ANNUAL REPORT

DRAFT

2024

IGD SIIQ

IMMOBILIARE GRANDE DISTRIBUZIONE
SOCIETA' DI INVESTIMENTO IMMOBILIARE QUOTATA S.P.A.

Registered office in Bologna, Via Trattati Comunitari Europei 1957-2007 n. 13,
Tax ID, VAT no. 00397420399
Bologna Company Register no. 458582
Share capital subscribed and paid-in: Euro 650,000,000.00

The IGD Group and IGD SIIQ S.p.A.: 2024 Annual Report

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1

// THE IGD GROUP
DETAILED INDEX

IGD GR
1.1 LETTER TO THE SHAREHOLD

1. IGD GROUP

1.1 // Letter to the Shareholders

Shareholders,

2024 marked a significant change for IGD. In April, the new Board of Directors took office and, backed by the full support of the shareholders, has determined to realign the company's operational performance and market valuation with industry standards, with a view to promoting and consolidating the creation of value.

Aware that the company required a substantial turnaround, we started by developing new strategic guidelines and subsequently published the new Business Plan for 2025-2027.

Our new strategy aims to significantly accelerate growth by driving a decisive shift in our operational approach, fostering a more active and collaborative partnership with tenants, and embracing innovation, particularly in digital technologies.

We aim to further expand the relationship with our tenants by building long-term partnerships and offering them a true “IGD Shopping Center Ecosystem”. From this viewpoint, the widespread adoption of new technologies will be key to forging strong and effective interactions, characterised by our enhanced ability to understand and meet user needs. Our new strategy will allow us to maximise the potential of our shopping centres, which will increasingly be defined as places where visitors can enjoy rich and multifaceted interactions.

The new Plan is the result of the work of the entire IGD team: all our energy and skills are committed to achieving the targets we have set ourselves, bringing operational and financial performance to best-in-class levels in the sector.

To this end, we have undertaken a thorough review of IGD's internal organisational structure, which laid the path for reaching the growth objectives that we have set for the next three years.

The new structure – due for completion in the early months of 2025 – is designed with a dual focus: firstly, to streamline and improve the efficiency of our processes, and secondly, to develop our in-house expertise by broadening our scope of activity. Accordingly, we have established a new business unit called "Asset Services for third parties”, specifically to pursue the new growth opportunities generated by the offer of real property services to external clients. We strongly believe in this new opportunity for IGD to create value.

Aside from industrial management, our main focus is undoubtedly on the financial profile, which the legacies of previous management have significantly affected in terms of both quantity and distribution of debt, imposing constraints on the Company's strategies.

At the end of April 2024, IGD completed the sale of a 13 assets portfolio to two leading international investors. The transaction was carried out through a closed-end real estate investment fund, of which we remained a minority partner, continuing to carry out the operational management of the assets that were transferred. Thanks to the proceeds of the sale, we repaid almost a third of the bond issued in November 2023, the cost of which significantly impacts on the Company's cash flow generation, confirming our commitment to accelerate the repayment of the most expensive financial instruments.

We are proud and delighted to share with you that, at the time of writing, we have already met some of the targets we outlined, just over two months after the Business Plan was adopted.

In detail, on 11 February IGD finalised a green secured facility agreement for 615 million euros with a pool of leading national and international financial institutions. This important operation is a fundamental cornerstone, as it will enable us to extend our debt maturity profile over time, thus avoiding excessive financial pressure in our repayment schedule.

Using the facility proceeds, we fully repaid existing bonds, thus setting the conditions for a voluntary dividend distribution to our shareholders. The Board of Directors has therefore decided to propose to the Annual General Meeting of the Shareholders the distribution of a dividend of €0.10 per share for financial year 2024.

We are equally pleased of the progress we made on our plan to sell the Romanian assets. Our new strategy involves profiling and valuing each property individually, targeting sales to specific markets based on their attributes and the interest of potential types of investors. On 14 February 2025, the first deed of sale of a shopping center owned by the subsidiary Win Magazine SA in the city of Cluj was signed.

We are aware that this is only the start of a long journey, but we are confident in our ability to address the challenges ahead and embark on a new phase of growth, to demonstrate once again the value that IGD is capable of generating.

> The Chairman
Antonio Rizzi

> The CEO and Managing Director
Roberto Zoia

IGD GR
1.2 CORPORATE & SUPERVISORY BODIES AND GOVERNANCE STRUCTURE – SUMM

1.2 // Corporate & Supervisory Bodies and Governance Structure – Summary

Board of Directors	Office	Executive	Non Executive	Independent	Control and Risk Committee	Nomination and Compensation Committee	Related Party Committee	Strategic Committee
Antonio Rizzi	**Chairman**			X			X	X
Edy Gambetti	**Vice Chairman**		X					X
Roberto Zoia	**Chief Executive Officer**	X						X
Antonello Cestelli	**Director**		X					X
Antonio Cerulli	**Director**		X					X
Alessia Savino	**Director**		X					
Daniela Delfrate	**Director**			X	X	X	X	
Francesca Mencuccini	**Director**		X					
Laura Ceccotti	**Director**		X					
Mirella Pellegrini	**Director**			X	X	X		
Simonetta Ciocchi	**Director**			X	X	X	X	

Board of Statutory Auditors	Office	Standing	Alternate
Iacopo Lisi	**Chairman**	X	
Barbara Idranti	**Auditor**	X	
Massimo Scarafuggi	**Auditor**	X	
Juri Scardigli	**Auditor**		X
Laura Macri	**Auditor**		X
Pierluigi Brandolini	**Auditor**		X

Supervisory Board
Giuseppe Carnesecchi (Chairman), Alessandra De Martino, Paolo Maestri.

External Auditors
Deloitte & Touche S.p.A.

Financial Reporting Officer
Marcello Melloni

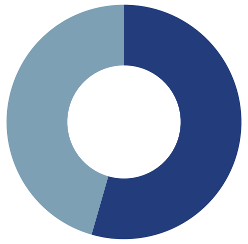
1.2.1 // Shareholders

> SHAREHOLDER BASE AT 27 FEBRUARY 2025

40.92% Coop Alleanza 3.0
9.97% Unicoop Tirreno
49.11% Floating

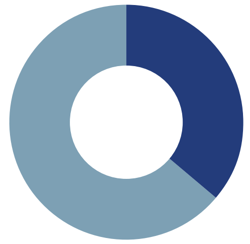
1.2.2 // Board of Directors

> BREAKDOWN BY GENDER



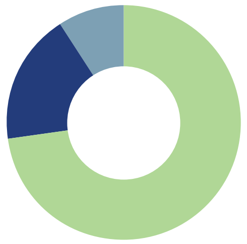
6 Female
5 Male

> INDEPENDENT/NON-INDEPENDENT DIRECTORS



4 Independent Directors
7 Non-Independent Directors

> TENURE OF THE MEMBERS OF THE BOD
(% of the total number of Directors)



73% 0-2 years
18% 2-4 years
9% 6 + years

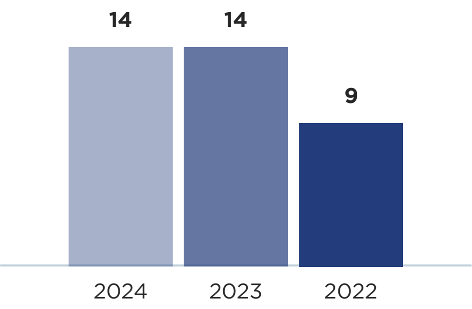
> CHANGES COMPARED TO THE PRIOR MANDATE

	Prior Mandate	Current Mandate
No. of Directors	**11**	**11**
Directors appointed by minorities	**4**	**2**
% of women in B.o.D.	**45%**	**55%**
% of independent Directors	**64%**	**36%**
Directors' average age	**59**	**59**
Chairman Status	**Independent**	**Independent**
Lead independent Director (LID)	**No**	**No**

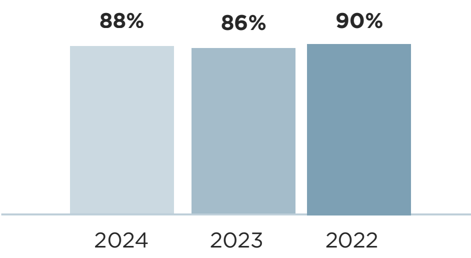
IGD GR
1.2 CORPORATE & SUPERVISORY BODIES AND GOVERNANCE STRUCTURE – SUMM

1.2.3 // Board of Directors' Activities

> NUMBER OF BOD MEETINGS



> RATE OF ATTENDANCE AT THE BOD MEETINGS



Board Evaluation Process

Board evaluation conducted
YES

Advisor
Egon Zehnder

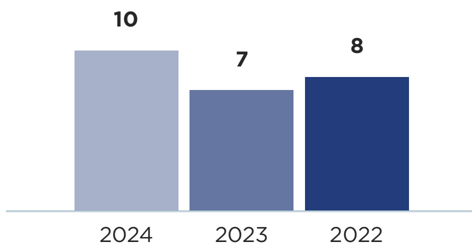
Self-assessment tools
Anonymous questionnaires /interviews

> NUMBER OF COMMITTEE MEETINGS AND DIRECTORS' RATE OF ATTENDANCE

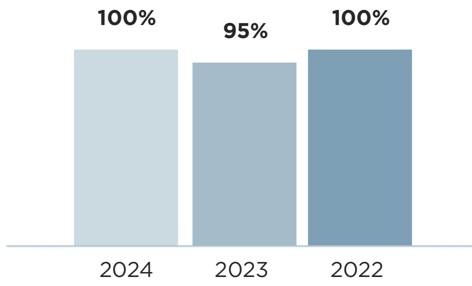
Number of Commitees meetings and Directors' attendance rate	No. of meetings	Attendance rate	Presence of independent members (%)
Nominantions and Compensation Committee	**7**	**100%**	**100%**
Control and Risk Committee	**10**	**100%**	**100%**
Related Party Committee	**2**	**100%**	**100%**
Strategic Committee	**3**	**100%**	**20%**

1.2.4 // Control and Risk Management System – Committee highlights

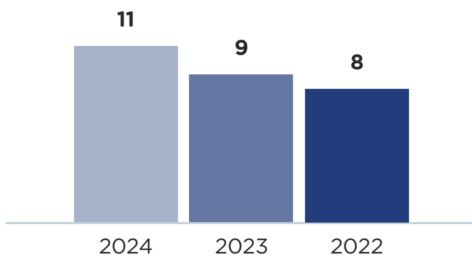
> NUMBER OF CONTROL AND RISK COMMITTEE MEETINGS



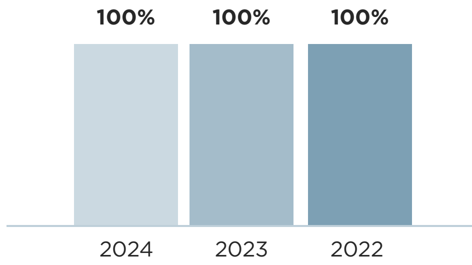
> RATE OF ATTENDANCE AT THE CONTROL AND RISK COMMITTEE MEETINGS



> NUMBER OF MEETINGS OF THE BOARD OF STATUTORY AUDITORS



> RATE OF ATTENDANCE AT THE BOARD OF STATUTORY AUDITORS' MEETINGS



Main elements of the control system

Is an Enterprise Risk Management plan in place?
YES

If yes, is the ERM plan discussed with the Committee?
YES

Specific compliance programs in place (Antitrust/Anti-corruption/ Whistleblowing…)
YES

For further information, please see Chapter: **3.Report on corporate governance and ownership structure.**

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// DIRECTORS' REPORT
DETAILED INDEX

DIRECTORS' REPORT
2.1 THE IGD GROUP

2. DIRECTORS' REPORT

Shareholders,

The directors' report that follows combines the reports to the consolidated financial statements and to the financial statements of the Parent Company Immobiliare Grande Distribuzione SIIQ S.p.A., to avoid the repetition that would result from providing two separate documents. The consolidated financial statements of Gruppo Immobiliare Grande Distribuzione SIIQ S.p.A. (IGD SIIQ S.p.A or IGD for short) at 31 December 2024, including this report and the notes to the financial statements, consolidate the balance sheets and income statements of IGD SIIQ S.p.A. and other Group companies as listed in the paragraph related to the scope of consolidation.

