PRESS RELEASE

RESULTS AS AT 30 JUNE 2021: CHALLENGING HALF BUT WITH POSITIVE SIGNALS

- **Strong rebound in June, first full month without restrictions, which confirms the validity of the business model: retailers' sales +0.3%, average ticket +20.3% and 85% of footfalls recovered vs June 2019**
- **Rent collection 1H 2021: in Italy around 83%[1]; in Romania around 93%**
- **Financial occupancy higher vs FY 2020: Italy 95,3%, +100bps; Romania 94.3%, +70bps**
- **Net rental income: €55.5 million (-1.4%); FFO: €30.6 million (-6.8%). Both reflect the net direct impact of Covid-19 for €7.8 million[2]**
- **Loan-to-Value falls to 49.1%; cash generation reaches €20 million in the half**
- **EPRA NRV of €10.56 per share (+1.7%)**
- **Market value of freehold properties: €2,267.88 million (lfl Italy +0.10%; lfl Romania -0.8%)**
- **FY FFO guidance revised upward to +7/8% (compared to +3/4%)**

Bologna, 5 August 2021. Today, in a meeting chaired by **Rossella Saoncella**, the Board of Directors of **IGD - Immobiliare Grande Distribuzione SIIQ S.p.A. ("IGD"** or the "**Company**") examined and approved the **interim financial report at 30 June 2021.**

Message from the Chief Executive Officer, Claudio Albertini

"The financial results recorded in the first six months of the year were still impacted by the prolonged restrictions which limited shopping centers' operations beginning last fall, contrary to 2020 when the first 2 months were not affected by Covid-19 at all as the first restrictions were in place only as of the end of February. Regardless, the trend seen beginning mid-May, when the main restrictions were eliminated, is very positive and allows us to look forward to the second half of the year with confidence: in June footfalls and retailers' sales showed decided improvement against 2020, rising +8.2% and +17.4% respectively, but sales were also 0.3% higher than in 2019 with a marked increase in the average ticket which once more confirms consumers' greater propensity to buy. Commercial activity was also very lively, with a greater number of openings and inaugurations which caused occupancy to rise 100 basis points in Italy and 70 in Romania.

We are well aware that the challenges posed by the pandemic and beyond will continue to be considerable, but we are confident in the second half and the next few years during which we expect our results to improve if these trends are confirmed and our centers' operations are not impacted by further restrictions".

OPERATING PERFORMANCE

Italy

In the first six months of 2021 IGD's performance was still inevitably impacted by the restrictive measures adopted by the Italian government in response to the Covid-19 health crisis. The operation of the Group's shopping centers was, in fact,

[1] % of turnover net of rebates and credit losses

[2] Includes temporary rebates of €0.3 mn, credit losses of €7.4 mn, net of lower rents payable

limited considerably through 17 May with a ban on table service for restaurants and the closure of non-essential retail operations located inside shopping centers on Sundays and holidays (the non-essential retailers were closed about 36% of the possible days of operation versus around 39% in the first half of 2020). These limitations, together with the restrictions on personal mobility, impacted both footfalls and retailers' sales in the first six months of the year which were higher than in the first six months of 2020 (footfalls +10.3%; sales +23.4%), but still lower than in 2019, which was not impacted by the pandemic (footfalls -29.4%; sales -24.5%).

Beginning, however, on 17 May when the restrictions were eased, shopping centers became fully operative with a trend that showed continuous improvement: in the week 17-23 May, the first in which all the retailers inside the shopping malls were allowed to stay open (including on Saturday and Sunday), footfalls were 32% higher than in the same week of 2020 (18-24 May 2020, which was the first week of post-lockdown reopenings in Italy) and around 10% lower than in the same period of 2019. Even more significant are the results recorded in June, the first full month without restrictions, when footfalls rose 8.2% and sales posted an even higher increase of 17.4% (June 2021 vs June 2020). The June performance is even more compelling if compared with the same period 2019: while footfalls were still down by roughly 15%, retailers' sales were back in the black (+0.3%) which confirms the trend seen already last year of more selective traffic, but with a greater propensity to consume, and a decided increase in the average ticket (+20.3% compared to June 2019).
Looking at the different categories of merchandise, standouts include clothing, electronics, home care, culture and leisure which in June was higher than in the same month of 2019. In terms of performance by sales area (excluding restaurants), in June all sizes, from small to large, reported growth against 2019 with an average increase of 2.4%.
The performance of the Group's freehold hypermarkets and supermarkets was also positive in the first six months of the year, rising 1.3% against the first half of 2020.
All of this demonstrates that the urban shopping center with an attractive food anchor format is still key for the consumer and testifies to the significant capacity to react quickly once openings are allowed.

