilien Rechnung getragen wird. Zusätzlich besteht das Risiko eines Imageschadens als Vermieterin, sollten Mieter:innen die S IMMO auf Grund umstrittener Handlungen breitenwirksam in Verruf bringen.

Trotz aller Sorgfalt sowie systemischen und prozessualen 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 Infrastruktur und Prozesse, um die Anzahl der Verletzungen und in Folge Forderungen zu minimieren und diese gegebenenfalls zeitgerecht zu erfüllen. Eine eigene abteilungsübergreifende Arbeitsgruppe setzt sich mehrmals jährlich mit aktuellen Entwicklungen und Fragestellungen, rund um die Themen Datensicherheit und -schutz auseinander.

Governance-Risiken

Grundwerte wie Transparenz sowie faire und nachhaltige Unternehmensführung sind tief in der Unternehmensstruktur der S IMMO verankert. Die S IMMO bekennt sich seit 2007 zur Einhaltung des Österreichischen Corporate Governance Kodex.

Der Verhaltenskodex des Unternehmens verpflichtet Organe und Mitarbeiter:innen zu einem Verhalten, das höchsten ethischen Standards entspricht. Mitarbeiter:innen, die Kenntnis von einem nachweislichen oder möglichen Verstoß gegen den Verhaltenskodex erlangen, haben diesen unverzüglich entweder dem Compliance Officer der S IMMO AG zu melden oder eine entsprechende Meldung anonym über das auf der Website der Gesellschaft öffentlich zugängliche Hinweisgebersystem abzugeben.

Im täglichen Wirtschaften ist das Risiko von Korruptionsfällen stets gegeben. Die S IMMO ist unter anderem in Ländern mit einem schlechten 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 Be-

stechung, 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 zukünftig jährlich verpflichtende Schulungen abgehalten.

Bei der Auswahl ihrer Geschäftspartner:innen und Lieferant:innen nimmt die S IMMO ihre Verantwortung innerhalb der Lieferketten wahr und legt großen Wert auf die vertraglichen Rahmenbedingungen und Regelungen. Die Einhaltung der hohen gesetzlichen Standards und Bestimmungen innerhalb der Europäischen Union stellt dabei das Mindestmaß dar. 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.

Ein wesentlicher Risikobereich gerade im Licht einer erheblich zunehmenden Digitalisierung von Unternehmensabläufen ist die IT-Sicherheit. Unter IT-Risiken versteht die S IMMO die Gefahr, dass bestimmte Schwachstellen in den Systemen, Komponenten, Kommunikationsnetzen oder der Software auftreten und in weiterer Folge das Unternehmen oder Personen daran hindern, ihre Aufgaben oder Prozesse zeitgerecht und erfolgreich umzusetzen. Die IT-Risiken stehen in unmittelbarem Zusammenhang mit der Sicherheit der IT-Systeme. Zu den Risikoquellen gehören beispielsweise Viren, kurz- oder langfristige Cyberattacken (inklusive Verlust von Kundendaten) auf einzelne Systeme oder das gesamte Netzwerk, Diebstahl der Hardware, Brände in Rechenzentren, Stromausfälle oder Serverplatten-crashes. Das IT-Risikomanagement der S IMMO ist darauf ausgelegt, mögliche IT-Risiken frühzeitig zu erkennen, notwendige Gegenmaßnahmen zu setzen und mögliche Gefahren zu minimieren. Zu den gesetzten Maßnahmen zählen unter anderem die Installation sicherheitsrelevanter Updates auf allen Servern und Clients, regelmäßige Vulnerability Scans der Server, Einsatz aktueller Anti-Virus-Software, das Hosten von Servern im ausfallsicheren Rechenzentrum des IT-Dienstleisters, der Einsatz von BIOS-Kennwörtern, die Verschlüsselung der Festplatten der Mitarbeiter:innen, der Einsatz von standardmäßig verschlüsselten Diensthandy's und aktiven Websitefiltern, die Überwachung von Firewalls etc. Zusätzlich wird eine Cyber-KI-Sicherheitslösung eingesetzt. Außerdem wurden Sensoren der Cyber-KI-Sicherheitslösung auf allen Clients installiert. Dadurch wird die IT-Infrastruktur rund um die Uhr überwacht und im Falle einer Cyberattacke wird das Unternehmen durch ein eigenes Sicherheitsteam informiert. Für 2022 ist ein IT-Security-PEN-Test sowie die Einführung einer regelmäßigen IT-Security-Schulung über das neue Schulungsportal der S IMMO geplant. Trotz größter Sorg-

falt und Einsatzes der neuesten Technologie im Bereich der IT-Sicherheit kann ein Ausfall der IT bzw. ein Cyberangriff auf die Systeme der S IMMO nicht ausgeschlossen werden.

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. Da der Ausgang (schieds-)gerichtlicher Verfahren in der Regel schwer vorhersehbar ist, können über allenfalls dotierte 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. Auch im Rahmen der COVID-19-Krise kann die klare Auslegung von Rechtsnormen und Vertragsbestimmungen auf Grund der außergewöhnlichen Sach- und der Rechtslage schwierig sein, was zu weiteren Rechtsstreitigkeiten oder zur Notwendigkeit erhöhter Vergleichsbereitschaft führen kann.

Am 16.3.2021 wurde die Gesellschaft von der Übernahmekommission darüber informiert, dass der 2. Senat der Übernahmekommission gem. § 33 Abs 1 Z 2 ÜbG auf Antrag eines Aktionärs ein Nachprüfungsverfahren in Bezug auf die Zielgesellschaft IMMOFINANZ AG eröffnet hat und prüft, ob verschiedene Rechtsträger, darunter auch die S IMMO AG und ihre Tochtergesellschaft CEE Immobilien GmbH, eine Angebotspflicht auf Ebene der IMMOFINANZ AG verletzt haben. Da der S IMMO AG keine konkreten Informationen zu den erhobenen Vorwürfen vorliegen, kann die Gesellschaft derzeit nicht abschätzen, ob und inwieweit das Verfahren die S IMMO AG auch tatsächlich materiell betrifft.

Die Gruppe operiert in einem regulatorischen Umfeld, dessen Vorschriften – insbesondere des Marktmissbrauchs-, Datenschutz- und Kartellrechts – mit sehr hohen Strafdrohungen anwendbar sind und 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.

Gesamtaussage zu Risiken

Die Geschäftstätigkeit der S IMMO AG unterliegt einer Vielzahl von Risiken und ist stark von der Konjunktur in den bearbeiteten Märkten abhängig. Grundsätzlich erlebte die Europäische Union 2021 ein starkes Wachstum im Vergleich zum Vorjahr. Gegen Jahresende gab es im Vergleich zum Vorquartal bedingt durch die Omikron-Infektionswelle allerdings eine erneute Abschwächung. Viele Expert:innen gehen davon aus, dass die milderen Krankheitsverläufe der neuen Mutation und die steigende Durchimpfung der Bevölkerung zu einem Ende der Pandemie führen könnten.

Auch die Auswirkungen der zuletzt beobachteten ansteigenden Inflationsraten auf die Geschäftstätigkeit der S IMMO sind derzeit nicht final abschätzbar. Zum einen sind Prognosen zu Dauer und Ausmaß – speziell im Verbund mit dem Krieg in der Ukraine – derzeit mit erheblichen Unsicherheiten behaftet, zum anderen ist noch völlig unklar, welche Maßnahmen Notenbanken und Politik in diesem Zusammenhang setzen werden. Da sich zumindest mittelbare Auswirkungen auf nahezu alle Risikokategorien ergeben können, überwacht S IMMO sämtliche Risikokategorien auch im Hinblick auf unterschiedliche Inflationsentwicklungen.

Der Krieg in der Ukraine mit seinen negativen wirtschaftlichen Folgen für die Europäische Union stellt ebenfalls einen großen Unsicherheitsfaktor dar. Es wird befürchtet, dass es zu einer weiteren Steigerung der Energiepreise und zu negativen Auswirkungen auf die Beschaffungs- und Lieferprozesse und somit auf die Einkaufspreise kommen wird. Zuverlässige Prognosen sind kaum möglich, was auch eine kurz- und mittelfristige Planung herausfordernd macht. Erschwerend kommt dazu, dass die Unsicherheiten außerhalb des Einflussbereichs des Unternehmens liegen.

