PRESS RELEASE

2022 RESULTS - IGD CONFIRMS THE EFFECTIVENESS OF THE OPERATING MODEL OF URBAN SHOPPING CENTERS

PERFORMANCES SHOW FULL RECOVERY, WITH SALES AT ITALIAN MALLS ABOVE PRE-COVID LEVELS

SOLID OPERATING RESULTS

- **Retailers' sales at Italian malls grew 13.3% and footfalls were +6.9% higher than in 2021; sales exceeded 2019 (+0.7%)**
- **Upside on new leases: +1.1% Italy; +1.8% Romania**
- **Occupancy higher: Italy 95.7% +50bps; Romania 98.0% +340bps**
- **Net rent collection FY2022: Italy 96%; Romania c. 97%**

ECONOMIC-FINANCIAL INDICATORS UP

- **Net rental income: €114.0 million (+5.3% vs 2021 restated [1]; +7.1% like-for-like*)***
- **FFO: €67.2 million, +3.8%; higher than the guidance**

FINANCIAL STRUCTURE HOLDS WELL

- **Net financial position lower by €10 mn at €977 mn**
- **Market Value of freehold properties -2.8% at €2,081 bn**
- **Loan-to-Value 45.7% (44.8% in 2021) due to the decreases in fair value**
- **EPRA NRV at €10.28 per share (-5.3%)**

ESG FACTORS AN INTEGRAL PART OF THE CORE BUSINESS

- **CO2 emissions 10% lower than in 2021**
- **2 new assets in Italy BREEAM In-Use certified (a total of 10 centers have now been certified)**
- **2 agreements signed for the installation of solar energy systems in 2023; the first system installed in Romania**

2022 DIVIDEND

- **Dividend of €0.30 euro cents per share proposed for a pay-out ratio on FFO of 49.3% and a dividend yield of 10,9%[2]**

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[1] 2021 restated: restated to take into account the disposal of the portfolio of hypermarkets and supermarkets and termination of the masterlease

[2] Calculated based on the closing price at 22/02/2023

Bologna, 23 February 2023. 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 draft separate and consolidated financial statements at 31 December 2022.

"FY 2022 closed with particularly satisfying operating results: occupancy, retailers' sales and footfalls were significantly higher than in the previous year and marketing proved effective with a number of new openings which testifies to the vitality of the tenants looking for quality space and innovative formats inside shopping centers. Based on this performance, we believe that the choices we made in order to manage last year's complex scenario were effective and provided further confirmation as to the validity of our business model, focused on urban shopping centers, dominant in their respective catchment areas with large food anchors. IGD intends to provide shareholders with attractive remuneration again this year, confirming itself as a dividend company.
The Group will continue to follow the strategic and operational guidelines defined in the Business Plan 2022 – 2024, in order to adapt to new, emerging consumer trends in a timely manner, implementing further marketing and digital initiatives, strengthening the partnership with our tenants and supporting development including with a view to omnichannelism. We begin 2023 with a very clear agenda of initiatives to be implemented in order to consistently carry out a strategy which in the last few difficult years has proven to be effective, convinced that the conditions exist for revenues and EBITDA to benefit from further operational improvements", **Claudio Albertini, IGD SIIQ's Chief Executive Officer, stated.**

THE EFFECTIVENESS OF IGD'S BUSINESS MODEL IS CONFIRMED

Italy

In Italy **the operating performance was particularly positive compared to 2021**, **with footfalls up by +6.9%** and an even bigger increase of **+13.3%** in mall retailers' sales. These improvements were obviously affected by the restrictions that were in place for the first 5 months of last year but, looking at the quarterly performances, sales show a significant increase in the third and fourth quarters, as well (+3.0% and +2.6% compared to the same periods in 2021 when the shopping centers were fully operational).
Retailers' sales also began to show growth against 2019 (the last year not affected by the pandemic): **the 12- month figure, namely +0.7%,** shows a solid recovery, considering also that the first months of 2022 were strongly impacted by the Omicron variant; **looking at the period June – December 2022 – which was not affected by the pandemic – the increase against 2019 rises to +2.1%.**
Footfalls, however, remain negative (-17.1% vs 2019) which confirms the trend already seen last year of a more cautious shopper turnout, but characterized by a greater propensity to buy.
All of the different categories of merchandise posted increases with respect to the prior year with restaurants reporting a particularly positive performance (+53.5%): even though the category is still down compared to 2019 (-4.1%), it did, however, show strong recovery against the prior year when it was the sector that was suffering the most; moreover, 9 new brands were introduced which confirms the vitality of a sector that succeeded in reinventing itself during the year with innovative and lighter formats.

Good performances were also recorded by the Group's proprietary hypermarkets and supermarkets which were up 2.5% compared to 2021.

These excellent results, which were confirmed in the latter part of the year and in January 2023 (footfalls in malls up +13.5% compared to January 2021), despite a less than optimal macroeconomic backdrop, testify to the **validity and effectiveness of IGD's business model**, focused on urban shopping centers, with food anchors and dominant in their respective catchment area, which provide the right mix of products and services, as well as a shopping experience consistent with consumers' new needs.

During the year **IGD carried out marketing activities effectively** and obtained significant results: a total of 171 leases (91 renewals and 80 turnover) were signed in the year with an average upside on the rent of +1.1%; **104 stores opened, including 35 new brands, the highest figure in the last 5 years**.
With a view to fostering the sense of partnership and supporting mall retailers, IGD worked to provide assistance with rising energy costs by providing temporary discounts and greater contractual flexibility; a number of steps were also taken to contain energy costs in the Group's shopping centers and malls.
Thanks to these activities, **the Italian portfolio's occupancy was 50 bps higher than in 2021, coming in at 95.7%.**

Excellent results were also obtained in terms of rent collection which was around 96% at 20 February 2023, better than the figure posted last year.

