

Statement by the Management Board

of

Flughafen Wien Aktiengesellschaft

on the

**Voluntary Public Partial Offer in accordance with sections 4 et seq.
of the Austrian Takeover Act**

of

**Airports Group Europe S.à r.l.
(the “Bidder”)**

CONTENTS

- 1 Background 4
 - 1.1 About the target..... 4
 - 1.2 About the bidder 5
 - 1.2.1 Direct and indirect shareholders..... 5
 - 1.2.2 About IFM Investors 6
 - 1.2.3 Parties acting in concert 7
 - 1.2.4 Shareholding of the Bidder in the Target 7
 - 1.3 Offer/Statement by the Target 8
 - 1.4 Syndication contract..... 9
- 2 Financial Performance of the Target 11
 - 2.1 Key figures 11
 - 2.2 Analysis of the carrying amount of equity 13
 - 2.3 Analysis of risks and opportunities..... 13
 - 2.4 Development of airport investments 24
- 3 Content of the Offer..... 26
 - 3.1 Object of purchase 26
 - 3.2 Offer price..... 27
 - 3.2.1 Condition precedent 27
 - 3.3 Fairness of the Offer Price 28
 - 3.3.1 Relationship of the Offer Price to the historic share price..... 28
 - 3.3.2 Analyst reports/third-party valuation..... 30
 - 3.3.3 Adjustment of guidance for the 2022 financial year 31
 - 3.4 Offer acceptance period and settlement..... 31

3.5	Sell-out period	31
3.6	Announcements and publication of the result.....	32
3.7	Equal treatment.....	32
3.8	Oversubscription of the offer.....	33
4	Assessment of the Offer from the Bidder's Perspective and Presentation of Stakeholders' Interests.....	34
4.1	Business objectives and intentions of the Bidder	34
4.1.1	Reasons for the offer	34
4.1.2	Future business policy.....	34
4.1.3	Regulatory framework and listing.....	35
4.2	Presentation of the interests of stakeholders	36
4.2.1	Impact on Flughafen Wien AG	36
4.2.2	Impact on shareholders and listing.....	36
4.2.3	Impact on the employment situation and location issues	37
4.2.4	Impact on creditors and the public interest	37
5	Assessment of the Offer by the Management Board	38
5.1	Arguments against accepting the offer	39
5.1.1	From the shareholder's perspective	39
5.1.2	From the perspective of IVA.....	40
5.1.3	From the Management Board's perspective	41
5.2	Arguments for accepting the offer.....	41
5.2.1	From the shareholder's perspective	41
5.2.2	From the Management Board's perspective	42
6	Other Information	43

1 Background

1.1 About the target

Flughafen Wien Aktiengesellschaft (hereinafter “Flughafen Wien AG”, “FWAG”, the “Flughafen-Wien Group” or the “Target”) is a stock corporation under Austrian law with its registered office in Schwechat and the business address 1300 Wien Flughafen, Postfach 1, registered with the Commercial Register of the Regional Court of Korneuburg under FN 42984m. Its share capital amounts to € 152,670,000 and is divided into 84,000,000 ordinary bearer shares. In addition to the Vienna Stock Exchange, the shares of Flughafen Wien are listed on the over-the-counter market in Berlin, Munich, Stuttgart, Frankfurt and Düsseldorf. The shares are also traded in London. In addition, an American Depository Receipts (ADR) programme has been established in the United States. One share of Flughafen Wien AG is equal to four ADRs.

Flughafen Wien AG is the general operator of Vienna-Schwechat Airport. As a key hub between east and west, Vienna-Schwechat is one of the leading airports in Europe. In the current financial year, flights to up to 190 destinations in 63 countries are offered from Vienna Airport. This is already just slightly less than the 2019 level before the coronavirus pandemic, when 77 airlines offered flights to 217 destinations in 68 countries. Its catchment area within two hours’ travel time comprises not only Austria, but also parts of Czechia, Slovakia, Hungary and Slovenia, an area encompassing around 11.8 million people. Within three hours, Vienna Airport can even be reached by 23.4 million people. As a result of the pandemic, only approximately 10.4 million people were handled at Vienna Airport in the 2021 financial year; the number of passengers in the 2019 financial year before the coronavirus crisis had been 31.7 million. Around 22 million passengers are expected in the current financial year of 2022. In total, it will be possible to reach around 190 destinations directly from Vienna in 2022, already almost reaching pre-pandemic levels.

1.2 About the bidder¹

The bidder, Airports Group Europe S.à r.l., is a limited liability company established under the laws of the Grand Duchy of Luxembourg, with its registered office in Luxembourg and the business address 1-3 Boulevard de la Foire, L-1528 Luxembourg, registered in the Trade and Companies Register of the Grand Duchy of Luxembourg under B 167449 (the “*Bidder*”). The share capital of the Bidder amounts to € 45,004. The business purpose of the Bidder includes the holding of investments, in particular the acquisition, establishment, holding and management of undertakings, investments and financial instruments. With the exception of the interest of around 40% in the Target, the Bidder does not hold investments in other companies.

1.2.1 Direct and indirect shareholders

The sole shareholder in the Bidder is Global InfraCo S.à r.l., a limited liability company established under the laws of the Grand Duchy of Luxembourg, with its registered office in Luxembourg and the business address 1-3 Boulevard de la Foire, L-1528 Luxembourg, registered in the Trade and Companies Register of the Grand Duchy of Luxembourg under B 151630 (*Global InfraCo*).

The sole legal owner of IFM Luxembourg is Conyers Trust Company (Cayman) Limited, a company established under the laws of the Cayman Islands, with its registered in the Cayman Islands, and the business address SIX, 2nd Floor, PO Box 2681, Cricket Square, Hutchins Drive, Grand Cayman KY1-1111, Cayman Islands, entered in the Registrar of Companies of the Cayman Islands under 55233 (“*Conyers Trust*”).

Conyers Trust holds all shares in Global InfraCo as the trustee for IFM Global Infrastructure Fund, a multi-series unit trust organised under the Mutual Funds Law of

¹ Information according to the partial offer of the bidder

the Cayman Islands under licence number 611295 with its registered office in the Cayman Islands and the business address SIX, 2nd Floor, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands (“*IFM GIF*”).

1.2.2 About IFM Investors

IFM Investors Pty Limited (IFM Investors) is IFM GIF’s principal advisor under an advisory agreement. IFM Investors is a global investment manager and advisor with € 122 billion in assets under advisory/management across four main asset classes: infrastructure, debt capital investment, listed companies and private equity.

IFM Investors is a wholly owned subsidiary of IFM Holdings Pty Limited. IFM Holdings Pty Limited is a wholly owned subsidiary of Industry Super Holdings Pty Limited. Industry Super Holdings Pty Limited is wholly owned by 19 Australian not-for-profit pension funds that are regulated by the Australian Prudential Regulation Authority. Many of these pension funds are also investors in funds managed or advised by IFM Investors, ensuring a strong alignment of interests between IFM Investors and these pension funds as well as their ultimate beneficiaries. None of the 19 Australian not-for-profit pension funds holds a controlling interest in Industry Super Holdings Pty Limited.

Since 1995, IFM Investors – through its managed or advised funds – has made numerous acquisitions in the infrastructure sector, granting its investors access to a portfolio of diversified infrastructure investments. Today, with a total investment volume of more than € 58 billion, IFM Investors manages or advises one of the world’s biggest portfolios in the field of systemically relevant infrastructure.

According to the Bidder, IFM Investors also has long-standing investments in the airport sector and holds interests in 17 airports that together handled more than 235 million passengers in the 2019 calendar year (the last full financial year before the COVID-19 pandemic) and more than 60 million passengers in total in the 2021 calendar year.

Please refer section 2 of the Bidder’s offer document for further details.

1.2.3 Parties acting in concert

The Bidder names the parties acting in concert below (2.4 of the offer document):

In accordance with section 1(6) of the *Übernahmegesetz* (ÜbG – Austrian Takeover Act) parties acting in concert are natural or legal entities who, on the basis of an arrangement, work with the Bidder in order to achieve or exercise control over a target, in particular by coordinating their voting rights. If a party directly or indirectly holds a controlling interest (section 22(2) and (3) ÜbG) in one or more other entities, it is assumed (rebuttable presumption) that all of these parties are acting in concert. According to this definition,

- Global InfraCo
- IFM GIF
- Conyers Trust (exclusively in its capacity as the trustee of IFM GIF)
- IFM Investors (exclusively in its capacity as an advisor to IFM GIF)
- IFM Holdings Pty Limited (exclusively in its capacity as the direct sole shareholder in IFM Investors)
- Industry Super Holdings Pty Limited (exclusively in its capacity as the indirect sole shareholder in IFM Investors)

are deemed to be parties acting in concert with the Bidder. For reasons of prudence, IFM Investors, as IFM GIF's principal advisor, is also deemed a party acting in concert as referred to by section 1(6) ÜbG for the purposes of this offer.

