



DEAR SHAREHOLDERS,

It is my pleasure to inform you about the General Shareholders' Meeting of Varia Europe Properties AG which will be held on Friday, June 30th, 2023, at 4:00 p.m. at the office of the Company's Asset Manager, Stoneweg Asset Management SA, at Boulevard Georges-Favon 8, 1204 Geneva, Switzerland.

Please find enclosed the Invitation and Proxy Statement for the Meeting, together with the Agenda, items to be voted and the Board of Directors' explanatory notes.

Although you may not attend the General Meeting, your vote is important.

I thank you for your trust and confidence to Varia Europe Properties AG.



Taner Alicehic
Chairman
On behalf of the Board of Directors

AGENDA ITEMS AND MOTIONS BY THE BOARD OF DIRECTORS

1. Approval of the management report, the statutory financial statements and the consolidated financial statements 2022

The board of directors proposes to the General Assembly to approve the management report, the statutory financial statements and the consolidated financial statements of Varia Europe Properties AG for the financial year 2022.

2. Appropriation of available earnings / from capital contributions

The board of directors proposes to the General Assembly the following appropriation of the available earnings / from the reserve from capital contribution of Varia Europe Properties AG for the financial year 2022:

	from Available earnings (in CHF)	from Capital contributions (in CHF)	Total Net (in CHF)	distribution per share (in CHF)
Retained Earnings / Capital contributions carried over	-1,983,226	44,326,590	42,343,364	
Dividend distribution of CHF 0.35 per ordinary share on September 30, 2022	-	-9,979,417	-9,979,417	0.35
Net loss for the year ended on December 31 st , 2022	-3,197,847	-	-3,197,847	
Extraordinary dividend distribution of CHF 0.15 per ordinary share on April 27 th , 2023	-	-4,276,893	-4,276,893	0.15
Available earnings (Accumulated Loss) / Capital contributions	-5,181,072	30,070,280	24,889,209	
Proposed appropriation				
Dividend distribution from the reserve from capital contributions, payable on July 31 st , 2023	-	-1,995,883	-1,995,883	0.07
Balance to be carried forward	-5,181,072	28,074,397	22,893,325	

3. Advisory vote on compensation report

The board of directors proposes to the General Assembly that shareholders approve the compensation report for the financial year 2022 in an advisory vote.

4. Discharge of the members of the board of directors and the executive management

The board of directors proposes to the General Assembly to grant discharge to the members of the board of directors and the executive management, as well as to all other persons involved in management of Varia Europe Properties AG, for their services rendered during the financial year 2022.

5. Elections

5.1 Election of the members of the board of directors

The board of directors proposes to the General Assembly that the following persons be elected individually as members of the board of directors for a term of office of one year, lasting until the conclusion of the next ordinary general meeting:

- (a) **Taner Alicehic** as member (current)
- (b) **Jaume Sabater Martos** as member (current)
- (c) **Pierre Grégoire Baudin** as member (current)

5.2 Election of the chairman of the board of directors

The board of directors proposes to the General Assembly that **Taner Alicehic** be elected as Chairman of the board of directors (current) for a term of office of one year, lasting until the conclusion of the next ordinary general meeting.

5.3 Election of the member of the compensation committee

The board of directors proposes to the General Assembly that **Jaume Sabater Martos** (current) be elected as member of the compensation committee for a term of office of one year, lasting until the conclusion of the next ordinary general meeting.

5.4 Election of the statutory auditors

The board of directors proposes to the General Assembly that **PricewaterhouseCoopers SA**, Geneva (current) be elected as the statutory auditor of the Company for the financial year 2023.

5.5 Election of the independent proxy

The board of directors proposes to the General Assembly that **Buis Bürgi AG**, Zurich, (current) be elected as the independent proxy of the Company for a term of office of one year, lasting until the conclusion of the next ordinary general meeting.

6. Approval of compensation

6.1 Approval of compensation for the board of directors

The board of directors proposes to the General Assembly to approve a maximum amount of CHF 60,000 for the compensation of the members of the board of directors for the term of office until the next ordinary general meeting.

6.2 Approval of compensation for the executive management

The board of directors proposes to the General Assembly to approve a maximum amount of CHF 5,000 for the compensation of the persons whom the board of directors has entrusted with the executive management for the compensation period until the next ordinary general meeting.

EXPLANATORY NOTES

1. Approval of the management report, the statutory financial statements and the consolidated financial statements 2022

In the opinion of the board of directors the management report, the statutory financial statements as well as the consolidated financial statements have been prepared in compliance with the applicable accounting standards and the Swiss Code of Obligations, as applicable. The management report and financial statements were further audited by the Company's auditors and opined upon without qualifications. Further, the board of directors is of the opinion that there are no specific facts included in these annual report, the statutory financial statements or the consolidated financial statements, that would warrant a specific and separate discussion. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

2. Appropriation of available earnings / from capital contributions

Based on the financial performance during the past financial year as well as the currently anticipated financial needs of the Company in the upcoming financial year, the board of directors deems it most appropriate to use the available earnings as set out in the invitation. The board of directors proposes to the General Assembly to approve an appropriation of reserves from capital contributions, i.e. a distribution, in the amount of CHF 0.07 per share payable out of the reserves from capital contributions. Based on the number of shares issued of 28,512,619, this distribution is equivalent to a reduction in the reserves from capital contribution of CHF 1,995,883.33. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