Die vergangenen Monate haben grundsätzlich gezeigt, dass sich das nach Regionen und Nutzungsarten diversifizierte Portfolio der S IMMO AG auch in der laufenden Krise bislang bewährt hat. Dennoch können negative Auswirkungen auf das Konsumverhalten – bedingt durch lokale COVID-Maßnahmen in den von der S IMMO bearbeiteten Märkten – und somit auf die Umsätze der Mieter:innen der S IMMO nicht ausgeschlossen werden. In weiterer Folge könnte dies Mieteinnahmen negativ beeinflussen. Negative Auswirkungen könnten ebenfalls beim Bewertungs-, Vermietungs- oder Immobilienportfoliorisiko auftreten. Volkswirtschaftliche Entwicklungen beeinflussen auch immer die Kapitalmärkte. Schwankungen auf den Börsen haben in weiterer Folge sowohl Einfluss auf die Marktkapitalisierung der S IMMO AG als auch auf die Bewertung ihrer Investments.

Eine weitere Risikogruppe betrifft die Liquidität und die Finanzierungssituation im Unternehmen. Die S IMMO AG ist finanziell gut aufgestellt. Erfreulicherweise konnten trotz der COVID-19-Krise keine nachhaltigen Änderungen oder Verschlechterungen bei der Finanzierungsbereitschaft der Banken beobachtet werden.

Das Unternehmen begegnet allen Risiken mit sorgfältigem Risikomonitoring und verantwortungsvoller Risikopolitik. Allerdings kann das Eintreten von Risiken nicht vollständig ausgeschlossen werden. Für potenzielle Risiken wird bilanzielle Vorsorge getroffen.

Das Management geht grundsätzlich in den kommenden Monaten von einer weiteren Erholung in allen Nutzungsarten und

Regionen aus. Der Fokus liegt auf dem Kerngeschäft der Gesellschaft. Aktuell profitiert das Unternehmen vom attraktiven Preisniveau bei Wohnimmobilien in größeren deutschen Städten. Großes Wertsteigerungspotenzial sieht das Unternehmen auch bei den zugekauften Grundstücken im Berliner Umland. Darüber hinaus werden laufend Akquisitionsmöglichkeiten in der CEE-Region geprüft.

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:

| | | 2021 | 2020 |
|-------------------|------|--------|-------|
| Eigenkapitalquote | % | 32,2% | 41,8% |
| Betriebsergebnis | TEUR | -5.495 | 1.470 |

Diese Finanzkennzahlen werden zur Steuerung des operativen Geschäfts durch mehrere nichtfinanzielle Leistungsindikatoren (Leerstandsquote, Portfoliostreuung, Standortqualität) ergänzt.

Der Netto-Geldfluss aus laufender Geschäftstätigkeit beträgt für 2021 27.232 TEUR (2020: TEUR 46.066). Der Cashflow aus der Investitionstätigkeit beträgt TEUR -51.840 (2020: TEUR -162.483), der Cashflow aus der Finanzierungstätigkeit beträgt TEUR +332.589 (2020: TEUR +86.493). Der Cashflow aus der Investitionstätigkeit ist im Wesentlichen von an Tochterunternehmen gegebenen Zuschüssen und Ausleihungen geprägt. Der Cashflow aus der Finanzierungstätigkeit ist u.a. aufgrund einer Anleiheemission gestiegen. Insgesamt betrug der Finanzmittelbestand am Ende der Periode TEUR 354.084 (2019 TEUR 46.102) beträgt.

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 Aktiegattungen.

2. Die Satzung der S IMMO AG beschränkt das Stimmrecht jedes Aktionärs und jeder Aktionärin in der Hauptversammlung mit 15 % der ausgegebenen Aktien (Höchststimmrecht). Hierbei sind die Aktien von Unternehmen, die miteinander einen Konzern im Sinne des § 15 Aktiengesetz (AktG) bilden, zusammenzurechnen, ebenso die Aktien, die von Dritten für Rechnung des betreffenden Aktionärs und der betreffenden Aktionärin oder eines mit ihm oder mit ihr konzernmäßig verbundenen Unternehmens gehalten werden. Zusammenzurechnen sind weiters Aktienbestände von Aktionär:innen, die bei der Ausübung der Stimmrechte auf Grund eines Vertrags oder auf Grund abgestimmten Verhaltens gemeinsam vorgehen. 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:

Am 04.03.2022 teilte die CPI Property Group S.A. mit, dass sie 42,55 % der von der Gesellschaft ausgegebenen Aktien (26,49 % über IMMOFINANZ AG) an der S IMMO hält.

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, die im Besitz von Aktien sind, üben bei der Hauptversammlung ihr Stimmrecht gegebenenfalls unmittelbar aus.

6. Der Vorstand besteht aus zwei, drei oder vier Mitgliedern. Die Mitglieder des Vorstands werden vom Aufsichtsrat mit Drei-

viertelmehrheit der abgegebenen Stimmen bestellt. Der Aufsichtsrat kann dabei auch ein Mitglied des Vorstands zum Vorsitzenden und eines zum Stellvertreter oder zur Stellvertreterin des Vorsitzenden bestimmen. Auch dieser Beschluss bedarf einer Dreiviertelmehrheit der abgegebenen Stimmen. Eine Bestellung zum Vorstand ist letztmalig vor Erreichen des 65. Lebensjahres möglich. Der Aufsichtsrat besteht aus höchstens zehn von der Hauptversammlung gewählten Mitgliedern. Beschlüsse über ordentliche Kapitalerhöhungen beschließt die Hauptversammlung mit einfacher 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 31. ordentlichen Hauptversammlung vom 12.10.2020 wurde dem Vorstand die Ermächtigung erteilt, nach den Bestimmungen des § 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 12.04.2023, mit Zustimmung des Aufsichtsrats eigene Aktien der Gesellschaft im gesetzlich zu-

lässigen Höchstausmaß von bis zu 10 % des Grundkapitals der Gesellschaft auch wiederholt zu erwerben und gegebenenfalls einzuziehen. Zum 31.12.2021 hielt die Gesellschaft 3.084.797 eigene Aktien, was rund 4,2 % des derzeitigen Grundkapitals entspricht. Der Vorstand wurde auch ermächtigt, für die Dauer von fünf Jahren ab Beschlussfassung, somit bis 12.10.2025, 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 des 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 Grund-

kapitals 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 (Volumen rund EUR 34 Mio.), die im April 2015 begebene 3,25 % S IMMO Anleihe 2015–2027 (Volumen EUR 65 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 (Volumen EUR 150 Mio.) sowie der im Jänner 2022 begebene 1,25 % S IMMO Green Bond 2022–2027 (Volumen EUR 50 Mio.) enthalten sogenannte Change-of-Control-Klauseln. Gemäß den Bedingungen der 2014 und 2015 begebenen Anleihen sowie der 2021 und 2022 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 und 2022 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 österrei-

chischen Übernahmegesetzes, wodurch ein Pflichtangebot ausgelöst wird, erwerben.

9. Es bestehen keine Entschädigungsvereinbarungen zwischen der Gesellschaft und ihren Vorstands- und Aufsichtsratsmitgliedern oder Arbeitnehmer:innen für den Fall eines öffentlichen Übernahmeangebots.

