



# **CORPORATE AND BUSINESS PLAN 2022-2024 PRESENTATION**

JANUARY 2022

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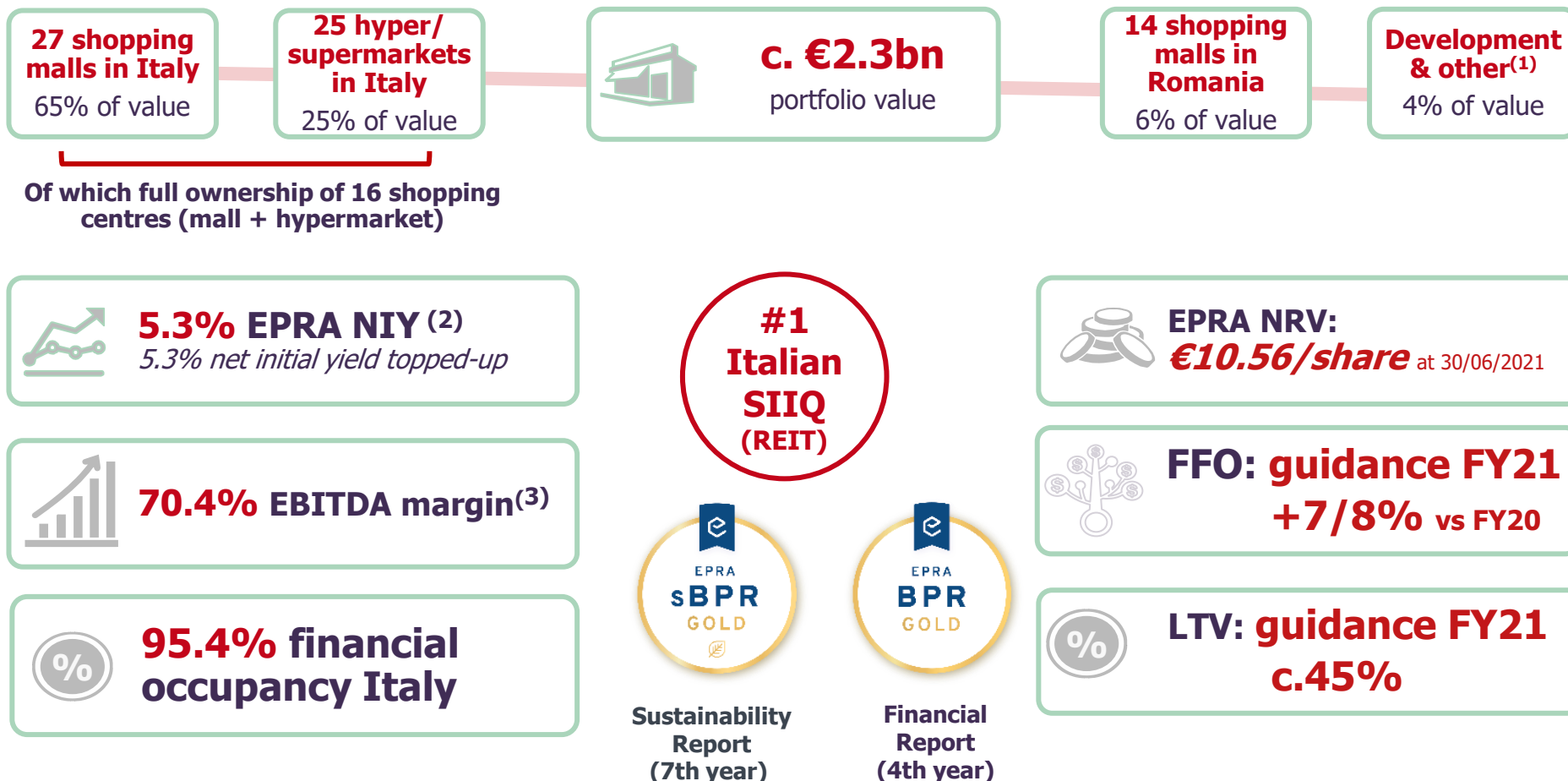


1

Introduction to IGD

# IGD at a glance

IGD is one of the main players in the Italian retail real estate sector: we develop and manage shopping centres across the country. We are also present in the retail sector in Romania

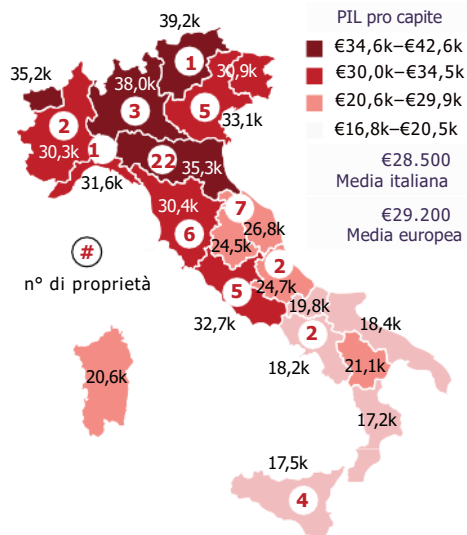




# IGD Business Model

**A distinctive competitive positioning in the fragmented Italian retail real estate market**

## 1 Well-diversified presence across Italy



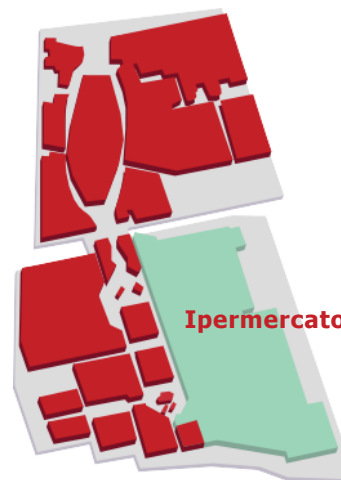
Presence across all Italy, mainly in hte Northern regions. With Strategic Focus on High GDP per capita Mid-Size Cities

## 2 Strategic positioning



We strive to be the Dominant Retail Destination in Mid-Sized Wealthy Italian Cities, at Easy Reach from City Centre

## 3 Strong food anchor



The Food Hypermarket Plays a Critical Attraction Role in Our Retail Assets Fresh food, Daily Shopping, Sticky Consumer Habits

## 4 Strong track record of direct management

- Services**
- Personal and healthcare care**
- Local and international brands**
- Sharing economy**

Proactive Approach, Carefully Selected Merchandising Mix, Marketing Activity Adapted to Each Context and Wide Offer of Customer Related Services



### Modern portfolio

Average age 10 years (from opening/restyling)



**M<sup>2</sup>** Average GlA: about 25,000 sqm



Catchment area: about 370,000 inhabitants within 20 minutes



Average footfalls per center/year: 3.3 million\*



Easily reachable: about 4km from city center



N. Of average parking places: 2,013



Centers reached by public transport: 24 (89%)



Centers reached by cycle path: 16 (59%)

# Group Structure (simplified)



100%



100%



100%



Parent Company **78.3% NRI**

Italian Facility Management **15.3% NRI**  
**+Service Revenues**

Romania **6.2% NRI**

Development project in Livorno **Trading Revenues**

# IGD's shareholding structure



**No. of shares**  
**110,341,903**



**Share capital**  
**€ 650 Mn**



**Net equity**  
**€ 1.1 Bn**



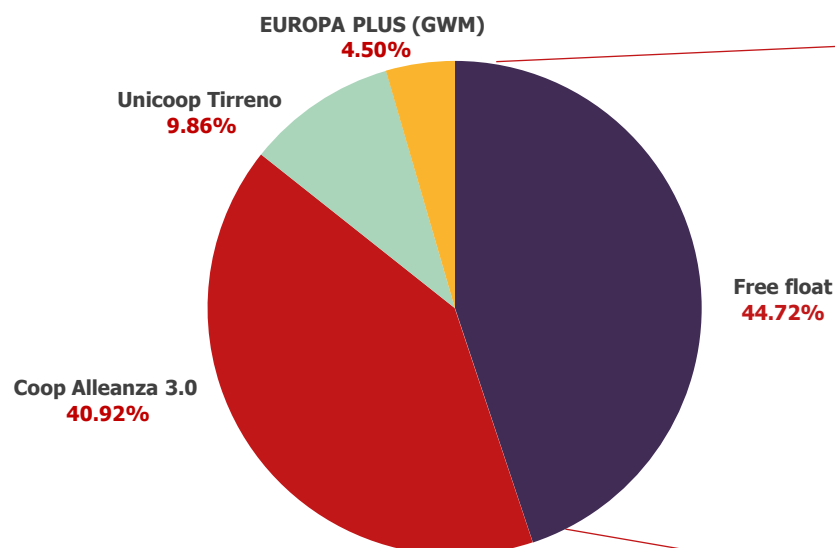
**Listed on STAR Segment of  
Italian Stock Exchange**



**Average 2021 mkt  
capitalization**  
**c. €429 mn**



**Average 2021 daily trading**  
**c. 317,608 shares**



## Majority of institutional investors, of which<sup>(1)</sup>

<b>22%</b>	Italy Mediolanum, Banca d'Italia
<b>4%</b>	UK & Ireland Legal & General Group, Interactive Brokers
<b>43%</b>	US & Canada Vanguard, Blackrock
<b>2%</b>	Luxembourg, Belgium, Netherlands Banque et Caisse d'Epargne, Banque Degroof
<b>5%</b>	France Societe Generale, BNP Paribas
<b>24%</b>	Rest of the world Codan Forsikring, Japan TRSV



# IGD Governance – Directors and Committees

IGD's governance has been in line with the criteria of the Self Regulatory Code of Italian Stock Exchange since it was listed. An internal Corporate Governance Code has been in use since 2008.

## EXECUTIVE

CEO  
Claudio Albertini

## NON EXECUTIVE INDEPENDENT

CHAIRMAN  
Rossella Saoncella

Antonio Rizzi



Silvia Benzi



Timothy Guy  
Michele Santini



Rossella Schiavini



Rosa Cipriotti



Géry Robert-Ambroix



## NON EXECUTIVE NON INDEPENDENT

VICE CHAIRMAN  
Stefano Dall'Ara

Alessia Savino

Edy Gambetti

## COMMITTEES:

-  Nominations and compensation Committee
-  Control and Risks Committee
-  Committee for Related Parties Transactions

## INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Held by the Ceo, including the Internal Audit and Risk Management



54.5% Male (6)

45.5% Female (5)



63.6% Independent (7)

36.4% Non Independent (4)

# Our Top Management

## Rossella Saoncella (1953) **Chairman**



- Appointed as IGD's Chairman on 20 April 2021

## Carlo Barban (1978) **Director of Administration, Legal & Corporate Affairs, Contracts, HR and IT**



- Director of Administration, Legal & Corporate Affairs since January 2019
- From January 2022, he was appointed Director of Administration, Legal & Corporate Affairs, Contracts, HR and IT

## Raffaele Nardi (1976) **Director of Planning, Control and Investor Relations**



- Head of the division to which 3 different departments report: planning, control and investor relations
- From January 2022 he was appointed Head of Sustainability Committee
- Joined IGD in October 2010

## Roberto Zoia (1961) **Director of Asset Management, development & network management**



- Director of Asset Management and Development since 2006
- Director of Asset Management, Development & Network Management since 2019
- Chairman of CNCC<sup>(3)</sup> since 2020

## Claudio Albertini (1958) **Chief Executive Officer**



- Appointed in May 2009
- IGD Board member since 2006
- Member of EPRA<sup>(1)</sup> Advisory Board since 2017
- Member of ECSP's<sup>(2)</sup> Nominations Committee since 2021

## Andrea Bonvicini (1963) **Director of Finance Division**



- Head of IGD Group's Finance Division since September 2009
- In July 2012 he was appointed Director of Finance and Treasury Department

## Laura Poggi (1976) **Director of Commercial Department, Marketing and CSR**



- From 2010 through 2021 she was head of IGD's Leasing Division
- From January 2022 she was appointed Director of Commercial Department, Marketing and CSR

# IGD: a portfolio of high quality assets

## IGD - Main Italian Asset

North

Centro Sarca  
Sesto S. Giovanni (MI)

Esp  
Ravenna

Le Maidliche  
Faenza (RA)

Centro Borgo  
Bologna

Centro Lama  
Bologna

Puntadiferro  
Forlì

Centro Leonardo  
Imola (BO)

Conè  
Conegliano (TV)

Centro Piave  
San Donà di  
Piave (VE)

Clodi  
Chioggia (VE)

Centro Nova  
Villanova di  
Castenaso (BO)

Mondovicino  
Sc&Rp  
Mondovì (CN)

Nuova Darsena  
Ferrara

Millennium  
Gallery  
Rovereto (TN)

La Favorita  
Mantova

Gran Rondo  
Crema (CR)

Lungo Savio  
Cesena

Centro Luna  
La Spezia

I Bricchi  
Isola d'Asti (AT)

Center

Piazza Mazzini  
Livorno

Tiburtino  
Guidonia (RM)

Marema  
Grosseto

Centro Porto  
Grande  
Porto d'Ascoli

Città delle Stelle  
Ascoli Piceno

Fonti del  
Corallo  
Livorno

Casino  
Roma

Centro d'Abruzzo  
Pescara

South

Le Porte di  
Napoli  
Afragola (NA)

La Torre  
Palermo

Katane  
Catania

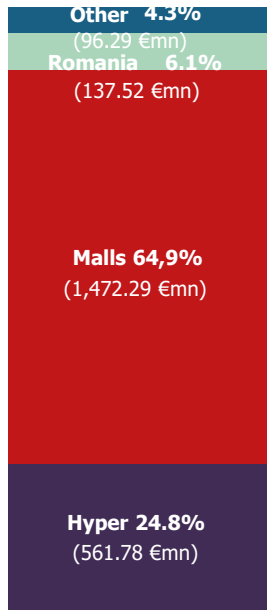
**>75% of the market value  
of Italian Malls and  
Hypermarkets dominant<sup>(1)</sup>  
in respective catchment  
areas**

**Future  
Opening**

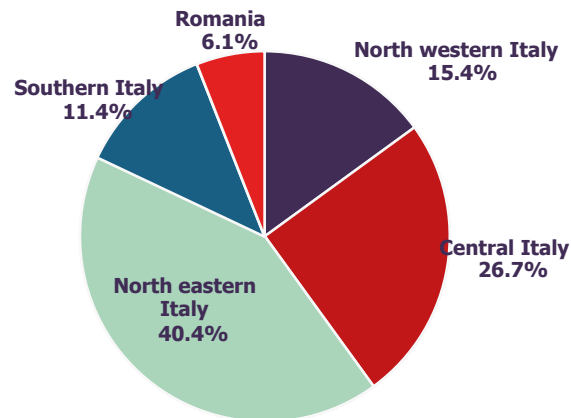
Officine Storiche  
Livorno

# The main characteristics of our portfolio as at 30 June 2021

**2,267.9 € mn**



**1H2021**



**42%** of this portfolio consists of 8 "Key" assets of which 6 are Shopping centres (mall + hypermarket)

On average every **shopping centre** is **10 years old** (last restyling/opening)