The Italian portfolio's occupancy, which reached 95.3%, was 100 bps higher than the 94.3% reported at 31 December 2020 which demonstrates that, despite the difficulties encountered in the period, **the marketing and pre-letting activities never stopped, but rather continued effectively and with positive results**: in the first six months of the year **131 leases (85 renewals and 46 turnover) were, in fact signed** with a slight decrease in rents (-1.0%). **Tenant negotiations relative to the 2021 restrictions are underway, while those relative to 2020 are almost completed**; overall no changes to existing leases have been made as a result of the negotiations, but payments have been reformulated and temporary rebates granted.
These negotiations, along with the aid provided by the Italian government to businesses affected by the mandatory closures, allowed us to achieve **good results in terms of rent collection which reached approximately 83% at 30 July, net of the rebates granted.**

Romania
In Romania, thanks to the gradual elimination of the restrictions which boosted the recovery of the sectors hit the hardest by the pandemic like restaurants and entertainment, the operating performance of the Winmarkt shopping malls also showed improvement: **occupancy reached 94.3% at 30 June 2021,** higher than the 93.6% reported at 31 December 2020 and **rent collection was also excellent at around 93%**. Normal pre-letting and marketing activities continued during the

half **resulting in the signature of 239 leases (153 renewals and 86 turnover) with an average upside of around 0.9%.**

ECONOMIC-FINANCIAL RESULTS

In the first half of the year, **gross rental income fell -2.1% to €73.1 million** due primarily to like-for-like revenue of Italian malls which was impacted by increased vacancies at the beginning of the reporting period. Toward this end, the increased commercial activity suggests that revenue will improve in the coming months assuming the current operating conditions and global scenario do not change.

Net rental income amounted to €55.5 million, down -1.4% against the same period of the prior year; the direct impact of Covid-19 (including rebates and credit losses, net the savings on rents payable) was €1.5 million lower than in the first half of 2020.

Core business Ebitda fell 1.6% to €50.6 million, with the margin at 66.3%. The freehold core business Ebitda margin (relative to freehold properties) came to 66.6%.

Financial charges amounted to €16.7 million; this figure, net of the accounting impact of IFRS 16 and non-recurring expenses, was **6.4% lower than at 30 June 2020**.

Funds from Operations (FFO) amounted to €30.6 million, down with respect to 30 June 2020 (-6.8%), including the one-off provisions made for Covid-19.

ASSET MANAGEMENT

In the first half of 2021 work continued on Porta a Mare in Livorno, where the development of the Officine Storiche section is underway and is expected to be completed in the second half of 2022. Consistent with a certain renewed vitality in the sector, non-deferrable capex continued (for around €6.2 million) which includes, in addition to extraordinary maintenance, fit-outs and restyling, as well as remodeling, projects.

PORTFOLIO AND ASSET VALUATION

The market value of **Gruppo IGD's real estate portfolio** reached **€2,267.88 million, an increase like-for-like of 0.10% compared to December 2020.** More in detail:

- **malls** fell slightly like-for-like by 0.1% (-€1 million), with a **gross initial yield of 6.60%**;
- **hypermarkets** were +0.5% (+€2.8 million) higher like-for-like with a **gross initial yield of 6.01%;**
- in **Romania** the value of the real estate portfolio reached **€137.52 million at 30 June 2021**, a decrease of 0.8% like-for-like, **with a gross initial yield of 7.49%.**

Including the leasehold properties, the market value of Gruppo IGD's real estate portfolio reaches €2,305.57 million.

The Net Initial Yield, calculated using EPRA criteria, reached 5.3% for the Italian portfolio (5.3% topped up) and 5.9% for the Romanian portfolio (6.0% topped up).

The EPRA NRV reached €1,165.2 million or €10.56 per share. The figure is 1.7% higher with respect to 31 December 2020 due mainly to FFO and the higher cash flow hedge reserve, partially offset by a drop in the portfolio's fair value.
The EPRA NTA came to €10.48 per share, 1.7% lower compared to 31 December 2020.
The EPRA NDV came to €10.19 per share, down 2.1% compared to 31 December 2020 due to a decrease in the fair value measurement of debt.

FINANCIAL STRUCTURE

In terms of financial transactions, on 1 March 2021 the Company exercised the option for early redemption and redeemed the residual €70 million outstanding of the "€300,000,000 2.500 per cent. Notes due 31 May 2021". With the exception of this repayment, IGD continued with normal financial management actitivies.