In 2022 IGD also worked to increase the marketing synergies with its tenants in accordance with Business Plan guidelines. In April an innovative **co-marketing project** with Coop Alleanza 3.0, the main food anchor tenant in the Group's shopping centers, was launched in 12 IGD shopping centers; thanks to this initiative, it was possible to use Coop's important communication tools, which benefit from extensive regional distribution, to sponsor new initiatives, tenant promotions, new openings and the online Area Plus sections of the shopping malls involved in the project.
The Company also developed a pilot co-marketing project with KIKO Milano, a well-known cosmetic brand, which sparked the interest of other retailers with whom we are working on similar initiatives.
Implementation of the Digital Plan continued, with the introduction of new "touchpoints" (134 digital totems and info-pads in 25 shopping centers, an increase of +127%), a 42% increase in the Customer Relationship Management system's contacts, the creation of numerous personalized promotions and "drive to store" activities.
After a two-year hiatus due to the pandemic, **a whopping 531 in-person events were organized** inside the shopping centers.

Romania

In Romania, after an extremely positive 2021 and beginning of 2022, the economic cycle slowed slightly in the second part of the year, but, overall year-end GDP is expected to be up by +5.8%.[3] Intense pre-letting of spaces vacated by the retailers hit the hardest by the restrictions in place during the two-year period 2020-2021 was carried out: **at 31 December 2022 occupancy came to 98.0%**, a result which was also better with respect to the pre-pandemic years and decidedly higher than the 94.6% recorded at 31 December 2021. More in detail, several new brands expressed interest in entering Romania

[3] Source: European Commission – *Autumn Economic Forecast*, November 2022

with long-term leases, such as, for example, the Polish brand Sinsey, and 3 Stay Fit gyms opened in 3 different shopping malls; a total of **69 stores opened, including 42 new brands**. The marketing activities resulted in the signing of **393 leases (272 renewals and 121 turnover**) **with an upside on renewal rents of around +1.8%.** Excellent results were also reported in terms of **rent collection, which came to approximately 97% at 20 February 2023**.

ECONOMIC-FINANCIAL RESULTS: SIGNIFICANT GROWTH IN THE FINANCIAL INDICATORS

In 2021 **gross rental income came to €137.3 million,** showing a decrease of -5.4%; for the sake of a more accurate comparison, the rental income for 2021 was restated to take into account the change in perimeter: **there was an increase of +2.3% against the restated 2021 figure**, explained by:

- for around €3.5 million, higher revenue like-for-like in Italy. An increase was posted by both malls (+2.9%), which were impacted positively by the marketing carried out and inflation indexing, and hypermarkets (+3.0%) due to adjustments for inflation;
- for around €0.6 million, higher revenue like-for-like in Romania, due mainly to lower temporary discounts;
- for around -€1.1 million, lower revenue not like-for-like.

Net rental income amounted to €114.0 million, 3.7% lower than in the same period of the prior year, **but 7.1% higher like-for-like**. A +5.3% increase was reported against the restated figure.

Core business Ebitda amounted to €103.4 million, a decrease of 3.6% with the margin at 71.6%. The freehold core business Ebitda margin (relative to freehold properties) came to 73.5%. **The comparison with the restated figure shows an increase of +6.5%**.

Financial charges amounted to €30.5 million which, net of the accounting impact of IFRS 16 and non-recurring expenses, were **12.2% lower than at 31 December 2021**.

Funds from Operations (FFO) reached €67.2 million, 3.8% higher than in 2021. The increase is higher than the guidance communicated to the market which called for growth of around +2/3%.

As a result mainly of greater changes in fair value, the Group closes the year with a **net loss of €22.3 million** (versus a net profit of €52.8 million in 2021).

ASSET MANAGEMENT

In 2022 IGD invested a total of approximately €35 million.
The restyling of the **La Favorita** Shopping Center (in Mantua) was completed during the year and inaugurated on 10 November 2022 with a renewed interior layout, optimized connections with the movie theater and the nearby sports arena. More investments were also made in energy efficiencies.
Restyling work at the Porto Grande (Ap) center continued where spaces had already been remodeled with medium-sized stores that are fully pre-let and operative. Remodeling was also completed at the hypermarkets in the La Torre (Palermo)

and Katanè (Catania) centers where currently pre-letting of the new medium-sized stores is underway (pre-letting stands at around 70% in both supermarkets).

Work continued on the Officine Storiche section of the **mixed-use project Porta a Mare in Livorno** which is expected to be inaugurated in the second quarter of 2023: the decision was, in fact, made to continue work as commercial activities progress and in the last few months excellent results have been obtained (16,000 square meters of the retail space, more than 80%, has been pre-let). In the second half 17 out of a total 42 residential units were also sold with a cash-in for IGD of around €7 million and 15 more binding offers have been signed for an **expected cash-in of around €6.7 million in 2023.**

The 2023 pipeline calls for investments of around €32 million, of which €15 million committed. The investment pipeline included in the Business Plan 2022-2024 envisages investments of around €82 million so the majority will be completed in 2023, while in 2024 investments will be reduced (to around €15 million) and no further development projects are currently being considered.

PORTFOLIO

The market value of **Gruppo IGD's freehold real estate portfolio** reached **€2,080.9 million, a decrease of 2.8%** compared to December 2021[4]. Generally, with interest rates rising due to inflation, the net exit yield was reduced which had a negative impact on property values.
If the leasehold properties and the Fondo Juice stake are included, **the market value of IGD's portfolio comes to €2,131.8 million**.