3. Advisory vote on compensation report

The board of directors is of the opinion that the compensation report has been prepared in compliance with the applicable accounting standards, rules and the Swiss Code of Obligations, as applicable, and in compliance with the applicable requirements on the compensations paid. The compensation report was further audited by the Company's auditors and opined upon without qualifications. Further, the board of directors is of the opinion that there are no specific facts included in the compensation report, that would warrant a specific and separate discussion. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

4. Discharge of the members of the board of directors and the executive management

The board of directors is of the opinion that the performance of each member of the board of directors, each member of the executive management, as well as all other persons involved in the management of Varia Europe Properties AG during the past financial year warrant the granting of the discharge by the shareholders for the same time period. Nothing has come to the attention of the board of directors, that would reasonably lead to a different conclusion. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

5. Elections

5.1 Election of the members of the board of directors

The board of directors deems the current composition of the board of directors to be well suited to the Company's needs and that it allows an efficient and well-rounded cooperation within the board of directors. Furthermore, all current members of the board of directors stand for re-election and no new members of the board of directors have been proposed or requested in the past year. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

5.2 Election of the chairman of the board of directors

The board of directors believes the current chairman of the board of directors to be well suited to lead the board of directors and to suit the Company's needs. As the current chairman stands for re-election, the board of directors believes that another year with the current chairman would be in the best interest of the Company and would ensure the continuity within organization of the board of directors. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

5.3 Election of the members of the compensation committee

The board of directors deems the current composition of the compensation committee to be well suited to the Company's needs. Furthermore, all current members of the compensation committee stand for re-election and no new members of the compensation committee have been proposed or requested in the past year. Lastly, the proposed members of the compensation committee are, in the opinion of the board of directors, to be considered independent as they are not affiliated with the operational management of the Company or major shareholders of the Company. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

5.4 Election of statutory auditors

The board of directors is of the opinion that the current auditors should be re-elected. PricewaterhouseCoopers SA is independent and well acquainted with the tasks and procedures of acting as statutory auditors and meets the legal requirements to do so for the Company. Nothing has come to the attention of the board of directors that the performance of the auditors in the past year has not been satisfactory. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

5.5 Election of independent proxy

The board of directors is of the opinion that the current independent proxy should be re-elected. Buis Bürgi AG is independent and well acquainted with the tasks and procedures of acting as independent proxy. Nothing has come to the attention of the board of directors that the performance of the independent in the past year has not been satisfactory. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

6. Approval of compensation

6.1 Approval of compensation for the board of directors

The board of directors, based on the recommendations of the compensation committee, believes that the compensation for the board of directors as proposed is in line with market practice, is appropriate in light of the work expected to be provided by the members of the board of directors and is further in line with the principles of compensation set out in the Company's articles of association. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.

6.2 Approval of compensation for the executive management

The board of directors, based on the recommendations of the compensation committee, believes that the compensation for the executive management as proposed is in line with market practice, is appropriate in light of the work expected to be provided by the members of the executive management and is further in line with the principles of compensation set out in the Company's articles of association. Therefore, the board of directors makes the proposal to the General Assembly as set out in the invitation.



Zug, June 8th, 2023

Varia Europe Properties AG

Taner Alicehic
Chairman
On behalf of the board of directors

ORGANIZATIONAL NOTES

Annual report

The annual report 2022, including the management report, the statutory financial statements and the consolidated financial statements for the financial year 2022, the compensation report 2022, as well as the reports of the statutory auditors are available for inspection as of June 9th, 2023, at the Company's registered office in Zug, Switzerland. These documents can also be accessed online at <https://www.variaeuropereproperties.com/investor-relations/financial-statements/>.

Further, a printed copy of the annual report will be sent to registered shareholders upon their request after having received this notice.

Voting rights

Shareholders who are entered in the shareholder register as at June 23rd, 2023, 5:00 p.m. (CEST) (reporting date) are entitled to exercise their shareholder rights with respect to the ordinary general meeting. During the period from June 23rd, 2023, 5:00 p.m. (CEST) until and including June 30th, 2023, no entries of shares will be made in the shareholder register.

Personal attendance

If a shareholder wishes to attend the ordinary general meeting in person, the enclosed registration form may be used to request an admission card. For this purpose, please send the duly completed and signed registration form to Share-CommService AG, Europastrasse 29, 8152 Glattbrugg by no later than June 27th, 2023, 4:00 p.m. (CEST) (time of receipt). Admission cards can also be ordered online until June 27th, 2023, 4:00 p.m. (CEST). The personal login information is sent to the shareholders together with the invitation documents for the ordinary general meeting. The admission cards will be sent out as from June 22nd, 2023.