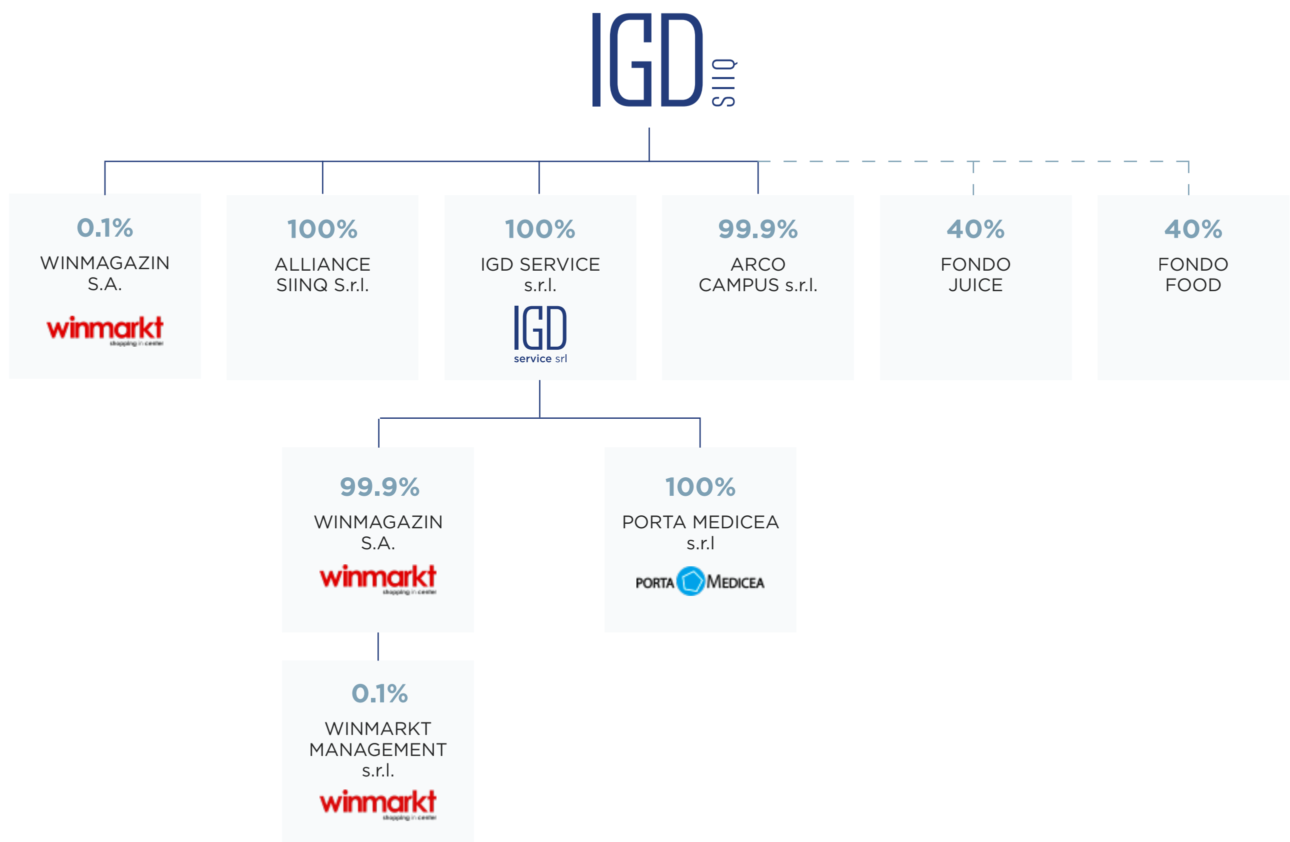
> Alternative Performance Indicators

This report contains alternative performance indicators other than the conventional indicators that are required of audited financial statements, which comply with IAS/IFRS. Alternative performance indicators are derived from the financial statements prepared in compliance with IAS/IFRS but have also been calculated using other sources or alternative methods, where clearly specified. These may not comply with the accounting standards required of audited financial statements and may not consider the accounting, recognition and measurement requirements associated with such standards. The indicators deemed significant for the reading of the Group's financial statements include like-for-like revenue, core business EBITDA, core business EBITDA margin, FFO, net financial position, the interest cover ratio, the average cost of debt (net of ancillary expenses, recurring and non), the gearing ratio, the loan to value, EPRA NAV METRICS (EPRA NRV, EPRA NTA, EPRA NDV), the EPRA Net Initial Yield (NIY) and EPRA 'topped-up' NIY, the EPRA Vacancy Rate, the EPRA Cost Ratios, the EPRA Earnings and the EPRA LTV (Loan to value), the calculations of which are described in the Glossary and in section 2.3 of this Directors' Report.

2.1 // The IGD Group

IGD was the first company in Italy to obtain SIIQ (Società di Investimento Immobiliare Quotata or real estate investment trust) status in 2008 and today is still the only retail real estate company that qualifies as a SIIQ.

Most of the Group's real estate assets are in Italy (93.8%). The international portfolio, which accounts for the remaining 6.2%, comprises the assets of Winmarkt, a Romanian chain of shopping centers which IGD controls through Win Magazin SA.



IGD SIIQ's perimeter of exempt operations includes the freehold assets in Italy (approximately 92.2% of the total value of the Group's portfolio).

On 20 December 2024, IGD Siiq S.p.A. established the 100%-owned company Alliance SIINQ S.r.l. and transferred to it the store located in via Aquileia in Ravenna. On 30 December 2024, Alliance SIINQ S.r.l. exercised the option to access the special SIINQ regime from the tax period starting on 1 January 2025. In addition to managing the Ravenna store, the company was established to seize any market opportunities that may arise for the Group.

At 31 December 2024, in addition to the Group parent, the IGD Group is comprised of:

> 99.9% of **Arco Campus S.r.l.**

A company engaging in the sale, leasing and management of properties designed to become sports facilities or host activities connected to the development and spread of sports;

> 100% of Alliance SIINQ S.r.l.

Acompany engaging in the sale, leasing and management of real properties for commercial use;

> 100% of **IGD Service S.r.l.**

Which, in addition to owning the businesses holding the licenses for the Centro Sarca, Millennium Center, Gran Rondò, and Darsena centers, also holds third party centers (Centro Nova), service activities including management of freehold and leasehold centers and the majority of the operations which are not included in the SIIQ perimeter;

> 99.9% of **WinMagazine SA**

The Romanian subsidiary, through which it controls 100% of **WinMarktManagement Srl**, the company responsible for the team of Romanian managers;

> 100% of **Porta Medicea Srl,**

Responsible for the construction of the mixed-use real estate development and requalification of Livorno's waterfront.

The Group also holds equity investments in two real estate funds:

> **Juice Fund**, in which the Group owns a 40% stake, established during the 2021 financial year. The portfolio consists of 5 hypermarkets and 1 supermarket.

> **Food Fund**, of which the Group holds a 40% share, established in the current financial year. The fund owns a portfolio consisting of 8 hypermarkets, 3 supermarkets and 2 shopping malls.

2.1.1 // Property

IGD is a key player in Italy's retail real estate sector. It is a listed property company and owns a rich portfolio of shopping centers located throughout Italy, with the goal of extracting medium to long-term value from them.

Since 2008, IGD has also been present in Romania where it controls the WinMagazine department store chain. This acquisition was made at a time in history when the country was looking at high returns and very dynamic growth rates. The changed operating context, however, has led us to review our strategy, which is now clearly focused on the Italian market.

The Group also considers, occasionally, the sale of freehold assets with a view to maintaining an optimal portfolio structure through an appropriate asset rotation strategy.

> Property management and leasing

The Group's most important operating activity is asset management, which concerns all the properties owned in Italy and Romania and some assets owned by third parties. IGD's main objective, through asset management, is to enhance the medium to long-term value of the portfolio through active management of the properties, striving to maintain them as flexible and functional as possible, and optimizing costs over the entire life cycle of the shopping center.

The Company's strength is to implement all rental and leasing activities, commercial and lease management, technical and operational management.

From a commercial point of view, IGD directly analyses the catchment area, location and competitive context of each shopping center, in order to identify the right merchandising mix that best meets the needs of visitors. Moreover, through careful turnover management, the Company seizes any opportunity to constantly update the offering in its malls in light of new consumer trends, while selecting retailers with the best potential in terms of sales and reliability.

IGD, in fact, conducts an analysis of the risk profile of its tenants as part of the broader activities and controls conducted within the scope of the adopted Enterprise Risk Management model. The system uses economic-financial data to assign a score to each tenant based on their risk

DIRECTORS' REP
2.1 THE IGD GR

class, so as to assess the overall risk exposure of the counterparties, including in relation to lease rentals. Thanks to effective tenant turnover, IGD could reduce the number of higher-risk tenants, thereby containing high-risk rents as a percentage of total rents.

IGD also designs and plans all extraordinary maintenance, restyling, refurbishment and remodelling works. It is also in charge of facility management for the organization and conduct of ordinary activities, so as to ensure the effective operation of each center and of pilotage, that is to say the design and site management necessary for fit-out operations.

> Lease management

At the end of 2024 IGD had 1,351 ongoing leases in Italian malls, with a total of 660 tenants. During the year, the Company signed 194 new leases, including 120 renewals and 74 turnovers. The minimum guaranteed lease term before the tenants' break option (WALB or Weighted Average Lease Break) is 2.0 years for mall tenants and 12.7 years for hypermarkets, while the average residual lease term (WALT or Weighted Average Lease Term) is 4.1 years for mall tenants and 12.7 years for hypermarkets.

At the end of 2024 there were 593 active leases in Romania. During the year, there were 103 turnovers and 252 renewals. WALB stands at 2.25 years, while WALT is 3.91 years.

The degree of concentration of the retailers that generate a significant portion of IGD's rental income is limited. In 2024 the ten largest mall tenants in Italy represented 19% of the total rental income generated by malls, in line with 2023. In Romania, the ten largest brands accounted for 38.2% of the total revenue in 2024, compared to 37.2% in 2023.

IGD's commercial proposal also draws strength from a significant presence of national and international "anchor tenants", i.e. highly attractive brands that generate traffic. In that respect, we point out the opening of the first Primark store in the IGD center network in Italy as part of Officine Storiche in Livorno and the first Starbucks store in the IGD center network in Romania. At the end of 2024, international brands account for 43% of the total rental income in Italian malls, while in Romania these brands represent 47% of the total. In Romania, international retailers account for 36%, national brands for 21%, while local brands account for 43%.

>Asset Services for Third Parties

For over twenty years, IGD has also been managing assets on behalf of third parties. This low capital-intensive activity offers reasonable margins, and with the Group's consolidated experience and specialised personnel, IGD intends to strengthen it.

As part of a wider organisational strategy, IGD created a new business unit in 2024, "Asset Services for Third Parties," with the specific aim of pursuing new growth by offering real property services to external clients, while enhancing value from current leases.

> Marketing activities

In 2024 marketing activities focused on three areas: the development of Digital marketing, the return of in-person events in the shopping centers, and the implementation of co-marketing projects with Coop Alleanza 3.0.

> Digital strategy

In 2024 IGD boosted its digital strategy, leveraging the work done over the last three years and identifying specific development actions based on existing tools and the results obtained. The heart of the strategy was the launch of mobile apps for loyalty programs in seven shopping centers, with very interesting results: over 20,000 new contacts in less than 5 months and improved knowledge of the users, thanks to the collection of preferences, attendance at the center and purchase data.