The **average cost of debt was 2.22% at 30 June 2021**, lower than the 2.30% reported at year-end 2020, while the **interest cover ratio or ICR came to 3.2X**[3] (unchanged with respect to 31 December 2020).
The Loan to Value of 49.1% is lower than the 49.9% recorded at year-end 2020. The net financial debt was €1,134.8 million, lower with respect to the first half of 2020 (cash generation reached roughly €20 million).

OUTLOOK 2021

Given the positive signals seen in the last few months, in a context of general economic recovery and rising consumption, as well as the estimated impact of Covid-19 in the current year (one-off and without carry over in subsequent years), **the new FY guidance for FFO 2021 calls for growth of around +7/+8% with respect to FFO 2020, a decided improvement with respect to the guidance announced in February.**
This new outlook does not take into account the impact of any disposals and it is important to note that significant elements of uncertainty, including out of the Company's control, still exist including, for example, new surges in the pandemic and the introduction of new restrictions.

IGD will present these results during a conference call which will be held on 6 August 2021 at 12.00 noon (Italian time).
The presentation will be published on the company's website (https://www.gruppoigd.it/investor-relations/presentations/)
In order to participate, please dial the following number: +39 02802927

[3] Excluding the effect of the last financial operation

Operating income statement at 30 June 2021

GROUP CONSOLIDATED	(a) 1H_CONS_2020	(c) 1H_CONS_2021	Δ (c)/(a)
Revenues from freehold rental activities	68.7	66.9	-2.6%
Revenues from leasehold rental activities	5.9	6.2	3.9%
Total income from rental activities	**74.6**	**73.1**	**-2.1%**
Rents and payable leases	0.0	0.0	-0.3%
Direct costs from rental activities	-18.3	-17.6	-4.2%
Net rental income	**56.3**	**55.5**	**-1.4%**
Revenues from services	3.1	3.3	4.4%
Direct costs from services	-2.5	-2.7	6.9%
Net services income	**0.6**	**0.6**	**-5.7%**
HQ Personnel expenses	-3.1	-3.3	8.4%
G&A Expenses	-2.4	-2.1	-12.1%
CORE BUSINESS EBITDA (Operating income)	**51.4**	**50.6**	**-1.6%**
Core business Ebitda Margin	*66.1%*	*66.3%*	
Revenues from trading	0.5	0.4	-2.2%
Cost of sale and other costs from trading	-0.8	-0.7	-22.9%
Operating result from trading	**-0.4**	**-0.2**	**-46.3%**
EBITDA	**51.0**	**50.4**	**-1.2%**
Ebitda Margin	*65.2%*	*65.7%*	
Impairment and Fair Value adjustments	-73.6	-12.5	-83.1%
Depreciation and provisions	-0.5	-0.5	5.5%
EBIT	**-23.0**	**37.4**	**n.a.**
FINANCIAL MANAGEMENT	-18.0	-16.7	-6.9%
ENTRAORDINARY MANAGEMENT	-0.1	0.0	n.a.
PRE-TAX RESULT	**-41.1**	**20.7**	**n.a.**
Taxes	2.2	-1.3	n.a.
NET RESULT OF THE PERIOD	**-38.8**	**19.5**	**n.a.**
(Profit/Loss) for the period related to third parties	0.0	0.0	n.a.
GROUP NET RESULT	**-38.8**	**19.5**	**n.a.**

N.B.: Certain cost and revenue items have been reclassified or offset which explains the difference with respect to the financial statements.

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- *"Carlo Barban, IGD S.p.A.'s Financial Reporting Officer, declares pursuant to para. 2, article 154-bis of Legislative Decree n. 58/1998 ("Testo Unico della Finanza" or TUF) that the information reported in this press release corresponds to the underlying records, ledgers and accounting entries".*

- *Please note that in addition to the standard financial indicators provided for as per the IFRS, alternative performance indicators are also provided (for example, EBITDA) in order to allow for a better evaluation of the operating performance. These indicators are calculated in accordance with standard market procedures.*

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IGD - Immobiliare Grande Distribuzione SIIQ S.p.A.

Immobiliare Grande Distribuzione SIIQ S.p.A. is one of the main players in Italy's retail real estate market: it develops and manages shopping centers throughout the country and has a significant presence in Romanian retail distribution. Listed on the Star Segment of the Italian Stock Exchange, IGD was the first SIIQ (Società di Investimento Immobiliare Quotata or real estate investment trust) in Italy. IGD has a real estate portfolio valued at circa €2,267.88 million at 30 June 2021, comprised of, in Italy, 25 hypermarkets and supermarkets, 27 shopping malls and retail parks, 1 plot of land for development, 1 property held for trading and 6 other real estate properties. Following the acquisition of the company Winmark Magazine SA in 2008 14 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center's life cycle, leadership in the retail real estate sector: these qualities summarize IGD's strong points.