**Full ownership of 16 Shopping centres** (mall+hyper) in Italy (60.8% of Italy core market value)

**18 out of 25 Hyper/Super in Italy are small** (sales area <6000 m<sup>2</sup>)\*

**Mall Tenants' Sales (Italy) per GLA m<sup>2</sup>: 2,813 (**

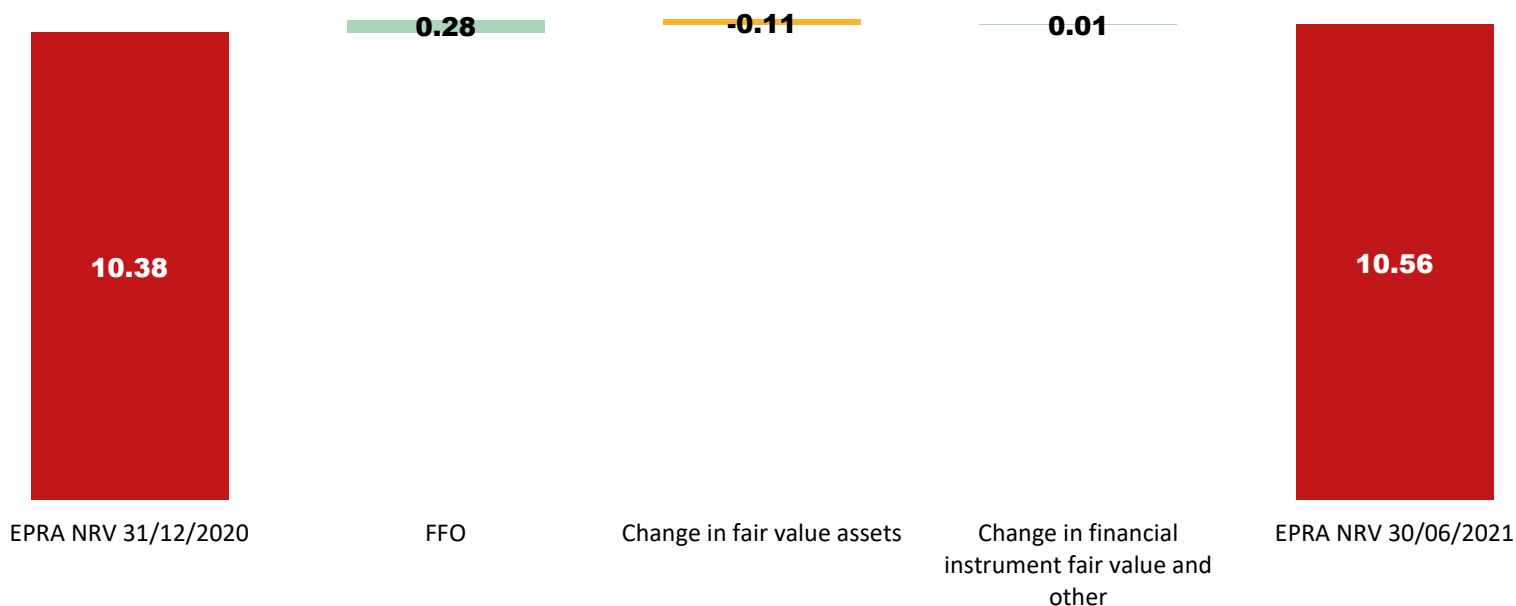
# IGD's portfolio market value as at 30 June 2021

	FY 2020	1H 2021	Δ %	Gross Initial Yield	EPRA Net Initial Yield	EPRA Net Initial Yield topped up
Malls Italy	1,473.30	1,472.29	(-0.07%)	6.60%	5.3%	5.3%
Hypermarkets Italy	558.97	561.78	+ 0.50%	6.01%		
Romania	138.64	137.52	(-0.81%)	7.49%	5.9%	6.0%
Porta a Mare + development + other	94.78	96.29				
<b>Total IGD's portfolio</b>	<b>2,265.69</b>	<b>2,267.88</b>	<b>+ 0.10%</b>			
Leasehold properties (IFRS16)	43.32	37.69				
<b>Total IGD's portfolio including leasehold</b>	<b>2,309.01</b>	<b>2,305.57</b>	<b>(-0.15%)</b>			

# EPRA Metrics as at 30 June 2021



Euro per share	1H 2021	FY 2020	Δ %
NRV	10.56	10.38	1.7%
NTA	10.48	10.31	1.7%
NDV	10.19	10.42	-2.1%



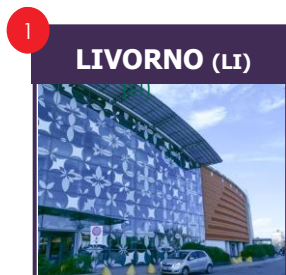


# Sale of a Portfolio of «stand alone» hyper/super

Agreement  
between



Sale of a portfolio  
for **€140 million<sup>1</sup>**  
(in line with the book value at 30 June)



- ✓ 5 hypermarkets and 1 supermarkets «stand alone», not connected to IGD's freehold malls
- ✓ NOI c. 7.7€m (per year)
- ✓ Properties have been transferred to a closed vehicle (REIF) managed by Savills (ICG 60% class A preferred shares; IGD 40% class B subordinated shares)<sup>2</sup>
- ✓ Property management conferred to IGD
- ✓ Closed on 25 th of November 2021

**The disposal was already part of the Business Plan 2019-2021**

# Disposal impacts for IGD

## Loan-to-Value reduction



**48.3%**

LTV  
30/09/21

**c. 45%**

LTV  
expected at YE

## Proceeds



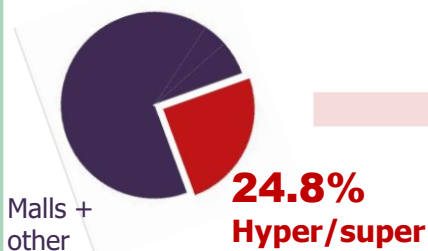
Net cash in for app. **115 € mln**

**2022** Financial maturities  
substantially covered, considering  
also cash on hand at year end

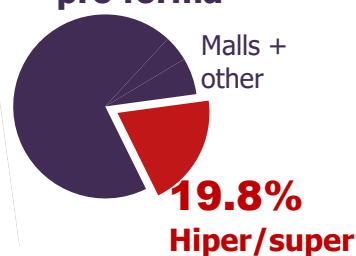
## Effects on market value



Market value 30/06



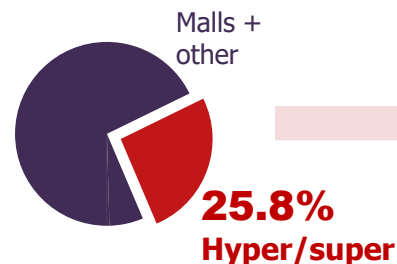
Market value 30/06  
pro forma



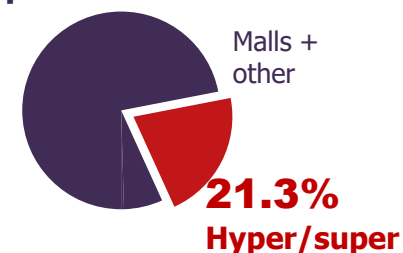
## Revenues concentration on Coop reduced



Revenues 30/09



Revenues 30/09  
pro forma







## **2 A resilient business model and an improving environment**

# Covid interrupted our previous growth Plan...

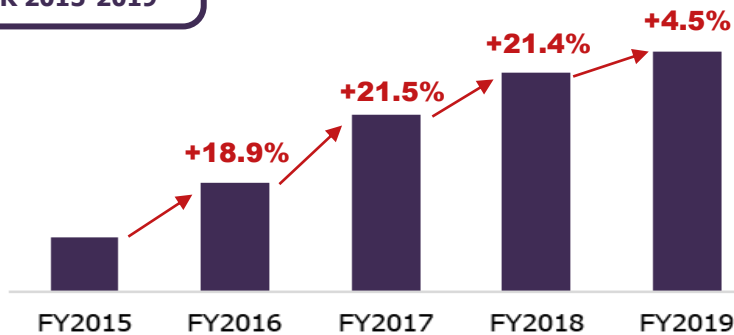


## Where were we in 2019?

**+16.5%**

CAGR 2015-2019

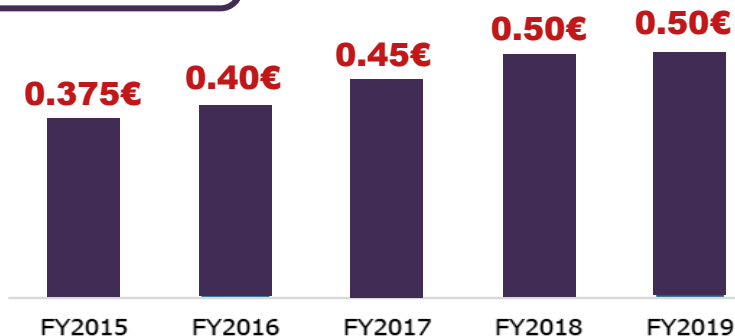
Funds From Operations



**+33.3%**

growth 2015-2019

Dividend per share



Spread of Covid-19



**2020/2021:**  
**Struck by a «tornado»**

**131**

days of closure

Italy: non essential activities  
(2020+2021)

**€27M**

impact on FFO

Covid direct impacts on FFO  
(2020+2021)



**Measures to preserve the  
financial structure**

**- €55M**

investments

Capex reduction  
(2020+2021)

**0.228€**

2020 dividend

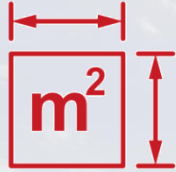


2021 dividend

**Dividend reduction**



# ...but our business model has proved resilient...



Occupancy rate  
Italy<sup>(1)</sup>

**>95%**



Rents  
Collected<sup>(2)</sup>

**>90%**

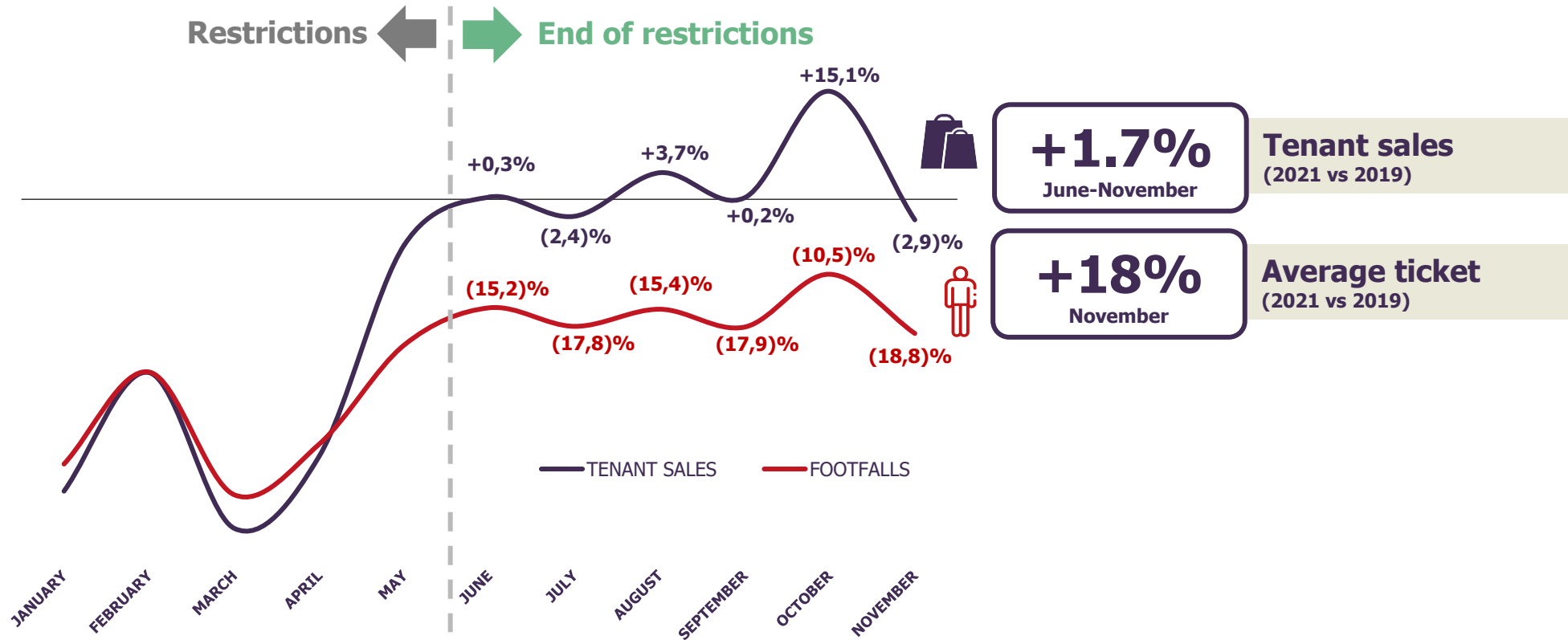


Loan to Value<sup>(3)</sup>

**~45%**  
(expected at year-end)

# ...and very positive answers have come from our visitors

## Operating performances 2021 vs. 2019 (Italy malls)



The noticeable recovery in the operating performances confirms the validity of IGD's business model and the appeal of our shopping centers.  
Physical shopping is still key for consumers



# Italian economy is growing

## 2021-2024 CAGR



GDP <sup>(1)</sup>

**+3.5%**



Private  
consumption <sup>(1)</sup>

**+3.4%**



## Some key elements

**1**

### NextGen EU

€222bn funds inflowing to Italy thanks to the National Resilience and Recovery Plan («Piano Nazionale di Ripresa e Resilienza»)

**2**

### Manufacture/Export

Italian manufacturing production is better than main European countries

**3**

### Reforms

Several reforms planned (PA, justice,...) as a further growth factor

**4**

### Construction

Construction is booming thanks to the important incentives set up by the Government (110% bonus, etc.)