Wien, am 14. April 2022

Der Vorstand:



Dr. Bruno Ettenauer



DI Herwig Teufelsdorfer



Mag. Friedrich Wachernig

Bilanz zum 31. Dezember 2021

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

| | 31.12.2021 EUR | 31.12.2020 TEUR |
|--|-------------------------|--------------------|
| AKTIVA | | |
| A. Anlagevermögen | | |
| I. Immaterielle Vermögensgegenstände | | |
| 1. gewerbliche Schutzrechte und ähnliche Rechte und Vorteile und Software | 85.040,15 | 123 |
| II. Sachanlagen | | |
| 1. Grundstücke und Bauten | 126.904.329,51 | 130.993 |
| davon Grundwert | 45.527.348,77 | 45.527 |
| 2. andere Anlagen, Betriebs- und Geschäftsausstattung | 363.399,61 | 228 |
| 3. Anlagen in Bau | 2.125.973,94 | 207 |
| | 129.393.703,06 | 131.428 |
| III. Finanzanlagen | | |
| 1. Anteile an verbundenen Unternehmen | 1.253.313.174,92 | 1.203.313 |
| davon Verschmelzungsmehrwert | 369.528,03 | 370 |
| 2. Beteiligungen | 3.054.017,60 | 2.904 |
| | 1.256.367.192,52 | 1.206.217 |
| | 1.385.845.935,73 | 1.337.768 |
| B. Umlaufvermögen | | |
| I. Forderungen und sonstige Vermögensgegenstände | | |
| 1. Forderungen aus Lieferungen und Leistungen | 263.625,28 | 490 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 39.140,87 | 62 |
| 2. Forderungen gegenüber verbundenen Unternehmen | 34.752.339,89 | 13.376 |
| 3. Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht | 1.774.261,35 | 1.652 |
| 4. sonstige Forderungen und Vermögensgegenstände | 19.743.177,64 | 6.942 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 186.652,00 | 24 |
| | 56.533.404,16 | 22.460 |
| II. Kassenbestand, Guthaben bei Kreditinstituten | 354.083.967,64 | 46.102 |
| | 410.617.371,80 | 68.562 |
| C. Rechnungsabgrenzungsposten | 586.476,54 | 410 |
| D. Aktive latente Steuern | 2.717.916,00 | 5.050 |
| Summe Aktiva | 1.799.767.700,07 | 1.411.790 |

| | 31.12.2021 EUR | 31.12.2020 TEUR |
|---|-------------------------|--------------------|
| PASSIVA | | |
| A. Eigenkapital | | |
| I. eingefordertes Grundkapital | 256.249.313,72 | 259.398 |
| übernommenes Grundkapital | 267.457.923,62 | 267.458 |
| Nennbetrag eigener Anteile | -11.208.609,90 | -8.060 |
| einbezahltes Grundkapital | 256.249.313,72 | 259.398 |
| 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 | 11.208.609,90 | 8.060 |
| 2. andere Rücklagen (freie Rücklagen) | 44.131.907,54 | 60.510 |
| davon ausschüttungsgesperrt | 2.717.916,00 | 5.050 |
| | 55.340.517,44 | 68.570 |
| IV. Bilanzgewinn | 66.211.865,81 | 60.000 |
| davon Gewinnvortrag | 24.670.540,00 | 26.112 |
| | 580.321.892,52 | 590.488 |
| B. Rückstellungen | | |
| 1. Rückstellungen für Abfertigungen | 181.996,97 | 153 |
| 2. Steuerrückstellungen | 11.032.735,36 | 14 |
| 3. sonstige Rückstellungen | 21.357.056,03 | 29.117 |
| | 32.571.788,36 | 29.284 |
| C. Verbindlichkeiten | | |
| 1. Anleihen | 648.993.500,00 | 527.543 |
| davon mit einer Restlaufzeit von bis zu einem Jahr | 0,00 | 28.549 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 648.993.500,00 | 498.994 |
| 2. Verbindlichkeiten gegenüber Kreditinstituten | 150.344.003,35 | 112.977 |
| davon mit einer Restlaufzeit von bis zu einem Jahr | 61.930.142,13 | 7.326 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 88.413.861,22 | 105.651 |
| 3. Verbindlichkeiten aus Lieferungen und Leistungen | 761.327,43 | 575 |
| davon mit einer Restlaufzeit von bis zu einem Jahr | 761.327,43 | 575 |
| 4. Verbindlichkeiten gegenüber verbundenen Unternehmen | 374.070.837,15 | 138.383 |
| davon mit einer Restlaufzeit von bis zu einem Jahr | 341.589.944,63 | 96.633 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 32.480.892,52 | 41.750 |
| 5. sonstige Verbindlichkeiten | 12.184.073,69 | 12.042 |
| davon aus Steuern | 326.035,17 | 677 |
| davon im Rahmen der sozialen Sicherheit | 101.948,36 | 87 |
| davon mit einer Restlaufzeit von bis zu einem Jahr | 10.582.477,55 | 10.482 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 1.601.596,14 | 1.560 |
| | 1.186.353.741,62 | 791.519 |
| davon mit einer Restlaufzeit von bis zu einem Jahr | 414.863.891,74 | 143.564 |
| davon mit einer Restlaufzeit von mehr als einem Jahr | 771.489.849,88 | 647.954 |
| D. Rechnungsabgrenzungsposten | | |
| | 520.277,57 | 500 |
| Summe Passiva | 1.799.767.700,07 | 1.411.790 |

Gewinn- und Verlustrechnung für das Geschäftsjahr 2021

mit Gegenüberstellung der Vorjahreszahlen in tausend Euro (TEUR)

| | 2021 EUR | 2020 TEUR |
|---|----------------------|---------------|
| 1. Umsatzerlöse | 23.353.264,77 | 23.527 |
| 2. sonstige betriebliche Erträge | | |
| a. Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen | 22.287,73 | 155 |
| b. übrige | 185.445,98 | 293 |
| | 207.733,71 | 448 |
| 3. Aufwendungen für Material und sonstige bezogene Herstellungsleistungen | | |
| a. Aufwendungen für bezogene Leistungen | -5.436.021,70 | -5.307 |
| 4. Personalaufwand | | |
| a. Gehälter | -7.984.289,96 | -5.940 |
| b. soziale Aufwendungen | -1.518.999,37 | -1.303 |
| davon Aufwendungen für Altersversorgung | -225.460,54 | -175 |
| aa. Aufwendungen für Abfertigungen und Leistungen an Mitarbeitervorsorgekassen | -130.206,90 | -108 |
| bb. Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge | -1.079.930,26 | -954 |
| | -9.503.289,33 | -7.243 |
| 5. Abschreibungen | | |
| a. auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen | -4.663.728,26 | -4.627 |
| 6. sonstige betriebliche Aufwendungen | | |
| a. übrige | -9.453.378,73 | -5.329 |
| 7. Zwischensumme aus Z 1 bis 6 (Betriebsergebnis) | -5.495.419,54 | 1.470 |
| 8. Erträge aus Beteiligungen | 50.510.309,00 | 25.298 |
| davon aus verbundenen Unternehmen | 50.000.000,00 | 25.000 |
| 9. Erträge aus anderen Wertpapieren und Ausleihungen des Finanzanlagevermögens | 0,00 | 2.745 |
| davon aus verbundenen Unternehmen | 0,00 | 1.884 |
| 10. sonstige Zinsen und ähnliche Erträge | 5.223.578,36 | 108 |
| davon aus verbundenen Unternehmen | 33.047,40 | 108 |
| 11. Zinsen und ähnliche Aufwendungen | -20.307.731,89 | -26.207 |
| davon betreffend verbundene Unternehmen | -2.570.946,91 | -2.409 |
| 12. Zwischensumme aus Z 8 bis 11 (Finanzergebnis) | 35.426.155,47 | 1.945 |
| 13. Ergebnis vor Steuern (Summe aus Z 7 und Z 12) | 29.930.735,93 | 3.415 |
| 14. Steuern vom Einkommen | 11.610.589,88 | 5.922 |
| davon latente Steuern | -2.332.208,00 | 573 |
| davon aus Steuerumlagen | 25.018.157,00 | 5.370 |
| 15. Ergebnis nach Steuern | 41.541.325,81 | 9.337 |
| 16. Jahresüberschuss | 41.541.325,81 | 9.337 |
| 17. Auflösung von Gewinnrücklagen | 0,00 | 24.551 |
| 18. Gewinnvortrag aus dem Vorjahr | 24.670.540,00 | 26.112 |
| 19. Bilanzgewinn | 66.211.865,81 | 60.000 |

Anhang

für das Geschäftsjahr 2021
der
S IMMO AG, Wien

1. Bilanzierungs- und Bewertungsmethoden

1.1 Allgemeine Grundsätze

Der Jahresabschluss zum 31. Dezember 2021 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 2021 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 Ab-

schreibungen 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 800,00 (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.