1.2.4 Shareholding of the Bidder in the Target

At the time of the publication of the offer, the Bidder holds 33,600,009 shares, which together account for more than 40% of the total share capital of the Target. None of

the parties acting in concert with the Bidder holds shares in the Target. At the time of the publication of this offer, neither the managing directors of the Bidder nor the managing directors of parties acting in concert with the Bidder hold shares in the Target.

1.3 Offer/Statement by the Target

On 11 August 2022, the Bidder published a voluntary public partial offer in accordance with sections 4 et seq. ÜbG for the acquisition of up to 8,399,990 bearer shares in Flughafen Wien AG, equivalent to 10% of the total share capital of the Target minus 10 shares. At the time of the publication of the offer, the Bidder holds 33,600,009 shares in Flughafen Wien AG. In making this offer, the Bidder is therefore aiming to acquire 50%-1 share in the Target.

In accordance with section 14 ÜbG, the Management Board and the Supervisory Board of Flughafen Wien AG are required to prepare reasoned statements on the offer immediately after the publication of the offer document and to publish these within ten trading days of the publication of the offer document, but no later than five trading days before the end of the acceptance period. In particular, these statements must include an assessment of whether the consideration offered and the other content of the takeover offer adequately take into account the interests of all shareholders and the impact that the takeover offer is expected to have on Flughafen Wien AG, including in particular its employees (existing jobs, work conditions and the fate of sites), creditors and the public interest, based on the Bidder's strategic plan for Flughafen Wien AG. In the absence of a recommendation, the Management Board and Supervisory Board must at least present the arguments for accepting and for rejecting the offer, while emphasising the key points of view.

The Management Board of Flughafen Wien AG is fulfilling this legal obligation with this statement.

Assessments by the Management Board in this statement that relate to the offer price or the future development of Flughafen Wien AG are largely dependent on

assessments of the future and are based on forecasts that, by their nature, are highly uncertain. In connection with legal issues, it should be noted that the Austrian Takeover Commission and other decision-making bodies may later come to differing assessments. The Management Board of Flughafen Wien AG is not aware of any circumstances that give reason to doubt the accuracy and completeness of the information provided by the Bidder. In this statement, the Management Board therefore assumes the accuracy and completeness of such information from the Bidder.

1.4 Syndication contract

Prior to the acceptance of the offer, around 10% of Flughafen Wien AG's shares are in free float. Of the other approximately 90%, the two key syndicated shareholders – the province of Lower Austria (through NÖ Landes-Beteiligungsholding GmbH) and the City of Vienna (through Wien Holding GmbH) – each hold 20% of the shares. Furthermore, 10% are held by Flughafen Wien Mitarbeiterbeteiligung Privatstiftung, whose beneficiaries are all the active employees of FWAG. The remaining interest of around 40% is held by Airports Group Europe S.à r.l. Flughafen Wien AG holds 125,319 treasury shares, equivalent to around 0.149%.

Syndication agreement

40% of the shares are held under a syndication agreement by two key shareholders, the province of Lower Austria (16.8 million no-par value shares) and the City of Vienna (16.8 million no-par value shares). The syndication contract from 1999, which has not been amended since, stipulates the joint exercise of the voting rights attached to the syndicated shares at the Annual General Meeting. Any amendments to the syndication contract, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for reciprocal rights of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in return for compensation. This reciprocal right of purchase does not apply to transfers of syndicated shares to companies that are at least majority owned by the transferring

syndicate partner and whose exclusive business purpose is to hold investments in other companies. The company is not aware of any other limitations on voting rights or the transfer of shares.

2 Financial Performance of the Target

2.1 Key figures

The consolidated financial performance of the Target in accordance with IFRS was as follows in the 2017 to 2021 financial years. It should be noted that 2020 and 2021 were negatively affected by serious and far-reaching restrictions in passenger traffic as a result of the coronavirus pandemic. As a result of the positive trend in traffic, significantly better key performance indicators are expected for 2022 than originally forecast:

(in € million, except employees)	2022E	2021	2020	2019	2018	2017
Total revenue	670.0	407.0	333.7	857.6	799.7	753.2
thereof Airport		169.5	133.0	411.7	381.7	368.2
thereof Handling & Security Services		94.4	86.1	166.3	163.3	160.7
thereof Retail & Properties		82.4	70.5	162.6	146.4	126.1
thereof Malta		47.4	32.2	100.3	92.2	82.4
thereof Other Segments		13.3	11.9	16.7	16.2	15.7
EBITDA	290.0	154.4	54.1	384.8	350.4	326.5
EBITDA margin (in %) ¹⁾	43.4	37.9	16.2	44.9	43.8	43.3
EBIT		20.0	-86.5	252.3	220.8	191.8
EBIT margin (in %) ²⁾		4.9	-25.9	29.4	27.6	25.5
ROCE (in %) ³⁾	n/a	0.9	-3.7	10.4	9.4	8.2
Net profit	100.0	6.6	-75.7	175.7	151.9	126.9
Consolidated net profit of the parent company		3.7	-72.8	158.9	137.3	114.7
Cash flow from operating activities		105.8	-23.0	373.0	291.2	277.9
Capital expenditure ⁴⁾	84.0	51.6	79.9	171.8	165.7	103.6
Income taxes		2.9	-25.2	62.2	56.4	46.5
Average number of employees ⁵⁾		4,858	5,452	5,385	4,830	4,624

	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017
Equity	1,314.5	1,305.5	1,380.9	1,297.0	1,211.0
Equity ratio (in %)	63.4	60.1	60.0	60.1	58.7
Net debt	150.4	201.9	81.4	198.2	227.0
Total assets	2,073.8	2,173.3	2,300.6	2,158.1	2,063.0
Gearing (in %)	11.4	15.5	5.9	15.3	18.7
Number of employees as at 31.12.	4,713	5,296	5,767	4,927	4,639

	2021	2020	2019	2018	2017
Number of shares issued (millions)	84	84	84	84	84
P/E ratio (as at 31.12.)	665	-35	20	21.1	24.6
Earnings per share (in €)	0.04	-0.87	1.89	1.63	1.37
Dividend per share (in €)	0	0	0	0.89	0.68
Dividend yield (as at 31.12.; in %)	0	0	0	2.58	2.02
Pay-out ratio (as % of net profit)	0	0	0	54.5	49.8
Market capitalisation (as at 31.12. in million)	2,234.40	2,557.80	3,171.00	2,898.00	2,826.60
Stock price: High (in €)	32.25	38.1	40.5	36.3	35.32
Stock price: Low (in €)	26	17	34.05	31.5	23.59
Share price: value as at 31.12. (in €)	26.6	30.45	37.75	34.5	33.65
ATX Prime market weighting	0.67	1.05	1.16	1.27	0.92

Source: 2022 half-year financial statements, 2021 and 2020 annual reports of Flughafen Wien AG

1) EBITDA margin = earnings before interest, taxes, depreciation and amortisation/revenue; 2) EBIT margin = earnings before interest and taxes/revenue; 3) ROCE (return on capital employed after tax) = (EBIT less attributable taxes)/average capital employed; 4) Capital expenditure: Intangible assets and property, plant and equipment and investment property including accounting corrections for previous years; 5) Average number of employees for the year weighted by level of employment, including apprentices, not including employees on unpaid leave (maternity, military. etc.), not including members of the Management Board and managing directors;

2.2 Analysis of the carrying amount of equity

Key financial indicators	H1 2022	2021	2020	2019	2018	2017
Net debt in € million ¹	- 55.8	- 150.4	- 201.9	- 81.4	- 198.2	- 227.0
Equity ratio in %	66.2	63.4	60.1	60.0	60.1	58.7
Gearing in % ²	4.1	11.4	15.5	5.9	15.3	18.7
Carrying amount of equity in € million	1,370.4	1,314.5	1,305.5	1,380.9	1,297.0	1,211.0
Working capital in € million	54.1	- 69.7	- 103.3	-177.1	-113.4	-102.1
Capitalisation ratio in % ³	83.0	84.8	85.4	83.6	85.8	90.7

Source: 2022 half-year financial statements, 2021 annual report of Flughafen Wien AG

1) Net debt = interest-bearing liabilities - cash and cash equivalents - current and non-current investments - securities classified as current assets; 2) Gearing = net debt/equity; 3) Capitalisation ratio = non-current assets/total assets;

Based on the company's consolidated financial statements as at 30 June 2022, the carrying amount per share is around € 16.31.