**Not a «technical rebound», but a phase of economic growth, based on several pillars, that could run for longer**



**Inflation rate**



IGD will benefit from contracts indexation







**3**

**Strategic Plan 2022-2024  
Strategy is being adapted  
to the new trends**



# **Covid is accelerating some already existing global macro trends**



## **Urbanization**

- **Big cities but also medium-sized ones**
- **Proximity**
- **Adaptation/Conversion of urban areas (smart mobility/working)**



## **Quality of Life**

- **More attention on wellbeing, physical activities and personal care**
- **More health clinics both public and private spread around the country**
- **Shopping and services close at hand**
- **Healthy/fresh food**



## **Digitalization**

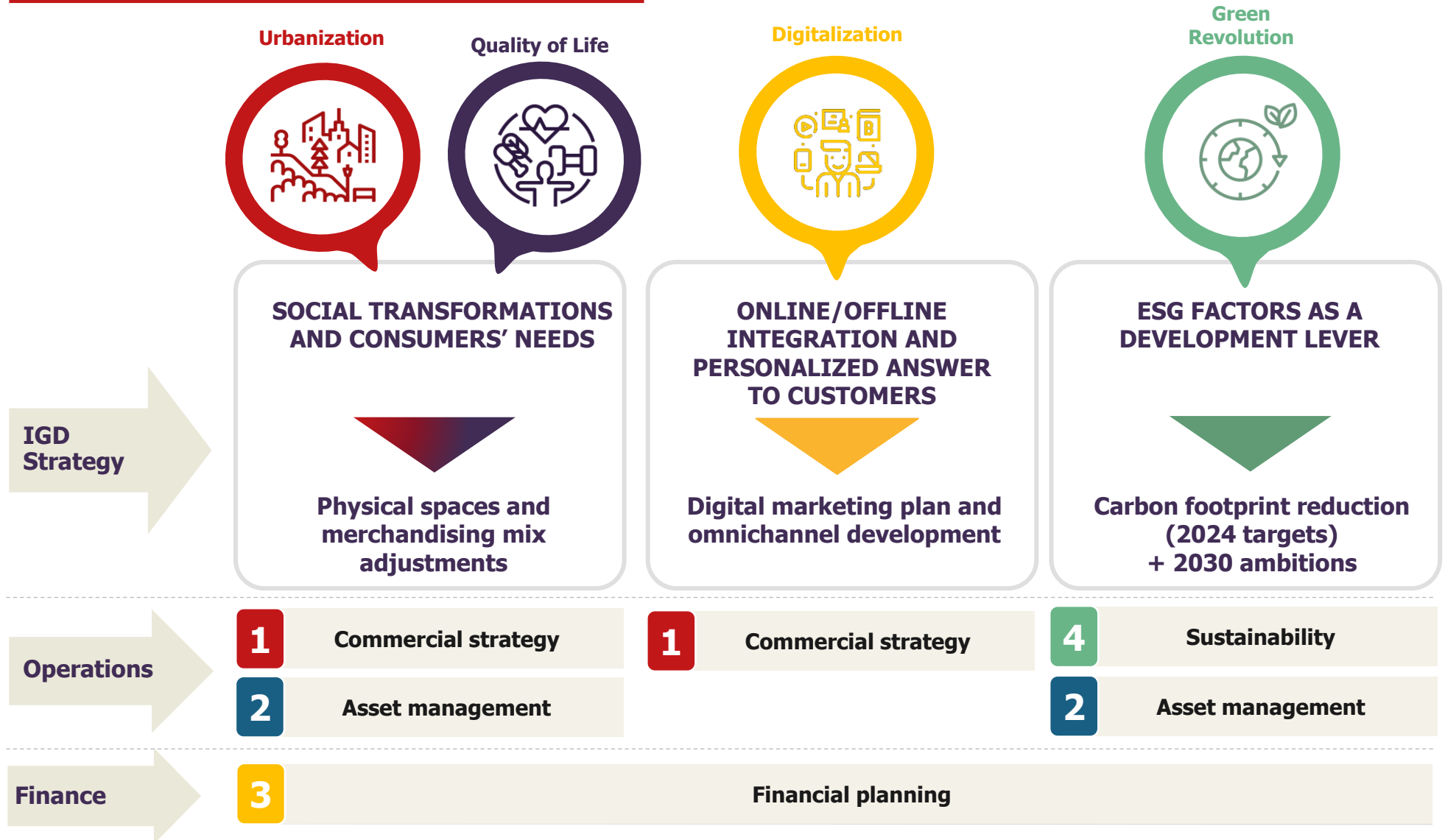
- **Always online**
- **«Everything now»**
- **Personalized offer/services**
- **More online/offline integration**



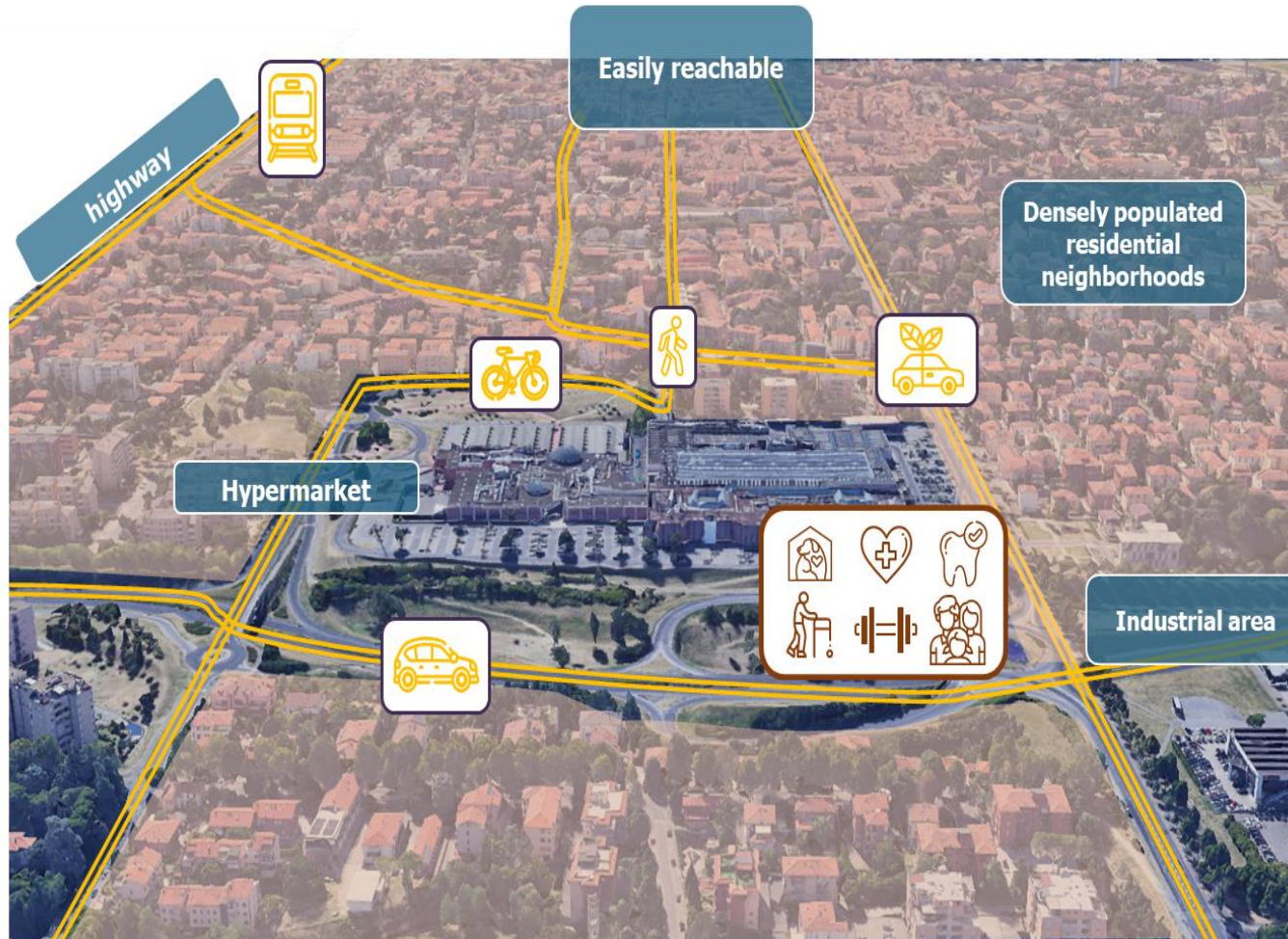
## **Green Revolution**

- **Fighting climate change and change in energy sources**
- **Emissions and waste reduction**
- **Electric vehicles**
- **Green and sustainable finance**

# IGD's strategy answers to new consumers needs...



# ...leveraging on an effective business model



A typical example: Centro Leonardo Imola (BO)



## **Dominant (1)**

Our assets are the dominant retail destination in their catchment area



## **«Urban» shopping centers**

Easily reachable (about 4km far from city center on average)



## **Strong food anchor**

Hypermarket has a strong attractive role for everyday shopping



## **Not only shopping but also services for community**

Dental clinics, medical clinics, pharmacies





4

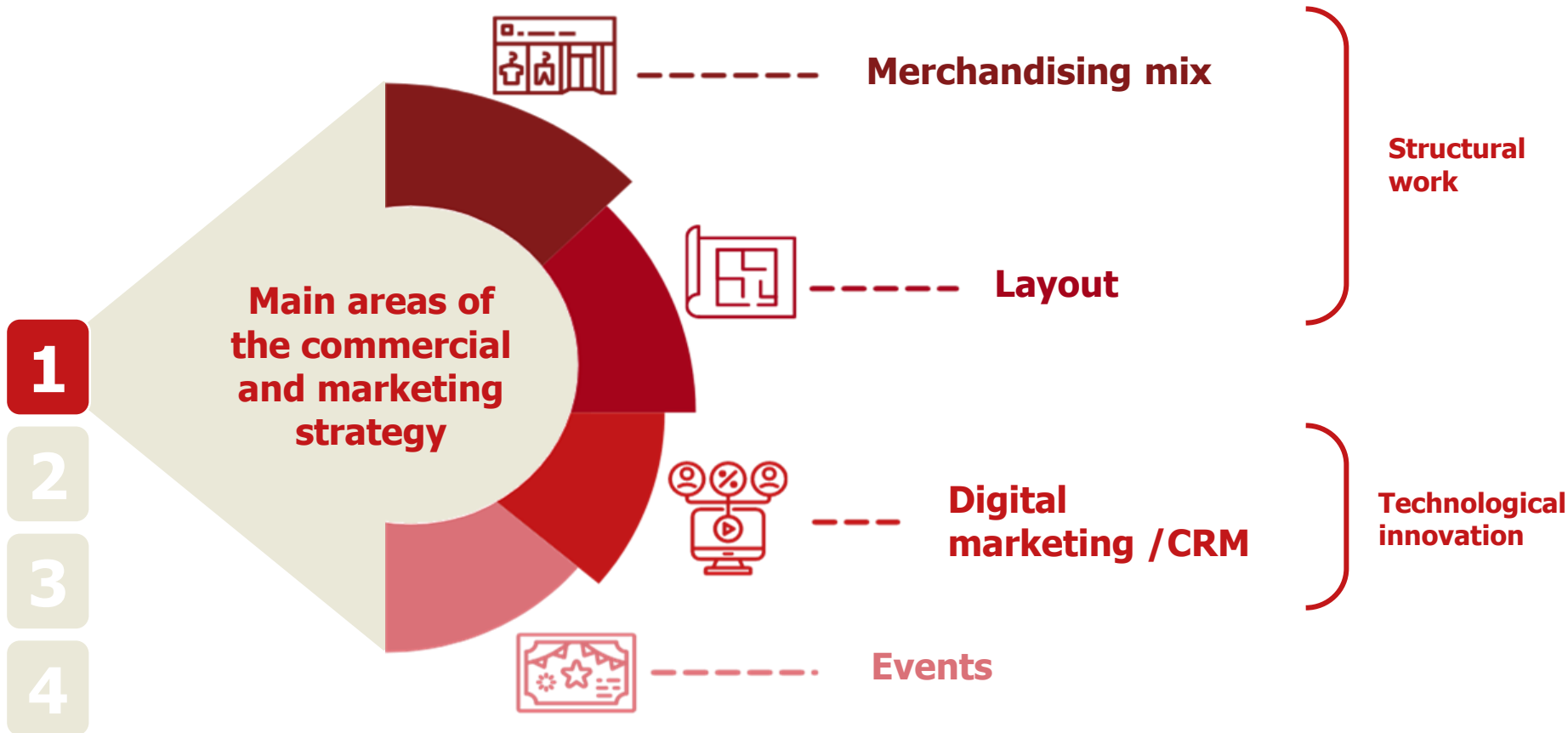
## Strategic Plan 2022-2024 Strategic actions on operations



# Commercial and marketing strategy

**COMMERCIAL  
STRATEGY  
TARGET**

**Development of commercial and marketing plan keeping in mind  
the features of each asset and their specific catchment area**



# Merchandising mix: scalable and replicable models



	Best practices in place	Target
 <b>Health and Wellbeing</b>	<ul style="list-style-type: none"> <li>✓ <b>21 dental clinics</b> opened from 2013 and 1 medical center opened in 2021</li> </ul> <div> <div>Dental Pro @ Le Maioliche</div>  </div> <div> <div>Dyadea @ Centro Borgo</div>  </div>	<p><b>2022</b></p> <ul style="list-style-type: none"> <li>✓ <b>2 Medical centers</b></li> <li>✓ <b>2 Fitness centers</b> (6,000 m<sup>2</sup>)</li> </ul> <p><b>BEYOND</b></p> <ul style="list-style-type: none"> <li>✓ Services for citizens/families</li> <li>✓ New tenants and new formats</li> <li>✓ Healthcare facilities</li> </ul>
 <b>Household goods</b>	<ul style="list-style-type: none"> <li>✓ <b>5,500 m<sup>2</sup> shops</b> (house furnishing, accessories and monobrand) opened in the last 2 years (including 3 Happy Casa and 1 Mondo Convenienza)</li> </ul> <div> <div>Mondo Convenienza @ ESP</div>  </div> <div> <div>Happy Casa @ Clodi</div>  </div>	<p><b>2022</b></p> <ul style="list-style-type: none"> <li>✓ <b>Signed agreement with Portobello</b> (3,200 m<sup>2</sup>)</li> </ul> <p><b>BEYOND</b></p> <ul style="list-style-type: none"> <li>✓ Scouting of new tenants and new format to extend the offer</li> </ul>
 <b>Food court</b>	<ul style="list-style-type: none"> <li>✓ <b>8 Pokè restaurants</b> opened in 2021 and <b>5</b> in 2022</li> <li>✓ <b>&gt;1,000 m<sup>2</sup> of restaurants</b> opened in 2021</li> </ul> <div> <div>Poke Sun Rice @ Centro Leonardo</div>  </div> <div> <div>Le frit sé chic @ Centrosarca</div>  </div>	<p><b>2022</b></p> <ul style="list-style-type: none"> <li>✓ 1,600 m<sup>2</sup> new openings</li> </ul> <p><b>BEYOND</b></p> <ul style="list-style-type: none"> <li>✓ Ethnic/bio/healthy/high quality restaurants</li> <li>✓ Food truck in the external areas and family restaurants with playground areas</li> </ul>

# Merchandising mix: scalable and replicable models



## Best practices in place

## Target



### Tech

- ✓ **15 new shops** opened in the last 2 years

Med Store @  
Centro Nova



Mi Store @  
Tiburtino



**2022**

- ✓ **1 new Unieuro store**

**BEYOND**

- ✓ New brands and focus on emerging brands
- ✓ Specialized shops for gamers
- ✓ Shops of remanufactured high tech products



### Sport

- ✓ **3,000 m² of shops** opened in the last 2 years, including JP Sport and King Sport

JD Sport @  
Centro Nova



King Sport @  
Le Maioliche



**2022**

- ✓ **1,850 m² next opening** in Centro Leonardo

**BEYOND**

- ✓ Specialized retailers complementary to the sports areas developed outside and shops specialized in motorcycle accessories