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.

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

Aktive 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 aktiven latenten Steuern stellt einen Überhang aktiver über passive 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

Der Ansatz und die Bewertung von **Personalarückstellungen** (Abfertigungs-, und Jubiläumsgeldrückstellungen) folgt den Ausführungen der AFRAC-Stellungnahme 27 „Rückstellungen für Pensions-, Abfertigungs-, Jubiläumsgeld- und vergleichbare langfristig fällige Verpflichtungen nach den Vorschriften des Unternehmensgesetzbuches“.

Der Ermittlung erfolgt nach versicherungsmathematischen Grundsätzen nach der „Projected Unit Credit Method“ unter Verwendung der biometrischen Richttafeln AVÖ 2018-P ANG (Vorjahr AVÖ 2018-P ANG).

Beim verwendeten Rechnungszinssatz handelt es sich um einen Stichtagszinssatz. Der Stichtagszinssatz ist jener Zinssatz, zu dem sich ein Unternehmen mit hochklassiger Bonitätseinstufung am Abschlussstichtag der durchschnittlichen Restlaufzeit der Verpflichtungen im Wesentlichen entsprechendes Fremdkapital beschaffen kann.

Die Bewertungsmethode für die Berechnung der Rückstellungen für Abfertigungen wurde gegenüber dem Vorjahr nicht geändert.

Die Zinsaufwendungen betreffend Abfertigungsrückstellungen sowie die Auswirkungen aus einer Änderung des Zinssatzes werden im Personalaufwand erfasst.

| | 2021 | 2020 |
|---------------------------|----------|----------|
| Zinssatz | 0,54% | 0,11% |
| Gehalts-/Lohnsteigerungen | 2,0% | 1,5% |
| Fluktuationsabschlag | 3,5% | 3,5% |
| Pensionsalter | 62 Jahre | 62 Jahre |

Die **sonstigen Rückstellungen** berücksichtigen die zum Bilanzstichtag erkennbaren Risiken und der Höhe nach noch nicht feststehende 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 2021 wurde keine außerplanmäßige Abschreibung vorgenommen (VJ: TEUR 0).

In den Grundstücken und Bauten ist ein Verschmelzungsmehrwert in Höhe von TEUR 6.566 (VJ: TEUR 6.783) enthalten.

Investitionszuschüsse zu Grundstücke und Bauten

Die Aufgliederung der Investitionszuschüsse und ihre Entwicklung im Berichtsjahr wird wie folgt dargestellt:

| | Stand am 01.01.2021 TEUR | Verbrauch TEUR | Auflösung TEUR | Zuweisung TEUR | Stand am 31.12.2021 TEUR |
|-------------------------------|--------------------------------|-------------------|-------------------|-------------------|--------------------------------|
| Investitionszuschuss Adlerhof | 2.885 | 93 | 0 | 0 | 2.792 |
| | 2.885 | 93 | 0 | 0 | 2.792 |

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 | 31.12.2021 | TEUR | 848.224 | 81.128 |
| German Property Invest Immobilien GmbH, Wien | 100 | 31.12.2021 | TEUR | 227.922 | -7.159 |
| A.D.I. Immobilien Beteiligungs GmbH, Wien | 100 | 31.12.2021 | TEUR | 55.405 | -125 |
| S IMMO Group Finance GmbH, Wien | 100 | 31.12.2021 | TEUR | 312.629 | 5.086 |

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 | 263.625,28 | 224.484,41 | 39.140,87 |
| Forderungen gegenüber verbundenen Unternehmen | 34.752.339,89 | 34.752.339,89 | 0,00 |
| Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht | 1.774.261,35 | 1.774.261,35 | 0,00 |
| sonstige Forderungen und Vermögensgegenstände | 19.743.177,64 | 19.556.525,64 | 186.652,00 |
| Summe Forderungen | 56.533.404,16 | 56.307.611,29 | 225.792,87 |

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 | 490 | 428 | 62 |
| Forderungen gegenüber verbundenen Unternehmen | 13.376 | 13.376 | 0 |
| Forderungen gegenüber Unternehmen, mit denen ein Beteiligungsverhältnis besteht | 1.652 | 1.652 | 0 |
| sonstige Forderungen und Vermögensgegenstände | 6.942 | 6.918 | 24 |
| Summe Forderungen | 22.460 | 22.374 | 86 |

Forderungen aus Lieferungen und Leistungen

Die Forderungen aus Lieferungen und Leistungen beinhalten offene Mietzinsforderungen und Betriebskostenforderungen. Einzelwertberichtigungen in Höhe von TEUR 297 (Vorjahr: TEUR 214) sind bereits abgezogen.

Forderungen gegenüber verbundenen Unternehmen

Die Forderungen gegenüber verbundenen Unternehmen betreffen Cash-Pool-Forderungen in Höhe von TEUR 6.964 (Vorjahr: TEUR 5.457), Forderungen gegenüber Konzerngesellschaften aus Steuerumlagen in Höhe von TEUR 25.018 (Vorjahr: TEUR 5.438), diverse Weiterverrechnungen in Höhe von TEUR 2.116 (Vorjahr: TEUR 1.828) sowie Zinsen für eine stille Beteiligung in Höhe von TEUR 654 (Vorjahr: TEUR 654).

Sonstige Forderungen

Die sonstigen Forderungen und Vermögensgegenstände beinhalten mit TEUR 186 (Vorjahr TEUR 24) 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 2.128 (Vorjahr: TEUR 1.648) sonstige Forderungen aus Hausverwaltung, mit TEUR 16.819 (Vorjahr: TEUR 4.864) Forderungen gegenüber dem Finanzamt und mit TEUR 610 (Vorjahr: TEUR 406) sonstige Forderungen.

In den sonstigen Forderungen sind Erträge in Höhe von TEUR 9.112 enthalten, die erst nach dem Stichtag zahlungswirksam werden.

Aktive latente Steuern

Der bilanzierte Betrag an aktiven latenten Steuern stellt einen Überhang aktiver über passive 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 25%) |
|---|-------------------|-------------|-----------------------|---------------------------------|
| Aktive latente Steuern | | | | |
| Kosten der Geldbeschaffung | 0 | 2.396.135 | 2.396.135 | 599.034 |
| Abfertigungsrückstellung | 181.997 | 89.802 | 92.195 | 23.049 |
| Drohverlustrückstellung für negative Marktwerte von Derivaten | 16.100.401 | 0 | 16.100.401 | 4.025.100 |
| Summe Stand 31.12.2021 | | | | 4.647.183 |

| | Unternehmensrecht | Steuerrecht | Temporäre Differenzen | Latente Steuer (Steuersatz 25%) |
|---|-------------------|-------------|-----------------------|---------------------------------|
| Passive latente Steuern | | | | |
| Verschmelzungswerte | 6.566.127 | 0 | -6.566.127 | -1.641.532 |
| Temporäre Differenzen Buchwerte des Immobilienvermögens | 18.307.626 | 17.156.687 | -1.150.939 | -287.735 |
| Summe Stand 31.12.2021 | | | | -1.929.267 |

Per 31.12.2021 ergibt sich auf saldierter Basis eine aktive Latenz in Höhe von TEUR 2.718 (Vorjahr: TEUR 5.050). Die Veränderung zum Vorjahr in Höhe von TEUR 2.332 stellt einen latenten Steueraufwand 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 25%) |
|---|-------------------|-------------|-----------------------|---------------------------------|
| Aktive latente Steuern | | | | |
| Kosten der Geldbeschaffung | 0 | 2.074.058 | 2.074.058 | 518.515 |
| Abfertigungsrückstellung | 153.088 | 78.530 | 74.558 | 18.639 |
| Drohverlustrückstellung für negative Marktwerte von Derivaten | 26.310.212 | 0 | 26.310.212 | 6.577.553 |
| Summe Stand 31.12.2020 | | | | 7.114.707 |

| | Unternehmensrecht | Steuerrecht | Temporäre Differenzen | Latente Steuer (Steuersatz 25%) |
|---|-------------------|-------------|-----------------------|---------------------------------|
| Passive latente Steuern | | | | |
| Verschmelzungswerte | 6.782.680 | 0 | -6.782.680 | -1.695.670 |
| Temporäre Differenzen Buchwerte des Immobilienvermögens | 19.357.255 | 17.881.605 | -1.475.651 | -368.913 |
| Summe Stand 31.12.2020 | | | | -2.064.583 |

2.1.2. Bilanz - Passivseite

Eigenkapital

Das Grundkapital wird mit TEUR 267.458 (Vorjahr: TEUR 267.458) abzüglich eigene Anteile in Höhe von TEUR 11.209 (Vorjahr: TEUR 8.060) ausgewiesen und zerfällt in 73.608.896 Stück auf Inhaber lautende Stückaktien. Die Aktien notieren an der Wiener Börse.