Digitalization has been an important step in the relationship with tenants, thanks to the introduction of the IGD Connect platform and greater control of mall media.

> IGD Connect simplifies and makes more effective the relationship and communications between tenants and shopping center management, digitalizing most of the documents and communication flows.

> *Mall Media* allows tenants to gain greater exposure within the malls.

> Increase of in-person events

In 2024 a total of 745 events were organized, an increase of 34.23% compared to 2023, and an average of approximately 14.33 events a week. For the organization of these events, IGD's shopping centers focused on three main areas of activity:

1. Revived organisation of events capable of attracting a significant number of people inside the mall, with a focus on entertainment and immersive experiences for mall visitors.

2. Involvement of the community in the organization of events: 30% of the events organized in IGD shopping centers involved the local community.

3. Supplementing of scheduled events with social and environmental projects. 17.7% of the activities organized belonged to these areas.

Entertainment was also the opportunity to introduce a new tenant cooperation programme called "You Bridge," which empowers tenants to take centre stage with their own initiatives, entertainment, games, and discounts in the run-up to events. An interaction before an audience, consisting of physical moments, both on stage and in the stalls, and virtual moments on the ledwall.

> Co-Marketing Project with Coop Alleanza 3.0

In the wake of previous experiences, a vast co-marketing campaign was organized in five shopping centers together with Coop Alleanza 3.0 and included three different plans: communication, events and digital. This work has been essential to support the promotion of our malls and has constituted an important driving force for their communication and promotion (through the prize pool at stake), in the centers where the loyalty programmes have been launched.

> Mission

IGD's mission is to create value for all its stakeholders: shareholders and financial backers, employees, shoppers, local communities, retailers, suppliers and the environment. We believe this is possible through sustainable growth.

> Vision

IGD has chosen to focus on the retail segment and to remain predominantly concentrated on the Italian market: this choice is based on the belief that specialized professional management is able to extract interesting values and returns from retail assets. The Company's portfolio is highly segmented and diversified in terms of geographical distribution while being spread across the entire territory. Most of IGD's assets also have a dominant position in their primary catchment areas.

The ability to listen to the different needs of retailers, the desire to offer a range of flexible and personalized retail solutions, the ability to meet the changing needs of national and international brands (including bigger spaces and different formats) in a timely manner have allowed IGD to build a professional profile with characteristics that are unique in Italy.

Historically, IGD shopping centers could rely on a food anchor which helped to attract traffic all week long and promote customer loyalty, with evident benefits also for mall retailers. More recently the format of IGD's centers is gradually being transformed, with the addition of more than one non-food anchor, which act as important "attractors" for the whole shopping center.

Following the approval of the new Business Plan on 20 November 2024, IGD has renewed its value proposition, developing and boosting the landlord-tenant partnership with an innovative perspective that goes beyond a purely contractual approach to space rental. IGD intends to offer a true "IGD shopping center ecosystem" providing tenants with physical selling areas, high value-added property services, digital and communication tools, marketing partnerships and collaborations, all underpinned by a long-term and ESG compliant vision.

> Strategic guidelines

2024 was the final year of the 2022-2024 Business Plan (presented on 14 December 2021).

On 20 November 2024 the Board of Directors approved the new 2025-2027 Business Plan. With this Plan, IGD wants to embark on a growth path with a return to the distribution of a continuous and sustainable dividend. Over the next three years, the Company's action priorities will be to optimize the Group's financial structure and reduce its cost, maximizing the value creation of the core business and increasing the attractiveness of its properties through targeted and ESG-compliant investments.

As part of the optimization of the financial structure, the refinancing operation concluded on 11 February 2025 helped redefine the dynamics of the Group's financial maturities, eliminating the concentrations of maturities in 2027 and extending debt maturity in general. Over the course of the plan, the Group is committed to reducing the cost of financial management, while at the same time focusing on reducing leverage, also thanks to the planned divestments. In fact, over the next three years IGD plans to sell non-core assets for a total of approximately 100 million euros, entirely aimed at reducing the Group's financial leverage. The first step of the program was concluded with the sale, in February 2025, of the property in Cluj for €8.5 million. The Loan to Value ratio at the end of 2027 is therefore expected to improve to around 40% (compared to 44.4% recorded at the end of 2024).

DIRECTORS' REPORT
2.2 2024 PERFORMANCE

To drive greater value from its core business, IGD is committed to fostering deeper landlord-tenant partnerships that extend beyond simply renting space, over the whole term of the lease. By cultivating a genuine "IGD Shopping Center Ecosystem", we aim to empower tenants with a diverse range of opportunities to improve their overall sales performance. The «IGD Shopping Center Ecosystem» is designed to offer visitors shopping experiences, services, entertainment and catering opportunities, together with events and projects to build loyalty and strengthen interaction with the territory and the reference community. Within the ecosystem, the growing digitalization process of shopping centers is increasingly important, and IGD is already working on it, offering solutions for both retailers and visitors. The goals for the next three years are to strengthen synergy with the tenants, so as to seize more and more cooperation opportunities, and offer consumers increasingly personalized and engaging shopping experiences.

Over the next three years, the Company aims to improve its operating performance in terms of space occupancy and average lease terms, so as to increase rental income while reducing condominium expenses borne by the asset owner.

The investments planned for the next three years, for a total of approximately €50 million, are aimed at increasing the attractiveness of the portfolio and reducing its environmental footprint. All investments will be based on the specific features of each location and reference catchment area, possibly reshaping actions according to the results. More specifically, the plan foresees: interventions designed to support the transformation of shopping centers into innovative ecosystems; ESG actions designed to promote energy transition, reduce the carbon footprint of the portfolio, increase well-being, safety and shopping experience for visitors; extraordinary maintenance works designed to extend the life cycle of shopping centers and their resilience by reducing exposure to risks related to climate change.

2.2 // 2024 Performance

2.2.1 // Income statement review

Global business continued to expand in 2024, albeit with differing trends across geographic areas. On the one hand, the United States showed robust growth - estimated for 2024 at around +2.8% - on the other, the Eurozone showed a significantly weaker trend with growth estimated at around +0.8%[1]. Overall, according to the most recent forecasts, world GDP should have recorded an increase of +3.2% in 2024 and is expected to grow by +3.3% in 2025[2]. This international scenario continues to show high uncertainty, with expectations on the trade policy that will be implemented by the new US administration adding to the persistent geopolitical tensions in Ukraine and the Middle East.[3]

Inflation continued to slow down, and major global banks changed their monetary policy stance. In Europe, in particular, the inflation rate remained around 2% and the European Central Bank cut official interest rates by a further 25 basis points in December. Markets expect a further reduction of around 75 basis points also during 2025[4].

The Italian economy has been weak: moderate GDP growth in the first two quarters of the year was followed by two consecutive quarters at zero growth; on a yearly average basis, GDP increased by 0.5% compared to 2023.[5] Manufacturing weakness and the sharp drop in investments were the main factors holding back GDP growth, while household consumption made a positive contribution[6]. The inflation rate continued to be one of the lowest of the Eurozone: on average over 2024, the harmonized consumer price index grew by +1.0%.[7] In this scenario, Italian GDP should continue to grow in 2025 at a slightly higher rate (expected to grow by +1.0%), supported mainly by the positive contribution of domestic demand[8].

Strong consumption determined the solid operating performance of Italian malls in 2024: compared to the same period the previous year, footfall increased +1.6%, while mall tenants' sales increased by +0.6%. The Group's freehold hypermarkets and supermarkets also performed well, ending the year with an increase of +0.6%.

A breakdown of sales by product category shows that Services, Personal Care and Health are the categories that performed best over the 12 months. The trend is also positive for Clothing and Catering, while Electronics, Culture, Leisure and Gifts and Home Goods closed the year with a slight decline.

During the year IGD continued its leasing activity, which proved to be effective, as reflected in the results: at 31 December 2024, the mall occupancy rate was 94.67%, continuing the increase trend recorded over the quarters (+19 bps vs 30 September 2024; +51bps vs 31 December 2023); the average occupancy rate for malls plus hypermarkets also increased 16bps compared to 30 September 2024 (+45 bps compared to 31 December 2023) to 95.21%.

The capacity of IGD shopping centers for attracting international anchor tenants has been confirmed: Rituals, Sinsay, Primark are some of the brands that opened their first store in the IGD center network in Italy; a total of 31 new brands were added to the Italian portfolio in the last 12 months.

The 194 leases signed during the year (120 renewals and 74 turnovers) led to an average increase of +4.0% in rents on these leases; noteworthy is the positive trend recorded during the year: after a first quarter showing a downside of -3.5%, in the three subsequent quarters the lease contracts signed recorded increases in rents of +3.5%, +8% and +4.10% respectively. The minimum guaranteed lease term before the operator's break option (WALB or Weighted Average Lease Break) also extended during 2024, going from 1.78 in the first quarter to 2.0 years at the end of the year for malls.

The rent collection rate was also excellent: around 98.4% as of 4 March 2025.

In Romania, after a GDP increase of +2.1% in 2023, economic growth continued at a slower pace. At the end of the year, GDP is expected to increase by 1.4%, mainly thanks to private consumption.[9]

In line with the considerations about Italy, the shopping malls of the Winmarkt portfolio also recorded good operating performances: at 31 December 2024, the occupancy rate was 95.83%, up 62 bps compared to the figure at 30 September 2024. 355 leases were signed in the course of the year, between renewals (252) and turnovers (103), with an average increase on renewal rents of approximately +3.8%, which shows the vibrancy of the Romanian retail sector. The health of the tenants' portfolio also shows in the good results of the rent collection rate, which for 2024 was approximately 97%[10].

Such positive findings are the first operating evidence of IGD's new strategy, which is geared to optimise the potential of the Group's shopping centers and offer tenants a true "IGD shopping center ecosystem", making available to them not only physical retail spaces, but also high value-added property services, digital and communication tools, marketing partnerships and cooperations, all underpinned by a long-term and ESG compliant vision.

All this has a positive impact on net rental income which, as better analysed below, shows a growth of +4.6% on a like-for-like basis.

In terms of asset management, IGD's closing balance of investments and capex for 2024 were approximately €18.6 million. The main operations consisted of fit-out works at Officine Storiche in Livorno, in preparation of the opening of the Sinsay and Primark stores, and internal restyling at Centro Leonardo in Imola.

As part of the Porta a Mare Project in Livorno, 34 apartments were sold by the end of 2024 within the Officine Storiche residential area; the sale of the remaining 8 units is expected in 2025 (2 binding offers received to date).

The main event of the year in terms of disposals and capital recycling was the important disposal concluded by IGD on 23 April 2024, with the sale to Sixth Street and Starwood Capital. The sale concerned a real estate portfolio consisting of 8 hypermarkets, 3 supermarkets and 2 shopping malls, for a total value of €258 million. The operation was carried out by contributing the entire property portfolio to a close-end real estate investment fund (Italian REIF) called "Food Fund", in which IGD kept 40% of the stake, whereas the remaining 60% was sold to a Luxembourg vehicle company (50% Sixth Street and 50%

1. EY - Italian Macroeconomic Bulletin, December 2024.
2. ISTAT - Le prospettive per l'economia italiana nel 2024-2025, (courtesy translation: 2024-2025 outlook on Italian economy) December 2024.
3. Source ISTAT – Nota sull'andamento dell'economia italiana (courtesy translation: Note on the performance of the Italian economy), January 2025.
4. Source: Bank of Italy – Economic Bulletin no. 1/2025, January 2025.
5. ISTAT – Preliminary GDP estimate - 2024 IV quarter, January 2025.
6. Source: Bank of Italy – Economic Bulletin no. 1/2025, January 2025.
7. ISTAT – Consumer prices, January 2025.
8. Bank of Italy – Economic Bulletin no. 1/2025, January 2025.