### Family store

- ✓ **8 Pepco** opened in the last 2 years equal to 4,900 m2

Pepco @  
Centro Lame



Pepco @  
Centro Casilino



**2022**

- ✓ **700 m² with contract signed**

**BEYOND**

- ✓ Shops and services dedicated to children
- ✓ Leisure areas dedicated to children



## External Areas

**Creation of new spaces** with external food court, sport and entertainment areas,... **in unused outdoor areas** (parking lot, rooftop)

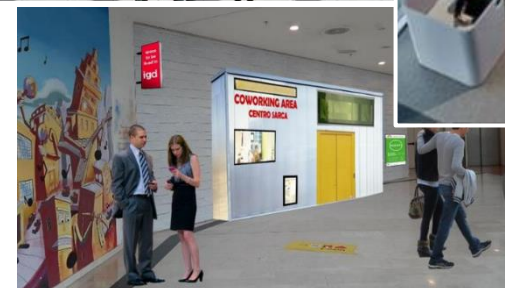


Work in progress on the rooftop of Centro Casilino



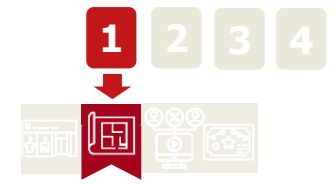
## Smartworking Areas

**Creation of smart working/studying areas** inside the shopping center





# Layout project: a new life for the external areas



Use of currently  
unproductive areas

Increase of the services  
offered to customers

Cross selling activities  
external services/malls' shops



Padel courts



Photovoltaic systems

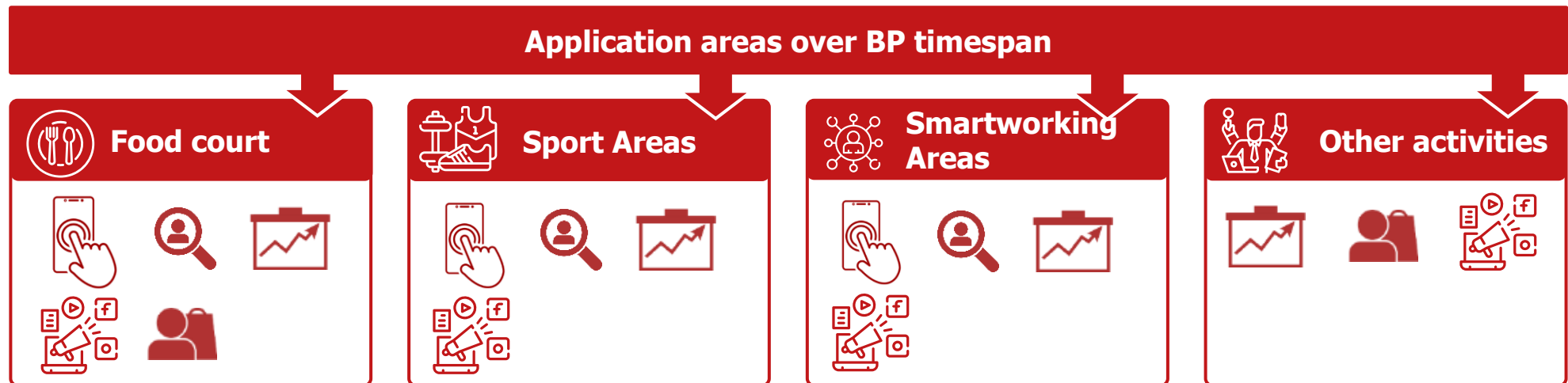
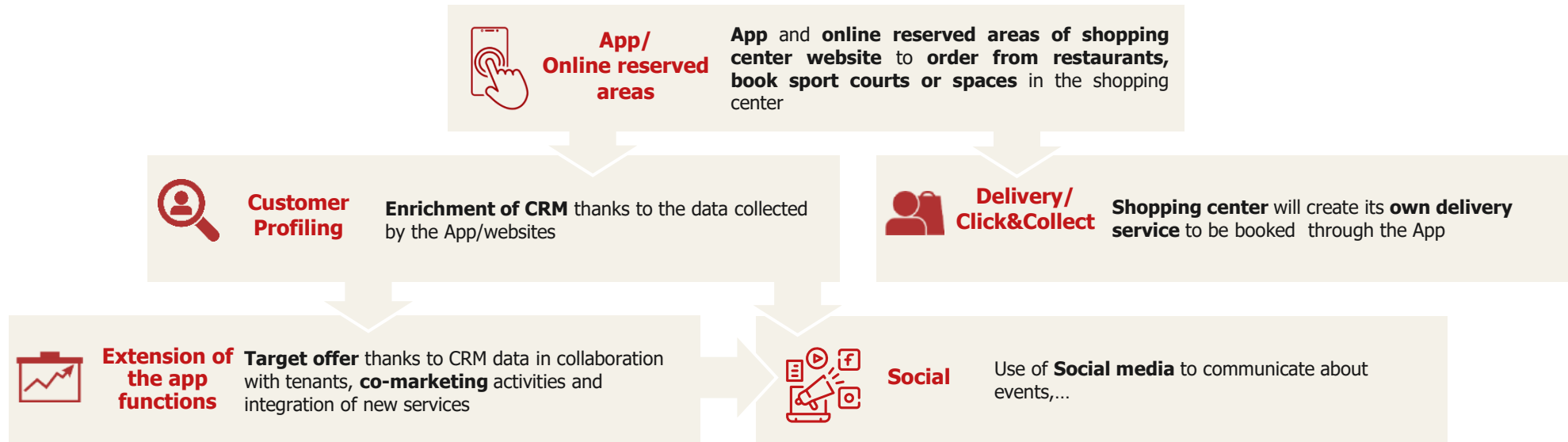
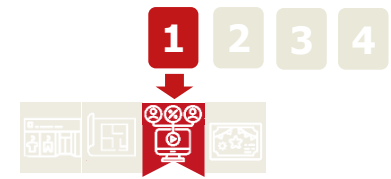


Food truck/Riders areas



Food kiosks/relax areas

# Omnichannel development



# Focus on the Digital Marketing Plan



**TARGETS  
2020**

**ACTIONS  
2021**

**Personalization** of the products/services offered at the centers using **digital tools** to understand/profile shoppers and increase **loyalty**

**CRM** linked to the different **touch-points** (e.g. new websites with reserved areas ) in order to follow the **customer journey**

**Combine the understanding of each center's local catchment area with a centralized CRM / data-lake system** created using the data gathered from websites, apps, totems, events and potentially from the single tenants and the food anchor

## 4 OPERATIONAL TARGETS OVER THE LIFE OF THE PLAN

### **Data and CRM**

Qualitative and quantitative **lead generation** for CRM

**Data analysis** → Strategic information to **support commercial initiatives**

**>200k contacts in 6 months (+30% from the «Area Plus» launch 22/11/21)**



### **Customer engagement**

**Strengthening and development of the community** using social media (Facebook & Instagram) and digital (Area Plus & newsletter) strategies

**Loyalty programs**

**Online initiatives** to increase traffic/visits

**Target newsletter** >100 newsletters sent with an open rate above the national average

### **Tenant engagement**

**Work with the tenants** to define and develop commercial and digital initiatives together

**Data as a service:** use the CRM data to carry out profiled sales activities

**Share profile data** (through tenant CRM)

**Location intelligence**

### **Internal innovation**

**Digital innovation program** inside Gruppo IGD  
**Training on the use of new tools**

Concerted development of **new digital marketing services**

**OPERATIONAL  
TARGETS OVER  
THE LIFE OF  
THE PLAN  
2022-2024**





Desire for more **experience** and **sociality** and greater diffusion of **digital**



## Experience

**Events in collaboration with tenants** to offer «experiences» to visitors, involving them in activities inside the shopping center

**Temporary leisure areas** for multimedia exhibitions and «virtual» area with interactive games, sport simulators,...



Il Centro al Centro event @Centro d'Abruzzo Chieti



## Omnichannel

Realization of events that include **drive to store activities in order to make the visitors experience the shopping center on and off line**

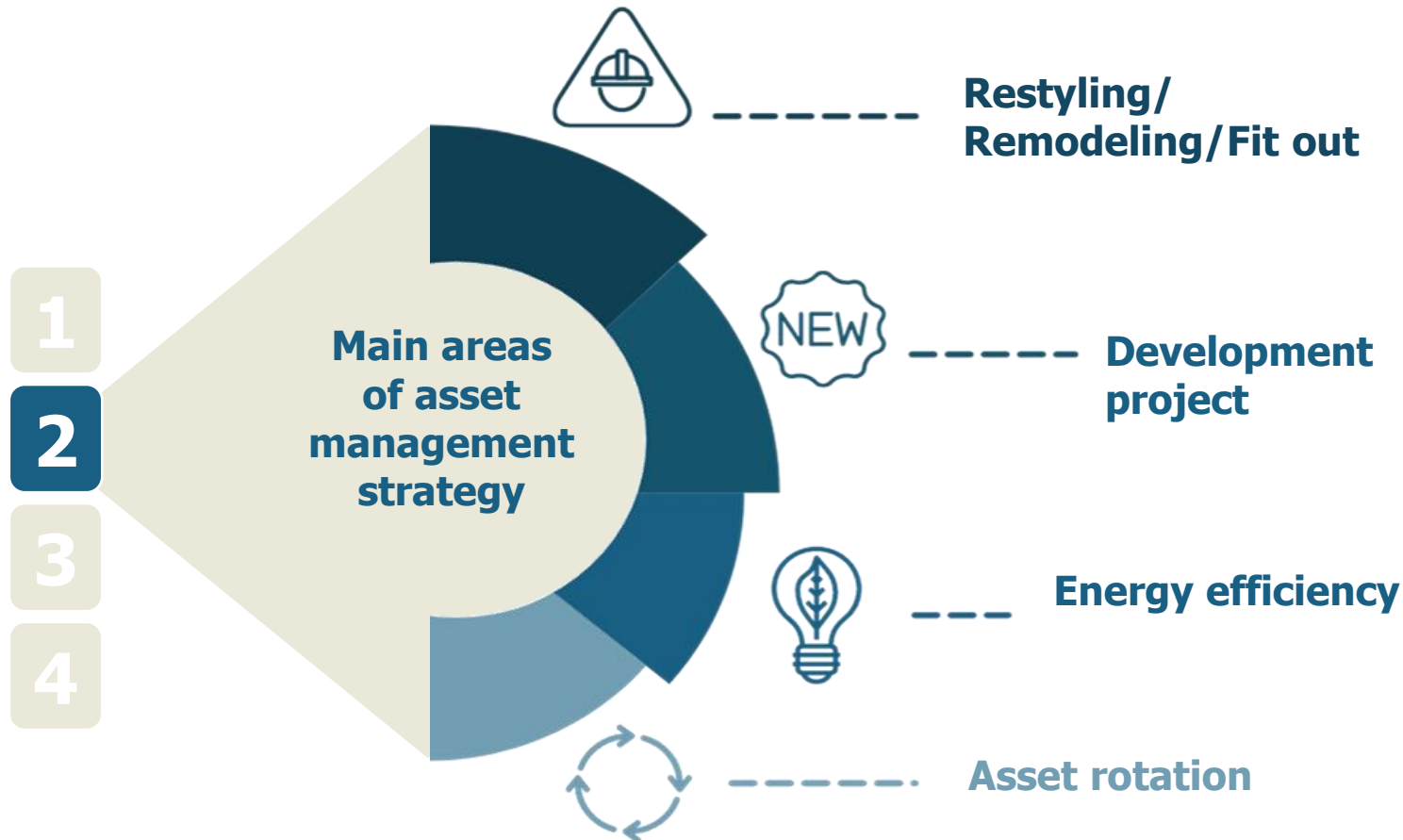


Black Friday event @ESP Ravenna

# Asset management strategy

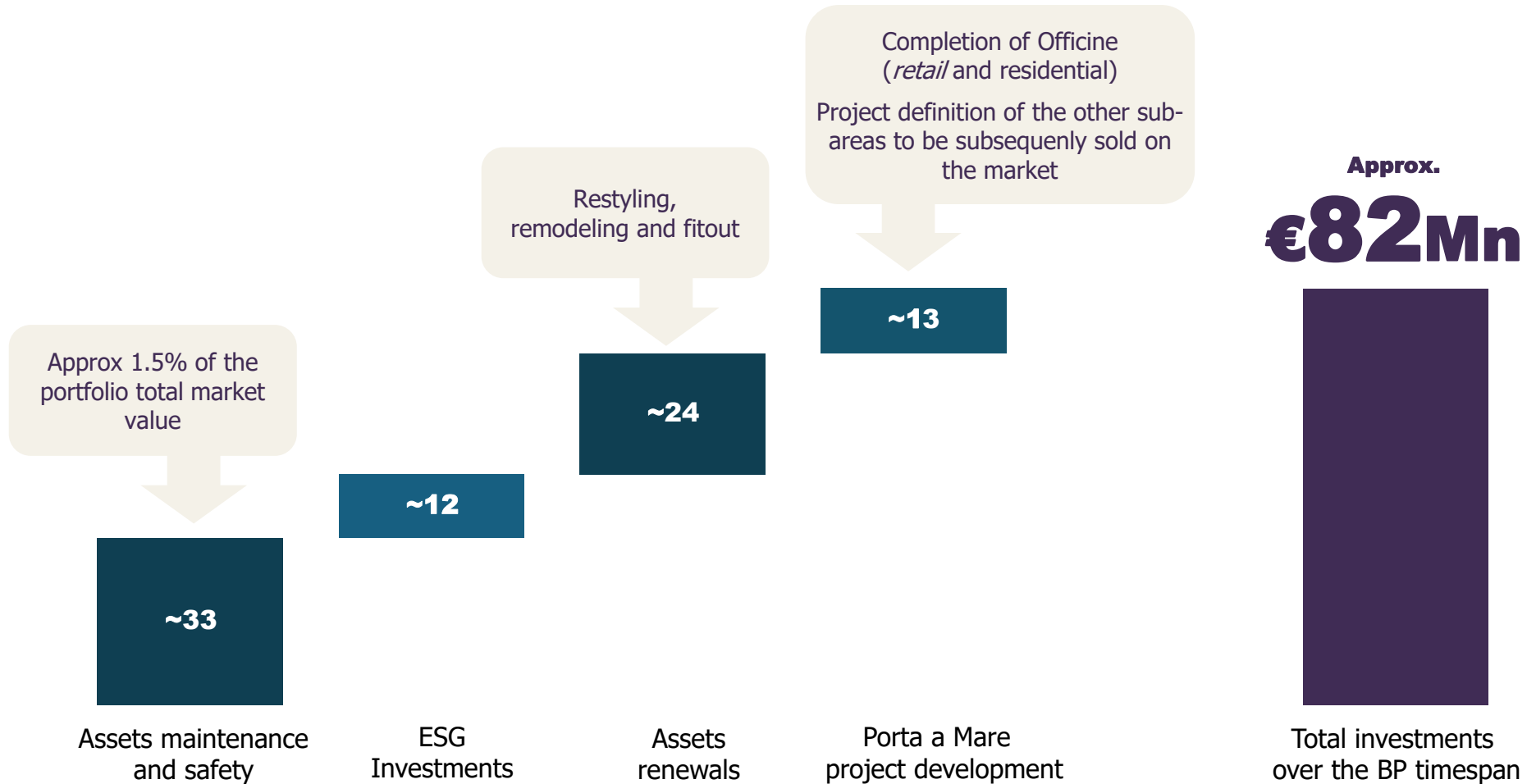
## ASSET MANAGEMENT STRATEGY TARGET

We constantly invest in our shopping centers to make them more and more attractive, to maintain their value over time and to lengthen their life cycle