Im Geschäftsjahr 2021 wurden 866.446 Aktien rückgekauft. Zum 31.12.2021 hält die S IMMO AG somit 3.084.797 Stück (Vorjahr: 2.218.351 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 11.209) erfasst wurden. Der Unterschiedsbetrag wurde mit den Gewinnrücklagen verrechnet. Im Geschäftsjahr wurde die Rücklage für eigene Anteile um TEUR 3.148 erhöht.

Im Geschäftsjahr 2021 wurden keine Aktien aus einem genehmigten Kapital gezeichnet.

Insgesamt unterliegt ein Betrag von TEUR 2.718 (Vorjahr TEUR 5.050) einer Ausschüttungssperre gem. § 235 Abs. 2 UGB.

In der am 14.10.2021 abgehaltenen 32. ordentlichen Hauptversammlung der S IMMO AG wurde für das Geschäftsjahr 2020 die Ausschüttung einer Dividende von EUR 0,50 je dividendenberechtigter Aktie beschlossen. Der gesamte Ausschüttungsbetrag belief sich auf TEUR 35.329.

Für das Geschäftsjahr 2021 wird der Vorstand die Ausschüttung einer Dividende von EUR 0,65 je dividendenberechtigter Aktie vorschlagen.

Kapitalrücklagen

Die Kapitalrücklage setzt sich zur Gänze aus einer gebundenen Kapitalrücklage zusammen und beträgt TEUR 202.520 (Vorjahr: TEUR 202.520).

Rückstellungen

Die Rückstellungen haben sich im Geschäftsjahr wie folgt entwickelt:

| | Stand 01.01.2021 EUR | Verwendung EUR | Auflösung EUR | Zuweisung EUR | Stand 31.12.2021 EUR |
|----------------------------------|-------------------------|----------------------|------------------|----------------------|-------------------------|
| Rückstellungen für Abfertigungen | 153.088,22 | 0,00 | 0,00 | 28.908,75 | 181.996,97 |
| Steuerrückstellungen | 13.917,00 | 13.917,00 | 0,00 | 11.032.735,36 | 11.032.735,36 |
| sonstige Rückstellungen | 29.116.724,98 | 28.792.635,95 | 22.287,73 | 21.055.254,73 | 21.357.056,03 |
| | 29.283.730,20 | 28.806.552,95 | 22.287,73 | 32.116.898,84 | 32.571.788,36 |

Die **sonstigen Rückstellungen** setzen sich folgendermaßen zusammen:

| | Stand am 31.12.2021 TEUR | Stand am 31.12.2020 TEUR |
|---|--------------------------------|--------------------------------|
| Rechts-, Prüfungs-, Beratungs-, Schätz-, Veröffentlichungskosten | 1.272 | 786 |
| Gebäudeinvestitionen | 888 | 0 |
| Instandhaltung | 302 | 331 |
| Personal | 2.795 | 1.690 |
| Drohverluste aus Derivaten | 16.100 | 26.310 |
| | 21.357 | 29.117 |

Verbindlichkeiten

Anleihen

Die Anleiheverbindlichkeiten zum 31.12.2021 setzen sich folgendermaßen zusammen:

| ISIN | Buchwert TEUR | Kupon | Begeben in | Laufzeit bis |
|---------------------------|-------------------|--------|------------|--------------|
| AT0000A2MKW4 (Green Bond) | 150.000,00 | 1,75% | 2021 | 04.02.2028 |
| AT0000A1DBM5 | 33.993,50 | 3,25% | 2015 | 09.04.2025 |
| AT0000A1DWK5 | 65.000,00 | 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 |
| AT0000A2AEA8 | 100.000,00 | 2,00% | 2019 | 15.10.2029 |
| Gesamt | 648.993,50 | | | |

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 | 0,00 | 283.993.500,00 | 365.000.000,00 | 648.993.500,00 |
| Verbindlichkeiten gegenüber Kreditinstituten | 61.930.142,13 | 18.043.028,26 | 70.370.832,96 | 150.344.003,35 |
| Verbindlichkeiten aus Lieferungen und Leistungen | 761.327,43 | 0,00 | 0,00 | 761.327,43 |
| Verbindlichkeiten gegenüber verbundenen Unternehmen | 341.589.944,63 | 32.414.730,55 | 66.161,97 | 374.070.837,15 |
| sonstige Verbindlichkeiten | 10.582.477,55 | 0,00 | 1.601.596,14 | 12.184.073,69 |
| | 414.863.891,74 | 334.451.258,81 | 437.038.591,07 | 1.186.353.741,62 |

Die einzelnen Verbindlichkeitsposten zeigen zum 31.12.2020 folgendes Bild:

| | Restlaufzeit bis zu einem Jahr TEUR | Restlaufzeit zwischen einem und fünf Jahren TEUR | Restlaufzeit über fünf Jahren TEUR | Bilanzwert TEUR |
|---|-------------------------------------|--|------------------------------------|-----------------|
| Anleihen | 28.549 | 133.994 | 365.000 | 527.543 |
| Verbindlichkeiten gegenüber Kreditinstituten | 7.326 | 26.239 | 79.412 | 112.977 |
| Verbindlichkeiten aus Lieferungen und Leistungen | 575 | 0 | 0 | 575 |
| Verbindlichkeiten gegenüber verbundenen Unternehmen | 96.633 | 41.628 | 122 | 138.383 |
| sonstige Verbindlichkeiten | 10.482 | 0 | 1.560 | 12.042 |
| | 143.564 | 201.860 | 446.094 | 791.519 |

Verbindlichkeiten gegenüber Kreditinstituten

Vom Gesamtbetrag der Verbindlichkeiten gegenüber Kreditinstituten sind TEUR 106.544 (Vorjahr: TEUR 112.977) dinglich besichert (Grundpfandrecht).

Die Verbindlichkeiten gegenüber Kreditinstituten enthalten mit TEUR 550 (Vorjahr TEUR 2.737) Verbindlichkeiten aus Sale-und-Lease-Back-Verträgen, die zum Barwert der zukünftigen Leasingraten bewertet sind.

Derivate Finanzinstrumente

Derivate 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 |
|-----------|--------------------|----------------------|
| Zinsswaps | 289.000 | -16.100 |
| Zinscaps | 165.000 | 186 |
| | 454.000 | -15.914 |

Die Gesellschaft hatte zum Bilanzstichtag vom Vorjahr Zinsswaps- und Zinscap-Verträge abgeschlossen:

| | Volumen in TEUR | Marktwert in TEUR |
|-----------|--------------------|----------------------|
| Zinsswaps | 289.000 | -26.310 |
| Zinscaps | 190.000 | 24 |
| | 479.000 | -26.286 |

Für Swaps mit zum Bilanzstichtag negativen Marktwerten wurde (im Hinblick auf die AFRAC- Stellungnahme zu Nr. 15 „Die unternehmensrechtliche Bilanzierung von Derivaten und Sicherungsinstrumenten“) eine Rückstellung für drohende Verluste in Höhe von TEUR 16.100 (Vorjahr: TEUR 26.310) gebildet.