2.3 Analysis of risks and opportunities

Geographic position & catchment area

Benefiting from its geographic position, Vienna Airport sees itself as a key hub to destinations in Central and Eastern Europe and the Middle East. Vienna currently offers an extensive portfolio of destinations. 66 airlines flew regular services to Vienna Airport in 2021, serving 190 destinations in 63 countries.

Vienna Airport's catchment area within two hours' travel time comprises not only Austria, but also parts of Czechia, Slovakia, Hungary and Slovenia. Around 11.8 million people live in this two-hour radius and adding just one more hour expands the catchment area to 23.4 million people. The ongoing expansion of infrastructure in bordering countries is enlarging the relevant catchment area for Vienna Airport.

Its catchment area is in one of Europe's fastest-growing regions. The economic recovery process in these countries is also reflected in a growing readiness to travel.

Rail connections to the airport have been significantly improved thanks to the opening of the new long-distance train station at Vienna Airport. Long-distance Austrian Federal

Railways (ÖBB) trains (Intercity and Railjet) travel directly to Vienna Airport via the Vienna Central Station every thirty minutes. Travel time on the Linz-Vienna Airport line is now just 1 hour 40 minutes and travel time on the Salzburg-Vienna Airport line has been reduced to around 2 hours 45 minutes.

Ownership structure

Unlike many airports in its peer group, Flughafen Wien AG owns around 1,080 ha. of the land used by Vienna-Schwechat Airport. Flughafen Wien AG therefore effectively has an indefinite concession and does not have to pay a concession fee. Thus, by contrast to the concession model of many privatised airports in Europe, all land, buildings serving airport operations and key parking, commercial and office buildings at Vienna Airport are owned by Flughafen Wien AG or its subsidiaries and, compared to the only limited options available to concession airports, make a significant contribution to higher enterprise value.

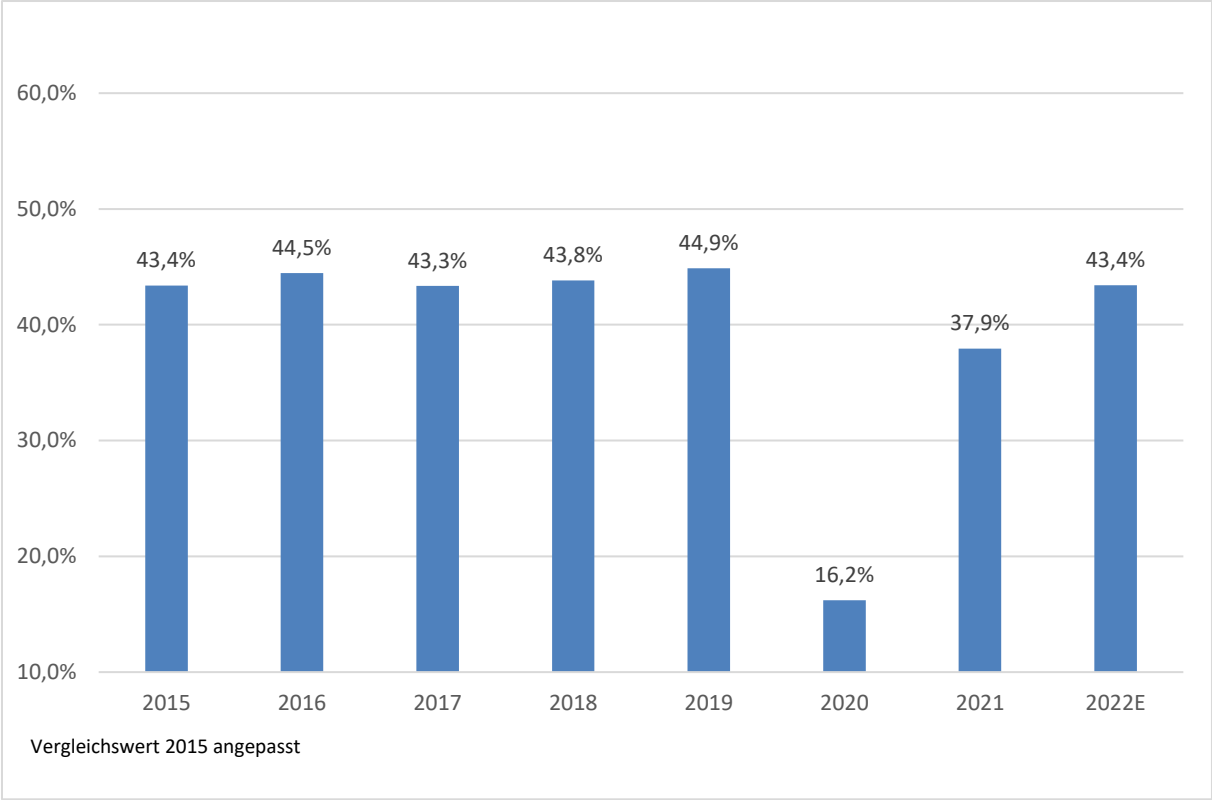
Productivity enhancement

The Flughafen Wien Group is implementing a large number of strategic activities to boost productivity, streamline processes and sustainably improve cost efficiency. The results of these efforts are reflected in the development of the EBITDA margin, which has risen steadily since 2010. A high to date of around 45% was achieved in 2019.

As a result of the global coronavirus pandemic, which led to massive revenue losses in the 2020 and 2021 financial years due to lockdowns and far-reaching contact and travel restrictions, the Flughafen Wien Group's earnings indicators slumped as well. Thanks to the comprehensive cost-cutting programme, the government aid (programmes for reduced working hours and fixed cost subsidies, revenue shortfall bonuses, compensation for losses) launched immediately after the outbreak of the pandemic and the improved trend in traffic in summer 2021, the EBITDA margin already improved to around 38% in 2021. As a result of the sharp rise in passenger levels from 2022, despite the loss of subsidies for reduced working hours from April

2022, EBITDA of € 290,0 million and thus an EBITDA margin of 43.4% are forecast for the 2022 financial year.

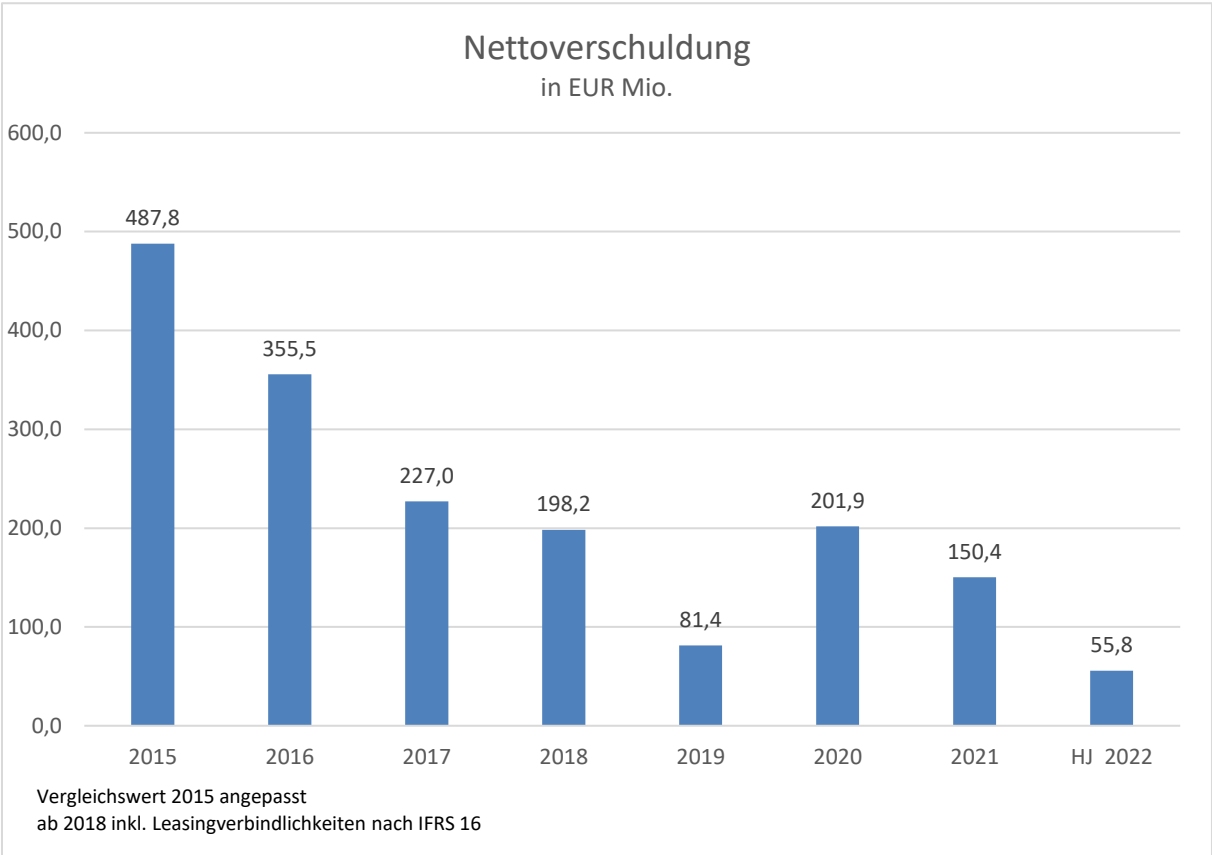
Development of the EBITDA margin, 2015 to 2021 and 2022E