# Investments (€mn)

1 2 3 4



# Restyling



Porto d'Ascoli – AP

m<sup>2</sup>

21,800 m<sup>2</sup> GLA (total center)



1H 2023 end of work



Mall total restyling and hypermarket remodeling



Installation of photovoltaic and led lighting systems



€ 4.6 mn total investment over BP timespan





# Restyling

1 2 3 4



Mantova - MN

m<sup>2</sup>

13,600 m<sup>2</sup> GLA (mall)



2H 2022 end of work



Restyling of facade, mall and parking lot; food court remodeling and use of external areas



Installation of photovoltaic and led lighting systems



€ 4.3 mn total investment over the BP timespan



# Remodeling



Gravina di Catania

m<sup>2</sup>

27,100 m<sup>2</sup> GLA (total center)



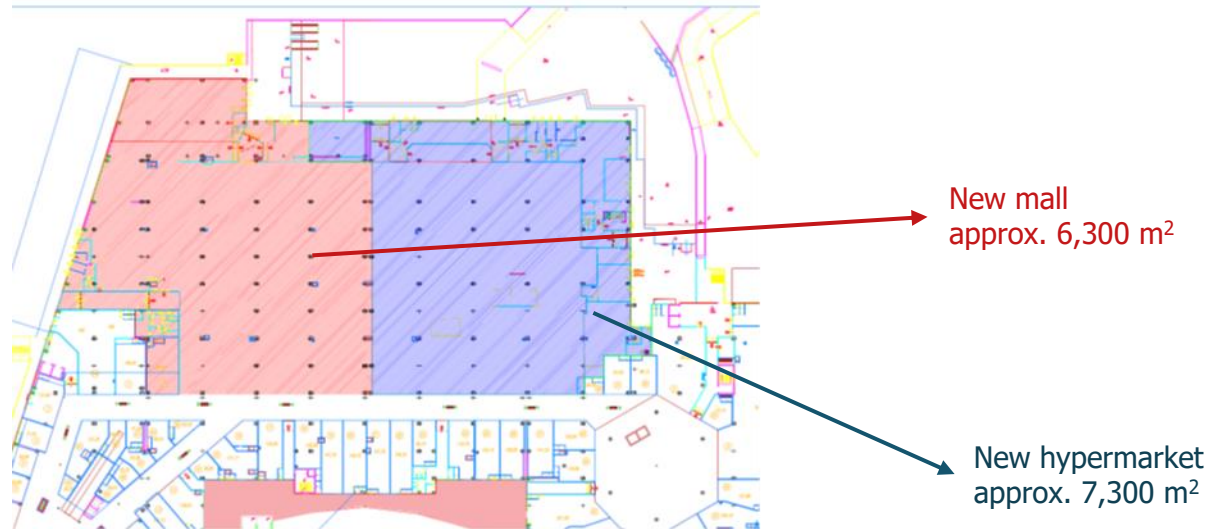
2H 2022 end of work



Hypermarket remodeling



€ 1.9 mn investment over the BP timespan



# Remodeling



Palermo

m<sup>2</sup>

26,500 m<sup>2</sup> GLA (total center)



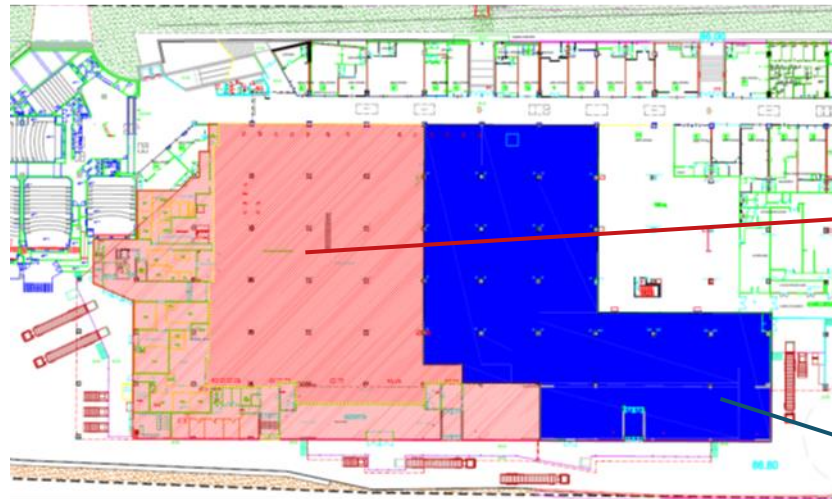
2H 2022 end of work



Hypermarket remodeling



€ 1.2 mn investment over the BP timespan



New hypermarket  
approx. 7.200 m<sup>2</sup>

New malls  
approx. 4.000 m<sup>2</sup>



# Porta a Mare Livorno

## Mixed-use project



### A Piazza Mazzini

- **Retail:** operating, 100% owned by
- **Residential:** sales completed

### B Palazzo Orlando

- **Offices:** sold in 2019

### C Officine Storiche

- See focus in the next slide

### D Sub areas Lips, Molo Mediceo and Arsenale

- Hotel, residential, entertainment and service
- To be develop



APPRODO DEL FUTURO.

**m<sup>2</sup>** >20,000 m<sup>2</sup> GLA (15,000 m<sup>2</sup> retail, 5,600 m<sup>2</sup> residential)



1H 2022 end of work



30 shops, 1 fitness center, 10 restaurants



42 flats to be sold (20 preliminary agreement signed as of today)



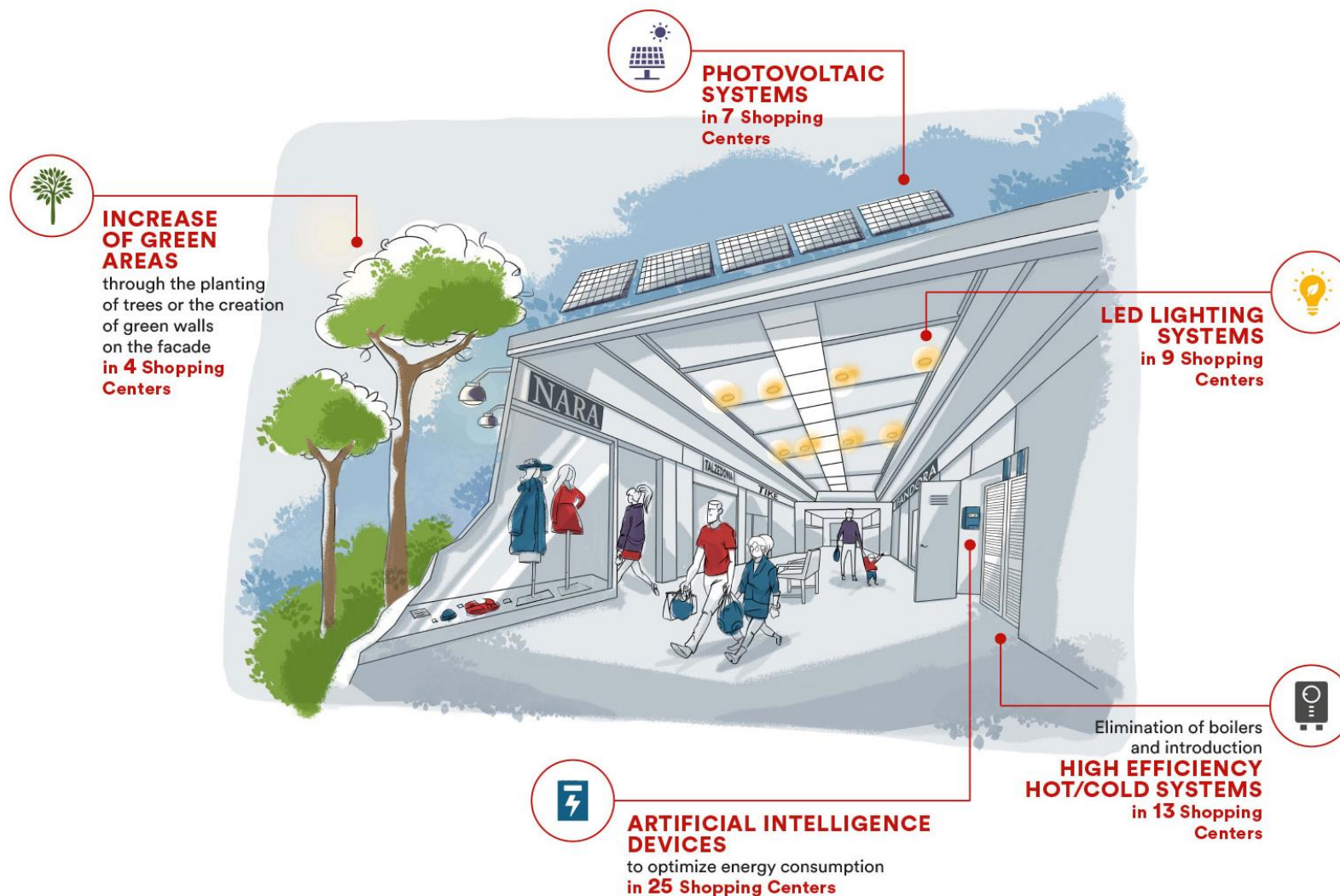
€ 12.8 mn final costs





# Energy efficiency

1 2 3 4



# Energy efficiency: targets

1 2 3 4



## Main targets

**-21.5% GHG emissions**  
(at 2025 location based  
«baseline 2018»)

**At least 1 asset  
carbon positive**  
(at 2030)

**100%**  
**Use of energy from  
renewable sources**  
(already in place)



Centro Tiburtino (Roma) - render of the main entrance



Centro Sarca (Milano) – render of new internal areas and rooftop with cinema entrance





## Main characteristics

Extended network

Strategic locations

Adaptable and flexible assets

Direct management

Cash producer



## 2022-2024 Plan Highlights

Approx. **€5mn** capex plan  
(safety, maintenance and environmental)

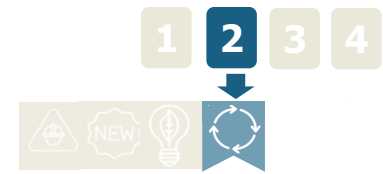
Approx. **€19.4mn**  
of generated FFO

Approx. **€ 13.5mn**  
of generated dividends

**100% self-financed investments**

**No financial leverage**

# **A balanced asset rotation with flexible targets**



## **Strategic rationale**

### **Non core asset disposal**



**Potential target:**

Romania

Three «stand alone»  
hypermarkets

Three Porta a Mare plots of land  
to be developed

Potential disposals  
over BP timespan

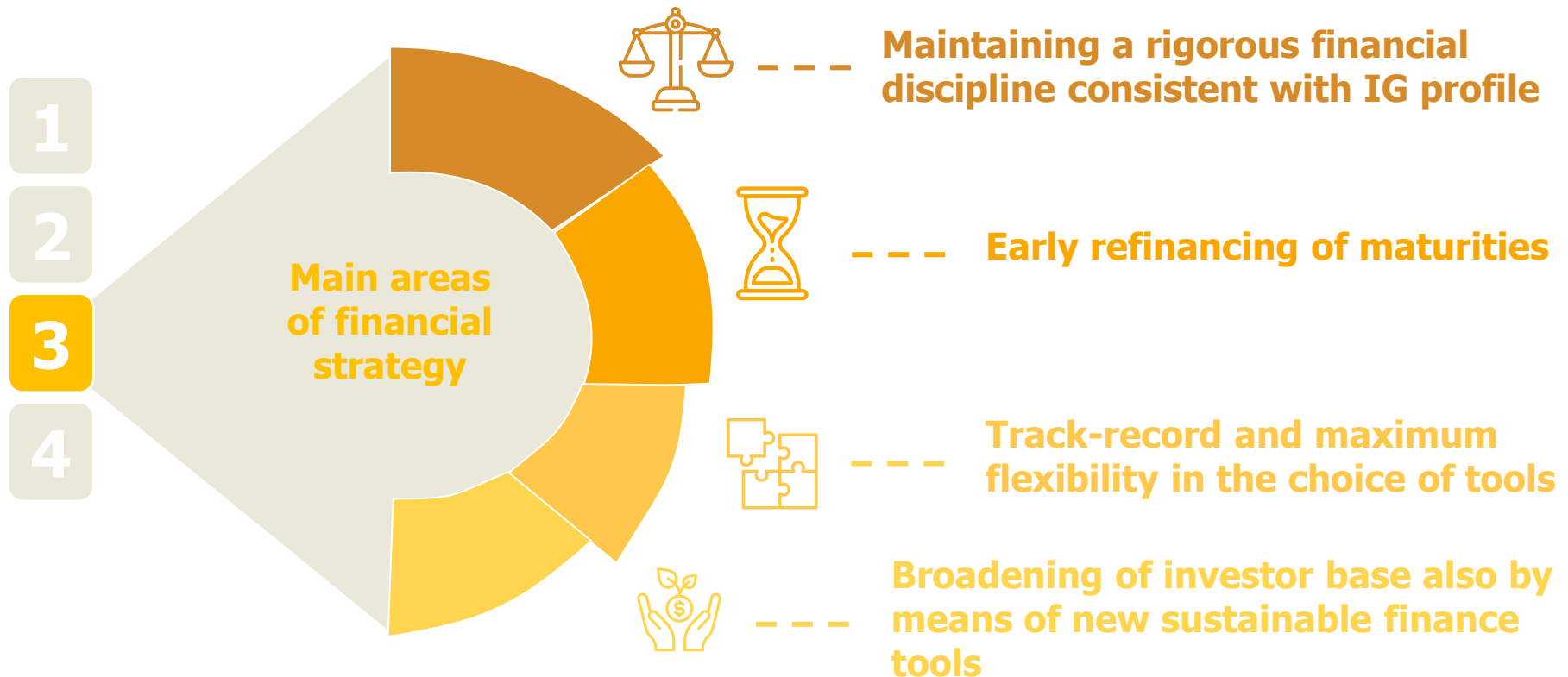
**180/200**  
€ mn

## **Possible use of proceeds**

- **Growth in the Italian retail market with possible scale economies**
- **Tactical reduction of financial leverage**
- **Potential opportunities to diversify the investments**