Verbindlichkeiten gegenüber verbundenen Unternehmen

Die Verbindlichkeiten gegenüber verbundenen Unternehmen betreffen Verbindlichkeiten aus Cash Pooling in Höhe von TEUR 236.810 (Vorjahr: TEUR 31.305) und Verbindlichkeiten aus erhaltenen Darlehen in Höhe von TEUR 133.776 (Vorjahr: TEUR 105.337) sowie Steuerverbindlichkeiten gegenüber öster-

reichischen Konzerngesellschaften in Höhe von TEUR 3.484 (Vorjahr: TEUR 1.740).

Sonstige Verbindlichkeiten

Die sonstigen Verbindlichkeiten enthalten mit TEUR 1.602 (Vorjahr: TEUR 1.560) Kauttionen, mit TEUR 326 (Vorjahr: TEUR 677) Verbindlichkeiten aus Steuern, mit TEUR 102 (Vorjahr: TEUR 87) Verbindlichkeiten aus sozialer Sicherheit, mit TEUR 9.691 (Vorjahr: TEUR 8.007) Verbindlichkeiten aus Anleihezinsen und mit 463 (Vorjahr: TEUR 1.710) übrige Verbindlichkeiten.

In den sonstigen Verbindlichkeiten sind Aufwendungen in Höhe von TEUR 10.118 (Vorjahr TEUR 9.207) enthalten, die erst nach dem Stichtag zahlungswirksam werden.

Rechnungsabgrenzungsposten

Die Position Rechnungsabgrenzungsposten besteht im Wesentlichen aus dem Agio im Zusammenhang mit der Begebung einer Anleihe in Höhe von EUR 369.178,26 (Vorjahr: TEUR 412) und den passiven Rechnungsabgrenzungen zu den Investitionszuschüssen in Höhe von EUR 151.099,31 (Vorjahr: TEUR 0).

Haftungsverhältnisse und sonstige finanzielle Verpflichtungen

Zum 31.12.2021 bestehen diverse Haftungsverhältnisse. Diese gliedern sich auf in Garantien in Höhe von TEUR 257.547 (Vorjahr: TEUR 226.487), Patronatserklärungen in Höhe von TEUR 208.975 (Vorjahr: TEUR: 163.367) für Konzerngesellschaften sowie sonstige Haftungen in Höhe von TEUR 421 (Vorjahr: TEUR 3.103).

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:

| | 2021 TEUR | 2020 TEUR |
|---------------------------------|---------------|---------------|
| Erlöse aus Vermietung | 16.292 | 16.145 |
| Betriebskostenweiterverrechnung | 3.677 | 3.755 |
| Konzerninterne Verrechnungen | 3.338 | 2.054 |
| Diverse | 46 | 1.573 |
| | 23.353 | 23.527 |

Die konzerninternen Verrechnungen betreffen Verrechnungen von Dienstleistungen im Zusammenhang mit Asset Management, Projektentwicklung, Cash Management, Finanzierung sowie Verwaltungsentgelte bzw. eine Personalüberlassung.

Die Umsatzerlöse betreffen in Höhe von TEUR 21.632 (Vorjahr: TEUR 22.024) das Inland und in Höhe von TEUR 1.721 (Vorjahr: TEUR 1.503) die Europäische Union.

Sonstige betriebliche Erträge

| | 2021 TEUR | 2020 TEUR |
|--|--------------|--------------|
| Erträge aus der Auflösung von Rückstellungen | 22 | 155 |
| Diverse | 185 | 293 |
| | 207 | 448 |

Aufwendungen für sonstige bezogene Herstellungsleistungen

| | 2021 TEUR | 2020 TEUR |
|--|--------------|--------------|
| Betriebskosten und laufende öffentliche Abgaben gemäß § 21 Abs 1 und 2 MRG | 4.133 | 4.040 |
| Instandhaltungsaufwendungen | 1.303 | 1.267 |
| | 5.436 | 5.307 |

Personalaufwand

In den Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen sind Aufwendungen für Abfertigungen in Höhe von TEUR 29 (Vorjahr: TEUR 20) und Leistungen an die Mitarbeitervorsorgekasse in Höhe von TEUR 101 (Vorjahr: TEUR 88) enthalten.

Die Bezüge der Mitglieder des Vorstands lassen sich wie folgt aufgliedern:

| | 2021 TEUR | 2020 TEUR |
|---|--------------|--------------|
| Fix | 1.250 | 825 |
| Variabel | 2.221 | 1.186 |
| davon Auszahlung im laufenden Geschäftsjahr | 1.247 | 1.186 |
| davon Abgrenzung Prämie 2021 | 974 | 0 |
| | 3.471 | 2.011 |

Neben den oben genannten Beträgen bestanden noch sonstige Bezüge, die im Wesentlichen die Beiträge an Pensionskassen in Höhe von TEUR 122 (Vorjahr: TEUR 83) und die Beiträge an die Mitarbeitervorsorgekasse in Höhe von TEUR 36 (Vorjahr: TEUR 31) enthalten.

Abschreibungen auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen

Die Abschreibungen enthalten neben den planmäßigen Abschreibungen in Höhe von TEUR 4.649 (Vorjahr: TEUR 4.614) auch Vollabschreibungen geringwertiger Wirtschaftsgüter in Höhe von TEUR 15 (Vorjahr: TEUR 13). 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:

| | 2021 TEUR | 2020 TEUR |
|---|--------------|--------------|
| Verwaltungskosten | 1.752 | 1.294 |
| Investor Relations und Unternehmenskommunikationskosten | 1.656 | 1.244 |
| Rechts- und Beratungsaufwand | 5.295 | 2.243 |
| Vergütungen an Aufsichtsratsmitglieder | 213 | 268 |
| Aufwendungen für Forderungsausfälle und Dotierung von Wertberichtigungen zu Forderungen | 82 | 41 |
| Diverse | 455 | 238 |
| | 9.453 | 5.328 |

Erträge aus Beteiligungen

Hierunter werden erhaltene Dividenden aus Anteilen an verbundenen Unternehmen in Höhe von TEUR 50.000 (Vorjahr: TEUR 25.000) und aus Beteiligungen in Höhe von TEUR 510 (Vorjahr: TEUR 298) ausgewiesen.

Erträge aus Ausleihungen des Finanzanlagevermögens

Hierunter werden im Vorjahr insbesondere die Zinserträge von Ausleihungen an verbundenen Unternehmen ausgewiesen.

Sonstige Zinsen und ähnliche Erträge

Die sonstigen Zinsen und ähnlichen Erträge betreffen mit TEUR 5.190 (Vorjahr: TEUR 0) Zinserträge aus Derivaten und mit TEUR 33 (Vorjahr: TEUR 108) die Zinsen aus dem Cash Pool.

Zinsen und ähnliche Aufwendungen

Der Zinsaufwand resultiert mit TEUR 1.145 (Vorjahr: TEUR 1.292) aus Bankzinsen, mit TEUR 2.571 (Vorjahr: TEUR 2.409) aus Darlehen von verbundenen Unternehmen, mit TEUR 14.190 (Vorjahr: TEUR 12.506) aus begebenen Anleihen, mit TEUR 2.388 (Vorjahr: TEUR 857) aus sonstigen Zinsen und ähnlichen Aufwendungen, mit TEUR 14 (Vorjahr: TEUR 32) aus Nebenkosten für Aktienrückkäufe. Im Vorjahr enthält die Position auch Nebenkosten im Zusammenhang mit der Kapitalerhöhung in Höhe von TEUR 2.253 sowie Aufwendungen aus der Veränderung der Rückstellung für Drohverluste und Zinsen aus Derivaten in Höhe von TEUR 6.857.

Steuern vom Einkommen und vom Ertrag

Dieser Posten beinhaltet mit TEUR 11.062 (Vorjahr: TEUR 30) den Körperschaftsteueraufwand für das Jahr 2021 sowie Körperschaftsteuernachzahlungen aus Vorperioden in Höhe von TEUR 13 (Vorjahr: Körperschaftsteuergutschriften aus Vorperioden in Höhe von TEUR -8). Weiters gelangen Erträge aus Steuerumlagen in Höhe von TEUR 25.018 (Vorjahr: TEUR 5.438) und Aufwendungen aus Steuerumlagen aus Vorperioden in Höhe von TEUR 0 (Vorjahr: TEUR 68) von zur Unternehmensgruppe gehörenden Gruppenmitgliedern zum Ausweis.