Source: Internal Flughafen Wien AG data (in German)

At the same time, the Flughafen Wien Group has also significantly reduced its net debt since 2010. The company is expected to be entirely debt-free by the end of 2022. This development is opening up key financial flexibility for future capital expenditure.

Development of net debt, 2015 to 2021 and H1 2022



Source: Internal Flughafen Wien AG data (in German)

Service quality

Vienna Airport boasts high service quality, short transfer times, high baggage reliability and a punctuality rate that has been one of the best in Europe for years. This has been especially true in the summer of 2022, when large numbers of airports have experienced massive disruption. Not so at Vienna Airport, which was able to fully maintain its high service quality thanks to the exemplary deployment of its personnel despite the massive rise in passenger numbers to around 80% of the pre-crisis level of 2019. In June 2022, Vienna Airport was awarded the ACI’s “Best European Airport 2022” prize in the category “25 to 40 million passengers” for the quality enhancement thanks to the modernised Terminal 2, the high reliability and service quality of the

airport and its team as well as the systematic implementation of carbon reduction activities.

In addition to providing terminal areas, aircraft parking and an improved taxiway system, runway capacity is also a key requirement for reaping the benefits of the expected growth in air traffic in future.

On 29 June 2017, the Austrian Constitutional Court overturned the Federal Administrative Court's ruling against the construction of a third runway at Vienna Airport, with the result that its construction was approved by the court of last instance.

Growth potential in the non-aviation area

FWAG anticipates particular growth potential in shopping and gastronomy. A bundle of various activities is planned to further actively increase the appeal of this range in the next few years. The activities carried out relate to the optimisation of the available brand portfolio, the implementation of new shopping concepts, making shopping areas more attractive and expanding retail and food outlets in additional terminal areas. The Supervisory Board of Flughafen Wien AG has approved a planning budget for the expansion of the terminal area of € 26.7 million to build another approximately 8,700 m² of non-aviation space, a new area for central security control, around 17 to 20 new bus gates and lounge areas of around 1,800 m² on level 1. Specifically, security control, which is currently located on level 1 in Terminal 3, will be moved to level 2 of the new building. This will create a continuous, shared space for retail and food outlets on level 1, where all North Pier gates, as well as those of the West and East Piers, will be accessible from the connecting bridge. This new connecting bridge to be built between the new building and the plaza on the one hand and the transformation of the plaza into a security control area on the other is also expected to allow a significant increase in profitability, in addition to the fact that passengers who have been through security control will be able to move freely between the West and North Piers.

In conjunction with this expansion, it is intended that Terminal 3 will be extended towards the south. The new building will not only house retail and food outlets, but will also integrate the necessary infrastructural measures on account of the forecast growth.

There is also potential for improved earnings in the parking area, in terms of both pricing and the widening of the associated range of services. In 2020, in its healthcare centre, Vienna Airport became the first airport in the world to offer PCR COVID tests itself, since which time it has performed more than 300,000 tests. In terms of properties, FWAG is still pursuing a highly dynamic development strategy for the further expansion of "Airport City Vienna". Flughafen Wien AG will also actively invest in product segments with an attractive risk/return profile in the coming years. In particular, this includes the segments of hotels, meeting & conferencing, office and freight properties.

Moreover, the Airport has a highly attractive "land bank" and will develop further operational and commercial areas on a large scale in the coming years. Recently, projects were launched for more than 100,000 m² of logistics properties on land sold not long ago by the Airport; demand is still enormous.

A new Office Park 4 with an area of 20,000 m² was opened in the 2020 financial year. It is the most energy-saving office building in Austria. The innovative overall concepts includes an additional, flexibly bookable co-working area of 4,000 m² and meeting rooms of various sizes, event and showroom areas with a capacity of up to 650 guests. Furthermore, Vienna Airport is the site of global centres of competence of the Plug@Play Accelerator for Travel/Hospitality and Smart Cities, and is pursuing an innovation-oriented strategy to attract start-ups in particular. Furthermore, Vienna Airport is working as an innovation leader and application service provider in the field of building information modelling for a number of major projects in Austria.

At 24 hectares, Vienna Airport already launched Austria's biggest photovoltaics system in May 2022; its expansion by a further 8.3 hectares will be completed by the end of 2022.

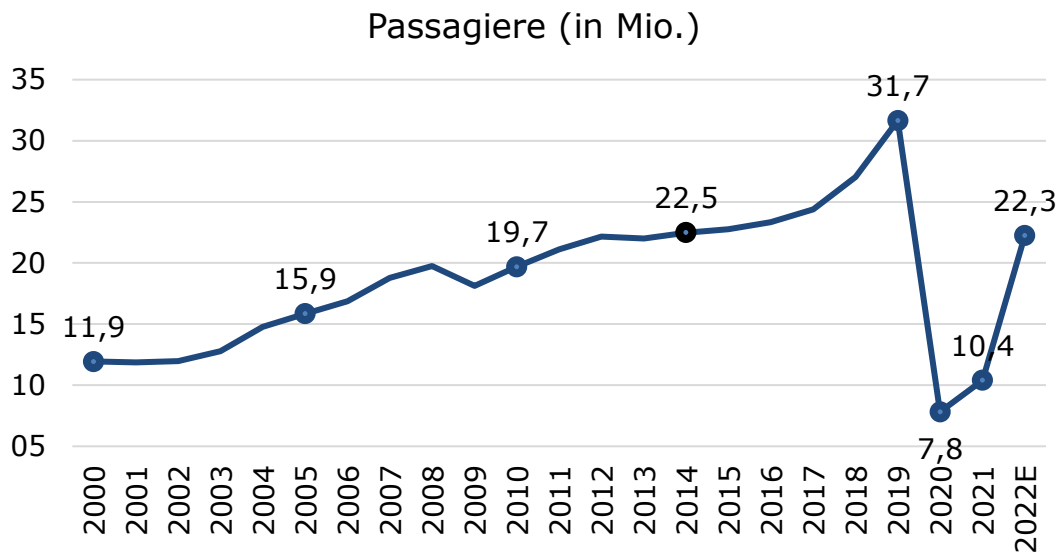
By continuing to systematically implement environmental and energy efficiency measures, Vienna Airport will become one of the world's first major airports to achieve climate-neutral airport operations from 2023, thereby saving around 60,000 tonnes of CO₂ per year compared to 2011.

With eight photovoltaics systems in total and an energy output of more than 32 MWp, the Airport will generate around 40 million KWh of solar power per year in future, thereby covering more than a third of the annual power consumption of the entire airport system, home to more than 250 businesses. A further expansion on land in Austria of around 20 MWp is planned for 2023.

