S IMMO

2024

ANNUAL REPORT

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Our portfolio [1]

	Austria	Germany	Hungary	Romania	Czech Republic	Slovakia
Rental income in EUR m	41.1	20.4	50.9	51.7	65.7	11.2
Total revenues in EUR m	93.5	26.2	108.9	65.8	92.5	15.3
EBITDA in EUR m	20.7	1.6	52.6	43.6	56.0	8.9
Results from property valuation in EUR m	-15.3	-70.5	-4.3	6.2	79.5	-2.2
EBIT in EUR m	1.8	-69.1	44.9	49.4	135.5	6.1
Rental yield in %	5.7	5.3	7.2	9.1	6.2	7.5
Vacancy rate in %	5.6	15.5	16.1	2.1	2.9	10.4
Gross leasable area in m²	239,010	74,708	313,427	213,194	339,001	90,011

[1] Without Vienna Marriott hotel, Budapest Marriott hotel, development projects and land bank

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Key figures[1]

		31 December 2024	31 December 2023 adjusted
Revenues	EUR m	381.019	287.554
EBITDA	EUR m	184.772	125.032
EBIT	EUR m	242.096	125.092
EBT	EUR m	158.411	57.553
Consolidated net income[2]	EUR m	63.526	-41.399
NOI ratio[2]	in %	56.9	52.0
FFO I[2]	EUR m	134.581	99.614
Earnings per share[2]	EUR	0.85	-0.46
Operating cash flow[2]	EUR m	168.198	129.802
Operating cash flow per share[2]	EUR	2.39	1.84
Cash flow from investing activities[2]	EUR m	56,868	-131.537
Cash flow from financing activities[2]	EUR m	-427,047	176.437

		31 December 2024	31 December 2023
Total assets	EUR m	3,854.166	4,179.875
Equity	EUR m	1,572.512	1,701.841
Equity ratio	in %	40.8	40.7
Liabilities[3]	EUR m	2,281.654	2,478.034
Cash and cash equivalents as of 31 December[3]	EUR m	240.892	445.625
Closing price as of 31 December[4]	EUR	22.20	12.50
EPRA NTA per share	EUR	23.97	25.00
Book value per share	EUR	21.85	23.43
Share price discount on book value per share	in %	2	-47
Property assets[3]	EUR m	3,418.198	3,477.610
whereof properties under construction and undeveloped land	EUR m	19.045	87.977

[1] As of 31 December 2024, those properties that meet the criteria of IFRS 5 are reported as assets held for sale and shown as discontinued operations together with the German assets and liabilities already sold. The result (after taxes) of the discontinued operation is presented in a separate line both in the year 2024 and in the comparative year 2023. The contributions to the earnings of this discontinued operation are therefore included in the consolidated result but not in the income statement figures. The comparative figures for 2023 have also been adjusted accordingly. Balance sheet figures as of 31 December 2024 are shown including the discontinued operation.

[2] Including discontinued operation

[3] Including held for sale

[4] The closing price of the S IMMO share as of 02 December 2024. The S IMMO share has no longer been traded since 03 December 2024 due to the squeeze-out.

Dear Stakeholders,

For S IMMO, the financial year 2024 proved to be strategically groundbreaking and yielded impressive operational results. We are pleased to be able to present you with a net income in this annual report that impressively confirms both our operational strength and the success of our portfolio strategy. In addition, a note for better comprehensibility: The change in the name of IMMOFINANZ AG approved by the extraordinary general meeting was entered in the commercial register on 11 March 2025. The new name – CPI Europe AG – is already used in this report.

Radka Doehring

Net income for 2024

We succeeded in significantly increasing rental income by more than 36.5% and hotel earnings also improved. Overall, EBITDA increased year-on-year to EUR 184.8m. A positive result from property valuation of EUR 65.2m, among other things, led to a consolidated net income of EUR 122.9m.

Capital market

After CPI Europe AG announced in May 2024 that it would begin preparations for a squeeze-out, a resolution on the squeeze-out of minority shareholders of S IMMO AG was passed at an Extraordinary General Meeting held in October 2024, with the squeeze-out subsequently completed in December 2024 with its registration in the Commercial Register. Trading of S IMMO AG shares on the stock exchange was terminated at that time. The sole shareholder is now CPI Europe. The year-to-date performance of the S IMMO share at the time of the squeeze-out was 77.60%, marking the final chapter in the S IMMO share's success story.

Acquisitions and disposals

Over the past few years, the Management Board and Supervisory Board have repeatedly adjusted the portfolio strategy to account for the economic situation, achievable property yields and market values. Since autumn 2022, the focus has been on the sale of German residential properties, a strategy that was gradually expanded to all German properties in 2023. Following several years marked by high transaction volumes, we have now succeeded in selling almost the entire German portfolio. The last transactions are expected to be closed in the first half of 2025, with the final withdrawal from the German market expected to occur in the years 2025/26.

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In addition to the property sales in Germany, the strategy adjustments also entail the gradual disposal of small and medium-sized office properties with limited development potential in Croatia and Austria. The final properties in Croatia were sold over the course of 2024, thereby completing the withdrawal from the Croatian market. Seven commercial properties with a total value of roughly EUR 60m were also sold in Austria.

Vít Urbanec

CPI Property Group and synergies

As anticipated, the past few quarters have also been characterised by the increasing and close collaboration within CPI Property Group. Following the successful squeeze-out and CPI Europe becoming the sole shareholder, the course is laid out for further synergies. Asset management tasks had already been outsourced to subsidiaries of CPI Property Group in CEE back in 2023. In 2024, additional areas of competence were merged, both with CPI Property and with CPI Europe. At the turn of the year, a number of employees from SIMMO transferred to CPI Europe to continue drawing on their expertise, particularly in key areas. Further transfers are planned for the first half of 2025. The Supervisory Board has also prompted corresponding changes at the Management Board level: After Tomaš Salajka resigned his Management Board mandate with effect from 10 December 2024, Pavel Měchura was elected to the Management Board of S IMMO, a mandate he exercises alongside his Management Board mandate at CPI Europe. Vít Urbanec, until recently a member of the Supervisory Board of S IMMO, has also been a member of the Management Board since December 2024.

Pavel Měchura

Outlook

Our focus firmly remains on our earnings power and our core business. We plan to continue gradually optimising our portfolio. At the same time, we are constantly working on leveraging synergies within the Group and further improving collaboration. We would like to take this opportunity to thank you for the trust you have placed in us, and to thank Tomaš Salajka and all S IMMO AG employees for the successful cooperation over the past year.

The Management Board team

Radka Doehring Pavel Měchura Vít Urbanec

Management Board

Radka Doehring
Member of the Management Board

Born: 28 April 1966
Appointed until: 31 December 2025
First appointed: 17 June 2023

Responsible for all areas of the company together with Pavel Měchura and Vít Urbanec.

Ms Doehring studied business administration and international finance in England and the USA. Among other things, she worked as Finance Director and Deputy General Manager at CME subsidiary. Subsequently she served as Finance Director at CPI Management and RTVS. She was appointed to the Management Board of CPI Europe AG in 2022 and to the Management Board of S IMMO AG in 2023.

Pavel Měchura
Member of the Management Board

Born: 13 November 1976
Appointed until: 31 December 2025
First appointed: 11 December 2024

Responsible for all areas of the company together with Radka Doehring and Vít Urbanec.

Pavel Měchura studied at the Technical University in Liberec and has been CFO of CPI Property Group S.A. since December 2024. Prior to that, he worked at KPMG for six years and was Group Finance Director of CPI since 2018. He has been a member of the Management Board of CPI Europe AG since June 2023 and was appointed to the Management Board of S IMMO AG in December 2024.

Vít Urbanec
Member of the Management Board

Born: 06 October 1970
Appointed until: 31 December 2025
First appointed: 11 December 2024

Responsible for all areas of the company together with Radka Doehring and Pavel Měchura.

Mr Urbanec studied at the Faculty of Medicine at Masaryk University in Brno. He is a co-founder and board member of several companies, including Clever-Power a.s. in Prague, where he has been a board member since 2022. He was a member of the Supervisory Board of S IMMO AG from January 2024 until he was appointed to the company's Management Board in December 2024.

Until 10 December 2024
Tomáš Salajka
Member of the Management Board

Born: 16 September 1975
First appointed: 03 February 2024

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

Until 02 February 2024
Herwig Teufelsdorfer
Member of the Management Board

Born: 17 March 1969
First appointed: 12 April 2021

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

Supervisory Board

Name (year of birth)	Function	Principal occupation	First appointed (end of term)	Supervisory Board appointments in listed companies
as of 31 December 2024				
Shareholder representatives				
Martin Matula (1980)	Chairman of the Supervisory Board; Chairman of the ESG Committee; Member of the Audit Committee and the Committee for Management Board Matters (each since 29 January 2024)	General Counsel at CPI Property Group S.A. (since 2014)	29 January 2024 (appointed until AGM in 2026)	Member of the Supervisory Board of CPI Europe AG (since July 2022), Deputy Chairman
Vladislav Jirka (1978)	First Deputy Chairman of the Supervisory Board; Chairman of the Committee for Management Board Matters; Member of the Audit Committee (each from 29 January 2024)	Partner and attorney at law firm Vladislav Jirka, Ph.D. (since 2016)	29 January 2024 (appointed until AGM in 2027)	
Matej Csenky (1983)	Second Deputy Chairman of the Supervisory Board; Member of the ESG Committee and the Committee for Management Board Matters (each since 29 January 2024)	Attorney-at-law in Slovakia (2011)	29 January 2024 (appointed until AGM in 2026)	
Employee representative				
Andreas Feuerstein (1964)	Member of the Supervisory Board; delegated as employee representative to the Audit-Committee	Investor Relations Director at S IMMO AG (since 2019); with S IMMO AG since 2002	22 October 2021 (term is open-ended)	
until 10 December 2024				
Vít Urbanec (1970)	Chairman of the Audit Committee; Member of the ESG Committee (each since 29 January 2024)	Board Member at CleverPower a.s., Prague (since 2022)	29 January 2024 (appointed until AGM in 2026). Mr Urbanec resigned from the Supervisory Board with effect from 10 December 2024.	
until 02 February 2024				
Elisabeth Wagerer (1980)	Member of the Supervisory Board; delegated to the ESG Committee as employee representative	Head of Corporate Communications & Investor Relations and Press Spokeswoman (since 2016); with S IMMO AG since 2010	26 January 2021 (term was open-ended). Ms Wagerer resigned from the Supervisory Board with effect from 02 February 2024.	

Dear Shareholders,

In spite of persistently challenging market conditions, S IMMO AG continued to maintain its trajectory of strong operational performance in the 2024 financial year. The improved earnings can largely be attributed to strategic adjustments made in recent months, including the sale of German properties with low yields as well as office properties with limited development potential.

Composition of the Supervisory Board

Meetings of the Supervisory Board cover topics such as the company's management, financial position, strategy and business development, ESG issues, measures requiring approval and risk management. Investment projects above a specific volume also require approval from the Supervisory Board. The current composition of the Supervisory Board and its individual committees allows the assigned duties to be performed efficiently with regard to the distribution of competencies.

As of 31 December 2024, the Supervisory Board consisted of a total of four members – three shareholder representatives and one employee representative:

Shareholder representatives

- Martin Matula (Chairman of the Supervisory Board since 29 January 2024)
- Vladislav Jirka (First Deputy Chairman of the Supervisory Board since 29 January 2024)
- Matej Csenky (Second Deputy Chairman of the Supervisory Board since 29 January 2024)

(Vít Urbanec was a member of the Supervisory Board until 10 December 2024 and has been a member of the Management Board of S IMMO AG since 11 December 2024)

Employee representative

- Andreas Feuerstein (since 22 October 2021)

(Elisabeth Wagerer was a member of the Supervisory Board until 02 February 2024)

Brief CVs of the members of the Supervisory Board can be found in the Management bodies subsection on page 7 of this report.

Martin Matula

As of 31 December 2024, there were three committees formed by the full Supervisory Board from among its members: the Audit Committee, the Committee for Management Board Matters and the ESG Committee.

Supervisory Board committees

Audit Committee

The Audit Committee's role includes monitoring the financial reporting process and the auditor's work in addition to monitoring the effectiveness of the Internal Control System, the risk management system and the audit and group audit processes. As of 31 December 2024, the Audit Committee comprised the following members: Martin Matula (since 29 January 2024), Vladislav Jirka (since 29 January 2024) and Andreas Feuerstein (employee representative). Vít Urbanec was Chairman of the Audit Committee from 29 January 2024 to 10 December 2024. Martin Matula became the new Chairman of the Audit Committee on 25 March 2025. The Audit Committee met twice in 2024.

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Committee for Management Board Matters (Remuneration Committee)

The Committee for Management Board Matters is responsible for negotiating contracts with members of the Management Board and determining the remuneration policies for the Management Board and Supervisory Board. As of 31 December 2024, the Committee for Management Board Matters consisted of Chairman Vladislav Jirka (Chairman since 29 January 2024), Matej Csenky (since 29 January 2024) and Martin Matula (since 29 January 2024). The Committee on Management Board Matters met once during the reporting year. A number of circular resolutions were also adopted during the reporting year.

ESG Committee

The ESG Committee focuses in particular on matters related to sustainability as well as the social, economic and environmental responsibility of the company. Its responsibilities include defining an ESG strategy, managing regulatory requirements and addressing ESG-related risks. Since August 2023, a joint Group-wide ESG strategy has been pursued in partnership with CPI Property Group S.A. and CPI Europe AG. As of 31 December 2024, the ESG Committee comprised the following members: Martin Matula (Chairman since 29 January 2024) and Matej Csenky (since 29 January 2024). Vít Urbanec was a member of the ESG Committee from 29 January 2024 to 10 December 2024, and Elisabeth Wagerer was an employee representative member until 02 February 2024. The ESG Committee did not meet in the 2024 reporting period.

In the 2024 reporting period, 14 meetings of the Supervisory Board were held, with several held in person and several taking place in the form of phone or video conferences. Each Supervisory Board member attended more than half of the meetings of the Supervisory Board in person or by telephone or video link (a detailed list of attendance during the past financial year can be found below). In addition, 22 circular resolutions were passed in writing by the Supervisory Board.

Attendance in 2024 (in person and via phone and video conference)

First half of year Name	**SBM 29 Jan 2024**	**SBM 02 Feb 2024**	**CMBM 14 Feb 2024**	**SBM 20 Feb 2024**	**SBM 11 Mar 2024**	**SBM 25 Mar 2024**	**AC 25 Mar 2024**	**SBM 05 Apr 2024**	**SBM 25 Apr 2024**	**SBM 14 May 2024**
M. Matula (chairman)	1	1	1	1	1	1	1	1	1	1
V. Jirka (first deputy chairman)	1	1	1	1	1	1	1	1	1	1
M. Csenky (second deputy chairman)	1	1	1	1	1	1		1	1	1
V. Urbanec (until 10 December 2024)	1	1		1	1	1	1	1	1	1
A. Feuerstein (employee representative)	1	1		Excused	1	1	1	1	1	1
E. Wagerer (employee representative until 02 February 2024)	1	1	-	-	-	-	-	-	-	-

Second half of year Name	**SBM 02 Jul 2024**	**SBM 05 Sep 2024**	**SBM 10 Sep 2024**	**SBM 04 Nov 2024**	**SBM and AC 27 Nov 2024**	**SBM 10 Dec 2024**
M. Matula (chairman)	1	1	1	1	1	1
V. Jirka (first deputy chairman)	1	1	1	1	1	1
M. Csenky (second deputy chairman)	1	1	1	1	1	1
V. Urbanec (until 10 December 2024)	1	1	1	1	1	1
A. Feuerstein (employee representative)	1	1	1	1	1	1

SBM=Supervisory Board meeting
CMBM=Committee for Management Board Matters (Remuneration Committee)
AC=Audit Committee
Not a member of the committee in question

Activities of the Supervisory Board

In the reporting year, the Supervisory Board fulfilled its responsibilities under the law, the Articles of Association and the Rules of Procedure to which it is subject both at the meetings of the Supervisory Board and at the meetings of its committees and advised, supported and oversaw the Management Board in the management of the company.

At meetings of the Supervisory Board and committees, material issues such as the economic situation (including with respect to inflation and interest rate policies), risk and opportunity management, strategic direction and business performance were discussed at length based on reports from the Management Board along with detailed presentations and documents. The Supervisory Board focused in particular on optimising the com-

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pany's portfolio and transactions, and subsequently adjusted the corporate strategy as proposed by the Management Board.

The responsibilities of the Management Board are jointly exercised by all three members of the Management Board (see the Management bodies subsection on page 6). Together with the Supervisory Board, they pursue the goal of managing the company responsibly and with a long-term focus to achieve lasting value creation and consistent success. The Management Board and Supervisory Board work closely together in the interests of the company. The in-depth, ongoing dialogue between the two boards forms the basis for this cooperation.

Changes took place in the Management Board in the 2024 financial year. Effective as of 02 February 2024, the Management Board contract with Herwig Teufelsdorfer was terminated by mutual agreement. Tomáš Salajka was appointed as his successor on the Management Board. In December 2024, the Supervisory Board and Tomáš Salajka mutually agreed to dissolve his Management Board mandate effective as of 10 December 2024. At the same time, the Supervisory Board decided to appoint Pavel Měchura, who is already a member of the Management Board of CPI Europe AG and has been CFO of CPI Property Group S.A. since December 2024, as well as Vít Urbanec, who was recently a member of the Supervisory Board of S IMMO AG, to the Management Board of S IMMO AG.

2024 consolidated financial statements and annual financial statements

The Audit Committee prepared the proposal for the appointment of the auditor for the annual financial statements and consolidated financial statements as well as the auditor for the (separate) non-financial report. To this end, the Audit Committee reviewed the documentation submitted by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (hereinafter EY) regarding its competence to conduct the audit. A written report confirmed the absence of any grounds for exclusion or circumstances that might constitute bias on the part of the auditor. The auditor's statement pursuant to Section 270 (1a) of the Austrian Commercial Code (Unternehmensgesetzbuch, UGB) was obtained, the legal relationships between the auditor and S IMMO AG and its board members were reviewed, the fees for the audit were negotiated and a recommendation was made regarding the appointment of EY as the (Group) auditor and auditor for the (separate) non-financial report. At the 35th Annual General Meeting held on 02 May 2024, EY was appointed as the auditor of the annual financial statements and the consolidated financial statements, and the auditor for the (separate) non-financial report for the 2024 financial year.

EY audited the annual financial statements and the consolidated financial statements as of 31 December 2024 and issued an unqualified audit opinion. The management report and the Group management report are consistent with the annual financial statements and consolidated financial statements. The Audit Committee reviewed the annual financial statements as of 31 December 2024, the management report as well as the Management Board's proposal for the appropriation of profits, the consolidated financial statements as of 31 December 2024 prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the Group management report including the non-financial report. The disclosures pursuant to Section 243a UGB have been accurately presented. The audit was carried out in particular through discussions with the Management Board and EY. As a result of the corresponding audit and discussions, the Audit Committee recommended that the Supervisory Board approve the annual financial statements.

The Supervisory Board then reviewed the documents submitted in accordance with Section 96 of the Austrian Stock Corporation Act (Aktiengesetz, AktG), found no objections and approved the results of the audit. The Supervisory Board approved the 2024 annual financial statements, which were accordingly adopted pursuant to Section 96(4) AktG, and declared its approval of the consolidated financial statements, the management report, the Group management report including the non-financial report prepared pursuant to Section 245a UGB according to IFRSs and the Management Board's proposal for the appropriation of profits.

Due to the entry into force of the Corporate Sustainability Reporting Directive (CSRD), the prepared non-financial report was audited with limited assurance by EY as part the Group management report.

The Supervisory Board will propose to the Annual General Meeting that, if necessary, it pass a resolution on the appropriation of profits in accordance with the Management Board's proposal and approve the actions of the Management Board and the Supervisory Board.

Finally, I would like to take this opportunity to thank the Management Board and the team at S IMMO AG for their enduring commitment. I would like to wish the entire workforce, the members of the Management Board and the members of the Supervisory Board all the best for the current financial year.

Vienna, March 2025

The Supervisory Board

Martin Matula, Chairman

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S IMMO in the capital market

International capital market environment

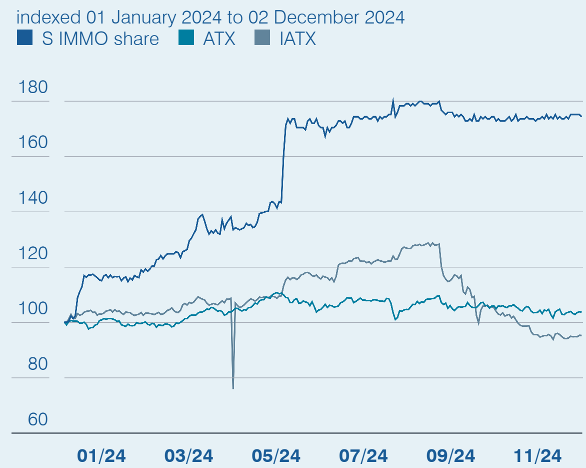
Geopolitical crises such as the ongoing war in Ukraine and the Gaza conflict continued to dominate in financial year 2024. The collapse of Germany's traffic light coalition, the transfer of power in the United States, the dissolution of the French government and growing acceptance of populist parties among voters also had an impact on economic conditions. Many of Europe's economies had to contend with a recession for the second consecutive year paired with interest rate hikes by the central banks.

Against this backdrop, the positive developments in the capital markets for the year as a whole were all the more surprising. New index highs were seen on several occasions in 2024, along with double-digit annual gains in the face of high price volatility on the majority of stock exchanges.

The broadly diversified S&P 500 index was up 23.31%, while the German DAX benchmark index gained 18.85%. The Dow Jones Industrial Average (DJIA) closed 2024 up 12.88% year-on-year. Austria's ATX benchmark index added 6.64% in the reporting period, whereas the IATX, which accounts for the real estate sector on the Vienna Stock Exchange, closed 2024 down 6.43%.

The table below provides an overview of index trends relevant to the Group.

Share price development



S IMMO share and share buyback programme

The S IMMO share performed well in 2024. By the time of its delisting on 03 December 2024, it had gained an impressive total of 77.60%, with a closing price of EUR 22.20 on 02 December 2024. As of 02 December 2024, the Group's market capitalisation came to EUR 1,634.1m, with its share capital amounting to EUR 267.5m divided into 73,608,896 bearer shares.

Overview of national and international indices

	ATX	IATX	DAX	DJIA	S&P 500
31 December 2023	3,434.97	320.93	16,751.64	37,689.54	4,769.83
31 December 2024	3,663.07	300.29	19,909.14	42,544.22	5,881.63
Year-to-date performance	6.64%	-6.43%	18.85%	12.88%	23.31%

S IMMO bonds as of 31 December 2024

ISIN	Maturity	Coupon	Total nominal value EUR '000
AT0000A1DBM5	09 April 2025	3.250%	15,890.00
AT0000A285H4	22 May 2026	1.875%	150,000.00
AT0000A2UVR4 (green bond)	11 January 2027	1.250%	25,058.50
AT0000A1DWK5	21 April 2027	3.250%	34,199.00
AT0000A2MKW4 (green bond)	04 February 2028	1.750%	70,449.50
AT0000A35Y85 (green bond)	12 July 2028	5.500%	75,000.00
AT0000A2AEA8	15 October 2029	2.000%	100,000.00
AT0000A1Z9C1	06 February 2030	2.875%	50,000.00

A further share buyback programme was approved at the beginning of the year. Originally, the programme was planned to run from 15 January 2024 to 31 March 2024, but instead came to an end on 15 February 2024 on reaching the maximum permitted buyback price of EUR 15.00. The authorised volume for the share buyback comprised up to 0.5% of the share capital. In total, 50,152 shares valued at EUR 745,225 were repurchased, resulting in S IMMO holding a total of 3,316,689 treasury shares as of the end of the year.

Website: www.simmoag.at/en

The corporate bond (S IMMO bond 2018–2024) with a volume of EUR 100m and a coupon of 1.75% p.a. that matured in February 2024 was repaid entirely using cash and cash equivalents.

Shareholder structure

On 25 September 2024, CPI Europe (formerly: IMMOFINANZ) announced its plans to acquire a further 28,241,094 S IMMO AG shares from its core shareholder CPI Property Group and thereby increase its stake in S IMMO to roughly 89%. The transaction was closed and the shares were transferred in autumn 2024. Following the successful squeeze-out on 03 December 2024, CPI Europe is the sole shareholder of S IMMO AG. In addition, S IMMO AG holds 3,316,689 treasury shares.

Squeeze-out

On 24 May 2024, CPI Europe AG announced its intention to effect a squeeze-out involving 5,246,664 S IMMO shares representing approximately 7.13% of the share capital at that time. Cash compensation for the acquisition of the affected shares was determined at EUR 22.05 per S IMMO share on the basis of a valuation report prepared by PwC Advisory Services GmbH. The amount of the cash compensation was confirmed by BDO Austria Holding Wirtschaftsprüfung GmbH in its capacity as a court-appointed expert auditor.

A resolution on the squeeze-out was passed at the Extraordinary General Meeting held on 14 October 2024. In accordance with a resolution of the Extraordinary General Meeting, the affected minority shareholders received cash compensation of EUR 22.05 per S IMMO share, with the corresponding payment taking place in December 2024. The squeeze-out was entered in the commercial register on 03 December 2024, completing the squeeze-out and delisting of the S IMMO share from the Vienna Stock Exchange. The last trading day of the S IMMO share was 02 December 2024 at a closing price of EUR 22.20.

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Share data

		31 December 2024	31 December 2023
Earnings per share (EPS)[1]	EUR	0.85	-0.46
FFO I per share[1]	EUR	1.91	1.41
		31 December 2024	**31 December 2023**
Closing price at year-end[2]	EUR	22.20	12.50
EPRA NTA per share	EUR	23.97	25.00
Book value per share	EUR	21.85	23.43
Share price discount on book value per share	in %	2	-47

[1] Including discontinued operation
[2] The closing price of the S IMMO share as of 02 December 2024. The S IMMO share has no longer been traded since 03 December 2024 due to the squeeze-out.

Annual General Meetings and Extraordinary General Meetings in 2024

An Extraordinary General Meeting was held on 29 January 2024 at the request of CPI Property Group S.A. A resolution was passed to revoke the appointment to the Supervisory Board of Ulrich Steffen Ritter, John Verpeleti and Martin Němeček and to fill their positions, as well as to fill the position of Karin Rest, who had resigned from the Supervisory Board with effect from 15 January 2024. The following individuals were newly elected to the Supervisory Board: Martin Matula (chairman of the Supervisory Board), Vladislav Jirka (first deputy chairman), Matej Csenky (second deputy chairman) and Vít Urbanec.

An amendment to the Articles of Association was also adopted, under which the Management Board may in the future hold the General Meeting as a virtual or hybrid event subject to the approval of the Supervisory Board.

The 35th Annual General Meeting of S IMMO AG was held in person on 03 May 2024. According to the agenda, a resolution was passed not to distribute a dividend and to carry the entire distributable net profit forward to new account so that the funds can be used to strengthen the balance sheet structure in the current challenging environment. All voting results can be found on the company's website at www.simmoag.at/agm.

A further Extraordinary General Meeting was held on 19 December 2024 at the request of the new sole shareholder, CPI Europe, following the successful squeeze-out.

Changes in the Management Board and Supervisory Board

Changes took place in both the Management Board and the Supervisory Board in the 2024 financial year. Effective as of 02 February 2024, the Management Board contract with Herwig Teufelsdorfer was terminated. Tomáš Salajka was appointed as his successor on the Management Board. In December 2024, the Supervisory Board and Tomáš Salajka mutually agreed to dissolve his Management Board mandate effective as of 10 December 2024. At the same time, the Supervisory Board decided to appoint Pavel Měchura, who is already a member of the Management Board of CPI Europe AG and has been CFO of CPI Property Group S.A. since December 2024, as well as Vít Urbanec, who was recently a member of the Supervisory Board of S IMMO AG, to the Management Board of S IMMO AG. This reflects the current ownership structure after the successful squeeze-out of S IMMO AG.

As of 31 December 2024, the Supervisory Board consisted of a total of four members – three shareholder representatives and one employee representative. The three shareholder representatives are Martin Matula (chairman of the Supervisory Board),

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Vladislav Jirka (first deputy chairman) and Matej Csenky (second deputy chairman). Vít Urbanec was a member of the Supervisory Board until 10 December 2024 and has been a member of the Management Board of S IMMO AG since 11 December 2024. Andreas Feuerstein is the employee representative on the Supervisory Board. Elisabeth Wagerer was also an employee representative member of the Supervisory Board until 02 February 2024.

EPRA key figures

S IMMO publishes EPRA key figures such as the EPRA Net Reinstatement Value (EPRA NRV), EPRA Net Tangible Assets (EPRA NTA) and EPRA Net Disposal Value (EPRA NDV). Due to the change in the portfolio strategy and the increased market uncertainties, the adjustment of the deferred taxes in EPRA NTA is now carried out in such a way that only 50% of the relevant deferred taxes are added as a lump sum. The exact description of the key figures can be found on the EPRA website (www.epra.com).

Calculation of FFO I

in EUR '000	31 December 2024	31 December 2023 adjusted
Net income	**122,882**	**17,155**
Non-cash taxes	25,193	-5,357
Adjusted net income	**148,076**	**11,798**
Non-cash revaluation result	-65,180	-9,115
Non-cash depreciation and amortisation	7,856	9,055
Income from property disposals	0	0
Other non-cash/non-recurring effects	5,114	2,286
Non-cash valuation of financial instruments	21,234	24,773
Non-cash FX result	9,953	7,121
FFO from discontinued operations	7,529	53,696
FFO I (without results from disposals)	**134,581**	**99,614**
FFO I per share in EUR	1.91	1.41

EPRA key figures

in EUR	31 December 2024	31 December 2023
EPRA NRV per share	26.67	28.01
EPRA NTA per share	23.97	25.00
EPRA NDV per share	23.94	25.77
EPRA net initial yield in %	5.9	5.6
EPRA LTV in %	48.3	47.8

in EUR '000	31 December 2024	31 December 2023
Fair value investment properties	3,273,546	3,335,992
Annualised cash rental income (gross)	223,038	224,472
Non-recoverable property operating expenses	-28,318	-37,785
Annualised cash rental income (net)	194,720	186,687
EPRA net initial yield[1] in %	**5.9**	**5.6**

[1] Including discontinued operations

in EUR '000	31 December 2024	31 December 2023 adjusted
EPRA earnings and EPRA earnings per share (EPRA EPS)		
Earnings according to IFRS income	**122,882**	**55,128**
Results from property valuations	-65,180	-9,115
Income from property disposals (including transaction costs)	0	0
Tax on income from disposals	6,862	9,103
Changes in fair value of financial instruments	2,680	25,918
Deferred taxes in respect of EPRA adjustments	24,292	-11,489
EPRA adjustments for companies measured according to the equity method	-337	-855
Minority interests in respect of the above	0	0
EPRA earnings from discontinued operations	2,440	14,127
EPRA earnings	**93,639**	**82,818**
EPRA earnings per share (EPRA EPS) in EUR	**1.33**	**1.17**

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EPRA NRV, EPRA NTA, EPRA NDV

31 December 2024

in EUR '000	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to shareholders	**1,536,009**	**1,536,009**	**1,536,009**
Per share in EUR	**21.85**	**21.85**	**21.85**
Intangible assets	0	-844	0
Revaluation of other non-current investments	144,114	144,114	122,072
Fair value of derivative financial instruments	-56,924	-56,924	0
Deferred taxes on derivative financial instruments	-1,837	-1,837	0
Other deferred taxes	139,383	64,695	0
Fair value of liabilities	0	0	30,699
Deferred taxes on adjustments of liabilities	0	0	-6,140
Ancillary acquisition costs	113,796	0	0
Calculated EPRA key figure	**1,874,541**	**1,685,213**	**1,682,641**
Calculated EPRA key figure per share in EUR	**26.67**	**23.97**	**23.94**

31 December 2023

in EUR '000	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to shareholders	**1,648,388**	**1,648,388**	**1,648,388**
Per share in EUR	**23.43**	**23.43**	**23.43**
Intangible assets	0	-1,194	0
Revaluation of other non-current investments	130,981	130,981	111,006
Fair value of derivative financial instruments	-87,059	-87,059	0
Deferred taxes on derivative financial instruments	3,665	3,665	0
Other deferred taxes	140,251	63,452	0
Fair value of liabilities	0	0	69,519
Deferred taxes on adjustments of liabilities	0	0	-15,989
Ancillary acquisition costs	134,292	0	0
Calculated EPRA key figure	**1,970,519**	**1,758,233**	**1,812,923**
Calculated EPRA key figure per share in EUR	**28.01**	**25.00**	**25.77**

EPRA LTV

31 December 2024

in EUR '000	S IMMO excluding companies measured as per the equity method	Adjustment of proportional consideration of equity method companies	Total
Loan liabilities	1,393,666	18,360	1,412,026
Issued bonds	520,597	0	520,597
Other net payables	41,713	215	41,928
excluding			
Cash and cash equivalents	-237,110	-762	-237,872
Net debt	**1,718,866**	**17,813**	**1,736,679**
Investment properties	3,130,755	36,840	3,167,595
Owner-operated properties	236,971	0	236,971
Properties held for sale	194,586	0	194,586
Other net receivables	0	0	0
Financial assets	0	0	0
Total property value	**3,562,311**	**36,840**	**3,599,151**
LTV (net debt/property investments) in %	**48.3**	**48.4**	**48.3**

EPRA LTV

31 December 2023

in EUR '000	S IMMO excluding companies measured as per the equity method	Adjustment of proportional consideration of equity method companies	Total
Loan liabilities	1,502,795	18,720	1,521,515
Issued bonds	620,597	0	620,597
Other net payables	55,187	610	55,797
excluding			
Cash and cash equivalents	-445,625	-6,093	-451,717
Net debt	**1,732,954**	**13,237**	**1,746,192**
Investment properties	3,294,442	48,218	3,342,660
Owner-operated properties	229,634	0	229,634
Properties held for sale	84,515	0	84,515
Other net receivables	0	0	0
Financial assets	0	0	0
Total property value	**3,608,591**	**48,218**	**3,656,809**
LTV (net debt/property investments) in %	**48.0**	**27.5**	**47.8**

Management report

Group fundamentals

Business activities and corporate structure

S IMMO Group (S IMMO AG and its subsidiaries) is an international property group whose business is long-term real estate investments in the form of the purchase, retention and sale of properties, project development, letting, asset management, building revitalisation and refurbishment as well as the operation of hotels. The company operates in Austria, Germany, and CEE (Hungary, the Czech Republic, Slovakia, and Romania) and owns properties in each of the aforementioned countries. The portfolio consists of offices, commercial property, hotels and a small share of residential properties. S IMMO does not engage in research and development.

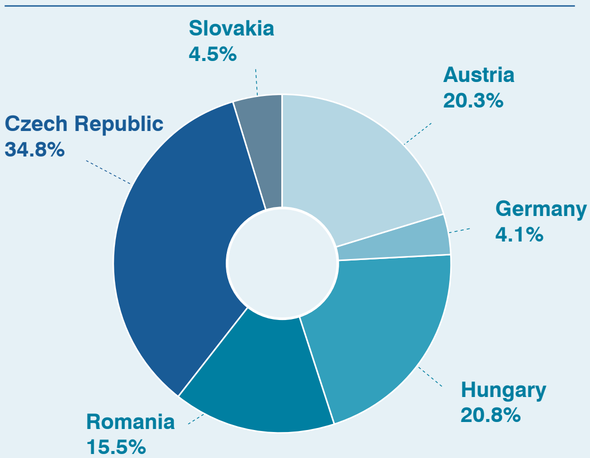
S IMMO AG is headquartered in Vienna. The Group holds numerous project, property and holding companies. S IMMO AG was listed on the Vienna Stock Exchange from 1987 to December 2024, in the Prime Market segment between 2007 and 2024.

As of 31 December 2024, the Group employed 643 people (2023: 100) excluding Management Board and dormant employees and including employees for hotel operations. Following the successful squeeze-out of minority shareholders, CPI Europe (formerly IMMOFINANZ) has been the sole shareholder of S IMMO AG since December 2024.

Property portfolio

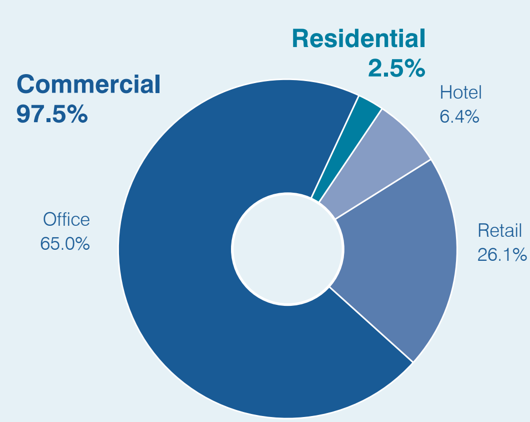
As of 31 December 2024, S IMMO Group's property portfolio consisted of 157 properties (31 December 2023: 244) with a book value of EUR 3.418,2m (31 December 2023: EUR 3,477.6m). As of 31 December 2024, the portfolio broken down by main type of use excluding plots of land and based on book values consisted of 65.0% office buildings (31 December 2023: 67.2%), 26.1% retail properties (31 December 2023: 19.4%), 2.5% residential properties (31 December 2023: 6.1%) and 6.4% hotels (31 December 2023: 7.3%).

Book value by country[1]



[1] Including book value of land bank

Book value by type of use[1]



[1] Book value excluding land bank

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Book value by country

in %	31 December 2024	31 December 2023
Austria	20.3	22.0
Germany	4.1	15.7
Hungary	20.8	20.4
Romania	15.5	15.0
Czech Republic	34.8	20.3
Slovakia	4.5	4.4
Croatia	0	2.2
Total	**100.0**	**100.0**

The properties are located in the European Union and have a gross leasable area (total lettable area excluding parking spaces) of around 1.3 million m² (31 December 2023: 1.5 million m²). The high quality of the portfolio and asset management is reflected in strong occupancy rates and returns. The occupancy rate of the portfolio as a whole was 92.2% (31 December 2023: 90.6%). The calculation of the occupancy rate includes all investment properties in the narrower sense (i.e. excluding investment properties with development potential and owner-operated hotels). The overall rental yield came to 6.8% (31 December 2023: 6.8%). The WAULT (weighted average unexpired lease term) was 3.9 years (31 December 2023: 4.1 years).

Overview of rental yields[1]

in %	31 December 2024	31 December 2023
Austria	5.7	5.7
Germany	5.3	6.3
Hungary	7.2	7.1
Romania	9.1	8.8
Czech Republic	6.2	6.2
Slovakia	7.5	7.5
Croatia	-	8.3
Total	**6.8**	**6.8**

[1] The rental yield describes the ratio of the annual rent generated to property value. The calculation includes all investment properties in the narrower sense (i.e. excluding investment properties with development potential and owner-operated hotels). The rent is calculated on an annual basis for properties added over the course of the year.

Corporate strategy and objectives

The company through its sustainable business policy aims to secure its long-term profitability and to continuously improve its earnings figures. As a portfolio, it invests in properties that have a direct positive impact on earnings. A strong focus here is always on high-quality, certified properties that meet clearly defined ESG criteria.

Since 2022, S IMMO AG has been part of the CPI Property Group, with CPI Property Group S.A. initially holding 88.37% of the share capital of S IMMO AG (of which 50% plus one share was held through CPI Europe AG). In the course of 2024, CPI Europe acquired additional shares in S IMMO AG from its core shareholder CPI Property Group S.A., thereby increasing its stake to 89% of S IMMO shares. At the same time, in summer 2024, CPI Europe announced its intention to effect a squeeze-out, which at that time involved approximately 7.13% of the share capital. A resolution on the squeeze-out of minority shareholders was passed at an Extraordinary General Meeting held in October 2024, with the squeeze-out subsequently completed in December 2024 with its registration in the Commercial Register and delisting of the S IMMO share from the Vienna Stock Exchange. Following the successful squeeze-out, CPI Europe is the sole shareholder of S IMMO AG. In addition, S IMMO AG holds roughly 3.3 million treasury shares.

One of the defined goals is to create synergies within the Group. With this in mind, CPI Property Group and CPI Europe took on asset management responsibilities for S IMMO properties located in Hungary, Romania, the Czech Republic and Austria. Synergies have also been leveraged in other areas. For example, several departments such as financing, consolidation and ESG have already been integrated into CPI Europe AG to boost efficiency. As part of this process, certain employees from S IMMO have also been acquired. In terms of ESG, work to standardise and establish a joint ESG strategy, which consists of targets in relation to environment, social and governance topics, began in the 2022 financial year. A Group-wide materiality assessment was carried out in the 2024 financial year. Further mergers of competence areas and departments are planned for the first half of 2025.

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Over the past few years, the Management Board and Supervisory Board have repeatedly adjusted the portfolio strategy to account for the economic situation, achievable property returns and market values. The focus was on selling low yielding German properties. In Germany, almost all of the properties have been sold by this point. Some transactions are yet to be closed and are expected to be completed by the end of the first half of 2025. The sale of two remaining properties in Germany is planned in 2025. Accordingly, the withdrawal from the German market is expected to take place in the course of 2025/26.

In addition to the property sales in Germany, the strategy adjustment also entails the sale of properties in Croatia, the Czech Republic, Slovakia and Austria. In Austria, a total of seven commercial properties with a total value of over EUR 60m were sold in the past financial year in line with the company's strategy. Further sales in Vienna are also planned for 2025, depending on the market situation. The liquidity obtained from this creates the basis for future growth and earnings.

In addition, in the fourth quarter of 2024, S IMMO successfully completed the sale of Hotel Juliš in Prague with a gross leasable area of roughly 6,700 m² and signed the contract for the sale of Hotel Ramada Prague City Centre. The transaction was closed in January 2025. Apart from that, S IMMO AG withdrew completely from the Croatian market in 2024.

Management and control

There were changes in both the Management Board and the Supervisory Board in the 2024 financial year. Effective as of 02 February 2024, the Management Board contract with Herwig Teufelsdorfer was terminated by mutual agreement. Tomáš Salajka was appointed as his successor on the Management Board. In December 2024, the Supervisory Board and Tomáš Salajka mutually agreed to dissolve his Management Board mandate effective as of 10 December 2024. At the same time, the Supervisory Board decided to appoint Pavel Měchura, who is already a member of the Management Board of CPI Europe AG and has been CFO of CPI Property Group S.A. since December 2024 as well as Vít Urbanec, who was recently a member of the Supervisory Board of S IMMO AG, to the Management Board of S IMMO AG.

As of 31 December 2024, the Supervisory Board consisted of three shareholder representatives and one employee representative. Martin Matula (chairman of the Supervisory Board), Vladislav Jirka (first deputy chairman of the Supervisory Board), Matej Csenky (second deputy chairman of the Supervisory Board) and Andreas Feuerstein (employee representative). Vít Urbanec was a member of the Supervisory Board until 10 December 2024 before he joined the Management Board of S IMMO AG on 11 December 2024. Elisabeth Wagerer was an employee representative on the Supervisory Board until 02 February 2024 (please refer to section 5.6. of the notes for more information).

Together with the Supervisory Board, the Management Board pursues a responsible and long-term management strategy aimed at enhancing earnings and increasing the Group's value on a long-term basis.

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Economic report

Economic overview

Global economic growth is projected at 3.2% for 2024, with the growth rates differing significantly from region to region. The increase in conflicts around the world along with another uptick in financial market risks will dampen growth in the coming years. The European Union achieved economic expansion of 1.1% (2023: 0.2%) in 2024 while the euro area saw growth of 0.9% (2023: 0.1%). According to forecasts, the EU economy will grow by 1.5% in 2025 and 1.8% in 2026 while growth for the euro area will be slightly lower at 1.3% and 1.6%, respectively. Thanks to falling energy prices, inflation dropped to 2.7% (2023: 3.4%) in the EU and even more significantly to 2.4% (2023: 2.9%) in the euro area in 2024. In 2025 and the subsequent years, persistent inflationary pressure is expected from the service sector, which will slow the decline in inflation. As such, inflation is projected to come in at 2.4% in 2025 before falling to 2.0% in 2026. In the euro area, the expected decline is more significant, with rates forecast to come in at 2.1% and 1.9%, respectively. The employment situation has proven to be a stabilising factor for the European economy. Despite lower demand from private households, it is still making a major contribution to GDP growth. Unemployment in the EU was 5.9% at the end of the year (2023: 5.9%) and is expected to remain at this level in the coming years. The unemployment rate was higher in the euro area, at 6.3% (2023: 6.4%).

Last year, the Austrian economy struggled with a recessionary trend for the second year in a row. A combination of weak export demand, declining investments and meagre private consumer demand contributed to this effect. At the end of the year, gross domestic product was 0.2% lower than the prior-year figure (2023: minus 1.3%). Thanks to a recovery of export demand, growth rates of 1.0% and 1.4% are projected for 2025 and 2026, respectively. Inflation continued to decline last year, coming in at 2.1% at the end of the year (2023: 5.7%). In the coming years, inflation rates are expected to stabilise. Inflation is projected at 2.1% for 2025 and 1.7% for 2026. The unemployment rate was 5.3% at the end of December (2023: 5.6%) and will likely remain at this level in 2025 before falling to 5.0% in 2026.

The Hungarian economy is benefiting from the stable labour market and high private demand, but at the same time, government investment has declined significantly. On the whole, this resulted in growth of 0.2% last year (2023: -0.7%). Although energy and food prices fell in 2024, price increases in the service sector and high wage increases led to inflation of 4.8% (2023: 5.5%). Inflation is expected to decline slightly in the coming years, with experts projecting a rate of 3.6% in 2025, followed by a further drop to 3.2% in 2026. The unemployment rate was 4.3% at the end of the year (2023: 4.2%). The unemployment rate is expected to remain nearly unchanged over the next two years, coming in at 4.3% and 4.1%, respectively.

In Romania, stable consumer demand supported the economy despite weak exports, leading to growth of 0.7% (2023: 2.2%). Export activity is expected to recover in the next two years. Accordingly, economic growth is projected at 2.5% for 2025 and 2.9% for 2026. Inflation amounted to 5.5% at the end of the year (2023: 7.0%). Only a slight decline in inflation is expected over the next two years, and the central bank's target of 2.5% will likely not be reached until the end of 2026. The unemployment rate in Romania fell slightly once again and totalled 5.2% at the end of the year (2023: 5.4%). A minor increase is anticipated for the next two years, with rates coming in at 5.5% and 5.4%, respectively.

The Czech economy saw a turnaround, with growth of 1.6% last year (2023: -0.2%). A recovery in the purchasing power of private households is expected to result in growth rates of 2.4% and 2.7%, respectively, in the coming years. Inflation was 3.3% at the end of 2024 (2023: 7.6%). Falling energy prices should push inflation down to 2.4% in 2025 and 2.0% in 2026. Unemployment came to 2.6% at the end of 2024 (2023: 2.8%). A stable unemployment rate of 2.7% is expected for each of the next two years.

The Slovakian economy expanded by 1.7% last year (2023: 1.3%) thanks to government investments. Due to tax hikes and budget consolidation measures, growth of 2.3% is expected in 2025, followed by 2.5% in 2026. The inflation rate was 3.2% at the end of December 2024 (2023: 6.6%). A temporary increase in inflation to 5.1% is projected for 2025, followed by a return to the general trend with a rate of 3.0% in 2026. The unemployment rate was 5.3% at the end of the year (2023: 5.8%). The decline in unemployment is expected to continue, with a rate of 5.3% in 2025 and 5.1% in 2026.

Real estate market overview

The transaction volume on the European real estate market rose to EUR 206.0bn in 2024 (2023: EUR 162.3bn). A particularly strong fourth quarter of 2024 with turnover of EUR 68bn contributed to this growth. In Europe, residential properties were the most sought-after asset class. The office segment saw turnover growth of 11% to EUR 42.2bn, and the retail segment posted

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growth of 26% to EUR 33.9bn thanks to an especially strong fourth quarter. The hotel segment enjoyed the highest growth, at 34% and turnover of EUR 19.5bn.

The falling interest rates will likely lead to a further market upswing and further growth in the transaction volumes in 2025. The trend towards prime properties is expected to continue, with both location and ESG criteria playing an important role.

Austria

The transaction volume on the Austrian real estate market failed to follow the trend for Western Europe and declined by 6% to EUR 2.6bn (2023: EUR 2.8bn) last year. Office properties accounted for the biggest portion of the transaction volume, at EUR 859m, followed by residential properties at EUR 648m. Turnover for retail properties declined to EUR 104m. Prime yields for office properties remained constant at 5.0% (2023: 5.0%).

The Vienna office market offered 11.6 million m² of modern office space at the end of 2024. Take-up was similar to the prior-year level, at 161,000 m² (2023: 174,000 m²). Completions of new office space increased to 87,000 m² (2023: 45,800 m²). The vacancy rate declined again slightly to 3.4% (2023: 3.6%) while prime rents amounted to EUR 28.00/m²/month.

Retail space in Austria totalled 13.9 million m² at the end of 2024. Consumer confidence improved somewhat last year, but the growth in purchasing power did not lead to an increase in consumer spending, as the savings rate climbed accordingly.

The Austrian hotel market continued to grow in 2024. For the capital Vienna, last year was even the most successful since records began. Around 18.9 million overnight stays in the federal capital represent an increase of 9.0% over the previous year. According to CBRE, rising revenues and increasing operational hotel performance are generally contributing to positive sentiment in the industry.

Hungary

The Budapest office market offers 4.5 million m² of modern space. Take-up increased significantly last year to 502,200 m² (2023: 352,000 m²). Completions totalled 103,600 m² (2023: 180,000 m²). Another 503,000 m² are currently under construction. Vacancy increased to 14.1% (2023: 13.3%) due to the completions. Average rents increased by 4.5% to EUR 14.85/m²/month while prime rents remained unchanged at EUR 25.00/m²/month.

Romania

The transaction volume in Romania came to EUR 733m in 2024 (2023: EUR 499m), thus increasing by 47% from a very low level. The retail segment enjoyed the highest demand, with turnover of EUR 234m. Turnover recovered for office properties, reaching a market share of EUR 159m. The prime yield was 7.75% for both shopping centres and office properties (2023: 7.75%).

