PRESS RELEASE

RESULTS FOR FIRST QUARTER 2022

- **Net rental income: €28.7 million (+9.6%)**
- **FFO: €16.7 million (+20.7%)**
- **Net rent collection 1Q2022: ~ 90% both in Italy and in Romania**
- **Loan to Value down further: 44.3% (-50bps vs FY2021)**

Bologna, 5 May 2022 Today 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 31 March 2022** during a meeting chaired by Rossella Saoncella.

Message from the Chief Executive Officer, Claudio Albertini

"Contrary to the two previous years, in the first three months of 2022 there were, finally, no lockdowns or significant restrictions on the operation of shopping centers to the extent that no provisions for the estimated impact of Covid were included in the quarterly accounts. The operating conditions were, however, challenging, with footfalls and retailers' sales once again under pressure as a result of the spike in infections tied to the Omicron variant of the virus and, subsequently, the uptick in inflation, as well as the economical consequences of the conflict underway in Ukraine which eroded families' spending power. The Company was not caught unprepared, however, and reacted immediately, signing an important and innovative co-marketing agreement with Coop Alleanza 3.0 aimed at supporting promotional activities, targeted communications, exclusive special offers and ties with the local community.

Commercial activities also continued at a lively pace, with several openings, consistent with the new targets included in the 2022-2024 Business Plan and excellent results in terms of rent collection which came to around 90% in the first quarter of 2022."

OPERATING PERFORMANCE

Italy

After two, particularly difficult, years, influenced by the direct and indirect consequences of the pandemic, in the first quarter of 2022 the estimated direct impact of Covid-19 was not taken into account. The market environment was, however, rather challenging: with the January spike in infection rates due to the Omicron variant, despite the high vaccination rates in Italy and the milder effects, which caused more than 4.7 million people to stay at home and the outbreak of the war between Russia and Ukraine at the end of February, and the relative macroeconomic repercussions, including the increase in the price of energy and raw materials. The combination of these factors also had a psychological impact on consumer behavior which, considering that in-person events in the shopping centers only resumed in April, clearly weighed on the **footfalls** recorded in the first quarter of 2022 by IGD's shopping centers which were down -20.5% compared to the same period of 2019, the last year before the outbreak of Covid-19. The figure is, however, higher than the -21.3% recorded by the Italian association of independent shopping centers (*Consiglio Nazionale dei Centri Commerciali* or CNCC), and much better than in both the first quarter of 2021 and the first quarter of 2020. **Retailers' sales came to roughly 92% of the 2019 figure** which shows that the positive trend already seen in 2021, namely less frequent but more targeted shopping, persists: in March 2022 the **average ticket** came to around €26.4, **an increase of more than +20%** compared to the same month in 2019.

Occupancy, which continued to be high, reached 94.8% at 31 March 2022. The slight drop (-35bps) compared to 31 December 2021, is explained by a few temporary vacancies which have already basically been relet.

Commercial activities continued in the quarter, with continuous changes in the merchandising mix consistent with consumers' changing needs and the targets of the 2022-2024 Business Plan: a few of the new openings made in the first part of the year include a new specialized medical center of 150 sqm at the Casilino center (Rome), a fitness and sports rehabilitation center of more than 1,300 sqm at the Maremà center (Grosseto), as well as a two-story sports apparel and equipment store of more than 1,800 sqm with a gaming area at the Leonardo center (Bologna).

37 leases (17 renewals and 20 turnover) were signed in the quarter with a limited downside of around 3%.

Rent collection in Italy **reached a good level** at 31 March 2022; at 2 May **more than 95% of 2021 rents had been collected and around 90% had already been received for the first quarter.**

Romania

The first three months in Romania were also characterized by the lack of specific restrictive measures and it wasn't necessary to calculate the impact of Covid on revenues, but the environment was challenging for the reasons described above. **Occupancy** came to 94.1%, down slightly with respect to 31 December 2021, due mainly to the exit of a retailer from two stores which, however, are already in the process of being relet.

During the quarter marketing continued and 104 leases were signed (47 renewals and 57 turnover) with a downside of around -3.45%.

Lastly, another important indicator, namely rent collection, which exceeded 98% for 2021 and 90% for the first quarter of 2022.

NEW MARKETING INITIATIVES

In the first quarter of 2022 the launch of an important and innovative co-marketing project with Coop Allenza 3.0 was announced. The project aims to make the respective business plans as effective as possible and, therefore, combine the relaunch of the hypermarkets (for Coop) with the development of the digital strategy (for IGD). IGD's main goal is to increase the number of the subscribers of Area Plus, managed by each shopping center through its website, which will fuel Lead Generation for the Customer Relationship Management (CRM) platform. There are 12 shopping centers involved in the project which will work together with Coop Alleanza, on three areas: digital, to increase the contacts of the Customer Relationship Management platform; communication, to promote events, new openings, promotions of single tenants including through the means of communication used by Coop Alleanza 3.0; publicity, to organize joint and targeted promotional activities for each center/hypermarket.

