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**Statement
of the Management Board and the Supervisory Board
of S IMMO AG
on the resolution proposal of CPI PROPERTY GROUP S.A.
and preparation of a resolution proposal
regarding voting recommendations (Section 108 (1) AktG)**

Preliminary remarks

On 14 April 2022, the shareholder CPI Property Group S.A. ("CPIPG") submitted a request to convene an Extraordinary General Meeting of S IMMO AG ("S IMMO" or the "Company") pursuant to section 105 (3) of the Austrian Stock Corporation Act (AktG) with the agenda item "Amendment of section 13 of the Articles of Association". CPIPG justified its request to convene the meeting by stating that, in its opinion, the maximum voting right provided for in section 13 (3) of the Articles of Association of the Company was contrary to a positive performance of the Company and thus contrary to the interests of all shareholders. The aim of the Annual General Meeting would be to abolish the maximum voting right without replacement and to amend the Articles of Association of the Company accordingly. At the same time, CPIPG publicly announced that, after the abolition of the maximum voting right, it would make a mandatory offer to the shareholders of S IMMO at a minimum price of EUR 22.00 per share cum dividend.

Subsequently, an agreement was reached between CPIPG and the Company on May 2, 2022, under which CPIPG agreed to increase the offer price to EUR 23.50 cum dividend per share. In return, the Management Board of the Company agreed to support the abolition of the maximum voting right in Section 13 (3) of the Articles of Association of the Company in order to enable CPIPG to make a mandatory offer to the shareholders of the Company. With the price of EUR 23.50 cum dividend per share increased by EUR 1.50 per share, the shareholders of S IMMO are, in the opinion of the management, granted a fair exit opportunity.

Both the abolition of the maximum voting rights and the mandatory offer announced by CPIPG are subject to the condition precedent of antitrust clearance of the takeover sought by CPIPG in several jurisdictions. The shareholders

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of S IMMO are to vote on the cancellation of the maximum voting right in an ordinary shareholders' meeting to be held, earlier than originally planned, on 1 June 2022; the registration of the amendment to the Articles of Association (cancellation of the maximum voting right) and the registration of the amendment to the Articles of Association will only take place after the antitrust clearance of the takeover by CIPiPG.

In order to avoid holding two Annual General Meetings within a very short period of time, the Management Board of the Company agreed to bring forward the Annual General Meeting originally scheduled for 10.6.2022 to 1.6.2022 and to vote on the agenda item requested by CIPiPG at the beginning of the Annual General Meeting. Accordingly, on May 3, 2022, CIPiPG amended its proposed resolution of April 14, 2022, which will also be disclosed to the shareholders pursuant to Sec. 108 (3-5) AktG, and withdrew its request to convene an extraordinary shareholders' meeting.

Joint statement by the Board of Management and the Supervisory Board

The issue of abolishing the maximum voting rights in § 13 (3) of the Company's Articles of Association has arisen several times in recent years. In the run-up to the Extraordinary General Meeting in June 2021, the management opposed the abolition of the maximum voting right mainly on the grounds that this was not justified without a takeover offer that was satisfactory from the point of view of the shareholders. This reason, which was still relevant regarding the removal of the maximum voting rights in 2021, has now ceased to apply. The Executive Board and Supervisory Board of the Company state the following in this respect:

As a result of the agreement reached with CIPiPG, by which CIPiPG has undertaken to increase the offer price by EUR 1.50 to EUR 23.50 cum dividend per share of the Company, the Executive Board and the Supervisory Board of the Company have come to the conclusion that the shareholders are thus granted a mandatory offer with a fair offer price and an exit option. However, CIPiPG's obligation under takeover law to make a public offer is conditional on the shareholders removing the maximum voting rights at the Annual General Meeting and the transaction being approved by competition authorities. Only then will CIPiPG acquire control within the meaning of Sections 22 et seq. of the Austrian Takeover Act, which will oblige it to make the offer.

This gives the shareholders of S IMMO the following options for action: If they reject a mandatory offer by CIPiPG, they can vote against the cancellation of the maximum voting rights at the Annual General Meeting. In this case, CIPiPG does not have to make a mandatory offer or otherwise grant S IMMO shareholders an exit option. If the maximum voting right is cancelled, CIPiPG will make the announced mandatory offer to the shareholders of S IMMO at the minimum price of EUR 23.50 with the approval of the antitrust authorities. At the same time, the shareholders

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will be given the opportunity to decide whether they want to exit the company at the offer price after the cancellation of the maximum voting rights or whether they want to remain in the company. Depending on the investment objectives of shareholders, it may well make sense for them to sell their shares to CPIPG in the context of a public offer and thus exercise their exit right.

The fact that the Management Board and the Supervisory Board consider an offer price of EUR 23.50 cum dividend per share of the Company to be fair is also related to the macroeconomic environment, which has changed significantly since December 31, 2021: For example, there are considerable risks due to the increase in interest rates since January and the Ukraine conflict, which have already been clearly reflected in the valuation of real estate companies on the stock markets, so that in the opinion of the Management Board there is a risk of further significant price declines. The change in the shareholder structure must also be taken into account in this context. Against this background, in the opinion of the Company's management, the creation of an exit opportunity for shareholders at a price of EUR 23.50 cum dividend at the price of relinquishing the maximum voting rights is justified.

As part of the takeover procedure, the Executive Board and Supervisory Board will separately comment on the mandatory offer already published at that time in accordance with § 14 ÜbG.

Recommendation of the administration

The Management Board and the Supervisory Board of the Company recommend to vote in favor of the repeal of Section 13 para 3 of the Articles of Association of the Company as proposed by CPI on 14.4.2022 as amended on 3.5.2022.

Vienna, May 2022

Management Board and Supervisory Board of S IMMO AG

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