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 31.12.2021 verwiesen, der beim Firmenbuch des Handelsgerichts Wien hinterlegt ist.

3. Ergänzende Angaben

Arbeitnehmer

Die Gesellschaft beschäftigte im Jahresdurchschnitt 3 Vorstandsmitglieder, 45 Angestellte und keine Arbeiter (im Vorjahr 2 Vorstandsmitglieder, 42 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 größten und kleinsten Kreis von Unternehmen auf.

Gruppenbesteuerung

Die Gesellschaft ist Gruppenträger einer steuerlichen Unternehmensgruppe gemäß § 9 Abs. 1 KStG.

Zwischen Gruppenträger und Gruppenmitgliedern besteht ein Vertrag zur Regelung des Steuerausgleichs. Die Ermittlung des Steuerausgleichs erfolgt demnach nach der Belastungsmethode: weist ein inländisches Gruppenmitglied ein positives steuerliches Ergebnis aus, dann ist eine positive Steuerumlage in Höhe von 25% an den Gruppenträger 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, welcher mit zukünftigen positiven Ergebnissen verrechnet werden kann.

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:

- Dr. Bruno ETTENAUER, MRICS (Vorstandsvorsitzender seit 15.03.2021)
- DI Herwig TEUFELSDORFER, MRICS (seit 12.04.2021)
- Mag. Friedrich WACHERNIG, MBA
- Mag. Ernst VEJDOVSZKY (bis 31.03.2021)

Aufsichtsrat:

- Dr. Karin REST, EMBA (Vorsitzende)
- Christian HAGER (1. stellvertretender Vorsitzender)
- DI Manfred RAPF (2. stellvertretender Vorsitzender)
- Univ.-Prof. Dr. Ewald ASCHAUER (seit 14.10.2021)
- Dipl.-Volkswirt, Dipl.-Jurist Florian BECKERMANN, LL.M. (seit 14.10.2021)
- Mag. Hanna BOMBA
- Kommerzialrat Mag. Christian BÖHM (seit 14.10.2021)
- John NACOS (seit 14.10.2021)
- Andreas FEUERSTEIN (Arbeitnehmersvertreter seit 22.10.2021)
- MMag. Holger SCHMIDTMAYR, MRICS (Arbeitnehmersvertreter, seit 26.01.2021)
- Mag. Elisabeth WAGERER (Arbeitnehmersvertreterin, seit 26.01.2021)

Die Aufsichtsratsmitglieder erhielten für das Geschäftsjahr 2021 folgende Vergütungen (inkl. Sitzungsgelder):

| | |
|--|---------------|
| Dr. Karin REST, MBA | EUR 55.000,00 |
| Christian HAGER | EUR 47.000,00 |
| DI Manfred RAPF | EUR 47.000,00 |
| Mag. Hanna BOMBA | EUR 33.000,00 |
| Dr. Ewald ASCHAUER | EUR 7.388,89 |
| Dipl.-Volkswirt, Dipl.-Jurist Florian BECKERMANN, LL.M. | EUR 8.388,89 |
| Mag. Christian BÖHM | EUR 8.388,89 |
| John NACOS | EUR 6.388,89 |

Vorschüsse, Kredite und Haftungsverhältnisse

Es bestehen keine Vorschüsse, Kredite oder Haftungsverhältnisse an die Mitglieder des Vorstandes bzw. des Aufsichtsrates.

Ereignisse nach dem Bilanzstichtag

Im ersten Quartal 2022 wurde ein Green Bond mit einem Nominale von EUR 50 Mio., fünfjähriger Laufzeit und einem Kupon von 1,25% erfolgreich platziert.

Im ersten Quartal 2022 haben die CPI Property Group SA und die S IMMO Gruppe eine Vereinbarung geschlossen, nach der sich die CPI Property Group verpflichtet hat, den im Rahmen eines antizipativen Pflichtangebots kommunizierten Angebotspreis für Aktien der IMMOFINANZ AG auf EUR 23,00 je Aktie (cum-Dividende) zu erhöhen. Im Gegenzug hat sich die S IMMO Gruppe verpflichtet, alle von ihr gehaltenen sowie alle in das Teilangebot von S IMMO eingelieferten Anteile an der IMMOFINANZ AG an die CPI Property Group zu übertragen. Mit Vollzug dieser Vereinbarung im ersten Quartal 2022 hat die S IMMO Gruppe alle von ihr gehaltenen Anteile an der IMMOFINANZ AG an die CPI Property Group übertragen. Die zum Stichtag 31.12.2021 gehaltenen Anteile wurden zu einem Gesamterlös vor Steuern von rund EUR 403,5 Mio. an die CPI Property Group veräußert.

Ebenfalls ins erste Quartal 2022 fällt der Ausbruch des Ukraine-Kriegs. Die S IMMO besitzt keine Liegenschaften in der Ukraine und ist von der Krise damit nur mittelbar betroffen, jedoch sind die endgültigen Auswirkungen auf die Geschäftstätigkeit der S IMMO Gruppe noch nicht abschätzbar.

Am 14.4.2022 wurde die S IMMO von der CPI Property Group darüber informiert, dass sie die Einberufung einer außerordentlichen Hauptversammlung zur Abschaffung des in der Satzung der S IMMO AG verankerten Höchststimmrechts verlangt. Nach rechtswirksamer Aufhebung des Höchststimmrechts würde die CPI Property Group eine kontrollierende Beteiligung im Sinne des § 22 Übernahmegesetz an der S IMMO erlangen. In diesem Fall beabsichtigt die CPI Property Group ein Pflichtangebot zu stellen. Der Preis des beabsichtigten Pflichtangebots betrage gemäß Ad-hoc-Meldung der CPI Property Group vom 14.04.2022 gemäß § 26 Abs 1 ÜbG zum Zeitpunkt dieser Absichtsbekanntgabe mindestens EUR 22,00 je S IMMO Aktie cum Dividende.

Auch zum Zeitpunkt der Erstellung dieses Berichts bestehen die Auswirkungen der COVID-19-Pandemie und die damit zusammenhängenden Unsicherheiten in der Märkten, in denen die S IMMO tätig ist, fort.