The Net Initial Yield, calculated using EPRA criteria, reached 5.6% for the Italian portfolio (5.9% topped up) and 6.1% for the Romanian portfolio (6.5% topped up).

The EPRA NAV and NRV reached €1,133.9 million or €10.28 per share. The figure is 5.3% lower with respect to 31 December 2021 due mainly to the payment in full of the dividend in May and the drop in the portfolio's market value.
The EPRA NTA came to €10.20 per share, 5.3% lower compared to 31 December 2021.
The EPRA NDV came to €10.06 per share, 3.6% lower compared to 31 December 2021.

FINANCIAL STRUCTURE

The **average cost of debt was 2.26%** at 31 December 2022, compared to the 2.20% reported at year-end 2021, while **the interest cover ratio or ICR came to 3.6** and the **Loan-to-Value was 45.7%** (44.8% at year-end 2021) due to the drop in market value described above.

[4] For more detailed information on the change in market value please refer to the press release published on 26 January 2023

In 2022 IGD repaid financial maturities of approximately €380 million using available cash (which amounted to around €158 million at the beginning of the year) and proceeds from two financial transactions closed in the second half: the **first senior unsecured green loan of €215 million** (duration 3 years, +2 at the company's discretion) and another 6-year €20.9 million loan.
Between May and June the Company also renewed **two committed lines of credit for a total of €60 million** through 2023. To date both are unutilized and fully available.

In September 2022 Fitch Ratings confirmed IGD's BBB-rating, in addition to the stable outlook. Subsequently, the rating agency S&P Global Ratings also confirmed its BB+ rating, again with a stable outlook.
With a view to its investment grade rating, the Company is working well in advance on the next financial maturities (in 18 months) and confirms its commitment to reducing the financial leverage by 2024 including by selling assets that are no longer deemed strategic for around €180-200 million, as indicated in the Business Plan 2022-2024.

ESG FACTORS AN INTEGRAL PART OF THE CORE BUSINESS

The Board of Directors approved the Corporate Sustainability Report 2022 which was subject to Limited Assurance by PricewaterhouseCoopers which certified compliance with the most important international standards (the GRI Standards).
During the year the company worked to achieve the targets set in the 2022-2024 plan, as well as on defining the new material issues (consistent with the updates of the Global Reporting Initiative (GRI)).

The main results achieved in 2022 can be summarized as follows:

• **Green**: invested a total of €2.4 million in improving the energy efficiency of the buildings in Italy and €600,000 in Romania; obtained Breeam In Use certifications for 2 more assets: ten assets (64% of the Italian portfolio) are now certified; lowered energy consumption and emissions thanks to both the investments made over time and the careful attention paid to monitoring energy costs, which rose considerably in the year; installed one solar energy system at the Ploiesti Shopping Center in Romania; furthered the commitment to a more circular economy by increasing the rate of waste recycling by 5 p.p. (from 75 to 80%) and the opening of the second project AND store; installed more electric recharging stations: there are now 74 installed at 21 IGD shopping centers (equal to 80% of the Italian portfolio);

• **Responsible**: investment in training employees increased considerably with a focus on both soft and IT skills; 85% of the employees participated in the third workplace environment survey and identified strengths, as well as a few areas in need of improvement for which specific solutions were defined; focus on employee wellbeing through the continued use of the Wellness Plan (utilized by 100% of the employees) and by defining new employee benefits; obtained Bio Safety Certification for all freehold assets, as well as for the headquarters, in order to prevent and minimize the spread of infections in people caused by biological agents.

• **Ethical**: introduced a medium-term ESG target for company managers; renewed the legality rating for the fourth time, confirming the highest score (3 stars, obtained by only 8% of the rated companies); organized specific induction activities with the Board of Directors relating to corporate sustainability.

• **Attractive**: inaugurated the restyled La Favorita Shopping Center (Mantua) with new green zones, pedestrian "piazzas" and new, highly energy efficient, LED lighting; introduced 35 new brands in order to adjust the merchandising and tenant mix (the highest number seen in the last 5 years). Marketing activities resumed with the organization of a total of 531 events (in line with 2018), including a growing number focused on socio-environmental issues and leveraging on the possibilities offered by the Digital Plan.

• **Together:** defined the Green Financing Framework; obtained a €215 million green loan associated with an Eligible Green Project, in the Green Building category. Promoted structured involvement of all the stakeholders in order to understand their expectations: asked more than 5,000 people in 8 shopping centers about their level of satisfaction; organized more than 1,300 meetings, in person and online, with more than 700 retailers. Strengthened the social interaction with the community: local events once again represent approximately one third of the events organized and involvement with local associations was promoted in almost all the shopping centers.

DIVIDEND OF €0.30 PER SHARE PROPOSED

The Board of Directors proposed that the shareholders approve, subject to the approval of the financial statements for the year ended on 31 December 2022 and the Directors' Report, **a dividend of €0.30 euros per share**, at the high end of the range announced in the press release published on 26 January 2023.
The **pay-out ratio on FFO of this dividend is 49.3% with a dividend yield of around 10.9% based on the closing price of 22 February 2023**.

The €0.30 dividend comprises:

- for **€0.09** (c. €10.3 euro million), a portion of the fair value reserve released as a result of the disposal completed on 25 November 2021.
- for **€0.21 (**c. €22.9 million), from other reserves (retained earnings and other reserves of distributable income, both from exempt operations).