## FINANCIAL STRATEGY TARGET

**Obtain the best economic conditions whatever the market context is,  
and minimize exposure to financial risks  
(credit risk and fluctuation of interest rates)**



**The 2022-2024 Business Plan will be completely self-financed  
and will not require any capital transactions**

# A solid financial structure and clear maturity profile

1 2 3 4



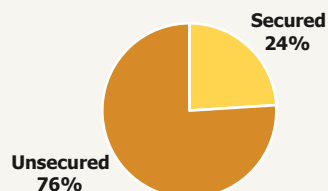
## Debt structure (2021 E)

Total Net Debt  
approx. **€990mn**

LTV  
approx. **45%**

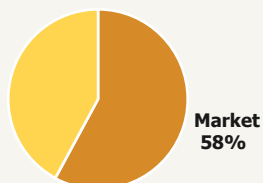
Cash on hand  
approx. **€160mn**

Including net proceeds from the disposal carried out at the end of November



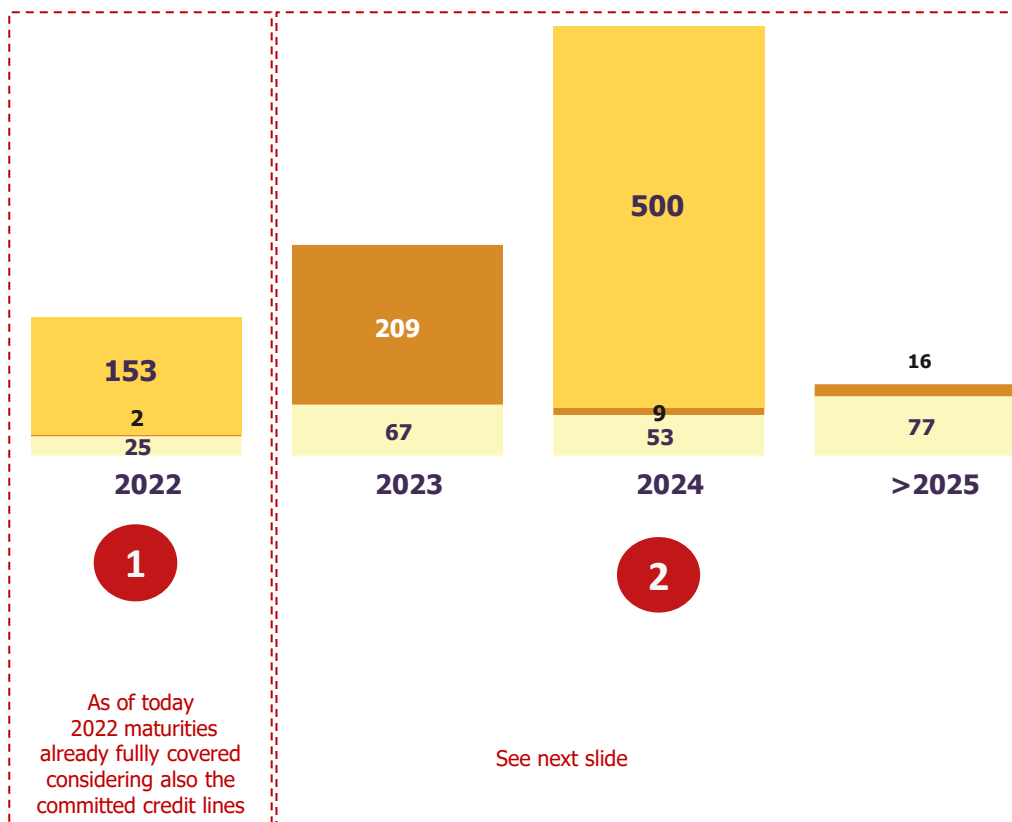
**FITCH**  
**BBB-**  
**Stable Outlook**

Banking  
system  
42%



**S&P Global**  
**BB+**  
**Stable Outlook**

Secured bank debt  
Unsecured bank debt  
Bonds





# **2023/2024 maturities: new sustainable finance strategy**

1 2 **3** 4

## **WHAT WE ARE WORKING ON**

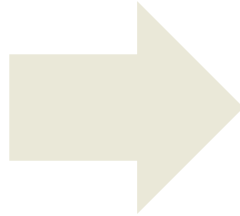
- **In 2022 refinancing of 2023, as well as part of the 2024, maturities on the bond market**
- **Sustainability Linked Bond: potential new opportunity on the financial markets**
- **«Sustainability Linked Financing Framework» currently being finalized**
- **Group's ESG strategy and targets consistent with market standards**

## **AFTER 2022**

- Refinance other maturities in advance
- Maximum flexibility in the choice of markets and instruments (successful track record)
- Possible asset/liability management activities to limit negative carry



**10 YEARS  
TRACK  
RECORD**



becoming  
**g.re.a.t.**

## Strategy

### GREEN

1. Climate Change
2. Accessibility and mobility

### RESPONSIBLE

3. Good employment
4. Gender equality
5. Wellbeing, health and safety

### ETHICAL

6. Governance, ethics and corruption

### ATTRACTIVE

7. Sustainable enhancement of the portfolio
8. Retail offer
9. Spaces to be lived in
10. Innovation

### TOGETHER

11. Stakeholder engagement
12. Local communities

**41** targets at 2024:

**22** ambitions toward 2030

- Material for IGD
- Consistent with UN SDG's

## IGD RELEVANT SDG'S





## 2024 TARGETS

### CLIMATE CHANGE

- **100% green energy purchased**
- **double** the use of energy produced from **renewable sources**
- **-15%** reduction in **energy consumption** – location based «baseline 2018»
- **BREEAM certification of 9 more assets** (8 already certified at year-end 2021)
- **Use of artificial intelligence technologies to reduce energy consumption**
- **Biodiversity** projects in 4 centers

### MOBILITY

- **100%** of the Italian portfolio with **charging stations for electric cars**



## 2030 OBJECTIVES

- Zero carbon emissions (scope 1 and 2) at **100% of the Italian shopping centers**
- Reduce **indirect emissions** (scope 3)
- **100%** of the Italian assets **BREEAM** certified
- **Zero waste**
- **At least 1 carbon positive asset**





Different types of charging stations (traditional, fast, Tesla) across the whole network



## Main targets

**100% of the shopping centers with charging stations**

**50% of the shopping centers with fast charging stations**  
(agreement with top international player)

**100% of the assets ISO14001 and BREEAM certified**



## 2024 TARGETS

### WORKPLACE QUALITY

- **Training:** 100% of the employees in Italy and Romania each year
- **1 employee satisfaction survey and 2 «pulse surveys»**
- **«Sustainability Innovation Award»** to be implemented at one pilot shopping center.
- **Define a goal linked to ESG topics for part of the workforce** (beginning with the one defined for Management)

### HEALTH AND SAFETY

- +1 new service in the employees' Corporate Wellness Program
- 100% **«Biosafety Trust Certification»**



## 2030 OBJECTIVES

- **Gender equality in roles of responsibility**
- **Improve employees' wellbeing and expertise**



## 2024 TARGETS

- Corporate **cybersecurity strategy**
- Systematic **assessment of the providers along the supply chain with a view to sustainability**
- Maintain the **highest legality rating possible**
- Maintain the UNI ISO 37001 certification



## 2030 OBJECTIVES

- Best-in-class for **corporate governance and legality**
- **CSR policies included** in company supply chains
- Guarantee comprehensive **privacy and cybersecurity** controls



## 2024 TARGETS

### SUSTAINABLE ENHANCEMENT OF THE PORTFOLIO

- 4 key restyling/remodeling projects

### OFFER

- Commercial and strategic adjustments based on the needs of the community

### SPACES TO BE LIVED IN

- 1 yearly CSR plan for 100% of the assets
- 1 transversal CSR initiative involving 50% of the portfolio



## 2030 GOALS

- Up to 10 sustainable **restylings completed to renew and enhance** the portfolio
- 100% with projects aiming to increase **visitors' well being**





## 2024 TARGETS

### STAKEHOLDER ENGAGEMENT

#### Relationship with investors/financial community

- **1st Sustainability Framework defined and issue of 1st Sustainability Linked Bond**
- Investor/CSR Day and theme-based roadshows based on ESG topics
- Annual Visitor Survey for each shopping center
- Share figures relating to energy consumption with at least 50% of the tenants

#### LOCAL COMMUNITIES

- Involve non-profit organizations each month at 100% of the shopping centers
- Yearly job fairs in at least 25% of the shopping centers



## 2030 OBJECTIVES

- Partnering with **tenants** in **sustainability**
- **Partnerships with NGOs**



**5**

## **Strategic Plan 2022-2024 Key outputs and financial targets**

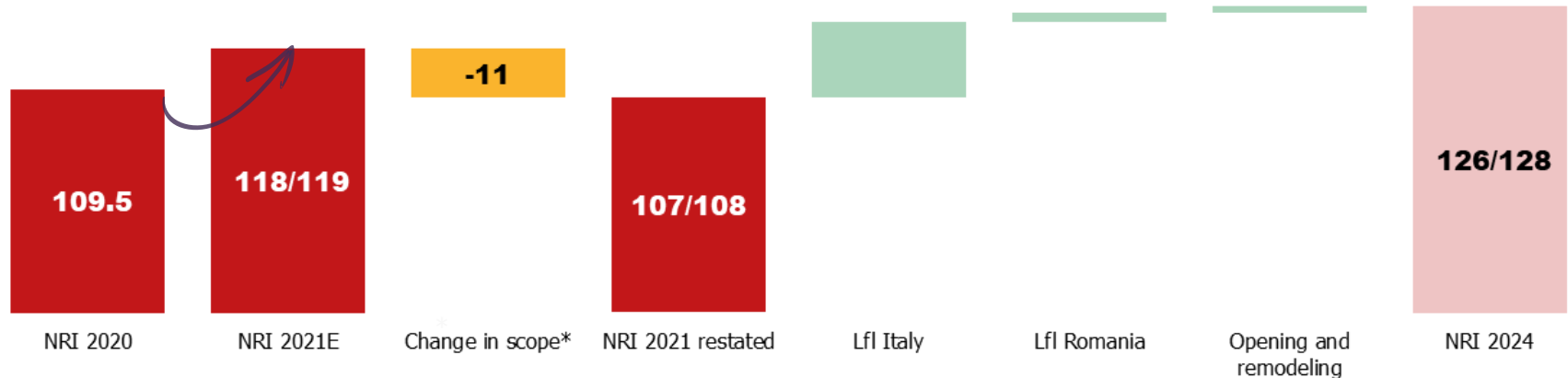
# Net rental income evolution

## CAGR Lfl bp timespan 2021-2024

Italy	+5/6%
Romania	+8/9%
Total	+5/6%

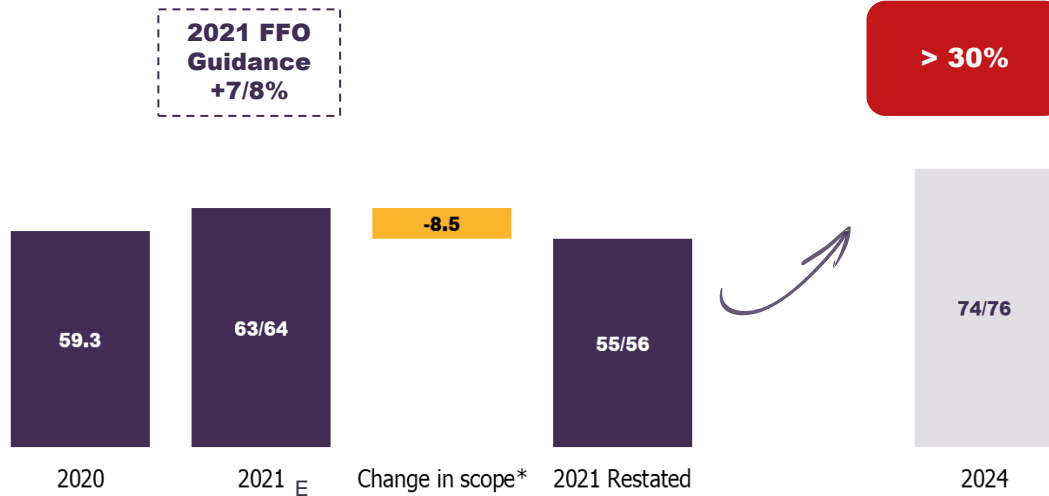
- Recovery of COVID direct impacts
- Increase in financial occupancy to pre-COVID value (> 97%)
- Increase thanks to inflation, upside, temporary revenues and variables

