

# Dear Shareholders,



Martin Matula

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

## Composition of the Supervisory Board

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

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

### As of 31 December 2023

#### Capital market representatives

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

#### Employee representatives

- Andreas Feuerstein
- Elisabeth Wagerer

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

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

### Capital market representatives

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

### Employee representatives

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

Brief CVs, committee memberships and committee functions of the individual members of the Supervisory Board can be found in the section “Overview of the management bodies” starting on page 17 in this report.

### Activities of the Supervisory Board

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

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

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

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

The division of the Management Board’s responsibilities is described in the section “Overview of the management bodies” on page 16.

### Committees of the Supervisory Board

The Supervisory Board is assisted in the performance of its duties by committees. As of 31 December 2023, there were three committees: the Audit Committee, the Committee for Management Board Matters and the ESG Committee. Information on the duties, the number of meetings and the composition of the individual committees can be found on page 21 in the corporate governance report.

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

## 2023 annual and consolidated financial statements

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

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

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

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

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

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

Vienna, March 2024

The Supervisory Board



Martin Matula, Chairman