OUTLOOK 2023

IGD expects to see **higher operating results in 2023,** while maintaining a **solid financial structure**. The Company expects **net rental income to rise by 3-4% like-for-like** thanks also to another uptick in occupancy, the structure of the leases which will make it possible to benefit from inflation indexing and income from opening of new projects, like Officine Storiche as of the second quarter and the medium-sized stores created by remodeling the hypermarkets in the La Torre (Palermo) and Katanè (Catania) shopping centers. **The generation of operating cash flow will continue to be robust and higher than in the prior year.**

From a financial standpoint, the Company, consistent with its investment grade rating, is working on refinancing debt well in advance, while maintaining the **availability of the €60 million in committed credit lines expiring in 2025**, which historically have never been used. A transaction, for around €225-250 million, is currently being finalized which would be used to cover the financial needs for the next 18 months. It is expected to be completed in the first half.

This transaction, like the two loans obtained last year for a total of €235 million, has costs that are higher than the Group average recorded in 2022, which will cause an increase in financial expenses. For this reason, **FFO is expected to come in at around €53 million in 2023.**

Operating income statement at 31 December 2022

GROUP CONSOLIDATED	(a) FY_CONS_2021	(c) FY_CONS_2022	Δ (c)/(a)
Revenues from freehold rental activities	132.7	128.3	-3.4%
Revenues from leasehold rental activities	12.3	9.0	-27.3%
Total income from rental activities	**145.1**	**137.3**	**-5.4%**
Rents and payable leases	0.0	0.0	-88.4%
Direct costs from rental activities	-26.6	-23.2	-12.7%
Net rental income	**118.5**	**114.0**	**-3.7%**
Revenues from services	6.4	7.2	11.9%
Direct costs from services	-5.5	-5.5	-0.1%
Net services income	**0.9**	**1.7**	**83.4%**
HQ Personnel expenses	-7.2	-7.2	0.6%
G&A expenses	-5.0	-5.1	2.6%
CORE BUSINESS EBITDA (Operating income)	**107.3**	**103.4**	**-3.6%**
Core business Ebitda Margin	*70.8%*	*71.6%*	
Revenues from trading	0.4	7.5	n.a.
Cost of sale and other costs from trading	-0.9	-7.8	n.a.
Operating result from trading	**-0.5**	**-0.2**	**-47.1%**
EBITDA	**106.8**	**103.2**	**-3.4%**
Ebitda Margin	*70.3%*	*67.9%*	
Impairment and Fair Value adjustments	-16.3	-93.8	n.a.
Depreciation and provisions	-0.6	-1.7	n.a.
EBIT	**89.9**	**7.7**	**-91.4%**
FINANCIAL MANAGEMENT	-33.3	-30.5	-8.5%
EXTRAORDINARY MANAGEMENT	-0.8	0.4	n.a.
PRE-TAX RESULTS	**55.8**	**-22.3**	**n.a.**
Taxes	-3.0	0.0	n.a.
NET RESULT OF THE PERIOD	**52.8**	**-22.3**	**n.a.**
(Profit/Loss) for the period related to third parties	0.0	0.0	n.a.
GROUP NET RESULT	**52.8**	**-22.3**	**n.a.**

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

IGD will present these results during a conference call which will be held on 23 February 2023 at 15 (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 028020927

OTHER RESOLUTIONS

Calling of the Annual General Meeting

IGD's Board of Directors also resolved to convene the Company's Annual General Meeting on 13 April 2023 (in first call) and, if necessary, on 14 April 2023 (in second call), to resolve on the following agenda:

Ordinary session

1. Separate financial statements at 31.12.2022; Directors' report on operations; External auditors' report; Report of the Board of Statutory Auditors; Presentation of the consolidated financial statements at 31.12.2022; related and consequent resolutions.
2. Allocation of the net earnings for the year and distribution of the dividend to shareholders; related and consequent resolutions.
3. Report on compensation in accordance with Art. 123-ter, paragraphs 3-ter and 6, of Legislative Decree n. 58/98:
   3.1 First section: report on the compensation policy. Binding resolution;
   3.2 Second section: report on compensation paid. Non-binding resolution.

Extraordinary session

1. Proposal to amend Article 26.1 of the corporate bylaws; related and consequent resolutions.

For further details please refer to the Notice of Call which will be made available starting 13 March 2023 on the company website at https://www.gruppoigd.it/governance/assemblea-degli-azionisti/.

Assessment of independent status

IGD's Board of Directors verified, based on the information provided by the interested parties and available to the Company that the 7 (seven) independent directors (Rossella Saoncella, Antonio Rizzi, Silvia Benzi, Rossella Schiavini, Timothy Guy Michele Santini, Rosa Cipriotti and Géry Robert-Ambroix) still qualify as independent in accordance with and pursuant to Art. 148, paragraph 3, of Legislative Decree n. 58/1998, guideline 7 of the Corporate Governance Code and Art. 16 of Consob Regulation n. 20249/2017.

Approval of the Report on Corporate Governance and Ownership Structure and the Compensation Report

The Board of Directors approved the Report on Corporate Governance and Ownership Structure, which forms an integral part of the annual report, as well as, in accordance with the recommendation of the Appointments and Compensation Committee, the Compensation Report, the first section of which, pursuant to Art. 123-ter TUF par. 1, will be subject to a binding vote by the shareholders during the next shareholders' meeting, while, pursuant to Art. 123-ter, par. 6 of TUF, the second section – which refers to the compensation paid –will be subject to an advisory vote during the same shareholders' meeting.

The documents will be made available to the public on IGD's website http://www.gruppoigd.it/Governance and at the Company's registered office, as well as on the authorized storage system www.emarketstorage.com in accordance with the law and applicable regulations.