The Bucharest real estate market comprised 3.41 million m² of office space at the end of 2024. Last year, 16,100 m² of new space were completed (2023: 110,000 m²). New space totalling roughly 64,000 m² (2023: 16,100 m²) is currently under construction. Take-up declined again by around 19% to 383,300 m² (2023: 476,000 m²). Vacancy dropped to 12.1% by the end of the year (2023: 14.7%). Prime rents in the city centre increased and now amount to EUR 21.00/m²/month while average rents remained constant compared to the previous year at EUR 15.70/m²/month.

Romania currently has 4.5 million m² of retail space. New construction totalled 196,800 m² in 2024 (2023: 251,000 m²). The focus of development activity is on retail parks in secondary and tertiary cities. Discounters in particular are expanding strongly. Peak rents in shopping centres were EUR 80.00/m²/month, while those in retail parks were between EUR 8.00 and EUR 15.00/m²/month.

Czech Republic

The transaction volume on the Czech real estate market rose by 41%, totalling roughly EUR 2.0bn (2023: EUR 1.4bn). Office properties generated turnover of around EUR 360m, and prime yields for this asset class increased to 5.6% (2023: 5.4%).

The Prague office market comprised roughly 3.96 million m² of modern space at the end of 2024. Completions totalled 72,800 m² in 2024 (2023: 98,400 m²) and were thus 26% lower than in the previous year. Another 164,300 m² are currently under construction (2023: 100,000 m²). Take-up came to 557,100 m² (2023: 541,900 m²). The vacancy rate rose slightly to 7.4% (2023: 7.2%). Prime rents rose to EUR 29.50/m²/month while average rents fell to EUR 17.10/m²/month (2023: EUR 17.75 to 18.25/m²/month).

Slovakia

The transaction volume on the Slovakian real estate market declined by around 19% to EUR 537m last year (2023: EUR 664m). Retail properties reached a market share of roughly 23%, or EUR 124m (2023: EUR 93m). Office properties accounted for 18%, or EUR 97m (2023: EUR 467m). Prime yields in the office segment remained constant at 6.0% (2023: 6.0%).

Sources: BNP Paribas Real Estate, CBRE, EHL, Eurostat, European Commission, JLL, OECD, Savills

The available space at office properties in Bratislava remained unchanged versus the previous year in 2024, at 2.1 million m². No new office space was completed in 2024 (2023: 114,000 m²). Around 44,000 m² (2023: 21,000 m²) are currently under construction. The vacancy rate fell to 12.7% (2023: 14.2%) due to the lack of new space. Take-up increased by roughly 8.0% to 198,800 m² (2023: 183,500 m²). Prime rents increased to EUR 19.50/m²/month while average rents remained unchanged at EUR 15.50/m²/month.

Hotel market in CEE

The hotel market in the CEE region is continuing to see positive developments following the recovery in recent years. This trend is expected to continue.

Business development and performance

The Germany segment was defined as discontinued operations as of the 2024 financial year. In this context, the net result for the period was divided into two parts – continuing operations and discontinued operations (see section 2.4. in the notes) – and the prior-year figures were also adjusted accordingly.

In the consolidated income statement, the income (after taxes) for the discontinued operations is presented in a separate line for both the 2024 period and the 2023 period. Therefore, the following explanations pertaining to the consolidated income statement do not contain any contributions from the discontinued operations in Germany. Detailed information can also be found in the notes to the consolidated annual financial statements.

Earnings performance in the 2024 financial year was characterised by the following factors in particular: Despite the sales, a significantly improved operating result was achieved due to the acquisition of profitable rented properties in Austria and the Czech Republic, a good like-for-like performance of rental income and an increase in hotel earnings. Positive property valuations were also recorded, mainly due to the acquisition of properties in the Czech Republic. The financial result was also characterised by increased expenses related to interest on loans.

One significant event in the 2024 financial year was the sale of properties in Germany, Austria, Croatia and the Czech Republic.

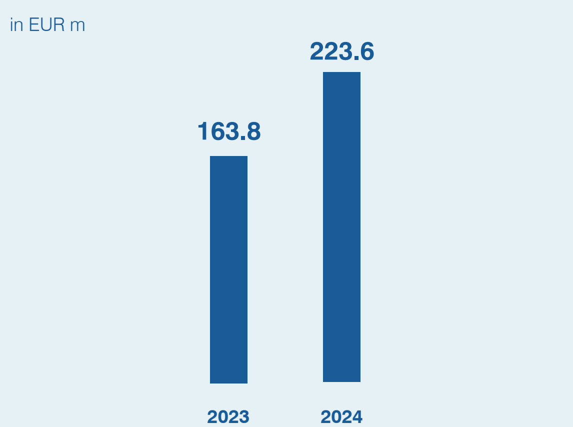
Overall, EBITDA increased year-on-year to EUR 184.8m (2023: EUR 125.0m). Thanks to positive results from property valuation in the amount of EUR 65.2m (2023: EUR 9.1m), EBIT improved from EUR 125.1m to EUR 242.1m.

The negative effects in the financial result on the one hand and higher expenses due to income taxes led to consolidated net income of EUR 122.9m (2023: EUR 55.1m). Earnings per share rose from EUR -0.46 to EUR 0.85.

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

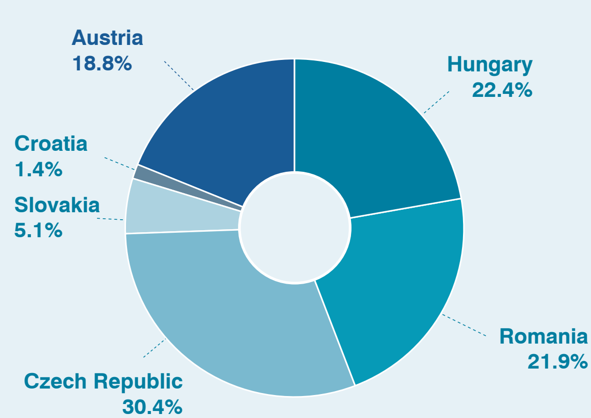
Rental income for the 2024 financial year amounted to EUR 223.6m (2023: EUR 163.8m), which was over 36.5% higher than in the previous year. This increase is attributable to acquisitions as well as considerable like-for-like improvements in the existing portfolio.

Total rental income[1]



[1] Not including Vienna Marriott Hotel and Budapest Marriott Hotel

Rental income by country[1]



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

Revenues from hotel operations improved year-on-year to EUR 76.5m (2023: EUR 70.0m), and were thus well above the pre-pandemic level of 2019 (EUR 59.1m). Overall, revenues rose from EUR 287.6m to EUR 381.0m in 2024.

Expenses from property operations increased to EUR 105.2m as a result of inflation and property purchases (2023: EUR 85.1m). This development was also due to higher operating costs, only some of which were passed on to existing tenants.

Broken down by country, rental income for the reporting period excluding this financial year's reclassification of parts of the revenues from operating costs was as follows: Austria contributed around 18.8% (2023: 19.2%), Hungary 22.4% (2023: 31.1%), Romania 21.9% (2023: 28.6%), the Czech Republic 30.4% (2023: 9.1%), Slovakia 5.1% (2023: 7.1%) and Croatia 1.4% (2023: 5.0%). In terms of main types of use, and excluding operating cost allocations recognised in rental income, commercial properties excluding hotels (office and retail) contributed 95.7% (2023: 94.6%) of rental income, hotels contributed 4.2% (2023: 4.7%) and residential properties contributed a share of 0.1% (2023: 0.7%).

Gross profit from hotel operations improved by 21.1% from EUR 17.3m to EUR 20.9m. Gross profit for the entire property portfolio, which reflects the operating performance of both rental properties and owner-operated hotels, rose sharply to EUR 229.2m (2023: EUR 151.5m), the highest level in the company's history.

Despite negative non-recurring effects from personnel costs, higher other administrative expenses due to ongoing projects and increased expenses, EBITDA also reached a new all-time high of EUR 184.8m (2023: EUR 125.0m).

Property investments

In the financial year 2024, acquisitions were made in the amount of EUR 414.6m. These relate to office and commercial portfolios, most of which are located in Prague.

Disposals totalled EUR 497.0m (2023: EUR 682.4m) and primarily pertained to Germany, Austria and Croatia. The assets classified as held for sale relate to the Czech Republic, Hungary, Austria and the Germany segment.

Property valuation result and negative effects in financial result

Despite the difficult conditions at present, the property valuation result came to EUR 65.2m (2023: EUR 9.1m). Specifically, Austria accounted for EUR -15.3m (2023: EUR -27.6m), Hungary for EUR -4.3m (2023: EUR -17.4m), Romania for EUR 6.2m (2023: EUR -9.8m), the Czech Republic for EUR 79.5m (2023: EUR 69.4m), Slovakia for EUR -2.2m (2023: EUR -6.2m), Croatia for EUR 1.2m (2023: EUR 0.1m) and Bulgaria for EUR 0m (2023: EUR 0.6m). Due to the new all-time-high operating result, EBIT increased by 93.5% to EUR 242.1m (2023: EUR 125.1m).

The financial result declined year-on-year to EUR -83.7m (2023: EUR -67.5m), mainly due to higher bank interest expenses.

The cost of funding (based on variable- and fixed-interest financial liabilities including bonds and derivatives) totalled 2.67% as of 31 December 2024 (31 December 2023: 2.44%).

Due to the sharp rise in the operating result, consolidated net income increased substantially year-on-year to EUR 122.9m (2023: EUR 55.1m) as a result of the aforementioned non-cash property valuation effects and the negative non-cash effects from derivative valuations. Taking the discontinued operations in Germany into consideration, consolidated net income increased significantly from EUR -41.4m to EUR 63.5m in 2024.

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Earnings and financial position

Cash flow

Cash flow from operating activities for 2024 amounted to EUR 165.4m (2023: EUR 153.8m). Cash flow from investing activities was characterised not only by acquisitions (mainly in Austria and the Czech Republic) but also by disposals (predominantly in Germany), and totalled EUR 56.9m (2023: EUR -131.5m). Cash flow from financing activities came to EUR -427.0m (2023: EUR 176.4m).

Consolidated statement of financial position

S IMMO Group's total assets declined from EUR 4,179.9m to EUR 3,854.2m, and the equity ratio increased slightly from 40.7% to 40.8%.

Cash and cash equivalents totalled EUR 236.6m at the end of the year (31 December 2023: EUR 445.1m). Equity not including non-controlling interests declined to EUR 1,536.0m as of 31 December 2024 (31 December 2023: EUR 1,648.4m). Accordingly, the book value per share fell to EUR 21.85 (31 December 2023: EUR 23.43).

Financial management

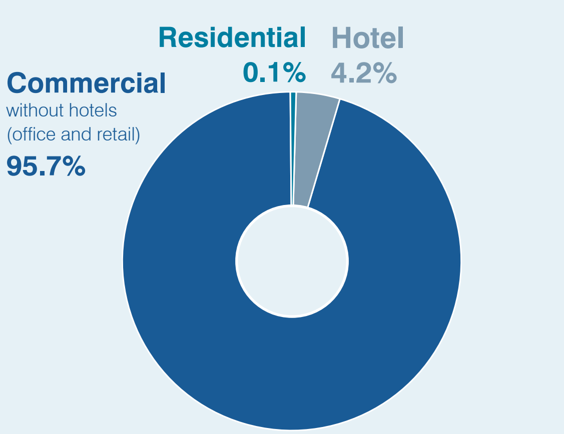
All of S IMMO's loan liabilities are denominated in euros. As of 31 December 2024, around 0.1% of the long-term loans were fixed-rate (31 December 2023: 7%) and 99.9% were variable-rate (31 December 2023: 93%). S IMMO reduces the risk of rising interest rates on variable-rate financing by engaging in interest rate hedges.

Breakdown of financial liabilities

EUR m	2024	2023
Issued bonds (non-current)	503.4	518.8
Other financial liabilities (non-current)	1,351.2	1,334.4
Issued bonds (current)	16	100
Other financial liabilities (current)	64.6	183.3
Total	**1,935.1**	**2,136.5**

S IMMO's property not held for sale amounted to EUR 3,223.6m as of 31 December 2024 (31 December 2023: EUR 3,393.1m), while property held for sale amounted to EUR 194.6m (31 December 2023: EUR 84.5m). The loan-to-value ratio (LTV ratio) was higher than last year at 49.9% (31 December 2023: 49.0%).

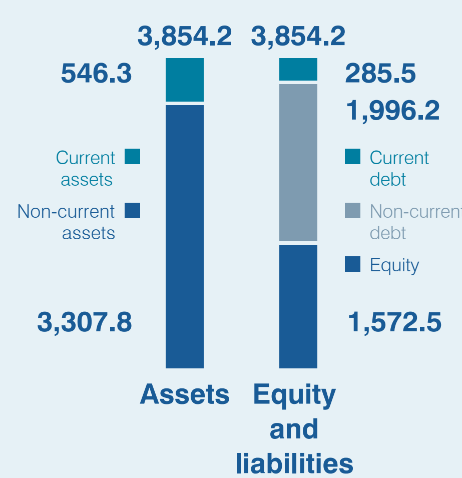
Rental income by type of use [1]



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

Balance sheet structure

in EUR m



The following table illustrates the calculation method:

	2024		2023	
EUR m	unsecured	secured	unsecured	secured
Secured financial liabilities without derivatives	0	1,428.3	0	1,531.4
Issued bonds and other unsecured financing	519.3	0	618.8	0
Cash and cash equivalents	-240.9	0	-445.6	0
Total	**278.4**	**1,428.3**	**173.2**	**1,531.4**
Property investments	3,418.2	3,418.2	3,477.6	3,477.6
LTV ratio in %	8.1	41.8	5.0	44.0
Total in %	**49.9**		**49.0**	

As of 31 December 2024, S IMMO's liabilities to banks were spread among 13 individual banks (2023: 19). The average maturity of non-current liabilities to banks was 4.4 years (2023: 5.0 years).

Related party disclosures

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

Risk management report

As an international real estate group, S IMMO Group encounters a multitude of opportunities and risks that impact operating activities, decision-making processes and strategic management. By identifying, analysing, managing and monitoring opportunities and risks, the Group strives to recognise potential as well as identify negative developments and potential risk factors in a timely manner, understand their cause and minimise them as far as possible. Nevertheless, the occurrence of risks cannot be completely ruled out. S IMMO is engaged in long-term real estate investments in the form of the purchase, retention and sale of properties, project development, letting, asset management, revitalisation and refurbishment of buildings and the operation of hotels and shopping centres. The properties are located in the capitals and larger cities of Austria, Hungary, the Czech Republic and other CEE countries. The portfolio consists primarily of offices, but also includes shopping centres and hotels. Recently, S IMMO has been busy selling German properties with low yields as well as small to mid-sized office properties with limited development potential – primarily in Croatia, the Czech Republic and Austria. The proceeds from the sales create the basis for future growth and earnings .

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

In addition to internal guidelines and regulations, S IMMO's risk management includes ongoing reports to the Management Board as part of regular meetings. Furthermore, there are control measures in place in the Group for the purpose of the early detection, management and monitoring of risks. Key decisions relevant to risk are made by the Management Board. Investment and divestment projects above a specific volume also require approval from the Supervisory Board. The Supervisory Board is regularly informed about the current risk assessment, potential risks and the Internal Control System in the course of the Audit Committee meetings that are held at least twice a year. The risk groups set out in this section have been and will be regularly analysed and assessed retrospectively for financial year 2024 and also with regard to business activities in 2025.

The 2024 financial year continued to be characterised by a series of global political and macroeconomic events. The global economy has shown initial signs of recovery due to falling energy prices, and the labour market stabilised in the key global economies, but the upturn remains weak, and the forecasts for 2025 are cautious. Consumer demand was subdued in light of the economic and political environment in much of the European Union, hampering any rebound that could mark the end of the recessionary trend. Several elections in major European nations have been plagued by an increasing struggle to form governments, namely in France, Germany and Austria. In turn, this has made it difficult to plan investments in the economy. Corresponding investments are crucially required to promote dynamic economic growth. Much-needed momentum for the global economy may be provided through inflation, which has now fallen, and the related easing of monetary policy in the form of interest rate cuts implemented to date by central banks, with further cuts forecast for 2025. Nevertheless, uncertainty may arise from factors such as new tariffs announced by the new US president or the abandonment of indexed climate change mitigation measures, which could lead to regional disadvantages in the European Economic Area.

Forecasts concerning economic growth in the euro area are cautious for the 2025 financial year. Uncertainties are heavily weighing on future economic growth in Germany. It is crucial that clarity is obtained with regard to the agenda the next German federal government will be pursuing in relation to structural issues, energy security and affordability along with social issues

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in harmony with EU requirements and the enacted Green Deal. The current financial environment, which is expected to become more favourable throughout the course of 2025, should once again encourage property development and investments among the private and institutional sectors, thereby lifting hopes.

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

Internal Control System

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

Key features of the accounting-specific ICS are:

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

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Internal Audit

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

Risk overview

Corporate strategy risks	Property-specific risks	Financial risks	ESG risks	Other risks
Business environment and industry risks	Property portfolio risks	Liquidity risks	Environmental risks	General external risks
Strategic risks	Letting and rental default risks	Interest rate risks	Social risks	Legal risks
Investment risks	Property development risks	Financing risks	Governance risks	Other operational risks
Capital market risks	Construction risks	Credit risks		
	Property valuation risks	Exchange rate risks		

Explanations on individual risks

Corporate strategy risks

Business environment and industry risks

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

A macroeconomic overview and an assessment of the development of the property markets relevant to S IMMO are presented in the economic report. Despite interest fees on loans already falling due to several interest rate cuts by the ECB, ideal conditions are not expected to be encountered in the near future. Over the coming months, property markets are likely to remain subject to appreciable financing costs, prudent, risk-averse lending policies and persistently high construction costs. S IMMO counters these risks with a crisis-proven business model and a high-quality property portfolio in excellent locations.

Strategic risks

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

Investment risks

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

Due to the macroeconomic conditions, transaction values agreed in the purchase process may come under pressure in subsequent valuations after completion of the transaction and reduce the profitability of the planned purchase or subsequently have a negative impact on the transaction value in the course of a possible sale.

Capital market risks

S IMMO is listed on the Vienna Stock Exchange with bonds, and financing on the capital market is of corresponding importance. Events and circumstances such as unstable capital markets, uncertainties due to political events such as the war in Ukraine or the conflict in the Middle East, rising borrowing interest rates, or a difficult economic environment, etc. may affect the Group's financing options. Transparent and reliable information gives shareholders a well-founded decision-making basis and strengthens the capital market's trust in the securities issued by S IMMO. The current volume of bonds issued by S IMMO AG in its capacity as a bond issuer amounts to EUR 520.6m, with the longest residual maturity ending in 2030. It is of crucial importance to investors who invest in these securities that S IMMO AG fulfils its obligations with regard to paying back the principal and paying the interest. To date, subscription rates for S IMMO AG corporate bonds have always been highly successful due to the excellent reputation of S IMMO AG on the capital markets.

Property-specific risks

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

Property portfolio risks

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

Letting and rental default risks

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

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

Property development risks

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

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Due to the increases in construction costs and higher interest rates in the recent past, there are currently delays and postponements of construction starts. The expected profitability of a project may also deteriorate. Due to S IMMO's conservative development strategy and the associated approach of waiting until construction prices have eased and financing costs have declined, the exposure of S IMMO to any risks in this area is low, as only one development project is currently being implemented in the Czech Republic.

Construction risks

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

Property valuation risks

Property valuation depends on various macroeconomic conditions – which are beyond the Group's control – and on property-specific factors. In this respect, property valuation risk describes the risk of negative fluctuations in the value of the property portfolio. In addition to the expected rental income, the technical condition of the property and the occupancy rate, real estate appraisers also take into account other factors such as taxes on land, non-allocable operating costs, third-party claims based on environmental risks or risks associated with certain building materials. Any change in the value of a property can have an impact on the Group's net profit or loss and creditworthiness. The Group recognises investment properties at fair value, and generally has them valued once or twice a year by external experts. After significant devaluations in the previous year due to high interest rates and inflation, property valuations have largely stabilised in the 2024 financial year.

Financial risks

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

Liquidity risks

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

Interest rate risks

The vast majority of S IMMO Group's financing agreements provide for a variable interest rate based on the three-month EURIBOR as the reference interest rate, resulting in the risk of a changing interest rate level. The costs of interest payments increase if the respective reference interest rate rises. Between May 2023 and November 2024, inflation in the euro area had already fallen from 6.1% to 2.2%, which led to four cuts to key interest rates in 2024, taking the figure from 4.5% to 3.15% (as of December 2024). The ECB is forecast to cut key interest rates further in 2025. 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 2024, 99.9% (31 December 2023: 93%) of loans were variable-rate loans – exclusively pegged to the three-month EURIBOR. S IMMO generally hedges its variable-rate loans with the following derivative financial instruments: swaps and caps. As of 31 December 2024, 100% of the variable-rate financing portfolio was hedged. S IMMO Group aims to hedge risks to the greatest possible extent. The sensitivity analyses carried out, which include the existing bonds (see Notes, section 5.2.1.), show that the risk of rising interest expenses due to changes in interest rates is considered low for S IMMO Group.

Financing risks

It can be observed that, as a result of the Taxonomy Regulation, banks attach more importance to the fulfilment of ESG criteria of the financing object when examining financing requests. The attractiveness of various types of financing depends on several factors, some of which are beyond the Group's control. In particular, these factors include market interest rates, tax-related aspects and the assessment of the value and realisation potential of properties that serve as collateral, as well as the assessment of the general economic situation and future economic performance by the financing partners. In times of highly volatile property markets, lenders may sometimes be unwilling to extend maturing loans under terms that are acceptable to S IMMO Group. This can lead in particular to higher margins, lower lending levels and the need to provide further collateral and might also generally lead to a lack of refinancing options. If the Group is unable to generate liquidity or external funds to the required extent at the required time or to borrow under acceptable terms, its ability to fulfil its obligations under financing agreements could be impaired. S IMMO Group strives to reduce this risk by spreading its borrowing among different lenders (13 individual banks as of the reporting date of 31 December 2024). Borrowing is monitored on the basis of approvals on a staggered basis by the Management Board and Supervisory Board. As of 31 December 2024, liabilities to banks had an average term of around 4.4 years. This maturity structure for 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 and reported to the relevant 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 2024, the Group-wide loan-to-value ratio for secured financing stood at 41.8% (31 December 2023: 44.0%). In addition, the Group has unsecured financing (utilised credit lines and loans). The loan-to-value ratio for unsecured financing amounted to 8.1% (31 December 2023: 5.0%) of property assets. Despite close monitoring of financing instruments and the relevant parameters, it cannot be ruled out that S IMMO will be confronted with risks in the area of refinancing if the economy and the financing environment deteriorate sufficiently.

Credit risks

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

Exchange rate risks

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

ESG risks

For S IMMO, the management of ESG risks comprises various risks related to the ESG criteria of environment, social affairs and governance. Legal and regulatory requirements such as the Sustainability and Diversity Improvement Act (NaDiVeG) and the EU Taxonomy Regulation require specific sustainability risks in the areas of climate change, employees, respect for human rights, the fight against corruption and bribery, and others to be

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addressed. The following section of the risk management report describes significant risks in connection with the topics mentioned in the non-financial report as well as measures for identifying, assessing, avoiding and limiting these risks.

Environmental risks

S IMMO is exposed to various environmental and climate risks that can arise both in its operations and in its property development activities. These risks can arise due to geographical circumstances but also in particular in connection with advancing climate change. These climate risks are divided into physical and transition risks. The information provided in this section on S IMMO's climate risk management is based on the requirements of the EU Taxonomy and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). The strategic monitoring of environmental risks – including climate risks – and the pursuit of possible opportunities are the responsibility of the Management Board and the ESG Committee of the Supervisory Board. The operational identification, assessment and management of risks is the responsibility of the Group-wide Risk Management function.

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

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

In order to meet the requirements of the EU Taxonomy for a high-resolution climate risk and vulnerability assessment in line with the long lifespan of real estate investments, all S IMMO properties have been subject to a technology- and science-based climate risk analysis by an external service provider every two to three years since 2022, and the results are integrated into the Group's own risk assessment. For this purpose, the individual properties are subjected to a scenario analysis, related to the representative concentration paths RCP2.6, RCP4.5, RCP6.0 and RCP8.5 depending on data availability with time horizons between 2040 and 2100, for all relevant physical climate risk categories, and the risks are assessed using an average of these concentration paths. Further details can be found in the chapter on environmental information starting on page 62.

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

Furthermore, the way politics, business and society deal with climate change results in transition climate risks for the company. A more drastic taxation of greenhouse gas emissions and the accompanying technological necessity of investments in renewable energy generation, improvement of energy efficiency as well as the digitalisation and networking of buildings are becoming significant cost drivers, and there is also the risk of potential misinvestments in technologies. At the same time, lower-emission technical solutions can actively reduce significant market risks, primarily the loss of value of CO_2-intensive buildings, the more difficult lettability of CO_2-intensive buildings and increased costs due to higher energy and commodity prices. In addition, the expanded reporting requirements to be met reflect the preferences of investors and financiers for products and business models with a high ESG orientation, which is why S IMMO is continuously improving the scope, availability and transparency of its ESG data.

Climate risks not only affect the company through climate change because in the sense of double materiality, there is also the risk that the company will accelerate the greenhouse effect and thus climate change. The construction and operation of buildings is generally greenhouse gas intensive, which means that S IMMO has a special responsibility to increase energy efficiency and reduce greenhouse gas emissions. Portfolio-wide

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and property-related consumption data monitoring and the calculation of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol) should serve to identify and implement targeted optimisations based on complete and detailed data. To provide a strategic framework for this project, specific savings targets are part of S IMMO's ESG strategy and have already been or are currently being implemented. Details of the ESG strategy can be found starting on page 37. Further information on the handling of energy and emissions can be found in the non-financial statement starting on page 62.

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

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

Social risks

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

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

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

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

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Governance risks

S IMMO's Code of Conduct obliges the executive bodies and employees to behave in a manner that complies with the company's ethical standards. There is a risk that the contents of these codes are not adhered to. Employees who become aware of a proven or possible violation of the Code of Conduct or compliance guidelines listed therein must either report this immediately to S IMMO's Compliance Management or submit a corresponding report anonymously via the digital whistleblower system publicly accessible on the company's website. The other governance risks are divided into the areas of human rights, corruption, legal and regulatory violations, risks relating to the Management Board and Supervisory Board, and risks relating to data protection and IT.

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

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

S IMMO's Compliance Management is the central point of contact for all complaints and suspicious activity reports regarding actual and potential human rights violations. Furthermore, local management in the subsidiaries can also be contacted as the first authority. An anonymous report can be submitted via the Group's digital whistleblower system. All three channels are always open to internal and external persons alike. All reported incidents are received by Compliance Management and are treated confidentially and with an assurance of anonymity. If a suspicious case is confirmed, possible countermeasures are identified. Details on dealing with human rights risks and the underlying international frameworks can be found in the non-financial statement starting on page 100. The content of the organisational policy for human rights (www.simmoag.at/humanrights) and the digital whistleblower system are available to all employees in the intranet. In addition, annual training on the topic of whistleblowing is mandatory for the entire workforce. Since 2022, employees have been receiving annual training on the content and implementation of the organisational policy on human rights and the digital whistleblower system.

The risk of corruption is always present in day-to-day business. Some of the countries in which S IMMO operates have a lower ranking according to the Corruption Perceptions Index, which can lead to violations of the law and subsequent fines in serious cases. In addition to the Code of Conduct, S IMMO has provided its executive bodies and employees with its own set of rules to prevent such conduct. The Policy for the Prevention of Bribery, Acceptance of Benefits and Corruption, which is also published on the company's website, regulates the structural and procedural measures to avoid even the appearance of bribery, acceptance of benefits and corruption. This binding policy is designed to strengthen the awareness of each and every individual and to create awareness of the consequences of corruption and how to combat it. Mandatory training sessions have been held annually on the contents of the Code of Conduct and the Policy for the Prevention of Bribery, Acceptance of Benefits and Corruption since the 2022 financial year.

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

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

Despite all due diligence and systemic and procedural precautions, there is a risk that cyberattacks and unauthorised disclosures could lead to violations of personal rights and privacy, especially in the area of employee and tenant data. The company counters this risk with ongoing monitoring of case law and, if necessary, with adjustments to its policies, infrastructure and processes in relation to data protection in order to minimise the number of breaches and subsequent claims and, if necessary, to comply with them in a timely manner. In addition, employees receive mandatory annual training on data protection topics. IT security risks are gaining in importance, especially in light of a significant increase in the digitalisation of corporate processes. S IMMO defines IT security risks as the danger that the confidentiality, availability or integrity of corporate data is breached through improper publication, encryption or loss, preventing the company or individuals from carrying out their tasks or processes in a timely and successful manner. This can primarily be the result of inadequate authorisation concepts, cyberattacks and theft of hardware. In order to minimise these risks, an external penetration test was conducted to identify and eliminate IT security vulnerabilities in 2022 and was repeated in 2024. S IMMO has a central user and log management system and uses an intelligent cyberdefence program and programs for the automated detection of data security risks around the clock. Furthermore, hard drives, data media and mobile devices are encrypted and servers are hosted in a failsafe data centre operated by an external service provider. The company's data security policy is constantly being developed further, and annual mandatory employee training courses on data security have been held since 2022. Despite all measures taken, a failure of the IT infrastructure or a cyberattack on S IMMO's systems cannot be ruled out.

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

Other risks

General external risks

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

Legal risks

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

Other operational risks

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

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Non-financial statement

General information

ESRS 2 General disclosures

Basis for preparation

BP-1 – General basis for preparation of sustainability statements

(BP-1_01, BP-1_02)

Scope of companies and portfolio

This non-financial statement has been prepared on a consolidated basis. It covers S IMMO AG and all consolidated subsidiaries (see section 2.2.4. of the consolidated financial statements of the annual report 2024). Equity accounted investees are considered as part of the company's value chain. The portfolio of the company comprised 157 standing investment properties as of 31 December 2024.

Nonfinancial data covers the whole Group's building portfolio (in Austria, Germany, the Czech Republic, Romania, Hungary, Slovakia and Croatia) – i.e. data for assets operated by the Group and rented to third parties.

(BP-1_04)

The non-financial statement covers the impacts and risks and their management that relates also to the Group's upstream and downstream value chain as described below. S IMMO's upstream and downstream value chain was considered in the process of identifying and assessing material impacts, risks and opportunities in the course of the double materiality assessment. A detailed description of the value chain considered can be found in section SBM-1 of this chapter.

BP-2 – Disclosures in relation to specific circumstances

(BP-2_01)

The definition of time horizons in ESRS 1, section 6.4 was used for the preparation of this statement.

(BP-2_03, BP-2_04, BP-2_05, BP-2_06, BP-2_07, BP-2_08, BP-2_09)

S IMMO strives for maximum accuracy. Therefore, in most cases, actual data including the value chain data such as tenant's energy and water consumptions are used for disclosed metrics. Estimates are employed solely in instances where actual data is not available by the end of the data collection period. Details can be found in the metrics section of E1-5, E1-6, E3 and E5.

(BP-2_10, BP-2_11, BR-2_12)

This sustainability statement was prepared in line with the European Sustainability Reporting Standards (ESRS) for the first time. Based on legislation in Austria at the time of disclosure, it is considered to be voluntarily. This report was reviewed with limited assurance by EY Austria.

At the same time, this fulfils the obligation to prepare a non-financial statement in the management report (Section 267a of the Austrian Commercial Code (UGB)) and, in accordance with EU Directive 2014/95/EU on the disclosure of non-financial information (NFI Directive) and its implementation in the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), the required information for the 'Non-financial Statement' is covered and prepared as part of the Group Management Report in the Annual Report 2024 and published.

Changes in reporting compared to previous reporting period are disclosed in the relevant sections of this statement.

Governance

GOV-1 – The role of the administrative, management and supervisory bodies

(GOV-1_01-03, GOV-1_04)

As of 31 December 2024, the Management Board consists of Radka Doehring, Pavel Mechura and Vit Urbanec. The Supervisory Board consists of Martin Matula, Vladislav Jirka, Matej Csenky and Andreas Feuerstein (Works Council representative).

The dual management structure of S IMMO AG consists of a Management Board and a Supervisory Board. These corporate bodies are strictly separated, in both their composition and functions, and can therefore independently carry out their assigned duties. The Management Board is responsible for strategic direction of S IMMO and group's performance in relation to sustainability. The Supervisory Board supports and advises the Management Board.

At the end of the financial year 2024, the Supervisory Board had three members who were elected by the annual general meeting (shareholder representatives) and one member delegated by the Works Council. The Management Board had three members.

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Board Expertise

The members of the Supervisory and Management Boards are experts in their respective fields, ensuring that informed decision-making is made in accordance with regional market trends, regulatory frameworks, and investment opportunities.

(GOV-1_05, GOV-1_07)

The group's commitment to diversity is reflected in the following points relating to the governing bodies without Works Council:

- Gender diversity: 16.7% female representation in governance bodies (One female representative serves on the Management Board, constituting 33% of the total. There are no women on the Supervisory Board as of 31 December 2024)
- Age diversity: Supervisory Board Members with an average age of 43.7 and Management Board members with an average age of 53.3.
- International representation: 100% of the three Management Board members hold international experience.
- The members of the Supervisory Board who do not represent the Works Council are independent. This means that the ratio of independent to non-independent Supervisory Board members is 75%. The Supervisory Board declares its independence before its election. There is no comparable process for members of the Management Board.

(GOV-1_08, GOV-1_09)

The Board Committees assist the Board by preparing assignments and making recommendations to the entire Supervisory Board. The entire Supervisory Board decides on matters. The members of the Board Committees are appointed by the Supervisory Board from among its members. The main tasks and duties of the individual committees are defined in the Rules of Procedure for the Supervisory Board of S IMMO AG, details on the committees can be found in the report of the Supervisory Board. The entire Supervisory Board fulfilled the responsibilities of the ESG Committee in the financial year 2024.

Responsibility for the supervision of the IROs is embedded in the committees of the Supervisory Board. ESG integration in the committees of the Supervisory Board is structured as shown below:

Body of Governance	Responsibilities related to ESG in accordance with the Rules of Procedure for the Supervisory Board	Material issues addressed in 2024
Audit Committee (3 members)	• Monitoring the financial reporting process and auditor's work • Monitoring the effectiveness of the Internal Control System, the risk management and the audit and group audit process	• Quarterly review of risk management report • Review and approval of double materiality assessment process and result for 2024 reporting • Review of result of year-end limited assurance process on non-financial statement • Review and approval of 2024 individual financial statements, consolidated financial statements and annual financial report
Committee for Management Board Matters (Remuneration Committee) (3 members)	• Negotiating contracts with members of the Management Board • Determining the remuneration policies for the Management and the Supervisory Board	• Assessment of the competencies required in the management bodies in the event of vacancies • Annual review and approval ensuring that targets defined contribute to the company strategy, long-term interest and sustainability
ESG Committee (2 members)	• Matters related to sustainability as well as social, economic and environmental responsibility • Defining ESG strategy • Managing regulatory requirements and addressing ESG-related risks.	• Evaluation of the company's strategy and orientation, of which environmental, sustainability, social and governance topics (ESG) are an integral part • Half-yearly ESG update • Approval of the ESG Group Transition Plan

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Management's role in monitoring, managing and overseeing IROs

(GOV-1_10, GOV-1_11, GOV-1_12)

At senior level, the Head of the ESG department leads the sustainability function, with oversight from the ESG Committee. The Head of ESG is responsible for executing sustainability strategies, monitoring performance, and ensuring compliance with regulatory requirements.

The topic of ESG was outsourced to the ESG department at CPI Europe in the course of 2024 and has since been managed by them across the group including S IMMO. The ESG department has been responsible for the Group-wide coordination and implementation of CPI Europe's sustainability strategy and for chairing the cross-functional ESG Committee.

Heads of department report sustainability risks and opportunities to the Head of ESG. The Head of ESG reports to the Management Board quarterly and to the Supervisory Board biannually.

(GOV-1_13)

To ensure cross-functional alignment, sustainability controls and procedures must be embedded across key departments:

- Corporate Governance & Strategy – Aligning sustainability goals with corporate mission and risk appetite.
- Finance & Risk Management – Integrating ESG risks into investment decisions, sustainability-linked financing, and reporting.
- Operations & Supply Chain – Implementing ESG criteria in procurement decisions
- Human Resources (HR) – Managing employee well-being, diversity, and sustainability training programmes.
- IT & Data Management – Enhancing ESG data collection.

(GOV-1_14)

The ESG Committee recommends target-setting methodologies and ensures that they align with industry standards and regulatory requirements. The strategy is then approved by the Supervisory Board. However, the entire Supervisory Board fulfilled the responsibilities of the ESG Committee in the past financial year. The Management Board integrates targets into business operations and corporate performance indicators.

Targets are embedded within the organization's strategic planning process to drive business performance and risk management. Inputs from key stakeholders, including investors, employees, and regulatory bodies, are considered when defining material sustainability targets.

The proposed targets undergo a multi-stage review process, where they are evaluated based on feasibility, impact, and alignment with corporate objectives before final approval by the Board.

The organization ensures systematic tracking of progress towards sustainability targets through the following mechanisms:

- Performance Dashboards and KPIs: Regular performance assessments using key performance indicators (KPIs) to measure progress against predefined targets.
- Internal and External Reporting: Periodic sustainability reports provide transparency on achievements, challenges, and adjustments made to targets.

Corrective Actions and Continuous Improvement

- Periodic Reviews: Targets are reviewed annually to assess relevance, effectiveness, and potential need for recalibration.
- Risk Management Adjustments: If progress deviates from expectations, corrective actions are implemented to realign strategies with evolving business conditions.
- Incentives and Performance Alignment: Management compensation and incentives are linked to the achievement of sustainability goals to drive commitment and accountability.

(GOV-1_15, GOV-1_16, GOV-1_17)

The Supervisory Board regularly evaluates the competencies, knowledge and experience of the individual members of the Supervisory Board and the Management Board, including whether they collectively possess, or are able to leverage, relevant sustainability expertise. It has concluded that each individual member of the board has skills that are relevant to the material IROs, as well as to the industry in general, the geographical location of the business activities, and the type of target consumes and end-user. The last self-evaluation was carried out in 2022. As the current Supervisory Board was only constituted at the end of January 2024, an evaluation by the Supervisory Board is planned for the financial year 2025.

Martin Matula has been appointed as one of the founding members of the CPI Property Group's ESG (then CSR) Committee in 2019. He has helped to create and implement the ESG framework for CPI Property Group, notably in the fields of governance, transparency and sustainable financing.

Matej Csenky, as a seasoned real estate, corporate and regulatory lawyer, brings expertise in the fields of governance and compliance.

GOV-2 – Information provided to and sustainability matters addressed by the governing bodies

(GOV-2_01, GOV-2_02, GOV-2_03)

The Supervisory Board and its committees are regularly informed about sustainability issues and consulted for decisions. The reporting lines for information on material IROs are listed under the responsibilities of management (see GOV1).

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The report on risk management including sustainability related IRO's is presented to and discussed by the Audit Committee at least four times a year. The impact and risk categories relevant for S IMMO are based on the company's value chain and include sustainability related impacts, opportunities and risks.

S IMMO has defined a broad range of measures to address and counter impacts and risks. These measures represent an integral part of all corporate processes and, consequently, form the basis for the reduction of negative impacts or risks and contribution to positive impact or opportunities.

Implementation of due diligence

Due diligence concerning sustainability matters ensures that organizations adhere to environmental, social, and governance (ESG) goals set by the company. This process involves assessing, identifying, preventing, mitigating, and accounting for sustainability risks and impacts in business operations and supply chains.

The effectiveness of policies, actions, metrics and targets adopted to address IROs

- Establish key performance indicators (KPIs) for sustainability performance.
- Regularly monitor compliance with the company's sustainability goals and regulatory requirements.
- Conduct periodic sustainability audits and third-party assessments.

The quantified risks associated with a specific transaction also serve as a basis for decision-making. The opportunity costs of a possible transaction are communicated to the Management and Supervisory Boards, along with a recommendation that is in line with the corporate strategy. Since sustainability considerations are already part of the corporate strategy, acting in accordance with the strategy also ensures sustainability.

Please refer to table GOV 1_09 for details of the key sustainability topics that the Management Board brought to the attention of the Supervisory Board committees in 2024.

GOV-3 – Integration of sustainability–related performance in incentive schemes

(GOV-3_01, GOV-3_02, GOV-3_03, GOV-3_04, GOV-3_05, GOV-3_06)

The Remuneration Policy in accordance with Section 78a AktG for the Management Board of S IMMO AG is geared towards promoting a long-term and sustainable development of the company. Against this background sustainability targets are anchored in the Remuneration Policy for the Management Board.

In accordance with the 2024 Remuneration Policy, individual and ESG targets derived from the sustainability strategy of S IMMO AG are implemented in the qualitative performance criteria with a total weighting of up to 30%. They take into account project related goals (such as project progress or successful leasing), strategic goals (such as acquisitions or disinvestments) and non-financial targets. The individual and ESG targets are selected annually from a list of criteria and their weighting are defined by the Committee for Management Board Matters (Remuneration Committee) for each financial year.

For the financial year 2024, the following ESG targets (all equally weighted) have been set for the Management Board:

- Increasing training hours per employee
- Low Risk Sustainability rating
- Purchase of green energy for Wienerberg

Accordingly, 10% of the contractually agreed total remuneration (assuming a 100% target achievement) is dependent on ESG targets.

This Compensation Policy is prepared by the Supervisory Board's Committee for Management Board Matters and submitted to the entire Supervisory Board for approval. The Compensation Policy is established based on a comparison with other listed companies while taking into account the company's business strategy and degree of complexity.

Variable compensation is based on quantitative and qualitative (individual) targets that are in the long-term interest of the company and its shareholders. New target values for variable compensation, including their weightings and the individual goals, are set annually by the Management Board Committee at the start of each financial year, with the targets being set according to the budgetary and medium-term planning as well as the corporate strategy.

The Committee for Management Board Matters regularly evaluates the Compensation Policy to ensure it is in line with business strategy and stakeholder interests. The company is also committed to complying with the results of voting at the Annual General Meeting regarding the presented Compensation Policy. A revised Compensation Policy must be submitted to the Annual General Meeting in 2028 at the latest.

For further details on the remuneration of the Management Board, please refer to the Remuneration Policy 2024 and the Remuneration Report for the financial year 2024 of S IMMO AG, which are published on the company's website.

GOV–4 – Statement on due diligence

(GOV-4_01)

The table below shows the paragraphs that contains disclosures about the current sustainability due diligence performance.

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	• GOV-2: Information provided to and sustainability matters addressed by the governing bodies; • GOV-3: Integration of sustainability-related performance in incentive schemes; and • SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence	• GOV-2: Information provided to and sustainability matters addressed by the governing bodies • SBM-2: Interests and views of stakeholders; • IRO-1 : Description of the processes to identify and assess material impacts, risks and opportunities • MDR-P: Policy Overview; and • Topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process.
c) Identifying and assessing adverse impacts	• IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities; and • SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking actions to address those adverse impacts	• ESRS 2 MDR-A; and • E1-1 – Transition plan for climate change mitigation • E3-2 – Actions and resources related to water and marine resources • E5-2 – Actions and resources related to resource use and circular economy • Topical ESRS: reflecting the range of actions, including transition plans, through which impacts are addressed.
e) Tracking the effectiveness of these efforts and communicating	• ESRS 2 MDR-M; • ESRS 2 MDR-T; and • E1-4 – Targets related to climate change mitigation and adaptation • E3-3 – Targets related to water and marine resources • E5-3 – Targets related to resource use and circular economy

GOV–5 – Risk management and internal controls over sustainability reporting

(GOV-5_01, GOV-5_02, GOV-5_03)

Following the implementation of the international standards such as Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and the EU Taxonomy, S IMMO AG has further expanded and develop the internal control system to encompass the full scope of the sustainability reporting process.

The company's sustainability reporting control system follows an approach similar to the financial reporting control system.

In 2024, S IMMO AG initiated a process description for sustainability reporting that covers the entire process from the results of the materiality analysis to the final sustainability report. The current sustainability reporting process is focused on minimizing operational risks, with a particular emphasis on ensuring a high level of data quality. The process includes internal controls for the ongoing and appropriate assessment of risks related to the integrity, accuracy and completeness of data and the timing of information availability.

This has been done in close cooperation with data owners such as asset managers, department heads of legal, human resources and finance and with external auditors.

Generally, risks related to sustainability data and reporting are addressed on a case-by-case basis through discussions with the data owners and the Management Board, or Audit Committee of the Supervisory Board, depending on materiality.

To mitigate the risk associated with data collection, the ESG team works with internal and external experts to enhance operational knowledge and improve data collection and control systems.

In case of downstream value chain information (e.g. property/tenants' data), the company engages in a dialog with service providers (energy or water suppliers for properties) to ensure a common understanding of the data needs and data quality.

As real estate data availability is also related to the company's portfolio management, the ESG team acts as a central point for improving data availability and quality.

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(GOV-5_04, GOV-5_05)
Risk assessment and risk mitigation measures are carried out in connection with regular internal and external reporting. The audits/reviews are carried out by both internal and external auditors. The external review of sustainability statement is carried out by the auditor in line with the financial reporting process. The results of the limited assurance process for nonfinancial reporting, including potential observations or identified risks, are reported to the Audit Committee of the Supervisory Board in connection with half-year and year-end reports.

Internal Audit performs independent and regular reviews of the internal control system, operational processes, and business transactions. The results of the audits are reported regularly to S IMMO's Management Board and twice a year to the Supervisory Board.

Further details are disclosed in the risk management part of the annual report.

Strategy

SBM–1 – Strategy, business model and value chain

(SBM-1_01, SBM-1_02)
S IMMO Group (S IMMO AG and its subsidiaries) is an international property group whose business is long-term real estate investments in the form of the purchase, retention and sale of properties, project development, letting, asset management, building revitalisation and refurbishment as well as the operation of hotels. The company operates in Austria, Germany, and CEE (Hungary, the Czech Republic, Slovakia, and Romania) and owns properties in each of the aforementioned countries. The portfolio consists of offices, commercial property, hotels and a small share of residential properties.

S IMMO concentrates on its core business as a growth-oriented property owner and on the continuous optimization of its portfolio. Over the past few years, the Management Board and Supervisory Board have repeatedly adjusted the portfolio strategy to account for the economic situation, achievable property returns and market values. The focus was on selling low yielding German properties. In Germany, almost all of the properties have been sold by this point. Some transactions are yet to be closed and are expected to be complete by the end of the first half of 2025. The sale of two remaining properties in Germany is planned in 2025. Accordingly, the withdrawal from the German market is expected to take place in the course of 2025/26. The proceeds from the sales create the basis for future growth and earnings.

The Group's property portfolio

As of 31 December 2024, S IMMO Group's property portfolio consisted of 157 properties (31 December 2023: 244) with a book value of EUR 3,418.2m (31 December 2023: EUR 3,477.6m). As of 31 December 2024, the portfolio broken down by main type of use excluding plots of land and based on book values consisted of 65.0% office buildings (31 December 2023: 67.2%), 26.1% retail properties (31 December 2023: 19.4%), 2.5% residential properties (31 December 2023: 6.1%) and 6.4% hotels (31 December 2023: 7.3%). The properties are located in the European Union and have a gross leasable area (total lettable area excluding parking spaces) of around 1.3 million m² (31 December 2023: 1.5 million m²). The high quality of the portfolio and asset management is reflected in strong occupancy rates and returns. The occupancy rate of the portfolio as a whole was 92.2% (31 December 2023: 90.6%). The calculation of the occupancy rate includes all investment properties in the narrower sense (i.e. excluding investment properties with development potential and owner-operated hotels). The overall rental yield came to 6.8% (31 December 2023: 6.8%). The WAULT (weighted average unexpired lease term) was 3.9 years (31 December 2023: 4.1 years).

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(SBM-1_03-04)
As of 31 December 2024, the Group employed 643 people excluding Management Board and dormant employees, including employees for hotel operations. A detailed description of the own workforce can be found in section S1 of this statement.

Total number of employees by country[1]

	2024
Total number of employees	**643**
thereof Austria	301
thereof Germany	47
thereof Hungary	294
thereof Croatia	1

[1] Headcounts as of 31 December excluding Management Board and dormant employees

(SBM-1_06, SBM-1_07)
S IMMO's revenues are generated through activities in the real estate sector: rental income (2024: EUR 223.7m) operation of own hotels (2024: EUR 76.5m) and selling of own real estate (2024: EUR 155.8m).

(SBM-1_08)
No other significant ESRS sectors have been identified during the double materiality assessment.

(SBM-1_21 to SBM-1_23)
S IMMO jointly with CPI Europe and CPI Property Group has set up a group wide sustainability strategy which applies to all products, services and customers irrespective of their geographical area. Relevant stakeholders are considered throughout the entire strategy. All major products, services and customers as well as our core markets are part of our value chain as described in chapter SBM-1. All of them are treated with the same level of importance.