Growth potential in aviation

Until 2019, Vienna Airport experienced extremely strong growth in traffic, which was disrupted in 2020 and 2021 by the COVID-19 pandemic. Traffic at the Vienna site has already returned to around 80% of the pre-crisis level in June 2022. A further significant improvement in the summer months is anticipated:

PAX development 2000 to 2021 and 2022E (in million passengers):

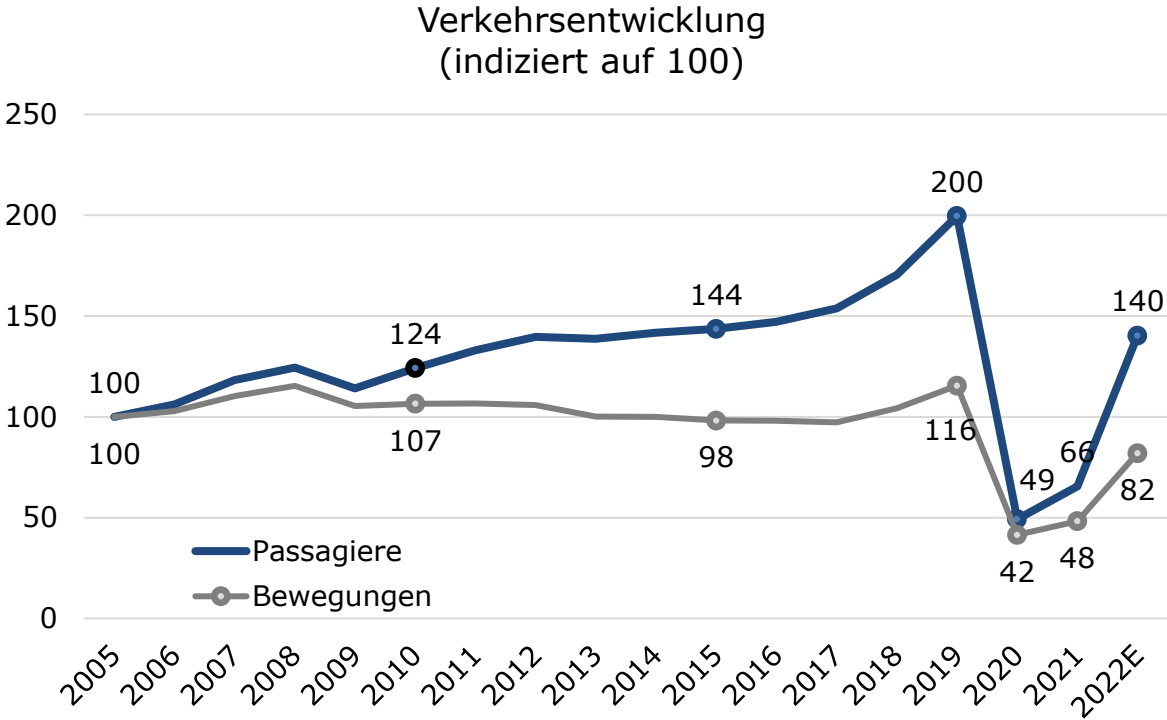


Source: Internal Flughafen Wien AG data (in German)

Building on the global development in air traffic with forecast growth rates in passenger volume averaging around 9% p.a. until 2026 (source: ACI COVID-19 UPDATE n. 123, 19 May 2022), FWAG is assuming robust growth in Vienna in the coming years.

Aircraft movements had stopped rising prior to 2019. This trend is mainly due to the use of larger aircraft and higher seat load factors. While the number of passengers was rising steadily before the coronavirus pandemic, movements have declined slightly since 2005. This development is currently continuing. The following chart shows the contrary development in traffic volumes between the number of passengers and the number of flight movements (not including general aviation).

Development in passenger volume and flight movements (not including general aviation):



Source: Internal Flughafen Wien AG data (in German)

On the basis of this development, pressure on the available runway capacity in the existing two-runway system will be reduced in the short and medium term. At the same time, FWAG is resolutely pursuing the project to build the parallel runway project 11R/29L (third runway) in order to create additional runway capacity so as to provide airlines with long-term growth prospects at the site. The project has already been approved by the court of final instance.

Airport fees are protected against the currently high inflation by the formula defined by law. The amendment of the *Flughafenentgeltgesetz* (FEG – Austrian Airport Fees Act) resulted in the following changes in the calculation of airport charges: At Vienna Airport, airport fees will be temporarily adjusted for average inflation (calculated from 1 August to 31 July) in accordance with section 17a FEG. This regulation will end from the end of 31 December 2026; the 2026 charge application will therefore revert to the current

formula and apply this again from 1 January 2027. An earlier return to the current formula is intended if a three-year average traffic volume (MTOW, fuel volume, passenger number) exceeds the three-year average from 1 August 2016 to 31 July 2019.

General economic risks

FWAG's business performance at the Flughafen Wien Group is significantly influenced by the global growth in aviation, which in turn is heavily dependent on general economic conditions. Economic fluctuations can therefore have a significant influence on FWAG.

Furthermore, traffic development is influenced by other external factors, such as wage disputes and strikes, military conflicts, terrorist attacks as well as political crises and the associated economic sanctions. Pandemics and natural disasters can negatively affect air traffic as well. The development of the price of oil and thus the price of jet fuel can likewise have a significant impact on air traffic. However, past experience has shown that these factors only negatively affect the development of air traffic in the short term, and do not have a lasting effect on the long-term growth trend. External factors are monitored and evaluated intensively so that appropriate countermeasures can be taken if necessary.

Market risks and risks due to customer structure

The market power of a handful of airlines and forwarding companies constitutes a risk in the cargo sector. FWAG is working to further diversify its portfolio and thereby reduce this risk by continuously monitoring market developments and acquiring new customers. In addition, cargo trends are highly sensitive to economic fluctuations.

At a national level, an additional cost to airlines and passengers has arisen since the *Flugabgabegesetz* (FlugAbgG – Austrian Air Transport Levy Act) became law in 2011. Flight fees are € 12 per passenger, or € 30 per passenger on short-haul flights less than 350 km, not including transfer passengers. The levy weakens the FWAG's competitive position as most European countries do not impose such taxes.

The integration of air traffic into the EU Emissions Trading System (EU ETS) is causing an additional burden for European airlines and is generally weakening the competitive standing of European transfer hubs compared to alternative sites outside Europe. Vienna Airport could also be affected by these developments in the medium term.

Economic situation of our main customers and the home carrier

FWAG expects that the earnings situation of many airlines will remain under pressure due to the high and generally rising level of competitive intensity in European air traffic. It is therefore assumed that the programmes initiated by a number of airlines to enhance efficiency and profitability will continue (e.g. cutting costs, portfolio optimisation, slowdown of fleet expansion or fleet reduction). This will further increase the cost pressure on European airports as well.

The Austrian Airlines Group (a wholly owned subsidiary of the Lufthansa Group) is FWAG's biggest customer and accounts for around 45% of its total passenger volume. The long-term performance of Austrian Airlines (AUA) as a high-performing home carrier and the network strategy of Star Alliance, in which AUA is a partner, are therefore highly significant to FWAG's business performance. AUA's results slumped as well in 2020 and 2021 owing to the pandemic. Austrian Airlines' strategic focus and its long-term development as a strong network carrier have a significant influence on the commercial success of FWAG, and are therefore under constant observation and analysis by the business areas responsible. The airline's survival was guaranteed by a government bailout of € 600 million in total. The Austrian government has tied the bailout to conditions that relate to maintaining the hub at the Vienna site, an only socially acceptable headcount reduction and environmental and climate protection activities. An extensive restructuring of the airline has been initiated. This includes reducing the number of full-time equivalents by 1,350 by 2023 and downsizing the fleet from 80 to around 60 aircraft by 2024/2025. (Source: Austrian Airlines press releases of 7 November 2019 [PE20]; 25 March 2021). Austrian was back in black for the first time since pandemic breakout in Q3/2021. The bailout and the restructuring are positive signs of the survival of Austrian Airlines and of Lufthansa's confidence in its subsidiary. However, there is still uncertainty concerning the further development of

the economy and future investment decisions by the parent company Lufthansa, for instance concerning the replacement of Austrian's long-haul fleet.

In the first half of 2022, total revenue climbed by 253% year-on-year to € 710 million (H1 2021: € 201 million) and was twice as high as in the first half of 2020 when the pandemic began (€ 363 million). For the first time since the outbreak of the pandemic, strong incoming orders generated a slightly positive result of € 2 million in the second quarter (2021: € -94 million).

The second-biggest airline at the Vienna site with around 20% of total passenger volume is Ryanair, which covers the low-cost segment at Vienna Airport together with Wizz. Both airlines have generated strong growth at the Vienna site in the past. The number of aircraft movements, a key factor for handling revenue, is in decline as a result of efficiency enhancements at airlines (larger aircraft and higher seat load factors). This development and the aggressive market presence of competitors have put pressure on handling income.

The successful reorganisation of processes in ground handling significantly improved the cost structure and service quality, which further boosted the earnings situation of the company as a whole and allows a more flexible response to capacity fluctuations.