DIVIDENDS

The Board of Directors proposed that the shareholders approve, subject to the approval of the financial statements for the year ended on 31 December 2022 and of the Directors' Report, **a dividend of €0.30 per share (for a total distributed of €33,102,570.90 or 49.3% of the FFO).**

Based on the closing stock price recorded on **22** February 2023 the yield of this dividend is around **10.9%**.

The dividend of **euro 0,30** per share comprises:

- for **0.15** euro (total amount of 16,259,872.48 euros) the retained earnings from exempt operations;
- for **0.06** euro (total amount of 6,578,584.26 euros) other distributable reserves from exempt operations;
- for **0.09** euro (total amount of 10,264,114.16 euros) other distributable reserves from exempt operations released in 2021 as a result of the disposal of 5 hypermarkets and 1 supermarket.

The dividend of €0.30 per share that the Board of Directors will propose during the Annual General Meeting will be payable as from 10 May 2023 and go ex-div (detachment of coupon n. 6) on 8 May 2023. In accordance with Art. 83-*terdecies* of Legislative Decree n.58 of 24 February 1998, the shareholders of IGD at 9 May 2023 (record date) will be entitled to receive the dividend.

The dividend of €0.30 per share is to be considered a nonqualified or ordinary dividend.

Approval of the merger by incorporation of IGD MANAGEMENT SIINQ S.p.A. in IGD SIIQ S.p.A.

The Board of Directors of IGD SIIQ (the Incorporating Company) has examined and approved the merger by incorporation project (Project) of the wholly-owned subsidiary IGD MANAGEMENT SIINQ (the Incorporated Company), whose Board of Directors has also approved the Project.

The merger marks the completion of a broader reorganization and rationalization of the Group's shareholdings begun at the end of 2020.

In addition to the economic benefits stemming from the greater economies of scale, as a result of the merger by incorporation of IGD MANAGEMENT SIINQ in IGD SIIQ the parent will hold all the Group's Italian rental properties which will have a positive impact on IGD SIIQ's income and on the relative dividend policy.

Pursuant to Art. 2505 of the Italian Civil Code, as the Incorporating Company holds the Incorporated Company's share capital:

a) the Boards of Directors did not draw up a report in accordance with Art. 2501-quinquies of the Italian Civil Code;

b) there is no need to obtain an opinion as to the fairness of the swap rate pursuant to Art. 2501-sexies of the Italian Civil Code;

c) the merger will be resolved on by the shareholders of IGD MANAGEMENT SIINQ and, pursuant to Art. 22 of the corporate bylaws of the Incorporating Company, the Board of Directors of IGD SIIQ, without prejudice to the right of the shareholders of the latter representing at least five per cent of the share capital to request, pursuant to Art. 2505, paragraph 3, of the Civil Code, that the decision relative to the merger be made by shareholders meeting in extraordinary session in accordance with Art. 2502.1 of the Italian Civil Code.

No swap ratio for the shares of the Incorporated Company and those of the Incorporating Company will be determined as the entire share capital of IGD MANAGEMENT SIINQ is held directly by IGD SIIQ.

The incorporation will, therefore, be carried out by canceling IGD SIIQ's 100% stake in IGD MANAGEMENT SIINQ without the need for any capital increases to service the Incorporating Company's merger.

As the Incorporating Company owns all the shares of the Incorporated Company there is no need to determine how the shares of IGD SIIQ should be assigned. As a result of the merger, all of the shares of IGD MANAGEMENT SIINQ will be cancelled.

The merger will take effect for legal purposes as from 1 October 2023 or, if subsequent, the first day of the month following the one in which all registrations of the merger deed with Bologna's Corporate Registry have been completed.

The activities of the incorporated company will be recognized in the financial statements of the incorporating company as of 1 January of the year in which the merger is enforceable by third parties as per the above. The merger will have effect for tax purposes as of the same date pursuant to Art. 172.9, of D.P.R. 917/1986.

No particular rights are envisaged for the current shareholders of the companies taking part in the merger, or for those possessing securities other than shares issued by the companies involved in the merger.

The directors of the companies involved in the merger will not benefit from any particular advantage.

The Incorporating Company and the Incorporated Company are related parties as the latter is wholly owned by the former. Pursuant to CONSOB Regulations for related party transactions approved in Resolution n. 17221 of 12 March 2010, as amended, as well as the "Procedure for Related Party Transactions" adopted by IGD, the controls therein are not applicable as (i) the transaction is being carried out with a subsidiary, and (ii) based on the criteria defined in the Procedure, no significant interests of the Company's other related parties are involved.

The Merger Project, along with the documentation called for under current law, will be submitted for registration with the Bologna Company Registry pursuant Art. 2501-ter of the Italian Civil Code. The documentation relating to the merger will be published by the deadline using the methods provided for in the law and regulations at the corporate headquarters, on the website www.gruppoigd.it in the Governance section, as well as on the authorized storage mechanism SDIR_NIS www.emarketstorage.com and other legal methods.

At the same time as the registration with the Corporate Registry, a notice ex Art. 84 RE will be published based on which shareholders representing at least one fifth of the share capital may request, pursuant to Art. 2505.3 of the Italian Civil Code, that the decision relative to the merger be adopted during an extraordinary meeting of the shareholders in accordance with Art. 2502.1 of the Italian Civil Code.

Lastly, IGD SIIQ has exercised the "opt-out" clause found in Articles 70 (8) and 71 (1-bis) of CONSOB's Regulation for Issuers which grants the option to waive the mandatory publication of informational documents relating to mergers, spin-offs, capital increases through in-kind transfers, acquisitions and disposals.