Materiality topic	Subtopic	Impact Materiality	Impact Materiality description	Financial Risk/opportunity
Climate change	Climate change mitigation	GHG emissions generated from buildings operations	**The operation of the buildings contributing to GHG emissions mainly due to the consumption of fossil resources:** Building operation generates a wide range of emissions, from noise to greenhouse gas emissions (GHG Emissions). Greenhouse gases contribute to heat retention in the atmosphere, significantly altering the Earth's climate. Building emissions come from fossil fuels burned for heat, the use of gases for refrigeration and cooling, and the handling of waste. Negative / Actual	Risk of increased cost of fossil fuels Market reputation and investor confidence Financial penalties Carbon pricing mechanism
	Energy	Consumption of energy	**Consumption of energy:** The building sector, encompassing both construction and operation, is responsible for approximately 40% of global energy consumption and 37% of carbon dioxide emissions. Electricity usage for building operations represents nearly 55% of total global electricity consumption. Energy is generated from natural resources, which are, however, finite. Consequently, the consumption of energy leads to a significant usaging of these limited natural resources. Negative / Actual	Risk of improper adaptation assessment and implementations
Water and Marine resources	Water	Water withdrawal	**Water withdrawal:** Building operations consume a significant amount of water daily through water appliances, building equipment, and irrigation. Water is one of the most important resources, while water stress, as an imbalance between water demand and availability, is our the most common climate risk. Based on our climate risk assessment, around 10% of the number of our assets are in locations with high water stress, mainly in Romania, but also a very low amount of assets in other countries like Hungary and the UK. Negative / Actual	
Circular economy	Waste	Generation of waste	**Generation of waste**: Building operations generate a significant amount of waste daily. Poor waste management (in landfills) can cause air pollution and water and soil contamination. Waste also contributes to a building's overall GHG emissions. For our building portfolio, waste is responsible for about 5% of total GHG emissions annually. Negative / Actual	

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Financial Materiality description	Time Horizon	Direction	Our target	SDG Desprition
Risk of increased cost of fossil fuel resources Insufficient transition speed will lead to impairment losses due to the inability to compete and will mean high costs due to limited fossil fuel resources. **Market Reputation and Investor Confidence** Achieving GHG emissions reduction targets enhances a company's reputation. Investors increasingly prioritise sustainable practices, and companies that meet their climate goals are more attractive. Non-compliance with emissions reduction goals could negatively affect property valuation and attractiveness. **Financial Penalties** Failure to meet the GHG emissions reduction target may result in financial penalties and increased expenses. **Carbon Pricing Mechanism** The carbon tax mechanism will be in place in 2027, and the EU ETS applies to the real estate sector. The carbon tax applies to S1+S2 emissions.	Mid-term	Upstream Own operations Downstream	32.4% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline (validated by Science-based Target initiative in July 2022 in alignment with the Paris Agreement's well below 2°C scenario) Increased share of certified buildings Group-wide green lease	**13** Take urgent action to combat climate change and its impacts
Risk of improper adaptation assessment and implementations The potential risk lies in the possibility of a flawed assessment at the local level, will resulting in an inadequately crafted adaptation plan for the future. Another risk lies in insufficiently fast implementation of the adaptation plan. Both risks lead to unnecessary costs for the company.	Mid-term	Own operations Downstream	10% reduction in energy intensity of the property portfolio by year 2030 versus 2019 baseline	**12** Ensure sustainable consumption and production patterns
			Increase in EU Taxonomy alignment of economic activities at the consolidated Group level over time	**13** Take urgent action to combat climate change and its impacts **9** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
	Mid-term	Own operations Downstream	10% reduction in water intensity of property portfolio by year 2030 versus 2019 baseline	**12** Ensure sustainable consumption and production patterns **6** Ensure availability and sustainable management of water and sanitation for all
	Short-term Mid-term	Own operations Downstream	Elimination of waste sent to landfill wherever possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030	**12** Ensure sustainable consumption and production patterns

Materiality topic	Subtopic	Impact Materiality	Impact Materiality description	Financial Risk/opportunity
Own workforce	Working conditions (Secure employment, Health and Safety)	Increased Productivity Reduced Turnover Mental Health Issues	**Increased Productivity and Reduced Turnover** Employees who feel secure in their jobs are more likely to be productive and focused. They can dedicate their energy to their tasks without the distraction of job insecurity, and they are less likely to leave the company. **Mental Health Issues** Job insecurity can lead to chronic stress, anxiety, and depression. **Health and Safety** Without proper health and safety measures, employees are more likely to experience accidents, which can lead to injuries. This not only affects their well-being but also results in lost workdays. Effective health and safety protocols significantly reduce the risk of workplace accidents, which is particularly important in the property sector. Negative / Potential	
	Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value)	Gender inequality	**Gender inequality** Having a low percentage of women in top management, a significant gender pay gap, and promoting discrimination in hiring and promotion can lead to violations of gender equality, along with the employee's ability to live free from all forms of discrimination (gender, racial, ethnic, age, etc.) and to access justice in an equal and inclusive way. Gender inequality can create a hostile work environment, hindering teamwork and the sharing of ideas. Negative / Potential	
	Equal treatment and opportunities for all (Training and skills development)	Enhanced Employee Performance and Productivity	**Enhanced Employee Performance and Productivity** Well-trained employees are more efficient and effective in their roles, directly contributing to the overall productivity and success of the business. While complying with legislation is important, going beyond the minimum standards can provide a competitive edge. Positive / Actual	
	Equal treatment and opportunities for all (Diversity)	Creativity and Innovation Better Market Understanding	**Creativity and Innovation and Better Market Understanding** A diverse workforce brings together different perspectives and experiences, leading to more creative solutions and innovative approaches to business challenges. Given our company's presence in multiple markets, we benefit from a diverse team. We employ individuals of all genders, various age groups and actively encourage the collaboration of employees from different generations within teams, fostering greater expertise and adaptability. Positive / Actual	

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Financial Materiality description	Time Horizon	Direction	Our target	SDG Despription
	Mid-term	Own operations	Biennial employee satisfaction surveys Code of Conduct agreement with all employees	**10** Reduce inequality within and among countries **8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Mid-term	Own operations	Minimum of 33% share of female senior managers	**5** Achieve gender equality and empower all women and girls **8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Mid-term	Own operations	Completion of at least eight hours of training per employee per year Mandatory annual employee training on Code of Conduct and associated policies	**8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all **4** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
	Mid-term	Own operations	Minimum of 33% share of female senior managers	**5** Achieve gender equality and empower all women and girls **8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Materiality topic	Subtopic	Impact Materiality	Impact Materiality description	Financial Risk/opportunity	
Business conduct	Corporate culture	Toxic work environment Unethical Decision Making	**Toxic work environment** A corporate culture that tolerates or promotes unhealthy competition, discrimination, or harassment can result in a toxic work environment, leading to reduced employee morale and higher turnover rates. **Unethical Decision Making** If the prevailing culture prioritizes profits over ethics, it may lead to decisions that harm customers, the environment, or other stake-holders. Negative / Potential		
	Protection of whistle-blowers	Enhanced Transparency and Accountability Retaliation Against Whistleblowers	**Enhanced Transparency** Encouraging employees to report unethical or illegal activities without fear of retaliation promotes a culture of openness and integrity. It promotes ethical practices among suppliers and partners and ensures that the entire value chain adheres to high standards of conduct. **Retaliation Against Whistleblowers** If employees or others who raise concerns about unethical or illegal activities within the company face retaliation, it infringes on their rights and creates a culture of fear, inhibiting transparency and accountability. Negative / Actual		
	Corruption and bribery			Reputation and Financial Impact Risk	

All identified material impacts, risks and opportunities are disclosed under SBM-3 in this statement.

(SBM-1_25 to SBM-1_28)
We have outlined our upstream value chain by identifying the necessary inputs to effectively execute our core business activities as a starting point for our double materiality assessment. We focused on key activities, inputs, and primary suppliers while considering local variations. Beginning with our core business, we identified our principal product: office and retail real estate. Subsequently, we established the sales channels for our products and recognized our tenants as customers. We use in-house sale, our own websites as well as external real estate agents for the renting of our premises. Sales and acquisitions of properties are carried out via external agents.

Our office portfolio offers rental space for all needs, every enterprise from start-up business to large international companies are potential tenants for us. In the retail portfolio we concentrate on tenants-mix suitable for retail parks and shopping centers. End-users are our tenants and their employees as well as visitors of our retail properties and hotel guests.

Our downstream value chain ends with the end-of-life treatment for our products. Our upstream value chain was divided into Tier 1 and 2. For Tier 1 we identified capital resources, knowledge & human resources, infrastructure, advisory, operations and resources for building operations as key for our business model. Please refer to the value chain graphic below for more information.

Financial Materiality description	Time Horizon	Direction	Our target	SDG Despription
	Mid-term	Own operations	Mandatory annual employee training on Code of Conduct and associated policies	**16** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
	Mid-term	Upstream Own operations Downstream	Mandatory annual employee training on Code of Conduct and associated policies	**8** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
Reputation and Financial Impact Risk Incidents such as fraud, or accidents can lead to immediate financial losses. Incidents can harm our reputation, leading to loss of customer trust and potential business. This can result in decreased sales and market share.	Short-term	Own operations	Mandatory annual employee training on Code of Conduct and associated policies	**16** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Real Estate Value Chain for S IMMO Group

Upstream Value Chain

Inputs

Tier 2

Knowledge & human resources
Sector-specific NGOs
Workers in the supply chain
Professional associates

Resources
Energy
Building materials
Land plots
Interior materials
IT equipment
Water

Tier 1

Capital resources
Equity
Debt
Bonds

Knowledge & human resources
Own employees
Temporary workers
Trade associations

Infrastructure
Buildings
IT infrastructure
Public infrastructure
Utility grids

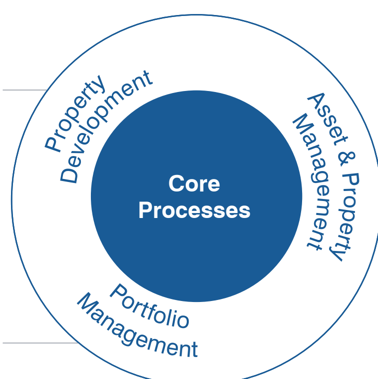
Advisory
Legal consultancy
Auditing services
Consultancy
Insurances
Valuation consultancy

Operations
Real estate agencies
Construction services
Facility management
Technical engineering
Proptech services
Waste management
Hotel management
Shopping center management
Property management
Property development

Resources
Energy
Building materials
Land plots
Interior materials
IT equipment
Water
Operating equipment
Proptech
Legislation

Own Operations

Planning
Construction
Project completion



Acquiring tenants
Acquiring financial resources
Tenants relationship
Property valuation
Services related to building operation
Community services

Acquisition of properties
Acquiring buyers
Sale of properties
Value creation

Downstream Value Chain

Outputs

Products	Office	Retail	Hotel	Residential
Sales channels	Real estate agents	Own Website	Inhouse sale	
Key customers	Main tenants			
End of life treatment	Sale of properties	Redevelopment	Deconstruction	

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SBM–2 – Interests and views of stakeholders

(SBM-2_01 to SBM-1_12)

S IMMO – together with CPI Property Group and CPI Europe – identified important groups of affected stakeholders and users of the sustainability statement relevant for its business. With wide range of stakeholders (including tenants, employees, investors, and members of local communities) the Group maintains a continuous and regular dialogue.

Stakeholder engagement supports us in identifying existing or emerging impacts or risks as part of the double materiality assessment (DMA). Their insights provide valuable input to our ESG programmes, helping us to shape our strategy, targets and decisions towards delivering on ESG commitments and KPIs.

The table below shows prioritised stakeholder groups and how we engage with them:

Group of stakeholders	Stakeholders' expectation	Engagement channel
Tenants	Excellent products and services	Daily operations
Investors	Solid business model, strategies and goals	Presentations, website, corporate news
Employees	Decent work conditions, training and development, diversity, equality	Employees interactions, surveys, hot line
Authorities and governments	Compliance with regulations	Industry associations, engagement with the authorities
Suppliers and business partners	Fair business practices and treatment	Contract management
Communities	Responsibility for the environment and the society	Engagement with the local associations, events

For the purpose of double materiality assessment, we selected a sample of our stakeholders and performed a survey to help us identify material sustainability impacts, risks and opportunities.

Together with CPI Europe, S IMMO conducted an online survey to gather stakeholder feedback on its material sustainability matters, receiving 171 anonymous responses. Key topics identified by stakeholders included affected communities, supply chain, biodiversity, compliance, digitalization, and corporate governance. After evaluation, compliance and corporate governance were categorized as material topics essential to the Group's ESG Strategy. Other topics were reviewed by the ESG Committee, which did not identify additional material issues for 2024. The Group remains committed to ongoing stakeholder engagement.

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SBM–3 – Material impacts, risks and opportunities and their interaction with strategy and business model

(SBM-3_01, SBM-3_02)

Material Issue	IRO	+/-	a/p	Direction
E1 Climate change				
(1) GHG emissions generated from buildings operations	I	-	a	OO/UP/DW
(2) Consumption of energy	I	-	a	OO/DW
(3) Increased cost of fossil fuels resources	R	-		UP
(4) Carbon pricing mechanism - buildings to be integrated into EU ETS2 starting 2027	R	-		UP
(5) Non-compliance with ESG targets lead to loss in investors' confidence	R	-		DW
(6) Inadequate adaptation solutions	R	-		OO
E3 Water and marine resources				
(7) Water withdrawl	I	-	a	OO
E5 Circular economy				
(8) Generation of waste	I	-	p	OO/DW
S1 Own workforce				
(9) Increased productivitiy Reduced turnover	I	-	p	OO
(10) Mental health issues	I	-	p	OO
(11) Increased risk of accidents and injuries	I	-	p	OO
(12) Gender inequality	I	-	a	OO
(13) Enchanced employee performance and productivity	I	+	a	OO
(14) Creativity and innovation leading to innovative solutions and better market understanding	I	+	a	OO
G1 Business conduct				
(15) Toxic work environment Unethical decision making	I	-	p	OO/UP/DW
(16) Enchanced transparancy and accountability Retaliation against whistleblowers	I	-	p	OO/UP/DW
(17) Inadequate processes and trainings	R	-		OO

I … Interest, R … Risk, O … Opportunity, + … positive, - … negative, a … actual, p .. potential, OO … own operations, UP … upstream value chain, DW … downstream value chain

(SBM-3_03 to SBM-3_10)

The Group closely monitors both internal and external environment and assesses the related impacts, risks and opportunities of its operations. As part of this process, the Group conducted the double materiality assessment across of all of its activities and geographies in 2024, aimed to assess an impact of the Group's activities on the environment and society, as well as identify potential sustainability risks. Through this process, the Group has defined 17 sustainability matters as material, the response to which forms part of the Group's business strategy.

The current financial effects of the Group's material risks and opportunities on its financial position, financial performance and cash flows are not material and there are no material risks and opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the Group's financial statements.

Given that our material Impacts, Risks, and Opportunities (IROs) are closely tied to our core business and growth potential, our initiatives aimed at enhancing opportunities and mitigating associated risks are integrated within our established corporate governance approach described above. The resilience of the Group's strategy and business model were assessed by the internal risk manager and addressed as part of the Group's risk and opportunity assessment.

Changes to material IROs are not relevant for the year 2024 as the DMA was carried out for the first time following the Group's ongoing CSRD implementation. All material IROs are covered by ESRS Disclosure Requirements.

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Impact, risk and opportunity management

Disclosures on the materiality assessment process

IRO–1 – Description of the processes to identify and assess material impacts, risks and opportunities

(IRO-1_01 to IRO-1_12, 13, 14)

An analysis to identify the actual and potential impacts, risks, and opportunities (IROs) associated with environmental, social, and governance (ESG) matters within our operations and throughout our upstream and downstream value chains was conducted. Initially, we evaluated the IROs at a detailed sub-subtopic level in accordance with ESRS 1 AR16. Subsequently, we incorporated ESG-related IROs identified in the existing risk management documentation of CPI Property Group, CPI Europe and S IMMO. To enrich our assessment and identify all possible impacts, risks and opportunities, we took into account the material topics identified in the previous materiality assessments conducted by CPI Europe in 2020 and S IMMO AG in 2021, following the GRI Universal Standards. This analysis resulted in a comprehensive list of impacts, risks, and opportunities, which was subsequently evaluated by the internal cross-departmental project group in terms of their impact and financial materiality taking into account specific activities, stakeholders, segments and geographies affected. Additionally, the assessment has evaluated direction - upstream, own operation, downstream -, and time horizon – short-term, mid-term, long-term. The same time horizons as defined by ESRS were applied. Risks were identified as a result of impacts or dependencies.

Negative impacts are based on their relative severity and likelihood. Severity of negative impacts is based on their scale, scope and irremediable character. Positive impacts are based on their relative scale, scope and likelihood. Each impact has been considered individually, because the application of criteria of severity differs among various categories of impacts. The severity of an actual or potential negative impact is assessed from the perspective of the affected people or the environment.

The assessment of risks and opportunities is done based on a combination of the likelihood of occurrence and the potential magnitude/size of the financial effects in line with the group-wide risk and opportunity assessment.

For impacts the following criteria/thresholds were used to determine material ones taking into account scope of impact, scale of impact and irremediability based on EFRAG guidance:

≥ 4	Critical	Material
>3 – 4	Significant	Material
>2.5 – 3	Important	Material
2-2.5	Informative	Not material
< 2	Minimal	Not material

For risks and opportunities, the following criteria/thresholds were used to determine material risks and opportunities based on discussion with the Group Risk Manager:

≥ 2.5	Significant	Material
< 2.5	Normal	Not material

(E2.IRO1_01 to 03, E4.IRO1_01 to 16)

In the course of the double materiality assessment as described in IRO-1 our business activities including our assets as well as our value chain were also screened for any biodiversity and ecosystems and pollution related impacts, risks and opportunities. They were assessed as immaterial as the Group is not involved in any production processes and has limited scope of real estate development activities. Due to the limited scope, consultations with affected communities were not considered to be necessary.

We have conducted a pilot assessment of our portfolio's locations to evaluate their potential impact on biodiversity. Our assessment incorporates legally protected areas and Key Biodiversity Areas (KBAs), utilising publicly available data from the European Environment Agency. The priority properties are predominantly located in the Czech Republic and several German cities, including Berlin, Leipzig, and Erfurt. Additional regions with a significant number of priority properties comprise Budapest and Vienna.

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IRO–2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement

(IRO-2_01)

Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS 2 GOV-1	21 (d)	Board's gender diversity paragraph	13 of Table #1 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			(EU) 2020/1816, Annex II		Material
ESRS 2 GOV-4	30	Statement on due diligence	10 Table #3 of Annex 1				Material
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	4 Table #1 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Table 1 and Table 2	(EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	9 Table #2 of Annex 1		(EU) 2020/1818, Article 12(1) (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	14 Table #1 of Annex 1		(EU) 2020/1818, Article 12(1) (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			(EU) 2020/1818, Article 12(1) (EU) 2020/1816, Annex II		Not material
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	Material
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 1	(EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Material
ESRS E1-4	34	GHG emission reduction targets	4 Table #2 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 3	(EU) 2020/1818, Article 6		Material
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (among other impact sectors)	5 Table #1 3 Table #2 of Annex 1				Material
ESRS E1-5	37	Energy consumption and mix	5 Table #1 of Annex 1				Material
ESRS E1-5	40 to 43	Energy intensity associated with activities in high climate impact sectors	6 Table #1 of Annex 1				Material
ESRS E1-6	44	Gross Scope 1, 2, and Total GHG emissions	1 and 2 Table #1 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 1	(EU) 2020/1818, Article 5(1), 6 and 8(1)		Material
ESRS E1-6	53 to 55	Gross GHG emissions intensity	3 Table #1 of Annex 1	Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 Template 3	(EU) 2020/1818, Article 8(1)		Material

Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS E1-7	56	GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			(EU) 2020/1816, Annex II (EU) 2020/1816, Annex II		Not material
ESRS E1-9	66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk		Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 paragraphs 46 and 47; Template 5			Not material
ESRS E1-9	66 (c)	Location of significant assets at material physical risk					Not material
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a Reg. (EU) No 575/2013 Comm. Impl. Reg. (EU) 2022/2453 paragraph 34; Template 2			Material
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			(EU) 2020/1818, Annex II		Material
ESRS E2-4	32	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water, and soil	8 Table #1 of Annex 1 2 Table #2 of Annex 1 4 Table #2 of Annex 1 1 Table #2 of Annex 1				Not material
ESRS E3-1	9	Water and marine resources	7 Table #2 of Annex 1				Material
ESRS E3-4	28 (c)	Total water recycled and reused	6.2 Table #2 of Annex 1				Material
ESRS E3-4	29	Total water consump-tion in m³ per net revenue on own operations	6.1 Table #2 of Annex 1				Material
ESRS 2- SBM3 - E4	16 (a) i	Biodiversity sensitive areas	7 Table #1 of Annex 1				Not material
ESRS 2- SBM3 - E4	16 (b)	Land impacts	10 Table #2 of Annex 1				Not material
ESRS 2- SBM3 - E4	16 (c)	Threatened species	14 Table #2 of Annex 1				Not material
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	11 Table #2 of Annex 1				Not material
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	12 Table #2 of Annex 1				Not material
ESRS E4-2	24 (d)	Policies to address deforestation	15 Table #2 of Annex 1				Not material
ESRS E5-5	37 (d)	Non-recycled waste paragraph	13 Table #2 of Annex 1				Material
ESRS E5-5	39	Hazardous waste and radioactive waste	9 Table #1 of Annex 1				Material
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labour	13 Table #3 of Annex 1				Material

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Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS 2- SBM3 - S1	14 (g)	Risk of incidents of child labour	12 Table #3 of Annex 1				Material
ESRS S1-1	20	Human rights policy commitments	9 Table #3 of Annex 1 11 Table #1 of Annex 1				Material
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	9 Table #1 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	11 Table #3 of Annex 1				Not material
ESRS S1-1	23	Workplace accident prevention policy or management system	1 Table #3 of Annex 1				Material
ESRS S1-3	32 (c)	Grievances/complaints handling mechanisms	5 Table #3 of Annex 1				Material
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	2 Table #3 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	3 Table #3 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-16	97 (a)	Unadjusted gender pay gap	12 Table #1 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS S1-16	97 (b)	Excessive CEO pay ratio	8 Table #3 of Annex 1				Material
ESRS S1-17	103 (a)	Incidents of discrimination	7 Table #3 of Annex 1				Material
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	10 Table #1 of Annex 1 14 Table #3 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Material
ESRS 2- SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	12 and 13 Table #3 of Annex 1				Not material
ESRS S2-1	17	Human rights policy commitments	9 Table #3 of Annex 1 11 Table #1 of Annex 1				Not material
ESRS S2-1	18	Policies related to value chain workers	11 and n. 4 Table #3 of Annex 1				Not material
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	10 Table #1 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			(EU) 2020/1816, Annex II		Not material
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	14 Table #3 of Annex 1				Not material

Disclosure Requirement	Data point		SFDR reference Indicator Number	Pillar 3 reference	Benchmark Regulation reference Delegated Regulation	EU Climate Law reference	Relevance
ESRS S3-1	16	Human rights policy commitments	9 Table #3 of Annex 1 11 Table #1 of Annex 1				Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	10 Table #1 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4	36	Human rights issues and incidents	14 Table #3 of Annex 1				Not material
ESRS S4-1	16	Policies related to consumers and end-users	9 and 11 Table #1 of Annex 1				Not material
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	10 Table #1 of Annex 1		(EU) 2020/1816, Annex II (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4	35	Human rights issues and incidents	14 Table #3 of Annex 1				Not material
ESRS G1-1	10 (b)	United Nations Convention against Corruption	15 Table #3 of Annex 1				Not material
ESRS G1-1	10 (d)	Protection of whistle-blowers	6 Table #3 of Annex 1				Not material
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	17 Table #3 of Annex 1		(EU) 2020/1816, Annex II		Material
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	16 Table #3 of Annex 1				Material

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Chapter	ESRS standard	Disclosure requirement	Page number
General disclosures			
Basis for preparation	ESRS 2	BP-1	37
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Governance	ESRS 2	GOV-1	37
		GOV-2	
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		GOV-4	
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		SBM-2	
		SBM-3	
Impact, risk and opportunity management	ESRS 2	IRO-1	53
		IRO-2	
		MDR-P	
Environment			
Climate Change	E1	E1.GOV-3	73
		E1-1	
		E1.SBM-3	
		E1.IRO-1	
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		E1-3	
		E1-4	
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Water and marine resources	E3	E3.IRO-1	92
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Resource use and circular economy	E5	E5.IRO-1	96
		E5-1	
		E5-2	
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Own workforce	S1	S1.SBM-3	100
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		S1-5	
		S1-6	

Chapter	ESRS standard	Disclosure requirement	Page number
		S1-7	
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		S1-11	
		S1-13	
		S1-14	
		S1-16	
		S1-17	
Governance			
Business Conduct	G1	G1.GOV-1	109
		G1-1	
		G1-3	
		G1-4	

MDR–P – Policies adopted to manage material sustainability matters

Internally, S IMMO differentiates between policies and guidelines. While policies are aimed at external stakeholders, guidelines are directed at S IMMO employees. To ensure complete information in line with the CSRD, both forms of instructions are addressed equally in the following. All policies or guidelines within S IMMO must be approved by the Management Board being the highest body responsible for the policies.

S IMMO has issued the following policies and guidelines:

Policy	Description of key contents	Scope of policy	Accountable for implementation	Internationally recognised instruments	Availability	IRO covered
Anti-Corruption, Anti-Bribery and Countering of Frauds Policy	• Ensures legally compliant behaviour by employees, business partners, agents and customers. • Ensures compliance of the Group with applicable laws relating to anti-corruption, anti-bribery and countering of frauds; to prevent conflicts of interest from arising. • Sensitises Representatives for potential conflicts of interest and thereby protect them from criminal offenses. • Prevents damage to the Group's reputation as a result of improper practices.	Group ("Group" means CPI Europe AG and its subsidiaries, including S IMMO AG and S IMMO AG's group)	Executive Board of CPI Europe AG that acts through the Compliance Officer	UN Convention against Corruption	Corporate website & Corporate intranet	(15), (16), (17)
Anti-Money Laundering and Counter-Terrorist Financing Policy	• Ensures compliance of the Group with applicable laws relating to the AML and the CTF. • Ensures that the Representatives understand the importance of the AML and the CTF and their related responsibilities.	Group ("Group" means CPI Europe AG and its subsidiaries, including S IMMO AG and S IMMO AG's group companies)	Executive Board of CPI Europe AG that acts through the Compliance Officer	EU Directive on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing	Corporate website & Corporate intranet	(15), (16), (17)

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Policy	Description of key contents	Scope of policy	Accountable for implementation	Internationally recognised instruments	Availability	IRO covered
Code of Business Ethics and Conduct	• Creates the foundation for all of the company's business activities and decisions and declares commitment to obey applicable laws, industry standards and best practices. • Forms basis for the morally, ethically and legally correct behaviour of all employees, agents acting on behalf of the Group, as well as for all members of the Group's corporate bodies and management	Group (CPI Europe AG and its subsidiaries, including S IMMO AG and S IMMO AG's group companies unless there is a separate code in place)	Executive Board of CPI Europe AG that acts through the Compliance Officer	• The Universal Declaration of Human Rights by the United Nations (UN) • UN Guiding Principles for Human Rights and Business • UN Convention on the Rights of the Child • UN Convention on the Elimination of All Forms of Discrimination against Women • The Fundamental Conventions of the International Labour Organisation (ILO) • The Guidelines for Multinational Enterprises by the Organisation for Economic Co-operation and Development (OECD) • The ten principles of the UN Global Compact (UNGC).	Corporate website & Corporate intranet	all
Organisational Policy Issuer Compliance	Ensures that S IMMO's statutory obligations are complied with, prevents the prohibited use or disclosure of inside information and guarantees compliance with the publication obligations for inside information (ad hoc notifications).	S IMMO AG	Management Board of S IMMO AG that acts through the Compliance Officer	• EU Regulation on market abuse • Austrian Stock Exchange Act 2018	Corporate intranet	(15), (16), (17)
CPIPG GHG Recalculation Policy	Sets the rules for recalculations of the Greenhouse Gas emissions inventory. These rules are specified based on SBTi requirements and include structural, methodology and other changes.	Group (all member companies of CPIPG)		SBTi requirements		(1), (5)
Group Human Capital and Employment Relationships Policy	Provides guiding principles relating to the treatment of the Group's candidates and Representatives and certain other topics relevant for human capital.	Group ("Group" means CPI Europe AG and its subsidiaries)	Executive Board of CPI Europe AG that acts through its Human Resources Manager(s) within the Group	International Labour Organization conventions and recommendations	Corporate intranet	(9), (10), (11), (12), (13), (14)
Group LCA Policy	Shows how the transformation of business operations towards carbon neutrality can be achieved.	Group (all member companies of CPIPG)	Directors of any involved organization of CPIPG	2015 Paris Agreement within the United Nations Framework Convention on Climate Change	Corporate intranet	(1), (5)
Group Policy Environment and CSR	- Promotes a sustainable approach of the Group towards real estate development and management; - Gives a blueprint for the contribution of the Group to the protection of the environment, improvement of energy performance, as well as to the development of the communities.	Group ("Group" means CPI Europe AG and its subsidiaries)	Executive Board of CPI Europe AG that acts through the ESG Committee of the Group	• 17 Sustainable Development Goals defined by the United Nations • 2015 Paris Agreement within the United Nations Framework Convention on Climate Change	Corporate intranet	(1), (2), (3), (4), (5), (6), (7), (8)
Guideline on Education and Further Training	Regulates the general conditions for internal and external education and further training and the reimbursement of training costs.	Group (all employees of CPI Europe and its subsidiaries)	Executive Board of CPI Europe AG		Corporate intranet	(9), (13)

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Policy	Description of key contents	Scope of policy	Accountable for implementation	Internationally recognised instruments	Availability	IRO covered
Organisational Policy Human Rights	Formulates committment to protecting human rights, describes organization and responsibilities, and documents human rights diligence process.	S IMMO AG	Management Board of S IMMO AG	• The Universal Declaration of Human Rights of the United Nations (UN) • UN Guiding Principles for Business and Human Rights • UN Convention on the Rights of the Child • UN Convention on the Elimination of Discrimination of Women • The Convention of the International Labour Organization (ILO) • The Guidelines for Multinational Enterprises of the Organisation for Economic Cooperation and Development (OECD) • The ten principles of the UN Global Compact (UNGC)	Corporate website	(9), (10), (11), (12), (13), (14)
Risk Management Policy	Provides the basis of the risk management and describes the minimum requirement in terms of the setup of the organisational structure and process structure in risk management.	Group	Executive Board of CPI Europe AG	• Austrian Corporate Governance Codex (ÖCGK) • Integrated Framework of COSO ERM	Corporate intranet	all
Transition Plan ESG	Shows how the transformation of business operations towards carbon neutrality can be achieved.	Group (all companies controlled by the group)	Executive Board of CPI Europe AG	2015 Paris Agreement within the United Nations Framework Convention on Climate Change	Corporate Intranet	(1), (2), (3), (4), (5), (6), (7), (8)
Whistleblowing System Directive	Sets out the communication channels and compulsory regulations for the receipt, submission, assessment and processing of whistleblowing reports within CPI Europe.	Group	Executive Board of CPI Europe AG that acts through the Compliance Officer	General Data Protection Regulation	Corporate website & Corporate intranet	(15), (16), (17)

Environmental information

Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

Reporting practice

Taxonomy eligibility of S IMMO Group

Since 2022, S IMMO Group is reporting according to Art. 8 of the Taxonomy Regulation of the European Union and thus closely monitoring the regulatory environment.

The following regulations and notices in the latest version have been reviewed for applicability within the whole group:

- Commission Delegated Regulation (EU) 2021/2139
- Commission Delegated Regulation (EU) 2022/1214
- Commission Delegated Regulation (EU) 2023/2485
- Commission Delegated Regulation (EU) 2023/2486
- Commission Delegated Regulation (EU) 2021/2178
- Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and links to the Sustainable Finance Disclosure Regulation (2023/C 211/01) (FAQ)
- Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation on the reporting of taxonomy-eligible and taxonomy-aligned economic activities and assets (third Commission Notice)
- Draft Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Environmental Delegated Act, the EU Taxonomy Climate Delegated Act and the EU Taxonomy Disclosures Delegated Act (29 November 2024)

The analysis led to the following applicable eligible economic activities in the 2024 financial year:

Climate Change Mitigation (CCM) / Climate Change Adaptation (CCA) 7.7 Acquisition and ownership of buildings

The turnover from S IMMO's hotel operations are reported under "Income from owner-operated properties" in the S IMMO Group consolidated financial statements.

The group's core activities asset & property management, property development and portfolio management are clearly linked to "Buying real estate and exercising ownership of that real estate" as this activity is described in the taxonomy legislation. Further details can be found in the description of our business model under ESRS 2, SBM 1-25. All turnover, capital and operational expenditures related to buildings are disclosed under this economic activity except for installation, maintenance and repair of energy efficiency equipment which is reported under CCM 7.3 and installation, maintenance and repair of renewable energy technologies which is reported under CCM 7.6 if they belong to single measures not connected to taxonomy-aligned buildings.

Since the description of economic activity CCM 7.7 and the definition of the technical screening criteria are based on the exercise of ownership of real estate, neither turnover, CapEx nor OpEx in connection with undeveloped land are subsumed under this economic activity. Additions to other intangible assets and other tangible assets are also classified as non-taxonomy-eligible as they don't represent expenditures connected to buildings.

As the economic activity "CCM 7.7 Acquisition and ownership of buildings" does not constitute an enabling activity pursuant to Article 16 of Regulation (EU) 2020/852, no turnover may be reported as taxonomy-eligible or taxonomy-aligned under the environmental objective "climate change adaptation". In addition, no adaptation solutions for significant physical climate risks have been implemented so far, which is why no capital expenditures (CapEx) or operating expenditures (OpEx) can currently be reported under the above-mentioned environmental objective. Therefore, the entire taxonomy-aligned turnover, capital expenditures (CapEx) and operating expenditures (OpEx) were reviewed for a substantial contribution to the environmental objective "climate change mitigation" using the technical screening criteria.

Biodiversity (BIO) 2.1 Hotels, holiday, camping grounds and similar accommodation

Since 2023, when this activity was introduced, S IMMO has disclosed the eligible share of turnover, CapEx and OpEx arising from hotel operations under this economic activity in their taxonomy disclosures. The turnover from S IMMO's hotel operations are reported under "Income from owner-operated properties" in the consolidated financial statements. Therefore, no disclosures under "BIO 2.1 Hotels, holiday, camping grounds and similar accommodation" are made on consolidated group level.

CCM 7.3 Installation, maintenance and repair of energy efficiency equipment

With regard to economic activity CCM 7.3, meeting the criteria of Directive 2010/31/EU and, if applicable, classification in the two best energy efficiency classes according to Regulation (EU) 2017/1369 are intended as substantial contributions. To prevent significant harm, a climate risk analysis as applied under CCM 7.7 is required as well as compliance with the generic criteria for Do-No-Significant-Harm (DNSH) to pollution prevention regarding the presence of chemicals. We summarise capital expenditures for the installation of energy-efficient cooling systems under this activity. For 2024, it belonged to replacement of HVAC-equipment in Hungary.

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CCM 7.6 Installation, maintenance and repair of renewable energy technologies

Economic activity CCM 7.6 only requires the existence of one of the renewable energy technologies listed for a substantial contribution to climate change mitigation; therefore, heat pumps and photovoltaic systems meet this requirement. A climate risk analysis as applied under CCM 7.7 is required in order to prevent significant harm. We summarise capital expenditure for the installation of heat pumps and of photovoltaic equipment under this activity. For 2024, it applied to the installation of PV-panels in Austria and one heat pump in Hungary.

A taxonomy-aligned share of turnover, capital and operational expenditures was identified for every economic activity described above with the exception of "BIO 2.1 Hotels, holiday, camping grounds and similar accommodation".

Taxonomy alignment of S IMMO Group

S IMMO Group continued to pursue a conservative assessment approach in the 2024 financial year. S IMMO Group is aware that a less stringent interpretation of the criteria by other market participants may possibly lead to significantly higher shares of taxonomy-aligned activities.

Economic Activity "CCM 7.7 Acquisition and ownership of buildings"

Substantial contribution to climate change mitigation (SC)

When reviewing buildings for a substantial contribution to the environmental objective of "climate change mitigation", a distinction was made, in accordance with the technical screening criteria, as to whether the application for a building permit for the respective building was submitted before 31 December 2020.

1. For buildings where an application for a building permit was submitted before 31 December 2020, the first step was to examine whether the energy performance certificate (EPC) of the building shows an energy class. To meet the requirements, the energy performance certificate of the building must show at least energy class A. This assessment method was applied to all countries relevant for S IMMO Group, with the exception of Germany. In addition, we used the following alternative approaches:

For Germany, we used the technical criterium valid for buildings built after 31 December 2020. The primary energy demand (PED) of the building was compared to the nationally defined threshold value for nearly zero-energy buildings undercut by at least 10%.

For the Czech Republic the alternative screening criteria was used: A building was assessed if it ranks among the top 15% of the national or regional building stock in terms of primary energy demand. We applied the thresholds determined in a study of CEVRE Consultants commissioned by Česká spořitelna in 2024 and recommended by the Czech Green Building Council. This study classifies office buildings of the energy efficiency classes A, B and C (up to primary energy demand of 260 kWh/m²), buildings for accommodation and catering of the energy efficiency classes A, B and C (up to primary energy demand of 375 kWh/m²) as well as retail buildings of the energy classes A, B and C (up to primary energy demand of 545 kWh/m²) as the top 15% of the national building stock.

For Austria, the methodology of the Austrian Green Building Council to prove Class A was applied to selected assets. As in Austria the PEB class threshold is based on residential use with a defined room height, an alternative method with adjusted room heights was developed in collaboration with KPMG, PWC and Deloitte Austria.

Non-residential assets with more than 5,000 m² of usable space were examined for the existence of heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air conditioning and ventilation with more than 290 kW of power. Where this criterium applies, checks were subsequently carried out to determine whether these assets are efficiently operated and have a continuous monitoring system. Technical documentation of the building management systems, property-/facility-management contracts with respective obligations of the provider and for the first time, certificates according to ISO 50001 were used as evidence. The certificates obtained during 2024 lead to a significant increase in the share of taxonomy-aligned turnover, capital and operational expenditures.

2. For buildings for which the building permit application was submitted after 31 December 2020, it must be verified whether the primary energy demand of the respective building is at least 10% below the national threshold for nearly zero-energy buildings. In addition, it must be determined whether the usable space of the building exceeds 5,000 m². If this is the case, airtightness of the building envelope and thermal integration upon completion as well the global warming potential (GWP) viewed over the entire life cycle must be demonstrated for each phase of the life cycle in addition to the criterion of efficient operation. Since there are currently no life cycle assessments for these properties, taxonomy alignment cannot yet be shown for these assets.

Do no significant harm (DNSH)

In accordance with the requirements of the economic activity "CCM 7.7 Acquisition and ownership of buildings", S IMMO Group conducts a climate risk and vulnerability assessment at the site level in order to prevent significant harm to the environmental objective "climate change adaptation". In doing so, a model with different time horizons between 2040 and 2100 has been used so far assuming the RCP-scenarios 2.6, 4.5, 6.0 and

8.5. A detailed description of the climate risk assessment can be found in section E1 of this report. Appropriate adaptation plans have been drawn up where necessary.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for other environmental objectives for the economic activity CCM 7.7.

The share of turnover, capital and operational expenditures from assets which fulfil the substantial contribution and do no significant harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.7.

Economic activity "CCM 7.3 Installation, maintenance and repair of energy efficient equipment"

Substantial contribution to climate change mitigation (SC)
When evaluating individual measures, it was checked if they comply with the directive 2010/31/EU and if they fall under one of the activities listed in the technical screening criteria. For the 2024 financial year capital expenditures connected to the installation of cooling equipment in Hungary was assessed to fulfil the criteria.

Do no significant harm (DNSH)
The requirements regarding DNSH criteria for climate change adaptation are the same as for activity CCM 7.3. A climate risk and vulnerability assessment was carried out at site level. Thus, the criteria was considered as fulfilled.

To meet the DNSH criteria for the environmental objective "pollution prevention", the activity has to comply with Appendix C of Annex I to the Commission Delegated Regulation (EU)2021/2139. Based on product data sheets it was verified that this criteria is fulfilled for the selected measures.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for further environmental objectives for the economic activity CCM 7.3.

Economic activity "CCM 7.6 Installation, maintenance and repair of renewable energy technology"

Substantial contribution to climate change mitigation (SC)
To fulfil the substantial contribution criteria under the environmental objective climate mitigation, the individual measure has to correspond to one of the measures listed in the technical screening criteria. Technical specifications are not set. For the 2024 financial year, it was assessed that the installation of PV-Panels Austria fulfils the requirements as well as one heat pump in Hungary.

Do no significant harm (DNSH)
The requirements regarding DNSH criteria for climate change adaptation are the same as for activity CCM 7.3 and CCM 7.7 and CCM 7.3. Thus, the criteria was considered as fulfilled.

Commission Delegated Regulation (EU) 2021/2139 does not provide DNSH criteria for further environmental objectives for the economic activity CCM 7.6.

The share of capital expenditures from single measures which fulfil the substantial contribution and do no significant harm criteria as described above are disclosed as taxonomy-aligned under the activity CCM 7.6.

Minimum safeguards (MS)
In this context, the topics of human rights (including labour and consumer rights), anti-bribery and anti-corruption, taxation and fair competition were addressed. We concluded that the minimum safeguards criteria were fulfilled.

Performance indicators of the EU Taxonomy

Turnover
The proportion of taxonomy-aligned economic activities in total turnover was calculated as the part of net turnover derived from products and services associated with taxonomy-aligned economic activities (numerator), divided by net turnover (denominator), each for the financial year from 01 January 2024 to 31 December 2024. This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation.

In accordance with the Delegated Act on Art. 8 of the EU Taxonomy, the turnover KPI is based on the consolidated turnover of S IMMO (see the consolidated income statement in the consolidated financial statements of the 2024 annual report) and relates primarily to rental income and operating costs charged to tenants. The numerator of the turnover KPI is based on the taxonomy-aligned proportion of the economic activity "7.7 Acquisition and ownership of buildings" with reference to making a substantial contribution to the environmental objective "climate change mitigation".

The segment Germany has been classified as discontinued operation according to IFRS 5. Therefore, the proportion of Turnover and CapEx (maintenance & repair) relating to Germany were excluded from P&L and are also not part of the taxonomy indicators. This led to an increase in the proportion of taxonomy-aligned turnover to 23.9% (2023: 13.03%). For further details please see chapter 2.4 of the consolidated financial statement.

There is no risk of double counting within Turnover KPIs as we are disclosing only the activity CCM 7.7 as aligned for turnover.

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Capital expenditures (CapEx)

The key performance indicator capital expenditure (CapEx) is defined as the proportion of taxonomy-aligned capital expenditures (numerator) divided by S IMMO's total capital expenditures (denominator). This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation.

The denominator comprises additions to investment property, property under construction, owner-operated property, other tangible assets and intangible assets for the 2024 financial year before depreciation and amortisation and revaluations. In the 2024 financial year, no additions resulting from business combinations which could have been taken into account for the denominator occurred. Our total capital expenditures essentially correspond to the sum of additions including changes in the scope of consolidation in accordance with the statement of changes in fixed assets (see section 3.1.1. of our 2024 annual report's consolidated financial statements). Differences result from including additions to owner-operated property, other tangible assets and intangible assets in the denominator of the CapEx KPI which are not presented separately in the notes. The numerator includes capital expenditures related to assets or processes that are associated with taxonomy-aligned proportions of economic activity 7.7. Here, S IMMO considers capital expenditures that are material to maintaining and performing the economic activity. The principle of allocation here is the generation of external turnover through the economic activity "7.7 Acquisition and ownership of buildings". Consequently, all capital expenditures in taxonomy-aligned properties are considered in the numerator of the performance indicator.

The proportion of taxonomy-aligned CapEx was 0.7% in 2024. The aligned CapEx in 2023 of 41.56% are justified by the acquisition of taxonomy-aligned buildings which was not the case in 2024 as there were no taxonomy-aligned additions in 2024.

Double counting was avoided in a way that all CapEx related to taxonomy-aligned buildings are disclosed under the economy activity CCM 7.7. Only single measures which were identified as taxonomy-aligned and connected to not-aligned buildings are disclosed under CCM 7.3 or CCM 7.6.

In 2024 the numerator of the KPI for aligned CapEx do not include any capital expenditures related to CapEx plan (as defined in Commission delegated regulation (EU) 2021/2178, paragraph 1.1.2.2.)

Operating expenditure (OpEx)

The key performance indicator operating expenditure (OpEx) is defined as the proportion of taxonomy-aligned operating expenditures (numerator) divided by total operating expenditures (denominator). This approach remains unchanged since the year of the first reporting according to Art. 8 of the Taxonomy Regulation. The classification of the operating expenditures can be derived analogously from the categories of capital expenditures.

Total operating expenditures consist of non-capitalised costs that relate to building renovation measures, maintenance and repair as well as any other direct expenditures in connection with the day-to-day servicing of investment property, property under construction and owner-operated property.

The increase in the share of taxonomy-aligned OpEx to 10.3% (2023: 3.8%) is caused by increased expenses for maintenance.

There is no risk of double counting within OpEx KPIs as we are disclosing only the activity CCM 7.7 as aligned for OpEx.

Template: Proportion of turnover from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria					
Economic activities	Code	Turnover	Proportion of turnover, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		kEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings	CCM 7.7	90,934.80	23.9%	Y	N	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		**90,934.80**	**23.9%**	**23.9%**	**-**	**-**	**-**	**-**	**-**
of which enabling		0	-	-	%	%	%	%	%
of which transitional		0	-	-					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)									
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1	76,503.31	20.1%	N/EL	N/EL	N/EL	N/EL	N/EL	EL
Acquisition and ownership of buildings	CCM 7.7	210,215.79	55.2%	EL	EL	N/EL	N/EL	N/EL	N/EL
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**286,719.10**	**75.3%**	**55.2%**	**-**	**-**	**-**	**-**	**20.1%**
A. Turnover of taxonomy-eligible activities (A.1 + A.2)		**377,653.90**	**99.1%**	**79.0%**	**-**	**-**	**-**	**-**	**20.1%**
B. Taxonomy-non-eligible activities									
Turnover of taxonomy-non-eligible activities		**3,365.01**	**0.9%**						
Total		**381,018.91**	**100%**						

The explanations to the footnotes can be found after the template for the proportion of OpEx.

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DNSH criteria (Do No Significant Harm)									
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2023	Category "enabling activity"	Category "transitional activity"
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	13.03%	–	–
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**13.03%**		
Y	Y	Y	Y	Y	Y	Y	-	E	
Y	Y	Y	Y	Y	Y	Y	-		T
							20.81%		
							66.13%		
							86.94%		
							99.97%		

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Template: Proportion of CapEx from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria					
Economic activities	Code	CapEx	Proportion of CapEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		kEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	810.44	0.2%	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	80.33	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	2,175.62	0.5%	Y	N	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**3,066.39**	**0.7%**	**0.7%**	**-**	**0**	**0**	**0**	**0**
of which enabling		0.0	%	%	%	%	%	%	%
of which transitional		0.0	%	%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)									
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1	211.83	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	EL
Acquisition and ownership of buildings	CCM 7.7	448,645.68	97.9%	EL	EL	N/EL	N/EL	N/EL	N/EL
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**448,857.51**	**97.9%**	**97.9%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
A. CapEx of taxonomy-eligible activities (A.1 + A.2)		**451,923.90**	**98.6%**	**98.6%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
B. Taxonomy-non-eligible activities									
CapEx of taxonomy-non-eligible activities		**6,418.82**	**1.4%**						
Total (A+B)		**458,342.72**	**100.0%**						

The explanations to the footnotes can be found after the template for the proportion of OpEx.

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DNSH criteria (Do No Significant Harm)									
Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2023	Category "enabling activity"	Category "transitional activity"
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0.25%		
Y	Y	Y	Y	Y	Y	Y	0.00%		
Y	Y	Y	Y	Y	Y	Y	41.31%		
Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**41.56%**		
Y	Y	Y	Y	Y	Y	Y	%	E	
Y	Y	Y	Y	Y	Y	Y	%		T
							0.00%		
							58.03%		
							58.03%		
							99.59%		

Proportion of OpEx from products or services associated with taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria					
Economic activities	Code	OpEx	Proportion of OpEx, year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Bio-diversity
		kEUR	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Acquisition and ownership of buildings	CCM 7.7	1,079.88	10.3%	Y	N	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**1,079.88**	**10.3%**	**10.3%**	**-**	**0**	**0**	**0**	**0**
of which enabling		0	0%	0%	0%	0%	0%	0%	0%
of which transitional		0	0%	0%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)									
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**
Hotels, holiday, camping grounds and similar accommo-dation	BIO 2.1	4.365,39	41.7%	N/EL	N/EL	N/EL	N/EL	N/EL	EL
Acquisition and ownership of buildings	CCM 7.7	5.031,85	48.0%	EL	EL	N/EL	N/EL	N/EL	N/EL
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**9,397.24**	**89.7%**	**48.0%**	**0%**	**0%**	**0%**	**0%**	**41.7%**
A. OpEx of taxonomy-eligible activities (A.1 + A.2)		**10,477.12**	**100.0%**	**58.3%**	**0%**	**0%**	**0%**	**0%**	**41.7%**
B. Taxonomy-non-eligible activities									
OpEx of taxonomy-non-eligible activities		**-**	**0.0%**						
Total (A+B)		**10,477.12**	**100.0%**						

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	DNSH criteria (Do No Significant Harm)									
	Climate change mitigation	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2023**	**Category "enabling activity"**	**Category "transitional activity"**
	Y/N	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
	Y	Y	Y	Y	Y	Y	Y	3.82%	–	–
	Y	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**3.82%**		
	Y	Y	Y	Y	Y	Y	Y	%	E	
	Y	Y	Y	Y	Y	Y	Y	%		T
								28.22%		
								67.06%		
								95.28%		
								99.11%		

The explanations of the footnotes can be found after of this table.

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant annex covering the objective, i.e.:

– Climate Change Mitigation: CCM
– Climate Change Adaptation: CCA
– Water and Marine Resources: WTR
– Circular Economy: CE
– Pollution Prevention and Control: PPC
– Biodiversity and Ecosystems: BIO

(b) Y – Yes, taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective
N – No, taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective
N/EL – not eligible, taxonomy-non-eligible activity for the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, which includes alignment with each of the environmental objectives for activities contributing substantially to several objectives, by using the template below:

2024	Proportion of turnover/total turnover: Taxonomy-aligned per objective in %	Proportion of turnover/total turnover: Taxonomy-eligible per objective in %
CCM	23.9	79.0
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	20.1

2024	Proportion of CapEx/total CapEx: Taxonomy-aligned per objective in %	Proportion of CapEx/total CapEx: Taxonomy-eligible per objective in %
CCM	0.7	98.6
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	0.0

2024	Proportion of OpEx/total OpEx: Taxonomy-aligned per objective in %	Proportion of OpEx/total OpEx: Taxonomy-eligible per objective in %
CCM	10.3	58.3
CCA	0.0	0.0
WTR	0.0	0.0
CE	0.0	0.0
PPC	0.0	0.0
BIO	0.0	41.7

(d) The same activity may be eligible and not aligned with the relevant environmental objectives.