9. Source: European Commission – Autumn Economic Forecast, November 2024
10. On 4 March 2025

Starwood Capital) for a consideration of 155 million euros.[11]

The main beneficial impact of the disposal was on financial position, with the Loan to Value ratio at 31 December 2024 equal to 44.4%, lower than 48.1% at the end of 2023.

As for the other performance indicators, the average cost of debt at 31 December 2024 was 6.04%, up compared to 3.86% at the end of 2023, as a result of the increased cost of the latest loans; the interest cover ratio, or ICR, was 1.8x, while the interest cover ratio for covenants was 2.28x.

Due to the negative changes in the fair value of real estate investments, the write-down of the equity interest in the Food Fund and the increase in financial charges, as of 31 December 2024 the Group shows a consolidated net loss of 30,084 thousand Euros; this result is however a significant improvement compared to the loss of 81,732 thousand Euros recorded as of 31 December 2023.

> THE CONSOLIDATED OPERATING INCOME STATEMENT IS SHOWN BELOW:

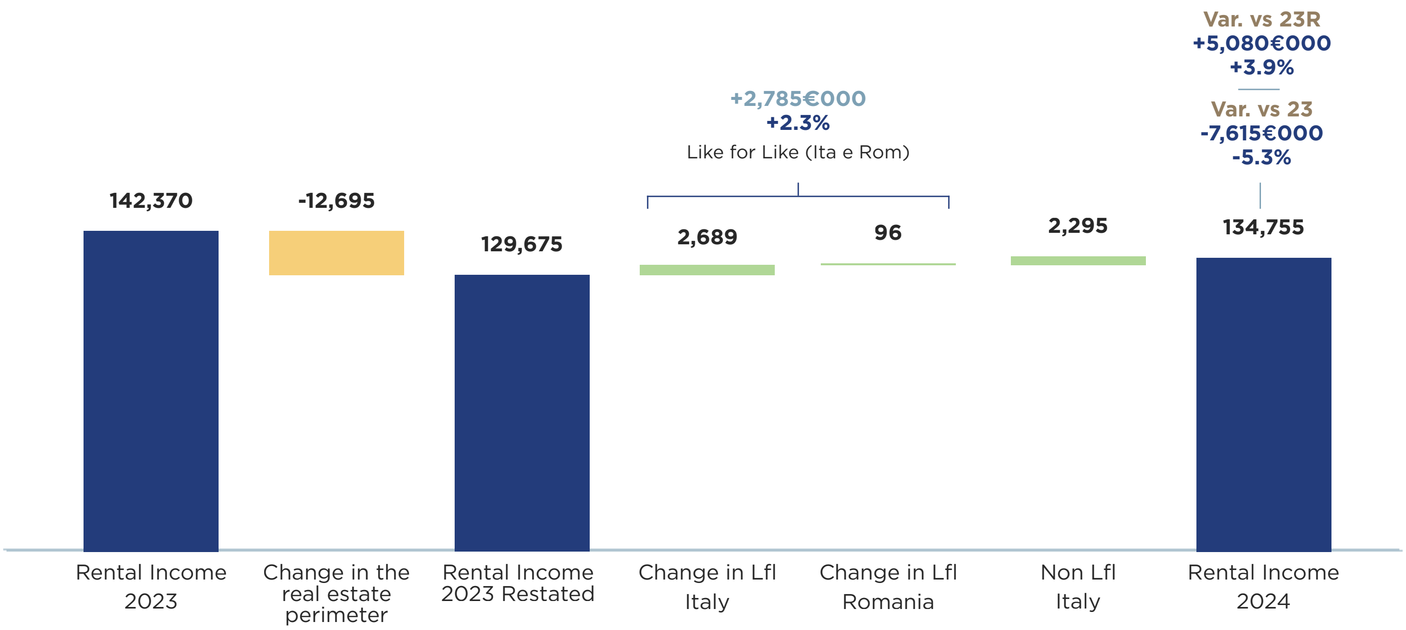
Group consolidated	(A) 31/12/2024	(B) 31/12/2023	Δ (A)/(B)
Revenues from freehold rental activities	125,336	133,175	-5.9%
Revenues from leasehold rental activities	9,419	9,195	2.4%
Total income from rental activities	134,755	142,370	-5.3%
Rents and payable leases	-47	-4	n.a.
Direct costs from rental activities	-21,010	-22,781	-7.8%
Net rental income	113,698	119,585	-4.9%
Revenues from services	8,218	7,673	7.1%
Direct costs from services	-6,469	-5,720	13.1%
Net services income	1,749	1,953	-10.4%
HQ Personnel expenses	-7,387	-7,752	-4.7%
G&A Expenses	-6,102	-5,633	8.3%
CORE BUSINESS EBITDA (Operating income)	**101,958**	**108,153**	**-5.7%**
Core Business Ebitda Margin	*71.3%*	*72.1%*	
Revenues from trading	2,276	6,245	-63.6%
Cost of sale and other costs from trading	-2,524	-6,736	-62.5%
Operating result from trading	-248	-491	-49.5%
EBITDA	**101,710**	**107,662**	**-5.5%**
Ebitda Margin	*70.0%*	*68.9%*	
Impairment and Fair Value adjustments	-31,873	-138,764	-77.0%
Depreciation and provisions	-3,348	-1,954	71.3%
EBIT	**66,489**	**-33,056**	**n.a.**
Financial Management	-67,135	-48,657	38.0%
Entraordinary Management	-29,150	-50	n.a.
Pre-Tax Result	**-29,796**	**-81,763**	**-63.6%**
Taxes	-288	31	n.a.
Net Result of the period	**-30,084**	**-81,732**	**-63.2%**
(Profit/Loss) for the period related to third parties	0	0	n.a.
Group Net result	**-30,084**	**-81,732**	**-63.2%**

11. For further information on the disposal and its impacts, please see the relevant press release, published on 23 April and available at the following link https://www.gruppoigd.it/en/igd-closes-the-sale-of-a-real-estate-portfolio-with-sixth-street-and-starwood-capital/

DIRECTORS' REP
2.2 2024 PERFORMA

Certain cost and revenue items have been restated or offset, which explains any differences from the financial statements (see the segment reporting section for further information). Note that the intermediate results as per income statement, namely CORE BUSINESS EBITDA, EBITDA, and EBIT, are not defined as accounting measures under International Accounting Standards and should therefore not be considered a substitute for evaluating the Company's performance. Also, the way the company determines intermediate results may not be consistent with the methods followed by other companies and/or groups in the sector, so such figures may not be comparable.

At 31 December 2024, net rental income amounted to €134,755 thousand, a decrease of 5.3% compared to the same period of the previous financial year, essentially due to the property sale finalised in April. For a more correct comparison, following the sale of the portfolio, the 2023 restated rental revenues were calculated at 129,675 thousand Euros, which take into account the change in the transferred perimeter.



The increase of €5,080 thousand (+3.9%) compared with the 2023 restated figure is due to:

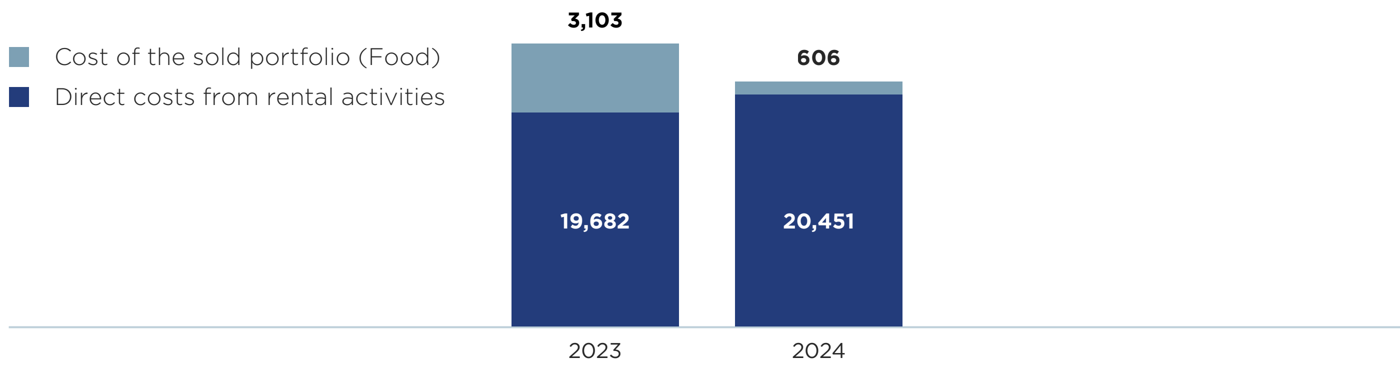
> Like-for-like revenues in Italy (+2,689 +2.4%). Inflation adjustment and other improvements for lower discounts granted, higher specialty leasing and variables have a positive impact.

> Increase of €2,295 thousand in non-like-for-like revenue (for the opening of Officine Storiche in September 2023, and the effects of remodelled Katanè and Lungo Savio areas);

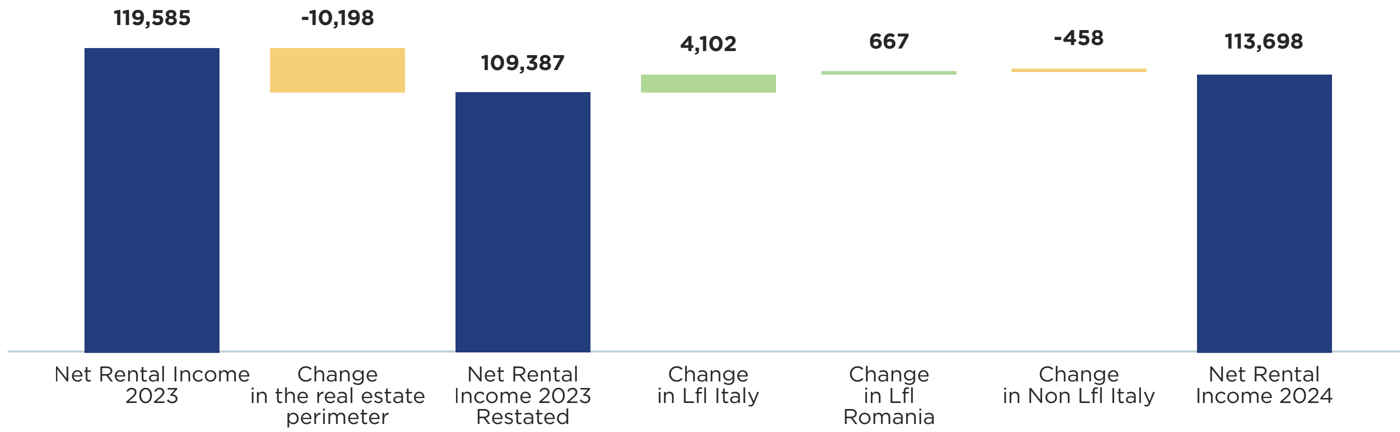
> Higher revenues of the Romanian subsidiary, due to the positive impact of indexation and higher variables, mitigated by the rent/expense rebalancing policy, aimed at recovering the costs borne by the owners.

Overall, like-for-like revenue - almost 93% of rental income - was up +2.3% or €2.8 million.

Direct costs from rental activitiecame to €21,057 thousand. The decrease in costs is mainly due to the costs of the disposed portfolio which decreased by €2,497 thousand compared to the previous financial year. On a like-for-like basis, direct costs amount to €20,451 thousand, an increase of +3.9% compared to the previous financial year, mainly due to higher provisions and losses on receivables relating to a tenant who applied for an arrangement with creditors.



Il **Net rental income** came to €113,698 thousand, down -4.9% on the previous year but up +4.6% on a like-for-like basis. The 2023 net rental income was restated, for a more correct comparison, following the sale of the portfolio. The restated figure takes into account the change in scope and is equal to €109,387 thousand: the change in scope for the sold properties of €10,198 thousand derives from the change in revenues for €12,695 thousand and the costs for €2,497 thousand indicated above. The net rental income increase compared to the 2023 restated value is €4,311 thousand (+3.9%).