The strategy of an airport operating its own ground clearing also makes it possible to maintain high service quality and punctuality at the site, which proved highly successful compared to other airports in 2022 especially.

Competitive pressure in transfer traffic and within the catchment area

The emergence of new hubs in the Middle East and Turkey, and the aggressive growth strategy of carriers from Eurasia, could lead to a shift in global (transfer) traffic flows, potentially endangering Vienna Airport's position as a transfer hub.

2.4 Development of airport investments

The Flughafen Wien Group's holdings include investments in two international airports:

- FWAG holds 48.44% in Malta Airport through its Maltese investment companies VIE (Malta) Ltd. and Malta Mediterranean Link. Malta International Airport has a concession running for 65 years from 2002.

Airport Malta was performing extremely well prior to the pandemic. It handled a record 7.3 million passengers in 2019 (up 7.4% as against 2018). Its revenue and the corresponding earnings figures slumped in 2020 and 2021 as a result of the pandemic. Its passenger volume was 2.3 million in the first half of 2022, already back at around 72% of the 2019 level. The outlook for 2022 assumes 5.4 million passengers, revenue of more than € 82 million, EBITDA in excess of € 50 million and net earnings of € 23 million, not including tax credit proposed by the Maltese state and approved by the EU Commission at the end of June 2022.

Malta Airport has further growth potential in the non-aviation sector and is evaluating building a new hotel with conferencing, offices and food outlets on the airport's grounds. The parking garage with around 1,300 parking spaces opened at the end of 2020 has been fully operational since 2021.

- Flughafen Wien AG indirectly holds 66% in Košice Airport. Košice Airport reported around 190,000 passengers in the first half of 2022, a reduction of 13% as against 2019.

The growth potential in eastern Slovakia is rated very highly. The airport is located in a region where new businesses are increasingly setting up in order to benefit from the good conditions at this site, which also means a growth opportunity for the airport.

3 Content of the Offer

3.1 Object of purchase

The objective of the offer is to acquire up to 8,399,990 shares, equivalent to 10% of the share capital of Flughafen Wien AG minus 10 shares (also referred to below as the “Offer Shares”).

American Depository Shares:

On the basis of the custodian agreement entered into on 1 December 1994 between Flughafen Wien AG and the Bank of New York Mellon (BNY Mellon) as the custodian bank, holders of Flughafen Wien shares have the option to deposit their shares at BNY Mellon or UniCredit Bank Austria AG, which has been appointed as a depository bank by BNY Mellon, in return for the issue of American Depository Shares (ADSs) (hereinafter referred to as the “Custodian Agreement”). The American Depository Shares represent the deposited Flughafen Wien shares, and the holders of the American Depository Shares are contractual third-party beneficiaries of the Custodian Agreement. Furthermore, the Custodian Agreement stipulates that the American Depository Shares are secured by American Depository Receipts (ADRs) upon entry in BNY Mellon’s ADS register.

There are four ADRs (American Depository Receipts) to one Flughafen Wien share. There were 26,480 ADRs outstanding as at the end of 2021 and 26,580 as at 31 July 2022. BNY Mellon passes dividend payments and other payouts by Flughafen Wien AG on to the holders of ADSs. BNY Mellon generally makes monetary payments in US dollars after conversion of amounts received in another currency. In accordance with the terms and conditions of the Custodian Agreement, each ADS holder is entitled to return their ADSs to BNY Mellon at any time in return for the number of Flughafen Wien shares represented by the ADSs they have returned.

The Bidder’s offer does not extend to ADSs, regardless of whether or not they are secured as ADRs. (See section 4.1 of the offer).

3.2 Offer price

The Bidder is making an offer to the holders of the Offer Shares to acquire the offer shares at a price of € 33.00 (in words: thirty-three point zero euro) *cum dividend* (hereinafter referred to as the “Offer Price”). *Cum dividend* means that the accepting shareholders will not receive any dividend in addition to the Offer Price that may be resolved by the Target after the publication of this offer. The Offer Price per share is therefore reduced by the amount of any dividend resolved between the publication of this offer and its settlement, if the offer is settled after the respective dividend payment date.

The Bidder expressly reserves the right to improve this offer after its publication (including by increasing the Offer Price).

The Bidder has analysed the publicly available information on the Target and made an assessment based on its expertise in the airport sector. The Offer Price has been calculated on the basis of customary measurement methods (discounted cash flow method, trading multiples of listed companies and comparisons of reports by research analysts).

3.2.1 Condition precedent

The Bidder’s offer is subject to the following conditions precedent:

(a) either (i) the Austrian Federal Minister of Digital and Economic Affairs has ruled that the share acquisition contemplated by this offer **is not subject to mandatory approval in accordance with the provisions of the Austrian Investment Control Act** or (ii) the share acquisition contemplated by this offer was **approved in accordance with the provisions of the Austrian Investment Control Act** by the Austrian Federal Minister of Digital and Economic Affairs; and

(b) either (i) the National Foreign Direct Investment Screening Office of Malta has ruled that the share acquisition contemplated by this offer **is not subject to mandatory approval in accordance with the provisions of the Maltese Investment Control**

Act or (ii) the share acquisition contemplated by this **offer** was **approved** by the National Foreign Direct Investment Screening Office of Malta (section 620 of the Laws of Malta).

The Bidder has applied for the issuance of a clearance certificate and will make a public announcement in accordance with section 6.9.1 upon the fulfilment (or non-fulfilment) of a condition precedent.

If all the conditions precedent are not fulfilled by 6 October 2022 (i.e. the last day of the acceptance period), the conditional agreement entered into with the shareholders by accepting this offer will not become effective.

3.3 Fairness of the Offer Price

3.3.1 Relationship of the Offer Price to the historic share price

On the last trading day prior to the announcement of the intention to make the offer, 10 June 2022, the closing price of Flughafen Wien shares on the Vienna Stock Exchange was € 26.30. The Offer Price of € 33.00 is thus € 6.70 (25.48%) higher than the closing price of the shares on 10 June 2022.

Based on the volume-weighted average prices in euro in recent years before the announcement of the offer intention (on 13 June 2022), the premiums/discounts compared to the Offer Price of € 33 are as follows:

	2019	2020	2021	2022¹
Average price	37.54	27.21	29.11	27.15
Premium/discount	-12.09%	21.28%	13.36%	21.55%

Source: Wiener Börse AG; basis: average share price of the Target weighted by volume

1) Calculation period: until 31.05.2022 inclusively

Regarding the Offer Price of € 33 less the dividend for the running business year which can be expected at around € 0.75 according to the current guidance, it is noted that this price is even significantly below the lowest closing price of 2019, the last business year before the pandemic. This price had been recorded at € 34.05. The gap to the highest closing price of 2019, which was at € 40.50, is even 25.6%.

According to “Simply Wallstreet” the current share price of Flughafen Wien AG is even more than 40% below the fair value of the share as assessed by Simply Wallstreet (<https://simplywall.st/stocks/at/transportation/vie-flu/flughafen-wien-shares>).

Liquidity has developed as follows in past years:

	2019	2020	2021	2022¹
Average daily trading volume (number of shares)	11,309	25,831	21,600	22,688

Source: Wiener Börse AG (double counting)

1) Calculation period: until 31.05.2022 inclusively

3.3.2 Analyst reports/third-party valuation

The Management Board of Flughafen Wien AG has reviewed a selection of recently published analyst reports. These show the following:

Institution	Date ¹	Price target (in €)	Rating
Berenberg	25.01.2022	32.0	Hold
Erste Bank	21.06.2022	36.5	Buy
HSBC	12.07.2022	33.0	Hold
Kempen	20.01.2022	29.5	Hold
Kepler Cheuvreux	05.04.2022	33.0	Hold
Raiffeisen International	31.01.2022	35.0	Buy

1) Date of last adjustment to price target or rating

The RBC rating was removed from the presentation as it contained serious shortcomings, was grossly unobjective and since RBC has halted its coverage.

The Management Board points out that these analyst reports were not taken from the Bidder's offer document. The majority of the ratings come from before the guidance for 2022 was updated/improved.

The table shows that the Offer Price of € 33.00 is in the middle of the range of analyst price target recommendations of € 29.5 to € 36.5.

However, it should be noted that a large number of airport transactions in recent years used valuation multiples of EBITDA x 18 to 22, including for Sydney Airport (also for an investment by IFM Investors) and for London Gatwick and Brussels Airports by other investors (see also 5.1.1. of this document). The Offer Price of € 33.00 is equivalent to a multiple of just EBITDA x 9.6 based on the EBITDA guidance published for 2022 or even just EBITDA x 7 based on the EBITDA for the 2019 financial year.