(e) EL – Taxonomy-eligible activity for the relevant objective
N/EL – Taxonomy-non-eligible activity for the relevant objective

(f) Activities shall be reported in Section A.2 of this template only if they are not aligning to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.

(g) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in on a voluntary basis by non-financial undertakings. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution: Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH: Y/N codes.

Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

ESRS E1 Climate change

Climate change refers to the long-term alterations in temperature and weather patterns. While some of these changes can occur naturally due to variations in solar activity or significant volcanic events, human activities have predominantly driven climate change since the 1800s, primarily through the combustion of fossil fuels such as coal, oil, and natural gas. The primary greenhouse gases contributing to climate change include carbon dioxide and methane. These gases are released through activities such as burning gasoline for transportation and using coal for heating purposes. Significant sources of methane emissions include agricultural practices and operations related to oil and gas extraction. Key sectors responsible for greenhouse gas emissions include energy production, industry, transportation, buildings, agriculture, and land use.

Greenhouse gases play a crucial role in trapping heat in the atmosphere, leading to substantial alterations in the Earth's climate. These changes significantly affect individuals and whole population, resulting in issues such as water scarcity, increased flood risks, and droughts, all of which have implications for food security. This underscores the important relationship between climate change mitigation, adaptation and water resources (covered in ESRS E3) and biodiversity.

ESRS 2 General disclosures

The operation of buildings, as a key sector of the Group´s activity, generates a wide range of emissions, ranging from noise to greenhouse gas emissions (GHG Emissions). Greenhouse gas emissions from the buildings come from fossil fuels burned for heat and the use of gases for refrigeration and cooling in buildings, and from the handling of waste.

Governance

Disclosure requirement related to ESRS 2 GOV–3 Integration of sustainability–related performance in incentive schemes

(E1.GOV-3_01 to 03)

Please refer to the disclosures under ESRS 2 GOV-3

Strategy

E1–1 – Transition plan for climate change mitigation

(E1-1_01 to E1-1_02)
In 2024, S IMMO under Management of CPI Europe developed a comprehensive Climate Transition Action Plan, which has become an integral part of our operations. Our commitment to developing a Climate Transition Action Plan is driven by the need to comply with evolving regulations, mitigate climate-related risks, and capitalize on new market opportunities. This strategic initiative is essential for ensuring the long-term success and sustainability of CPI Europe in the real estate sector.

The CPI Europe Transition Action Plan lays out the future steps necessary for CPI Europe and S IMMO to reach zero GHG emissions by 2050. Additionally, the pathway of the plan is in line with the 1.5°C goal of the Paris Climate Summit and the legal framework of the EU laid down in the European Green Deal. The analysis and the subsequent presentation of the emission sources were based on the logic of the Greenhouse Gas Protocol. The transition plan incl. the baseline 2019 of CPI Europe relates to the whole group. Therefore, the percentage decarbonisation targets apply equally to S IMMO.

The amounts of GHG emissions are based on a study conducted by NUS Consulting Group UK for the financial year 2019. It reflects an in-depth analysis of CPI Europe GHG emissions and serves as the basis for further considerations. Although CPI Europe saw some significant increase in size due to intra-group transactions with CPI Property Group in 2022 and 2023 the measures and pathways based on the NUS study shall remain valid. The emission reduction plans are set as percentage reductions compared to the baseline year 2019.

As part a of this transition plan, detailed measures were defined which will be incorporated into the company's corporate strategy over the next few years. Some of these measures are already being implemented. With regard to fossil fuels, a replacement of the existing gas heating systems with climate-friendly alternatives was defined.

The decarbonisation paths of the CRREM project were used to determine the targets. These are aligned with the European Union's 2050 target. Measures to reduce these emissions were defined for the individual emission sources. When determining the quantitative reduction, reference was made to what is technically feasible for CPI Europe and to the decarbonisation targets of Science Based Target Initiative (SBTi).

(E1-1_03 and E1-1_04)
As a key action to reduce scope 1 emissions the improvement of building components was identified. This will mostly happen during the regular replacement of the building components. Main areas are the exchange of gas heatings with preferably heat pumps in combination with photovoltaics and the improvement of HVAC units. Regarding scope 2 emissions a significant part of the necessary actions were already implemented. Procurement of green electricity and the conclusion of PPAs are the main actions. The largest part of emissions in S IMMO relate to fuel and energy-related activities in scope 3 due to the energy consumption of tenants. In order to reduce these emissions a multistage plan was implemented to digitalize the buildings and support S IMMO tenants to reduce their energy consumption and increase their profitability.

(E1-1_05 to E1-1_06)
Based on current measures and cost estimates, the gross capital requirements (CapEx) for implementing CPI Europe Transition Action Plan are estimated to be between EUR 255.5m and EUR 424.0m. Most of these financing requirements are already covered by maintenance measures in the coming years.

Expenditures (operational as well as capital) required for implementation of these key actions rely mainly in technology. Technology is crucial in switching to renewable energy, in energy efficiency, but also in new developments. Therefore, the significant CapEx will be required in technology (changing to the low-carbon emission technology, thermal improvements of the buildings). Another significant expenditure, mainly operational expenditures, is related to switching from fossil fuels and non-renewable electricity to renewable sources.

(E1-1_07)
Due to high uncertainty in the calculation methods, a lack of frameworks or guidelines the accurate locked-in GHG emissions from key assets were not calculated.

The buildings are developed for at least 50 years, but in reality, their lifespan is much longer and during this life-span technological system ensures a certain level of emitting emissions from their continued development and use.

GHG emission reduction targets have already been defined and they rely on installing low or zero carbon technologies and using renewable sources. These actions can reduce lock-in GHG emissions because project that generates zero greenhouse gas emissions, has no carbon lock-in GHG emission.

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(E1-1_08)
One of the CPI Group targets is to increase EU taxonomy alignment economic activities at a consolidated Group level over time.

For further details please see the taxonomy chapter in this statement.

(E1-1_12)
The Group's Climate Transition Action Plan outlines various objectives and strategies aimed at achieving a reduction in emissions in line with the 1.5C goal of the Paris Agreement. Our main emphasis during 2025 and into the 2030s will be directly reducing emissions rather than relying on offsetting measures.

(E1-1_13)
The Climate Transition Action Plan is influenced by climate-related risks and opportunities. Recognizing our business' unique constraints and opportunities, we have tailored our sustainability objectives to be ambitious as well as achievable. This commitment extends across our entire value chain and is informed by a comprehensive double materiality assessment. This process identifies and prioritizes the ESG issues most relevant to our stakeholders and potential business impacts, aligning our strategy with stakeholder expectations and broader societal goals. Through this approach, we aim to create lasting value for our stakeholders and contribute to a sustainable future.

The measures defined in the transition plan have been incorporated into the company's budgeting process for upcoming years as strategic targets. Each year, the company invests significant amounts in the maintenance of its building stock. The existing financing requirement (CapEx) can be covered to a large extent by these annual budget funds. In addition, the implementation of most strategic goals is planned with the respective necessary replacement of building components.

(E1-1_14)
The Climate Transition Action Plan was approved by the ESG Committee of CPI Europe's Supervisory Board.

(E1-1_15)
As the transition plan was approved in 2024, the first evaluation of progress will be part of the next reporting period.

Disclosure Requirement related to ESRS 2 SBM–3 – Material impacts, risks and opportunities and their interaction with strategy and business model

(E1.SBM-3_01 to 07)
S IMMO has conducted a comprehensive assessment of Physical Climate Risks for all properties, both at the portfolio level and on an individual building basis. We evaluate climate risk with an external tool provided by ESG Software Climcycle, which is specifically designed and validated for this type of assessment.

The Physical Climate Risk module of the platform assesses potential risks by analysing a range of climate scenarios, utilising high-resolution projections and data from authoritative sources such as Copernicus and ISIMIP. The climate risk model projections are generated using open-access data sources, as recommended in the EU Taxonomy legislative text. This includes services like Copernicus, which employs the latest technology. Currently, the tool can identify 18 physical risks, both acute and chronic. The data is accessible at varying levels of detail. Furthermore, each risk includes up to four RCP scenarios with projections extending to the year 2100.

For activities with a projected lifespan of less than a decade, the assessment is conducted using climate projections at the most suitable minimal scale. For all remaining activities, the evaluation is executed using the most refined resolution available, employing cutting-edge climate projections across the full spectrum of future scenarios that align with the activity's expected lifespan.

This module systematically identifies and evaluates physical climate risks, offering valuable insights for developing effective mitigation and adaptation strategies. Furthermore, this tool is designed to comply with EU Taxonomy regulations and to evaluate risks based on Representative Concentration Pathway (RCP) scenarios, thereby facilitating informed long-term investment decisions.

For the entire Group's portfolio, we have conducted a two-tiered analysis resulting in two sets of findings. The first set is an aggregate evaluation for the entire company, for the years 2030 and 2050 based on the requirement of ESRS Regulation (EU) 2021/1019, highlighting which risks are frequently assessed as high within our portfolio. The prominent risks identified were water stress, heat stress and river floods. The second set provides an individual evaluation for each building. As a part of the individual evaluation for each asset with the high risks, possible adaptation solutions are listed that can be implemented to mitigate the risk. These adaptation solutions will be evaluated separately for each single asset. The adaptation solutions must be implement-ed within the next five years, in order to meet the EU Taxonomy criteria.

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Impact, risk and opportunity management

Disclosure requirement related to ESRS 2 IRO–1 – Description of the processes to identify and assess material climate–related impacts, risks and opportunities

Management approach

Material impacts, risks and opportunities	(1) GHG emissions generated from building
	(2) Consumption of energy
	(3) Increased cost of fossil fuels resources
	(4) Carbon pricing mechanism
	(5) Non-compliance with ESG targets lead to loss in investors confidence
	(6) Inadequate adaptation solutions
Policies (E1-2)	Code of Business Ethics and Conduct
	Group Policy Environment and CSR
	Group LCA policy
	CPIPG GHG Recalculation Policy
	Risk Management Policy
	Transition plan ESG
Targets	32.7% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline
	Purchase of electricity exclusively from 100% renewable sources by year-end 2024
	10% reduction in energy intensity of property portfolio by year 2030 versus 2019 baseline
	Increase in EU Taxonomy alignment of economic activities at consolidated Group level over time
	Alignment of Executive Board remuneration to ESG criteria
Key actions	Detailed description under E1-3

(E1.IRO-1_01-16)
The process for identifying and assessing climate-related impacts, risks, and opportunities is outlined in ESRS 2, specifically in the section regarding the double materiality assessment. Both physical and transition climate-related impacts, risks and opportunities have been taken into account. The identified material climate-related impacts, risks, and opportunities are described in detail in the Materiality and Target table of ESRS 2, SBM-1.

The Group has identified climate-related hazards over the short, medium and long-term period defined in ESRS 2 and assessed whether its assets and business activities may be exposed to these hazards. Both chronic and acute climate-related hazards have been taken into account. For the entire Group's portfolio, we have conducted a two-tiered analysis resulting in two sets of findings. The first set is an aggregate evaluation for the entire company, highlighting which risks are frequently assessed as high within our portfolio. The second set provides an individual evaluation for each building.

The Group has identified the following risk, which has been determined to be non-material:

- Operational costs and adaptation measures due to chronic weather conditions: Financial losses can arise for the company from unnecessarily high operating costs and from the significant loss in value of the property. According to the Climate Risk Assessment, water stress and heat stress have been identified as the primary risks. The assessment indicates that 8 of our buildings in Bucharest, Romania are situated in areas with a high risk of heat and water stress, which represents a portfolio value of EUR 535.1m.

In analysis scenarios of Representative Concentration Pathways (RCPs) as follows have been used.

- RCP 2.6: A stringent mitigation scenario aiming to keep global warming likely below 2°C.
- RCP 4.5: An intermediate scenario likely resulting in 3.0°C global warming.
- RCP 6.0: Projections for temperature according to RCP 6.0 include continuous global warming making the global temperature rise by about 3-4°C by 2100.
- RCP 8.5: Under this scenario, which is often referred to as a high-emissions or "business as usual" scenario, the expected temperature increase is about 4.3°C by 2100, relative to pre-industrial temperatures.

However, it is important to note that there are uncertainties and debates about the assumptions and outcomes of this scenario. The implications of these scenarios are evaluated per decade for all operations.

The Group has identified its journey for the particular RCPs:

- RCP 2.6: Operating efficiency improvements; Energy efficient CapEx; New developments complying with EU Taxonomy and net zero energy building regulation; Diversification of the energy sources; Reduction in water intensity of property portfolio.

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- RCP 4.5: Switching electricity from fossil fuel to renewable sources; Diversification of the energy sources (on-site power generation from non-renewable and renewable sources); Engaging with occupants, educating and cooperating with them on reducing CO_2 emissions; Deeply involving our supply chain in our environmental strategy.
- RCP 6.0: The diversification of energy sources through on-site power generation utilizing both renewable sources; Enhancing collaboration with partners across the value chain - both upstream and downstream - to work together on reducing greenhouse gas emissions.
- RCP 8.0: Identification of priority locations to focus on in the next phases and evaluate our buildings, whether they may directly and/or indirectly cause impacts; Adaptation measures incorporated in our buildings in the portfolio (measures include water, climate and biodiversity issues); No capital or operational expenditure is linked to activities that contribute to fossil fuel expansion.

The scenarios, journeys and green measures identified are considered during the financial assessment as a part of the risk evaluations and calculations employed.

The following climate-related transition risks and opportunities in the Group's operations and along the upstream and downstream value chain have been considered:

- Current and emerging regulations
- Technology: S IMMO continually explores building technologies designed to improve environmental performance. Evaluation of new technologies is part of the Group's decision-making process regarding refurbishments and developments.
- Market: Investors are increasingly focused on climate mitigation investments. In 2022 CPI Property Group developed a sustainable finance framework combining both sustainability-linked bond framework and green bond framework under which the Group has committed to use proceeds from green bonds to finance or refinance existing or future projects that improve the environmental performance of CPI Property Group's property portfolio and contribute to the Group's climate impact mitigation objectives. The Group recognizes that managing environmental risks can directly impact the value of its portfolio.
- Reputation: S IMMO believes that environmental performance is critical for the group's reputation on the market.

These factors were taken into account during the double materiality assessment, which identified the following risks as material and detailed in Materiality and Target table of ESRS 2, SBM-1.

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Market reputation and investor confidence
- Financial penalties
- Adaptation assessment and implementation risk

E1–2 – Policies related to climate change mitigation and adaptation

See further information under ESRS 2 MDR-P

E1–3 – Actions and resources in relation to climate change policies

(E1-3_01)

Following actions and steps are being carried out to mitigate the effects of climate change in accordance to the Climate Transition Action Plan of CPI Europe AG:

- Replacing refrigerants by low GWP refrigerants

- Gradual eplacement of the HVAC units and refrigerators with products that use alternative coolants with little or no GWP. The new cooling system was used for the Twin Towers in Vienna, which uses ammonia (GWP 0).

- Change of heating to heat pumps
  To eliminate the effect of GHG emissions caused by stationary combustion two measures have been identified. Firstly, the technological change in building operating requires the exchange of existing gas heating against heat pumps. However, such exchange also requires other construction measures to be implemented like changing the diameter of the heating pipes. Therefore, as interim solution also a switch to a renewable energy source like biomass, wood or pellets might be appropriate.

- Thermal improvement of the buildings
  Future buildings need to fulfil significantly higher standards of energy efficiency. This will require a complete refurbishment of existing buildings. Thermal insulation will contribute substantially to a reduced energy demand and therefore less heating demand, which equals less natural gas consumption.

- Change to BEVs powered with CO_2 free electricity
  Meanwhile the automotive industry offers a wide variety for battery based electric vehicles that in combination with low emission electricity significantly reduce the GHG emissions from individual traffic. Therefore, a quick change to a fully electrified car fleet is proposed. This allows a significant

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reduction of related GHG emissions and a quick win for the emission reduction plan.

- Change to CO_2 free heating source by service provider
  We rely on the efforts of district heating providers to reduce greenhouse gas emissions from district heating. These providers are subject to the same regulations and must therefore also meet the climate targets. We are convinced that district heating is a sensible energy source for urban areas, especially if it is generated in a climate-neutral way.

- Green electricity purchase by PPA
  Due to the price distortions on the electricity market due to the war in Ukraine and the interpretation of possible regulations, S IMMO has decided to purchase electricity via PPAs. In Austria, a PPA has already been concluded with a small hydropower plant to supplement the company's own production. In addition to the purchase of green electricity, the PPA also offers planning security with regard to cost development.

- Purchase of CO_2 free electricity/ green energy from the market
  From a strategic point of view, S IMMO does not aim to produce electricity for the market. As a result, there will always be a need to purchase a residual amount on the market. CPI Europe has set itself and S IMMO the goal of only purchasing green electricity from the end of 2024. Compensation by means of CO_2 certificates or guarantees of origin is no longer permitted.

- Roll out of PV plants on S IMMO buildings
  The NUS study also examined the potential for electricity generation using PV systems on properties. Using the available roof space, it was determined that up to 130 GWh of electricity could potentially be generated on group level. The total electricity consumption at that time was determined to be 236.2 GWh, which means that around 55% of electricity consumption can be covered by self-generated green electricity on group level.

- Green procurement
  To reduce emissions from purchased goods and services a change in the procurement policy is necessary. Procurement decisions should be based on sustainability criteria, rather than the cheapest offer. The entire life cycle of the procured goods or services should be considered, independently of sustainability.

- Further following measures should be implemented to reduce emissions
  – Purchased raw materials are from low GHG-emitting and sustainable sources.
  – Purchases from suppliers committed to reducing CO_2 emissions/net zero targets.
  – Prioritisation of local suppliers in order to reduce the supply chains associated with the purchase of goods and services.
  – Purchases of goods and services that have a sustainability certificate.
  – Inclusion of the repair option for goods in the decision-making catalogue. Repairs result in lower GHG emissions than new purchases.

- Green development
  In the area of real estate development in particular, there is not only a need to design processes emission-free, but also to redesign the products. This also arises from the background of increased requirements for building emissions and energy efficiency.

- The following steps are considered for reducing GHG emissions:
  – Implement the life cycle assessment (LCA) policy for the construction and operation of all new commercial properties.
  – When selecting and planning, pay attention to materials with low CO_2 emissions. When constructing new buildings, the highest available standards for low-CO_2 construction are met.
  – When purchasing new buildings or renovating existing properties, aim for the highest available energy efficiency standards.
  – For the procurement of machinery, technical equipment and vehicles, the highest available EU/national energy efficiency standards must be respected.
  – Prioritise the purchase of equipment/buildings based on life-cycle costs/CO_2 emissions/energy consumption to ensure that the procurement is the most efficient option (even if the initial costs are higher).

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- Cooperation with tenants to reduce consumption by consumption-based billing
  A roadmap covering several years is required save the majority share of emissions. The individual steps are presented below:

  – Recording actual consumption data at tenant level. The first step is to record actual consumption of utilities. This is done by means of electronic metering (smart meter).
  – Change in the operating cost allocation from square-meter-based keys to consumption-based calculation. This means that the economic costs of the cause are also charged to the corresponding tenant.
  – Active communication of consumption data to the tenant. The aim is to create awareness of actual consumption. A notification system for operating errors in the building services can also be integrated with relatively little effort. The advantage for S IMMO is that falling operating costs mean lower subsidies from the landlord or potential for rent increases.
  – Tenants in refurbished buildings should achieve almost emission-free operation of the buildings, in line with the EBPD requirements.

- Reducing logistic efforts, local procurement
  The following measures to reduce related GHG emission have been identified:

  – Ensure that all necessary transportation and distribution services are procured from suppliers with a fleet with low/no CO_2 emissions.
  – Prioritise suppliers that use biofuels or low-carbon fuels in their fuel mix for transportation and distribution services.
  – Prioritising distribution activities that use on-site renewable electricity for the storage of purchased goods in warehouses, distribution centres and retail stores, or procuring the necessary power supply from 100% renewable certified energy sources.
  – Strategic siting of new buildings close to major customers and consumption centres.
  – Reduction of greenhouse gas intensity (tCO_2e/km) by improving the efficiency of transport networks, increasing return trips, loading capacity and load factors.

- Waste reduction and increase recycling/circular economy
  Possible measures for reducing greenhouse gas emissions include:

  – Reduce the amount of waste by implementing special waste disposal programmes/training for staff to increase the reuse and recycling rates in all buildings.
  – Improved recycling and reuse measures in commercial buildings to reduce the amount of waste going to landfill.
  – Conduct waste audits across the commercial portfolio to optimise waste streams, reduce contamination of materials and drive improvements in recycling rates/landfill.
  – In procurement, ensure waste management companies offer a ‘zero landfill’ option to reduce greenhouse gas emissions associated with landfill.
  – Registering commercial space with reuse tool/software providers so that surplus/unneeded products can be re-used by local organisations, eliminating the need for recycling/disposal.

- Switch to green forms of transport
  The following measures are conceivable for reducing emissions associated with business travel:

  – Reducing the need for business travel across the organisation (e.g. promoting video conferencing and web-based meetings as an alternative to in-person meetings where economically feasible)
  – Adopting an updated procurement policy that requires all business travel providers to demonstrate a verified net-zero target.
  – Introduction of a company-wide policy to ensure the installation and availability of charging stations for electric vehicles on company premises.
  – Promoting and incentivising lower-emission travel options (e.g. train instead of plane), introducing guidelines to promote incentives for active travel and public transport for shorter trips to customer appointments;
  – Providing active travel/zero-carbon options for employees to perform their everyday tasks that require travel within the region, e.g. providing bikes for employees to travel to meetings/business appointments within the region.

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- Employee commuting
  Ensure that the purchase of new commercial real estate considers sustainable travel options for employees to reduce commuting distances, e.g. by requiring that acquired properties be located near city centres and public transport to limit the average daily commute for employees.

  – Optimising the use of active/carbon-free travel options by employees and discouraging the use of personal cars for daily commuting, e.g. by introducing parking policies and charges across the commercial portfolio to make carbon-free travel options more attractive.
  – Provide incentives and support for company-led programmes to increase the use of public transport, e.g. programmes to promote cycling to work, 'job ticket'.
  – Evaluate the feasibility of work-from-home policies and initiatives (where economically feasible) and increase the provision of communication tools/home office tools to reduce employees' daily commute.
  – Provide carbon-neutral/active transportation infrastructure for employees across the commercial portfolio (e.g. electric vehicle charging points, bicycle parking).
  – Introduce company policies and programmes to reduce single occupancy car trips to work, e.g. by promoting carpooling.

- Focus on green investments
  As emissions reduction measures concerning the category 'Investments' the following points were considered:

  – Introduction of guidelines to ensure that commercial investments are only made in companies with decarbonisation targets that are aligned with CPI Europe Group net-zero target by 2050.
  – All companies in which S IMMO invests must regularly report their Scope 1 and Scope 2 emissions to demonstrate annual/continuous decarbonisation.
  – Future investments will be targeted towards companies that directly support and promote the transition to a low-carbon economy.
  – Proactive engagement with all companies to ensure alignment and verification with the SBTi.

(E1-3_03, E1-3_04)
Decarbonization measure

Scope	Decarbonization measure	Unit	Baseline 2019	Target 2030	Target 2035	Target 2040	Target 2045	Target 2050
1.1	Replacing refrigerents by low GWP refrigerents	t CO_2e	5,709	-1,019	13,615	6,490	1,710	345
1.2	Change of heating to heatpumps	t CO_2e	3,211	-1,156	-3,164	-4,880	5,294	5,570
1.2	Thermal improvement of the buildings	t CO_2e	227	-1,734	-1,220	-1,272	-1,284	-1,284
1.3	Change to BEVs powered with CO_2 free electricity			- 227	-1,830	-1,907	-1,927	-1,927
2.1	Change to CO_2 free heating source by service provider	t CO_2e	6,254	-3,127	- 227	- 227	- 227	- 227
2.2	Own electricity production through PVs	t CO_2e	42,499	-3,000	-3,909	-4,534	-6,254	-6,254
2.2	Green electricity purchase by PPA	t CO_2e		- 250	- 12,000	- 16,000	- 16,000	- 16,000
2.2	Purchase of CO_2 free electricity from the market	t CO_2e		- 39,024	-1,000	-2,500	-7,500	- 10,000
3.1	Green procurement	t CO_2e	9,086	-7,269	- 29,274	- 23,774	- 18,999	- 16,499
3.2	Green development	t CO_2e	24,208	- 19,366	-8,632	-8,995	-9,086	-9,086
3.3	Cooperation with tenants to reduce consumption by consumption-based billing	t CO_2e	205,076	-167,616	-200,974	-204,256	-205,076	-205,076
3.3	Reducing logistic efforts, local procurment	t CO_2e	16,532	- 14,879	- 15,705	- 16,367	- 16,532	- 16,532
3.4	Switching to green energy	t CO_2e	28	-14	-25	-25	-28	-28
3.5	Increase recycling/circular economy	t CO_2e	1,697	- 255	- 891	-1,145	-1,209	-1,209
3.5	Waste reduction	t CO_2e		-85	- 297	- 382	- 403	- 403
3.6	Switch to green forms of transport	t CO_2e	281	- 267	- 267	- 267	- 281	- 281
3.7	Job ticket, bikes,…	t CO_2e	1,020	- 714	-1,010	-1,020	-1,020	-1,020
3.15	Focus on green Investments	t CO_2e	6,122	-6,122	-6,122	-6,122	-6,122	-6,122

(E1-3_05-08)
For the disclosures required by Commission Delegated Regulation (EU) 2021/2178 please see the taxonomy-chapter of this statement.

Metrics and targets

E1–4 – Targets related to climate change mitigation and adaptation

(E1-4_01)
The following targets have been set on group level:

- A 46.2% reduction in GHG intensity of Scope 1 and Scope 2 of the property portfolio by the year 2030 versus 2019 baseline
- A 32.7% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline
- Purchase of electricity exclusively from 100% renewable sources by year-end 2024.
- 10% reduction in energy intensity of property portfolio by year 2030 versus 2019 baseline

(E1-4_02 to 17)

Expected GHG emission reductions of CPI Europe (including S IMMO)

		Retrospective				Milestones and target years		
GHG emissions	Unit	Base year 2019	2023	2024	%	2025	2030	Annual % target/ base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions	t CO_2 e	9,147	18,714	17,686	-5.5	8,494	5,011	0.6%
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions	t CO_2 e	51,585	15,567	20,911	34.3	n/a	n/a	n/a
Gross market-based Scope 2 GHG emissions	t CO_2 e	48,753	15,517	22,615	45.7	9,237	3,352	-7.4%
Significant Scope 3 GHG emissions								
Total gross indirect Scope 3 GHG emissions	t CO_2 e	264,049	182,004	216,864	19.5	255,775	47,464	-7.5%

CO_2 emissions are calculated according to the GHG Protocol based on the principle of operational control. The reported CO_2 emissions represent gross emissions. The CO_2 equivalents for all greenhouse gases from the Kyoto Protocol (CO_2, CH4, N2O, HFKW, PFC, SF6 and NF3) were considered in the calculation. Scope 3 greenhouse gas emissions include all categories with the exception of 3.8, 3.9, 3.10, 3.12 and 3.14.

(E1-4_18)
In 2023, GHG reporting was harmonised within CPI Property Group, including CPI Europe and S IMMO. Since then, calculation of all environmental KPIs is performed by CPI Property Group. Due to this harmonisation, consistent conversion factors were used to calculate the previous year's emission values. This leads to deviations in the CO_2 emissions that have already been published.

Since 2018, CPI Property Group has been working closely with the University Centre for Energy Efficient Buildings (UCEEB) of the Czech Technical University in Prague (CTU). UCEEB is as a technical support provider and adviser to the Group, supporting the Group in establishing and quantifying the Group's environmental targets as part of the Group's long-term strategy 2024 reporting period UCEEB provided data control.

CPI Property Group (including S IMMO) has developed and continuously enhanced its Environmental Impact Reporting Tool (ERT) for data collection and putting into the database. CPI Property Group's objective is to ensure the detail, accuracy and quality of our environmental performance reporting. The ERT allows disclosure across the Group and all its segments, despite the diversity of our portfolio.

The ERT is tailored to report in-line with GHG Protocol, with the help of an independent third party, the CI3 organisation. Since 2020, we expanded the scope of the Group's collection, monitoring and reporting of GHG emissions and all relevant categories of scope 3 are now measured and disclosed. So, our reporting is aligned with the GHG Protocol.

ERT and database solutions enable the monitoring of the Group's environmental performance through greater robustness, scope (activity and geography), efficiency and automation. For our purposes, the environmental Power BI is utilised due to its efficient ability to track and analyse performance across multiple levels (site, segment, region and Group) on a regular basis, assess results against targets and implement suitable corrective measures. Power Bi was also utilised for developing key figure tables and performance indicators in accordance with current guidelines of the European Sustainability Reporting Standards (ESRS).

CPI Property Group's GHG reporting (including S IMMO) has been verified by CI2 as complying with the GHG Protocol Corporate Standard. Since 2019, the Group has been in cooperation with CI2, and since 2021 with its sister company CI3. The CI3 company focuses on issues related to the carbon footprint, its reporting, verification and setting targets to reduce it. CI3 is a regional partner for CDP reporting. Through the review process, CI3 advised on the compatibility with the GHG Protocol Corporate Standard and compatibility with CDP reporting standards.

CI2 acts as a third-party and monitors, reviews, and independently validates the Group's GHG disclosures and methodology used. As the result of this cooperation, CPI Property Group's GHG footprint (including S IMMO) was verified, confirmed according to the procedures defined in the GHG Proto-

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col and awarded CI2 conformity certificate. Recommendations and guides were prepared and will be incorporated into subsequent environmental reporting.

(E1-4_20, E1-4_21)

S IMMO ensures that the 2019 baseline is representative by adjusting it through a standardised calculation method that considers portfolio changes. This method also involves continuous monitoring of any structural changes to assess whether further adjustments to the baseline are necessary.

This allows for continued tracking against the original target while reflecting portfolio and structural changes. This process ensures that progress toward greenhouse gas reduction goals remains consistent and representative of real changes within the company's activities and external influence.

(E1-4_22)

The CPI Europe's GHG emissions intensity reduction target has been developed as science-based, aligned with the Paris Agreement climate goals to limit the global temperature increase versus pre-industrial levels at 1.5°C.

In CPI Europe's Climate Transition Action Plan various objectives and strategies are set aimed at achieving a reduction in emissions in line with the 1.5°C goal of the Paris Agreement, from climate change perspective:

- A 73.9% reduction in GHG intensity of Scope 1 and Scope 2 of the property portfolio by the year 2030 versus 2019 baseline
- A 71.7% reduction in GHG intensity of property portfolio, incl. bioenergy, by year 2030 versus 2019 baseline

For a detailed description of the decarbonization levers please see section E1-1 of this statement

(E1-4_24)

Climate risk analysis

Based on the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the requirements of the EU Taxonomy Regulation, S IMMO carried out climate risk analyses as described in E1.IRO-1_01-16.

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E1–5 – Energy consumption and mix

E1-5_01 to E1-5_23

Energy consumption and mix (inside the organisation)	Unit	Baseline 2019	Total 2024	Total 2023	Austria 2024	Austria 2023
(1) Fuel consumption from coal and coal products	MWh		0.00	0.00		
(2) Fuel consumption from crude oil and petroleum products	MWh	2,111.67	354.29	493.86	0.00	28.54
(3) Fuel consumption from natural gas	MWh	46,312.29	51,469.65	49,451.65	2,455.23	2,343.63
(4) Fuel consumption from other fossil sources	MWh		0.00	0.00		
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	53,540.50	41,914.10	31,531.13	14,293.74	9,611.50
(a) electricity	MWh	25,441.54	13,415.12	3,174.68	35.67	2.17
(b) heat and cooling	MWh	28,098.96	28,498.97	28,356.45	14,258.07	9,609.33
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	101,964.46	**93,738.03**	81,476.64	**16,748.97**	11,983.68
Share of fossil sources in total energy consumption	%	91.2	62.0	61.6	43.6	48.1
(7) Consumption from nuclear sources	**MWh**		**6,023.45**	1,597.13		
Share of consumption from nuclear sources in total energy consumption	%		4.0	1.2		
Total non-renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**92,506.45**	**78,755.69**	**61,342.12**	**9,616.48**	**12,146.03**
(8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh					
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	9,835.58	50,511.02	49,020.49	21,459.72	12,827.32
(a) electricity	MWh	9,835.58	50,511.02	49,020.49	21,459.72	12,827.32
(b) heat and cooling	MWh					
(10) Consumption of self-generated non-fuel renewable energy	MWh	31.00	876.29	257.00	250.01	113.68
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	9,866.58	**51,387.31**	49,277.49	**21,709.74**	12,941.00
Share of consumption from renewable sources in total energy consumption	%	8.8	34.0	37.2	56.4	51.9
Total renewable energy consumption outside the organisation (Scope 3.8, 3.13 and 3.14)	**MWh**	**1,385.82**	**53,537.84**	**47,736.56**	**7,629.37**	**4,411.55**
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	111,831.04	**151,148.79**	132,351.26	**38,458.71**	24,924.68
Total energy consumption inside and outside the organisation	**MWh**	**205,723.31**	**283,442.32**	**241,429.94**	**55,704.56**	**41,482.25**
Self-generated non-renewable energy production	MWh	402.23	0.00	221.10	0.00	0.00
Self-generated renewable energy production	MWh	121.64	976.19	432.43	349.91	289.11

Energy intensity	Unit		Total 2024	Total 2023	Austria 2024	Austria 2023
Total energy consumption from activities in high climate impact sectors per net turnover from activities in high climate impact sectors	MWh/€ m	977.63	696.11	717.56	596.20	553.38
Net turnover from activities in high climate impact sectors	€ m	210.43	407.18	336.46	93.43	74.96
Total energy consumption inside and outside the organisation per total reference gross leasable area	MWh/m²	0.22	0.19	0.18	0.22	0.21
Total reference gross leasable area	m²	947,547.53	1,464,202.45	1,369,268.20	248,833.21	198,509.47

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

Data for the water and energy consumption are either acquired directly from water and energy suppliers or meters or from tenants in case the tenants have direct relationship with water and energy suppliers. If the data from tenants was not provided, it was estimated based on comparative values specific to the building. Energy and water consumption is split between inside the organization (containing consumption related to own operations) and outside the organization (containing consump-

Germany		Hungary		Czech Republic		Romania		Slovakia		Croatia	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
						0.00	0.00				
329.84	454.69	9.57	9.69	4.94	0.94	9.94	0.00				0.00
7,877.85	14,222.81	19,798.65	20,837.48	13,102.01	3,402.99	3,191.97	3,140.05	4,392.00	4,526.80	651.93	977.89
						0.00	0.00				
10,286.14	15,636.69	2,060.83	2,743.33	12,889.96	2,999.03		0.00	155.51		2,227.92	540.57
1,286.72	507.67			9,920.56	2,664.84		0.00	155.51		2,016.66	0.00
8,999.42	15,129.03	2,060.83	2,743.33	2,969.39	334.20					211.26	540.57
18,493.83	30,314.19	**21,869.06**	23,590.50	**25,996.90**	6,402.96	**3,201.91**	3,140.05	**4,547.51**	4,526.80	**2,879.85**	1,518.46
99.8	94.1	52.7	55.0	77.1	80.1	29.4	22.0	87.8	91.6	100.0	29.6
29.74	32.07			**5,758.48**	1,565.06		0.00	**235.22**		**0.00**	0.00
0.2	0.1			17.1	19.6		0.0	4.5		0.0	0.0
15,867.98	**29,805.72**	**3,338.34**	**2,827.60**	**31,212.69**	**4,547.39**	**9,533.08**	**7,504.62**	**6,336.41**	**1,627.26**	**2,850.71**	**2,883.52**
0.90	1,861.42	19,339.45	19,150.80	1,962.10	30.16	7,668.50	11,115.03	80.36	417.63		3,618.14
0.90	1,861.42	19,339.45	19,150.80	1,962.10	30.16	7,668.50	11,115.03	80.36	417.63		3,618.14
0.00	0.00	278.22	113.77		0.00	29.40	29.55	318.66			0.00
0.90	1,861.42	**19,617.67**	19,264.57	**1,962.10**	30.16	**7,697.89**	11,144.58	**399.02**	417.63		3,618.14
0.0	5.8	47.3	45.0	5.8	0.4	70.6	78.0	7.7	8.4		70.4
0.00	**0.00**	**15,831.50**	**16,477.36**	**2,902.15**	**68.91**	**26,709.05**	**18,755.36**	**465.77**	**5.776.65**		**2,246.74**
18,524.47	32,207.68	**41,486.72**	42,855.07	**33,717.48**	7,998.19	**10,899.80**	14,284.63	**5,181.75**	4,944.42	**2,879.85**	5,136.60
34,392.45	**62,013.40**	**60,656.56**	**62,160.02**	**67,832.33**	**12,614.48**	**47,141.93**	**40,544.60**	**11,983.92**	**12,348.33**	**5,730.56**	**10,266.85**
0.00	221.10				0.00						0.00
0.00	0.00	278.22	113.77		0.00	29.40	29.55	318.66			0.00

Germany		Hungary		Czech Republic		Romania		Slovakia		Croatia	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
1,314.39	1,267.99	556.82	587.67	733.14	747.75	716.52	638.64	782.55	796.82	1,152.10	936.33
26.17	48.91	108.93	105.77	92.52	16.87	65.79	63.49	15.31	15.50	4.97	10.97
0.16	0.16	0.18	0.18	0.22	0.19	0.22	0.19	0.10	0.11	0.22	0.21
214,448.79	383,292.08	341,894.40	340,684.18	304,615.27	67,667.53	213,013.28	214,553.85	114,975.23	114,980.63	26,422.27	49,580.46

tion related to our downstream value chain, i.e. tenants' consumption).

Energy consumption

The objective was to use actual data for all types of consumption (fuel, electricity, district heating, water) and waste generated for the twelve-month period. To this end, automatically transmitted data (smart metering), read-out data and data from utility company invoices were used. Where no complete data was available, consumption was estimated using appropriate assumptions-based building type and lettable space. Where no data was available for the full year 2024, data from 2023 was

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used. The energy consumption of buildings and acquired or sold during the year was considered for the full months in which these buildings were a part of the portfolio.

Normalisation

For the intensity indicators (energy intensity, water intensity, CO_2 intensity) the reference total area of the buildings used as denominator. In addition to the total lettable area of properties that formed part of the portfolio throughout the year, the total lettable area of properties that were purchased or sold during the year were normalised on a monthly basis so that the area is equivalent to the number of months relevant for the report on a pro rata basis. The intensity calculated contains the consumption obtained as described above.

E1–6 – Gross Scopes 1, 2, 3 and Total GHG emissions

Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions

(E1-6_01 - E1-6_04, E1-6_07, E1-6_09 - E1-6_13, E1-6_33 - E1-6_34)

In 2024 we register a slight increase of our greenhouse gas emissions (market-based) by 2.43% in comparison with the 2019 baseline. This is mainly due to the fact that no green electricity was purchased in the Czech Republic for the reporting year. With the purchase of green electricity in the coming year, a significant reduction in greenhouse gas emissions is expected.

			Total			Austria	Germany
GHG emissions	**Unit**	**Base year 2019**	**2023**	**2024**	**%**	**2024**	**2024**
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	t CO_2 e	11,001.12	11,540.84	11,694.21	1.3	763.69	1,673.55
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	t CO_2 e	13,478.83	4,518.43	12,231.26	170.7	928.71	711.28
Gross market-based Scope 2 GHG emissions	t CO_2 e	14,966.54	5,872.96	12,982.05	121.0	600.42	1,532.46
Significant Scope 3 GHG emissions (“market-based”)							
Total gross indirect Scope 3 GHG emissions	t CO_2 e	56,153.80	43,814.81	59,440.92	35.7	2,129.14	13,056.10
1. Purchased goods and services	t CO_2 e	2,129.54	3,555.21	3,980.25	12.0	319.21	169.77
2. Capital goods	t CO_2 e	8,510.73	2,416.75	1,997.30	(17.4)	153.49	78.17
3. Fuel and energy-related activities	t CO_2 e	41,057.64	32,715.49	46,432.71	41.9	1,090.62	12,372.63
4. Upstream transportation and distribution	t CO_2 e	617.88	175.5	145.8	(16.9)	11.1	5.7
5. Waste generated in operations	t CO_2 e	1,302.07	3,150.29	3,697.42	17.4	85.20	75.79
6. Business traveling	t CO_2 e	76.91	73.98	65.18	(11.9)	54.47	3.41
7. Employee commuting	t CO_2 e	103.31	62.64	487.64	678.5	277.30	35.71
8. Upstream leased assets	t CO_2 e	–	0.00	842.62		0.00	0.00
9. Downstream transportation	t CO_2 e	–	N/A	N/A	N/A	N/A	N/A
10. Processing of sold products	t CO_2 e	–	N/A	N/A	N/A	N/A	N/A
11. Use of sold products	t CO_2 e	44.68	2.45	2.10	(14.0)	2.10	
12. End-of-life treatment of sold products	t CO_2 e	–	N/A	N/A	N/A	N/A	N/A
13. Downstream leased assets	t CO_2 e	1,568.92	1,124.50	1,239.43	10.2	135.61	314.95
14. Franchises	t CO_2 e	–	0.00	0.00		0.00	0.00
15. Investments	t CO_2 e	742.11	538.06	550.47	2.3	0.00	0.00
Share of emissions calculated from primary data	%	n/a	n/a	73.1	n/a	62.7	1.0
Total GHG emissions							
Total GHG emissions (location-based)	**t CO_2 e**	74,968.64	47,907.16	**74,504.02**	55.5	**4,388.07**	**6,957.27**
Total GHG emissions (market-based)	**t CO_2 e**	82,121.459	61,228.62	**84,117.18**	37.4	**3,493.25**	**16,262.11**

	Hungary	Czech Republic	Romania	Slovakia	Croatia
	2024	2024	2024	2024	2024
	4.375.71	3.164.00	659.70	925.21	132.35
	133.90	9,466.82	0.00	118.93	871.61
	133.90	9,452.36	0.00	139.71	1,123.20
	6,052.59	27,351.38	5,958.75	3,431.73	1,461.25
	1,943.03	941.14	599.84	6.72	0.54
	670.58	450.95	644.10		
	2,725.98	23,368.56	3,282.27	2,278.97	1,313.69
	49.0	33.0	47.0		
	487.43	926.24	1,385.54	595.56	141.66
	2.57				4.73
	174.00				0.63
	0.00	842.62	0.00	0.00	0.00
	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A
	0.00	788.87	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	550.47	0.00
	95.3	95.8	99.4	92.3	0.2
	10,443.50	**39,589.78**	**6,618.45**	**4,191.76**	**2,315.19**
	10,562.20	**39,967.74**	**6,618.45**	**4,496.65**	**2,716.80**

GHG intensity	Unit	Base year 2019	Total 2023	Total 2024	Total %	Austria 2024	Germany 2024
Total GHG emissions (location-based) per net turnover	t CO_2 eq/€ m	356.3	142.4	183.0	28.5	46.9	265.9
Total GHG emissions (market-based) per net turnover	t CO_2 eq/€ m	390.3	182.0	206.6	13.5	37.4	621.5
Net turnover	€ m	210.4	336.5	407.2	21.0	93.5	26.2
Total GHG emissions (location-based) per total reference gross leasable area	t CO_2 eq/m²	0.076	0.035	0.051	45.4	0.018	0.032
Total GHG emissions (market-based) per total reference gross leasable area	t CO_2 eq/m²	0.084	0.045	0.057	28.5	0.014	0.076
Total reference gross leasable area	m²	983,245.9	1,369,268.2	1,464,202.4	6.9	248,833.2	214,448.8

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

The CO_2 footprint calculation is based on the GHG Protocol Corporate Standard. Emissions are stated in CO_2-equivalent (CO_2e) terms. The CO_2e values for electricity and district heating are based on information by the energy suppliers and on publicly available sources, including the European data from the Association of Issuing Bodies (AIB) as well as the government conversion factors of the British Department for Energy Security. CO_2 emissions are verified at Group level.

Normalisation

Please see explanation for E1-5

(E1-6_14)

Revisions to our environmental disclosures in 2023 were made where relevant and based on updated information for correctness and consistency:

- Change in consumption or GLA of some assets due to updated information;
- GHG emission factors have been updated for 2023 according to the latest information.

To provide more accurate reporting, a new calculation was used during 2024 to better determine district heating emission factors. As a result of this updated methodology, significant changes were observed in the emission factors for district heating. To ensure consistency in year-on-year greenhouse gas emissions disclosures, the changes in district heating emission factors were retroactively applied to the year 2023. This led to a notable decrease in greenhouse gas values for 2023, due to the lower emission factor values identified.

(E1-6_15)

In 2024, the scope of the portfolio subject to collection, monitoring and reporting of environmental data was expanded as follows:

Developments are excluded from the reporting scope until the first full calendar month after a building goes into operation.

Major refurbishment is defined as any alteration that affects more than 50% of the total building floor area or requires the relocation of more than 50% of regular building occupants. Absolute consumption values are included for a major refurbishment, while for intensity calculations, GLA values are proportionately reduced to reflect the actual period of full operation in the year. Also, disclosures onfuels consumed by company cars, business trips, employee commuting and our proportional share of equity investments emissions are included for GHG in ESRS tables.

In 2023, the internal resales of buildings were incorporated into our reporting procedures to accurately allocate emissions to particularly companies. For 2024 reporting, we continue with this „internal resales" procedure.

Definitions in the Group's reporting differ between segments as follows:

- Retail, Offices, and Residential segments are reported based on Gross Leasable Area ("GLA");
- Hotels are reported based on the area that represents space leased to hotel operators;

The Reference Gross Leasable Area is used for the final calculations of indicators and includes not only the GLA of the properties that were part of the portfolio for the entire year, but also the GLA of buildings acquired/sold during the year, normalized monthly.

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Hungary	Czech Republic	Romania	Slovakia	Croatia
2024	2024	2024	2024	2024
95.9	427.9	100.6	273.7	465.5
97.0	432.0	100.6	293.6	546.2
108.9	92.5	65.8	15.3	5.0
0.031	0.130	0.031	0.036	0.088
0.031	0.131	0.031	0.039	0.103
341,894.4	304,615.3	213,013.3	114,975.2	26.422.3

S IMMO publishes environmental KPIs each calendar year, including all data available up to and including 28 February 2025. Certain information pertaining to 2024 was not available within this period. This information is taken from the Group's 2023 environmental report as a proxy. Data will be updated in subsequent reporting once available.

(E1-6_16)
S IMMO uses the operational approach for GHG emissions calculation.

(E1-6_18, E1-6_21, E1-6_23)
In 2024, one PV plant was completed with a capacity of 207 kWp at the location of Vienna Twin Tower so that in total 874.73kWp of PV Capacity are installed at our portfolio. Renewable electricity production is present within the Austrian portfolio, Hungary, Romania and Slovakia with an annual production of 961 MWh, representing avoiding the emission of 255.38t CO_2e in 2024.

(E1-6_25)
The information regarding the primary data is collected for consumption, as well as for other calculations. Based on this information the percentage of total GHG Emissions using primary data is 73%.

The share of estimations split by scopes is:
Scope 1: 18%
Scope 2: 23%
Scope 3: 38%

(E1-6_26)
Following Scopes 3 GHG emissions categories have been excluded, because all these are not relevant for S IMMO's business (real estate).

- 3.09 Downstream transportation & distribution
- 3.10. Processing of sold products
- 3.12. End-of-life treatment of sold products

Category 3.14 Franchises is also not relevant. All emissions from our buildings that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year (that are not included in scope 1 or scope 2) are already included in category 3.13.

(E1-6_27)
For Scope 3 GHG emissions categories we use hybrid approach using both screening and inventory. We use a screening for following categories: 3.4, 3.11,
We use an inventory for following categories: 3.1, 3.2, 3.3, 3.5, 3.6, 3.7, 3.8, 3.13, 3.14, 3.15.

(E1-6_29)
Scope 1 is reported based on operational control. Under the operational control approach, S IMMO accounts for 100% of the GHG emissions from operations over which it or one of its subsidiaries has operational control. Scope 1 encompasses GHG emission from greenhouse gas sources (greenhouse gas source physical unit or process that releases a GHG into the atmosphere) owned or controlled by the organisation (Direct GHG emissions).

Scope 2 includes energy indirect greenhouse gas emissions. GHG emission from the generation of imported electricity, heat or steam consumed by the organisation (Energy indirect GHG emissions) are reported here.

Scope 3:

3.01 We include main purchased goods and services (in terms of volume, cost, impact on GHG, etc.). Method of GHG Calculation is spend-based method – estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g., industry average) emission factors (e.g., average emissions per monetary value of goods). It is possible to combine it supplier-specific data from product-level GHG inventory from main suppliers.

3.02 Main purchased capital goods are included (such as remodels and refits of leased spaces, smaller refurbishments etc.). All upstream (cradle-to-gate) emissions of purchased capital goods are included. The method of GHG calculation is the same as for category 3.1 - spend-based method and supplier-specific method.

3.03 Includes consumption of fuels and energy purchased (heat and electricity) in S IMMO's properties. This category includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2.

Method of GHG Calculation:

- Supplier-specific method, which involves collecting data from fuels and energy purchased providers on upstream emissions (extraction, production, and transportation), transmission and distribution losses and generation of electricity consumed by the reporting company.
- Average-data method, which involves estimating emissions by using secondary (e.g., industry average) emission factors for upstream emissions per unit of consumption (e.g., kg CO_2e/kWh).

3.04 Emissions from third-party upstream transportation and distribution connected to the fit-out works in the reporting company's owned or controlled operations in the reporting year.

3.05 Emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year. This category includes emissions from disposal of both solid waste and wastewater. Waste treatment at facilities owned or controlled by the reporting company is accounted for in scope 1 and scope 2.

Method of GHG Calculation:

- Waste-type-specific method is used, which involves using emission factors for specific waste types and waste treatment methods. Waste reporting has improved at our assets during the past years.

3.06 This category includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and private passenger cars. Emissions (refrigerants, oils, maintenance etc) from leased vehicles operated by the reporting company (S IMMO´s car fleet) not included in Scope 1 are reported in 3.6 category. Business trips by private cars are reported in 3.6 category. Well-to-tank (WTT) emissions from fuel consumption are reported under Scope 3.3.