Net rental income freehold stood at €104,586 thousand, down -5.4% with respect to the previous year. Like-for-like freehold net rental income was €110,595 thousand, up 4.2% on the previous year.

The margin is sizeable, coming in at 83.4% on like-for-like revenues, higher than the previous year.

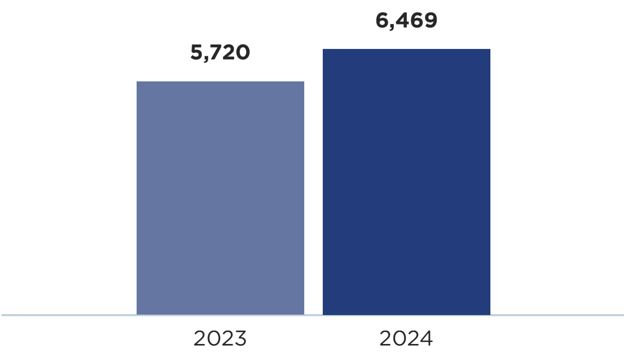
Leasehold net rental income is €9,112 thousand, an increase of 1.4% on the same period last year.

DIRECTORS' REPORT
2.2 2024 PERFORMANCE

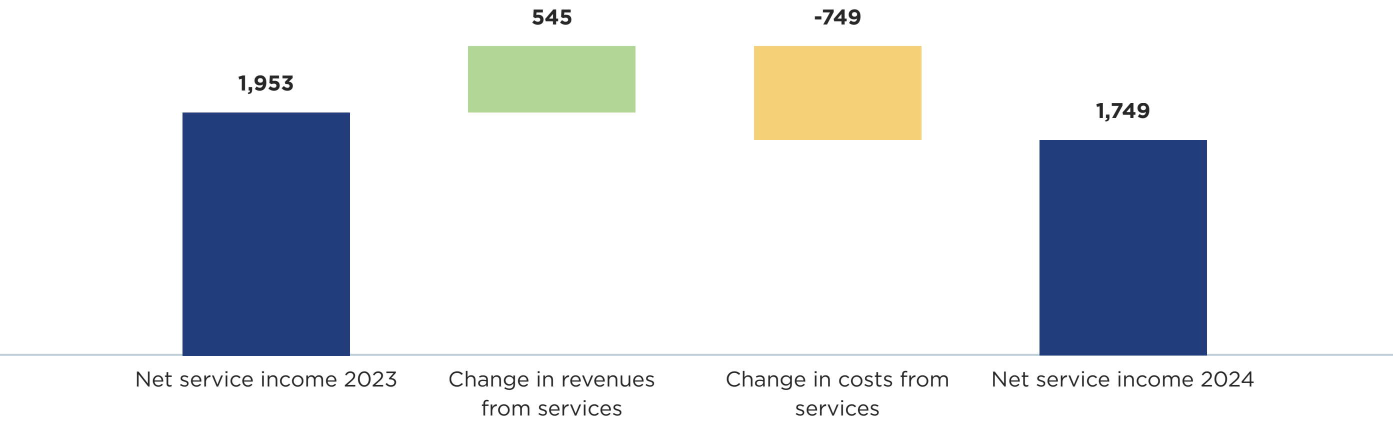
> NET SERVICES INCOME

Revenues from services amounted to €8,218 thousand, increasing +7.1% (+545 thousand Euros) compared to the previous year mainly due to higher revenues from outsourcing services (also for services provided for the sold real estate portfolio) and higher revenues from the marketing of centers. Most of this revenue comes from the facility management business (78.9% of the total or €6,487 thousand).

Direct costs for services amounted to €6,469 thousand, an increase of €749 thousand (+13.1%) on the previous year.



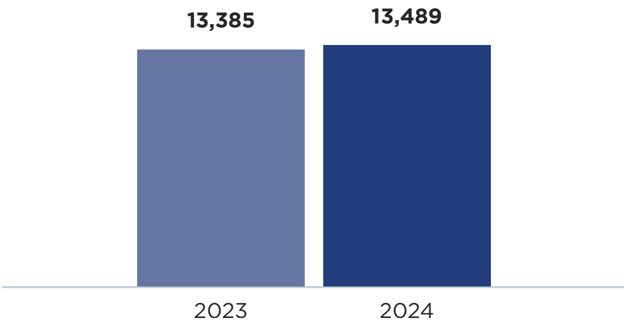
Net services income therefore came to €1,749 thousand, down 10.4% on the previous year, i.e. an impact of 21.3% on revenues from services, down compared to 25.5% year on year, mainly for higher costs of services in 2024, which include a share of dedicated headquarters staff costs and overheads referring to the business unit (both of which not recharged in 2023).



> CORE BUSINESS G&A EXPENSES

Core business G&A expenses, including headquarters personnel expenses were €13,489 thousand, increasing +0.8% from €13,385 thousand in 2023, primarily due to the ongoing project to insource IT systems and infrastructure.

These expenses came to 9.4% of core business revenue.



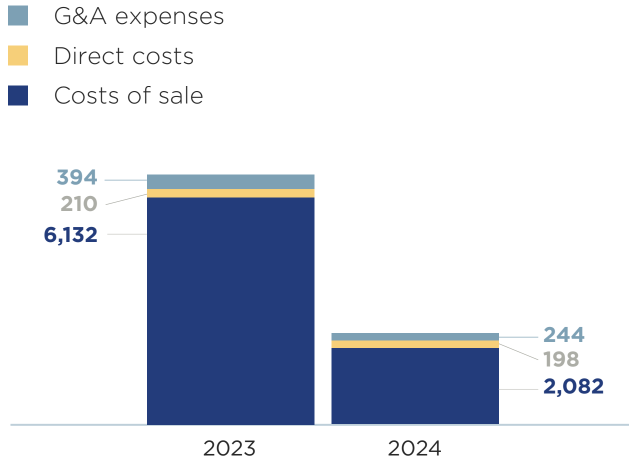
> OPERATING RESULT FROM TRADING

In 2024, four residential units were sold in the Officine Storiche sector.

The operating result from trading (including the IMU municipal tax on real estate properties, direct costs and overheads) amounts to -0.2€mn, an improvement compared to the previous financial year.

In total, 34 deeds of sale have already been signed on a total of 42 apartments. The remaining 8 apartments are expected to be sold during 2025 (2 binding offers have already been received).

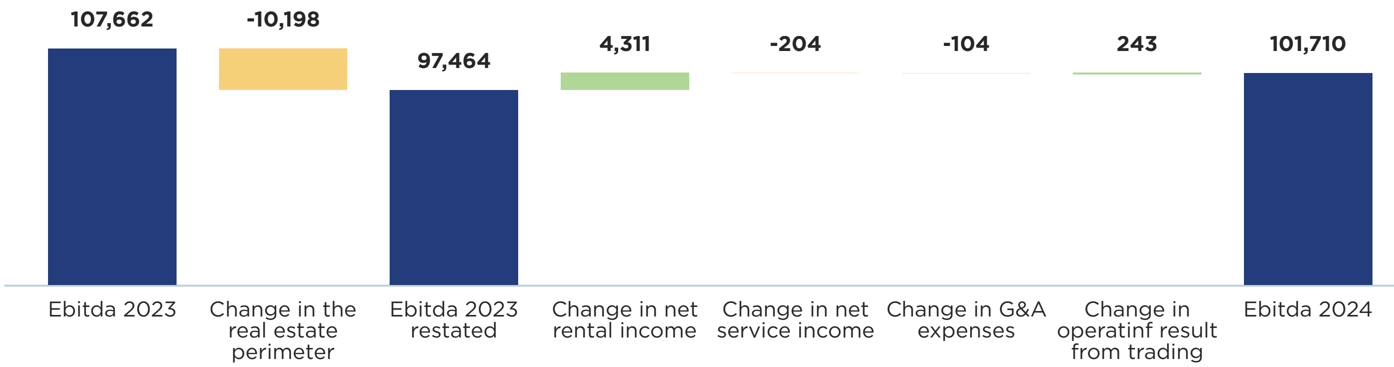
The costs for the Porta a Mare project are broken down below:



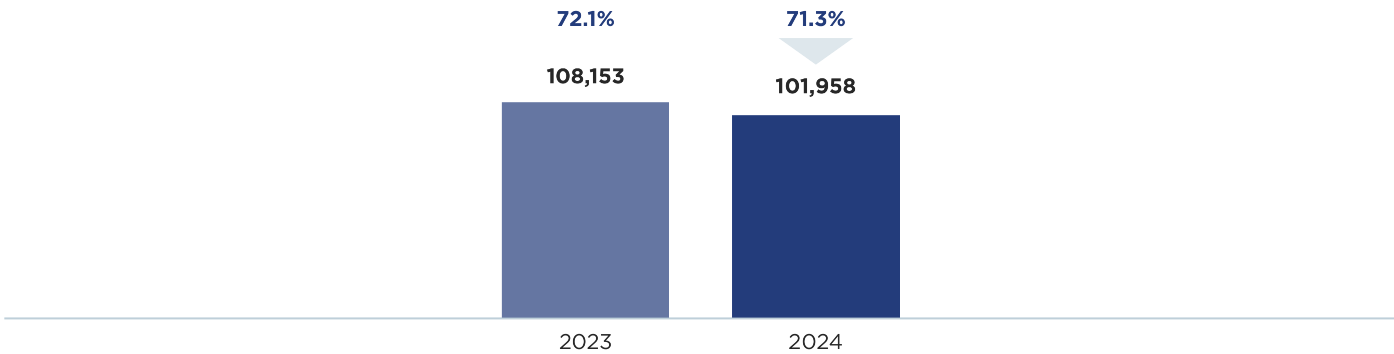
> EBITDA

Core business EBITDA was €101,958 thousand in 2024, 5.7% lower than the previous year, while rising by 4.1% to €4,009 thousand on a like-for-like basis. Total EBITDA amounted to €101,710 thousand, recording a decrease of 5.5%. The positive variation in the overall restated EBITDA amounts to €4,246 thousand (+4.4%).

The changes in the components of total EBITDA in 2024 are shown below:



The **core business EBITDA MARGIN is 71.3%,** decreasing on the previous year.



DIRECTORS' REP
2.2 2024 PERFORMA

> FAIR VALUE ADJUSTMENTS AND IMPAIRMENT LOSSES/REVERSALS

Fair value adjustments and impairment losses/reversals of work in progress and inventory, at 31 December 2024 came to a negative €31,873 thousand, improving compared with €138,764 thousand at 31 December 2023.

Fair value changes (-€31,141 thousand) were made up as follows:

> An impairment loss of €6,702 thousand on right-of-use assets from application of IFRS 16, including increases for the year;

> An impairment loss of €17,476 thousand for extraordinary maintenance on the freehold and leasehold properties of the IGD Group's Italian companies;

> An impairment loss of €1,048 thousand for extraordinary maintenance on freehold properties of the Romanian subsidiary Win Magazin SA;

> An impairment loss of €1,055 thousand for the adjustment to fair value of the investment property of Gruppo IGD's Italian companies, based on independent appraisals as of 31 December 2024;

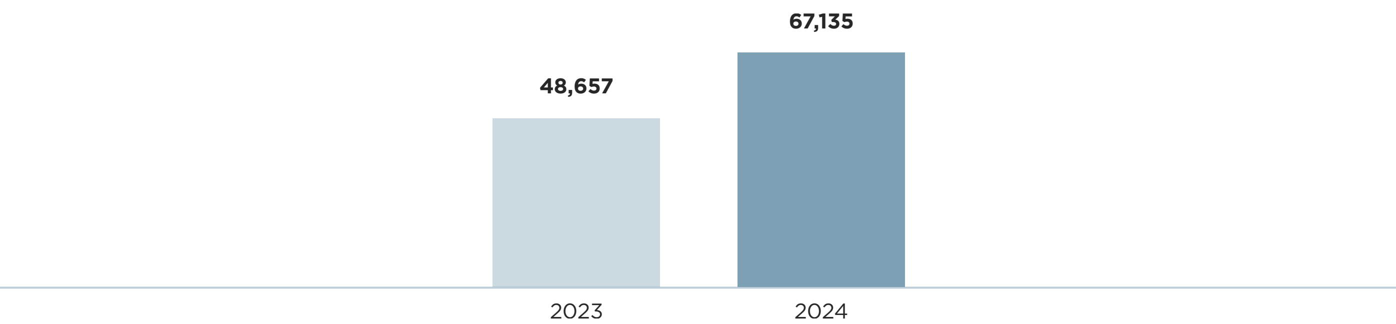
> An impairment loss of €4,860 thousand for the adjustment to fair value of the freehold investment property of the Romanian subsidiary Win Magazin SA, based on the findings of independent appraisals as of 31 December 2024.