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Please find attached Gruppo IGD's income statement, statement of financial position, statement of cash flows and consolidated net financial position at 30 June 2021.

Consolidated income statement at 30 June 2021

(in thousands of Euros)	30/06/2021 (A)	30/06/2020 (B)	Change (A)-(B)
Revenue	**73.068**	**74.636**	**(1.568)**
Revenues from third parties	53.208	54.491	(1.283)
Revenues from related parties	19.860	20.145	(285)
Other revenue	**3.275**	**3.139**	**136**
Other revenues from third parties	1.985	1.832	153
Other revenues from related parties	1.290	1.307	(17)
Revenues from property sales	**440**	**450**	**(10)**
Operating revenues	**76.783**	**78.225**	**(1.442)**
Change in inventory	1.150	254	896
Revenues and change in inventory	**77.933**	**78.479**	**(546)**
Construction costs for the period	(1.560)	(864)	(696)
Service costs	(6.240)	(7.473)	1.233
Service costs from third parties	(4.262)	(5.451)	1.189
Service costs from related parties	(1.978)	(2.022)	44
Cost of labour	(5.083)	(4.715)	(368)
Other operating costs	(5.406)	(5.055)	(351)
Total operating costs	**(18.289)**	**(18.107)**	**(182)**
Depreciations, amortization and provisions	(327)	(301)	(26)
(Impairment losses)/Reversals on work in progress and inventories	(54)	(2.159)	2.105
Provisions for doubtful accounts	(9.430)	(9.532)	102
Change in fair value	(12.401)	(71.418)	59.017
Depreciation, amortization, provisions, impairment and change in fair value	**(22.212)**	**(83.410)**	**61.198**
EBIT	**37.432**	**(23.038)**	**60.470**
Income/ (loss) from equity investments and asset disposal	**0**	**(72)**	**72**
Financial Income	**36**	**27**	**9**
Financial income from third parties	36	27	9
Financial charges	**(16.763)**	**(17.993)**	**1.230**
Financial charges from third parties	(16.762)	(17.990)	1.228
Financial charges from related parties	(1)	(3)	2
Net financial income (expense)	**(16.727)**	**(17.966)**	**1.239**
Pre-tax profit	**20.705**	**(41.076)**	**61.781**
Income taxes	(1.252)	2.246	(3.498)
NET PROFIT FOR THE PERIOD	**19.453**	**(38.830)**	**58.283**
Non-controlling interests in (profit)/loss for the period	**0**	**0**	**0**
Profit/(loss) for the period attributable to the Parent Company	**19.453**	**(38.830)**	**58.283**

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Consolidated statement of financial position at 30 June 2021