Method of GHG Calculation:

- Fuel-based method, which involves determining the amount of fuel consumed during business travel and applying the appropriate emission factor for that fuel.
- Distance-based method, which involves determining the distance and mode of business trips, then applying the appropriate emission factor for the mode used. Note: S IMMO utilizes fuel-based method for S IMMO's car fleet and distance-based method for employees' private cars utilized for business travel or where info about fuel is missing includes emissions from the transportation of employees between their homes and their worksites. Emissions from employee commuting may arise from: automobile travel, bus travel, rail travel, air travel, other modes of transportation (e.g. subway, bicycling, walking).

Method of GHG Calculation:

Distance-based method, which involves collecting data from employees on commuting patterns (e.g., distance travelled, and mode used for commuting) collected by questionnaire survey distributed to all employees. In the next step data collected from questionnaire are calculated into emissions by applying appropriate emission factors for the modes used.

3.08 Category 3.8 includes Scope 1 and Scope 2 emissions from the operation of assets that are leased by the reporting company in the reporting year and are not already included in the reporting company's scope 1 or scope 2 inventories.

Method of GHG Calculation:

Asset-specific method, which involves collecting asset-specific (e.g., site-specific) fuel and energy use data and process and fugitive emissions data or Scope 1 and Scope 2 emissions data from individual leased assets. These data are provided by an environmental reporting tool of CPI Property Group. It concerns leased cars and leased property.

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3.11 It includes the sale of renewable electricity to the grid from the PV.

3.13 Includes emissions from the operation of assets that are owned by S IMMO (acting as lessor) and leased to other entities in the reporting year that are not already included in Scope 1 or Scope 2.

3.15 We report proportional Scope 1 and Scope 2 emissions from equity investments in the reporting year in this category (Investments). Proportional emissions from equity investments are allocated to the investor based on the investor's proportional share of equity in the investee.

(E1-6_32)
The calculations of property portfolio value were performed in accordance with IFRS in line with the consolidated financial statement. The property portfolio value is based on the consolidated data of the Group and includes the application of the fair value method.

E1–9 – Anticipated financial effects from material physical and transition risks and potential climate–related opportunities

(E1-9_14, E1-6_16, E1-6_19, E1-6_21, E1-6_29)
In DMA the material transition risks were identified and to our assets are linked following transition risks:

- Risk of increased cost of fossil fuel resources
- Carbon pricing mechanisms
- Adaptation Assessment and Implementation Risk

In accordance with these risks all assets with a significant fuel consumption (defined as assets with GLA exceeding 5,000 m^2, gas consumption higher than 600 MWh in 2024 and fuel intensity more than 50kWh/m^2) as well as assets with at least one red flag in the Climate risk analysis (CRA) were considered as at material transition risk. For further details of the CRA please see E1.SBM-3_01 – 07.

The total fair value of assets at material transition risk before considering climate mitigation actions is EUR 1,584m, equalling 45,58% of assets based on GLA. Mitigation measures are considered in all assets as the Climate Transition Action Plan of CPI Europe covers the entire portfolio.

(E1-9_17)
Carrying amount of assets by energy efficiency class as stated in the Energy performance certificates.

Primary Energy Efficiency Class	Fair Value M EUR
A	464,20
B	589,14
C	729,05
D	1.256,35
E	133,10
F	41,35
G	0,50
None	323,57

(E1-9_18)
The potential effects on future financial performance and position for assets and business activities at material transition risks have been assessed. Please see detailed description in E1.IRO-1.

As material transition risks we identified

- Risk of increased cost of fossil fuels resources
- Carbon pricing mechanisms
- Market Reputation and Investor Confidence
- Financial Penalties
- Adaptation Assessment and Implementation Risk

The assessment of risks was done based on a combination of the likelihood of occurrence and the potential magnitude/size of the financial effects. Our assessment took into account also the different perspective - short, medium and long-term.

(E1-9_20, E-9_21)
All assets considered to be at material transition risk were also considered as potentially stranded. This results in an estimated amount of potentially stranded assets of EUR 1,584m based on fair value.

(E1-9_22)
Invoices, automatic meter readings, manual-visual readings, or data provided by tenants were considered as primary data.

If any part of the reported data was based on estimation, the share of estimation had to be reported (up to 25%, up to 50%,or 100%).

This resulted in the following shares of estimation:

- electricity estimation: 15%
- fuel estimation: 21%
- heating and cooling estimation: 36%

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(E1-9_23)
As described in ESRS 2, SBM-3, currently the direct impact on the Group's financial statements resulting from the material transition risks are minimal. Given that our Material impacts, Risks, and Opportunities (IROs) are closely tied to our core business and growth potential, our initiatives aimed at enhancing opportunities and mitigating associated risks are integrated within our established corporate governance approach. In the future the cost for emission certificates can be considered between EUR 21.4m and 36.3m.

(E1-9_41)
The expected cost savings from climate change mitigation actions consist mainly of cost savings of higher operating costs for emission certificates, or increased costs for use of restricted substances (as HFCs). Another amount of expected savings is from energy consumption savings.

The expected cost savings from climate change mitigation actions in total are between EUR 59.3m and 117.2m depending on the future development of the price for CO_2 certificates.

(E1-9_42)
The expected cost savings from climate change adaptation actions consist mainly of cost savings of settlement of damages after hazardous events (for example floods, tornado) or decreasing the costs of maintenance.

The expected cost savings from climate change adaptation measures cannot yet be quantified. A corresponding analysis is planned for the financial year 2025.

ESRS E3 Water and marine resources

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure Requirement related to ESRS 2 IRO–1 – Description of the processes to identify and assess material water and marine resources–related impacts, risks and opportunities

(E3.IRO-1_01)
See disclosures under ESRS 2 – IRO 1

Management approach

Material impacts, risks and opportunities	(7) Water withdrawal of S IMMO's building portfolio
Policies	Group Policy Environment and CSR
	Code of Business Ethics and Conduct
	Risk Management Policy
Targets	Reduction of water intensity of the property portfolio by 10% by 2030 compared to the 2019 base line
Key actions	Improvement of data quality
	Using water saving faucets

(E3.IRO-1_02)
Since the majority of our drinking water supply comes from municipal sources, we are dependent on the water supply and therefore have no material impact on affected communities.

E3–1 – Policies related to water and marine resources

(E3.MDR-P_01-06)
Policy Overview
The internal guidelines that indirectly relate to our organisation's approach to water savings principles are detailed in two key documents:

- the Group Policy on Environment and Corporate Social Responsibility (CSR)
  This policy states the principles for the Group in terms of environmental performance management designed to optimise the use of natural resources, replacement and savings of potable water, among other objectives.
- the Code of Business Ethics and Conduct
  This policy encapsulates the Group's proactive stance on environmental protection and its commitment to efficiency use of resources, where water is one of the critical.

A description of the policies can be found under ESRS 2, MDR-P.

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(E3-1_01 to E3-1_06)
CPI Europe has set group ESG Strategy & Goals to reduce water intensity across its portfolio which are approved by the ESG Committee of CPI Europe's Supervisory Board and are closely tracked and managed at Group level. This initiative aims to minimize water usage and its environmental footprint also for S IMMO.

E3–2 – Actions and resources related to water and marine resources

(E3.MDR-A_01-07, E3.MDR-A_08, E3.MDR-A_09-12)

S IMMO has conducted climate risk analyses to identify locations with potential water scarcity issues – these were some assets in Bucharest, Romania. To ensure that drinking water is used in a resource-efficient manner in buildings, both technical and behavioural measures are implemented. S IMMO has been using flow restrictors, sensor-controlled taps and modern toilet cisterns with dual-flush systems help to minimise flushing water consumption within its building portfolio These are also required in many of our buildings due to their LEED or BREEAM certification.

(E3-2_03)
Each asset has a main water meter, since the majority of the drinking water supply comes from municipal sources. Water treatment is disposed by the local waste-water network, which is treated in accordance with local laws and regulations.

At our office myhive "Am Wienerberg" for example, we use rainwater cisterns and storage tanks to significantly reduce the amount of water drawn from municipal sources. Future plans include the replacement of water-intensive grassy areas with planting that supports biodiversity.

With the digitalisation of consumption data which will be installed within the upcoming years, water consumption will be continuously monitored to detect leaks and ensure that water pipes are regularly checked for leaks and repaired rapidly in the future, ensuring that water and marine resources are used as efficiently as possible.

Also, we are raising awareness among tenants and educating them about the importance of using water sparingly through our green lease agreements.

Metrics and targets

E3–3 – Targets related to water and marine resources

(E3.MDR-T_01-13, E3-3_01 to 03)
A target has been set to reduce the water intensity of the property portfolio by 10% by 2030, compared with the 2019 baseline. Since the goal is a group-wide one, we are naturally aiming to implement more effective measures as quickly as possible in areas of high water stress, which were identified based on a comprehensive assessment of physical climate risks for all properties owned and managed by CPI Property Group. This assessment of physical climate risks uses the geodata from the Aqueduct Water Stress Projections provided by the WRI. This reduction target is part of the Group's broader ESG objectives to improve resource efficiency and mitigate environmental impacts.

E3-3_08
The target of reducing the water intensity is voluntary (not required by legislation).

E3–4 – Water consumption

(E3-4_01 to E3-4_12)
The Group does not have significant amount of water retained or discharged back to the water environment therefore the water withdrawal, water consumption and water discharges are disclosed in the same amounts. The Group reports municipal water consumption separately from water sourced onsite (extraction or capture) and water reuse. The water consumption amounted to 822,273 m^3 2024.

E3-4 Water consumption

	Unit	Baseline 2019	Total 2024	Total 2023	Austria 2024	Austria 2023
Total water withdrawal	m³	763,881.77	**822,273.77**	721,603.33	**134,848.87**	104,555.05
Water withdrawal in our own operation	m³	625,783.83	563,191.66	534,637.27	129,279.99	100,716.48
Water withdrawal outside the organisation	m³	138,097.94	259,082.11	186,966.06	5.568.88	3,838.58
Total water consumption	m³	763,881.77	822,273.77	721,603.33	134,848.87	104,555.05
Water consumptional in our own operation	m³	625,783.83	563,191.66	534,637.27	129,279.99	100,716.48
Water consumption outside the organisation	m³	138,097.94	259,082.11	186,966.06	5,568.88	3,838.58
Total water withdrawal in areas at material water risk	m³	N/A	149,532.82	111,449.86		
Water withdrawal in areas at material water risk in our own operation	m³	N/A	53,931.69	43,808.24		
Water withdrawal in areas at material water risk outside the organisation	m³	N/A	95,601.13	67,641.62		
Total water consumption in areas at material water risk	m³	N/A	149,532.82	111,449.86		
Water consumption in areas at material water risk in our own operation	m³	N/A	53,931.69	43,808.24		
Water consumption in areas at material water risk outside the organisation	m³	N/A	95.601.13	67,641.62		
Total water reused and recycled	m³	0.00	4,879.60	0.00	0.00	0.00
Water reused and recycled in our own operation	m³	0.00	4,879.60	0.00	0.00	0.00
Water reused and recycled outside the organisation	m³	0.00	0.00	0.00	0.00	0.00
Total water stored	m³	0.00	4,164.90	0.00	1,197.50	0.00
Water stored in our own operation	m³	0.00	4,164.90	0.00	1,197.50	0.00
Water stored outside the organisation	m³	0.00	0.00	0.00	0.00	0.00
Water store changes	m³	0.00	4,164.90	0.00	1,197.50	0.00
Share of water consumption derived from direct measurement	%	N/A	47.8		33.3	

Water intensity	Unit	Baseline 2019	Total 2024	Total 2023	Austria 2024	Austria 2023
Total water consumption in our own operation per net turnover	m³/€ m	3,630.10	**2,019.44**	2,144.69	**1,442.51**	1,394.79
Net turnover	€ m	210.43	407.18	336.46	93.482	74.961
Total water consumption in our own operation per total reference gross leasable area	m³/m²	0.66	0.56	0.53	0.54	0.53
Total reference gross leasable area	m²	947,547.53	1,464,202.45	1,369,268.20	248,833.21	198,509.47

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

Please explanation for E1-5

Water consumption

Please see explanation for E1-5

Normalisation

Please see explanation for E1-5

(E3-4_06)

The objective was to use actual data for water consumption for the twelve-month period. To this end, automatically transmitted data (smart metering), read-out data and data from utility company invoices were used. Where no complete data was available, consumption was estimated using appropriate assumptions based on lettable space. Where no data was available for the full year reporting year, data from the previous year were used.

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	Germany		Hungary		Czech Republic		Romania		Slovakia		Croatia	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	119,001.08	214,424.66	**190,397.00**	184,879.00	**163,781.25**	37,814.76	**149,532.82**	111,449.86	**54,005.00**	49,059.00	**10,707.75**	19,421.00
	112,852.64	205,821.70	148,678.00	144,089.00	103,180.39	20,424.05	53,931.69	43,808.24	11,766.00	11,164.00	3,502.95	8,613.80
	6,148.44	8,602.96	41,719.00	40,790.00	60,600.86	17,390.71	95,601.13	67,641.62	42,239.00	37,895.00	7,204.80	10,807.20
	119,001.08	214,424.66	190,397.00	184,879.00	163,781.25	37,814.76	149,532.82	111,449.86	54,005.00	49,059.00	10,707.75	19,421.00
	112,852.64	205,821.70	148,678.00	144,089.00	103,180.39	20,424.05	53.931.69	43,808.24	11,766.00	11,164.00	3,502.95	8,613.80
	6,148.44	8,602.96	41,719.00	40,790.00	60,600.86	17,390.71	95,601.13	67,641.62	42,239.00	37,895.00	7,204.80	10,807.20
							149,532.82	111,449.86				
							53,931.69	43,808.24				
							95,601.13	67,641.62				
							149,532.82	111,449.86				
							53,931.69	43,808.24				
							95,601.13	67,641.62				
	0.00	0.00	0.00	0.00	0.00	0.00	4,879.60	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	4,879.60	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	1,136.00	0.00	36.00	0.00	1,671.40	0.00	124.00	0.00	0.00	0.00
	0.00	0.00	1,136.00	0.00	36.00	0.00	1,671.40	0.00	124.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	1,136.00	0.00	36.00	0.00	1,671.40	0.00	124.00	0.00	0.00	0.00
			74.2		53.1		69.5		29.5			

	Germany		Hungary		Czech Republic		Romania		Slovakia		Croatia	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	4,547.93	4,384.33	**1,747.84**	1,747.88	**1,770.17**	2,241.54	**2,272.88**	1,755.50	**3,526.51**	3,165.71	**2,152.74**	1,771.18
	26,166	48.907	108,933	105,773	92,523	16.87	65.79	63,486	15,314	15,497	4,974	10,965
	0.55	0.56	0.56	0.54	0.54	0.56	0.70	0.52	0.47	0.43	0.41	0.39
	214,448.79	383,292.08	341,894.40	340,684.18	304,615.27	67,667.53	213,013.28	214,553.85	114,975.23	114,980.63	26,422.27	49,580.46

As direct measurement data based on automatically transmitting and utility company invoices were considered. For the reporting year 2024, we newly added water in fire sprinkler tanks to water storage. Therefore, no changes in water storage are reported for 2023.

ESRS E5 Resource use and circular economy

ESRS 2 General disclosures

Impact, risk and opportunity management

Disclosure Requirement related to ESRS 2 IRO–1 – Description of the processes to identify and assess material resource use and circular economy–related impacts, risks and opportunities

See ESRS 2 IRO-1

(E5.MDR-P_01-06 -14, E5-3_06_24)

Management approach

Material impacts, risks and opportunities	(8) Generation of waste
Policies	Code of Business Ethics and Conduct
	Group Policy Environment and CSR
	Risk Management Policy
Targets	Elimination of waste sent to landfill wherever possible, waste recycling rate of 55% by year end 2025 and 60% by year end 2030
Key actions	Improvement of data quality with additional data collected
	Analysis of waste streams
	Waste prevention promotion
	Green lease agreements

(E5.IRO-1_01-11a, b, E5-5_12-38, a,b)

The daily operation of buildings produces a substantial volume of waste. Therefore, S IMMO undertakes a comprehensive assessment of waste generation within its portfolio. This process includes the collection of data pertaining to waste production, encompassing quantities, methods of disposal, and the types of analyses conducted on this data to discern patterns and identify opportunities for enhancement. In the course of identifying areas for improvement, waste assessments were performed across the portfolio to get actual data as a benchmark for the segment. An evaluation of the potential risks associated with various waste types was incorporated into a double materiality assessment, which took into account potential environmental, health, and safety risks. Inadequate waste management practices, particularly in landfills, can lead to air pollution and the contamination of water and soil. These risks can be mitigated through proactive waste management, elevated recycling rates, and, most critically, the prevention of waste generation. S IMMO has identified the predominant challenge as the reduction of mixed waste and have established our objectives in this domain accordingly.

E5–1 – Policies related to resource use and circular economy

(E5-1_03_AR 9 a and b, E5-3_13-27)

The internal guidelines that indirectly support our company's circular economy principles are detailed in two key documents:

- the Code of Business Ethics and Conduct
  This policy encapsulates the Group's proactive stance on environmental protection and its commitment to high standards of performance, use of natural and other resources as critical components of a circular economy.
- the Group Policy on Environment and Corporate Social Responsibility (CSR)
  This policy states the principles for the Group in terms of circular economy management designed to optimise the use of natural and other resources, minimise waste and promote reuse and recycling of raw materials, among other objectives.

Moreover, our waste management objectives are consistent with Directive (EU) 2018/851, that underscores the significance of sustainable waste management practices. Notably, Article 11(2) of Directive (EU) 2018/851 establishes member state recycling and reuse targets, which we are committed to achieving. Furthermore, the directive emphasises the importance of improving the efficiency of resource usage and recognising waste as a valuable resource, facilitating the shift towards a circular economic model. This transition involves adopting sustainable production and consumption practices and is anticipated to create substantial opportunities for local economies and stakeholders, including those in the real estate sector. Consequently, waste reduction practices are covered in our internal guidelines for suppliers and tenants.

5–2 – Actions and resources related to resource use and circular economy

(E5.MDR-T_01-12, E5.MDR-T_01-13, E5.MDR-T_01-23, E5-3_09-25)

The Group has introduced following circular economy actions (particularly related to waste reduction):

- Introduced a new category of hazardous recyclables in 2024 in order to properly address this type of waste.
- Over time, we have analysed waste streams using waste scanning, primarily in shopping centres in the Czech Republic, to identify critical waste streams and develop more efficient, tailored waste management strategies.
- Waste prevention promotion via constantly updated education and awareness programs.
- A gradual increase in the number of green leases, mainly with major tenants, including clauses that encourage waste reduction practices.

Waste management is also governed by legislation, which we diligently monitor within each local jurisdiction. All assets adhere

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to local regulations and facilitate the segregation of waste into relevant categories for our buildings' operations. Furthermore, we actively encourage our tenants to adopt green lease agreements, reflecting our commitment to sustainability and environmental responsibility.

Metrics and targets

(E5-3_06, E5-3_07, E5-3_09, E5-3_13, E5-5_12 to E5-5_14)

As a part of its Environmental, Social and Governance (ESG) strategy, the Group has adopted an objective (aligned with EU targets) to eliminate waste sent to landfill whenever feasible, plus the intention to achieve a 55% recycling rate by year end 2025 (increasing to 60% by 2030). We also ensure that our commitments are transparently communicated and publicly accessible. Our established processes are firmly rooted in the functions that bear day-to-day responsibility for ensuring adherence to our policies.

In 2024 the waste recycling rate across the entire portfolio was 41.71%.

Waste streams are contingent upon the particular segment of our portfolio. The most significant waste streams among recyclable materials are paper and plastic. These materials are generated in larger quantities due to documentation, and other operational activities, however, a gradual decline in their production is taking place with the advent of electronic documentation that does not necessitate a printed counterpart. While in sectors such as hospitality, biological waste including food scraps and organic matter is predominant. The primary non-recyclable waste stream across the various segments is municipal mixed waste. This category encompasses a diverse array of materials that are not readily separable for recycling purposes, including contaminated packaging, specific types of plastics, and various composite materials. Municipal mixed waste is significantly predominant across all sectors, rendering it a critical emphasis in our waste management strategies. Initiatives are primarily concentrated on reducing and managing this category of waste in order to mitigate its environmental impact.

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(E5-5_17)

E5-5 Resource outflows - Waste

	Unit	Total 2024	Total 2023	Austria 2024	Austria 2023
Total waste generated	t	**11,767.53**	11,127.80	**1.689.50**	1.520.52
Total hazardous waste generated	**t**	**458.01**	**171.69**	**253.00**	**89.39**
Total hazardous waste recovery	**t**	**38.32**			
Preparation for reuse	t	N/A	N/A	N/A	N/A
Recycling	t	38.32			
Other recovery operations	t	N/A	N/A	N/A	N/A
Total hazardous waste disposal	**t**	**419.69**	**171.69**	**253.00**	**89.39**
Total incineration	t	N/A	N/A	N/A	N/A
incineration with energy recovery	t	N/A	N/A	N/A	N/A
incineration without energy recovery	t	N/A	N/A	N/A	N/A
Landfilling	t	N/A	N/A	N/A	N/A
Other disposal operations	t	N/A	N/A	N/A	N/A
Total radioactive waste generated	**t**				
Total non-hazardous waste generated	**t**	**11,309.52**	**10,956.12**	**1,436.50**	**1,431.13**
Total non-hazardous waste recovery	**t**	**4,908.46**	**5,173.04**	**1,097.03**	**1,274.25**
Preparation for reuse	t	206.22	18.46		
Recycling	t	4,702.24	5,154.58	1,097.03	1,274.25
Other recovery operations	t				
Total non-hazardous waste disposal	**t**	**6,401.06**	**5,783.07**	**339.47**	**156.88**
Total incineration	t	1,632.69	1,165.13	291.06	95.34
incineration with energy recovery	t	1,424.87	1,143.02	291.06	95.34
incineration without energy recovery	t	207.82	22.11		
Landfilling	t	4,738.50	4,588.04	48.41	60.74
Other disposal operations	t	29.88	29.90		0.79
Total non-recycled waste	**t**	**6,859.07**	**5,954.76**	**592.47**	**246.27**
Share of non-recycled waste of total waste generated	**%**	**58.3**	**53.5**	**35.1**	**16.2**

Methodology applied

Boundaries of reporting – landlord and tenant utility consumption

Data for waste is derived from invoices of the waste disposal companies. In case tenants having their own waste management, the share of waste generated by tenants is completed with site-specific benchmarks.

Waste generation

Waste data is disclosed based on the invoices of the respective waste disposal companies. Where data was not available for individual assets, it was complemented with comparable figures, calculated using country- and asset-specific actual data, or estimated. Where no data was available for the full year 2024, data from 2023 was used. The waste generated by buildings acquired or sold during the year was considered for the full months in which these buildings were part of the portfolio.

Normalisation

Please see explanation for E1-5

(E5-5_17)

Data is collected based on based waste disposal processes, reported in tons. In case no real data is available, appropriate estimations were made as described in ESRS 2.

For the reporting year 2024 we included hazardous waste recovery and disposal to our waste reporting for the first time.

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	Germany		Hungary		Czech Republic		Romania		Slovakia		Croatia	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	1,413.02	2,539.95	1,809.35	2,317.07	2,642.07	266.50	2,808.30	2,813.42	1,119.66	1,137.60	285.63	532.76
			90.06	74.65	114.06	7.00			0.89	0.65		
			38.32									
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
			38.32									
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
			51.74	74.65	114.06	7.00			0.89	0.65		
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	1,413.02	2,539.95	1,719.29	2,242.42	2,528.00	259.50	2,808.30	2,813.42	1.,118.78	1,136.95	285.63	532.76
	1,372.34	2,467.07	453.50	200.22	875.80	94.02	900.29	850.22	120.55	122.88	88.94	164.37
			6.76	17.07	199.46	1.39						
	1,372.34	2.467.07	446.74	183.15	676.34	92.63	900.29	850.22	120.55	122.88	88.94	164.37
	40.68	72.87	1,265.79	2,042.20	1,652.20	165.48	1,908.01	1,963.20	998.23	1,014.06	196.69	368.38
			715.15	876.93	469.49	36.86			157.00	156.00		
			715.15	876.93	261.67	14.74			157.00	156.00		
					207.82	22.11						
	40.68	72.87	539.09	1,161.40	1,182.38	128.39	1,908.01	1,963.20	823.25	833.04	196.69	368.38
			11.56	3.87	0.34	0.23			17.98	25.02		
	40.68	72.87	1,355.84	2,116.85	1,766.27	172.48	1,908.01	1,963.20	999.11	1,014.71	196.69	368.38
	2.9	2.9	74.9	91.4	66.9	64.7	67.9	69.8	89.2	89.2	68.9	69.1

Social information

ESRS S1 Own workforce

ESRS 2 General disclosures

Strategy

Disclosure Requirement related to ESRS 2 SBM–2 – Interests and views of stakeholders

See information under ESRS 2 SBM-3

Disclosure Requirement related to ESRS 2 SBM–3 – Material impacts, risks and opportunities and their interaction with strategy and business model

(S1.SBM-3_01 to S1.SBM-3_12)
Motivated and well-educated employees are the key to success for our strategy and business model. It's our employees who are executing the strategy, seeking innovation and developing new ideas. Their skills, motivation, and engagement directly impact productivity, quality, and overall business performance. S IMMO strives to create a framework for its employees in which they can develop their potential, strengths, and competencies to the best of their abilities.

Material IRO's related to own workforce are disclosed under ESRS 2 SBM-3 of this statement.

The report by S IMMO includes all employees on whom direct influence can be exerted by the Group and also hotel employees over whom the Group has no direct influence (even though the Group has employment contract with these employees). This refers to 566 employees in Austria and Hungary. They were taken into account during the Double Materiality Assessment and the management of material IRO's considering that there is only very limited information available and that the management of the hotels is not subject to directives by the management of S IMMO. The employees of the two hotels differ from the other employees in that S IMMO has no responsibility for personnel management (selection, policies, target agreements, etc.). Hotel employees are included in all numerical data points but are not covered by processes, policies and work instructions. The own workforce of S IMMO consists of employees engaged either by S IMMO AG or one of its subsidiaries and non-employees. The majority of non-employees relate to the Budapest Marriott Hotel and refer to employees sourced from third party undertakings to cover seasonal peaks.

The identified material negative impacts are widespread and systemic. They are not connected to any specific business segments, countries or assets.

Professional and personal training abilities and supporting diverse teams have already resulted in a material positive impact. These impacts relate to own operations, regardless of the country or segments.

The whole workforce of S IMMO is engaged in the real estate and hotel operations in Austria, Germany, Hungary and Croatia as employees or non-employees. Considering the local circumstances, no individuals were identified with a greater risk of harm with concerning negative impacts on their human rights.

Impact, risk and opportunity management

Management approach

Impacts, risks and opportunities	(9) Decreased productivity (potential negative impact)
	(10) Mental health issues (potential negative impact)
	(11) Increased Risk of Accidents and Injuries(potential negative impact)
	(12) Gender inequality (actual negative impact)
	(13) Enhanced Employee Performance and Productivity (actual positive impact)
	(14) Promote creativity and innovation (actual positive impact)
Policies	Code of Business Ethics and Conduct
	Group Human Capital and Employment Relationships Policy
	Guideline on Education and Further Training
	Policy Statement on Respecting Human Rights
	Risk Management Policy
Targets	Minimum of 33% share of female senior managers
	At least eight hours of training per employee per year
	Biennial employee satisfaction surveys
Key actions	Appraisal interview
	Individual coaching
	Employee satisfaction survey
	Analysis of gender pay ratio
	Flexible working time arrangements and part-time working models
	Healthcare management with a focus on preventative healthcare and promotion of sporting activities

S1–1 – Policies related to own workforce

(S1.MDR-P 01-06)
Policies dealing with material impacts regarding our own workforce are listed above. For further details please refer to the policy overview under ESRS 2 MDR-P.

All policies and guidelines cover the Group's own workforce excluding hotel employees and are approved by the Group's Man-

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agement Board, which is responsible for regularly reviewing their validity.

The employees of S IMMO AG in Vienna are organised within the framework of a Works Council. This Works Council represents the interests of the employees vis-à-vis the employer.

Internal policies and guidelines are made available to employees via the intranet.

(S1-1_01 to S1-1_08)
The Group Human Capital and Employment Relationships Policy which was newly introduced at CPI Europe in 2024 and adopted at S IMMO at the beginning of 2025. It covers all material impacts, risks and opportunities related to S IMMO's own workforce. This policy thus, in connection and compliance with the Code of Business Ethics and Conduct, provides guiding principles relating to the treatment of the Group's own workforce and candidates and other topics relevant for human capital. It defines the standards for working environment and relationships including the commitment to human rights and freedom of association. The policy covers following material impacts:

- diversity and equal treatment for all
- enhance employee creativity and productivity
- gender inequality
- mental health issues
- increased risk of accidents and injuries

The Guideline on Education and Further Training specifies S IMMO's approach to well-trained and experienced employees. The measures described therein shall enhance employee performance and productivity and mitigate the potential decrease in productivity.

The commitment to The Universal Declaration of Human Rights by the United Nations (UN), the UN Guidelines for Human Rights and Business, the UN Convention on the Rights of the Child, the UN Convention on the Elimination of All Forms of Discrimination against Women, the Fundamental Conventions of the International Labour Organisation (ILO), the Guidelines for Multinational Enterprises by the Organisation for Economic Co-operation and Development (OECD) and the ten principles of the UN Global Compact (UNGC) are laid down in the Code of Business Ethics and Conduct. The Code of Business Ethics and Conduct is unified within the CPI Group. All subsequent policies and guidelines are in line with the above-mentioned standards.

Compliance with human rights including labour rights is secured via the human rights due diligence process which is carried out regularly.

Engagement with own workforce is usually carried out via Works Council which is described under S1-2.

S IMMO is subject to numerous laws, regulations and standards. All business transactions and processes must therefore be carried out in such a way as to always comply with the relevant laws, regulations, industry standards and best practices in the countries where we conduct our business activities, both formally and in terms of content, and thereby also observing the local social norms. The Human rights due diligence process carried out for S IMMO by CPI Europe in 2024 identified no material risk of trafficking in human beings, forced labour or compulsory labour and child labour within the own workforce. Therefore, and in connection with the high governance standards applied in the Group, it was not considered necessary to explicitly mention these matters in the respective policies.

We are committed to creating an inclusive working environment in the Group, characterised by openness and mutual respect where every employee feels valued and heard.

The elimination of discrimination, the promotion of equal opportunities and other ways to advance diversity and inclusion form an integral part of the Group Human Capital and Employment Relationships Policy. This policy addresses all grounds for discrimination based on racial and ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national extraction or social origin, or other forms of discrimination covered by Union regulation and national law. The entire workforce must be recruited, trained, supported and treated fairly and equally and only based on characteristics that relate to the work that they perform, such as their talent, skills, experience and potential. All companies of the Group are required to subject their human resources and employment related policies to continuous assessment to examine how they affect protected groups and to identify whether their policies help to achieve equality of opportunity for all these groups or whether they have an adverse impact.

(S1-1_09)
Accident prevention is covered by the Human Capital and Employment Relationships Policy and also by workplace accident and prevention management system which is implemented in accordance with Austrian Legislation. It is regularly monitored and evaluated. Health and safety inspections are conducted at S IMMO's own office locations at least once a year by the safety officer, the company physician, the Works Council and the Human Resources department. Occupational safety risks are evaluated and compliance with statutory workplace and safety regulations is checked. S IMMO has one specially trained employee who serves as safety officer and can address any issues as they arise.

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S1–2 – Processes for engaging with own workers and workers' representatives about impacts

(S1-2_01 to S1-2_08)
In Vienna, the employees of S IMMO formed a Works Council in 2021. This represents the interests of the employees to the management. The members of the Works Council are elected in internal democratic elections for a maximum of five years. The management and the Works Council are in constant dialogue regarding personnel issues in the company.

Communication with the management is carried out by the Works Council elected by the workforce. The Works Council's representatives are responsible for communicating directly with the company. Nevertheless, the company is free to collect feedback from the workforce in addition to this.

There is regular exchange between the Works Council and the Human Resources department. Ad-hoc meetings with the Management Board are held when necessary, covering all material impacts.

The Management Board of S IMMO AG is the highest authority for ensuring dialogue with the workforce. The final decision in personnel matters also lies with the company's Management Board.

The cooperation between management and the Works Council is regulated by the Austrian Labour Constitution Act. This law is based on the European Convention on Human Rights, which has constitutional status in Austria. Management gains an insight into the workforce's perspective on the Group's actions from the institutionalised employee survey and from exchanges with staff representatives. Their role is to convey on the views of the workforce to management and for this reason they also have special protection against dismissal.

The Works Council collects feedback from the workforce on Group's activities and communicates this to management. Furthermore, it is the responsibility of the Works Council to make agreements for the workforce. These agreements have the force of law. In the past, management and the Works Council have already reached several agreements that also improve the position of employees compared to the applicable labour law.

The management has set out the framework for the equal treatment of all employees in the Group Human Capital and Employment Relationships Guideline. The Works Council monitors the actions set by the management and points out problems with their implementation. Any problems that arise are resolved as quickly as possible.

S1–3 – Processes to remediate negative impacts and channels for own workers to raise concerns

(S1-3_01, S1-3_02, S1-3_05 to S1-3_10)
CPI Group's goal is to avoid the need for remedy by setting up appropriate measures to avoid material negative impacts on the own workforce. Therefore, a human rights due diligence as well as a double materiality assessment are performed by CPI Europe on a regular basis and appropriate measures are set up. These assessments include S IMMO.

Issues or concerns can be raised either directly to the Compliance Officer or the Internal Audit manager or via a third-party whistleblower system (EQS Integrity Line). The Compliance Officer serves as an independent and confidential point of contact and is available to employees at any time to answer questions. Both ways ensure anonymity to the reporter. Physical whistleblowing reports must be manually recorded by the Compliance Officer through the whistleblowing system before further steps are taken in order to document the correct processing of the whistleblowing report. The legal provisions for the protection of personal data must be strictly observed in doing so. The processing of whistleblowing reports must be documented in the whistleblowing system. The report is processed promptly in each instance by the Compliance Officer – in the event of Human Resources' responsibility, the Compliance Officer together with the Human Resources representative. When a report is received the Compliance Officer must promptly inform the Management Board of the receipt of the whistleblowing report and the subject. Once the investigation is completed, the Compliance Officer has to present a report to the Management Board including suggestions for remediation measures. They are drawn up taking the individual circumstances into account and have to be approved by the Management Board. Review is carried out upon demand.

The annual mandatory compliance training also addresses the existence of grievance mechanisms to the own workforce. The whistleblower system is mentioned in the Code of Business Ethics and Conduct and other relevant policies. It is available for everybody on the company's website. Own workforces trust in processes and structures will be part of the next employee survey which is planned for 2025.

Further details of the whistleblowing process and policy are described under chapter G1-1 in this statement.

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S1–4 – Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

(S1.MDR-A 01_12)
The following key actions were carried out during 2024:

- Appraisal interview
- Individual coaching
- Analysis of gender pay ratio
- Flexible working time arrangements and part-time working models

Healthcare management with a focus on preventive healthcare and promotion of sporting activities
They applied to the own workforce of S IMMO (excluding hotel employees) and were carried out on regular basis during the whole reporting period and will continue for the next financial year.

(S1-4_01 to S1-4_09)
Our priorities include strengthening our appeal as an employer, supporting the growth and satisfaction of our workforce, promoting social responsibility, and championing diversity and equal opportunities. Derived from this, various actions have been carried out in the 2024 financial year to achieve policy objectives and targets.

In connection with employee development, the focus of training is on expanding professional as well as personal and leadership skills. An important instrument in the context of performance management is the annual performance review between employees and their managers. These define clear targets and individual training activities. Performance reviews were conducted with 96.9% of employees of S IMMO in 2024. These interviews also include feedback from employees on several questions relating to personal well-being, further development and teamwork as well as suggestions for improvement. Individual training and coaching are provided coordination with their managers as well as participations in conferences.

The gender pay ratio was reported for the first time for the 2023 financial year. It is analysed regularly, and further equalization is being worked on.

S IMMO's employees are offered flexible and partially flexible working hours, as well as part-time working models. Since April 2023, employees with all-in contracts at the Vienna location have been able to reduce overtime worked as part of a flexitime account. This means that more work-intensive phases can be compensated with time off and employees gain flexibility - an important step towards a healthy work-life balance.

To support our employees' healthcare needs, we offer a preventive healthcare scheme. In addition to measures offers to fulfil all legal requirements, responsibilities there are also offers like carrying out vaccinations, medical check-ups, eye tests and providing advice on preventive healthcare.

Effectiveness is tracked via defined metrics and targets as well as individually for each employee in the own workforce during the course of the annual appraisal interview and the biannual employee satisfaction survey. If there are any actions required to avoid negative impacts on our own workforce, they are identified during the annual appraisal interviews..

No material risks or opportunities were identified in the double materiality assessment.

Metrics and targets

S1–5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

(S1.MDR-T 01_13)
The following targets were set in relation to own workforce:

Minimum of 33% share of female senior managers
This target contributes to ensure gender equality. It is measured in percentage as the ratio of female senior managers to the total senior managers in head count at the end of each reporting period. It covers the own workforce (excluding non-employees) and is applicable for each reporting year. In the reporting period, the share of female senior managers within S IMMO was 44.6%. Thus, this target was met for the reporting period.

Completion of at least eight hours of training per employee per year
This target supports the enhanced employee performance and productivity and promoting creativity and innovation as well as it mitigates potential decreased productivity. It is measured in total hours of trainings completed by the employees as of the end of the reporting period divided by the head count at the end of the reporting period. In the reporting year 2024, S IMMO's employees completed 15.7 hours of training per person on average. Thus, this target was met for the reporting period.

Both targets apply to the reporting period and are recurring.

(S1-5_01 to S1-5_03)
The targets were set in a group-wide ESG-working group during the course of harmonizing the ESG-Strategies of CPI Property Group, CPI Europe and S IMMO AG in 2023.

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S1–6 – Characteristics of the undertaking's employees

(S1-6_01 to S1-6_06)

Total number of employees by gender[1]

	2024
Total number of employees	**643**
thereof female	320
thereof male	323
thereof other	0
thereof not reported	0

[1] Headcounts as of 31 December excluding Management Board and dormant employees

Total number of employees by country[1]

	2024
Total number of employees	**643**
thereof Austria	301
thereof Germany	47
thereof Hungary	294
thereof Croatia	1

[1] Headcounts as of 31 December excluding Management Board and dormant employees

Total numbers of employees by contract type by gender[1, 2]

	2024		
	Total	Female	Male
Total number of employees	**643**	**320**	**323**
breakdown by contract type			
thereof permanent	616	312	304
thereof temporary	27	8	19
breakdown by employment type			
thereof non-guaranteed hours	0	0	0
thereof full-time	574	271	303
thereof part-time	69	49	20

[1] Headcounts as of 31 December excluding Management Board and dormant employees
[2] No employees made use of the option to indicate their gender as "other" or "not reported", which is why only the categories "female" and "male" are shown in the presentation of employee data.

Total numbers of employees by contract type by country[1]

	2024				
	Total	Austria	Germany	Hungary	Croatia
Total number of employees	**643**	**301**	**47**	**294**	**1**
breakdown by contract type					
thereof permanent	616	299	41	275	1
thereof temporary	27	2	6	19	0
breakdown by employment type					
thereof non-guaranteed hours	0	0	0	0	0
thereof full-time	574	257	40	276	1
thereof part-time	69	44	7	18	0

[1] Headcounts as of 31 December excluding Management Board and dormant employees

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(S1-6_11, S1-6_12)

New employees & employee turnover[1]

	2024			
	New employees	**Rate for new hires in %**	**Departures**	**Rate of fluctuation in %[2]**
Total number	**262**	**40.7**	**285**	**36.6**
breakdown by gender				
thereof female	136	42.5	155	39.2
thereof male	126	39.0	130	34.0
breakdown by age group				
thereof under 30 years old	170	76.9	160	72.4
thereof 30-50 years old	81	29.8	94	34.6
thereof over 50 years old	11	7.3	31	20.7
breakdown by country				
thereof Austria	141	46.8	157	35.5
thereof Germany	11	23.4	34	60.1
thereof Hungary	110	37.4	93	33.5
thereof Croatia	0	0.0	1	-

[1] Headcounts as of 31 December excluding Management Board and dormant employees

[2] The rate of fluctuation is calculated using the Confederation of German Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände) formula and does not distinguish between voluntary and involuntary departures (departures/average headcount in the period).

(S1-6_16)

The high turnover rate is caused by exits that were not replaced due to the new structure and synergies within the CPI Group and seasonal fluctuations in the hotel business.

(S1-6_17)

The number of total employees according to the Austrian Commercial Code (UGB) is 643.

S1–7 – Characteristics of non–employee workers in the undertaking's own workforce

(S1-7_01 to S1-7_03)

Characteristics of non-employees in own workforce[1]

	2024
Total number of non-employees	**92**
thereof self-employed people	4
thereof people provided by undertakings primarily engaged in "employment activities"	88

[1] Headcounts as of 31 December excluding Management Board and dormant employees

(S1-7_06 to S1-7_10)

Methodology applied

All figures are reported as head count as of 31 December 2024.

The majority of non-employees relate to the Budapest Marriott Hotel sourced from external providers to cover seasonal peaks.

S1–9 – Diversity metrics

(S1-9_01 to S1-9_05)

Employee diversity

	2024	
	Number of employees	Total number in %
Top Management	**18**	**2.8**
breakdown by gender		
thereof female	7	38.9
thereof male	11	61.1
breakdown by age group		
thereof under 30 years old	0	0.0
thereof 30-50 years old	10	55.6
thereof over 50 years old	8	44.4
Total employees	**643**	
breakdown by gender		
thereof female	320	49.8
thereof male	323	50.2
breakdown by age group		
thereof under 30 years old	221	34.4
thereof 30-50 years old	272	42.3
thereof over 50 years old	150	23.3
Percentage of top management in total number of employees		**2.8**

(S1-9_06)

The category "Top Management" includes senior managers who are in charge of country management for S IMMO or in comparable positions at the hotels.

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S1–13 – Training and skills development metrics

(S1-13_01 to S1-13_07)

Training hours[1]

	2024	
	Total hours	Hours per employee
Number of training hours	**12,248.0**	**19.0**
breakdown by gender		
thereof female	6,053.0	18.9
thereof male	6,195.0	19.2
breakdown by employee category		
thereof Top Management	687.0	38.2
thereof Middle Management	1,599.0	44.4
thereof Entry-level Management	2,322.0	40.0
thereof Non-Management level	7,638.0	14.4

[1] Training hours refer to the number of hours completed by active employees as of 31 December

S1–14 – Health and safety metrics

(S1-14_01 to S1-14_07)

Health & Safety metrics[1]

	2024
Percentage of total employees who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines in %	100
Number of work-related accidents	61
Number of cases of work-related illness	61
Number of work-related injuries	61
Number of high-consequence work-related injuries (excl. fatalities)	0
Number of fatalities as a result of work-related injuries and work-related ill health	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	691
Number of cases of recordable work-related ill health, subject to legal restrictions on the collection of data	20
Computing rate of work-related injuries[2]	61.63

[1] Numbers cover the whole workforce

[2] In computing the rate of work-related injuries, the undertaking shall divide the respective number of cases by the number of total hours worked by people in its own workforce and multiplied by 1,000,000. Thereby, these rates represent the number of respective cases per one million hours worked. A rate based on 1,000,000 hours worked indicates the number of work-related injuries per 500 full time people in the workforce over a 1-year timeframe. For comparability purposes a rate based on 1,000,000 hours worked shall be used also for undertakings with less than 500 people in the workforce.

S1–16 – Compensation metrics

(S1-16_01 to S1-16_04)

Gender pay gap and remuneration ratio

	2024
Total gender pay gap	**14.72**
breakdown by employee category	
thereof Top-Managment	20.71
thereof Middle Management	3.08
thereof Entry-level Management	22.47
thereof Non-Management level	10.61
Annual total remuneration ratio[1]	81.16

[1] Annual remuneration for the undertaking's highest paid individual divided by the Median employee annual total remuneration (excluding the highest-paid individual)

Methodology applied

The Gender Payment Gap shows the difference on an hourly level between the earnings of women and men. For the 2024 data the hourly pay was calculated for every employee within the Group. All employees of S IMMO and S IMMO-owned Hotels were included with their fix and variable salaries as well as additional bonuses and benefits-in-kind. All employees were grouped into four categories: Top-management, middle-management, entry-management and non-management. For those categories as well as for all employees (excluding Board-members) the following formula was applied: average male salary – average female salary / average male salary. The data from the S IMMO owned hotels was already received on a calculated level, thus the consolidated numbers were calculated by using a weighted average.

S1-17 – Incidents, complaints and severe human rights impacts

(S1-17_01 to S1-17_12)

Incidents, complaints and severe human rights impacts

	2024
Total number of incidents	0
thereof discrimination	0
on the grounds of gender	0
on the grounds of racial or ethnic origin, nationality	0
on the grounds religion or belief, disability, age, others	0
on the grounds of sexual orientation	0
thereof sexual harassment	0
Total number of filed complaints	0
thereof via internal grievance mechanisms	0
thereof via the National Contact Points for OECD Multinational Enterprises	n/a
Financial impact of the incidents and complaints	n/a
Fines or penalties in €	n/a
Compensation payments in €	0
Total number of severe human rights incidents	**0**
thereof non-respecting UN Guiding Principles on Business and Human Rights	0
thereof non-respecting ILO Declaration on Fundamental Principles and Rights at Work	0
thereof non-respecting OECD Guidelines for Multinational Enterprises	0
Financial impact of severe human rights incidents	**n/a**
Fines or penalties in €	n/a
Fines or penalties in €	n/a

In 2024, there were no known cases of discrimination including harassment due to ethnic origin or nationality, language, social origin, age, gender, gender identity, sexual orientation, religion, political or other beliefs, mental or physical ability or others. No cases of human rights violations were reported, nor were there any resulting court convictions or penalties.

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Governance information

ESRS G1 Business conduct

ESRS 2 General disclosures

Governance

Disclosure Requirement related to ESRS 2 GOV–1 – The role of the administrative, supervisory and management bodies

(G1.GOV-1_01; G1.GOV-1_2)

The dual management structure of S IMMO consists of a Management Board and a Supervisory Board. These corporate bodies are strictly separated, in both their composition and functions, and can therefore independently carry out their assigned duties. The Management Board is responsible for the management of the company, the Supervisory Board for monitoring.

For more detailed information concerning the composition of the governing bodies and their access to expertise and skills with regard to sustainability matters, please see section ESRS 2, GOV-1 in this report.

Impact, risk and opportunity management

Management approach

Impacts, risks and opportunities	(15) Lack of corporate culture forms the basis for unethical behaviour and can lead to corruption and bribery
	(16) Retaliation against whistleblowers
	(17) Inadequate processes and training
Policies	Anti-Corruption, Anti-Bribery and Countering of Frauds Policy
	Anti-Money Laundering and Counter-Terrorist Financing Policy
	Code of Business Ethics and Conduct
	Compliance Guideline
	Risk Management Policy
	Whistleblowing System Directive
Targets	Mandatory annual employee training on Code of Conduct and associated policies
Key actions	Appraisal interview
	Regular trainings

Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess IROs

Business conduct IROs

The identification of IROs as part of the ESRS governance standard is based on the assessment of the ESG project team in collaboration with the Compliance Officer and the Internal Audit, as well as the analysis of group-wide policies and internal guidelines.

The assessment of business conduct covers the entire CPI Europe, which is facilitated by an extensive and regular communication of business conduct procedures, meaning that policies are generally in place across CPI Europe and the strategy for corporate culture is aligned throughout CPI Europe.

The assessment is based on discussions and surveys with the relevant stakeholders. In addition, the Austrian Code of Corporate Governance, the EU Whistleblower Directive, the UK Bribery Act 2019, the Foreign Corrupt Practices Act, as well as current and future EU anti-corruption laws and the OECD Guidelines for Multinational Enterprises were considered and assessed against current practices.

The following impacts and risk were identified in connection with business conduct:

Topic	Sub-Topic	Impact/risk explanation	
G1 Business conduct	Corporate culture (G1)	Potential negative impact	Lack of corporate culture forms the basis for unethical behaviour and can lead to corruption and bribery.
G1 Business conduct	Protection of whistleblowers (G1)	Potential negative impact	Retaliation against whistleblowers can have an impact on people and governance through a lack of confidence in the whistleblowing system, leading to an inability to detect wrongdoing, breaches of the right to privacy, labour rights, and legislation.
G1 Business conduct	Corruption and bribery (G1) – Prevention and detection including training	Risk	Failure to comply with anti-bribery and anti-corruption laws and ethical standards can result in disciplinary action and imprisonment for employees and management, as well as decreasing employee satisfaction and management legitimacy, which has a negative impact on corporate culture.

Please see also SBM3 of ESRS 2 for more detailed information on the double materiality analysis and for the risk identification process.

G1–1 – Corporate culture and Business conduct policies and corporate culture

(G.1MDR-P 01-06)
Policies are in place for each identified material sustainability issue to prevent, mitigate and remediate actual and potential impacts, address risks and pursue opportunities. The most senior person responsible for implementation monitors effectiveness on an ongoing basis and reports actions alongside the relevant disclosures. Policies relating to specific sustainability matters are disclosed under each topic on the following pages:

Please see the disclosures under ESRS 2, MDR-P.

Business conduct and corporate culture

(G1-1_01)
S IMMO is committed to business conduct based on integrity, honesty, fairness, transparency and responsibility. Mutual trust is the basis for constructive cooperation within the company and with business partners. All activities in the areas of compliance and the fight against corruption, sustainable procurement and human rights are carried out in accordance with these principles.

The Code of Business Ethics and Conduct serves as the basis for all business activities and internal decisions and includes clear guidelines on respect for basic rights, integrity and fairness, a ban on discrimination and rules for relations with competitors, customers and professional associations.

The principles of responsible management also include the clear commitment to and the support for internationally recognised human rights. In particular, S IMMO is committed to social and societal responsibility through the participation in the United Nations Global Compact.

The Whistleblowing System Directive sets out the communication channels and compulsory regulations for the receipt, submission, assessment and processing reports of violations of S IMMO's business principles and the Code of Business Ethics and Conduct or legal infringements concerning the company.