"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.

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 €2,080,9 million at 31 December 2022, 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 also available on the website www.gruppoigd.it, in the Investor Relations section, and on the website www.imagebuilding.it, in the Press Room section.

Please find attached Gruppo IGD's income statement, statement of financial position, statement of cash flows, consolidated net financial position, and the operating income statement at 31 December 2022, along with the draft income statement, statement of financial position and the statement of cash flows of the parent company IGD SIIQ S.p.A. at 31 December 2022.

Consolidated income statement at 31 December 2022

(in thousands of Euros)	31/12/2022 (A)	31/12/2021 (B)	Change (A)-(B)
Revenue	**137,257**	**145,095**	**(7,838)**
Revenues from third parties	109,158	106,974	2,184
Revenues from related parties	28,099	38,121	(10,022)
Other revenue	**7,209**	**6,443**	**766**
Other revenues from third parties	4,027	3,842	185
Other revenues from related parties	3,182	2,601	581
Revenues from property sales	**7,533**	**440**	**7,093**
Operating revenues	**151,999**	**151,978**	**21**
Change in inventory	(4,678)	2,771	(7,449)
Revenues and change in inventory	**147,321**	**154,749**	**(7,428)**
Construction costs for the period	(2,357)	(3,182)	825
Service costs	(20,766)	(14,688)	(6,078)
Service costs from third parties	(13,257)	(10,294)	(2,963)
Service costs from related parties	(7,509)	(4,394)	(3,115)
Cost of labour	(10,369)	(10,603)	234
Other operating costs	(10,105)	(17,129)	7,024
Total operating costs	**(43,597)**	**(45,602)**	**2,005**
Depreciations, amortization and provisions	(1,684)	(682)	(1,002)
(Impairment losses)/Reversals on work in progress and inventories	(3,455)	516	(3,971)
Provisions for doubtful accounts	(533)	(3,430)	2,897
Change in fair value	(90,323)	(16,850)	(73,473)
Depreciation, amortization, provisions, impairment and change in fair value	**(95,995)**	**(20,446)**	**(75,549)**
EBIT	**7,729**	**88,701**	**(80,972)**
Income/ (loss) from equity investments and asset disposal	**397**	**908**	**(511)**
Financial Income	**92**	**87**	**5**
Financial income from third parties	92	87	5
Financial charges	**(30,551)**	**(33,925)**	**3,374**
Financial charges from third parties	(30,421)	(33,924)	3,503
Financial charges from related parties	(130)	(1)	(129)
Net financial income (expense)	**(30,459)**	**(33,838)**	**3,379**
Pre-tax profit	**(22,333)**	**55,771**	**(78,104)**
Income taxes	18	(3,002)	3,020
NET PROFIT FOR THE PERIOD	**(22,315)**	**52,769**	**(75,084)**
Non-controlling interests in (profit)/loss for the period	0	0	0
Profit/(loss) for the period attributable to the Parent Company	**(22,315)**	**52,769**	**(75,084)**
Basic earnings per share	(0.202)	0.478	(0.680)
Diluted earnings per share	(0.202)	0.478	(0.680)

Consolidated statement of financial position at 31 December 2022

(in thousands of Euros)	31/12/2022 (A)	31/12/2021 (B)	Change (A)-(B)
NON CURRENT ASSETS:			
Intangible assets			
Intangible assets with finite useful lives	796	303	493
Goodwill	7,085	7,585	(500)
	7,881	**7,888**	**(7)**
Property, plant, and equipment			
Investment property	2,041,330	2,093,176	(51,846)
Buildings	6,998	7,174	(176)
Plant and machinery	86	115	(29)
Equipment and other goods	2,340	1,741	599
Assets under construction and advance payments	36,662	44,095	(7,433)
	2,087,416	**2,146,301**	**(58,885)**
Other non-current assets			
Deferred tax assets	2,537	6,173	(3,636)
Sundry receivables and other non-current assets	121	127	(6)
Equity investments	25,765	25,765	0
Non-current financial assets	174	174	0
Derivative assets	6,314	0	6,314
	34,911	**32,239**	**2,672**
TOTAL NON-CURRENT ASSETS (A)	**2,130,208**	**2,186,428**	**(56,220)**
CURRENT ASSETS:			
Work in progress inventory and advances	29,297	37,375	(8,078)
Trade and other receivables	15,212	15,490	(278)
Related party trade and other receivables	1,242	716	526
Other current assets	7,748	5,717	2,031
Cash and cash equivalents	27,069	158,080	(131,011)
TOTAL CURRENT ASSETS (B)	**80,568**	**217,378**	**(136,810)**
ASSETS HELD FOR SALE (C)	**0**	**1,801**	**(1,801)**
TOTAL ASSETS (A + B+C)	**2,210,776**	**2,405,607**	**(194,831)**
NET EQUITY:			
Share capital	650,000	650,000	0
Other reserves	477,948	467,300	10,648
Group profit (loss) carried forward	16,167	1,689	14,478
Group profit	(22,315)	52,769	(75,084)
Total Group net equity	**1,121,800**	**1,171,758**	**(49,958)**
Capital and reserves of non-controlling interests	0	0	0
TOTAL NET EQUITY (D)	**1,121,800**	**1,171,758**	**(49,958)**
NON-CURRENT LIABILITIES:			
Derivatives - liabilities	199	8,435	(8,236)
Non-current financial liabilities	905,350	951,408	(46,058)
Provisions for employee severance indemnities	2,756	3,391	(635)
Deferred tax liabilities	16,636	17,875	(1,239)
Provisions for risks and future charges	4,644	4,130	514
Sundry payables and other non-current liabilities	9,387	9,504	(117)
Related parties sundry payables and other non-current liabilities	10,441	10,441	0
TOTAL NON-CURRENT LIABILITIES (E)	**949,413**	**1,005,184**	**(55,771)**
CURRENT LIABILITIES:			
Current financial liabilities	98,834	192,643	(93,809)
Trade and other payables	22,746	16,137	6,609
Related parties trade and other payables	1,845	950	895
Current tax liabilities	1,975	2,967	(992)
Other current liabilities	14,163	14,740	(577)
TOTAL CURRENT LIABILITIES (F)	**139,563**	**227,437**	**(87,874)**
LIABILITIES LINKED TO ASSETS HELD FOR SALE (G)	**0**	**1,228**	**(1,228)**
TOTAL LAIBILITIES (H=E+F+G)	**1,088,976**	**1,233,849**	**(144,873)**
TOTAL NET EQUITY AND LIABILITIES (D+H)	**2,210,776**	**2,405,607**	**(194,831)**