Net impairment losses on work in progress and inventory (€732 thousand) reflect (i) an impairment loss of €846 thousand on Officine (residential), Molo, Lips, and Arsenale sections based on the reports of independent appraisers at 31 December 2024 and (ii) only partially compensated by the revaluation of €114 thousand, of the Portogrande extension project.

> EBIT

EBIT was negative by €66,489 thousand, higher on a year-on-year basis, for the reasons described above.

> FINANCIAL INCOME AND CHARGES



Net financial charges went from €48,657 thousand at 31 December 2023 to €67,135 thousand at 31 December 2024. The increase of €18,478 thousand is mostly explained by:

> Higher interest on loans due to the new €250 million financing taken out in May 2023;

> Higher financial charges on bonds reflecting the issue of a new €400 million bond and a partial exchange for the bond notes reaching maturity in November 2024, taken out in November 2023;

> The increase in the amortised cost of the bond loans and the impact following the partial reimbursement operation described in the following section "events of the period".

At 31 December 2024, the average cost of debt (without considering recurring and non-recurring transaction costs) was 6.04%, up from 3.86% at 31 December 2023, while the effective weighted average cost of debt went from 4.71% to 7.55% at 31 December 2023.

The ***interest coverage ratio (ICR)*** calculated as the ratio of EBITDA to net financial charges is 1.5x, down from 2.22x at 31 December 2023.

The ***adjusted interest coverage ratio*** calculated as the ratio of EBITDA to adjusted financial management, financial management net of IFRS9, non-recurring exchange charges and negative carry value, is 1.8x, down from 2.44x at 31 December 2023.

> INCOME/ (LOSS) FROM EQUITY INVESTMENTS AND ASSET DISPOSAL

As further described in para. 2.5 on 23 April 2024, the **definitive contract**, in execution of the preliminary agreement disclosed to the market on 23 February 2024, **was signed** with Sixth Street and subsidiaries of Starwood Capital and Prelios SGR S.p.A.

The operation consisted of the sale by IGD of a real estate portfolio of 8 hypermarkets, 3 supermarkets and 2 shopping malls.

The transaction was carried out through a closed-end real estate investment fund (an Italian REIF) called "Food Fund" managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. The difference between the carrying amount of the properties and the transfer value of Euro 258 million was negative by Euro 4.7 million.

Subsequent to the contribution, IGD sold 60% of the fund units (class A shares with preferred returns) to a Luxembourg vehicle (held 50% by Sixth Street and 50% by Starwood Capital) for €155 million, maintaining the ownership of the remaining 40% (class B shares with subordinated returns). The participation retained in the Food fund (which became a connection following the sale of 60% of the shares) was recorded at its fair value on the date of loss of control using the income method (discounted cash flow method). This assessment resulted in a write-down of Euro 24.4 million.

	12/31/2024	12/31/2023	Change
Result from asset contribution to Food Fund	(4,689)	0	(4,689)
Result from Food Fund deconsolidation	(24,411)	0	(24,411)
Capital loss from asset disposal	(38)	0	(38)
Result from equity investments	(12)	(50)	38
Result from equity investments and asset disposal	(29,150)	(50)	(29,100)

> TAXES

	12/31/2024	12/31/2023	Change
Current taxes	1,137	1,161	(24)
Deferred tax liabilities / (assets)	(911)	(1,179)	268
Out of period income / charges - Provisions	62	(13)	75
Income taxes	288	(31)	319

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DIRECTORS' REP
2.2 2024 PERFORMA

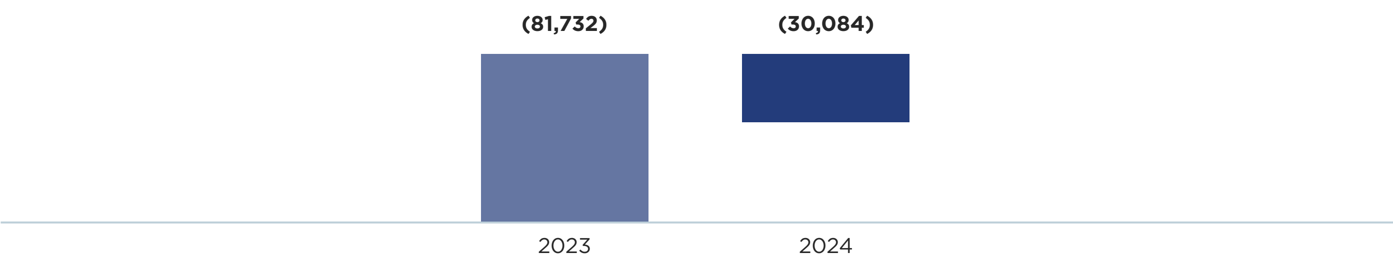
The overall current and deferred tax effect is negative by €288 thousand at 31 December 2024, an increase of €319 thousand compared to the figure at 31 December 2024.

The current taxes item is in line with the same period of the previous financial year.

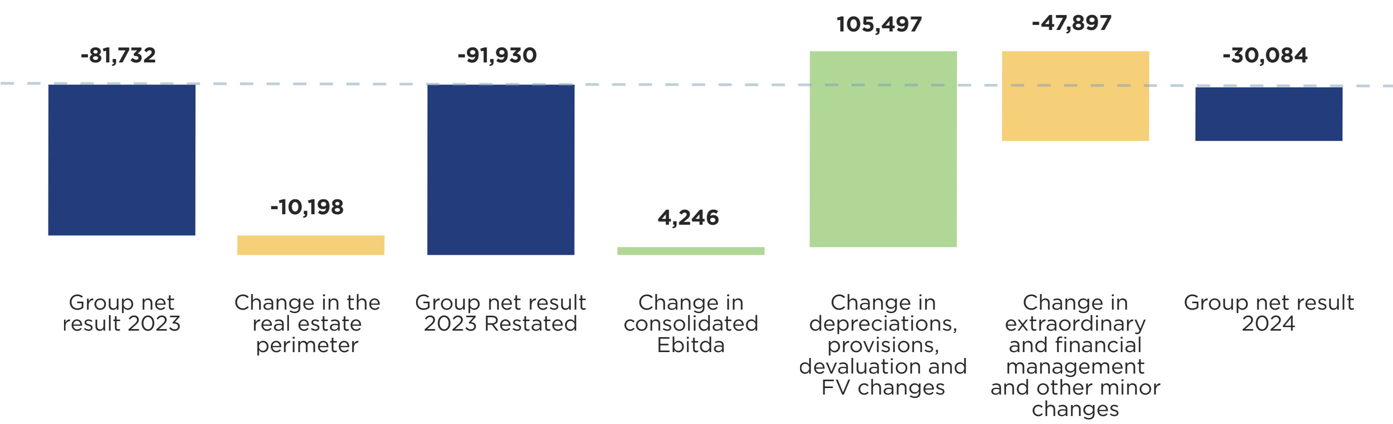
The change in deferred taxes for the same period of the previous year (€268 thousand) is mainly due to: (i) adjustments reflecting the change in fair value of the investment property held by the non-SIIQ subsidiary Win Magazin S.A., and (ii) the effects of applying international accounting standard IFRS 16 to the lease agreement for the mall at Centro Nova shopping center.

> GROUP NET PROFIT/LOSS

As a result of the above factors, the Group recorded a net loss of €30,084 thousand, improving compared with a loss of €81,732 thousand in 2023.



The change in net loss compared with the previous year is broken down below.

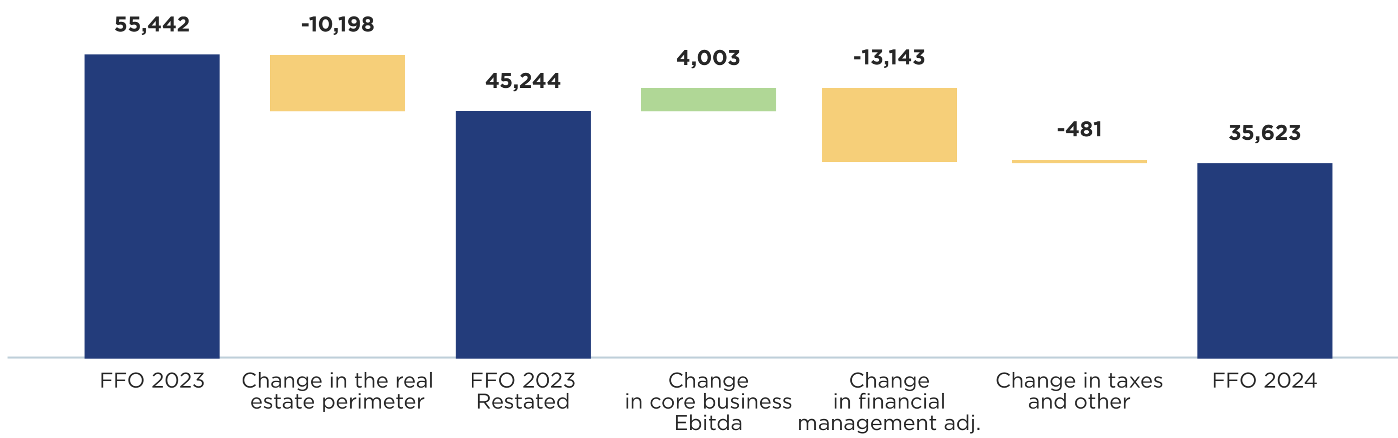


> CORE BUSINESSES FFO

FFO (Funds from Operations), a widely-used indicator in the real estate sector (REITs and Italian SIIQs) that measures the cash flow generated by a company's recurring business, came to €35,623 thousand at 31 December 2024, 35.7% lower than the reference period of the previous year, due to the property sale finalised in April, for a deterioration of "adjusted" net financial charges (net of non-recurring exchange costs, which include the expected redemption above par of the bond notes). For a more correct comparison, following the sale of the portfolio, the 2023 restated FFO was calculated, taking into account the change in the transferred perimeter (by €10,198 thousand, as already indicated), which amounted to €45.244 thousand (-21.3%).