S IMMO's Organisational Policy Issuer Compliance covers the legal prohibition on the use of insider information for insider trading and the unlawful disclosure of insider information.

S IMMO's high standards were also formally established along the value chain in the financial year 2023 by introducing a groupwide standardised Supplier Code of Conduct.

The Management Board of S IMMO has overall responsibility for issuing, implementing and monitoring compliance with the individual guidelines. Advice on the implementation of the organisation's policies and practices for responsible business conduct can be obtained from the persons responsible in the respective departments. The Legal department and Compliance Officer are responsible for monitoring new legislation and requirements in the areas of corporate and operative law.

All guidelines are available to all employees on the intranet. All S IMMO employees receive annual training on the above topics.

Reporting Violations and Whistleblowing

(G1-1_02, G1-1_05, G1-1_08)
In accordance with the national Whistleblower Protection Act (HinweisgeberInnenschutzgesetz) and EU-Whistleblower Directive EU 2019/193, the purpose of the Whistleblowing System Directive is to establish a working environment in which employees feel at comfort reporting potential violations of the S IMMO's business principles and the Code of Business Ethics and Conduct or violations of legal regulations which have been perceived by them personally to the best of their knowledge and belief without fear of personal consequences or other disadvantages.

Employees and other stakeholders are able to report issues such as harassment and discrimination, corruption, human rights violations and conflicts of interest via an electronic whistleblowing system, the 'EQS Integrity Line' whistleblowing tool. Reports can be submitted either anonymously or non-anonymously. The whistleblowing system is available to all on the S IMMO website. Suspicious cases can also be reported directly to the Compliance Officer in verbal or written form.

S IMMO has procedures for investigating business conduct incidents, including incidents of corruption and bribery, in a prompt, independent and objective manner. The Compliance Officer reports such cases to the Management Board, which then decides whether the case should be investigated by Internal Audit department or by an external expert. Following the conclusion of the proceedings, the Compliance Officer presents the result to the Management Board, along with any recommended measures. In accordance with the procedure set out in the Whistleblowing System Directive, the whistleblower will receive a confirmation of receipt of the report within 7 days and a response on the outcome of the investigation within a reasonable time, but not more than 3 months from the confirmation of receipt of the report.

In accordance with the Whistleblowing System Directive, whistleblowers who have submitted reports in good faith may not be subject to any form of penalty, discrimination or disadvantage, even if the initial findings indicate no infringement, or if the facts of the matter turn out to be inaccurate or are not pursued further, provided that the whistleblower did not intentionally submit a false report.

All employees were trained on the topic of whistleblowing via e-learning in 2024. The Compliance Officer, who is responsible for processing whistleblower reports, participated in external webinars or trainings as part of her professional development.

G1-3 – Prevention and detection of corruption and bribery

(G1-3_01)
Anti-bribery and anti-corruption
The Anti-Corruption, Anti-Bribery and Countering of Frauds Policy is based on the UN Convention against Corruption and outlines the principles of conduct and ethical requirements for dealing with corruption. This policy is supplemented by the Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy which is intended to ensure compliance with applicable laws relating to the AML and the CTF.

S IMMO counters the risk of bribery through employee training, cost comparisons, payment authorizations, internal audits and the possibility for third parties to report possible cases of bribery through the whistleblowing tool. S IMMO mitigates the risk of passive bribery by not providing financial or material resources for active attempts at corruption (e.g. against public officials).

The Anti-Corruption, Anti-Bribery and Countering of Frauds Policy and the Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy are published on the Group's website and intranet.

(G1-3_02, G1-3_03)
The 'EQS Integrity Line' whistleblowing tool allows employees and third parties to report violations. Any allegations of incidents that indicate potential violations of the Anti-Corruption, Anti-Bribery and Countering of Frauds Policy, as well as any action suspected to breach the anti-corruption and anti-bribery laws, are promptly investigated by the Compliance Officer. He can report to the Supervisory Board if a member of the Management Board member is involved. If allegations are made against the Compliance Officer, management should be informed immediately.

The results of the investigation are brought to the attention of the Management Board and, in the event of its involvement, to the Supervisory Board. It is the responsibility of the Management Board and the Supervisory Board, respectively, to take concrete measures in regard to the case in question.

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(G1-3_05, G1-3_06, G1-3_07, G1-3_08)

Business Conduct Training

(G1-1_10, G1-1_11)

S IMMO has identified the following individuals and groups of persons as 'functions-at-risk' in relation to bribery and corruption:

- purchasing managers
- asset and transaction managers
- Management and Supervisory Boards

However, all employees of S IMMO are familiarised with the principles of the Code of Business Ethics and Conduct and the Anti-Corruption, Anti-Bribery and Countering of Frauds Policy trough mandatory, regular held training.

The Management Board member, which was in office throughout the year, completed all training courses (100%). The two board members who were only appointed to the Management Board shortly before the end of the year will complete the training courses in 2025.

Metrics and targets

G1-4 – Incidents of corruption or bribery

There were no incidents, convictions or fines for violations of anti-bribery and anti-corruption laws or violations of procedures and standards related to anti-bribery and anti-corruption identified in 2024.

Furthermore, S IMMO has not had any legal proceedings brought against any of its employees for corruption or bribery. Nor has the company identified any actual impact or incidents of corruption and bribery in which it is directly involved in through a business relationship in our value chain.

Outlook

Expected economic development

Following a moderate economic expansion of 1.1% in the European Union in 2024, GDP growth is expected to come in at 1.5% in 2025 and 1.8% in 2026. In the euro area, economic growth is expected to be slightly lower, at 1.3% in 2025 and 1.6% in 2026. The inflation rate declined again in the EU in 2024 as a result of a drop in energy prices. Inflation is projected at 2.4% for 2025 and 2.0% in 2026. In addition, experts expect the European Central Bank to cut interest rates further in 2025, following several key interest rate cuts in 2024. The key rate is 2.65% as of March 2025.

Expected developments on the real estate markets

After several challenging years in the real estate sector, growth was seen for the asset classes of residential, office and retail properties as well as hotels in 2024. Further expected interest rate cuts in 2025 should lead to consistently positive development on the real estate markets and to an increase in transaction volumes. The lower inflation will likely also have a positive impact on construction, operating and other costs. In addition, rising real household income in the euro area is expected to stimulate demand and thus further drive up prices for residential properties.

Due to the increasing level of regulation and ever stricter requirements for properties in terms of sustainability, demand for energy-efficient and ESG-compliant properties is also increasing – much to the disadvantage of older and/or non-ESG-compliant properties. At the same time, social developments such as increasing digitalisation, more flexible working models including remote working and online shopping must be observed with regard to their implications for the sector.

Details on the economy as a whole and on the individual real estate markets can be found in the Group management report starting on page 21.

Significant events after the balance sheet date and expected business development

Macroeconomic and geopolitical turbulence on a number of fronts had a significant impact on the profitability and market value of the various asset classes in recent years. Against this backdrop, S IMMO has adjusted its strategy on an ongoing basis since 2022. Initially, the focus was on the sale of low-yielding German residential properties, and this was gradually expanded to all properties in Germany in 2023. In the meantime, the German portfolio has been sold off almost entirely, with the final transactions expected to close in the first half of 2025 and the withdrawal from the German market set to be completed during the years 2025/26. Properties were also successfully sold in Croatia, the Czech Republic, Austria and Hungary. Some of the closings took place in January 2025. The resulting liquidity from the sales creates the basis for future growth and earnings.

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Focus is being placed on further transactions during the current financial year – in particular, the sales programme in Austria is set to continue, depending on market conditions. A further two properties in Vienna were sold in January 2025.

Along with transactions, the continuous intensification of cooperation within CPI Property Group will be a central area of emphasis in the coming months. CPI Europe (formerly IMMOFINANZ) has been the sole shareholder of S IMMO since the successful squeeze-out in December 2024. Asset management tasks were already taken over by CPI Property Group in 2024, and synergies are increasingly being realised and departments consolidated in other operational areas, as well. In this context, employees of S IMMO AG have also been transferred to other organisational units within the Group. Further consolidations and measures aimed at optimising the Group structure are planned for the 2025 financial year.

In addition, the ESG strategy was already adapted for the entire CPI Property Group in 2023. Efforts are continuously being made across the Group to harmonise the reporting in accordance with the CSRD and increase the number of Taxonomy-aligned properties.

Vienna, 25 March 2025

The Management Board

Radka Doehring　　Pavel Měchura　　Vít Urbanec

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Consolidated financial statements

Consolidated statement of financial position

as of 31 December 2024

Assets in EUR '000	Notes	31 December 2024	31 December 2023
Non-current assets			
Investment properties			
Rented properties	3.1.1.	3,111,710	3,206,465
Properties under development and undeveloped land	3.1.1.	19,045	87,977
		3,130,755	3,294,442
Owner-operated properties	3.1.2.	92,857	98,653
Other plant and equipment	3.1.2.	4,079	4,273
Intangible assets	3.1.2.	844	1,194
Interests in companies measured at equity	3.1.3.	15,597	30,623
Group interests	3.1.4.	4,874	7,076
Other financial assets	3.1.4.	57,665	87,957
Deferred tax assets	3.1.16.	1,166	1,882
		3,307,836	3,526,100
Current assets			
Inventories	3.1.5.	395	356
Trade receivables	3.1.6.	31,582	34,523
Other financial assets	3.1.6.	50,204	67,616
Other assets	3.1.7.	19,641	18,990
Cash and cash equivalents	3.1.8.	236,570	445,070
		338,391	566,555
Assets held for sale	3.1.9.	207,939	87,220
		546,330	653,775
		3,854,166	**4,179,875**

Equity and liabilities in EUR '000	Notes	31 December 2024	31 December 2023
Equity attributable to shareholders in parent company			
Share capital	3.1.10.	255,407	255,589
Capital reserves	3.1.10.	158,347	158,912
Other reserves	3.1.10.	1,122,255	1,233,887
Equity attributable to shareholders in parent company		1,536,009	1,648,388
Non-controlling interests	3.1.11.	36,502	53,453
Total equity		1,572,512	1,701,841
Non-current liabilities			
Issued bonds	3.1.13.	503,369	518,799
Other financial liabilities	3.1.12.	1,351,170	1,334,430
Provisions for employee benefits	3.1.14.	965	957
Other liabilities	3.1.15.	1,989	16,535
Deferred tax liabilities	3.1.16.	138,712	145,798
		1,996,204	2,016,519
Current liabilities			
Issued bonds	3.1.13.	15,885	99,985
Other financial liabilities	3.1.12.	64,565	183,301
Income tax liabilities		33,872	39,938
Provisions		268	588
Trade payables	5.1.1.	34,539	32,126
Other liabilities	3.1.15.	109,523	79,641
		258,652	435,579
Liabilities relating to assets held for sale		26,798	25,936
		285,450	461,515
		3,854,166	**4,179,875**

Consolidated income statement

for the financial year 2024

in EUR '000	Notes	2024	2023 adjusted[1]
Revenues			
Rental income	3.2.1.	223,619	163,791
Revenues from operating costs	3.2.1.	80,896	53,740
Revenues from hotel operations	3.2.1.	76,503	70,023
		381,019	287,554
Other operating income		9,049	1,787
Property operating expenses	3.2.2.	-105,243	-85,135
Hotel operating expenses	3.2.2.	-55,579	-52,744
Gross profit		229,245	151,461
Income from property disposals	3.2.3.	155,758	93,240
Book value of property disposals	3.2.3.	-155,758	-93,240
Result from property disposals	3.2.3.	0	0
Management expenses	3.2.4.	-44,474	-26,430
Earnings before interest, tax, depreciation and amortisation (EBITDA)		184,772	125,032
Depreciation and amortisation	3.2.5.	-7,856	-9,055
Results from property valuation	3.2.6.	65,180	9,115
Operating income (EBIT)		242,096	125,092
Financing costs	3.2.7.	-91,357	-77,847
Financing income	3.2.7.	7,984	8,607
Results from companies measured at equity	3.2.7.	-312	1,701
Financial result		-83,685	-67,539
Earnings before tax (EBT)		158,411	57,553
Taxes on income	3.1.16.	-35,528	-2,425
Consolidated net income from continuing operations		**122,882**	**55,128**
Consolidated net income from discontinued operations	**2.4.**	**-59,356**	**-96,527**
Consolidated net income		**63,526**	**-41,399**
of which attributable to shareholders in the parent company		59,609	-32,195
of which attributable to continuing operations		122,882	55,128
of which attributable to discontinued operations	2.4.	-63,273	-87,323
of which attributable to non-controlling interests		3,917	-9,204
of which attributable to continuing operations		0	0
of which attributable to discontinued operations	2.4.	3,917	-9,204
Earnings per share from continuing and discontinued operations	3.2.8.		
undiluted = diluted		0.85	-0.46
Earnings per share from continuing operations	3.2.8.		
undiluted = diluted		1.75	0.78

[1] Adjusted due to the classification of the Germany segment as a discontinued operation (further details see Note 2.4.)

Consolidated statement of comprehensive income

for the financial year 2024

in EUR '000	Notes	2024	2023 adjusted
Consolidated net income		63,526	-41,399
Change in value of cash flow hedges	5.1.2.	-12,663	-33,271
Income taxes on cash flow hedges	5.1.2.	1,561	3,182
Reclassification of derivative valuation effects	5.1.2.	-7,946	-2,162
Income taxes on reclassification of derivative valuation effects	5.1.2.	1,710	426
Reserve for foreign exchange rate differences	3.1.10.	-8,100	14,654
Other comprehensive income for the period (realised through profit or loss)		-25,438	-17,171
Valuation of financial assets FVOCI		-2,201	1,772
Income taxes from measurement of financial assets FVOCI		440	-211
Remeasurement of post-employment benefit obligations		2	-13
Income taxes on remeasurement of post-employment benefit obligations		0	3
Other comprehensive income for the period (not realised through profit or loss)		-1,760	1,551
Other comprehensive income from continuing operations		-19,976	-8,567
Other comprehensive income from discontinued operations[1]		-7,222	-7,053
Other comprehensive income		-27,198	-15,620
of which attributable to shareholders in parent company		-26,430	-15,358
of which attributable to non-controlling interests		-768	-262
Total comprehensive income		**36,328**	**-57,020**
of which attributable to shareholders in parent company		33,179	-47,554
of which attributable to continuing operations		102,907	46,561
of which attributable to discontinued operations	2.4.	-69,727	-94,115
of which attributable to non-controlling interests		3,149	-9,466

[1] Of the other comprehensive income for the period from discontinued operations in the amount of kEUR -7,222 (2023: kEUR -7,053), kEUR -9,441 (2023: kEUR -8,103) relate to the valuation of cash flow hedges and kEUR 2,219 (2023: kEUR 1,050) to income taxes on cash flow hedges.

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Consolidated cash flow statement

for the financial year 2024

in EUR '000	Notes	2024	2023 adjusted[1]
Earnings before taxes (EBT) from continuing operations		158,411	57,554
Earnings before taxes (EBT) from discontinued operations		-64,167	-103,908
Results from property valuation	3.2.6.	5,318	109,343
Depreciation and amortisation	3.2.5.	7,974	9,205
Taxes on income paid	3.1.16.	-18,149	-12,832
Financial result	3.2.7.	78,811	70,441
Operating cash flow		168,198	129,802
Changes in net current assets			
Receivables and other assets		-19,235	30,679
Provisions, other financial and non-financial liabilities		-7,689	-1,481
Current liabilities		24,173	-5,199
Cash flow from operating activities		165,446	153,800
Cash flow from investing activities			
Payments for investments in property portfolio (rented properties, developing projects, undeveloped land, owner-operated properties)		-37,995	-18,110
Payments for investments in intangible assets		-12	-624
Payments for investments in other property, plant and equipment		-1,103	-1,042
Acquisition of companies measured at equity	3.1.3.	0	-2,515
Proceeds from the sale of subsidiaries	2.2.4.	212,238	264,833
Payments for the acquisition of subsidiaries	2.2.4.	-408,474	-640,549
Other changes in companies measured at equity	3.1.3.	0	-6,174
Disposals of properties	3.2.3.	279,261	263,901
Dividends from companies measured at equity	3.1.3.	4,886	102
Dividends received	3.1.4.	425	535
Interest received	3.2.7.	7,643	8,106
Cash flow from investing activities		56,868	-131,537

in EUR '000	Notes	2024	2023 adjusted[1]
Consolidated cash flow statement continued			
Cash flow from financing activities			
Buyback of treasury shares	3.1.10.	-746	-2,361
Bond issues	3.1.13.	0	74,120
Bond redemptions	3.1.13.	-100,000	0
Distribution of non-controlling interests		-23,991	-19,048
Cash inflow from other financial liabilities	3.1.12.	362,045	357,493
Cash outflow from other financial liabilities	3.1.12.	458,311	-189,719
Dividend payment	3.1.10.	-140,584	0
Interest paid	3.2.7.	-65,460	-44,047
Cash flow from financing activities		-427,047	176,437
Cash and cash equivalents 01 January		445,070	246,925
Reclassification of cash and cash equivalents as properties held for sale	3.1.9.	-3,767	-555
Net change in cash and cash equivalents		-204,733	198,700
Cash and cash equivalents 31 December[1]		**236,570**	**445,070**

[1] Adjusted due to the classification of the Germany segment as a discontinued operation (further details see Note 2.4.)
[2] The effects of currency translation differences on the cash and cash equivalents were immaterial and are therefore not shown separately.

The consolidated cash flow statement contains an analysis of all cash flows – including the discontinued operation in Germany. Amounts relating to the discontinued operation after operating, investing and financing activities are disclosed in the notes to the consolidated interim financial statements for the discontinued operation.

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Changes in consolidated equity

in EUR '000 - see also note 3.1.10. Equity	Share capital	Capital reserves	Foreign currency translation reserve	Hedge accounting reserve	Equity instruments reserve	Other reserves	Equity attributable to shareholders in parent company	Non-controlling interests	Total
As of 01 January 2024	255,589	158,912	6,340	5,981	5,231	1,216,335	1,648,388	53,453	1,701,841
Consolidated net income	0	0	0	0	0	59,609	59,609	3,917	63,526
Other comprehensive income	0	0	-8,100	-16,570	-1,762	2	-26,430	-768	-27,198
Total comprehensive income	0	0	-8,100	-16,570	-1,762	59,611	33,179	3,149	36,328
Buyback of treasury shares	-182	-565	0	0	0	0	-747	0	-747
Distribution with respect to non-controlling interests	0	0	0	0	0	0	0	-23,991	-23,991
Other changes	0	0	-3,563	9	0	-675	-4,229	3,891	-338
Distribution for 2022 to shareholders[1]	0	0	0	0	0	-140,584	-140,584	0	-140,584
As of 31 December 2024	255,407	158,347	-5,322	-10,580	3,469	1,134,688	1,536,009	36,502	1,572,512
As of 01 January 2023	256,249	160,612	-8,314	37,544	3,670	1,247,467	1,697,228	83,040	1,780,268
Consolidated net income	0	0	0	0	0	-32,195	-32,195	-9,204	-41,399
Other comprehensive income	0	0	14,654	-31,563	1,561	-10	-15,358	-262	-15,620
Total comprehensive income	0	0	14,654	-31,563	1,561	-32,205	-47,554	-9,466	-57,020
Buyback of treasury shares	-660	-1,700	0	0	0	0	-2,360	0	-2,360
Distribution with respect to non-controlling interests	0	0	0	0	0	0	0	-19,048	-19,048
Other changes	0	0	0	0	0	1,073	1,073	-1,073	0
As of 31 December 2023	255,589	158,912	6,340	5,981	5,231	1,216,335	1,648,388	53,453	**1,701,841**

[1] The distribution of kEUR 140,584 in 2024 corresponds to a dividend of EUR 2.00 per share and was paid out on 19 December 2024.

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Notes to the consolidated financial statements

as of 31 December 2024

1. The Group

S IMMO Group (S IMMO AG and its subsidiaries) is an international real estate group. The ultimate parent company of S IMMO Group is S IMMO AG and has its registered office and headquarters at Wienerbergstraße 9/7th floor, 1100 Vienna, Austria. It has subsidiaries in Austria, Germany, the Czech Republic, Slovakia, Hungary and Romania as of the reporting date. As of 31 December 2024, S IMMO Group owned properties in all the above countries. S IMMO Group engages in long-term real estate investments in the form of the buying and selling of properties, project development, letting and asset management, revitalisation and refurbishment of buildings and the operation of hotels and shopping centers.

S IMMO AG, Vienna, prepares the consolidated financial statements for the smallest group of companies. CPI Property Group S.A. prepares the consolidated financial statements for the largest group of companies. 100% of the shares are held directly by CPI Europe AG (formerly IMMOFINANZ AG). The consolidated financial statements of CPI Property Group S.A. are published at the company's registered office in Luxembourg.

2. Accounting and valuation policies

2.1. Accounting policies

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

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

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

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

2.2. Scope of consolidation 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 (control) 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 determined as the date on which control of the acquired company is obtained.

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

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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 the company obtains control of a business operation through an acquisition, the costs associated with the acquisition, including any expenses related to due diligence, valuation and other professional services fees are recognised as expenses in the periods in which the costs were incurred. The cost of acquiring the business operation is compared with the fair value of the identifiable net assets acquired to determine any difference. A positive difference is recognised as goodwill. If the amount is negative, the underlying calculations and assumptions are reviewed once again and said amount is only recognised in profit or loss if this further critical review of the recognition and measurement of the assets and liabilities acquired results in a negative difference.

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

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

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

2.2.2. Non-controlling interests

S IMMO Group recognises non-controlling interests as the proportionate share of identifiable net assets of the subsidiary. The accounting effects of changes in the shareholdings of non-controlling interests 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 decreases 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.

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2.2.4. Consolidation scope

Apart from S IMMO AG, the consolidated financial statements include 95 (2023: 99) companies (property holding and intermediary holding companies) that are fully consolidated and directly or indirectly controlled by S IMMO AG, and 3 (2023: 5) companies included at equity.

Changes in the consolidation scope in the financial year 2024

In the second quarter of 2024, Baudry Beta, a.s., Czech Republic, CPI Národní, s.r.o., Czech Republic, CPI Shopping Teplice, a.s., Czech Republic, Farhan, a.s., Czech Republic, Marissa Tau, a.s., Czech Republic, and Na Poříčí, a.s., Czech Republic, were acquired from CPI Property Group S.A. by way of share deals. The purchase prices (including incidental expenses) of kEUR 6,781 (Baudry Beta, a.s.), kEUR 122,955 (CPI Národní, s.r.o.), kEUR 10,253 (CPI Shopping Teplice, a.s.), kEUR 112 (Farhan, a.s.), kEUR 13,130 (Marissa Tau, a.s.) and kEUR 21,943 (Na Poříčí, a.s.) consisted entirely of cash. The loans of kEUR 10,453 (Baudry Beta, a.s.), kEUR 82,483 (CPI Národní, s.r.o.), kEUR 43,374 (CPI Shopping Teplice, a.s.), kEUR 54,753 (Farhan, a.s.), kEUR 16,125 (Marissa Tau, a.s.) and kEUR 28,552 (Na Poříčí, a.s.) included in non-current liabilities were repaid as the purchases were completed.

In the course of this acquisition, interest rate derivatives were also transferred, which were recognised at the positive fair value of kEUR 13,767 in the superordinate intermediate holding company at the time of acquisition. As a result, the acquisition costs of the acquired properties were reduced accordingly.

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

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

EUR '000	Baudry Beta, a.s.	CPI Národní, s.r.o.	CPI Shopping Teplice, a.s.	Farhan, a.s.	Marissa Tau, a.s.	Na Poříčí, a.s.	Total book value
Non-current assets							
Property assets[1]	17,098	206,627	52,766	56,726	29,495	51,877	414,589
Other non-current financial assets	0	1,369	693	294	1	0	2,356
Current assets							
Other current assets	54	2,447	661	3,060	717	1,507	8,446
Cash and cash equivalents	2	733	212	47	114	234	1,341
Total assets	**17,154**	**211,176**	**54,332**	**60,127**	**30,327**	**53,617**	**426,732**
Non-current liabilities	-245	-4,412	-1,352	-52,838	-16,351	-28,995	-104,193
Current liabilities	-10,129	-83,808	-42,727	-7,176	-846	-2,679	-147,365
Total book value of acquisitions	**6,781**	**122,955**	**10,253**	**112**	**13,130**	**21,943**	**175,174**

[1] The property assets were recognised at the acquisition costs resulting from the acquisition transactions, including incidental acquisition costs. Standard market purchase price discounts for deferred tax effects and other purchase price adjustments as well as interest rate derivatives recognised at fair value in a higher-level intermediate holding company totalling kEUR 46.597 were taken into account, which subsequently led to a revaluation of the properties in accordance with IAS 40.

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In the second quarter of 2024, the previously fully consolidated companies Tölz Immobilien GmbH, Germany, S Immo Geschäftsimmobilien GmbH, Germany, Lützow-Center GmbH, Germany, S IMMO Berlin II GmbH, Germany and S IMMO Berlin III GmbH, Germany, were sold. The consideration received consisted entirely of cash in the amount of kEUR 90,038. The entire purchase price was paid on 31 December 2024. S IMMO successfully completed the sale of the HOTO Business Tower (Savska 32 d.o.o.) in Zagreb on 12 July 2024. The selling price was kEUR 12,227. The office building has a total leasable area of around 15,500 m². In addition, the Zagreb Tower in Croatia was successfully sold on 28 August 2024 for kEUR 32,248. S IMMO also successfully completed the sale of Hotel Juliš (Eltima Property Company s.r.o.) in Prague on 31 October 2024 at a sales price of kEUR 11,890. The building has a gross leasable area of roughly 6,700 m². As of 31 December there were no outstanding purchase price receivables and the loans were settled as part of the sale. Both purchase prices were fully paid in cash.

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

EUR '000	Tölz Immobilien GmbH	S Immo Geschäfts-immobilien GmbH	Lützow-Center GmbH	S IMMO Berlin II GmbH	S IMMO Berlin III GmbH	ELTIMA PROPERTY COMPANY s.r.o.	Savska 32 d.o.o.	Zagreb-tower d.o.o.	Total book value
Non-current assets									
Property assets	31,132	17,073	71,392	22,642	18,493	0	0	0	160,732
Other non-current financial assets	0	0	0	0	0	0	0	0	0
Current assets									
Property assets	0	0				22,000	26,200	50,055	98,255
Other current assets	110	346	752	23	195.00	1,055	666	1,968	5,115
Cash and cash equivalents	1,842	3,391	1,352	383	477	359	995	1,052	9,851
Total assets	**33,084**	**20,810**	**73,496**	**23,048**	**19,165**	**23,414**	**27,861**	**53,075**	**273,953**
Non-current liabilities	-17,370	-11,417	-28,317	-3,040	-11,898	-13,431	0	0	-85,473
Current liabilities	-350	-6,710	-160	-46	-143	-364	-16,839	-20,395	-45,008
Total book value of disposals	**15,364**	**2,683**	**45,019**	**19,962**	**7,124**	**9,619**	**11,023**	**32,679**	**143,473**

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

Changes in the consolidation scope in the financial year 2023

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

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

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

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

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

Also in the fourth quarter of 2023, the companies CPI Office Business Center, s.r.o., Czech Republic, Futurum HK Shopping, s.r.o., Czech Republic, the project Zlatý Anděl, s.r.o., Czech Republic, and CPI Shopping MB, a.s., Czech Republic, were acquired from CPI Property Group S.A. by way of share deals. The purchase prices (excluding incidental expenses) of kEUR 66,676 (CPI Office Business Center, s.r.o.), kEUR 27,740 (Futurum HK Shopping, s.r.o.), kEUR 37,373 (Projekt Zlatý Anděl, s.r.o.) and kEUR 15,439 (CPI Shopping MB, a.s.) consisted entirely of cash. The loans of kEUR 89,253 (CPI Office Business Center, s.r.o.), kEUR 85,731 (Futurum HK Shopping, s.r.o.), kEUR 73,150 (Projekt Zlatý Anděl, s.r.o.) and kEUR 34,682 (CPI Shopping MB, a.s.) included in non-current liabilities were repaid in the course of the purchase. In the course of this acquisition, interest rate derivatives were also transferred, which were recognised at the positive fair value of kEUR 27,381 in the superordinate intermediate holding company at the time of acquisition. This reduced the acquisition costs of the acquired property assets accordingly.

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

Of the purchase prices listed above, kEUR 806 (Bauteile A+B Errichtungsges.m.b.H. and Bauteile C+D Errichtungsges.m.b.H.) were not yet due in 2023. From the acquisitions Andrássy Real Kft. (kEUR 381), „Wienerberg City“ (kEUR 333), CPI Office Business Center s.r.o. (kEUR 4,357), Futurum HK Shopping s.r.o. (kEUR 3,422), Projekt Zlatý Anděl, s.r.o. (kEUR 1,934) and CPI Shopping MB, a.s. (kEUR 1,136), which are recognised in other current financial assets (see also note 3.1.6.3.).

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

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

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

[1] In the case of property assets, purchase price-relevant items totalling kEUR 74,331 were allocated to reduce the market value, which subsequently led to a revaluation.

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

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

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

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

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

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

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	„Wienerberg City“ Errichtungsges.m.b.H.	Bauteile A+B Errichtungsges.m.b.H.	Bauteile C+D Errichtungsges.m.b.H.	CPI Office Business Center, s.r.o.	Futurum HK Shopping, s.r.o.	Projekt Zlatý Anděl, s.r.o.	CPI Shopping MB	Total book value
	192,992	54,666	137,390	152,063	107,381	106,208	47,678	986,220
	24,464	2,705		0	0	0	0	33,793
	1,835	24,089	3,822	2,222	2,246	946	286	41,637
	5,514	88	1,938	0	0	9		10,408
	224,805	**81,548**	**143,150**	**154,285**	**109,627**	**107,163**	**47,964**	**1,072,058**
	-114,000	-48,181	-143,186	-89,253	-85,731	-73,150	-34,682	-712,760
	-26,531	-632	-19,510	-7,085	-4,348	-3,788	-1,155	-73,990
	84,274	**32,735**	**-19,546**	**57,947**	**19,548**	**30,225**	**12,127**	**285,308**

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

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

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Overview of the 2024 consolidation group on a company basis

	Location	Nominal capital 2024	Nominal capital 2023	Group share % 2024	Group share % 2023	Local currency 2024	Local currency 2023	Consolidation type 2024	Consolidation type 2023
CEE Immobilien GmbH	AT, Vienna	N/A	35,000	N/A	100	N/A	EUR	N/A	FC
CEE PROPERTY-INVEST Immobilien GmbH	AT, Vienna	48,000,000	48,000,000	100	100	EUR	EUR	FC	FC
CEE CZ Immobilien GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
German Property Invest Immobilien GmbH	AT, Vienna	38,932	38,932	89.90	89.90	EUR	EUR	FC	FC
Hotel DUNA Beteiligungs Gesellschaft m.b.H.	AT, Vienna	145,346	145,346	100	100	EUR	EUR	FC	FC
AKIM Beteiligungen GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
SO Immobilienbeteiligungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
CEE Beteiligungen GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
E.V.I. Immobilienbeteiligungs GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
E.I.A. eins Immobilieninvestitions-gesellschaft m.b.H.	AT, Vienna	36,336	36,336	100	100	EUR	EUR	FC	FC
PCC-Hotelerrichtungs- und Betriebs-gesellschaft m.b.H. & Co. KG	AT, Vienna	8,299,238	8,299,238	91.42	91.42	EUR	EUR	FC	FC
PCC-Hotelerrichtungs- 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	N/A	35,000	N/A	35	N/A	EUR	N/A	E
QBC Management und Beteiligungen GmbH	AT, Vienna	35,000	35,000	35	35	EUR	EUR	E	E
BGM - EB-Grundstücksbeteiligungen GmbH & Co KG	AT, Vienna	N/A	4,342,202	N/A	23.6	N/A	EUR	N/A	E
S IMMO Property Invest 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	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Vier GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Fünf GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Sechs GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Sieben GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Acht GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Neun GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Zehn GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Elf GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Property Zwölf GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
Nusku Beteiligungsverwaltungs GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
Nergal Immobilienverwertungs GmbH	AT, Vienna	35,000	35,000	89.90	89.90	EUR	EUR	FC	FC
Nergal Immobilienverwertungs GmbH E58 & Co KG	AT, Vienna	10,000	10,000	89.90	89.90	EUR	EUR	FC	FC
Nergal Immobilienverwertungs GmbH F3 & Co KG	AT, Vienna	N/A	10,000	N/A	89.90	N/A	EUR	N/A	FC
Nergal Immobilienverwertungs GmbH M3 & Co KG	AT, Vienna	10,000	10,000	89.90	89.90	EUR	EUR	FC	FC

	Location	Nominal capital 2024	Nominal capital 2023	Group share % 2024	Group share % 2023	Local currency 2024	Local currency 2023	Consolidation type 2024	Consolidation type 2023
S IMMO Group Finance GmbH	AT, Vienna	35,000	35,000	100	100	EUR	EUR	FC	FC
„Wienerberg City" Errichtungsges.m.b.H.	AT, Vienna	1,816,821	1,816,821	100	100	EUR	EUR	FC	FC
Bauteile C+D Errichtungsges.m.b.H.	AT, Vienna	36,336	36,336	100	100	EUR	EUR	FC	FC
Bauteile A+B Errichtungsges.m.b.H.	AT, Vienna	36,336	36,336	100	100	EUR	EUR	FC	FC
Projekt RDSF GmbH & Co KG	AT, Vienna	10,000	N/A	100	N/A	EUR	N/A	FC	N/A
ELTIMA PROPERTY COMPANY s. r. o.	CZ, Prague	N/A	100,000	N/A	100	N/A	CZK	N/A	FC
REGA Property Invest s. r. o.	CZ, Prague	200,000	200,000	100	100	CZK	CZK	FC	FC
CD Property s.r.o.	CZ, Prague	200,000	200,000	100	100	CZK	CZK	FC	FC
CPI Office Prague, s.r.o.	CZ, Prague	2,000,000	2,000,000	100	100	CZK	CZK	FC	FC
Lucemburská 46, a.s.	CZ, Prague	150,000,000	150,000,000	100	100	CZK	CZK	FC	FC
ZET.office, a.s.	CZ, Prague	2,000,000	2,000,000	100	100	CZK	CZK	FC	FC
SC Czech AHG, s.r.o.	CZ, Prague	10,000	10,000	100	100	CZK	CZK	FC	FC
CPI Office Business Center, s.r.o.	CZ, Prague	100,000	100,000	100	100	CZK	CZK	FC	FC
Futurum KH Shopping, s.r.o.	CZ, Prague	200,000	200,000	100	100	CZK	CZK	FC	FC
Projekt Zlatý Anděl, s.r.o.	CZ, Prague	400,000	400,000	100	100	CZK	CZK	FC	FC
CPI Shopping MB, a.s.	CZ, Prague	4,000,000	4,000,000	100	100	CZK	CZK	FC	FC
Baudry Beta, a.s.	CZ, Prague	2,200,000	N/A	100	N/A	CZK	N/A	FC	N/A
CPI Národní, s.r.o	CZ, Prague	100,000	N/A	100	N/A	CZK	N/A	FC	N/A
CPI Shopping Teplice, a.s	CZ, Prague	4,000,000	N/A	100	N/A	CZK	N/A	FC	N/A
Marissa Tau, a.s.	CZ, Prague	4,000,000	N/A	100	N/A	CZK	N/A	FC	N/A
Na Poříčí, a.s.	CZ, Prague	66,975,000	N/A	100	N/A	CZK	N/A	FC	N/A
Farhan a.s.	CZ, Prague	130,540,000	N/A	100	N/A	CZK	N/A	FC	N/A
Lützow-Center GmbH	DE, Berlin	N/A	25,000	N/A	89.90	N/A	EUR	N/A	FC
Ikaruspark GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Germany GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S Immo Geschäftsimmobilien GmbH	DE, Berlin	N/A	25,000	N/A	89.90	N/A	EUR	N/A	FC
Markt Carree Halle Immobilien GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
Tölz Immobilien GmbH	DE, Berlin	N/A	25,000	N/A	89.67	N/A	EUR	N/A	FC
SIAG Deutschland Beteiligungs-Verwaltungs GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Deutschland Beteiligungs GmbH & Co. KG	DE, Berlin	100,000	100,000	85.32	85.32	EUR	EUR	FC	FC
SIAG Leipzig Wohnimmobilien GmbH	DE, Berlin	750,000	750,000	89.67	89.67	EUR	EUR	FC	FC
Maior Domus Hausverwaltungs GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Property I GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
SIAG Property II GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin I GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin II GmbH	DE, Berlin	N/A	25,000	N/A	89.90	N/A	EUR	N/A	FC
S IMMO Berlin III GmbH	DE, Berlin	N/A	25,000	N/A	83.61	N/A	EUR	N/A	FC
S IMMO Berlin V GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin VI GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
S IMMO Berlin Finance GmbH	DE, Berlin	25,000	25,000	89.90	89.90	EUR	EUR	FC	FC
Bank-garázs Kft.	HU, Budapest	3,000,000	3,000,000	100	100	HUF	HUF	FC	FC
CEE Property-Invest Kft.	HU, Budapest	110,000,000	110,000,000	100	100	HUF	HUF	FC	FC
Maros utca Kft.	HU, Budapest	4,000,000	4,000,000	100	100	HUF	HUF	FC	FC

	Location	Nominal capital 2024	Nominal capital 2023	Group share % 2024	Group share % 2023	Local currency 2024	Local currency 2023	Consoli-dation type 2024	Consoli-dation type 2023
BUDA Kft.	HU, Budapest	3,000,000	3,000,000	100	100	HUF	HUF	FC	FC
Duna Szálloda Zrt.	HU, Budapest	5,000,000	5,000,000	100	100	HUF	HUF	FC	FC
City Center Irodaház Kft.	HU, Budapest	44,370,000	44,370,000	100	100	HUF	HUF	FC	FC
Nagymező Kft.	HU, Budapest	462,590,000	462,590,000	100	100	HUF	HUF	FC	FC
CEE Property-Invest Hungary 2003 Kft.	HU, Budapest	6,674,082	6,674,082	89.90	89.90	HUF	HUF	FC	FC
S IMMO APM Hungary Kft.	HU, Budapest	20,000,000	20,000,000	100	100	HUF	HUF	FC	FC
Essence Garden Kft.	HU, Budapest	5,000,000	5,000,000	100	100	HUF	HUF	FC	FC
Váci 113 Offices B Hungary Kft.	HU, Budapest	6,000,000	6,000,000	100	100	HUF	HUF	FC	FC
Talent Ágazati Képzőközpont Nonprofit Kft.	HU, Budapest	3,250,000	3,250,000	20	20	HUF	HUF	E	E
BudaPart Auratus Kft.	HU, Budapest	4,070,000	4,070,000	100	100	EUR	EUR	FC	FC
Gateway Office Park Kft.	HU, Budapest	3,000,000	3,000,000	100	100	HUF	HUF	FC	FC
BC 99 Office Park Kft.	HU, Budapest	280,640,000	280,640,000	100	100	HUF	HUF	FC	FC
Arena Corner Kft.	HU, Budapest	4,000,000	4,000,000	100	100	HUF	HUF	FC	FC
Átrium Park Kft.	HU, Budapest	6,010,000	6,010,000	100	100	HUF	HUF	FC	FC
Andrássy Real Kft.	HU, Budapest	12,030,000	12,030,000	100	100	HUF	HUF	FC	FC
SOCIETATE DEZVOLTARE COMERCIAL SUDULUI (SDCS) SRL	RO, Bucharest	157,642,390	157,642,390	100	100	RON	RON	FC	FC
VICTORIEI BUSINESS PLAZZA SRL	RO, Bucharest	18,852,144	18,852,144	100	100	RON	RON	FC	FC
DUAL CONSTRUCT INVEST SRL	RO, Bucharest	23,732,000	23,732,000	100	100	RON	RON	FC	FC
S IMMO APM ROMANIA S.R.L.	RO, Bucharest	500,000	500,000	100	100	RON	RON	FC	FC
SMART OFFICE DOROBANTI S.R.L.	RO, Bucharest	11,793,400	11,793,400	100	100	RON	RON	FC	FC
SPC DELTA PROPERTY DEVELOPMENT COMPANY SRL	RO, Bucharest	13,792,510	13,792,510	100	100	RON	RON	FC	FC
SPC SIGMA PROPERTY DEVELOPMENT COMPANY SRL	RO, Bucharest	13,255,000	13,255,000	100	100	RON	RON	FC	FC
EXPO BUSINESS PARK S.R.L.	RO, Bucharest	41,030,020	83,534,400	100	100	RON	RON	FC	FC
Galvániho Business Centrum, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
GALVÁNIHO 2, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
IPD – International Property Development, s. r. o.	SK, Bratislava	33,194	33,194	60	60	EUR	EUR	E	E
SIAG Fachmarktzentren, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
SIAG Hotel Bratislava, s. r. o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
GALVÁNIHO 4, s. r. o.	SK, Bratislava	33,195	33,195	100	100	EUR	EUR	FC	FC
SIAG Multipurpose Center, s.r.o.	SK, Bratislava	6,639	6,639	100	100	EUR	EUR	FC	FC
Savska 32 d.o.o.	HR, Zagreb	N/A	2,650	N/A	100	N/A	EUR	N/A	FC
S IMMO Croatia d.o.o.	HR, Zagreb	9,280	9,280	100	100	EUR	EUR	FC	FC
Zagrebtower d.o.o.	HR, Zagreb	N/A	2,036,890	N/A	100	N/A	EUR	N/A	FC

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2.3. Reporting currency and currency translation

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

For the majority of subsidiaries in Romania and Hungary and for two subsidiaries in the Czech Republic, management has defined the euro as the functional currency. The decision took account of the fact that the macroeconomic development of these economies is significantly influenced by the euro area. In addition, S IMMO concludes lease agreements in these countries predominantly in euros. Property financing is also in euros.

Croatia adopted the euro on 01 January 2023.

For one subsidiary in Romania and two subsidiaries in Hungary, the functional currency is the local currency. The functional currency of the Czech subsidiaries acquired in 2023 and the newly founded Czech subsidiary is also the local currency. For those Group companies for which the local currency is equivalent to the functional currency, functional currencies are translated into the group reporting currency in accordance with IAS 21 as follows:

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

Foreign currencies have been translated using the following exchange rates:

	Czech Republic CZK	Hungary HUF	Bulgaria BGN	Romania RON
Closing rate 31 December 2024	25.185	411.350	1.956	4.974
Average rate in 2024	25.156	397.068	1.956	4.975
Closing rate 31 December 2023	24.724	382.800	1.956	4.976
Average rate in 2023	23.982	382.135	1.956	4.951

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. Discontinued operations: Germany segment

In the second quarter of 2024, S IMMO AG's Management Board and Supervisory Board decided to gradually withdraw from the German market. In this context, the company is evaluating individual and portfolio sales. The Germany segment is a significant geographical business area. As of 31 December 2024, all properties in Germany that had not yet been sold as at the reporting date met the criteria of IFRS 5 and are reported accordingly as assets held for sale and presented as discontinued operations together with the German assets and liabilities already sold.

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In the consolidated income statement, the result (after taxes) of the discontinued operation is presented in a separate line both in the period 01–12/2024 and in the comparative period 01–12/2023.

Transactions between discontinued and continuing operations are eliminated in S IMMO's consolidated income statement. The consolidation of income and expenses was therefore continued for the periods reported. The result from discontinued operations presented in the consolidated income statement is broken down as follows:

in EUR '000	2024	2023 adjusted
Revenues		
Rental income	20,401	38,855
Revenues from operating costs	5,765	10,052
Revenues from hotel operations	0	0
	26,166	48,907
Other operating income	1,145	2,423
Property operating expenses	-14,621	-23,540
Hotel operating expenses	0	0
Gross profit	12,690	27,790
Income from property disposals	341,224	589,155
Book value of property disposals	-341,224	-589,155
Result from property disposals	0	0
Management expenses	-11,115	-10,188
Earnings before interest, tax, depreciation and amortisation (EBITDA)	1,575	17,602
Depreciation and amortisation	-118	-150
Results from property valuation	-70,498	-118,458
Operating income (EBIT)	-69,041	-101,006
Financing costs	4,790	-2,936
Financing income	84	34
Results from companies measured at equity	0	0
Financial result	4,874	-2,902
Earnings before tax (EBT)	-64,167	-103,908
Taxes on income	4,811	7,381
Consolidated net income from discontinued operations	**-59,356**	**-96,527**
of which attributable to shareholders in the parent company	-63,273	-87,323
of which attributable to non-controlling interests	3,917	-9,204

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For the comparative period 2023, this results in the following adjustments to the consolidated income statement:

in EUR '000	2023 as reported	Change	2023 adjusted
Revenues			
Rental income	202,646	-38,855	163,791
Revenues from operating costs	63,792	-10,052	53,740
Revenues from hotel operations	70,023	0	70,023
	336,461	-48,907	287,554
Other operating income	4,210	-2,423	1,787
Property operating expenses	-108,675	23,540	-85,135
Hotel operating expenses	-52,744	-0	-52,744
Gross profit	179,252	-27,790	151,461
Income from property disposals	682,395	-589,155	93,240
Book value of property disposals	-682,395	589,155	-93,240
Result from property disposals	0	0	0
Management expenses	-36,618	10,188	-26,430
Earnings before interest, tax, depreciation and amortisation (EBITDA)	142,634	-17,602	125,032
Depreciation and amortisation	-9,205	150	-9,055
Results from property valuation	-109,343	118,458	9,115
Operating income (EBIT)	24,086	101,006	125,092
Financing costs	-80,783	2,936	-77,847
Financing income	8,641	-34	8,606
Results from companies measured at equity	1,701	0	1,701
Financial result	-70,441	2,902	-67,539
Earnings before tax (EBT)	-46,355	103,907	57,553
Taxes on income	4,956	-7,381	-2,425
Consolidated net income from continuing operations	**-41,399**	**96,527**	**55,127**
Consolidated net income from discontinued operations	**0**	**-96,527**	**-96,527**
Consolidated net income	**-41,399**	**-0**	**-41,400**
of which attributable to shareholders in the parent company	-32,195	0	-32,195
of which attributable to non-controlling interests	-9,204	0	-9,204

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In the consolidated cash flow statement of S IMMO the transactions and cash flows between discontinued and continuing operations were eliminated. In the consolidated cash flow statement the result of the discontinued operation is as presented below:

in EUR '000	2024	2023 adjusted
Operating cash flow	-4,356	16,081
Cash flow from investing activities	298,072	473,047
Cash flow from financing activities	-62,019	-167,650
Net cash flow from discontinued operation	**231,697**	**321,478**

The main groups of assets and liabilities of the Germany segment, which was classified as held for sale, were composed as follows as of 31 December 2024:

Assets held for sale (from discontinued operations Germany segment)

in EUR '000	31 December 2024
Rental properties	97,867
Properties under development and undeveloped land	42,972
Deferred tax assets	33
Trade receivables	66
Other financial assets	7,896
Other assets	42
Cash and cash equivalents	3,641
	152,517

Liabilities relating to assets held for sale (from discontinued operations Germany segment)

in EUR '000	31 December 2024
Other non-current financial liabilities	1
Deferred taxes liabilities	3,884
Income tax liabilities	1,188
Trade payables	119
Other liabilities	343
	5,535

Financial liabilities of the Germany segment in the amount of kEUR 9,898 will be repaid by the previous owner S IMMO AG as part of the sale in accordance with the agreement and are therefore not recognised under liabilities in connection with assets held for sale.

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2.5. Changes in accounting policies and disclosures

2.5.1. First-time application of standards and interpretations

The following new or amended standards and interpretations were applied for the first time in 2024:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for S IMMO	Effects on S IMMO
Changes to standards and interpretations				
IAS 1	Changes to IAS 1 – Classification of Liabilities as Current or Non-current and the Deferral of Effective Date	23 January 2020 (19 December 2023)	01 January 2024	No
IAS 1	Changes to IAS 1 – Non-current Liabilities with Covenants	31 October 2022 (19 December 2023	01 January 2024	Yes
IFRS 16	Changes to IFRS 16 – Lease Liability in a Sale and Leaseback	22 September 2022 (20 November 2023)	01 January 2024	No
IAS 7 and IFRS 7	Changes to IAS 7 and IFRS 7 – Supplier Finance Arrangements	25 May 2023 (15 May 2024)	01 January 2024	No

IAS 1: Changes to IAS 1 – Non-current Liabilities with Covenants
The changes clarify that the classification is only influenced by covenants which a company must fulfil on or before the reporting date. However, a company must disclose information in the notes that enable the users of financial statements to understand the risk that non-current liabilities with covenants which are under review as of the reporting date could become repayable within 12 months.

These changes had no material effect on accounting policies. The additionally required disclosures in the notes are included under section 5.2.2.

The other changes to standards and interpretations listed in the above table ("Changes to IAS 1 – Classification of Liabilities as Current or Non-current", "Changes to IFRS 16 – Lease Liability in a Sale and Leaseback" and "Changes to IAS 7 and IFRS 7 – Supplier Finance Arrangements") have no material effects on the consolidated financial statements.

2.5.2. Standards, interpretations, and amendments to published standards that are not yet mandatory for application in 2024 and have not been applied early

The following changes to standards and interpretations had been adopted by the EU as of the balance sheet date, but did not require mandatory application in the 2024 financial year and were not applied prematurely:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for S IMMO	Expected effects on S IMMO
Changes to standards and interpretations				
IAS 21	Change to IAS 21 – Lack of Exchangeability	15 August 2023 (12 November 2024)	01 January 2025	No

The changes will not have a material effect on S IMMO Group's consolidated financial statements.

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Standard	Content	Published by the IASB (not yet adopted by the EU)	Expected mandatory application for S IMMO	Expected effects on S IMMO
New standards and interpretations				
IFRS 18	Presentation and Disclosure in Financial Statements	09 April 2024	01 January 2027	Yes
IFRS 19	Subsidiaries without Public Accountability: Disclosures	09 May 2024	01 January 2027	No
Changes to standards and interpretations				
IFRS 9 and IFRS 7	Changes to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	30 May 2024	01 January 2026	No
Annual improvements to IFRS – Volume 11	IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	18 July 2024	01 January 2026	No
IFRS 9 and IFRS 7	Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	18 December 2024	01 January 2026	No

IFRS: 18 Presentation and Disclosure in Financial Statements

This is the new standard for presentation and disclosure in financial statements. It replaces IAS 1, whereby updating the income statement represents the focal point.