In March 31 contracts were also stipulated with a series of marketing agencies hired to monitor all the activities of an equal number of shopping centers. The main objective is, again, to strengthen IGD's CRM platform through regional, and no longer centralized, marketing. The agencies selected will be responsible for using an omnichannel approach to take care of all online, as well as offline, communication and marketing activities for each shopping center in order to adapt, as well as diversify, the offer based on the single catchment areas and deepen the ties with the local area even further.

ECONOMIC-FINANCIAL RESULTS

Net rental income amounted to €28.7 million, an increase of +9.6% explained mainly by an increase of €0.2 million in gross revenue. More in detail, this increase is attributable to the positive impact of indexing for around 560 bps (around 90% of the leases are indexed to ISTAT's FOI[1] index), as well as the relets made during the fourth quarter of 2021, partially offset by discounts which were roughly €0.5 million higher than in 2021.
The most significant change +€5.1million is due to lower direct costs explained by the lack of COVID impacts (€5.2 million in 2021).

The increase in net rental income in the first quarter of 2021 restated, which takes into account the sale of the portfolio of hyper/supermarkets completed in November 2021, comes to +22.4%.

Core business Ebitda rose 10.0% to €26.1 million, with the margin at 73.2%. The freehold core business Ebitda margin (relative to freehold properties) reached 75.6%. Restated, the increase in core business Ebitda reaches +24.5%.

[1] FOI Index: the consumer price index for blue- and white-collar worker households.

Financial charges amounted to €7.6 million which, net of the accounting impact of IFRS 16 and non-recurring expenses, were **14.2% lower than in the first quarter of 2021**.

Funds from Operations (FFO) reached €16.7 million, 20.7% higher than at 31 March 2021. Restated FFO was +46% higher.

IMPLEMENTATION OF THE INVESTMENT PIPELINE CONTINUES

Work on the **complete restyling** of the **La Favorita Shopping Center and Retail Park** in Mantua continued, as did the **remodeling** of the space occupied by the **Portogrande center** in San Benedetto del Tronto. Both of these projects are expected to be completed by the **end of 2022**.

In Livorno work continued on the Officine Storiche section (part of the multi-use Porta a Mare project), **which should be completed after the summer of 2022**.

Trading of the Officine Storiche residential units provided a positive signal as preliminary agreements for 23 out of 42 units were finalized. Considering that 73 of the Piazza Mazzini apartments are already sold (the last closing is expected to take place in the next few months), the residential portion will be well populated by the time the Officine retail section opens.

FINANCIAL STRUCTURE

Thanks to the liquidity available at the end of March, which amounted to €164.2 million, on 21 April 2022, IGD repaid the residual amount outstanding of €153,600,000 million on the *"€162.000.000 2,65 per cent. Notes due 21 April 2022"* in full.

The **average cost of debt was 2.16%** at the end of March 2022, while **the interest cover ratio or ICR came to 3.5X**.

The net financial debt came to €976.34 million (€942.58 million adj. ex IFRS16), an improvement of around €11 million compared to year-end 2021. The Loan- to-Value was also lower, coming in at 44.3%.

Operating income statement at 31 March 2022

GROUP CONSOLIDATED	(a) 1Q_CONS_2021	(c) 1Q_CONS_2022	Δ (c)/(a)
Revenues from freehold rental activities	33.6	31.6	-5.8%
Revenues from leasehold rental activities	3.1	2.3	-27.1%
Total income from rental activities	**36.7**	**33.9**	**-7.6%**
Rents and payable leases	0.0	0.0	0.0%
Direct costs from rental activities	-10.5	-5.2	-50.3%
Net rental income	**26.2**	**28.7**	**9.6%**
Revenues from services	1.7	1.8	2.9%
Direct costs from services	-1.3	-1.4	-2.7%
Net services income	**0.4**	**0.4**	**24.6%**
HQ Personnel expenses	-1.7	-1.9	9.1%
G&A expenses	-1.1	-1.1	4.9%
CORE BUSINESS EBITDA (Operating income)	**23.8**	**26.1**	**10.0%**
Core business Ebitda Margin	*61.8%*	*73.2%*	
Revenues from trading	0.0	0.0	n.a.
Cost of sale and other costs from trading	-0.2	-0.1	-30.9%
Operating result from trading	**-0.1**	**-0.1**	**-14.8%**
EBITDA	**23.6**	**26.0**	**10.1%**
Ebitda Margin	*61.5%*	*72.9%*	
Impairment and Fair Value adjustments	-4.1	-3.5	-15.2%
Depreciation and provisions	-0.3	-0.3	31.6%
EBIT	**19.2**	**22.2**	**15.3%**
FINANCIAL MANAGEMENT	-8.8	-7.6	-14.0%
EXTRAORDINARY MANAGEMENT	0.0	0.4	n.a.
PRE-TAX RESULTS	**10.4**	**15.0**	**44.1%**
Taxes	-0.1	-0.6	n.a.
NET RESULT OF THE PERIOD	**10.3**	**14.5**	**40.4%**
(Profit/Loss) for the period related to third parties	0.0	0.0	n.a.
GROUP NET RESULT	**10.3**	**14.5**	**40.4%**

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

"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 practices.