Consolidated statement of cash flows at 31 December 2022

(In thousands of Euros)	**31/12/2022**	**31/12/2021**
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**(22,315)**	**52,769**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	(18)	3,002
Financial charges / (income)	30,459	33,838
Depreciation and amortization	1,684	682
Writedown of receivables	533	3,430
(Impairment losses) / reversal on work in progress	19,858	(516)
Changes in fair value - (increases) / decreases	73,920	16,850
Gains/losses from disposal - equity investments	(397)	(908)
Changes in provisions for employees and end of mandate treatment	1,199	1,454
CASH FLOW FROM OPERATING ACTIVITIES:	**104,923**	**110,601**
Financial charge paid	(27,375)	(27,400)
Provisions for employees, end of mandate treatment	(1,440)	(787)
Income tax	(1,074)	(991)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**75,034**	**81,423**
Change in inventory	4,664	(3,051)
Change in trade receivables	(856)	(526)
Net change in other assets	1,611	(1,979)
Change in trade payables	7,581	4,422
Net change in other liabilities	(5,050)	(1,608)
CASH FLOW FROM OPERATING ACTIVITIES (A)	**82,984**	**78,681**
(Investments) in intangible assets	(644)	(302)
Disposals of investment properties	0	113,819
(Investments) in tangible assets	(32,051)	(18,414)
(Investments) in equity interests	0	52
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(32,695)**	**95,155**
Distribution of dividends	(38,334)	0
Rents paid for financial leases	(8,221)	(8,925)
Collections for new loans and other financing activities	376,946	0
Loans repayments and other financing activities	(511,717)	(124,083)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(181,326)**	**(133,008)**
Exchange rate differences on cash and cash equivalents (D)	26	(89)
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)	**(131,011)**	**40,739**
CASH BALANCE AT BEGINNING OF THE PERIOD	**158,080**	**117,341**
CASH BALANCE AT END OF THE PERIOD	**27,069**	**158,080**

Consolidated net financial position at 31 December 2022

(In thousands of Euros)	31/12/2022	31/12/2021	Change
Cash and cash equivalents	(27,069)	(158,080)	131,011
LIQUIDITY	**(27,069)**	**(158,080)**	**131,011**
Current financial liabilities	13,000	0	13,000
Mortgage loans - current portion	76,348	27,328	49,020
Leasing - current portion	7,674	7,355	319
Bond loans - current portion	1,812	157,960	(156,148)
CURRENT DEBT	**98,834**	**192,643**	**(93,809)**
CURRENT DEBT RELATED TO ASSETS HELD FOR SALES	**0**	**1,228**	**(1,228)**
CURRENT NET DEBT	**71,765**	**35,791**	**35,974**
Non-current financial assets	(174)	(174)	0
Leasing - non-current portion	23,370	31,043	(7,673)
Non-current financial liabilities	386,757	427,579	(40,822)
Bond loans	495,223	492,786	2,437
NON-CURRENT NET DEBT	**905,176**	**951,234**	**(46,058)**
NET DEBT	**976,941**	**987,025**	**(10,084)**

Draft income statement of the Parent Company IGD SIIQ S.p.A. at 31 December 2022

(in Euros)	31/12/2022 (A)	31/12/2021 (B)	Change (A)-(B)
Revenue	**112,825,531**	**119,318,137**	**(6,492,606)**
Revenues from third parties	81,219,765	77,497,362	3,722,403
Revenues from related parties	31,605,766	41,820,775	(10,215,009)
Other revenue	**1,181,297**	**1,148,121**	**33,176**
Other revenues from third parties	738,294	691,395	46,899
Other revenues from related parties	443,003	456,726	(13,723)
Operating revenues	**114,006,828**	**120,466,258**	**(6,459,430)**
Service costs	(15,331,001)	(11,594,663)	(3,736,338)
Service costs from third parties	(8,900,145)	(7,941,002)	(959,143)
Service costs from related parties	(6,430,856)	(3,653,661)	(2,777,195)
Cost of labour	(5,894,184)	(6,057,004)	162,820
Other operating costs	(8,324,094)	(14,155,033)	5,830,939
Total operating costs	**(29,549,279)**	**(31,806,700)**	**2,257,421**
Depreciations, amortization and provisions	(1,124,090)	(639,897)	(484,193)
(Impairment losses)/Reversals on work in progress and inventories	(41,510)	35,119	(76,629)
Provisions for doubtful accounts	(460,683)	(2,645,653)	2,184,970
Change in fair value	(59,301,950)	(378,704)	(58,923,246)
Depreciation, amortization, provisions, impairment and change in fair value	**(60,928,233)**	**(3,629,135)**	**(57,299,098)**
EBIT	**23,529,316**	**85,030,423**	**(61,501,107)**
Income/ (loss) from equity investments and asset disposal	**4,052**	**912,648**	**(908,596)**
Financial Income	**737,768**	**80,087**	**657,681**
Financial income from third parties	57,038	51,220	5,818
Financial income from related parties	680,730	28,867	651,863
Financial charges	**(29,061,745)**	**(32,384,326)**	**3,322,581**
Financial charges from third parties	(28,919,644)	(32,379,247)	3,459,603
Financial charges from related parties	(142,101)	(5,079)	(137,022)
Net financial income (expense)	**(28,323,977)**	**(32,304,239)**	**3,980,262**
Pre-tax profit/(loss)	**(4,790,609)**	**53,638,832**	**(58,429,441)**
Income taxes	(237,317)	454,569	(691,886)
NET PROFIT/(LOSS) FOR THE PERIOD	**(5,027,926)**	**54,093,401**	**(59,121,327)**