The most important new concepts introduced by IFRS 18 involve the following points:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to provide the most useful structured summaries for the presentation of expenses in the statement of profit or loss.
- mandatory disclosures as a single explanation in the financial statements for certain profit or loss indicators that are reported outside the company's financial statements (i.e. performance indicators defined by management); and
- expanded principles for aggregation and disaggregation that apply to the primary financial statements and the notes.

With regard to IFRS 18, it is assumed that the application of the new standard will have material effects on the consolidated financial statements, especially concerning the presentation of the statement of profit or loss. The effects on the Group are currently still being evaluated.

The other expected changes to the standards that are presumably applicable to S IMMO Group are currently under evaluation and will be applied as of the mandatory application date. The new and revised standards not yet applied – with the exception of IFRS 18: Presentation and Disclosure in Financial Statements – are not expected to have a material effect on S IMMO Group's consolidated financial statements

2.6. Accounting and valuation policies

There were no changes in accounting and valuation policies in the financial year 2024.

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 an appropriate valuation method 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.

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

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

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

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

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

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	9

2.6.3. Intangible assets

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

The intangible assets of S IMMO are mainly software.

2.6.4. Financial instruments

2.6.4.1. Primary financial instruments

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

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

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

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

This category includes equity instruments that are not held for trading and are not designated at FVOCI. This involves shares in non-consolidated companies.

Financial assets at amortised cost

Financial 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

Most of S IMMO's financial liabilities are measured at amortised cost. Derivatives are measured at fair value, adjusted for CVAs/DVAs.

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S IMMO Group classifies financial instruments into the following categories:

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

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

2.6.4.2. Derivatives for interest rate hedging

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

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

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

S IMMO Group's risk management strategy is to hedge the interest rate risk (i.e. the variability of the base rate) using 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 hedge interest payments from variable-rate loans by entering into corresponding interest rate derivatives.

Hedged risk

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

Hedging instruments

S IMMO Group uses as hedging instruments only those derivatives that, because they move in the opposite direction of the underlying transactions, convert the potential changes in cash flows, in particular from changes in interest rates, into fixed payment streams. The hedging instruments used at the moment are interest rate swaps. As of 31 December 2024, hedge accounting was applied for interest rate swaps with a nominal value of kEUR 570,154 (31 December 2023: kEUR 724,781). 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. No ineffective portions were realised through profit or loss in the 2024 financial year.

The changes in the valuation of cash flow hedges recognised under equity are transferred to the income statement in the period in which the hedged underlying transaction affects profit or loss or when the requirements for recognition as a cash flow hedge are no longer met. In the financial year 2024, derivative valuation effects including deferred tax of kEUR -6,236 (2023: kEUR -1,736) 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 hedged item, the goals of its risk management and the underlying hedging strategy. The effectiveness of the hedge was assessed using a priori tests. If a critical-terms match exists, no significant ineffectiveness is expected from the hedging relationship.

2.6.5. Impairment of assets

2.6.5.1. Non-financial assets

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

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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 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 2024, the fair values determined by external valuation reports of the hotels are significantly higher than their respective carrying amounts.

If the impairment no longer applies, the impairment loss is reversed through profit or loss, up to the lower of the new recoverable amount or the depreciated original cost of acquisition or construction. The Group had no impairment losses and no reversals of impairment losses in 2024 or the previous year.

2.6.5.2. Financial instruments

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

Under the IFRS 9 impairment model, impairments on debt instruments are recognised on the basis of expected credit losses (expected credit loss model). This rule applies to financial assets measured at amortised cost, 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 are equal to the maximum risk of default.

Trade receivables and other financial assets

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

Trade receivables and other financial assets are derecognised if they are no longer recoverable according to a reasonable assessment. Indicators that recoverability is no longer possible, according to a reasonable assessment, include the debtor's failure to commit to a repayment plan with the Group or failure to make contractual payments for more than 365 days in arrears. Fluctuations in value of equity instruments included in the category FVOCI are recognised in other comprehensive income with no impact on profit or loss.

2.6.6. Other assets

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

2.6.7. Cash and cash equivalents

Cash and cash equivalents comprise cash and sight deposits together with bank deposits with a maturity of up to three months at the time of the original deposit. As of 31 December 2024, a provision of kEUR 9 (31 December 2023: kEUR 34) for bank balances was recorded based on the default probabilities observed in the market.

2.6.8. Taxes

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

In accordance with IAS 12, deferred taxes are recognised on the temporary differences between the book value of an asset or liability in the consolidated financial statements and the relevant book value for tax purposes. Deferred tax liabilities were recognised in full for the real estate assets. Deferred taxes are not recognised in connection with the initial recognition of an asset or liability in a transaction that is not a business combination within the meaning of IFRS 3 and at the time of the transaction affects neither the IFRS result nor the taxable result. This applies in particular to the acquisition of property holding companies, which do not constitute a business combination in the meaning of IFRS 3. Deferred tax assets on loss carryforwards are recognised in consideration of the respective usability in the opinion of the management. Deferred tax assets on loss carryforwards are recognised when sufficient deferred tax liabilities exist and it can be assumed that both deferred property liabilities and deferred tax assets on loss carryforwards will decrease in the future. Deferred tax assets on loss carryforwards are as a general rule recognised up to the amounts of deferred tax liabilities. Beyond that limit, deferred tax assets are recognised on the basis of tax planning with a planning horizon of a maximum of five years. Deferred taxes are calculated using the applicable tax rates at the balance sheet date, or, where changes in tax law have already been adopted, at the rates applicable in future.

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

2.6.9. 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 2024, 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 (EUR 5,000) are recognised as expense in profit or loss. Current leases are leases with a term of twelve months or less. The effects of minor and short-term leases on the Group are described under 5.4. Leases – Group as lessee.

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2.6.10. Revenues

2.6.10.1. 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.

2.6.10.2. Revenues from operating costs

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

2.6.10.3. 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.

2.6.10.4. Income and costs from financial instruments

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

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

Interest is accrued using the effective interest rate method.

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

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 (unadjusted) on active markets for identical assets or liabilities
Level 2:	Valuation parameters other than the quoted prices included in Level 1, which are observable for the asset or liability either directly as prices or indirectly as derived from prices
Level 3:	If inputs for assets or liabilities that are not based on observable market data are significant for the valuation

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31 December 2024 EUR '000	Level 1	Level 2	Level 3	Total
Properties held as financial investments				
Rental properties	0	0	3,111,710	3,111,710
Properties under development and undeveloped land	0	0	19,045	19,045
Group interests	0	0	4,874	4,874
Other financial assets (non-current)				
Derivatives	0	57,665	0	57,665
Other financial assets (current)				
Derivatives	0	1,140	0	1,140
Assets held for sale	0	0	194,586	194,586
Financial liabilities				
Derivatives	0	-1,881	0	-1,881

31 December 2023 EUR '000	Level 1	Level 2	Level 3	Total
Properties held as financial investments				
Rental properties	0	0	3,206,465	3,206,465
Properties under development and undeveloped land	0	0	87,977	87,977
Group interests	0	0	7,075	7,075
Other financial assets (non-current)				
Derivatives	0	87,922	0	87,922
Other financial assets (current)				
Derivatives	0	252	0	252
Assets held for sale	0	0	84,515	84,515
Financial liabilities				
Derivatives	0	-1,115	0	-1,115

2.8. Estimation and assumption uncertainties

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

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

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

The current macroeconomic situation, which is characterised by falling interest rates and a slow decrease in inflation rates, has potential effects on the balance sheet items listed below. This has manifested itself in particular in lower Euribor values and long-term EUR Swap rates for new borrowings and in the valuation of interest rate derivatives. Due to further interest rate cuts expected in the year 2025, the fair value of the interest rate derivatives fell further in the 2024 financial year. This had a significant impact on both the financial result and other comprehensive income. The future development cannot be quantified from today's perspective. This development has also been reflected in the cost and income situation, in particular increased operating cost expenses and operating cost revenues, and subsequently also inflation-related rent increases and thus an improved like-for-like performance of the rents. Price increases can also be observed in the area of construction costs. The developments of the macroeconomic environment are also reflected accordingly in the valuation of properties, as the main valuation parameters are derived on the basis of the market conditions prevailing on the respective reporting date. After the previous year saw significant devaluations due to high interest rates and inflation, the "result from property valuation" (see also note 3.2.6.) has largely stabilised in the current financial year. The future development of discount and capitalisation rates cannot be predicted in this area either. There are currently no signs of significant reductions in space or rents, increased defaults by tenants or specific difficulties in obtaining new credit financing on terms acceptable to S IMMO. These risks are countered by forward-looking portfolio management. S IMMO is not directly affected by the war in Ukraine because the Group has no properties or business relationships in Ukraine. However, the Group is indirectly affected by the impact of the war in Ukraine on the overall economic situation. A quantitative estimate of these indirect effects on the Group is currently not possible.

The assessment of whether or not acquisitions of property holding companies constitute a business combination within the meaning of IFRS 3 may also involve judgement. See more detailed explanations in notes 2.2.1 and 2.2.4.

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, iO Partners). The valuations were prepared in compliance with the International Valuation Standards and the rules of IFRS 13. The values of these properties depend to a significant extent on present estimates of future rental trends and on the interest rates used for discounting purposes.

As of 31 December 2024, investment property has a book value of kEUR 3,130,755 (31 December 2023: kEUR 3,294,442). As of 31 December 2024, properties in the amount of kEUR 194,586 (31 December 2023: kEUR 84,515) were held for sale (including those properties that are part of a disposal group). The properties held for sale are attributable to the Austria, Germany, Czech Republic and Hungary segments.

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2.8.1.1. Valuation methods in connection with investment property

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

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

Under the hardcore and top-slice version, the net income generated by a property – up to the market rent (the hardcore component) – is capitalised at a normal market interest rate as a perpetual yield over the entire term (term of the rental contract plus subsequent rental). The top-slice component (i.e. the net income that exceeds or falls below the market rent) is then discounted at a risk-adjusted market interest rate if necessary. The amount of the risk premium is dependent on the probability of vacancy.

In addition, the discounted cash flow method (DCF method) was used for the valuation of existing properties mainly in Austria and Hungary.

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

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

The external appraiser is responsible for selecting the valuation method. Differences to the above-mentioned procedure are therefore possible.

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

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

Different valuation methods were used in the various asset classes. Key parameters per segment and applied valuation method are shown below.

Depending on the risk evaluation – which is based, in general, on the asset class, the country and current market circumstances and, in particular, on the condition of the building, its location and occupancy rate – different interest rates are applied to the individual properties. The assumptions underlying the valuation, e.g. for market rents, rental default risks, vacancies or maintenance costs, are based on market assessments, on derived data or on the appraisers' experience. Comparable lease agreements and property transactions on the market are regularly monitored, filed and evaluated by the appraisers. These market benchmarks are then transferred to the target properties and estimates for future rents or a potential market price, in the event of a sale, are calculated.

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Along with let properties, the following tables, also include the existing properties classified held for sale, in cases where current appraisals were available as of the balance sheet date.

31 December 2024

Office		Lettable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	2,194	6.69	9.95	4.15	0.00
	max	65,706	26.47	38.94	7.25	67.25
	weighted average	14,631	14.76	15.40	5.38	18.75
	median	8,982	15.19	19.01	5.10	12.76
Hungary	min	519	8.00	5.78	6.75	0.00
	max	38,810	19.77	18.27	8.75	64.85
	weighted average	15,327	15.24	14.19	7.71	18.06
	median	10,517	14.64	13.40	7.50	12.56
Romania	min	10,037	12.39	13.32	7.75	0.00
	max	42,861	19.52	19.35	9.75	16.25
	weighted average	23,349	17.24	17.26	8.30	4.09
	median	19,835	17.17	16.96	8.00	1.11
Czech Republic	min	3,316	13.75	11.62	5.20	0.00
	max	23,564	29.18	28.04	7.40	13.09
	weighted average	14,023	17.78	16.64	6.06	3.94
	median	13,767	16.32	14.95	6.00	2.27
Slovakia	min	9,746	11.29	12.94	7.50	7.28
	max	26,440	13.51	14.13	8.70	23.21
	weighted average	16,734	12.69	13.77	8.27	13.86
	median	14,015	12.11	13.97	8.60	11.08

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Retail		Lettable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	8,724	10.73	10.30	5.35	0.00
	max	14,834	17.30	16.55	5.95	1.75
	weighted average	11,535	14.40	13.73	5.73	1.16
	median	11,047	13.42	12.70	5.90	1.73
Romania	min	80,345	23.35	22.30	9.50	0.53
	max	80,345	23.35	22.30	9.50	0.53
	weighted average	80,345	23.35	22.30	9.50	0.53
	median	80,345	23.35	22.30	9.50	0.53
Czech Republic	min	7,115	7.07	6.91	4.80	0.00
	max	38,529	61.77	63.24	6.80	2.65
	weighted average	18,884	19.65	19.66	6.19	0.79
	median	19,445	18.43	19.03	6.70	0.28
Slovakia	min	12,015	6.91	6.57	7.50	0.00
	max	13,790	7.42	7.05	7.75	0.00
	weighted average	12,902	7.15	6.79	7.63	0.00
	median	12,902	7.17	6.81	7.63	0.00

Other		Lettable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	7,156	0.00	10.02	5.65	0.00
	max	19,631	10.09	22.97	7.05	0.27
	weighted average	12,244	1.97	18.70	6.15	0.09
	median	9,946	0.00	16.53	5.75	0.00
Czech Republic	min	9,212	0.00	17.33	7.00	0.00
	max	9,212	0.00	17.33	7.00	0.00
	weighted average	9,212	0.00	17.33	7.00	0.00
	median	9,212	0.00	17.33	7.00	0.00
Slovakia	min	13,936	0.00	14.42	7.40	0.74
	max	13,936	0.00	14.42	7.40	0.74
	weighted average	13,936	0.00	14.42	7.40	0.74
	median	13,936	0.00	14.42	7.40	0.74

31 December 2023

Office		Lettable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	2,194	6.69	6.22	4.10	0.00
	max	66,259	25.52	38.94	7.15	52.47
	weighted average	12,015	14.44	15.19	5.35	12.20
	median	5,588	14.07	13.26	5.40	3.28
Germany	min	3,578	6.50	5.85	4.40	0.27
	max	18,643	16.05	20.38	6.90	37.87
	weighted average	8,934	11.68	12.21	5.60	12.45
	median	9,269	10.33	10.63	5.50	9.37
Hungary	min	519	8.00	6.79	6.00	0.00
	max	38,923	19.59	20.11	8.75	63.06
	weighted average	14,981	15.21	13.07	7.73	18.91
	median	10,189	14.13	12.48	8.00	16.88
Romania	min	10,037	12.17	13.04	7.75	0.44
	max	42,858	19.22	19.26	9.50	16.03
	weighted average	23,420	17.02	16.97	8.20	4.57
	median	20,014	16.77	16.34	8.00	2.34
Czech Republic	min	3,316	13.21	11.26	5.25	0.00
	max	23,565	21.14	20.41	7.30	16.26
	weighted average	12,446	15.97	14.25	6.17	4.77
	median	11,272	15.40	13.78	6.10	1.86
Slovakia	min	9,738	12.67	10.85	7.25	12.95
	max	26,387	14.03	13.08	8.00	24.13
	weighted average	16,713	13.55	12.26	7.67	17.93
	median	14,015	13.24	11.65	7.75	16.71
Croatia	min	15,633	12.85	12.77	8.75	0.39
	max	26,029	14.53	14.29	8.75	1.37
	weighted average	20,831	13.90	13.73	8.75	0.88
	median	20,831	13.69	13.53	8.75	0.88

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Retail		Lettable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	8,724	10.66	10.23	5.05	0.00
	max	14,834	17.77	22.54	5.80	25.89
	weighted average	11,531	14.47	15.42	5.53	9.30
	median	11,035	13.04	12.37	5.75	2.00
Germany	min	1,782	5.71	4.96	0.06	0.06
	max	14,731	9.82	238.23	0.08	0.96
	weighted average	9,214	8.90	17.84	0.07	0.37
	median	11,131	8.18	7.60	0.07	0.09
Romania	min	81,528	20.87	19.91	9.00	0.40
	max	81,528	20.87	19.91	9.00	0.40
	weighted average	81,528	20.87	19.91	9.00	0.40
	median	81,528	20.87	19.91	9.00	0.40
Czech Republic	min	7,092	16.78	17.72	5.00	2.45
	max	38,513	49.57	50.06	6.70	5.36
	weighted average	22,042	21.36	22.03	6.10	3.58
	median	20,522	18.61	19.31	6.60	2.94
Slovakia	min	12,015	7.77	8.57	8.50	0.00
	max	13,790	7.91	9.38	8.50	3.46
	weighted average	12,903	7.84	8.94	8.50	1.73
	median	12,903	7.84	8.97	8.50	1.73

Other		Lettable area in m²	Market rent per m² and month in EUR	Net actual rent per m² per month in EUR	Capitalisation rate in %	Vacancy rate in %
Austria	min	7,156	0.00	10.02	6.00	0.00
	max	9,946	10.09	16.49	7.00	0.27
	weighted average	8,551	4.22	13.79	6.50	0.13
	median	8,551	5.05	13.25	6.50	0.13
Germany	min	282	0.00	5.18	2.80	0.00
	max	13,586	12.50	18.35	9.30	57.11
	weighted average	1,276	8.31	8.76	4.26	11.32
	median	833	8.50	7.89	4.25	7.89
Czech Republic	min	1,108	0.00	110.78	7.00	0.00
	max	1,108	0.00	110.78	7.00	0.00
	weighted average	1,108	0.00	110.78	7.00	0.00
	median	1,108	0.00	110.78	7.00	0.00
Slovakia	min	14,002	0.00	12.15	6.50	3.63
	max	14,002	0.00	12.15	6.50	3.63
	weighted average	14,002	0.00	12.15	6.50	3.63
	median	14,002	0.00	12.15	6.50	3.63

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

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

31 December 2024

Development projects & undeveloped land		Land in m²	Price per m² in EUR
Germany	min	0	0.00
	max	0	0.00
	weighted average	0	0.00
	median	0	0.00
Hungary	min	3,335	599.70
	max	9,766	1,034.20
	weighted average	6,551	923.59
	median	6,551	816.95
Romania	min	1,508	1,923.08
	max	1,508	1,923.08
	weighted average	1,508	1,923.08
	median	1,508	1,923.08
Slovakia	min	12,066	329.85
	max	12,066	329.85
	weighted average	12,066	329.85
	median	12,066	329.85

31 December 2023

Development projects & undeveloped land		Land in m²	Price per m² in EUR
Germany	min	391	0.59
	max	287,936	414.74
	weighted average	69,966	29.20
	median	42,519	28.12
Hungary	min	3,335	599.70
	max	9,766	1,034.20
	weighted average	6,551	923.59
	median	6,551	816.95
Romania	min	1,508	1,797.08
	max	1,508	1,797.08
	weighted average	1,508	1,797.08
	median	1,508	1,797.08

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

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

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

The fair values determined by the property appraisals are heavily dependent on the input factors underlying the valuation. For example: a change in the assumed rental income from a property or in the capitalisation rate has a direct effect on the fair value of the property and, in turn, on the revaluation results. Therefore, the derived fair values are directly related to the underlying parameters. Even minor changes in the economic or property-specific assumptions used for valuation can have a significant influence on S IMMO's consolidated net income.

The following table shows the change in the fair value of the property assets as of 31 December 2024 depending on the rental income and interest rates:

Change

		Yield		
31 December 2024	in mEUR	(0.25%)	0.00%	0.25%
ERV	(5.00%)	3,291	3,157	3,033
	0.00%	3,456	3,317	3,191
	5.00 %	3,621	3,479	3,350

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

The above data are based on the properties of the existing property portfolio, which were valued by external appraisers using the hardcore and top-slice or DCF method. Rights of use and properties classified as held for sale in accordance with IFRS 5 are excluded. As of 31 December 2024, the property portfolio had a book value of EUR 3,325.3m (excluding owner-operated properties), the book value of S IMMO's property portfolio included in the sensitivity analysis totalled EUR 3,317.5m, or 99.8% of the property portfolio (excluding owner-operated properties) as of 31 December 2024.

The following table shows the change in the fair value of property assets as of 31 December 2024 depending on rental income and interest rates.

Change

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

As of 31 December 2023, the property portfolio had a book value of EUR 3,379.0m (excluding owner-operated properties), the book value of S IMMO's portfolio included in the sensitivity analysis totalled EUR 3,202.1m (excluding owner-operated properties), or 94.8% of the property portfolio as of 31 December 2023. In the previous year, properties for which no valuation reports were available (mainly properties valued due to transactions) were not included.

2.8.1.3. Properties held for sale and discontinued operations

The classification of a disposal group as part of the property valuation may involve judgement. In the absence of a more specific definition of the term "separate major line of business or a geographical area of operations" (IFRS 5), the classification of a discontinued operation may be subject to judgement. Furthermore, the assessment as to whether a disposal within one year is highly probable may also involve a discretionary decision.

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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. As in the previous year, external appraisers prepared valuation reports for owner-operated properties using the discounted cash flow method which were significantly higher than the book value of kEUR 92,857 (31 December 2023: kEUR 98,653). There were no indications of significant impairment as of 31 December 2024. The book value of intangible assets amounted to kEUR 844 (31 December 2023: kEUR 1,194), that of other property, plant and equipment to kEUR 4,079 (31 December 2023: kEUR 4,273).

2.8.3. Financial instruments

In estimating the value of financial instruments (in particular, derivatives) for which no active market exists, alternative valuation methods based on investment mathematics are employed. The parameters on which estimates of fair value are based depend in part on assumptions about the future. The book values of financial instruments are detailed in note 5.1.

2.8.3.1. Valuation of derivatives

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

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

2.8.3.2. Derivatives – sensitivity analysis

The following sensitivity analysis shows the effect of a change in interest rates on the fair values of interest rate derivatives. It is assumed that interest rates will rise or fall by 50 or 100 basis points. The fair values are shown excluding interest accruals and excluding a credit risk premium.

Sensitivity of derivatives in EUR '000	Interest rate		
	31 December 2024	**Δ 50 basis points**	**Δ 100 basis points**
Fair value based on increase in interest rate	56,924	83,359	108,926
Fair value based on decrease in interest rate	56,924	29,597	1,362

Sensitivity of derivatives in EUR '000	Interest rate		
	31 December 2023	**Δ 50 basis points**	**Δ 100 basis points**
Fair value based on increase in interest rate	87,059	115,377	142,704
Fair value based on decrease in interest rate	87,059	57,714	27,366

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 5,475 (31 December 2023: kEUR 7,102) 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 including IFRS 5, the deferred property taxes would change as follows given identical book values for tax purposes:

EUR '000	**10%**	**Output value for deferred tax 2024 (offset)**	**-10%**	**10%**	**Output value for deferred tax 2023 (offset)**	**-10%**
Deferred taxes on properties	213,547	154,593	95,639	206,250	156,402	106,553

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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 2023	2,580,819	86,433
Currency translation	-2,690	0
Additions	1,010,274	1,801
Disposals	-80,954	-20
Reclassification	0	0
Other changes	0	0
Changes in fair value (realised through profit or loss)	-89,445	788
Reclassifications as properties held for sale	-211,539	-1,025
As of 31 December 2023	**3,206,465**	**87,977**
whereof pledged as security	3,013,034	0
As of 01 January 2024	3,206,465	87,977
Currency translation	-1,411	0
Additions	451,202	5,384
Disposals	-201,564	-15,374
Reclassification	-65	65
Other changes	0	0
Changes in fair value (realised through profit or loss)	11,756	-15,473
Reclassifications as properties held for sale	-354,673	-43,534
As of 31 December 2024	**3,111,710**	**19,045**
whereof pledged as security	2,844,710	0

[1] Of which rights of use from leases amounting to kEUR 4,768 (2023: kEUR 4,319)

In 2024, a change in the fair value of the properties held for sale in the amount of kEUR -2,555 (2023: kEUR -23,510) was recognised in the income statement after their reclassification from investment property.

In the 2023 financial year, the disposals also included subsequent reductions in acquisition costs totalling kEUR 4,115 (2023: kEUR 3,746).

In addition to all German properties, the reclassification to properties held for sale related to one Austrian and one Hungarian property.

Additions by operating segments were as follows:

Rented properties

EUR '000	31 December 2024	31 December 2023
Austria	3,042	391,658
Germany	421	682
Hungary	10,327	33,379
Romania	2,739	2,007
Czech Republic	431,673	581,275
Slovakia	2,981	672
Croatia	19	601
	451,202	**1,010,274**

Properties under development and undeveloped land

EUR '000	31 December 2024	31 December 2023
Austria	0	0
Germany	4,874	393
Hungary	430	1,008
Romania	6	50
Slovakia	74	349
Bulgaria	0	1
	5,384	**1,801**

Consisting of:

Rental properties

EUR '000	31 December 2024	31 December 2023
Austria	643,300	714,100
Germany	0	458,000
Hungary	644,050	651,800
Romania	516,568	508,319
Czech Republic	1,157,892	649,846
Slovakia	149,900	149,400
Croatia	0	75,000
	3,111,710	**3,206,465**

The measurement of the fair value of rental properties totalling kEUR 3,111,710 (2023: kEUR 3,206,465) in the financial year 2024 was based on hierarchy Level 3.

Properties under development and undeveloped land

EUR '000	31 December 2024	31 December 2023
Austria	0	0
Germany	0	69,467
Hungary	12,100	12,100
Romania	2,900	2,710
Czech Republic	65	0
Slovakia	3,980	3,700
Bulgaria	0	0
	19,045	**87,977**

The measurement of the fair value of development projects and undeveloped land in the financial year 2024 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 0 result from property purchasing contracts concluded until 31 December 2024 (2023: kEUR 6,080).

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. The capitalisation of borrowing costs in accordance with IAS 23 was immaterial for the financial year 2024, as in the financial year 2023.

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 2023	221,407	9,031	1,154	231,592
Currency translation	0	86	7	93
Additions	491	1,168	645	2,304
Disposals	0	-1,414	-7	-1,421
As of 31 December 2023	**221,898**	**8,871**	**1,799**	**232,568**
As of 01 January 2024	221,898	8,871	1,799	232,568
Currency translation	0	-148	-4	-152
Additions	212	1,535	10	1,757
Disposals	-4	-2,221	-130	-2,355
As of 31 December 2024	**222,106**	**8,037**	**1,675**	**231,818**

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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 2023	115,878	4,028	386	120,292
Currency translation	0	65	1	66
Depreciation and amortisation	7,367	1,618	220	9,205
Disposals	0	-1,113	-2	-1,115
As of 31 December 2023	**123,245**	**4,598**	**605**	**128,448**
Currency translation	0	-122	-3	-125
Depreciation and amortisation	6,004	1,656	272	7,932
Disposals	0	-2,175	-43	-2,218
As of 31 December 2024	**129,249**	**3,957**	**831**	**134,037**
Book value as of 01 January 2023	**105,529**	**5,003**	**768**	**111,300**
Book value as of 31 December 2023	**98,653**	**4,273**	**1,194**	**104,120**
Book value as of 31 December 2024	**92,857**	**4,079**	**844**	**97,780**

3.1.3. Interests in companies measured at equity

The book value of the companies measured at equity came to kEUR 15,596 as of 31 December 2024 (31 December 2023: kEUR 30,623). 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 2024	31 December 2023
Non-current assets	0	50,500
Current assets	25	15,979
Non-current liabilities	0	7,637
Current liabilities	1	475
Net assets	24	58,367
Group interest in net assets	8	15,306

EUR '000	2024	2023
Revenues	3,134	3,027
Net income for the period	2,621	8,020
Group share of the profit for the period	628	1,890

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

Joint ventures

EUR '000	31 December 2024	31 December 2023
Non-current assets	61,413	60,563
Current assets	1,997	3,396
Non-current liabilities	35,948	36,067
Current liabilities	1,482	2,364
Net assets	25,980	25,528
Group interest in net assets	15,588	15,317

EUR '000	2024	2023
Revenues	4,916	5,088
Net income for the period	452	-315
Group share of the profit for the period	271	-189

The joint venture is allocated to the Slovakia segment.

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Companies measured at equity

EUR '000	2024	2023
As of 01 January	30,623	26,545
Current profits	899	1,899
Current losses		-198
Result from companies measured at equity	899	1,701
Increase/decrease of capital reserves	0	153
Additions	0	2,326
Disposals	-11,039	0
Withdrawals/dividends	-4,886	-102
Other	0	0
As of 31 December	**15,597**	**30,623**

On 31 December 2024, the associated company BGM - EB-Grundstücksbeteiligungen GmbH & Co KG was sold at a sale price of kEUR 9,800. The sale price had not yet been paid as of 31 December 2024. The deconsolidation result of kEUR -1,211 is recognised in the result from companies valued at equity. This results in a total result from companies valued at equity of kEUR -312. In the financial year 2024, as in the previous year, there were no proportional losses from companies included at equity that were not recognised. Cumulatively, there were no unrecognised losses from companies included at equity as of the reporting date, as in the previous year.

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

3.1.4. Group interests and other financial assets

The equity investments predominantly comprise an equity investment accounted for at FVOCI and whose fair value is calculated using a multiplier model in the amount of kEUR 4,874 as of 31 December 2024 (31 December 2023: kEUR 7,073). For this equity investment, income of kEUR 425 (2023: kEUR 535) was recognised in profit or loss as a result of a distribution.

Other non-current financial assets also include derivatives in the amount of kEUR 57,665 (31 December 2023: kEUR 87,922).

3.1.5. Inventories

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

3.1.6. Trade receivables and other accounts receivable

Trade receivables include rents receivable from tenants less any necessary impairment. Moreover, no other impairments were included in the other financial assets. 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	2024	2023
As of 01 January	3,366	3,530
Utilisation	-141	-457
Reversal	-185	-408
Increase	786	497
Changes in the scope of consolidation	461	278
Reclassification	0	-75
As of 31 December	**4,287**	**3,366**

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.

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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 2024

EUR '000	Not due	Up to 90 days past due	91–365 days	>365 days	Total
Gross trade receivables					
Austria	2,252	2,352	856	174	5,635
Germany	392	591	319	625	1,927
Hungary	5,473	1,007	69	548	7,097
Romania	4,070	1,163	346	673	6,253
Czech Republic	12,982	343	63	1,132	14,520
Slovakia	280	37	13	108	438
Croatia	0	0	0	0	0
Total	**25,448**	**5,494**	**1,666**	**3,261**	**35,869**
Valuation allowances for trade receivables					
Austria	-84	-2	-327	-145	-557
Germany	-29	0	-150	-511	-690
Hungary	0	0	0	-521	-521
Romania	-293	-142	-139	-661	-1,235
Czech Republic	-35	0	-4	-1,132	-1,171
Slovakia	0	0	-5	-108	-113
Croatia	0	0	0	0	0
Total	**-442**	**-144**	**-625**	**-3,077**	**-4,287**
Net trade receivables					
Austria	2,168	2,351	529	30	5,078
Germany	363	591	169	114	1,237
Hungary	5,473	1,007	69	27	6,576
Romania	3,777	1,021	207	13	5,018
Czech Republic	12,947	343	59	0	13,348
Slovakia	280	37	8	0	325
Croatia	0	0	0	0	0
Total	**25,007**	**5,350**	**1,041**	**184**	**31,582**

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31 December 2023

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

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3.1.6.3. Other current financial assets

EUR '000	31 December 2024	31 December 2023
Property management agent clearing accounts	1,376	2,088
Receivables from disposals of properties and property holding companies	8,255	23,476
Receivables from disposals of associated companies	9,800	0
Deposits	8,495	7,579
Receivables from acquisitions of property holding companies	0	15,339
Derivatives	1,140	252
Other	21,138	18,882
	50,204	**67,616**

3.1.7. Other assets

The other assets of kEUR 19,641 (31 December 2023: kEUR 18,990) consisted mainly of prepaid expenses, tax receivables and prepayments.

3.1.8. Cash and cash equivalents

EUR '000	31 December 2024	31 December 2023
Bank balances	236,360	444,773
Cash in hand	210	296
	236,570	**445,070**

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

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

The disposal group as of 31 December 2024 includes the discontinued Germany segment, in addition to one company each in the Czech Republic, Austria and Hungary. Detailed information on the discontinued operation can be found in note 2.4. The Czech company included was classified as held for sale as of 31 December 2023. The transaction was completed in January 2025 (see note 5.7.).

In the previous year, the disposal group comprised two Czech companies that are attributable to the type of use hotel. The let properties also included individual properties in Austria and Germany.

The properties held for sale are as follows:

Assets held for sale

in EUR '000	31 December 2024	31 December 2023
Rental properties	151,614	84,515
Properties under development and undeveloped land	42,972	0
Other property, plant and equipment	0	44
Intangible assets	0	1
Deferred tax assets	33	0
Trade receivables	149	254
Other financial assets	8,035	1,540
Other assets	815	311
Cash and cash equivalents	4,322	555
	207,939	**87,220**

Liabilities relating to assets held for sale

in EUR '000	31 December 2024	31 December 2023
Other non-current financial liabilities	1	101
Deferred taxes liabilities	10,212	10,293
Other current financial liabilities	14,400	14,686
Income tax liabilities	1,505	344
Trade payables	140	63
Other liabilities	540	449
	26,798	**25,936**

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EUR '000	Austria	Germany	Hungary	Romania	Czech Republic	Croatia	Bulgaria	Total
As of 01 January 2023	0	501,006	0	0	0	0	0	501,006
Reclassification	57,515	91,524	0	0	62,500	0	1,025	212,564
Additions/ property valuations	0	-16,410	0	0	-7,100	0		-23,510
Disposals	-48,215	-556,305	0	0	0	0	-1,025	-605,545
As of 31 December 2023	**9,300**	**19,815**	**0**	**0**	**55,400**	**0**	**0**	**84,515**
Reclassification	15,390	292,935	12,797	412	154	76,520	0	398,208
Additions/ property valuations	0	-36	0	0	-2,254	-265	0	-2,555
Disposals	-15,040	-171,875	0	-412	-22,000	-76,255	0	-285,582
As of 31 December 2024	**9,650**	**140,839**	**12,797**	**0**	**31,300**	**0**	**0**	**194,586**

3.1.10. Equity

The nominal capital of the Group's parent company amounted to kEUR 267,458 (2023: kEUR 267,458) and is fully paid up.

A share buyback programme began on 15 January 2024 and ended on 31 March 2024.

In the 2024 financial year, 50,152 treasury shares were repurchased at a total price of kEUR 746.

In the previous year, a share buyback programme began on 02 October 2023 and ended on 31 December 2023.

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

Therefore, S IMMO AG holds 3,316,689 treasury shares as of 31 December 2024 (31 December 2023: 3,266,537) with a total value of kEUR 49,010 (31 December 2023: kEUR 48,264).

Details of share capital

EUR '000	2024	2023
Total share capital	267,458	267,458
Treasury shares (nominal)	-12,051	-11,869
	255,407	**255,589**

As in the previous year, no shares were cancelled in the financial year 2024.

With the resolution of the Extraordinary General Meeting on 14 October 2024 and the entry of the squeeze-out in the commercial register on 03 December 2024, the squeeze-out and delisting of S IMMO AG have been completed. The last trading day of S IMMO shares on the Prime Market of the Vienna Stock Exchange was 02 December 2024.

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

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

The capital reserves of kEUR 158,347 (31 December 2023: kEUR 158,912) are restricted reserves in the meaning of section 229 (5) Austrian Commercial Code (UGB).

The other reserves of kEUR 1,134,688 (31 December 2023: kEUR 1,216,335) shown in the statement of changes in consolidated equity consist mainly of reversed capital reserves together with accumulated retained earnings. The foreign currency reserve of kEUR -5,322 (31 December 2023: kEUR 6,340) is made up of the currency translation differences in accordance with IAS 21. The hedge accounting reserve of kEUR -10,580 (31 December 2023: kEUR 5,981) comprises the measurement differences on cash flow hedges recognised under equity. The

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equity instruments reserve of kEUR 3,469 (31 December 2023: kEUR 5,231) relates to one stake. The measurement of this stake is based on a Level 3 fair value calculation.

The Management Board proposes that a dividend of kEUR 100,000 be distributed for the 2024 financial year from the net retained profits of kEUR 511,873 reported in the annual financial statements as of 31 December 2024 and that the remaining amount of kEUR 411,973 be carried forward to new account.

Additional information on capital management

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

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

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

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

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

3.1.11. Non-controlling interests

The non-controlling interests amount to kEUR 36,502 (31 December 2023: kEUR 53,453). The change in non-controlling interests of kEUR -16,951 (2023: kEUR -29,587) shown in the consolidated statement of changes in equity is mainly due to changes in the consolidation scope, profit allocations and distributions.

3.1.12. Financial liabilities

Other current and non-current financial liabilities primarily include loan liabilities (kEUR 1,371,306; 2023: kEUR 1,478,452), which are generally secured by mortgages. In addition, bond interest, lease liabilities, security deposits and derivative liabilities are included. As of 31 December 2024, the cost of funding of mortgage-secured bank financing amounted to 4.02% for Germany (31 December 2023: 4.94%), 3.90% for Austria (31 December 2023: 5.09%), and 4.51% for CEE (31 December 2023: 5.26%).

Financial liabilities are as follows:

31 December 2024

EUR '000	01 January 2024	Changes in cash and cash equivalents: New loans/ repayments	Changes in cash and cash equivalents: Changes in the scope of consolidation	Non-cash changes: Changes in fair value	Non-cash changes: Other non-cash changes	31 December 2024
Other non-current financial liabilities[2]	1,333,315	25,433	3,245	0	-11,938	1,349,289
Other current financial liabilities[2]	183,301	-126,261	0	0	7,525	64,565
Subtotal of other non-current and current financial liabilities	1,516,616	-100,828	3,245	0	-6,294[1]	1,415,735
of which recognised as increases and decreases in cash flow from financing activities		-96,266				
of which paid interest recognised in cash flow from financing activities		-7,776				
Derivatives	1,115	0	0	766	0	1,881
Bonds	618,784	-100,000	0	0	170	518,954
of which recognised in cash flow from financing activities		-100,000				
Total	**2,136,515**	**-200,828**	**8,594**	**766**	**-6,124**	**1,934,688**

[1] Of the other non-cash changes, kEUR 13,395 relate to the reclassification of non-current and kEUR 465 to the reclassification of current other financial liabilities to liabilities associated with assets held for sale.

[2] Of the long-term financial liabilities, leasing liabilities amounting to kEUR 5,431 are included, as well as kEUR 564 in the short-term leasing liabilities.

31 December 2023

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

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

3.1.13. Issued bonds

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

ISIN	Total nominal value EUR '000	Book values according to balance sheet	Coupon	Effective interest rate	Maturity	Market values
AT0000A1DBM5	15,890.0	15,885.2	3.25%	3.36%	09 April 2025	99.41
AT0000A285H4	150,000.0	149,824.0	1.875%	1.96%	22 May 2026	96.31
AT0000A2MKW4 (green bond)	25,058.5	24,999.0	1.25%	1.37%	11 January 2027	92.52
AT0000A1DWK5	34,199.0	34,157.0	3.25%	3.31%	21 April 2027	95.92
AT0000A2MKW4 (green bond)	70,449.5	70,266.0	1.75%	1.84%	04 February 2028	89.49
AT0000A35Y85 (green bond)	75,000.0	74,299.0	5.50%	5.80%	12 July 2028	102.62
AT0000A2AEA8	100,000.0	99,960.0	2.00%	2.01%	15 October 2029	87.23
AT0000A1Z9C1	50,000.0	49,864.0	2.875%	2.93%	06 February 2030	90.14
Total	**520,597.0**	**519,254.2**				

In the financial year 2024, a bond with a nominal value of kEUR 100,000 (ISIN AT0000A1Z9D9) was repaid.

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

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3.1.14. Provisions for employee benefits

The employee provisions as of 31 December 2024 include provisions for termination and jubilee benefits (kEUR 496; 31 December 2023: kEUR 486) and provisions for long-service entitlements (kEUR 470; 31 December 2023: kEUR 471). The following parameters were taken as a basis for the actuarial calculation:

	31 December 2024	31 December 2023
Actuarial interest rate	2.90%	2.95% to 3.03%
Expected raise in salaries	2.60%	2.60%
Blanket fluctuation allowance	0.00% to 24.80%	0.00% to 26.00%

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

EUR '000	Termination benefits	Jubilee benefits
Present value of obligation on 01 January 2023	676	435
Current service costs	1	38
Interest expense	15	13
Payments	-220	-49
Remeasurement of benefit obligations – experience adjustments	13	30
Remeasurement of benefit obligations – financial assumptions	1	5
Remeasurement of benefit obligations – demographic assumptions	0	0
Present value of obligation on 31 December 2023	486	471
Provisions for employee benefits as of 31 December 2023	**486**	**471**
Present value of obligation on 01 January 2024	486	471
Current service costs	0	39
Interest expense	15	13
Payments	0	-59
Remeasurement of benefit obligations – experience adjustments	-9	-46
Remeasurement of benefit obligations – financial assumptions	4	1
Remeasurement of benefit obligations – demographic assumptions	0	50
Present value of obligation on 31 December 2024	496	470
Total provisions for employee benefits as of 31 December 2024		**965**

The obligation to recognise a provision for termination benefits is based on labour law. For persons whose employment started before 01 January 2003 in Austria, S IMMO Group is required under the statutory provisions to make a one-off temination 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.

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3.1.15. Other liabilities

Other liabilities mainly consist of deferred income (kEUR 42,981; 2023: kEUR 52,562), advance payments received (kEUR 33,707; 2023: kEUR 3,031), earn-out liabilities (kEUR 7,018; 2023: kEUR 15,310) and limited partnership liabilities (kEUR 4,365; 2023: kEUR 4,291).

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	2024	2023
Current taxes	-16,285	-13,881
Deferred taxes	-19,243	11,455
	-35,528	**-2,426**

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	01–12/2024	01–12/2023
Net income before tax	158,411	57,553
Income tax expense at the standard Austrian income tax rate of 24%	-36,434	-13,813
Effects of differing foreign tax rates	9,300	6,944
One-off effects of sales	0	0
Effect of changes in tax rates	-735	0
Effect of changes in tax rates in tax group CPI Europe AG	-1,840	5,925
Decreases relating to non-taxable income	523	2,005
Increases relating to non-deductible expenses	-6,343	-3,487
Tax expense as disclosed	-35,528	-2,425
Effective tax rate	**22.43%**	**4.21%**

The tax reductions include the first-time recognition of deferred taxes on loss carryforwards in the amount of kEUR 523. The tax increases include changes to deferred taxes on losses carryforwards totalling kEUR 1,171 in the current year.

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

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

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

The tax rate changes relate to the change in the corporate income tax rate in Austria to 24% for the 2023 financial year and to 23% for subsequent financial years as part of the eco-social tax reform 2022. The tax rate in the Czech Republic was increased from 19% to 21% from 01 January 2024 on.

International minimum taxation – Pillar II model

In December 2022, the member states of the European Union approved an EU directive on the implementation of a global minimum tax for multinational enterprise groups and large-scale domestic groups in the Union (EU Directive No. 2022/2523 from 14 December 2022). The directive required implementation by the EU member states into national law by 31 December 2023 with enactment as of 01 January 2024. This directive was implemented into national law by most of the EU member states in 2023 with an effective date of 01 January 2024.

The takeover of CPI Europe AG and S IMMO AG by CPI Property Group S.A. resulted in total revenues that exceed the threshold of EUR 750m. CPI Europe AG and the member companies of CPI Europe AG are therefore subject to the provisions of this EU directive and local minimum tax laws. CPI Property Group S.A. is the ultimate parent company of CPI Europe AG and the CPI Europe member companies.

However, CPI Europe AG is classified as a parent company in part ownership because over 20% of its shares are held by parties outside the Group. CPI Europe AG is therefore subject to the provisions of the Minimum Tax Reform Act on the low-taxed business units under its control and is required to pay a minimum tax in Austria.

All major countries (with the exception of Poland) where CPI Europe operates have enacted national tax regulations for minimum taxation in accordance with the EU directive which took effect at the end of 2022. These countries have implemented the regulations through a national top-up tax that took effect as of 01 January 2024. It is expected that top-up tax will be chargeable to the CPI Europe companies in Hungary (9%), Cyprus (12.5%), Croatia (10%, resp. 18%), Poland (9% or 19%) and Bulgaria (10%) because the applicable nominal tax rates in these countries are currently below 15%. It is also expected that, in the end, a national top-up tax will be introduced in all countries.

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CPI Europe AG can require compensation from the other business units for the minimum tax it pays in line with the regulations defined by company law but no compensatory agreements have been concluded to date.

The country-specific report (CbCR) prepared by CPI Property Group S.A. involved an assessment in the individual jurisdictions based on the jurisdictional blending approach to determine whether and to what extent a top-up tax could result in the individual jurisdictions in 2024 which would have been payable by CPI Europe AG as a parent company in part ownership.

The basis for the analysis of a need for a provision as of 31 December 2024 was formed by the country-specific report for 2023 because it includes the latest calculations for a possible provision. This analysis assumed that the companies in all jurisdictions carried out similar activities at a similar scope in 2024 compared to 2023, against the background of constant economic conditions.
These analyses indicated that no material top-up taxes would be expected in 2024 due to the effective tax rates of over 15% in the individual jurisdictions. Only Hungary and Cyprus could be affected by a possible top-up tax. In Hungary, however, the effective tax burden also exceeds 15% due to the local business (innovation) tax. The analysis for Cyprus did not identify any material top-up taxes. A provision for Hungary and Cyprus is, consequently, not required.

The temporary exception from the accounting requirements for deferred taxes in IAS 12, which was announced by the IASB in May 2023, was applied in 2024. Accordingly, deferred taxes arising from the application of the Minimum Tax Reform Act were not recognised.

3.1.16.2. Deferred tax liabilities

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:

	2024		2023	
EUR '000	Assets	Liabilities	Assets	Liabilities
Properties	0	-144,662	0	-146,824
Financial instruments	2,420	0	0	-3,082
Other items	907	-1,685	496	-1,608
Tax loss carryforwards	5,475	0	7,102	0
Subtotal	8,802	-146,347	7,598	-151,514
Netting	-7,636	7,636	-5,716	5,716
Deferred tax assets (+)/liabilities (-)	**1,166**	**-138,712**	**1,882**	**-145,798**

Of these totals, deferred taxes of kEUR 3,271 (2023: kEUR -3,608) for derivatives were recognised under other comprehensive income. No deferred tax assets have been recognised for tax loss carryforwards totalling kEUR 197,434 (31 December 2023: kEUR 148,960). The increase in unrecognised tax loss carryforwards is mainly due to acquisitions. Most of the tax loss carryforwards are available indefinitely. In CEE, there are some time constraints. Where this is the case, the ability to recognise deferred taxes is determined using projections. Over the next five years, kEUR 45,756 (2023: kEUR 28,923) of the unrecognised loss carryforwards will expire.

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

In accordance with IAS 12.39 Income Taxes, no deferred tax liability was recognised for temporary differences relating to interests in subsidiaries. The difference between the book value for tax purposes and the IFRS equity amounts to kEUR 953,389 (2023: kEUR 1,113,642).

As of the reporting date, there are open one-seventh write-downs from historical tax depreciation of shareholdings in the amount of approximately kEUR 4,837 (2023: kEUR 5,682).

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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 2024.

	Applicable tax rate in 2025	Applicable tax rate in 2024
Austria[1]	20.00%/23.00%	20.00%/23.00%
Germany	15.8%–30.2%	15.8%–30.2%
Hungary	9.00%	9.00%
Romania	16.00%	16.00%
Czech Republic	21.00%	21.00%
Slovakia	21.00%/24.00%	21.00%
Croatia	n/a	18.00%
Bulgaria	n/a	10.00%

[1] The tax rate of S IMMO AG is 20% due to the tax group with CPI Europe AG.

3.2. Income statement

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

Rental income

EUR '000	2024	2023
Commercial excl. hotels	214,344	155,187
Hotel	9,143	7,420
Residential property	132	1,183
Rental income according to the consolidated income statement	**223,619**	**163,791**

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

The rental income and revenues from operating costs result almost entirely from investment properties. IFRS 16.17, in conjunction with IFRS 15.73–90, requires consideration received to be split into the components of the contract. This means that contract components are reclassified within revenue from revenues from operating costs totalling kEUR 7,476 (2023: kEUR 6,687) to rental income. Specifically, this does not affect operating cost allocations that are offset by the direct performance of a service to the tenant, but only costs that are associated with the ownership of the property, specifically current building taxes and insurance.

The revenues from hotel management have increased from kEUR 70,023 in 2023 to kEUR 76,503. Hotel revenues consist largely of room rental income of kEUR 46,306 (2023: kEUR 43,435) and income from the catering sector of kEUR 22,836 (2023: kEUR 20,788). At the gross profit level, a significant improvement was achieved with the result coming to kEUR 20,925 (2023: kEUR 17,279).

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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	2024	2023
Operating costs	-92,449	-69,372
Maintenance expenses	-6,120	-8,607
Depreciation and amortisation and loss allowance	-172	670
Commissions	-2,318	-1,226
Other	-4,184	-6,600
	-105,243	**-85,135**

Expenses of kEUR 2,000 (2023: kEUR 1,026) were attributable to properties not yet generating income. In the course of the improved business performance compared to the previous year, expenses from hotel management also increased (2024: kEUR 55,579; 2023: kEUR 52,744). They mainly include expenses for food, beverages, catering supplies, hotel rooms, licences and management fees, maintenance, operating costs, commissions, personnel expenses and advertising.

3.2.3. Result on property disposals

EUR '000	2024	2023
Income from property disposals		
Properties held as financial investments	42,064	44,000
Properties held for sale	113,694	49,240
	155,758	**93,240**
Book value of property disposals		
Properties held as financial investments	-42,064	-44,000
Properties held for sale	-113,694	-49,240
	-155,758	**-93,240**
Gains on property disposals		
Properties held as financial investments	0	0
Properties held for sale	0	0
	0	**0**

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

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

The proceeds from sales from share deals total kEUR 98,247 (2023: kEUR 27,525) and kEUR 57,510 (2023: kEUR 65,715 from asset deals.