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 €2,140.5 million at 31 December 2021, comprised of, in Italy, 19 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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The press release is available on the website www.gruppoigd.it, in the Investor Relations section, and on the website www.imagebuilding.it, in the Press Room section.

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Please find attached the income statement, statement of financial position, statement of cash flows and consolidated net financial position at 31 March 2022[2]

[2] The Interim Financial Report and the consolidated financial statements at 31 March 2022 of Gruppo Immobiliare Grande Distribuzione are unaudited.

Consolidated income statement at 31 March 2022

(in thousands of Euros)	31/03/2022 (A)	31/03/2021 (B)	Change (A)-(B)
Revenue	**33,910**	**36,705**	**(2,795)**
Revenues from third parties	26,403	26,789	(386)
Revenues from related parties	7,507	9,916	(2,409)
Other revenue	**1,787**	**1,736**	**51**
Other revenues from third parties	1,073	1,092	(19)
Other revenues from related parties	714	644	70
Revenues from property sales	**0**	**30**	**(30)**
Operating revenues	**35,697**	**38,471**	**(2,774)**
Change in inventory	286	774	(488)
Revenues and change in inventory	**35,983**	**39,245**	**(3,262)**
Construction costs for the period	(286)	(792)	506
Service costs	(4,046)	(3,134)	(912)
Service costs from third parties	(3,096)	(2,234)	(862)
Service costs from related parties	(950)	(900)	(50)
Cost of labour	(2,616)	(2,637)	21
Other operating costs	(2,404)	(2,617)	213
Total operating costs	**(9,352)**	**(9,180)**	**(172)**
Depreciations, amortization and provisions	(344)	(159)	(185)
Provisions for doubtful accounts	(600)	(6,528)	5,928
Change in fair value	(3,507)	(4,137)	630
Depreciation, amortization, provisions, impairment and change i	**(4,451)**	**(10,824)**	**6,373**
EBIT	**22,180**	**19,241**	**2,939**
Income/ (loss) from equity investments and asset disposal	**427**	**0**	**427**
Financial Income	**66**	**31**	**35**
Financial income from third parties	66	31	35
Financial charges	**(7,641)**	**(8,843)**	**1,202**
Financial charges from third parties	(7,608)	(8,843)	1,235
Financial charges from related parties	(33)	0	(33)
Net financial income (expense)	**(7,575)**	**(8,812)**	**1,237**
Pre-tax profit	**15,032**	**10,429**	**4,603**
Income taxes	(581)	(139)	(442)
NET PROFIT FOR THE PERIOD	**14,451**	**10,290**	**4,161**
Non-controlling interests in (profit)/loss for the period	0	0	0
Profit/(loss) for the period attributable to the Parent Company	**14,451**	**10,290**	**4,161**