Wien, am 14.04.2022

Dr. Bruno Ettenauer, MRICS

DI Herwig Teufelsdorfer, MRICS

Mag. Friedrich Wachernig, MBA

Anlagenspiegel zum 31. Dezember 2021

| | Anschaffungs-/Herstellungskosten | | | | kumulierte Abschreibungen | | | | Buchwerte | | |
|---|----------------------------------|----------------------|------------------|-------------------------|---------------------------|--------------------------|----------------------------|------------------|--------------------------|--------------------------|--------------------------|
| | Stand 01.01.21 EUR | Zugänge EUR | Abgänge EUR | Um- buchungen EUR | Stand 31.12.21 EUR | Stand 01.01.21 EUR | Abschrei- bungen EUR | Abgänge EUR | Stand 31.12.21 EUR | Stand 01.01.21 EUR | Stand 31.12.21 EUR |
| A. ANLAGE-VERMÖGEN | | | | | | | | | | | |
| I. Immaterielle Vermögensgegenstände | | | | | | | | | | | |
| 1. gewerbliche Schutzrechte und ähnliche Rechte und Vorteile und Software | 386.638,44 | 8.571,36 | 46,36 | 0,00 | 395.163,44 | 263.551,19 | 46.618,46 | 46,36 | 310.123,29 | 123.087,25 | 85.040,15 |
| II. Sachanlagen | | | | | | | | | | | |
| 1. Grundstücke und Bauten | 213.497.370,94 | 191.983,78 | 0,00 | 234.843,12 | 213.924.197,84 | 82.504.763,76 | 4.515.104,57 | 0,00 | 87.019.868,33 | 130.992.607,18 | 126.904.329,51 |
| davon Grundwert | 45.527.348,77 | 0,00 | 0,00 | 0,00 | 45.527.348,77 | 0,00 | 0,00 | 0,00 | 0,00 | 45.527.348,77 | 45.527.348,77 |
| 2. andere Anlagen, Betriebs- und Geschäftsausstattung | 791.691,59 | 182.005,40 | 18.509,42 | 57.952,22 | 1.013.139,79 | 563.413,37 | 102.005,23 | 15.678,42 | 649.740,18 | 228.278,22 | 363.399,61 |
| Anlagen in Bau | 206.701,62 | 2.212.067,66 | 0,00 | -292.795,34 | 2.125.973,94 | 0,00 | 0,00 | 0,00 | 0,00 | 206.701,62 | 2.125.973,94 |
| | 214.495.764,15 | 2.586.056,84 | 18.509,42 | 0,00 | 217.063.311,57 | 83.068.177,13 | 4.617.109,80 | 15.678,42 | 87.669.608,51 | 131.427.587,02 | 129.393.703,06 |
| III. Finanzanlagen | | | | | | | | | | | |
| 1. Anteile an verbundenen Unternehmen | 1.203.313.174,92 | 50.000.000,00 | 0,00 | 0,00 | 1.253.313.174,92 | 0,00 | 0,00 | 0,00 | 0,00 | 1.203.313.174,92 | 1.253.313.174,92 |
| 2. Beteiligungen | 2.904.017,60 | 150.000,00 | 0,00 | 0,00 | 3.054.017,60 | 0,00 | 0,00 | 0,00 | 0,00 | 2.904.017,60 | 3.054.017,60 |
| | 1.206.217.192,52 | 50.150.000,00 | 0,00 | 0,00 | 1.256.367.192,52 | 0,00 | 0,00 | 0,00 | 0,00 | 1.206.217.192,52 | 1.256.367.192,52 |
| SUMME ANLAGENSPIEGEL | 1.421.099.595,11 | 52.744.628,20 | 18.555,78 | 0,00 | 1.473.825.667,53 | 83.331.728,32 | 4.663.728,26 | 15.724,78 | 87.979.731,80 | 1.337.767.866,79 | 1.385.845.935,73 |

Bestätigungsvermerk

Bericht zum Jahresabschluss

Prüfungsurteil

Wir haben den Jahresabschluss der S IMMO AG, Wien, bestehend aus der Bilanz zum 31. Dezember 2021, der Gewinn- und Verlustrechnung für das an diesem Stichtag endende Geschäftsjahr und dem Anhang, geprüft.

Nach unserer Beurteilung entspricht der Jahresabschluss den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage zum 31. Dezember 2021 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 AP-VO) und mit den österreichischen Grundsätzen ordnungsgemäßer 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 unternehmens- und berufsrechtlichen Vorschriften und wir haben unsere sonstigen beruflichen Pflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise bis zum Datum dieses Bestätigungsvermerkes 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.

Bewertung der Anteile an verbundenen Unternehmen

Siehe Anhang Kapitel 2.1.1. Bilanz – Aktivseite, Finanzanlagen

Das Risiko für den Abschluss

Die S IMMO AG, Wien, weist zum 31. Dezember 2021 Anteile an verbundenen Unternehmen mit einem Buchwert in Höhe von TEUR 1.253.313 (Vorjahr: TEUR 1.203.313) im Jahresabschluss aus. Für sämtliche Anteile an verbundenen Unternehmen wird ein Werthaltigkeitstest durchgeführt.

Da es sich bei den verbundenen Unternehmen vor allem um Immobiliengesellschaften handelt, basiert der Werthaltigkeitstest auf einer vereinfachten Unternehmensbewertung, deren Basis insbesondere die von externen, unabhängigen Sachverständigen erstellten Immobiliengutachten sind. Das wesentliche Risiko besteht bei den Immobiliengutachten in der Festlegung von Annahmen und Schätzungen wie Diskontierungszinssatz und zukünftige Mieteinnahmen.

Eine geringfügige Änderung dieser Annahmen und Schätzungen kann einen wesentlichen Einfluss auf die Bewertung der Anteile an verbundene Unternehmen haben. Aus diesem Grund ist die Bewertung der Anteile an verbundenen Unternehmen wesentlich für unsere Prüfung.

Unsere Vorgehensweise in der Prüfung

Wir haben die Werthaltigkeit der Anteile an verbundenen Unternehmen wie folgt beurteilt:

- Wir haben ein Verständnis über den Bewertungsprozess und die diesbezüglich unternehmensintern eingerichteten Kontrollen erlangt. Zusätzlich evaluierten wir die internen Kontrollen der Gesellschaft im Zusammenhang mit den für die Bewertung des Immobilienportfolios verwendeten Daten.
- Wir haben die Objektivität, Unabhängigkeit und Expertise der externen Sachverständigen beurteilt.
- Auf Basis einer Stichprobe haben wir die im Bewertungsmodell für die Immobiliengutachten verwendeten stichtagsbezogenen objektspezifischen Basisdaten, wie laufende Miete und Leerstandsdaten, mit den zugrunde liegenden Daten der Gesellschaft abgeglichen.
- Unter Einbeziehung unserer internen Immobilienbewertungsspezialisten haben wir die von den Gutachtern

verwendeten Bewertungsmodelle stichprobenhaft auf ihre Konformität mit allgemein anerkannten Bewertungsgrundsätzen hin beurteilt und die wesentlichen Bewertungsannahmen und -parameter, wie etwa die zukünftigen Mieten, die Renditen sowie die Diskontierungszinssätze, hinsichtlich ihrer Angemessenheit kritisch gewürdigt und mit externen Marktdaten abgestimmt.

- Wir haben die beizulegenden Zeitwerte anhand der Bruttorenditen der einzelnen Objekte mit am Markt beobachtbarer Daten plausibilisiert.
- Die uns vorgelegten Unterlagen und Berechnungen zur Bewertung der Anteile an verbundenen Unternehmen haben wir rechnerisch nachvollzogen und beurteilt, inwiefern der jeweilige Beteiligungsansatz der betroffenen Anteile im ermittelten beizulegenden Wert Deckung findet.

Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich. Die sonstigen Informationen umfassen alle Informationen im Jahresfinanzbericht, ausgenommen den Jahresabschluss, den Lagebericht und den Bestätigungsvermerk.

Unser Prüfungsurteil zum Jahresabschluss erstreckt sich nicht auf diese sonstigen Informationen, und wir geben keine Art der Zusicherung darauf.

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 zu den vor dem Datum des Bestätigungsvermerks des Abschlussprüfers erlangten sonstigen Informationen 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 AP-VO und mit den österreichischen Grundsätzen ordnungsgemäßer 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 AP-VO und mit den österreichischen Grundsätzen ordnungsgemäßer 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 gesetzlichen 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 uns mit ihm über alle Beziehungen und sonstigen Sachverhalte austauschen, von denen vernünftigerweise angenommen werden kann, dass sie sich auf unsere Unabhängigkeit und – sofern einschlägig – damit zusammenhängende 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 haben wir keine wesentlichen fehlerhaften Angaben im Lagebericht festgestellt.

Zusätzliche Angaben nach Artikel 10 AP-VO

Wir wurden von der Hauptversammlung am 14. Oktober 2021 als Abschlussprüfer gewählt und am 4. November 2021 vom Aufsichtsrat mit der Abschlussprüfung der Gesellschaft für das am 31. Dezember 2021 endende Geschäftsjahr beauftragt.

Wir sind ohne Unterbrechung seit dem Jahresabschluss zum 31. Dezember 2018 Abschlussprüfer der Gesellschaft.

Wir erklären, dass das Prüfungsurteil im Abschnitt „Bericht zum Jahresabschluss“ mit dem zusätzlichen Bericht an den Prüfungsausschuss nach Artikel 11 der AP-VO in Einklang steht.

Wir erklären, dass wir keine verbotenen Nichtprüfungsleistungen (Artikel 5 Abs 1 der AP-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 ist Herr Mag. Thomas Smrekar.

Wien, 21. April 2022

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

qualifiziert elektronisch signiert:
Mag. Thomas Smrekar
Wirtschaftsprüfer