Funds from Operations	2024	2023	Δ	Δ%
Core business EBITDA	**101,958**	**108,153**	**(6,195)**	**-5.7%**
IFRS16 (Adjustments)	**(8,901)**	**(8,813)**	**(88)**	**1.0%**
Financial Management Adj.**	**(55,880)**	**(42,737)**	**(13,143)**	**30.8%**
Current taxes from the period and Other*	**(1,554)**	**(1,161)**	**(393)**	**34.0%**
FFO	**35,623**	**55,442**	**(19,819)**	**-35.7%**

**Includes some non-recurring items in 2024 that were excluded from FFO*
***Adj financial management is related to IFRS16 and IFRS9 financial management, exchange costs and negative carry value.*



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DIRECTORS' REPORT
2.2 2024 PERFORMANCE

2.2.2 // Statement of financial position and financial review

IGD Group's statement of financial position at 31 December 2024 can be summarized as follows:

	12/31/2024	12/31/2023	Δ	%
Fixed assets	1,671,834	1,959,053	(287,219)	-17.18%
Assets under construction and prepayments	2,484	2,364	120	4.83%
Intangible assets	7,481	7,660	(179)	-2.39%
Other tangible assets	9,037	9,374	(337)	-3.73%
Assets held for sale	8,520	0	8,520	100.00%
Sundry receivables and other non current assets	140	112	28	20.06%
Equity investments	106,005	25,715	80,290	75.74%
NWC	4,411	4,122	289	6.55%
Funds	(10,645)	(9,235)	(1,410)	13.25%
Sundry payables and other current liabilities	(10,823)	(17,912)	7,089	-65.50%
Net deferred tax liabilities/(assets)	(10,103)	(11,090)	987	-9.77%
TOTAL USE OF FUNDS	1,778,341	1,970,163	(191,822)	-10.79%
Total Group's net equity	970,273	1,000,533	(30,260)	-3.12%
Net (assets)/liabilities for derivative instruments	1,594	1,205	389	24.40%
Net debt	806,474	968,425	(161,951)	-20.08%
TOTAL SOURCES	1,778,341	1,970,163	(191,822)	-10.79%

The main changes with respect to 31 December 2023 are set out below.

// Investment property was down by €287,219 thousand, mainly due to:

> Contribution to the FOOD real estate fund: transfer of 8 hypermarkets, 3 supermarkets and 2 shopping malls, whose carrying value in IGD SIIQ was equal to €262,505 thousand. Further details can be found in paragraph "Main operations and events as of 31 December 2024";

> Expropriation of an area used as a parking lot: during the second half of 2024, the expropriation of a portion of land used as a parking lot for Le Porte di Napoli shopping center in favour of Rete Ferroviaria Italiana, for an amount of €3,603 thousand;

> Sale of a hard shoulder parcel and building in the raw: in October 2024, a hard shoulder parcel, including a raw construction to be uses for service facilities, at Officine Storiche di Livorno, was transferred to Porta a Mare S.p.A., for a consideration of €32 thousand;

> Reclassification of assets held for sale: on 14 February 2025, the subsidiary Win Magazin S.A. signed an agreement for the sale of "Winmarkt Somes", in Cluj, to a Romanian private investor. As of 31 December 2024, the fair value of the property, equal to €8,520 thousand, was reclassified among assets held for sale;

> Extraordinary maintenance works: continuation of works for a total value of €18,582 thousand, mainly relating to the following works:

> Restyling of the Leonardo shopping center;

> Fit-out at the mixed-use complex of Officine Storiche, the Darsena City and Porto Grande shopping malls;

> Waterproofing and securing of roofs at the Città delle Stelle shopping center;

> Revamping at the ESP and Le Maioliche shopping centers.

> Fair value adjustments: specifically, investment property was revalued at €15,576 thousand and written down by €40,115 thousand for a net negative impact of €24,439 thousand;

> Impairment of right-of-use assets: reduction in the value of usage rights relating to the Centro Nova and Fonti del Corallo shopping malls, based on valuations carried out by an independent expert, for a total amount of €6,702 thousand.

// Other tangible assets, down by €337 thousand, due mainly to:

> Depreciation for the year, for €812 thousand;

> Only partially offset by the costs of purchasing commercial and IT equipment.

// Intangible assets are down by €179 thousand, due mainly to:

> Depreciation and amortization for 2024, for €512 thousand;

> Only partially compensated by the costs the capitalization of €333 thousand in costs incurred for the implementation of the new accounting and HR management software.

// Assets under construction and advances increased €120 thousand, as a result of:

> Revaluation: The revaluation of the Portogrande expansion project by €114 thousand;

> Increase in advance payments: net increase in advance payments for an amount equal to Euro 6 thousand.

// Assets held for sale recorded a positive change of €8,520 thousand due to the reclassification from investment property of the "Winmarkt Somes" shopping center located in Cluj following the sales contract signed on 14 February 2025 by the subsidiary Win Magazin S.A. with a Romanian private investor.

// The item **Investments** increased by Euro 80,290 thousand, attributable to the establishment of the FOOD real estate fund, the contribution to this fund of 8 hypermarkets, 3 supermarkets and 2 shopping malls, the subsequent sale of 60% of the investment and the adjustment to fair value of the remaining 40%.

// Net Working Capital recorded a slight increase of Euro 289 thousand compared to the figure at 31 December 2023, mainly due to the following factors:

> Increase in net receivables from customers and related parties, for €608 thousand, mainly attributable to the change in invoices to be issued for variable revenues and reduction in credit notes to be issued for discounts;

> Decrease of €9,482 thousand in debts to suppliers and related parties due to a different payment schedule compared to the previous year and to less works carried out in the last quarter of the year compared to 2023;

> Decrease in inventories, with an annual variation of €2,038 thousand, determined:

> Sale of 4 residential units and 5 enclosed garage units in the Officine Storico for a total amount of €2,082 thousand;

> The partial impairment of the Molo, Lips and Arsenale sub-areas equal to €846 thousand;

> Works for the completion of the residential units in the Officine Storiche sub-area and for the arrangement of the Molo, Lips and Arsenale sub-areas, for a total amount of approximately €898 thousand;

> The reduction of advances received for €8 thousand.

> Decrease in other current assets, equal to €5,445 thousand, mainly attributable to the reduction in prepaid expenses, VAT credit and suspended costs following completion of the restoration works of the Lungo Savio shopping center in Cesena, the costs of which were almost entirely covered by the insurance reimbursement collected during 2024;

> Increase in other liabilities for €2,210 thousand, mainly attributable to increases in accrued liabilities and deferred income.

2

DIRECTORS' REPORT
2.2 2024 PERFORMANCE

	12/31/2024	12/31/2023	Δ	%
Work in progress inventory and advances	21,989	24,027	(2,038)	-9.27%
Third parties trade receivables	10,542	9,676	866	8.21%
Related parties trade and other receivables	808	1,066	(258)	-31.93%
Other current assets	2,889	8,334	(5,445)	-188.47%
Trade and other payables	(13,731)	(22,405)	8,674	-63.17%
Related parties trade and other payables	(1,395)	(2,203)	808	-57.92%
Tax liabilities	(1,461)	(1,353)	(108)	7.39%
Other liabilities	(15,230)	(13,020)	(2,210)	14.51%
Net Working Capital	4,411	4,122	289	6.55%

// Provisions rose by €1,410 thousand, mostly in relation to *(i)* employee bonuses for 2024 to be paid in 2025, *(ii)* various IMU (municipal property tax) disputes regarding the Esp (Ravenna), La Torre (Palermo), and Tiburtino (Guidonia) shopping centers, *(iii)* works to be carried out at IGD's expense at the shopping centers Centro Lame and Clodì sold in 2024 *(iv)* works borne by the subsidiary Win Magazin S.a., to be carried out at the "Winmarkt Somes" in Cluj, sold in February 2025 and *(v)* adjustment to the TFR (end of employment benefit) fund.

// Non-current payables and other liabilities recorded a decrease of €7,089 thousand, mainly attributable to the reduction in security deposits, following the transfer of 8 hypermarkets, 3 supermarkets and 2 shopping malls to the Food real estate fund, described above.

// Group net equity, amounting to €970.273 thousand at 31 December 2024, with a decrease of €30,260 thousand explained by:

> The negative adjustment of the reserve pertaining to existing derivatives accounted for using the cash flow hedge method (€223 thousand);

> Movements in the reserve for the translation of foreign currency financial statements, for a negative one thousand euros;

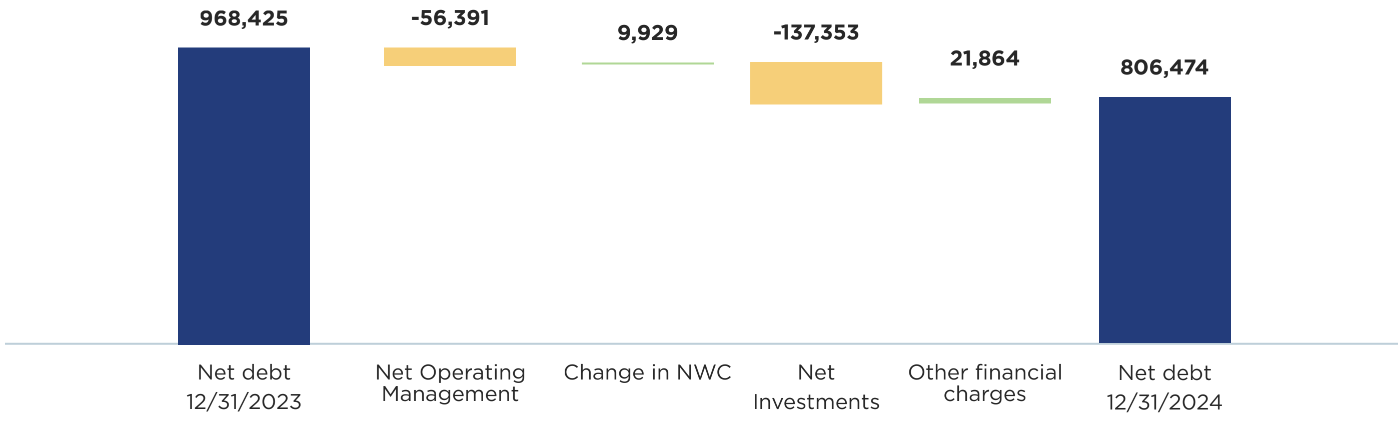
> The positive adjustment of the reserve for the recalculation of defined benefit plans (€30 thousand for the parent company and €18 thousand for a subsidiary);

> The Group's share of net loss for the year, which is €30,084 thousand.

// Net deferred tax assets and liabilities, which went from €11,090 thousand to €10,103 thousand as a result of temporary differences mostly concerning *(i)* hedging instruments (IRS) and *(ii)* fair value adjustments to investment property held outside the SIIQ scope.

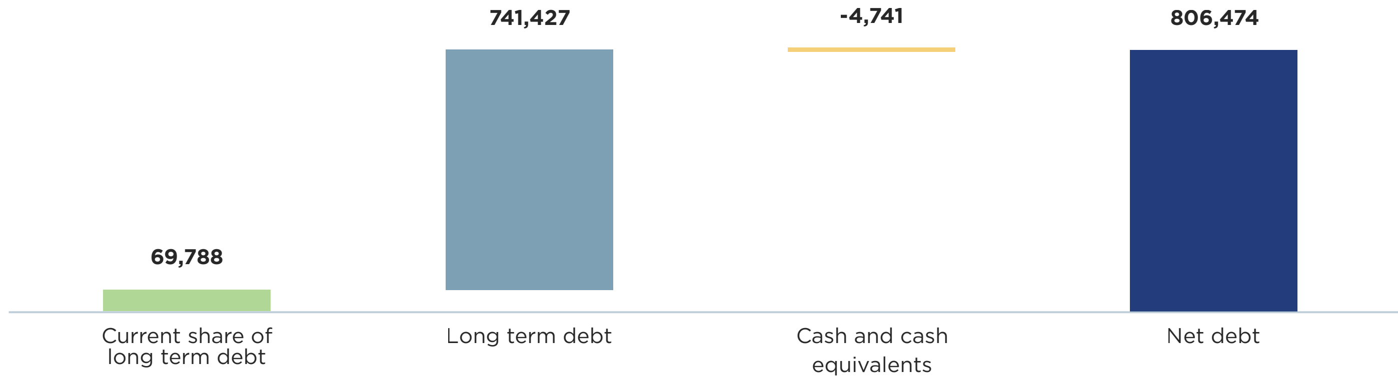
// Net derivative (assets)/liabilities, for which the fair value measurement of hedging instruments at 31 December 2024 determined a negative variation of liabilities for €389 thousand compared to the previous year.