Powers of attorney

Shareholders who do not attend the ordinary general meeting in person may be represented as follows:

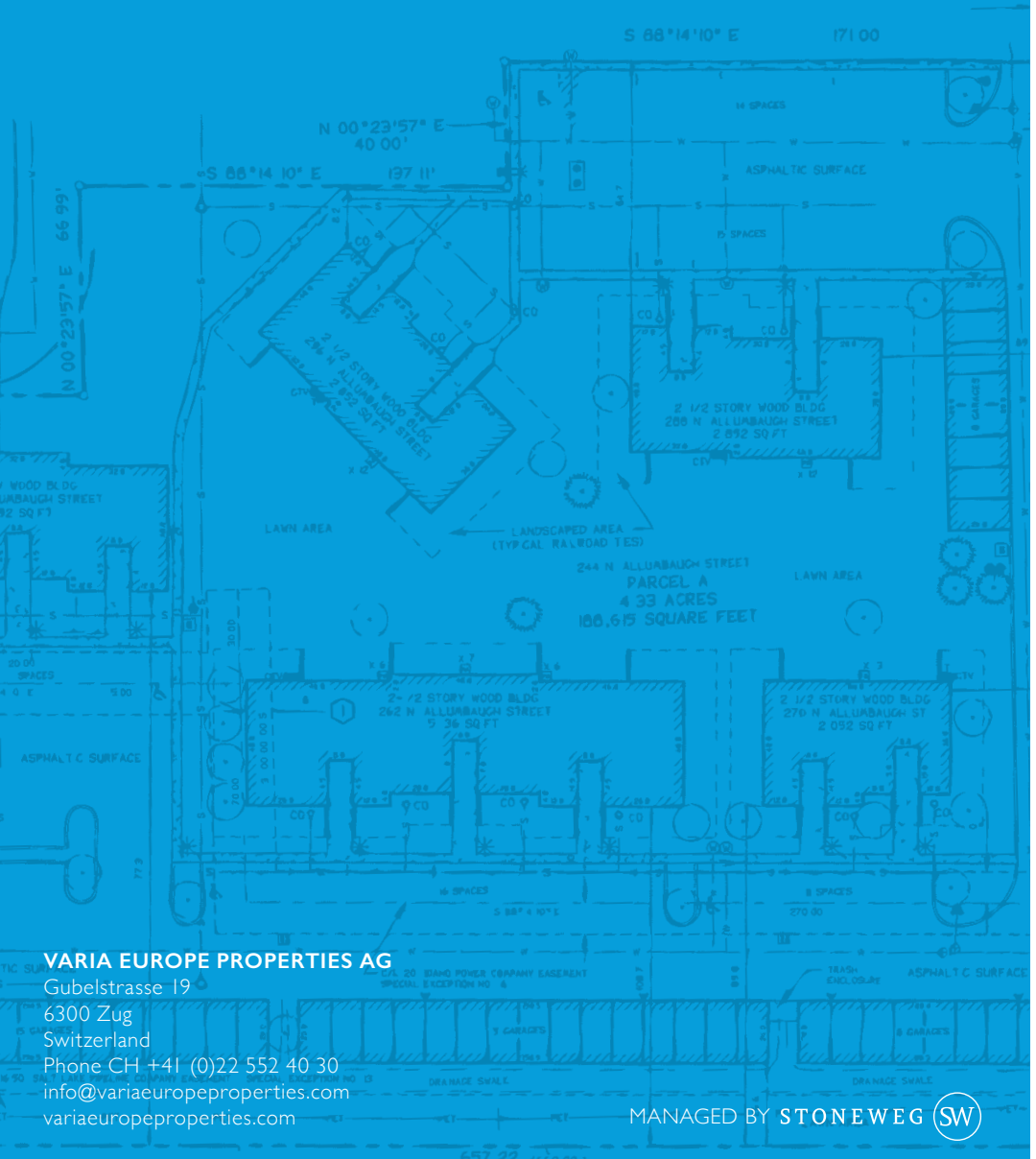
- by an individual proxy based on written power of attorney, whereby the proxy does not need to be a shareholder. In this case, the admission card will be sent directly to the proxy.
- by the independent proxy, Buis Bürgi AG, Mühlebachstrasse 8, P.O. Box, CH-8024 Zurich. If the independent proxy cannot be present, the board of directors will appoint a new independent proxy. The powers of attorney granted to the independent proxy will also be valid for any new independent proxy appointed by the board of directors. In order to authorize the independent proxy, it is sufficient to return the accordingly completed and signed power of attorney form to ShareCommService AG, Europastrasse 29, 8152 Glattbrugg by no later than June 27th, 2023, 4:00 p.m. (CEST), using the enclosed envelope. The independent proxy will vote in accordance with the instructions granted by the respective shareholder. For written instructions, please use the reverse side of the enclosed registration form.
- Shareholders may also grant powers of attorney and issue instructions to the independent proxy electronically. The personal login information is sent to the shareholders together with the invitation documents for the ordinary general meeting. Powers of attorney may be granted and instructions may be issued electronically to the independent proxy by no later than June 27th, 2023, 4:00 p.m. (CEST).

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Zug, June 8th, 2023

Varia Europe Properties AG

Taner Alicehic
Chairman
On behalf of the board of directors



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MANAGED BY STONEWEG 