(in thousands of Euros)	30/06/2021 (A)	31/12/2020 (B)	Change (A)-(B)
NON CURRENT ASSETS:			
Intangible assets			
Intangible assets with finite useful lives	99	35	64
Goodwill	8.283	8.533	(250)
	8.382	**8.568**	**(186)**
Property, plant, and equipment			
Investment property	2.229.892	2.234.484	(4.592)
Buildings	7.293	7.414	(121)
Plant and machinery	143	143	0
Equipment and other goods	1.668	969	699
Assets under construction and advance payments	42.757	42.674	83
	2.281.753	**2.285.684**	**(3.931)**
Other non-current assets			
Deferred tax assets	6.359	7.995	(1.636)
Sundry receivables and other non-current assets	129	129	0
Equity investments	99	151	(52)
Non-current financial assets	174	174	0
	6.761	**8.449**	**(1.688)**
TOTAL NON-CURRENT ASSETS (A)	**2.296.896**	**2.302.701**	**(5.805)**
CURRENT ASSETS:			
Work in progress inventory and advances	34.953	33.843	1.110
Trade and other receivables	25.032	18.260	6.772
Related party trade and other receivables	1.705	775	930
Other current assets	5.101	3.736	1.365
Cash and cash equivalents	43.779	117.341	(73.562)
TOTAL CURRENT ASSETS (B)	**110.570**	**173.955**	**(63.385)**
TOTAL ASSETS (A + B)	**2.407.466**	**2.476.656**	**(69.190)**
NET EQUITY:			
Share capital	650.000	650.000	0
Share premium reserve	0	30.058	(30.058)
Other reserves	465.092	499.131	(34.039)
Group profit (loss) carried forward	1.689	9.574	(7.885)
Group profit	19.453	(74.321)	93.774
Total Group net equity	**1.136.234**	**1.114.442**	**21.792**
Capital and reserves of non-controlling interests	0	0	0
TOTAL NET EQUITY (C)	**1.136.234**	**1.114.442**	**21.792**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	11.220	14.396	(3.176)
Non-current financial liabilities	967.798	1.135.707	(167.909)
Provisions for employee severance indemnities	3.265	3.267	(2)
Deferred tax liabilities	18.133	18.281	(148)
Provisions for risks and future charges	3.784	3.793	(9)
Sundry payables and other non-current liabilities	9.256	9.849	(593)
Related parties sundry payables and other non-current liabilities	13.462	13.462	0
TOTAL NON-CURRENT LIABILITIES (D)	**1.026.918**	**1.198.755**	**(171.837)**
CURRENT LIABILITIES:			
Current financial liabilities	210.958	137.266	73.692
Trade and other payables	15.688	12.091	3.597
Related parties trade and other payables	2.144	499	1.645
Current tax liabilities	3.072	1.814	1.258
Other current liabilities	12.452	11.789	663
TOTAL CURRENT LIABILITIES (E)	**244.314**	**163.459**	**80.855**
TOTAL LIABILITIES (F=D+E)	**1.271.232**	**1.362.214**	**(90.982)**
TOTAL NET EQUITY AND LIABILITIES (C + F)	**2.407.466**	**2.476.656**	**(69.190)**

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Consolidated statement of cash flows at 30 June 2021

(in thousands of Euros)	30/06/2021	30/06/2020
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**19.453**	**(38.830)**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	1.252	(2.246)
Financial charges / (income)	16.727	17.966
Depreciation and amortization	327	301
Writedown of receivables	9.430	9.532
(Impairment losses) / reversal on work in progress	54	2.159
Changes in fair value - increases / (decreases)	12.401	71.418
Income/ (loss) from equity investments and asset disposal	0	72
Provisions for employees and end of mandate treatment	840	705
CASH FLOW FROM OPERATING ACTIVITIES:	**60.484**	**61.077**
Financial charge paid	(12.368)	(13.354)
Provisions for employees and end of mandate treatment paid	(582)	(567)
Income tax	(435)	(343)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**47.099**	**46.813**
Change in inventory	(1.149)	(254)
Change in trade receivables	(17.132)	(32.287)
Net change in other assets	271	(1.501)
Change in trade payables	5.242	(5.383)
Net change in other liabilities	(672)	2.079
CASH FLOW FROM OPERATING ACTIVITIES (A)	**33.659**	**9.467**
(Investments) in intangible assets	(80)	0
Disposals of intangible assets	0	0
(Investments) in tangible assets	(8.728)	(7.352)
Disposals of tangible assets	0	56
Disposals in Equity investments	52	0
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(8.756)**	**(7.296)**
Disposal/(purchase) of treasury shares	0	(343)
Rents paid for financial leases	(1.014)	(2.576)
New issue of long-term binds	0	0
Loans repayments and other financing activities	(97.398)	(24.910)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(98.412)**	**(27.829)**
Exchange rate differences on cash and cash equivalents (D)	(53)	(61)
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)	**(73.562)**	**(25.719)**
CASH BALANCE AT BEGINNING OF THE PERIOD	**117.341**	**128.677**
CASH BALANCE AT END OF THE PERIOD	**43.779**	**102.958**

Consolidated net financial position at 30 June 2021

(in thousands of Euros)	30/06/2021	31/12/2020	Change
Cash and cash equivalents	(43.779)	(117.341)	73.562
LIQUIDITY	**(43.779)**	**(117.341)**	**73.562**
Mortgage loans - current portion	41.608	51.418	(9.810)
Leasing - current portion	9.629	9.448	181
Bond loans - current portion	159.721	76.400	83.321
CURRENT DEBT	**210.958**	**137.266**	**73.692**
CURRENT NET DEBT	**167.179**	**19.925**	**147.254**
Non-current financial assets	(174)	(174)	0
Leasing - non-current portion	34.723	39.626	(4.903)
Non-current financial liabilities	441.555	453.199	(11.644)
Bond loans	491.520	642.882	(151.362)
NON-CURRENT NET DEBT	**967.624**	**1.135.533**	**(167.909)**
Net debt	**1.134.803**	**1.155.458**	**(20.655)**