3.3.3 Adjustment of guidance for the 2022 financial year

Following the first-time announcement of the takeover offer (initially a mandatory offer, now a voluntary partial offer) on 13 June 2022, Flughafen Wien AG raised its guidance for the 2022 financial year in the evening of 13 June 2022 and, on 2 August 2022, further improved this guidance on the basis of the traffic figures for the first half of 2022 and the outlook:

Vienna Airport expects around 22 million passengers at the Vienna site over 2022 as a whole and around 28 million for the Flughafen Wien Group (including investments).

On the basis of the improved traffic volume, the Flughafen Wien Group is now forecasting revenue of around € 670 million (previously: € 640 million), positive EBITDA of at least around € 290 million (previously: € 260 million) and a positive result for the year of at least € 100 million in 2022 (previously: € 80 million). The revised figures are based on the assumption that there will be no pandemic-related lockdowns or massive travel restrictions in the autumn and winter. Capital expenditure will amount to around € 84 million. Another continuing uncertainty factor is the currently unforeseeable further development of the war in Ukraine and its effects on aviation.

3.4 Offer acceptance period and settlement

The offer can be accepted between Thursday, 11 August 2022 and Thursday, 6 October 2022, 5.00 p.m. (Vienna time) inclusively (“Acceptance Period”). This makes an Acceptance Period of eight (8) weeks. The Bidder expressly reserves the right to extend the Acceptance Period on one or more occasions up to the maximum period of ten (10) weeks as allowed by the Austrian Transfer Act. For details of the settlement of the offer, please refer to section 6 of the offer document.

3.5 Sell-out period

The Acceptance Period will not be extended by a three-month sell-out period as none of the scenarios in accordance with section 19(3) ÜbG apply.

3.6 Announcements and publication of the result

The result of this offer will be published on Flughafen Wien AG's website (www.viennaairport.com), on the website of the Austrian Takeover Commission (www.takeover.at) and as an announcement in the Official Gazette of Wiener Zeitung immediately after the end of the acceptance period. The same applies to all other statements and notifications by the Bidder prescribed by the Austrian Takeover Act in connection with the voluntary public partial offer.

3.7 Equal treatment

The Bidder confirms in the offer document that the Offer Price is the same for all shareholders.

Until the end of the Acceptance Period, the Bidder (and parties acting in concert with the bidder) will not make any legal declarations aimed at the acquisition of shares at conditions more favourable than those found in this offer unless the Bidder improves this offer accordingly or the Takeover Commission grants an exemption for cause in accordance with section 16(1) ÜbG. If the Bidder (or any party acting in concert with the Bidder) declares that it will nevertheless acquire shares at conditions more favourable than those found in this offer, these more favourable conditions also apply to all other shareholders, regardless of whether they have already accepted the offer.

If the Bidder (or any party acting in concert with the Bidder) acquires shares within a period of nine (9) months after the end of the acceptance period and higher consideration than the consideration in this offer is granted or agreed, the Bidder is required to pay the difference to all accepting shareholders in accordance with section 16(7) ÜbG. If subsequent payments to all shareholders are required, the Bidder will publish an announcement without delay. The settlement of such subsequent payments will be organised by the Bidder at its own cost through the receiving and payment agent within ten (10) Austrian trading days after the announcement.

If subsequent payments do not occur within nine (9) months of the end of the acceptance period, the Bidder will send a corresponding declaration to the Austrian Takeover Commission.

3.8 Oversubscription of the offer

If the total number of shares tendered exceeds the number of Offer Shares, all declarations of acceptance submitted on time will be considered in proportion to the number of Offer Shares in accordance with section 20 ÜbG. If this regulation results in an obligation to acquire fractions of shares, these will be rounded down to the next whole number.

4 Assessment of the Offer from the Bidder's Perspective and Presentation of Stakeholders' Interests

4.1 Business objectives and intentions of the Bidder

4.1.1 Reasons for the offer

IFM Investors advises on/manages investments in systemically relevant infrastructure around the world, including airports. This offer gives the Bidder the opportunity to increase its holding in a leading airport in the centre of its primary territory in Europe. The Bidder considers the Target to be an attractive investment for a number of reasons:

(A) a strong management team with an excellent reputation and a clear strategy for the future development of the airport;

(B) a strong customer base with a catchment area of 12 million people within a two-hour drive;

(C) a unique market position as a significant and established hub airport to Eastern Europe;

(D) state-of-the-art infrastructure that provides passengers with a high quality of service; and

(E) sufficient capacity at the airport to allow a recovery in passenger volumes in the wake of the COVID-19 crisis.

4.1.2 Future business policy

In its own words, IFM GIF pursues a long-term investment policy and supports the sustainable development of its portfolio companies. IFM GIF has both the necessary financial resources and, through IFM Investors as its principal advisor, the industry expertise to assist the Target (through the Bidder) in implementing its long-term objectives and working with the Target for the joint benefit of all shareholders involved.

As before, IFM GIF and IFM Investors are willing to provide the Target (through the Bidder) with its expertise in the airport sector. In its own words, the Bidder is not seeking control of the Target.

4.1.3 Regulatory framework and listing

Among other things, a listing in the Prime Market segment of the Vienna Stock Exchange requires a certain free float and market capitalisation: In the event of a free float of 25% (twenty-five percent) or more, the market capitalisation of the free float must amount to at least € 20 million (twenty million euro) and, in the event of a free float of less than 25% (twenty-five percent), the market capitalisation of the free float must amount to at least € 40 million (forty million euro) (the market capitalisation amounts have been stated in accordance with applicable Prime Market provisions). Admission to official trading on the Vienna Stock Exchange also requires a free float of at least 2%.

A high acceptance rate for this offer could result in the minimum free float requirements for remaining in the Vienna Stock Exchange's Prime Market segment or for admission to official trading no longer being satisfied. A revocation of the admission to official trading on the Vienna Stock Exchange is mandatory if the statutory listing requirements in accordance with section 40 of the *Börsegesetz* (Austrian Stock Market Act) are no longer satisfied (in particular the minimum statutory free float). In such event, Wiener Börse AG would have to assess whether the Target's admission to the Vienna Stock Exchange would have to be revoked ex officio in light of the given circumstances, including the remaining shareholder distribution. A delisting from the Prime Market segment and potential suspension of stock market trading would presumably result in the liquidity of the shares being even more restricted and undermine appropriate market pricing.

4.2 Presentation of the interests of stakeholders

4.2.1 Impact on Flughafen Wien AG

There are no geographic overlaps with the Bidder or other investments held by the Bidder, meaning that it can be assumed that the activities of Vienna Airport and the Bidder or its investments are not in direct competition with each other, but will instead, where applicable, complement each other as far as the other airport investments held by the Bidder are concerned.

4.2.2 Impact on shareholders and listing

The greater concentration of voting rights, compared to the status quo, at the Bidder in a possible range of 40.0% to almost 50.0% of the voting shares of Flughafen Wien AG (Flughafen Wien AG holds treasury shares amounting to 0.1492% of the share capital as at the time of the offer) – in addition to the 50% of FWAG's shares in total held by other key shareholders – will further severely restrict the co-determination and influence of other free-float shareholders. The concentration of voting rights ownership will increase if this offer is accepted.

A further reduction in the free float ratio would adversely affect the prospects of FWAG shares returning to the ATX – relative to other equities listed on the Vienna Stock Exchange – as the free float ratio, alongside liquidity and market capitalisation, is a key criterion for index membership. Moreover, the further reduction of free float could further reduce trading in FWAG's shares, hence FWAG considers such a reduction of its free float to be undesirable and regards its implications for FWAG's significance on the capital market as negative. A heavy reduction in free float could ultimately lead to an exclusion from official trading on the Vienna Stock Exchange, which would potentially lead to its delisting.

The Management Board is not aware of any intention to sell or any desire to delist the company on the part of the current key shareholders (the province of Lower Austria and the City of Vienna).

4.2.3 Impact on the employment situation and location issues

Based on the stated business objectives and intentions as well as the limited co-determination options for a minority shareholder, a directly neutral impact on FWAG's employment and location situation is expected.

4.2.4 Impact on creditors and the public interest

For the time being, the offer is regarded as neutral for creditors. However please also refer to the comments under 5) in this statement concerning the considerable contribution that the stock market listing has made to FWAG's positive performance in recent years.

The acquisition will further increase the Bidder's shareholding in a key Austrian critical infrastructure entity, and it cannot be ruled out that this will affect public interest.