## NRI bridge (€mn)

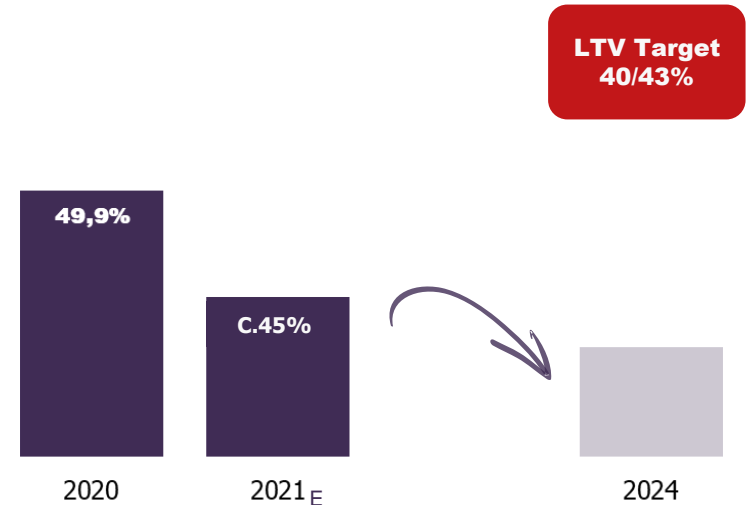


# FFO and Loan to value

## FFO (€mn)



## Loan to Value



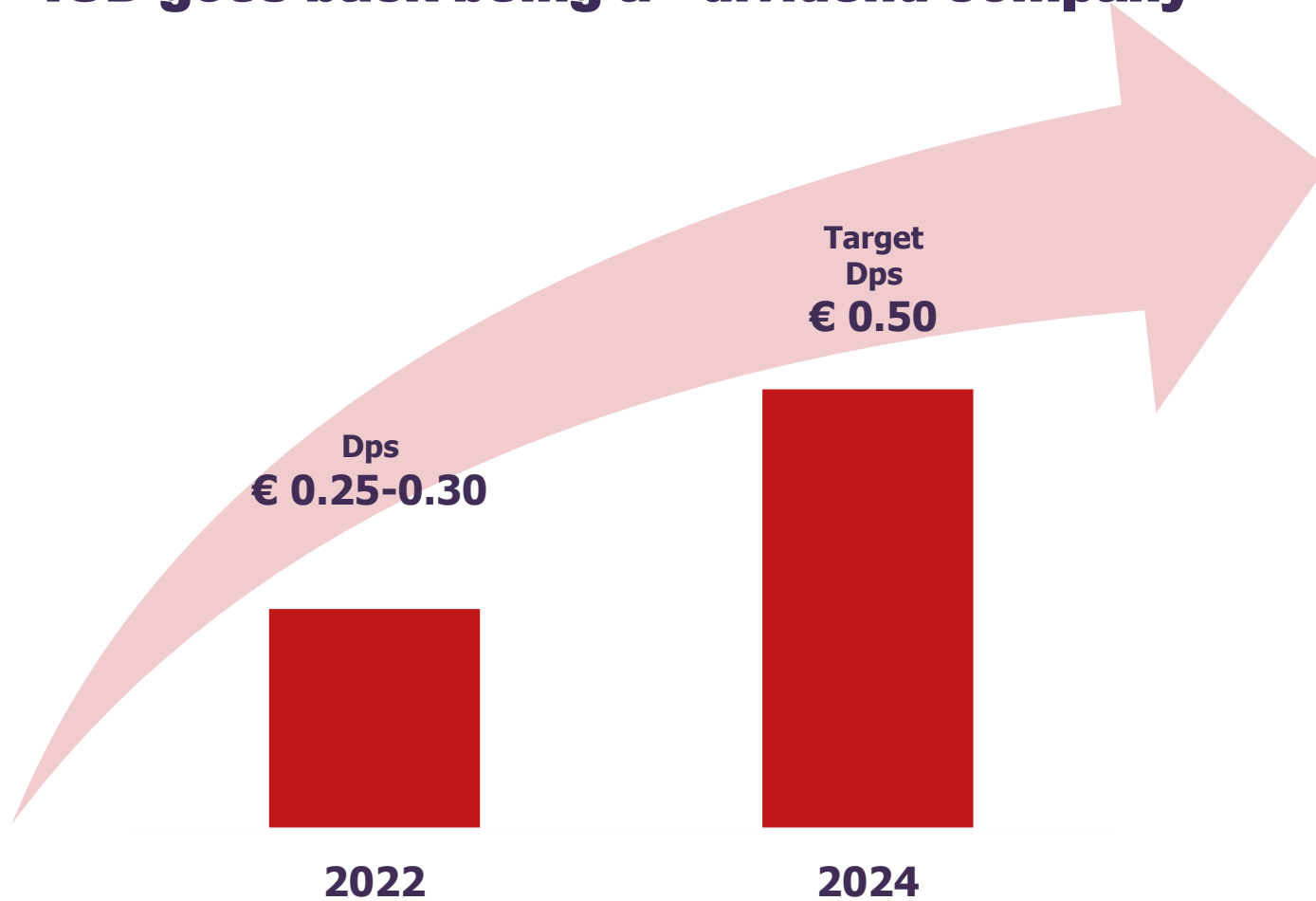
Considering scope being equal to the one at end of 2021.  
Porta a Mare Project trading revenues have been included



# Dividend

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## IGD goes back being a «dividend company»



# Final Remarks

---

## **Main objective of the 2022-2024 Business Plan: proactive management of assets so as to project them into the future and prepare them for new market challenges**

- 1** The assets held strong during the pandemic stress test ...  
... confirming that local physical retail is resilient ...  
... and it can still offer opportunities for growth
- 2** A new scenario in which physical and digital work in close interconnection: use of new spaces and strengthening of merchandising and tenants who are able to catch new trends in progress
- 3** IGD confirms to be a "dividend company", with a constantly growing dividend
- 4** Loan to value expected to decrease in a range 40-43%

# Possible future scenarios

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**IGD could act as an aggregator of new assets, potentially even from different sectors, in order to further expand its property portfolio and leverage on its know-how and greater economies of scale to create value, if allowed by market conditions.**



The background image shows the exterior of a modern building with a prominent wooden roof structure. A sign for 'ZARA' is visible on the left, and a sign for 'ipercoop' is hanging from the roof. In the distance, a sign for 'Maretti' is visible. The building is surrounded by greenery, including tall grasses in the foreground and a dense green wall on the left. A red semi-transparent banner is overlaid across the middle of the image.

# 6 Appendix



# FY 2020 and 9M2021 main results

	FY 2020 vs 2019	9M 2021 vs 9M 2020
<b>REVENUES</b>		
Rental Income	€145.6 mn -6.2%	€109.1 mn 0.1%
Net Rental Income	€109.5mn -19.8%	€86.9 mn -3.1%
<b>EBITDA</b>		
EBITDA ( <i>Core Business</i> )	€99.4 mn -20.6%	€79.6 mn -3.9%
EBITDA <i>Margin</i> (Core Business)	65.4% -121pts	69.8% -30pts
EBITDA Margin From Freehold	65.3%	70.4%
<b>GROUP NET PROFIT</b>		
	€-74.3 mn n.a.	€35.2 mn n.a.
<b>Core Business Funds From Operations (FFO)</b>		
Core Business FFO per share *	€59.3 mn -28.8% 0.54	€48.4 mn -9.3% 0.44

Results impacted by the exceptional containment measures adopted in Italy to limit the spread of Covid-19

# Net Rental Income (€mn)



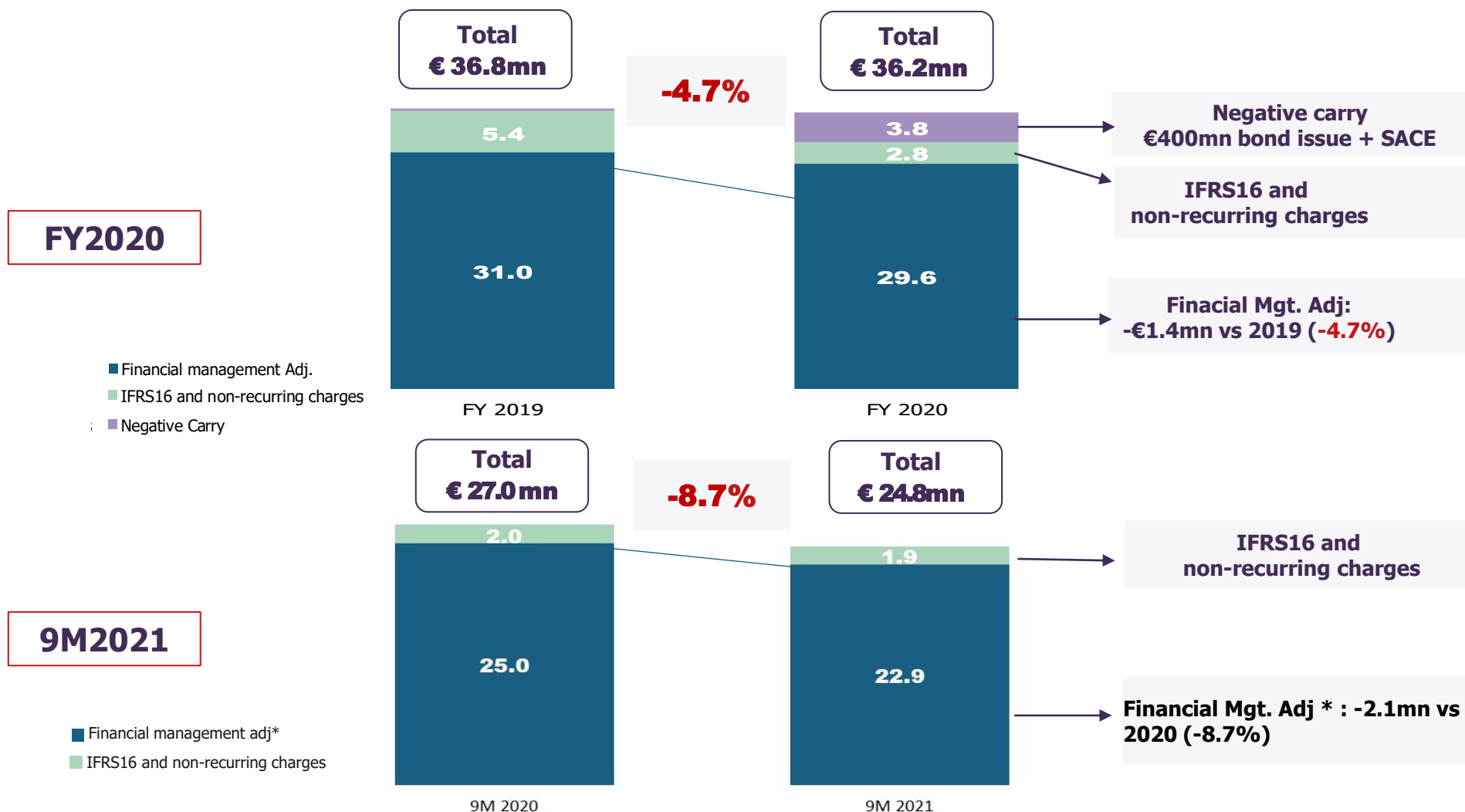
\*Covid-19 net direct impacts include Covid temporary reductions already granted for €4.4mn and Covid effects included in direct costs for €14.1mn.

Some figures may not add up due to rounding.

# Funds From Operations (FFO) as at 30/09/2021

Funds from Operations	CONS_2020	CONS_2021	Δ 2020	Δ% vs 2020
Core business EBITDA	82.8	79.6	-3.2	-3.9%
IFRS16 Adjustments (Payable leases)	-6.9	-7.7	-0.8	12.3%
Financial Management Adj.	-21.9	-22.5	-0.6	2.9%
Extraordinary Management Adj.	0.0	0.0	0.0	n.a.
Current taxes for the period Adj.	-0.8	-0.9	-0.1	15.6%
<b>FFO</b>	<b>53.2</b>	<b>48.4</b>	<b>-4.8</b>	<b>-9.1%</b>
Una tantum Marketing	0.2	0.0	-0.2	n.a.
<b>FFO</b>	<b>53.4</b>	<b>48.4</b>	<b>-5.0</b>	<b>-9.3%</b>

# Financial management (€mn)



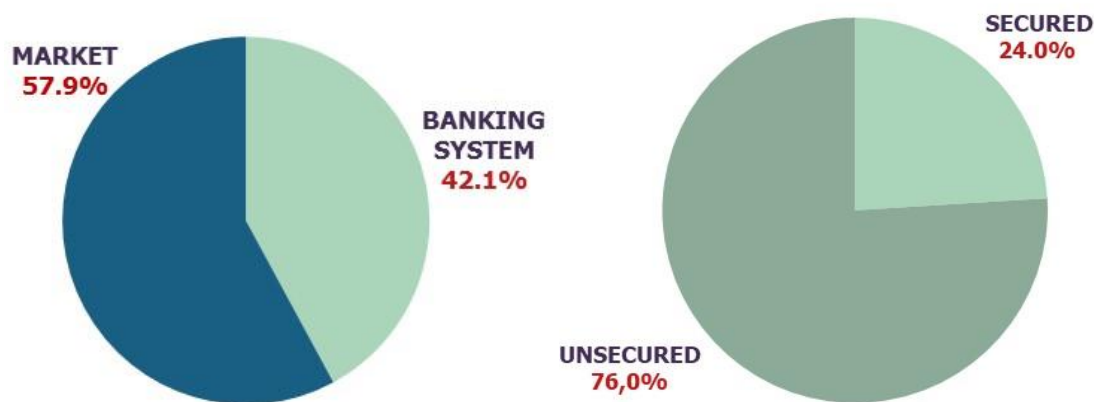


# Financial structure at 30/09/2021

	30/06/2020	30/09/2021
LTV	49.1%	48.3%
ICR	3.2X*	3.4X*
Average cost of debt	2.22%	2.20%

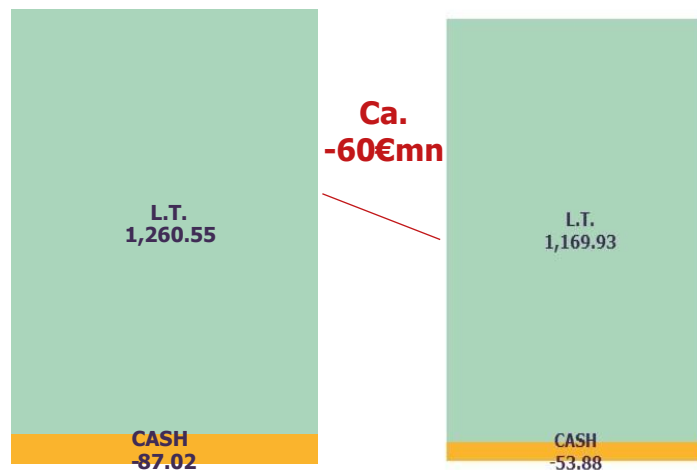
- **NET DEBT** is improving (approx. -60 €mn vs 30/09/2020 and approx. -20€mn vs 30/06/2021).
- LTV decreased by 80 pp vs 30/06/2021.
- LTV pro forma including disposal is further decreasing (45.6% - 270 pp).

Debt breakdown\*\*



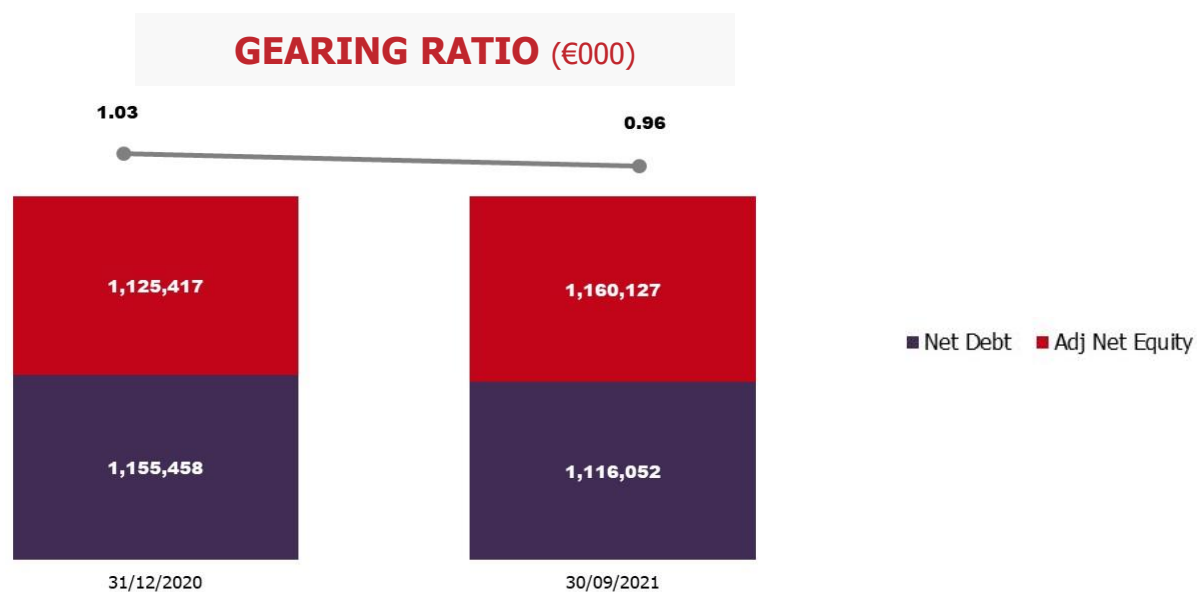
**NET DEBT 30/9/20**  
€1,173.5 mn

**NET DEBT 30/9/21**  
1,116.05€ mn\*\*\*



# Reclassified balance sheet as at 30/09/2021

Sources - Uses of funds (€/000)	30/09/2021	31/12/2020	Δ	Δ%
Fixed assets	2,227,167	2,234,484	-7,318	-0.3%
Assets under construction	44,331	42,674	1,657	3.9%
Other non-current assets	17,440	17,374	67	0.4%
Other non-current liabilities	-30,657	-30,371	-287	0.9%
NWC	33,243	30,421	2,822	9.3%
Net deferred tax (assets)/liabilities	-12,586	-10,286	-2,300	22.4%
<b>TOTAL USE OF FUNDS</b>	<b>2,278,938</b>	<b>2,284,296</b>	<b>-5,359</b>	<b>-0.2%</b>
Net equity	1,152,897	1,114,442	38,454	3.5%
Net (assets)/liabilities for derivative instruments	9,989	14,396	-4,407	-30.6%
Net debt	1,116,052	1,155,458	-39,406	-3.4%
<b>TOTAL SOURCES</b>	<b>2,278,938</b>	<b>2,284,296</b>	<b>-5,358</b>	<b>-0.2%</b>



