



15 June 2022

Dr. Susanne Höllinger  
Chairman, Flughafen Wien  
P.O. Box 1  
Schwechat, Lower Austria  
A-1300 Austria

*Via email*

Dear Dr. Höllinger,

**Concerns about IFM Global Infrastructure Fund's mandatory takeover offer**

- **IFM's bid for Flughafen Wien materially undervalues the asset**
- **Failure to address previous concerns about liquidity has left minority shareholders in an unfortunate negotiating position**
- **The board of directors needs to urgently take action to protect minority shareholders' interests**

A fund managed by Forager Funds Management owns 105,639 shares in Flughafen Wien AG. We've been shareholders since 2016 and have had a constructive relationship and open dialogue with management and investor relations over this period, for which we're appreciative.

We write in response to the mandatory takeover announced 13 June 2022 by IFM Global Infrastructure Fund (IFM). While we await the board's official response to the offer, we want to make clear that €33.00 per share is an inadequate price for an asset of Flughafen Wien's quality and potential.

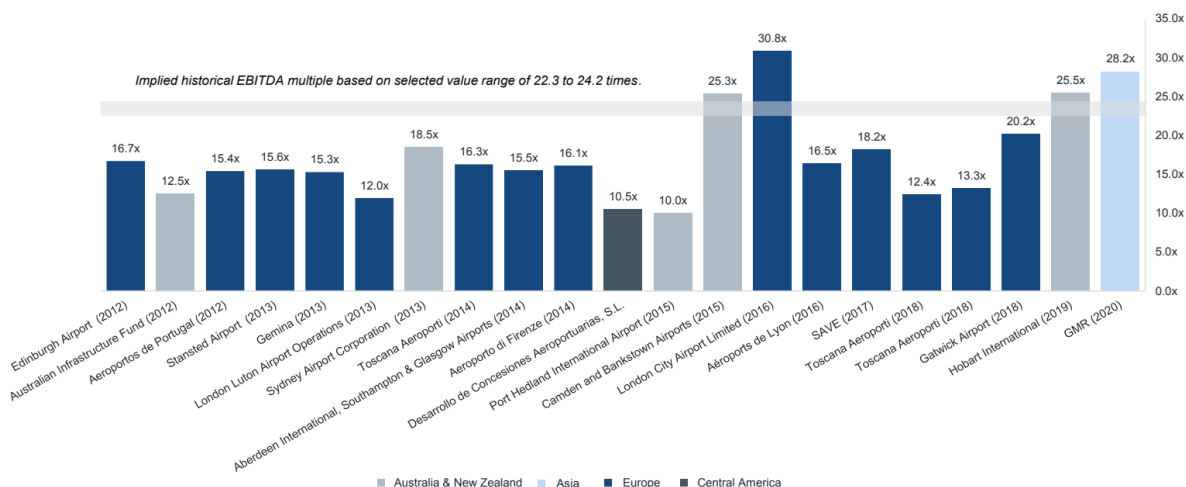
As you are no doubt aware, IFM participated in a consortium that took Sydney Airport private in February of this year. The price paid represented a multiple of 23 times 2019 earnings before interest, tax, depreciation and amortisation (EBITDA). The independent expert's report contained an analysis of all airport transactions over the past 10 years. Not one of them was priced at a multiple of less than 10 times.



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## Historical Transaction Multiple



IFM's offer for minority shareholder's stake in Flughafen Wien - priced at just over 8 times 2019 EBITDA - represents an absurdly low multiple for a developed world, high quality airport. Yet, and this is crucial, many shareholders will be forced to consider the offer because liquidity already makes the stock nearly uninvestable. That issue will be exacerbated as IFM soaks up more or all of the free float. It is a takeover by stealth.

This concern over liquidity is one we've expressed to management and the board on numerous occasions going back at least three years. We've made clear that, if liquidity is allowed to evaporate, the board has a particular obligation to protect the rights and economic ownership of minority shareholders. See, for illustration, our letter sent to your predecessor Bettina Glatz-Kremsner on 8 November 2019, which I've attached to this email along with some following correspondence with investor relations.

In response to our concerns, we've consistently been given the message that the board and management have a strong commitment to remaining listed. That was never a satisfactory response. And here we are, with IFM bidding for more shares and the whole decision on whether to remain listed potentially outside of the hands of the board and company.

The board of directors needs a fresh approach to both IFM and minorities. Whether the board likes it or not, Flughafen Wien is likely to be delisted. Ownership of the airport will be concentrated in even fewer hands after this takeover offer. Delisting is likely to make a lot of sense, if not after this bid then certainly after the next one.

We encourage you to:

- Appoint an independent defence advisor to assist the board to appropriately value Flughafen Wien and respond to this bid;
- Negotiate with IFM to extract a bid that represents an appropriate multiple for the airport;
- Seek defence mechanisms that leave minority shareholders with appropriate liquidity in their investment should they seek to reject the bid.



Letting this bid soak up more of the free float at an inadequate price is doing minority shareholders a significant disservice. We would welcome the opportunity to discuss further and intend on making our thoughts on this issue public.

Kind regards,

Gareth Brown  
Portfolio Manager  
Forager International Shares Fund



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