Consolidated statement of financial position at 31 March 2022

(in thousands of Euros)	31/03/2022 (A)	31/12/2021 (B)	Change (A)-(B)
NON CURRENT ASSETS:			
Intangible assets			
Intangible assets with finite useful lives	408	303	105
Goodwill	7,460	7,585	(125)
	7,868	**7,888**	**(20)**
Property, plant, and equipment			
Investment property	2,091,707	2,093,176	(1,469)
Buildings	7,118	7,174	(56)
Plant and machinery	105	115	(10)
Equipment and other goods	1,722	1,741	(19)
Assets under construction and advance payments	45,178	44,095	1,083
	2,145,830	**2,146,301**	**(471)**
Other non-current assets			
Deferred tax assets	4,850	6,173	(1,323)
Sundry receivables and other non-current assets	127	127	0
Equity investments	25,765	25,765	0
Non-current financial assets	174	174	0
	30,916	**32,239**	**(1,323)**
TOTAL NON-CURRENT ASSETS (A)	**2,184,614**	**2,186,428**	**(1,814)**
CURRENT ASSETS:			
Work in progress inventory and advances	37,661	37,375	286
Trade and other receivables	15,903	15,490	413
Related party trade and other receivables	870	716	154
Other current assets	6,261	5,717	544
Cash and cash equivalents	164,223	158,080	6,143
TOTAL CURRENT ASSETS (B)	**224,918**	**217,378**	**7,540**
ASSETS HELD FOR SALE (C)	**0**	**1,801**	**(1,801)**
TOTAL ASSETS (A + B+C)	**2,409,532**	**2,405,607**	**3,925**
NET EQUITY:			
Share capital	650,000	650,000	0
Other reserves	471,194	467,300	3,894
Group profit (loss) carried forward	54,458	1,689	52,769
Group profit	14,451	52,769	(38,318)
Total Group net equity	**1,190,103**	**1,171,758**	**18,345**
Capital and reserves of non-controlling interests	0	0	0
TOTAL NET EQUITY (D)	**1,190,103**	**1,171,758**	**18,345**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	3,425	8,435	(5,010)
Non-current financial liabilities	942,806	951,408	(8,602)
Provisions for employee severance indemnities	3,365	3,391	(26)
Deferred tax liabilities	17,896	17,875	21
Provisions for risks and future charges	4,541	4,130	411
Sundry payables and other non-current liabilities	9,428	9,504	(76)
Related parties sundry payables and other non-current liabilities	10,441	10,441	0
TOTAL NON-CURRENT LIABILITIES (E)	**991,902**	**1,005,184**	**(13,282)**
CURRENT LIABILITIES:			
Current financial liabilities	197,930	192,643	5,287
Trade and other payables	10,100	16,137	(6,037)
Related parties trade and other payables	325	950	(625)
Current tax liabilities	4,889	2,967	1,922
Other current liabilities	14,283	14,740	(457)
TOTAL CURRENT LIABILITIES (F)	**227,527**	**227,437**	**90**
LIABILITIES LINKED TO ASSETS HELD FOR SALE (G)	**0**	**1,228**	**(1,228)**
TOTAL LAIBILITIES (H=E+F+G)	**1,219,429**	**1,233,849**	**(14,420)**
TOTAL NET EQUITY AND LIABILITIES (D+H)	**2,409,532**	**2,405,607**	**3,925**

Consolidated statement of cash flows at 31 March 2022

(In thousands of Euros)	31/03/2022	31/03/2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**14,451**	**10,290**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	581	139
Financial charges / (income)	7,575	8,812
Depreciation and amortization	180	159
Writedown of receivables	600	6,528
Changes in fair value - increases / (decreases)	3,507	4,137
Gains/losses from disposal - equity investments	(427)	0
Changes in provisions for employees and end of mandate treatment	271	343
CASH FLOW FROM OPERATING ACTIVITIES:	**26,738**	**30,408**
Financial charge paid	(3,420)	(5,252)
Income tax	(198)	(188)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**23,120**	**24,968**
Change in inventory	(286)	(774)
Change in trade receivables	(1,242)	(10,771)
Net change in other assets	779	(1,096)
Change in trade payables	(6,587)	973
Net change in other liabilities	1,099	3,433
CASH FLOW FROM OPERATING ACTIVITIES (A)	**16,883**	**16,733**
(Investments) in intangible assets	(109)	(64)
Disposals of intangible assets	0	0
(Investments) in tangible assets	(3,178)	(3,101)
Disposals of tangible assets	0	0
(Investments) in equity interests	0	52
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(3,287)**	**(3,113)**
Rents paid for financial leases	(1,963)	0
Loans repayments and other financing activities	(5,491)	(84,048)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(7,454)**	**(84,048)**
Exchange rate differences on cash and cash equivalents (D)	1	(51)
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)	**6,143**	**(70,479)**
CASH BALANCE AT BEGINNING OF THE PERIOD	**158,080**	**117,341**
CASH BALANCE AT END OF THE PERIOD	**164,223**	**46,862**

Consolidated net financial position at 31 March 2022

(In thousands of Euros)	31/03/2022	31/12/2021	Change
Cash and cash equivalents	(164,223)	(158,080)	(6,143)
LIQUIDITY	**(164,223)**	**(158,080)**	**(6,143)**
Mortgage loans - current portion	29,740	27,328	2,412
Leasing - current portion	7,435	7,355	80
Bond loans - current portion	160,755	157,960	2,795
CURRENT DEBT	**197,930**	**192,643**	**5,287**
CURRENT DEBT RELATED TO ASSETS HELD FOR SALES	**0**	**1,228**	**(1,228)**
CURRENT NET DEBT	**33,707**	**35,791**	**(2,084)**
Non-current financial assets	(174)	(174)	0
Leasing - non-current portion	29,128	31,043	(1,915)
Non-current financial liabilities	420,351	427,579	(7,228)
Bond loans	493,327	492,786	541
NON-CURRENT NET DEBT	**942,632**	**951,234**	**(8,602)**
NET DEBT	**976,339**	**987,025**	**(10,686)**