3.2.4. Management expenses

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

EUR '000	2024	2023
Staff costs	-13,292	-11,973
Legal, audit, consulting and estimated costs	-6,352	-4,603
Servicing fees and administration costs	-14,699	-1,084
Corporate communications and investor relations	-534	-911
Other taxes and duties	-1,484	-2,646
Other	-8,112	-5,212
	-44,474	**-26,430**

The increase in service charges and administrative expenses compared to the previous year is due, on the one hand, to the expansion of the portfolio as a result of acquisitions made in the current financial year and, on the other hand, to the adjustment of the range of services and additional IT services required as a result of changes to the IT landscape.

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Fees for the Group's auditor for 2024 totalled kEUR 493 (2023: kEUR 337). This amount is divided into the following fields of activity:

EUR '000	2024	2023
Audit of the consolidated financial statements	404	291
Other audit-related services	11	11
Tax consultation services	0	14
Other services	89	21
	493	**337**

The Group employed an annual average of 91.1 people (2023: 100) on a headcount basis, excluding Management Board and dormant employees or 37 people (2023: 83) excluding employees from discontinued operations. Including employees for hotel operations and excluding the Management Board and dormant employees, the average number of employees for the year was 778.1 (2023: 611) or 722 people (2023: 548) excluding employees from discontinued operations.

On a headcount basis in the discontinued operation the number of employees averaged 56.6 (2023: 62.8) over the year excluding the Management Board, dormant employees 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.

Defined contribution plans

As required by law, S IMMO Group pays 1.53% of the relevant monthly salaries into an employees' termination pay and pension fund for all employees who joined the Group in Austria after 31 December 2002. Personnel expenses included contributions of kEUR 98 (2023: kEUR 130) paid into the fund. For other defined contribution plans, kEUR 163 (2023: kEUR 194) 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	2024	2023
Owner-operated properties	-5,275	-7,084
Other plant and equipment	-2,262	-1,739
Intangible assets	-319	-232
	-7,856	**-9,055**

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	2024	2023
Changes in fair value		
Increases	123,664	122,232
Reductions	-58,484	-113,117
	65,180	**9,115**

Of the revaluation, kEUR 41,914 (2023: kEUR 74,331) results from purchase price adjustments in the course of acquiring property holding companies (see also note 2.2.4.), the remainder is mainly due to revaluations of sold properties to the agreed selling price and to revaluations due to increases in current and turnover-based rents.

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Revaluation of property assets by segment and asset class

Total in kEUR	2024 Gain on valuation	Loss on valuation	Total
Austria	8,077	-23,409	-15,332
Czech Republic	87,830	-8,284	79,546
Slovakia	1,060	-3,299	-2,239
Hungary	17,459	-21,736	-4,277
Romania	8,002	-1,755	6,247
Croatia	1,236	0	1,236
Total	**123,664**	**-58,484**	**65,180**

Total in kEUR	2024 Gain on valuation	Loss on valuation	Total
Office	81,211	-46,539	34,672
Retail	40,116	-4,761	35,355
Others	2,337	-7,183	-4,846
Total	**123,664**	**-58,484**	**65,180**

Revaluation of property assets by segment and asset class

Total in kEUR	2023 Gain on valuation	Loss on valuation	Total
Austria	11,022	-38,661	-27,638
Czech Republic	72,074	-2,671	69,403
Slovakia	3,758	-9,979	-6,221
Hungary	5,271	-22,635	-17,364
Romania	23,601	-33,388	-9,786
Bulgaria	624	0	624
Croatia	5,881	-5,783	99
Total	122,232	-113,116	9,116

Total in kEUR	2023 Gain on valuation	Loss on valuation	Total
Office	52,402	-95,427	-43,025
Retail	66,205	-6,359	59,846
Others	3,625	-11,330	-7,705
Total	122,232	-113,116	9,116

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The valuation result includes income of kEUR 954 (2023: kEUR 2,825) for investment costs contractually assumed by the seller (see also section 2.2.4 consolidation scope) after the acquisition date.

3.2.7. Financing result

EUR '000	2024	2023
Bank interest expense (incl. derivatives accounted for)	-43,161	-26,100
Effects arising from hedge accounting and the measurement of interest derivatives through profit or loss	-17,822	-27,863
Result from foreign exchange differences	-9,953	-7,121
Bond interest	-14,172	-13,628
Other financing and interest expenses	-6,249	-3,135
Financing expenses	-91,357	-77,847
Bank interest revenue	7,187	6,285
Effects arising from hedge accounting and the measurement of interest derivatives through profit or loss	0	0
Income from financial investments	425	535
Other financing and interest income	372	1,787
Financing income	7,984	8,607
Results from companies measured at equity	-312	1,701
	-83,685	**-67,539**

The financial result deteriorated compared to the previous year to kEUR -83,685 (2023: kEUR -67,539), primarily due to higher bank interest expenses.

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.

		2024	2023
Consolidated net income attributable to shareholders in the parent company	kEUR	59,609	-32,195
of which attributable to continuing operations	kEUR	122,882	55,128
of which attributable to discontinued operations	kEUR	-63,273	-87,323
Average number of shares in issue	number	70,296,461	70,496,077
Basic earnings=diluted earnings	EUR	0.85	-0.46
of which attributable to continuing operations	EUR	1.75	0.78
of which attributable to discontinued operations	EUR	-0.90	-1.24

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.

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

The operating segment Austria includes all of the Group's Austrian subsidiaries, apart from those with property in Germany. In the Germany segment, the continued and discontinued operations will continue to be presented together, in line with internal reporting to management.

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

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

Each segment is operationally independent of the other, since each must take the local market and business environment into account. The Group's entire board of directors have been nominated as the chief operating decision makers with responsibility for segment operations. They are responsible for the allocation of resources to the individual segments and for reviewing their performance. Quarterly management reports are prepared for each operating segment and submitted to the Management Board.

In preparing and presenting the segment information, the same accounting and valuation policies are applied as for the consolidated financial statements. The book value of the interests in companies that are recognised according to the equity method breaks down to kEUR 8 for the segment of Austria (31 December 2023: kEUR 15,306), and kEUR 15,588 (31 December 2023: kEUR 15,317) for the segment of Slovakia.

	Austria		Germany		Hungary		Romania	
EUR '000	2024	2023	2024	2023	2024	2023	2024	2023
Rental income	41,111	30,640	20,401	38,855	50,921	50,267	51,656	49,375
Revenues from operating costs	12,619	7,955	5,765	10,052	21,260	21,849	14,137	14,111
Revenues from hotel operations	39,752	36,366	0	0	36,751	33,657	0	0
Total revenues	93,482	74,961	26,166	48,907	108,933	105,773	65,793	63,486
Other operating income	5,937	1,077	1,145	2,423	619	304	474	39
Property operating expenses	-22,102	-22,221	-14,621	-23,540	-26,635	-31,300	-21,377	-20,087
Hotel operating expenses	-29,129	-26,852	0	0	-26,450	-25,892	0	0
Gross profit	48,188	26,964	12,690	27,790	56,467	48,885	44,891	43,438
Result from property disposals	0	0	0	0	0	0	0	0
Management expenses	-27,517	-19,846	-11,125	-10,203	-3,899	-3,106	-1,334	-1,223
EBITDA	20,671	7,118	1,564	17,587	52,567	45,779	43,557	42,214
Depreciation and amortisation	-3,556	-4,520	-118	-150	-3,361	-3,544	-440	-478
Results from property valuation	-15,332	-27,638	-70,498	-118,458	-4,277	-17,364	6,247	-9,786
EBIT	**1,783**	**-25,041**	**-69,052**	**-101,021**	**44,929**	**24,871**	**49,364**	**31,950**
Non-current assets as of 31 December	680,265	794,267	329	537,914	718,050	731,522	537,572	533,564
Non-current liabilities as of 31 December	848,402	934,972	2,412	171,392	296,697	312,775	176,141	180,106

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.

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Czech Republic		Slovakia		Croatia		Bulgaria		Total	
2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
65,715	14,315	11,163	11,278	3,053	7,913	0	2	244,020	202,646
26,809	2,555	4,151	4,219	1,920	3,052	0	0	86,661	63,792
0	0	0	0	0	0	0	0	76,503	70,023
92,523	16,870	15,314	15,497	4,974	10,965	0	2	407,185	336,461
1,820	138	198	189	2	39	0	0	10,193	4,210
-27,426	-2,212	-6,145	-5,931	-1,559	-3,383	0	0	-119,864	-108,675
0	0	0	0	0	0	0	0	-55,579	-52,744
66,918	14,797	9,366	9,755	3,416	7,621	0	2	241,935	179,252
0	0	0	0	-0	0	0	0	0	0
-10,944	-1,328	-499	-426	-270	-479	0	-7	-55,588	-36,618
55,974	13,469	8,868	9,329	3,146	7,143	0	-5	186,347	142,634
-14	-11	-483	-482	-2	-20	0	0	-7,974	-9,205
79,545	69,402	-2,239	-6,221	1,236	99	0	624	-5,318	-109,343
135,505	**82,860**	**6,146**	**2,626**	**4,380**	**7,221**	**0**	**619**	**173,055**	**24,086**
1,200,968	683,575	170,652	170,252	0	75,006	0	0	3,307,836	3,526,100
600,314	331,324	72,239	36,143	0	49,807	0	0	1,996,204	2,016,519

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5. Other information

5.1. Financial instruments

5.1.1. Categories

S IMMO Group classifies its financial instruments as follows:

31 December 2024

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		4,872	2				4,874
Other financial assets	26,020	0	31,644[2]	0			57,665
Current assets							
Trade receivables				31,582			31,582
Other financial assets	65		1,075[2]	49,064			50,204
Cash and cash equivalents				236,570			236,570
Assets held for sale			0[2]	12,477			12,477
Total assets	**26,085**	**4,872**	**41,543**	**329,693**	**0**	**0**	**393,371**
Equity and liabilities							
Non-current liabilities							
Issued bonds					503,369		503,369
Other financial liabilities	1,775				1,349,290	105[2]	1,351,170
thereof lease liabilities					5,431		
Current liabilities							
Issued bonds					15,885		15,885
Other financial liabilities[1]					64,565		64,565
thereof lease liabilities					564		
Trade payables					34,539		34,539
Liabilities relating to assets held for sale					14,541		14,541
Total equity and liabilities	**1,775**	**0**	**0**	**0**	**1,982,189**	**105**	**1,984,069**

[1] Including bond interest accrued
[2] Derivatives not in hedge accounting

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31 December 2023

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

[1] Including bond interest accrued
[2] Derivatives not in hedge accounting

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 488,555 as of 31 December 2024 (31 December 2023: kEUR 549,265). As of 31 December 2024, the fair values of the other financial liabilities amounted to kEUR 1,392,729 (31 December 2023: kEUR 1,479,036).

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

EUR '000	2024 Current financial result	2024 Valuation effects	2023 Current financial result	2023 Valuation effects
Interest and other derivatives	30,927	-17,822	10,800	-27,863
Income from equity instruments FVOCI	425	0	535	0
Other financial assets FVPL	0	0	0	0
Financial assets at amortised cost	7,559	-172[1]	8,072	670[1]
Financial liabilities at amortised cost	-94,549	0	-53,662	0

[1] Recognised within the expense from property management

5.1.2. Derivatives

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

Interest derivatives were disclosed under other non-current financial assets (31 December 2024: kEUR 57,665; 31 December 2023: kEUR 87,922), under other current financial assets (31 December 2024: kEUR 1,140; 31 December 2023: EUR 252), under assets held for sale (31 December 2024: kEUR 0; 31 December 2023: kEUR 0) and under other non-current financial liabilities (31 December 2024: kEUR 1,880; 31 December 2023: kEUR 1,115). The table below shows the maturity structure of all derivatives used by the Group.

EUR '000	31 December 2024 Nominal	Positive fair value	Negative fair value	Maturity	31 December 2023 Nominal	Positive fair value	Negative fair value	Maturity
Swaps	118,633	1,140	0	< 1 year	10,000	217	0	< 1 year
	948,650	35,733	-1,426	1–5 years	848,619	51,435	-748	1–5 years
	396,557	21,922	-454	> 5 years	503,861	36,363	-367	> 5 years
Caps	0	0	0	< 1 year	10,000	35	0	< 1 year
	9,931	10	0	1–5 years	9,931	124	0	1–5 years
	0	0	0	> 5 years	0	0	0	> 5 years
Total	**1,473,770**	**58,805**	**-1,881**		**1,382,411**	**88,174**	**-1,115**	

In the 2024 financial year, interest rate derivatives without a hedging relationship with a positive fair value of kEUR 9,349 and interest rate derivatives with a hedging relationship of kEUR 0 were added (see also note 2.2.4.). In addition, interest rate derivatives without a hedging relationship with a positive fair value in the amount of kEUR 252 and interest rate derivatives with a hedging relationship in the amount of kEUR 9,292 were derecognised. Measurement changes totalling kEUR -30,860 (2023: kEUR -58,999) were recognised, of which kEUR -12,663 (2023: kEUR -33,271) excluding deferred taxes and deferred taxes for derivatives in the amount of kEUR 1,561 (2023: kEUR 3,182) in other comprehensive income. A total of kEUR 11,102 (2023: kEUR -30,089) was therefore recognised in other comprehensive income for measurement effects (excl. rollouts) from derivatives. In addition, derivative measurement effects including deferred taxes in the amount of kEUR -6,236 (2023: kEUR -1,736) were reclassified from equity to the income statement.

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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.

The current and non-current financial liabilities include fixed-rate loans in the amount of kEUR 2,010 (31 December 2023: kEUR 75,146). The variable-rate loans are based on the three-month EURIBOR with quarterly interest rate adjustments. In the 2014, 2015, 2018, 2019, 2021, 2022 and 2023 financial years, the company issued fixed-rate bonds. More details can be found in section 3.1.13.

The variable-rate loans are hedged using interest rate derivatives such as caps and swaps.

The cost of funding (based on variable and fixed interest financial liabilities including interest rate derivatives) as of 31 December 2024 is 2.67% (31 December 2023: 2.44%).

The sensitivity analysis below shows the impact of the variable market interest rate on the interest expense incurred in connection with financial liabilities, taking interest rate derivatives due into consideration. Interest expense is analysed in terms of how earnings before income taxes would have developed in the 2024 financial year assuming market interest rates were 50 and 100 basis points higher or lower on average. The analysis assumes that all other parameters remain constant. Changes in the valuation of interest rate derivatives as a result of changes in market interest rates were not taken into account.

Sensitivity of interest expenses in EUR '000	Interest rate		
	31 December 2024	Δ 50 basis points	Δ 100 basis points
Interest expense based on increase in interest rate	51,016	50,650	50,285
Interest expense based on decrease in interest rate	51,016	51,382	51,747

Sensitivity of interest expenses in EUR '000	Interest rate		
	31 December 2023	Δ 50 basis points	Δ 100 basis points
Interest expense based on increase in interest rate	51,568	51,631	51,693
Interest expense based on decrease in interest rate	51,568	51,505	51,443

As the majority of S IMMO Group's variable-interest financial liabilities are hedged by interest rate derivatives, the risk of a higher interest expense due to changes in interest rates is considered to be low.

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 fair values of the individual properties.

Loans primarily pertain to collateralised property financing entered into by the respective property company as the borrower. Property financing in the amount of EUR 1,359.89m includes customary market obligations (financial covenants) to ensure compliance with certain financial performance indicators by the property companies. In the event that individual financial performance indicators are not upheld and the borrower simultaneously fails to uphold the contractually defined and assured cure options, the banks are entitled to call in the respective loan early. The financial covenants are determined on the basis of the

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outstanding residual debt and compliance is monitored on an ongoing basis. Financial performance indicators are determined on the basis of the outstanding balance due. Compliance with them is monitored on an ongoing basis. The thresholds for the financial performance indicators are presented in the table below:

in %	Limit value	Actual value	Limit value remaining debt weighted	Actual value remaining debt weighted
Debt service coverage ratio min	100–275	140–570	125	197
Level of debt max (loan to value)	50–80	19–62	57	46

Beyond this, there were no specific indications as of the reporting date of any circumstances that could lead to non-compliance with the financial covenants within the next 12 months.

There was a covenant breach in the previous year, which is why a loan liability of kEUR 6,652 was reclassified from non-current other financial liabilities to current other financial liabilities.

In 2024, the loan to value ratio for secured financing amounted to 41.9% (2023: 44.0%) and for unsecured financing to 8.1% (2023: 5.0%). To keep lender risks to a minimum, S IMMO Group works with a total of 13 different, well-known European financial institutions.

The intention to sell properties or disposal groups comprising properties may give rise to the early repayment of financial liabilities (e.g. due to change-of-control clauses). The amendments to IAS 1 regarding the classification of long-term versus short-term liabilities have clarified that management's intention regarding early repayment alone does not trigger reclassification to short-term liabilities. The same applies to circumstances that occurred after the balance sheet date but during the period in which the balance sheet was being prepared. A reclassification to current liabilities is therefore only carried out if the sales contract that triggers the change-of-control clause was signed before 31 December and only the closing is still outstanding. If the financial liability belongs to a disposal group, it is recognised under ‘liabilities held for sale’, otherwise, it is reclassified as a current financial liability. Any related prepayment penalties constitute changes in estimates in relation to the cash flows from the financial liabilities and lead to an adjustment of the book value through profit or loss. If the sales contract was only signed after 31 December, the disclosure remains long-term as of the reporting date. Financial liabilities with a book value of kEUR 13,200 as of 31 December 2024 (31 December 2023: kEUR 0) are therefore reported as long-term, but an early repayment is expected.

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Maturity analysis of financial liabilities

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

31 December 2024

EUR '000	Issued bonds	Other financial liabilities[1]	Trade payables
Remaining maturity less than 1 year	29,439	128,278	34,539
Remaining maturity between 1 and 5 years	490,192	1,315,782	0
Remaining maturity over 5 years	51,438	263,221	0

[1] Thereof leases less than 1 year: kEUR 574, between 1 and 5 years: kEUR 2,024, more than 5 years: kEUR 8,460

31 December 2023

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

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

5.2.3. Borrower risks

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

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

5.2.4. Climate risks

The real estate sector is responsible for around one-third of global energy consumption and greenhouse gas emissions. Efforts to reduce this share on the basis of new regulations are correspondingly extensive. S IMMO has developed a comprehensive climate plan for 2024 that defines the gradual reduction of greenhouse gas emissions and the goal of net-zero emissions by 2050. The plan is based on the 1.5-degree target of the Paris Agreement and the provisions of the European Green Deal, which sets out the EU's legal framework for a sustainable transformation. In addition, the company will increasingly focus on measures to increase energy efficiency in the coming years. The energy efficiency of buildings – together with energy generation – is also of central importance in the context of the EU taxonomy. For this reason, S IMMO has consistently pursued the installation of photovoltaic systems and thermal improvements to buildings, which will continue in the coming years. This important contribution to decarbonisation is one of the integral components of S IMMO's ESG strategy.

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In the area of climate risks, climate models show a stronger temperature increase in S IMMO's core markets. At the same time, the probability of longer dry periods is increasing. Both developments are taken into account in the context of building renovations and are included in the project development considerations. In addition, risks have been identified in connection with long-term weather changes, with a focus on the availability of water resources and water supply in Romania. Models predict an increase in extreme weather events in the area of natural hazards, with flooding in particular being considered one of the greatest risks. Acute and classified as extreme hazards primarily affect areas near rivers. In the Czech Republic and in Slovakia there is an increased risk from heavy precipitation. The risk is mitigated by structural measures. In addition, all of S IMMO's properties are insured against natural hazards. The properties S IMMO uses itself are not exposed to high overall climate risk, which is why there are no indications of a possible impairment in value or a need to adjust the useful lives.

S IMMO sees opportunities particularly in the area of the energy transition. The focus here is on the conversion from fossil fuels to renewable energy sources and the diversification of energy sources. The aim is to reduce CO_2 emissions by educating and working with tenants. In addition, measures are being taken in the areas of water, climate and biodiversity, supported by investments in innovative and sustainable building technologies.

In line with the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and in accordance with the requirements of the EU taxonomy, climate risk analyses were carried out for all properties in 2023 and 2024.

Sustainability and environmental aspects are also an integral part of the valuation approach for property valuation, both for investment properties and for owner-operated properties. Sustainability is understood to mean the consideration of aspects such as the environment and climate change, health and well-being, and corporate responsibility that affect or may affect the valuation of a property. In a valuation context, sustainability encompasses a wide range of physical, social, environmental and economic factors that can affect value.

These range from key environmental risks such as flooding, energy efficiency and climate to issues of design, fixtures and fittings, accessibility, legislation, administration and tax considerations, and current and historical land use. Sustainability affects the value of a property, even if this is not explicitly reflected in the valuation report.

The impact of sustainability on valuation reflects the valuers' understanding of how market participants incorporate sustainability aspects into their offers and what impact this has on market valuations. Sustainability criteria or ESG ratings are increasingly influencing the value of real estate assets, particularly on the basis of achievable rents and capitalisation rates that reflect the risks of the investment. The valuation experts monitor these factors closely in the market and reflect them in their valuations.

Some of the valuation experts also conduct their own research and analysis to identify and understand market trends and to obtain comparative data on rents and prices in the respective market segment, which are also the most important input factors for valuations in the context of sustainability and environmental aspects. Based on this ongoing observation of the behaviour of market participants by the valuation experts and the ESG-specific information on the individual properties, the valuation experts have adjusted their estimates of market rent levels, vacancy periods and capitalisation rates accordingly.

An increased willingness to price in premiums for 'green' buildings is already apparent on both the tenants' and investors' sides. Although these premiums are currently still relatively low, it is expected that this effect will intensify significantly in the coming years, as 'brown' buildings will experience higher discounts on rents and prices.

Depending on how they develop, climate risks can not only change the market interest rates or rents used in valuations, but also lead to a situation in which future green financing, such as green bonds, is no longer available or only available at less favourable conditions.

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

No climate risks have been identified to date that would require the recognition of provisions or the disclosure of contingent liabilities. Furthermore, the greenhouse gas emission reduction targets and energy consumption reduction targets set by S IMMO as part of the group-wide ESG strategy do not currently have any specific accounting implications.

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In this context, it should be mentioned that ESG measures and investments can certainly have a positive influence on sustainable rents and possibly lower operating costs and non-recoverable costs. In the short term, this effect rarely impacts the value of the respective property to this extent. However, such investments counteract future rent reductions and prevent a property from becoming a 'stranded asset' due to a poor ESG rating and a decline in demand in an increasingly sensitive market.

Climate risks therefore do not have a material impact on S IMMO's consolidated financial statements at present.

5.3. Rental agreements

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

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

EUR '000	2024	2023
In the following year	191,456	190,268
For the next 4 years	448,236	438,888
Over 5 years	185,782	185,599
	825,475	**814,754**

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 2023	1,227	84	76	1,387
Additions	46	10	0	56
Disposals	0	0	0	0
Depreciation and amortisation	-139	-53	-45	-237
Book value as of 31 December 2023	**1,134**	**41**	**31**	**1,206**
As of 01 January 2024	1,134	41	31	1,206
Additions	90	37.2	0	127
Disposals	0	0	0	0
Depreciation and amortisation	-153	-55.8	-17.8	-227
Book value as of 31 December 2024	**1,071**	**22**	**13**	**1,107**

[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"

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The following items were recognised in the income statement:

EUR '000	2024	2023
Interest expenses for lease liabilities	343	317
Expenses for short-term leases	45	36
Expenses for short-term leases for an asset of low value	0	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.

The subsidiaries of S IMMO AG, S IMMO Germany GmbH and SIAG Deutschland Beteiligungs GmbH & Co. KG have sold all their shares in SIAG Berlin Wohnimmobilien GmbH. The share purchase agreement was completed on 31 March 2023. Against the closing date and the final purchase price calculation the buyer filed an objection, whereupon due to the buyer's objections on 10 October 2023 the seller companies initiated the arbitration proceedings provided for in the share purchase agreement. The arbitration proceedings are currently still ongoing and the outcome of these proceedings cannot be currently predicted with sufficient certainty, however we consider the objections of the purchaser as unfounded and we are not aware of any material circumstances which would prevent the fulfilment of our receivables from the share. As of 31 December 2024, there is a purchase price receivable in the amount of kEUR 6,757.

S IMMO AG and its affiliated company PCC-Hotelerrichtungs- und Betriebsgesellschaft m.b.H. & Co. KG hold land register shares in the property EZ 1753, KG 01004, in which condominium ownership is established. On 08 November 2023, the condominium owner of the property's car park filed an application with the district court against all other condominium owners to carry out maintenance work pursuant to section 30(1) item 1 WEG in conjunction with section 52(1) item 3 WEG. In the application the condominium owner of the car park requests that the district court decide on maintenance measures for parts of the property located in the garage. The proceedings before the district court have not yet been concluded, and the rules of procedure for the taking of evidence have been postponed to Q2 2025. Beyond the proceedings before the district court, contact and discussions have taken place between the parties out of court, but these have not yet resulted in the proceedings before the district court being terminated. It is therefore not yet possible to assess the outcome of the dispute.

5.6. Related party disclosures

For S IMMO Group, related parties are as follows:

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

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

S IMMO Group's managing bodies are as follows:

S IMMO AG Management Board

- Radka Doehring (since 17 June 2023)
- Pavel Měchura (since 11 December 2024)
- Vít Urbanec (since 11 December 2024)
- Tomáš Salajka (until 10 December 2024)
- DI Herwig Teufelsdorfer, MRICS (until 02 February 2024)

S IMMO AG Supervisory Board

- Martin Matula (since 29 January 2024) (chairman)
- Vladislav Jirka (since 29 January 2024) (first deputy chairman since 29 January 2024)
- Matej Csenky (since 29 January 2024) (second deputy chairman since 29 January 2024)
- Andreas Feuerstein, employee representative
- Karin Rest (until 15 January 2024) (chairwoman until 15 January 2024)
- Martin Nemeček (until 29 January 2024) (first deputy chairman until 29 January 2024)
- Ulrich Steffen Ritter (until 29 January 2024) (second deputy chairman until 29 January 2024)
- John Verpeleti (until 29 January 2024)
- Elisabeth Wagerer, employee representative (until 02 February 2024)
- Vít Urbanec (until 10 December 2024)

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The remuneration of the Management Board breaks down as follows:

EUR '000	2024	2023
Fixed	490	830
Variable	3,004	2,319
thereof disbursement in the current financial year	660	1,429
thereof accrual severance payment	1,994	0
thereof accrual premium 2024/2023	350	890
	3,494	**3,149**

In addition to the amounts specified above, other benefits consisted primarily of contributions to pension funds in the amount of kEUR 59 (2023: kEUR 44) and contributions to the staff benefit fund in the amount of kEUR 17 (2023: kEUR 23).

In 2024, members of the Supervisory Board received remuneration amounting to kEUR 180 (2023: kEUR 179). 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 2024, there were receivables from or liabilities to associated companies, CPI Europe AG (formerly IMMOFINANZ AG) and CPI Property Group S.A., which are related parties of the S IMMO Group.

At the extraordinary general meeting on 30 January 2025, the renaming of IMMOFINANZ AG to CPI Europe AG was resolved. The new company name was entered in the commercial register on 11 March 2025.

In the 2024 financial year, a dividend of kEUR 125,715 was distributed to CPI Europe AG and kEUR 14,869 to GENA NEUN Beteiligungsverwaltung GmbH.

No dividends were distributed to CPI Property Group S.A. or CPI Europe AG in the 2023 financial year.

In the years 2023 and 2024, property companies were purchased from both CPI Property Group S.A. and CPI Europe AG (see chapter 2.2.4.).

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

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

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

The transactions with CPI Property Group S.A. and CPI Europe AG are shown in the following table.

Transactions with CPI Property Group S.A. and CPI Europe AG

in EUR '000	31 December 2024	31 December 2023
Receivables	19,372	19,979
Liabilities	10,952	38,112
Other income	15,474	6,942
Other expenses	-25,204	-12,114
Interest expense	-3,479	-703

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As of 31 December 2024, receivables from CPI Property Group S.A. amounted to kEUR 11,875 (31 December 2023: kEUR 12,318) and liabilities to CPI Property Group S.A. amounted to kEUR 10,785 (31 December 2023: kEUR 37,026). Receivables of kEUR 7,497 (31 December 2023: kEUR 7,661), which primarily represent a receivable from the recharging of contractually assumed maintenance costs after the acquisition date and subsequent reductions in acquisition costs, were due from CPI Europe. Furthermore there were liabilities in the amount of kEUR 167 (31 December 2023: kEUR 1,086).

In the income statement, business relations with CPI Property Group S.A. generated a total income of kEUR 4,784 (2023: kEUR 2,314), which primarily comprises rental and operating cost income, as well as expenses for operating costs and management fees of kEUR 24,256 (2023: kEUR 2,314). Income from business relationships with the CPI Europe was recognised in the amount of kEUR 10,690 (2023: kEUR 4,628), which primarily includes rental and operating cost income, as well as expenses for operating costs and fees for service level agreements in the amount of kEUR 4,427 (2023: kEUR 3,568).

Income taxes include an expense of kEUR 9,100 (2023: TEUR 9,605) from the tax allocation of S IMMO AG to CPI Europe AG. The corresponding liability is included in the item current income tax liabilities.

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

In principle, S IMMO Group grants loans to associated companies recognised according to the equity method. As of 31 December 2024, there were no longer receivables resulting from these loans (31 December 2023: kEUR 0). In 2024, there was no interest income from loans (2023: kEUR 0). In the 2024 financial year, investment income of kEUR 190 from associated companies was recognised in profit or loss. There were no further transactions in connection with associated companies or joint ventures that are recognised according to the equity method.

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

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5.7. Significant events after the balance sheet date

The two Austrian properties Lerchenfelder Gürtel, with a book value as of 31 December 2024 of kEUR 9,650 and Franz-Jonas-Platz, with a book value as of 31 December 2024 of kEUR 28,400, were sold in January 2025.

On 08 January 2025, the closing for the sale of REGA Property Invest s.r.o. in the Czech Republic with a property book value of kEUR 31,300 as of 31 December 2024 was completed. The sale of the Maros Business Center in Hungary, which had a property book value of kEUR 12,797 as of 31 December 2024, was closed on 16 January 2025.

In the Germany segment, which is classified as a discontinued operation, a total of 23 properties with a book value of kEUR 58,637 were sold in the period from January to March 2025.

Vienna, 25 March 2025

The Management Board

Radka Doehring Pavel Měchura Vít Urbanec

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Further information

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 including the non-financial statement gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

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

Vienna, 25 March 2025

The Management Board

Radka Doehring Pavel Měchura Vít Urbanec

Auditor’s Report

S IMMO AG, Vienna | Dezember 31, 2024

TRANSLATION

AUDITOR’S REPORT *)

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of

S IMMO AG, Vienna,

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of December 31, 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2024 and its financial performance for the year then ended in accordance with the International Financial Reportings Standards (IFRS) as adopted by EU, and the additional requirements under Section 245a Austrian Company Code UGB.

Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISA). Our responsibilities under those regulations and standards are further described in the "Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor’s report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The following are the key audit matters that we identified:

Titel	**Valuation of Investment Property**
Risk	S IMMO AG reports investment properties in the amount of EUR 3,131 mio in its consolidated financial statements as of December 31, 2024. Moreover, the consolidated financial statements as of December 31, 2024 report a positive result from property valuation amounting to EUR 65.2 mio. Investment properties are measured based on valuation reports from external, independent valuation experts according to IAS 40 in connection with IFRS 13 at fair value. The valuation of investment properties is subject to material assumptions and estimates. The material risk for every individual property exists when determining these assumptions and estimates such as the discount/capitalization rate and rental income. A minor change in these assumptions and estimates can have a material impact on the valuation of investment properties. The respective disclosures relating to accounting policies and significant judgements, assumptions and estimates are shown in Section “2.6.1.“, “2.8.1.“ and “3.1.1.“, each “Investment property“ as well as “3.2.6. Results from property valuations” in the consolidated financial statements.

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Consideration in the audit

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures with involvement of our internal property valuation experts:

- Assessment of concept and design of the underlying property valuation process
- Assessment of design and effectiveness of relevant key controls in the underlying process based on a sample
- Assessment of the competence, capability and objectivity of the external valuation experts engaged by management
- For selected property valuation reports for rented properties: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions and estimates (eg. rental income, discount/capitalization rate, vacancy rate) by means of comparison with market data as well as comparison whether the fair values as per property valuation reports are withing our own developed range of fair values
- For selected property valuation reports for properties under development and undeveloped land: Assessment of the applied methods, assessment of the reasonableness of the underlying assumptions and estimates (eg. ground reference value, status of development) by means of comparison with market data as well as comparison whether the fair values as per property valuation reports are withing our own developed range of fair values
- Check of certain inputdata as included in the valuation reports with data in the accounting system or underlying agreements
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

Titel

Accounting for and valuation of acquisitions of real estate entities from related parties

Risk

In the financial year 2024, S IMMO AG acquired real estate entities from CPI Property Group. CPI Property Group is a related party in the meaning of IAS 24.

The purchase prices of the acquired real estate entities are based on property values determined by external valuation experts. To evaluate whether the applied purchase prices are at arm's length, S IMMO AG engaged additional independent external experts.

Recognition and measurement of these acquisitions require the application of complex accounting rules, in particular the assessment of whether the transaction constitutes the acquisition of a business under IFRS 3 or is to be recognized as an acquisition of assets. The real estate values on which the purchase prices are based, are subject to material assumptions and estimates.

There is a risk that acquisitions are not accounted for according to the applicable accounting rules. In addition, the property values determined on which the purchase prices are based could be derived from inappropriate valuation assumptions and therefore lead to purchase prices that are not at arm's length.

The respective disclosures relating to accounting policies and significant judgements, assumptions and estimates are shown in Section "2.2.4. Consolidation scope" and "5.6. Related parties disclosures" in the consolidated financial statements.

Consideration in the audit

To address this risk, we have critically assessed the assumptions and estimates made by management and the external valuation experts and performed, among others, the following audit procedures:

- Analysis of the relevant contracts and documents to gain an understanding of the framework and conditions and assessment whether the transactions were recorded in accordance with the applicable accounting rules.
- Assessment of the competence, capability and objectivity of the external experts engaged by management for these transaction
- Analysis and assessment of the external experts' assessment whether the purchase prices are at arm' length
- Critical assessment of the change in property values between acquisition date and date of the consolidated financial statements
- Assessment of the adequacy and completeness of the disclosures made in the consolidated financial statements by the management

Titel

Discontinued Operation – Segment Germany

Risiko

In the second quarter of 2024, the decision was made to gradually withdraw from the German market. The withdrawal takes place through both individual and portfolio sales. Since the Germany segment is a significant geographical business area and the number and scope of transactions (asset deals and share deals) are significant, this matter was considered as a key audit matter.

The respective disclosures are shown in Section "2.4. Discontinued Operation – Segment Germany" in the consolidated financial statements.

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Consideration in the audit

To address this risk, we have performed, among others, the following audit procedures:

- Review of the contractual basis for the sales (real estate purchase agreements and share sales) and check the correct cutoff based on clauses in the contracts
- Checking the correct recognition of the proceeds from the sale and the book value disposal (in the case of asset deals) or checking the correct final consolidation (in the case of share deals) and obtaining evidence of incoming payments
- Assessment of whether the criteria under IFRS 5 for the presentation of a discontinued operation are met
- Audit the correct presentation of the assets, liabilities, expenses and income allocated to the discontinued operations, including the valuation of the same
- Examination of the adequacy of the disclosures in the notes

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report and the annual financial report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU, and the additional requirements under Section 245a Austrian Company Code UGB for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion

.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations.

Regarding the consolidated non-financial statement contained in the group management report, it is our responsibility to examine whether it has been prepared, to read it and to evaluate whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements, comprising accurate disclosures pursuant to Section 243a UGB (Austrian Company Code), and is consistent with the consolidated financial statements.

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Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional information in accordance with article 10 EU regulation

We were elected as auditor by the ordinary general meeting at May 3, 2024. We were appointed by the Supervisory Board on January 9, 2025. We are auditors since the financial year 2023.

We confirm that the audit opinion in the Section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Austrian Certified Public Accountant

The engagement partner is Alexander Wlasto, Certified Public Accountant.

Vienna, March 25, 2025

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

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

*) This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the consolidated financial statements together with our auditor's opinion is only allowed if the consolidated financial statements and the management report for the Group are identical with the German audited version. This audit opinion is only applicable to the German and complete consolidated financial statements with the management report for the Group. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

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Portfolio overview[1]

	Acquisition date	Type of use	Gross leasable area in m² (excl. parking space)	Main lettable area in m²
Austria				
1010 Vienna, Getreidemarkt 2-4 (Akademiehof)	2007	Office	5,588	5,310
1010 Vienna, Neutorgasse 4-8 (Neutor 1010)	2010	Office	5,234	5,079
1010 Vienna, Parkring 12a	2003	Office	2,579	1,823
1030 Vienna, Franzosengraben 12	1990	Office	4,762	3,771
1031 Vienna, Ghegastraße 1	2005	Office	19,051	19,051
1060 Vienna, Mariahilfer Straße 103	2004	Office	8,982	7,844
1100 Vienna, Clemens-Holzmeister-Straße 4	2023	Office	22,138	19,273
1100 Vienna, Clemens-Holzmeister-Straße 6	2023	Office	17,721	16,309
1100 Vienna, Hertha-Firnberg-Straße 6	2023	Office	2,194	1,675
1100 Vienna, Wienerbergstraße 11 (Twin Towers)	2023	Office	65,706	61,407
1100 Vienna, Wienerbergstraße 3-5 (Urban Garden)	2023	Office	20,101	16,544
1100 Vienna, Wienerbergstraße 7	2023	Hotel	9,946	9,946
1100 Vienna, Wienerbergstraße 9	2023	Office	9,022	6,932
1120 Vienna, Meidlinger Hauptstraße 73 (Arcade Meidling)	2002	Retail	14,834	13,689
1150 Vienna, Sechshauser Straße 31-33	2006	Residential	7,156	7,048
1160 Vienna, Lerchenfelder Gürtel 43 (IP.TWO)	2000	Office	4,224	4,204
1210 Vienna, Brünner Straße 72a	2005	Retail	8,724	8,724
1210 Vienna, Franz-Jonas-Platz 2-3	2007	Retail	11,047	10,140
Total Austria			239,010	218,768
Germany				
Berlin			20,501	20,322
Erfurt			17,429	15,462
Halle (Saale)			15,524	15,523
Kiel			1,460	1,460
Leipizig			4,604	4,592
Magedeburg			15,190	14,949
Total Germany			74,708	72,307
Hungary				
1016 Budapest, Hegyalja út 7-13. (Buda Center)	2005	Office	6,182	5,952
1037 Budapest, Szépvölgyi út 35-37. (Szépvölgyi Business Park)	2022	Office	10,185	9,878
1051 Budapest, Bajcsy-Zsilinszky út 12. (City Center)	2001	Office	9,210	8,880
1061 Budapest, Andrássy út 9. (Andrássy Palace)	2023	Office	9,338	8,782
1065 Budapest, Nagymező utca 44. (Pódium)	2006	Office	5,851	5,739
1077 Budapest, Késthly Anna tér 1. (Greenpoint 7)	2022	Office	15,402	14,699
1087 Budapest, Hungária körút 40-44. (Arena Corner)	2022	Office	29,711	29,160
1095 Budapest, Soroksári út 30-34. (Haller Gardens)	2022	Office	33,895	32,337
1117 Budapest, Garda utca 2. (BudaPart Gate)	2021	Office	20,155	19,562
1122 Budapest, Maros utca 19-21. (Maros Business Center)	2004	Office	6,889	6,463
1134 Budapest, Váci út 35. (River Estates)	2001	Office	21,365	20,235
1134 Budapest, Váci út 45. (Átrium Park)	2022	Office	38,810	36,495
1138 Budapest, Dunavirág utca 2-6. (Gateway Office Park)	2022	Office	36,179	34,554
1138 Budapest, Váci út 182. (Blue Cube)	2001	Office	10,849	10,306
1139 Budapest, Pap Károly utca 4-6. (Thirteen Xenter)	2022	Office	8,243	7,812
1139 Budapest, Teve utca 1a-c. (Thirteen Globe)	2022	Office	17,310	14,646
1139 Budapest, Váci út 99. (Balance Building 4)	2022	Office	519	250
1139 Budapest, Váci út 99. (Balance Building 6)	2022	Office	920	460
1139 Budapest, Váci út 99. (Balance Hall)	2022	Office	16,145	15,633
1139 Budapest, Váci út 99. (Balance Loft)	2022	Office	6,787	6,219
1139 Budapest, Váci út 99. (Balance Tower)	2022	Office	9,483	9,449
Total Hungary			313,427	297,511

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Office in m²	Retail in m²	Residential in m²	Hotel in m²	Other in m²	Vacant main lettable area in %	Book value in EUR m	Rental yield in %
5,310	0	0	0	278	50.1		
5,079	0	0	0	155	0.0		
1,130	693	0	0	756	20.1		
3,771	0	0	0	992	0.0		
17,905	1,146	0	0	0	0.0		
5,649	1,463	732	0	1,138	23.4		
19,273	0	0	0	2,865	0.0		
16,309	0	0	0	1,413	0.0		
718	957	0	0	518	0.0		
49,050	12,357	0	0	4,299	8.5		
13,447	3,097	0	0	3,557	12.4		
2,158	0	0	7,788	0	0.0		
6,711	220	0	0	2,090	0.0		
5,975	7,714	0	0	1,146	0.0		
1,861	0	5,187	0	108	0.0		
3,837	367	0	0	20	0.0		
0	8,724	0	0	0	0.0		
2,237	7,903	0	0	907	1.9		
160,420	**44,642**	**5,919**	**7,788**	**20,241**	**5.6**	**653.0**	**5.7**
269	291	19,762	0	179	12.2		
9,127	487	5,848	0	1,967	7.5		
220	14,597	706	0	1	1.7		
201	661	598	0	0	66.5		
552	611	3,429	0	12	30.1		
244	1,466	13,239	0	241	33.2		
10,613	**18,113**	**43,582**	**0**	**2,400**	**15.5**	**97.9**	**5.3**
4,773	1,179	0	0	230	19.5		
9,447	431	0	0	307	65.8		
7,896	984	0	0	330	20.8		
8,124	658	0	0	555	12.5		
5,370	369	0	0	112	11.6		
14,256	443	0	0	703	0.5		
26,525	2,636	0	0	551	31.6		
29,850	2,488	0	0	1,558	21.1		
18,163	1,399	0	0	593	3.7		
5,341	1,123	0	0	426	0		
17,397	2,838	0	0	1,130	34.1		
32,922	3,573	0	0	2,315	1.8		
31,504	3,050	0	0	1,625	7.9		
9,492	814	0	0	543	14.1		
7,647	166	0	0	430	63.6		
13,946	700	0	0	2,664	2.9		
206	44	0	0	270	17.5		
460	0	0	0	460	0		
13,993	1,640	0	0	513	0.1		
4,582	1,638	0	0	568	36.8		
9,449	0	0	0	33	3.1		
271,341	**26,170**	**0**	**0**	**15,916**	**16.1**	**656.8**	**7.2**

	Acquisition date	Type of use	Gross leasable area in m² (excl. parking space)	Main lettable area in m²
Romania				
010082 Bucharest, Calea Victoriei 37B (basement)	2006	Retail	2,128	2,128
010082 Bucharest, Calea Victoriei 37B (Novotel Bucharest City Centre)	2006	Hotel	13,798	13,798
010735 Bucharest, Calea Griviței 82-98 (The Mark)	2019	Office	26,039	25,390
012095 Bucharest, Strada Aviator Popişteanu 54A (EXPO Business Park)	2022	Office	42,861	41,447
040055 Bucharest, Calea Văcăreşti 391 (Sun Offices)	2010	Office	10,037	9,639
040055 Bucharest, Calea Văcăreşti 391 (Sun Plaza)	2010	Retail	80,760	76,828
061102 Bucharest, Bulevardul Iuliu Maniu 6N (Campus 6.2)	2021	Office	19,835	19,835
061102 Bucharest, Bulevardul Iuliu Maniu 6P (Campus 6.3)	2021	Office	17,736	17,590
Total Romania			**213,194**	**206,654**
Czech Republic				
11000 Prague, Na Poříčí 24 (Palác Archa)	2024	Office	22,099	19,919
11000 Prague, Purkyňova 3 (Quadrio, offices)	2024	Office	17,139	15,385
11000 Prague, Purkyňova 3 (Quadrio, retail)	2024	Retail	7,272	6,959
11000 Prague, Václavské náměstí 41 (Ramada Pragueue City Centre)	2002	Hotel	8,768	8,768
13000 Prague, Lucemburská 46 (Courtyard by Marriott Pragueue City)	2023	Hotel	7,000	7,000
13000 Prague, Přemyslovská 43 (Luxembourg Plaza)	2023	Office	23,361	21,846
14000 Prague, 5. května 22 (MAYHOUSE)	2023	Office	8,076	7,842
15000 Prague, Bozděchova 2 (Zlatý Anděl, Offices)	2023	Office	13,737	13,663
15000 Prague, Bozděchova 2 (Zlatý Anděl, Retail)	2023	Retail	7,115	6,953
15500 Prague, Siemensova 1 (City West B3)	2024	Office	10,432	10,099
15500 Prague, Siemensova 2 (City West B2)	2024	Office	18,428	17,478
16000 Prague, Milady Horákové 116 (Hradčanská Office Center)	2023	Office	11,879	10,801
17000 Prague, Bubenská 1	2023	Office	22,241	20,483
18000 Prague, Na Žertvách 29 (Palmovka Business Centre)	2023	Office	4,501	4,236
18600 Prague, Sokolovská 94A (Meteor Centre A)	2023	Office	3,316	3,199
18600 Prague, Sokolovská 94B (Meteor Centre B)	2023	Office	10,428	10,000
18600 Prague, Thámova 32 (Meteor Centre C)	2023	Office	5,562	5,533
28002 Kolín, Rorejcova 906 (Futurum Kolín)	2024	Retail	10,304	10,277
29301 Mladá Boleslav, Jičínská 1350 (Olympia Mladá Boleslav)	2023	Retail	20,535	20,399
37011 České Budějovice, České Vrbné 2380	2024	Retail	19,445	19,445
41501 Teplice, Srbická 464 (Olympia Teplice)	2024	Retail	28,987	28,987
50009 Hradec Králové, Brněnská 23A (Futurum Hradec Králové)	2023	Retail	38,529	38,152
61500 Brno, Lazaretní 9 (ZET.office)	2023	Office	19,847	19,481
Total Czech Republic			**339,001**	**326,907**
Slovakia				
811 06 Bratislava, Vysoká 2A (AC Hotel Bratislava Old Town)	2008	Hotel	14,002	13,877
821 04 Bratislava, Galvániho 7 (Galvaniho Business Center I)	2004	Office	9,749	8,626
821 04 Bratislava, Galvániho 7B (Galvaniho Business Center II)	2006	Office	14,015	12,945
821 04 Bratislava, Galvániho 17 (Galvaniho Business Center IV)	2010	Office	26,439	24,582
911 01 Trenčín, Ku Štvrtiam 7029-7030 (Trenčín Retail Park)	2000	Retail	12,015	12,015
971 01 Prievidza, Nedožerská cesta 17A-C (Prievidza Retail Park)	2000	Retail	13,790	13,790
Total Slovakia			**90,011**	**85,836**
Total values (without development projects, land bank and own operations)			**1,269,351**	**1,207,984**

			Total area in m²
Development projects			
CEE		Office	23,340
Total development projects			**23,340**
Land bank			
Germany		Land plot	2,804,809
CEE		Land plot	30,064
Total land bank			**2,834,873**

[1] The portfolio overview includes all properties held in fully consolidated companies. The owner-operated hotels (Vienna Marriott and Budapest Marriott) with a gross leasable area of 47,277 m² are not included in the portfolio overview. The shares in the investment property Einsteinova Business Center (Bratislava) are held at equity and therefore do not appear in the portfolio overview.

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Office in m²	Retail in m²	Residential in m²	Hotel in m²	Other in m²	Vacant main lettable area in %	Book value in EUR m	Rental yield in %
0	2,128	0	0	0	100.0		
0	0	0	13,798	0	0.0		
24,478	912	0	0	650	0.0		
37,382	4,065	0	0	1,414	2.4		
9,639	0	0	0	398	11.1		
0	76,828	0	0	3,932	0.1		
19,428	407	0	0	0	0.0		
17,019	571	0	0	146	0.0		
107,946	**84,911**	**0**	**13,798**	**6,540**	**2.1**	**535.1**	**9.1**
14,886	5,033	0	0	2,180	5.5		
15,385	0	0	0	1,754	0.0		
0	6,959	0	0	313	1.0		
0	4,046	0	4,722	0	0.0		
0	0	0	7,000	0	0.0		
20,642	1,204	0	0	1,515	0.0		
7,412	430	0	0	234	6.0		
13,663	0	0	0	74	0.0		
0	6,953	0	0	161	0.0		
10,099	0	0	0	333	0.0		
15,588	1,890	0	0	950	13.8		
9,814	987	0	0	1,078	7.7		
18,096	2,387	0	0	1,759	7.4		
3,728	508	0	0	265	0.0		
2,598	601	0	0	117	0.0		
10,000	0	0	0	427	4.2		
4,439	521	573	0	29	0.0		
157	10,120	0	0	27	0.0		
815	19,585	0	0	135	2.6		
511	18,934	0	0	0	0.0		
288	28,699	0	0	0	0.4		
582	37,570	0	0	378	0.2		
18,686	795	0	0	366	9.5		
167,390	**147,222**	**573**	**11,722**	**12,094**	**2.9**	**1.189.3**	**6.2**
1,110	2,207	0	10,560	125	4.8		
7,324	1,303	0	0	1,123	31.9		
11,503	1,442	0	0	1,070	11.6		
21,871	2,711	0	0	1,857	14.1		
0	12,015	0	0	0	0.0		
0	13,790	0	0	0	4.2		
41,807	**33,468**	**0**	**10,560**	**4,175**	**10.4**	**149.9**	**7.5**
759,517	**354,526**	**50,073**	**43,868**	**61,367**	**7.8**	**3.281.9**	**6.8**
						17.0	
						45.0	

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Financial calendar 2025

25 March 2025	Annual results for 2024
27 May 2025	Results for the first quarter of 2025
27 August 2025	Results for the first half-year of 2025
26 November 2025	Results for the first three quarters of 2025

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