Draft statement of financial position of the Parent Company IGD SIIQ S.p.A. at 31 December 2022

(in Euros)	31/12/2022 (A)	31/12/2021 (B)	Change (A)-(B)
Revenue	**112,825,531**	**119,318,137**	**(6,492,606)**
Revenues from third parties	81,219,765	77,497,362	3,722,403
Revenues from related parties	31,605,766	41,820,775	(10,215,009)
Other revenue	**1,181,297**	**1,148,121**	**33,176**
Other revenues from third parties	738,294	691,395	46,899
Other revenues from related parties	443,003	456,726	(13,723)
Operating revenues	**114,006,828**	**120,466,258**	**(6,459,430)**
Service costs	(15,331,001)	(11,594,663)	(3,736,338)
Service costs from third parties	(8,900,145)	(7,941,002)	(959,143)
Service costs from related parties	(6,430,856)	(3,653,661)	(2,777,195)
Cost of labour	(5,894,184)	(6,057,004)	162,820
Other operating costs	(8,324,094)	(14,155,033)	5,830,939
Total operating costs	**(29,549,279)**	**(31,806,700)**	**2,257,421**
Depreciations, amortization and provisions	(1,124,090)	(639,897)	(484,193)
(Impairment losses)/Reversals on work in progress and inventories	(41,510)	35,119	(76,629)
Provisions for doubtful accounts	(460,683)	(2,645,653)	2,184,970
Change in fair value	(59,301,950)	(378,704)	(58,923,246)
Depreciation, amortization, provisions, impairment and change in fair value	**(60,928,233)**	**(3,629,135)**	**(57,299,098)**
EBIT	**23,529,316**	**85,030,423**	**(61,501,107)**
Income/ (loss) from equity investments and asset disposal	**4,052**	**912,648**	**(908,596)**
Financial Income	**737,768**	**80,087**	**657,681**
Financial income from third parties	57,038	51,220	5,818
Financial income from related parties	680,730	28,867	651,863
Financial charges	**(29,061,745)**	**(32,384,326)**	**3,322,581**
Financial charges from third parties	(28,919,644)	(32,379,247)	3,459,603
Financial charges from related parties	(142,101)	(5,079)	(137,022)
Net financial income (expense)	**(28,323,977)**	**(32,304,239)**	**3,980,262**
Pre-tax profit/(loss)	**(4,790,609)**	**53,638,832**	**(58,429,441)**
Income taxes	(237,317)	454,569	(691,886)
NET PROFIT/(LOSS) FOR THE PERIOD	**(5,027,926)**	**54,093,401**	**(59,121,327)**

Statement of Cash Flows of the Parent Company IGD SIIQ S.p.A. at 31 December 2022

(In thousands of Euros)	31/12/2022	31/12/2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit (loss) of the year	**(5,028)**	**54,093**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities		
Taxes of the year	237	(455)
Financial charges / (income)	28,324	32,304
Depreciation and amortization	1,124	640
Writedown of receivables	461	2,646
(Impairment losses) / reversal on work in progress	41	(35)
Changes in fair value - (increases) / decreases	59,302	378
Gains/losses from disposal - equity investments	0	(908)
Changes in provisions for employees and end of mandate treatment	792	931
CASH FLOW FROM OPERATING ACTIVITIES:	**85,253**	**89,594**
Financial charge paid	(26,015)	(26,790)
Provisions for employees, end of mandate treatment	(988)	(471)
Income tax	(261)	(153)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:	**57,989**	**62,180**
Change in trade receivables	(837)	(212)
Net change in other assets	1,410	(1,694)
Change in trade payables	5,599	2,866
Net change in other liabilities	(603)	(1,704)
CASH FLOW FROM OPERATING ACTIVITIES (A)	**63,558**	**61,436**
(Investments) in intangible assets	(611)	(293)
Disposals of investment properties	0	113,819
(Investments) in tangible assets	(18,357)	(11,679)
(Investments) in equity interests	0	42
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(18,968)**	**101,889**
Change in related parties financial receivables and other current financial assets	928	(864)
Distribution of dividends	(38,619)	0
Rents paid for financial leases	(3,619)	(2,923)
Collections for new loans and other financing activities	376,946	0
Loans repayments and other financing activities	(505,562)	(123,891)
CASH FLOW FROM FINANCING ACTIVITIES (C)	**(169,926)**	**(127,678)**
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C)	**(125,336)**	**35,647**
CASH BALANCE AT BEGINNING OF THE PERIOD	**146,380**	**110,733**
CASH BALANCE AT END OF THE PERIOD	**21,044**	**146,380**