# EPRA Net Asset Value as at 30 June 2021

EPRA Net Asset Value	30/06/2021			31/12/2020		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	<b>1.136.236</b>	<b>1.136.236</b>	<b>1.136.236</b>	<b>1.114.442</b>	<b>1.114.442</b>	<b>1.114.442</b>
<b>Exclude:</b>						
v) Deferred tax in relation to fair value gains of IP	17.743	17.743		16.989	16.989	
vi) Fair value of financial instruments	11.220	11.220		14.396	14.396	
viii.a) Goodwill as per the IFRS balance sheet		(8.283)	(8.283)		(8.533)	(8.533)
viii.b) Intangibles as per the IFRS balance sheet		(100)			(36)	
<b>Include:</b>						
ix) Fair value of fixed interest rate debt			(3.086)			43.625
<b>NAV</b>	<b>1.165.199</b>	<b>1.156.816</b>	<b>1.124.867</b>	<b>1.145.827</b>	<b>1.137.258</b>	<b>1.149.534</b>
Fully diluted number of shares	110.341.903	110.341.903	110.341.903	110.341.903	110.341.903	110.341.903
<b>NAV per share</b>	<b>10,56</b>	<b>10,48</b>	<b>10,19</b>	<b>10,38</b>	<b>10,31</b>	<b>10,42</b>
Change % vs 31/12/2020	1.7%	1.7%	-2.1%			

# Other Epra metrics as at 30 June 2021



EPRA Performance Measure	30/06/2021	31/12/2020
EPRA NRV (€'000)	1.165.199	1.145.827
EPRA NRV per share	€ 10,56	€ 10,38
EPRA NTA	1.156.816	1.137.258
EPRA NTA per share	€ 10,48	€ 10,31
EPRA NDV	1.124.867	1.149.534
EPRA NDV per share	€ 10,19	€ 10,42
EPRA Net Initial Yield (NIY)	5,8%	5,8%
EPRA 'topped-up' NIY	5,8%	5,9%
EPRA Vacancy Rate Gallerie Italia	6,3%	7,6%
EPRA Vacancy Rate Iper Italia	0,0%	0,0%
EPRA Vacancy Rate Totale Italia	4,7%	5,7%
EPRA Vacancy Rate Romania	5,7%	6,5%

EPRA Performance Measure	30/06/2021	30/06/2020
EPRA Cost Ratios (including direct vacancy costs)	19,7%	18,9%
EPRA Cost Ratios (excluding direct vacancy costs)	16,9%	16,5%
EPRA Earnings (€'000)	€ 33.493	€ 32.772
EPRA Earnings per share	€ 0,3	€ 0,3



# More financial highlights as at 30/09/2021

	31/12/2020	30/09/2021
<b>Gearing ratio</b>	1.03X	0.96X
<b>Average maturity of long term debt</b>	3.2 years	2.7 years
<b>Hedging on long term debt + bond</b>	93.0%	93.0%
<b>Share of M/L debt</b>	98.3%	86.2%
<b>Uncommitted credit lines granted</b>	151€ mn*	151€ mn*
<b>Uncommitted credit lines available</b>	151€ mn	151€ mn
<b>Committed credit lines granted and available</b>	60 € mn	60 € mn
<b>Unencumbered assets</b>	1,434.9€ mn	1,431.8€ mn

# Contracts and key tenants Italy as at 30/09/2021

TOP 10 Tenant	Product Category	Turnover Impact	Contracts
PIAZZA ITALIA	clothing	3.1%	14
OVS	clothing	2.9%	10
unieuro	electronics	2.2%	8
INDITEX	clothing	2.0%	9
FIORELLA RUBINO mōtivi oltre	clothing	1.7%	22
CALZEDONIA	clothing	1.7%	28
DOUGLAS	personal care	1.5%	14
BLUESPIRIT	jewellery	1.5%	26
SCARPE & SCARPE	shoes	1.5%	5
Stroili Oro GIOIELLERIE	clothing	1.4%	20
<b>Total</b>		<b>19.5%</b>	<b>156</b>

## Malls

N 95

N 185

N 203

N 273

N 639



Average residual maturity : **4.0 years**

Total no. contracts: **1,395** of which **124 renewals** with the same tenant and **67** signed with a **new tenant**  
**Downside -1.2%**

**Rotation Rate 3.0%** (% new tenants on tot. contracts)

## Hypermarkets

N 25

**100%**

2021

2022

2023

2024

>2024

Average residual maturity: **14.2 years**

Total no. contracts: **25**

# Contracts and key tenants

## Romania as at 30/09/2021

TOP 10 Tenant	Product category	Turnover impact	Contracts
<b>Carrefour market</b> 	supermarkets	10.6%	11
<b>H&amp;M</b> 	clothing	6.7%	6
<b>kik</b> 	clothing	5.3%	10
<b>PEPCO</b> 	clothing	4.4%	11
<b>dm</b> 	drugstore	2.7%	5
<b>SENSI</b> 	personal care	2.2%	4
<b>B &amp; B collection</b> 	jewellery	2.0%	6
<b>OCPI</b> 	offices	1.7%	1
<b>KFC</b> 	restaurants	1.2%	1
<b>InterGame</b> 	entertainment	1.1%	1
<b>Total</b>		<b>37.9%</b>	<b>56</b>

### Winmarkt

N 85	N 286	N 68	N 37	N 72
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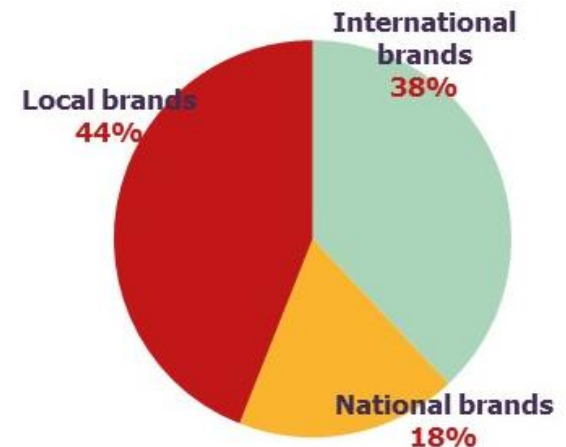
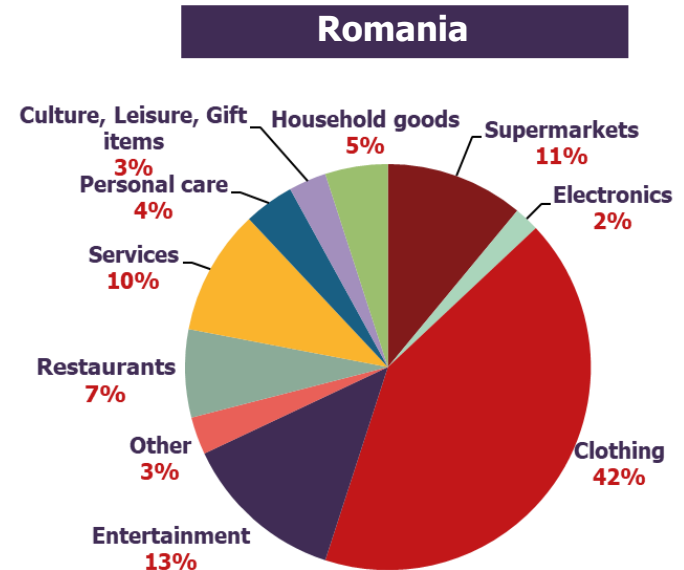
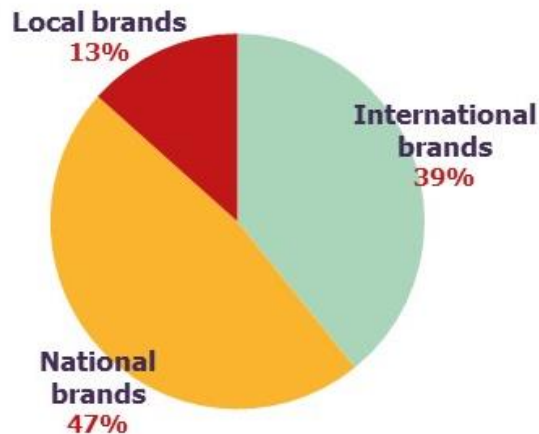
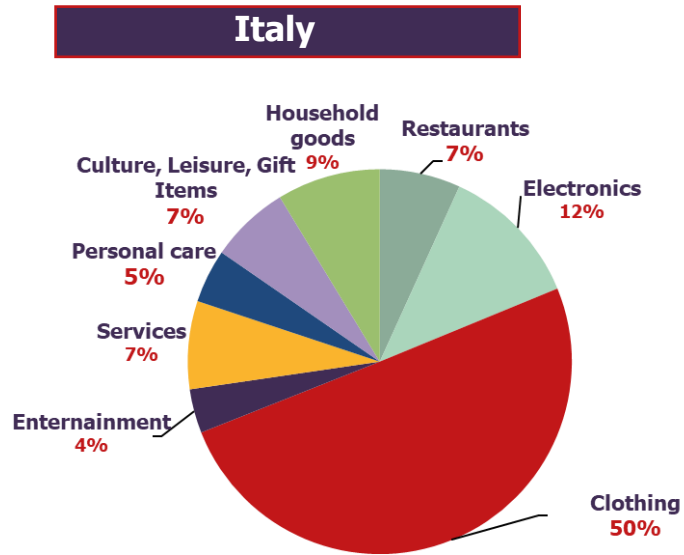


Average residual maturity: **4.6 years**

Total no. contracts: **548** of which **205 renewals** with the same tenant and **98** signed with a **new tenant**  
**Upside 0.41%**

**Rotation Rate 17.9%** (% new tenants on tot. contracts)

# Merchandising & Tenants Mix as at 30/09/2021



*Merchandising Mix\**

*Tenant Mix\**



# Italian Portfolio composition\*

	27 shopping malls	20 hypermarkets	Tenants of hypermarkets
Full ownership 16 shopping centers (mall + hypermarket)	<b>CENTRO D'ABRUZZO</b> - Pescara <b>CLODI'</b> - Chioggia <b>PORTO GRANDE</b> - Porto d'Ascoli (AP) <b>ESP</b> - Ravenna <b>CENTRO BORGO</b> - Bologna <b>CONE'</b> - Conegliano (TV) <b>LE MAIOLICHE</b> - Faenza <b>LUNGO SAVIO</b> - Cesena <b>CITTA' DELLE STELLE</b> - Ascoli Piceno <b>KATANE'</b> - Catania <b>CENTRO LAME</b> - Bologna <b>CENTRO LEONARDO</b> - Imola (BO) <b>LA TORRE</b> - Palermo <b>CASILINO</b> - Roma <b>LE PORTE DI NAPOLI</b> - Afragola (NA) <b>TIBURTINO</b> - Guidonia (RM)	<b>CENTRO D'ABRUZZO</b> - Pescara <b>CLODI'</b> - Chioggia <b>PORTO GRANDE</b> - Porto d'Ascoli (AP) <b>ESP</b> - Ravenna <b>CENTRO BORGO</b> - Bologna <b>CONE' RETAIL PARK</b> - Conegliano (TV) <b>LE MAIOLICHE</b> - Faenza <b>LUNGO SAVIO</b> - Cesena <b>CITTA' DELLE STELLE</b> - Ascoli Piceno <b>KATANE'</b> - Catania <b>CENTRO LAME</b> - Bologna <b>CENTRO LEONARDO</b> - Imola (BO) <b>LA TORRE</b> - Palermo <b>CASILINO</b> - Roma <b>LE PORTE DI NAPOLI</b> - Afragola (NA) <b>TIBURTINO</b> - Guidonia (RM)	Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Coop Alleanza 3.0 Unicoop Tirreno Distribuzione Centro Sud Srl (ipercoop) Nuova CR Supermercati Srl (Conad)
11 shopping malls	<b>MILLENNIUM CENTER</b> - Rovereto (TN) <b>PUNTADIFERRO</b> - Forlì (FC) <b>CENTROLUNA</b> - Sarzana (SP) <b>LA FAVORITA</b> - Mantova <b>MAREMA'</b> - Grosseto <b>CENTRO SARCA</b> - Sesto S. Giovanni (MI) <b>MONDOVICINO</b> - Mondovì (CN) <b>GRAN RONDO'</b> - Crema (CR) <b>PIAZZA MAZZINI</b> - Livorno <b>I BRICCHI</b> - Isola d'Asti (AT) <b>DARSENA CITY</b> - Ferrara	Hypermarkets not totally owned by IGD	
3 hypermarkets	Malls not owned by IGD	Supermkt PIAZZA MARCANTONI - Civita Castellana (VT) Supermkt AQUILEJA - Ravenna Hypermkt I MALATESTA - Rimini	Unicoop Tirreno Arca SpA (Famila) Coop Alleanza 3.0

# The main shareholders: «Coop world»

7 Legal entities throughout Italy  
17 Regions covered by Coop



## «Coop world» key data<sup>(1)</sup>:

Turnover ~ EUR 14.7 bil € (12.5 % of italian large scale retail)<sup>2</sup>

No. of stores: ~1,150

Employees ~48,000

Members ~6.4 Mn people



Coop Alleanza 3.0<sup>(3)</sup>



Unicoop Tirreno<sup>(4)</sup>

	Coop Alleanza 3.0 <sup>(3)</sup>	Unicoop Tirreno <sup>(4)</sup>
Revenues	~4.0bn €	~875mn €
N° of stores	~375	~94
Employees	~19,000	3,450
Members	~2.3 mn	~607,000
Deposits from members	~3.2bn €	~605mn €

## Strategic investments in listed companies:



UNIPOL GRUPPO  
FINANZIARIO  
(Insurance and banking)



IGD SIIQ SPA

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