5 Assessment of the Offer by the Management Board

After weighing the arguments for and against, not least in view of the forecast ongoing positive performance of the company, the Management Board of the Target advises against accepting the offer overall.

The arguments for and against accepting the offer are presented and weighed from the Management Board's perspective below, though ultimately shareholders must decide for themselves how to weigh these arguments in their own decisions.

For employees (jobs, employment conditions and sites), customers and creditors, the offer must be regarded as neutral at first glance. However, the threat of a further loss in FWAG's shares' tradability on the stock market, and the associated repercussions for the company's governance and a loss of a future potential source of finance could lead to disadvantageous consequences for the stakeholders addressed.

This is because the possible further reduction of free float gives rise to fundamental questions regarding the company's future capital market strategy and presence (listing). In particular, the potential threat of a delisting is not thought to be in the interests of the company and would conflict with the stated objectives of other key shareholders.

As the offer is a voluntary public partial offer in accordance with sections 4 et seq. ÜbG, the Bidder can set its Offer Price as it chooses and is not bound by the pricing rule of section 26(1) ÜbG.

The Management Board wishes to highlight what it considers to be the company's good growth prospects in revenue and earnings following the end of COVID and the lifting of restrictions on air travel, which are not adequately reflected in the current share price as at this time. A key positive aspect to be noted is the fact that the company is largely debt-free, which opens up key financial flexibility for future capital expenditure or dividend developments.

It should be noted that the payout ratio (relative to net profit) was 60% before the slump in earnings, and a higher payout ratio, and thus higher dividend payments as well, will be possible when the company returns to its full earnings power given its strong balance sheet.

Finally, the Management Board again notes that each shareholder can only assess whether the offer is advantageous or not on the basis of their individual situation (acquisition price, long or short-term investment, assessment of the future development of the company, etc.), whereby the expected future performance of the capital market/Vienna Stock Exchange can also play a major role. The situation for small private investors may be different than for institutional investors.

The following arguments can be made for or against accepting the offer:

5.1 Arguments against accepting the offer

5.1.1 From the shareholder's perspective

If the path the Management Board has successfully taken since 2011 towards sustainably increasing the enterprise value of the company after the end of the COVID crisis leads to growth in earnings, accepting the offer would cause current shareholders to miss out on Flughafen Wien AG's future potential for higher enterprise value: The Target's growth prospects, as set out above, create an opportunity for further earnings potential to be realised, thus increasing the value of the Target's shares and the dividends to be paid to shareholders in future. If the growth in global aviation (and European aviation in particular) expected by the Management Board occurs or is exceeded, this would sustainably increase the enterprise value of the Target. By accepting the offer, the shareholder would miss out on the potential advantages of such a potential increase in enterprise value.

It should also be remembered that transactions before the COVID crisis typically/on average measured the value of airports at EBITDA x 22 (= multiple) or in a range of x 18 to 24 (source: PWC report "Airport valuations have taken off – the question is where

will they land?”), which would have meant a valuation for Flughafen Wien AG of around € 8.5 billion for 2019. This would equate to a price per share of around € 100. Other airport transactions in the last few years used the following values: Vinci Airports paid the equivalent of 19 to 20 x EBITDA for a 50% investment in London Gatwick in 2018. In 2019, a syndicate led by APG and QIC paid around 20 x EBITDA for 36% in Brussels Airport. And IFM Investors itself paid AUD 8.75 per share for an investment in Sydney Airport (Australia) in 2022, giving the airport a total value of around AUD 23.6 billion. This is equivalent to an EBITDA multiple of around 20 to 21 based on the EBITDA value for 2019. If, for example, one takes Flughafen Wien AG’s EBITDA guidance for 2022 of € 290 million and compares it to the price offered here of € 33 per share, that would translate into a multiple of only around 9.6 x EBITDA, far less than the other transactions described. And this is merely based on the guidance for 2022, disregarding the normalisation of EBITDA after the coronavirus pandemic and other EBITDA growth opportunities in the years ahead.

The analysis of recent transactions for minority interests in European airports can therefore be used as a potential valuation parameter. An analysis of the transactions of these airports produces an average value of around 20 x EBITDA. Based on FWAG’s EBITDA at its 2019 pre-crisis level², a multiple of 20 x EBITDA per share would mean a share price of around € 88. Even taking into account the fact that listed companies are regularly traded at a valuation discount, FWAG’s fundamentals would barely justify a potential valuation of less than 10 x EBITDA.

5.1.2 From the perspective of IVA

IVA (“Interessenverband für Anleger”, Austrian Shareholder Association) is an Austrian association that acts as an independent representation of interests for private minority shareholders and investors vis-à-vis the legislator, majority

² Average EBITDA in 2018 and 2019

shareholders, management boards, supervisory boards and auditors (please refer to <https://www.iva.or.at/> (in German), accessed on 15 August 2022, for IVA's self-conception). In July 2022, IVA has published a statement regarding the offer which can be accessed here (in German): <https://www.iva.or.at/iva-news-07-juli-2022/>

According to this statement, IVA regards Flughafen Wien AG despite the COVID-19 dent as being in an economically sound and sustainable state. Furthermore: "*As the share price has immediately approached € 33 per share after the core shareholder IFM (Global Infrastructure Fund, a group of Australian pension funds) had announced its takeover offer at this price, shareholders can also sell their shares on the stock exchange and do not need to wait.*" IVA itself, however, regards the **offer** as being **opportunistic** and **advises** long-term shareholders **against accepting** it.

5.1.3 From the Management Board's perspective

As set out under 4.2.2., the Management Board does not consider a further reduction of the free float to be desirable as this limits the shares' tradability and the company's significance on the capital market, including in terms of the shares' coverage by international analysts and fund managers. FWAG's undisputable success story was materially linked to its public listing, as these circumstances and the associated guidance contributed greatly to the beneficial development of its positive and successful corporate culture. In the opinion of the Management Board, maintaining the listing and membership of the Prime Market segment are therefore key strategic objectives for the company, and a potential delisting, which could follow from the extensive reduction in free float, would be considered a negative turn for the company's future development.

5.2 Arguments for accepting the offer

5.2.1 From the shareholder's perspective

The concentration of voting rights in a possible range of 40.0% to almost 50.0% of the voting shares of Flughafen Wien AG – in addition to the 50% of FWAG's shares in total

already held by other key shareholders – will severely restrict the co-determination of other free-float shareholders.

The Bidder assumes that the key shareholders, Wien Holding GmbH for the City of Vienna, NÖ Landes-Beteiligungsholding GmbH for the province of Lower Austria and Employee Foundation, based on their public statements, have ruled out accepting the offer. Flughafen Wien AG also does not intend to sell the 125,319 shares it has acquired to the Bidder. All other purchased shares with voting rights would therefore be absorbed from the current free float, which would reduce it significantly. A reduction in the free float ratio, and the associated reduction in trading volume, will adversely affect the prospects of FWAG shares returning to the ATX – relative to other equities listed on the Vienna Stock Exchange – as the free float ratio and liquidity of the shares, alongside market capitalisation, are key criteria for index membership. The shares would thus receive less attention from international investors and analysts and become less attractive. As a result of the reduced free float, the shares would also be more difficult to trade and entry and exit hurdles could be higher for investors. These factors could adversely affect FWAG's future share price. A sale could therefore be advantageous for the shareholder. (This would be considered a negative effect from the Management Board's perspective.)

If the free float shareholders accept this offer to a sufficient degree that less than 2% (two percent) of the shares remain in free float, the free float would even drop below the relevant thresholds needed to remain in official trading on the Vienna Stock Exchange and so Flughafen Wien AG would be delisted.

If the intended future potential for increased enterprise value and the associated growth in the Target's share price cannot be achieved (see 5.1.1), that would argue in favour of a sale at the offered price.

5.2.2 From the Management Board's perspective

An argument in favour of accepting the offer would be that the Bidder's larger shareholding would enhance its commitment to the Target accordingly.

6 Other Information

For information on this statement by the Management Board of Flughafen Wien AG, please feel free to contact FWAG's Investor Relations department on +43 (0) 1 7007-23126 or by e-mail at investor-relations@viennaairport.com. Further information is available on Flughafen Wien AG's website (www.viennaairport.com).

Flughafen Wien AG has appointed HHP Wirtschaftsprüfung GmbH, Am Heumarkt 13, 1030 Vienna, in accordance with section 13 ÜbG to advise it throughout the entire process and to review the statements of its management bodies as an independent expert.