Net debt, whose decrease of €162 million at 31 December 2024 is detailed below:

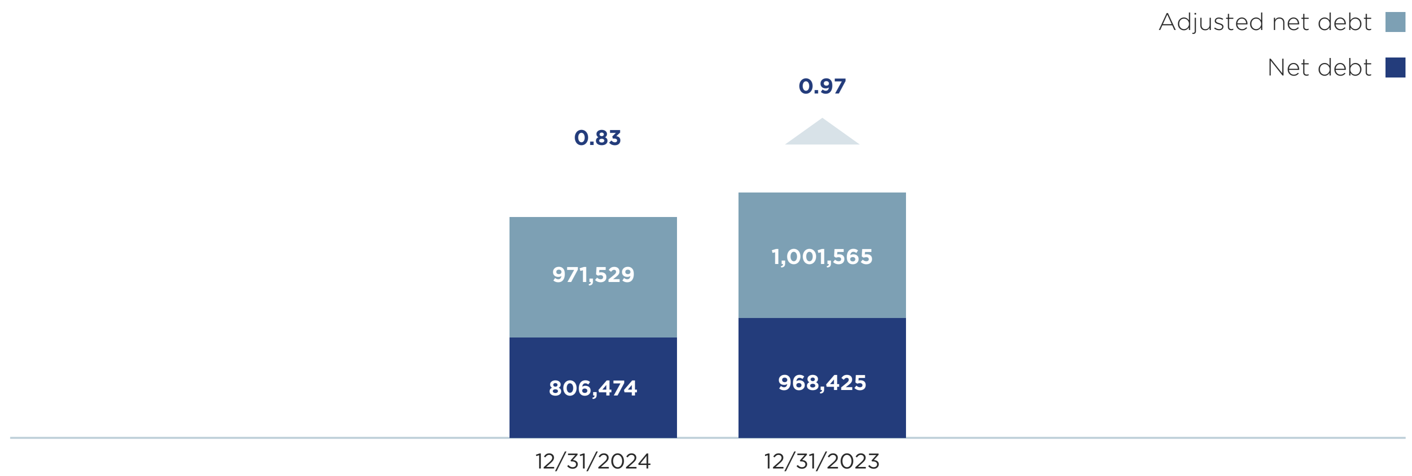


For further information on the change in net debt, see the consolidated statement of cash flows in Chapter 4.5.

Below is the breakdown of net debt:



The **gearing ratio** is the ratio of net debt to net equity, including non-controlling interests, net of cash flow hedge reserves. The ratio deteriorated during the year, from 0.97 at 31 December 2023 to 0.83 at the end of 2024.



DIRECTORS' REP
2.3 EPRA PERFORMANCE INDICAT

2.3 // EPRA Performance Indicators

The IGD Group decided to report on a few of the EPRA performance indicators, in accordance with the EPRA recommendations[12], found in the EPRA Best Practices Recommendations[13].

EPRA Vacancy Rate: the portfolio's vacancy rate calculated as the ratio between the estimated market rental value (ERV) of the vacant premises and the ERV for the whole portfolio. Given the different characteristics of the portfolio and the Italian market with respect to the Romanian one, the vacancy rate was calculated separately by asset class and for the two countries.

Net Asset Value Metrics: are the main performance indicators that provide stakeholders with information about the fair value of the company's assets and liabilities.

In October 2019, three new asset value indicators were introduced in EPRA Best Practices Recommendations: **EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets Value (NTA) and EPRA Net Disposal Value (NDV).**

Net Reinstatement Value (NRV): The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. It represents the repurchase value of the company, assuming the company does not sale any properties and is calculated based on the equity attributable to the Group (as shown in the IFRS financial statements), excluding the fair value movements in hedging instruments and deferred taxes on property valuation surpluses.

Net Tangible Assets (NTA): the underlying assumption behind the EPRA Net Tangible Assets calculation assumes entities buy and sell assets, thereby crystallizing certain levels of deferred tax liability. It represents a scenario in which a few properties could be sold. Unlike NRV, the goodwill and the intangible assets included in the financial statements are not part of the equity attributable to the Group.

Net Disposal Value (NDV): represents the stakeholders' value under a Group disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. In this disposal scenario goodwill is excluded from the Group's portion of equity, while the fair value of debt is included.

EPRA Cost Ratios: are ratios aimed at providing a consistent comparison base for a company's main structural and operating costs calculated by expressing operating costs and general overhead, net of management fees and a limited number of other items, as a percentage of gross rental income. There are two EPRA Cost Ratios, one which includes and one which excludes direct vacancy costs.

EPRA Earnings: this is a measure of a company's underlying operating performance net of fair value adjustments, gains and losses from the sale of investment property and a limited number of other items that are not considered to be part of the Group's core business.

EPRA Net Initial Yield (NIY): is a measure calculated as the annualized rental income (including variable and temporary revenue), less non-recoverable operating expenses, divided by the market value of the real estate assets, net of properties currently being developed.

EPRA "topped-up" NIY: is a measure calculated by making an adjustment to EPRA NIY based on the annualized rental income (including variable and temporary revenue) excluding any other temporary incentives such as discounted rent-free periods and step-up rents.

EPRA LTV: is a measure which shows the ratio of the net financial position (which includes financial debt for the headquarters' lease and the balance between payables and receivables) to the market value of the real estate assets. The debt and assets of the companies in which the Group has a significant interest are included in the calculation.

12. *European Public Real estate Association*
13. *See www.epra.com*

The results obtained by applying the EPRA Best Practices Recommendations are summarized below:

EPRA Performance Measure	12/31/2024	12/31/2023
EPRA NRV (€'000)	€ 985,934	€ 1,016,875
EPRA NRV per share	€ 8.94	€ 9.22
EPRA NTA	€ 978,453	€ 1,009,216
EPRA NTA per share	€ 8.87	€ 9.15
EPRA NDV	€ 965,618	€ 993,138
EPRA NDV per share	€ 8.75	€ 9.00
EPRA Net Initial Yeld (NIY)	6.3%	6.1%
EPRA 'topped-up' NIY	6.6%	6.4%
EPRA Vacancy Rate Italian Malls	5.3%	5.8%
EPRA Vacancy Rate Italian Hypermarkets	0.0%	0.0%
EPRA Vacancy Rate Total Italy	4.8%	4.7%
EPRA Vacancy Rate Romania	4.2%	3.8%
EPRA LTV	46.4%	50.9%
EPRA Cost Ratios (including direct vacancy costs)	23.6%	23.6%
EPRA Cost Ratios (excluding direct vacancy costs)	19.7%	19.3%
EPRA Earnings (€'000)	€ 30,365	€ 56,857
EPRA Earnings per share	€ 0.28	€ 0.52

DIRECTORS' REPORT
2.3 EPRA PERFORMANCE INDICATORS

The NAV calculations considering the three indicators above at 31 December 2024 are shown below:

EPRA Net Asset Value		12/31/2024 EPRA NRV	12/31/2024 EPRA NTA	12/31/2024 EPRA NDV	12/31/2023 EPRA NRV	12/31/2023 EPRA NTA	12/31/2023 EPRA NDV
IFRS Equity attributable to shareholders		**970,273**	**970,273**	**970,273**	**1,000,533**	**1,000,533**	**1,000,533**
Exclude	*(v)* Deferred tax in relation to fair value gains of IP	**14,068**	**14,068**		**15,137**	**15,137**	
Exclude	*(vi)* Fair value of financial instruments	**1,593**	**1,593**		**1,205**	**1,205**	
Exclude	*(viii)* a. Goodwill as per the IFRS balance sheet		**(6,648)**	**(6,648)**		**(6,648)**	**(6,648)**
Exclude	*(viii) b.* Intangibles as per the IFRS balance sheet		**(833)**			**(1,012)**	
Include	*(ix)* Fair value of fixed interest rate debt			**1,994**			**(747)**
NAV		**985,934**	**978,453**	**965,618**	**1,016,875**	**1,009,216**	**993,138**
Fully diluted number of shares		**110,341,903**	**110,341,903**	**110,341,903**	**110,341,903**	**110,341,903**	**110,341,903**
NAV per share		**8.94**	**8.87**	**8.75**	**9.22**	**9.15**	**9.00**
Change % vs 12/31/2023		**-3.0%**	**-3.0%**	**-2.8%**			

The NRV was lower than at 31 December 2023 (-3.0%) due mainly to the changes in net equity and the fair value of financial instruments. These changes are primarily attributable to: (i) the negative variation of the fair value of real properties and the result of the equity interest management partly offset by (ii) the FFO, (iii) other minor changes in equity.

The NTA was lower than at 31 December 2023 (-3.0%). The difference with respect to the NRV is that goodwill and intangible assets recognized in the financial statements are excluded from the NTA calculation.

The NDV was lower than at 31 December 2023 (-2.8%). In addition to the above, this change also reflects the decrease in the fair value of debt calculated by discounting cash flows at a risk-free rate plus a market spread. This is explained by the use of a risk-free yield curve and the market spread updated based on conditions at 31 December 2024, in addition to a change in the composition of debt (in terms of both duration and cost).

The **EPRA Net Initial Yield (NIY)** and the **EPRA "topped-up" NIY** are shown below:

NIY and "Topped-up" NIY disclosure €'000		Consuntivo 12/31/2024 Italy	Romania	**Total (no IFRS16)**	Leasehold	**Total**	Consuntivo 12/31/2023 Italy	Romania	**Total (no IFRS16)**	Leasehold	**Total**
Investment property - wholly owned		1,555,555	117,160	**1,672,715**	10,292	**1,683,007**	1,822,107	122,020	**1,944,127**	16,986	**1,961,113**
Investment property - share of JVs/ Funds		0	0	**0**	0	**0**	0	0	**0**	0	**0**
Trading property (including share of JVs)		21,460	0	**21,460**	0	**21,460**	23,970	0	**23,970**	0	**23,970**
Less developments		-32,839	0	**-32,839**	0	**-32,839**	-26,029	0	**-26,029**	0	**-26,029**
Completed property portfolio		1,544,176	117,160	**1,661,336**	10,292	**1,671,628**	1,820,048	122,020	**1,942,068**	16,986	**1,959,054**
Allowance for estimated purchasers' costs		0	0	**0**	0	**0**	0	0	**0**	0	**0**
Gross up completed property portfolio valuation	**B**	**1,544,176**	**117,160**	**1,661,336**	**10,292**	**1,671,628**	**1,820,048**	**122,020**	**1,942,068**	**16,986**	**1,959,054**
Annualised cash passing rental income		109,525	10,546	**120,071**	9,140	**129,211**	126,162	10,298	**136,460**	9,283	**145,743**
Property outgoings		-14,329	-1,592	**-15,921**	-308	**-16,229**	-16,479	-2,169	**-18,648**	-169	**-18,817**
Annualised net rents	**A**	**95,196**	**8,954**	**104,150**	**8,832**	**112,982**	**109,683**	**8,129**	**117,812**	**9,114**	**126,926**
Add: notional rent expiration of rent free periods or other lease incentives		4,704	271	**4,975**	187	**5,162**	6,841	267	**7,108**	338	**7,446**
Topped-up net annualised	**C**	**99,900**	**9,225**	**109,125**	**9,019**	**118,144**	**116,524**	**8,396**	**124,920**	**9,452**	**134,372**
EPRA NIY	**A / B**	**6.2%**	**7.6%**	**6.3%**	**85.8%**	**6.8%**	**6.0%**	**6.7%**	**6.1%**	**53.7%**	**6.5%**
EPRA "Topped-up" NIY	**C / B**	**6.5%**	**7.9%**	**6.6%**	**87.6%**	**7.1%**	**6.4%**	**6.9%**	**6.4%**	**55.6%**	**6.9%**

The net initial yield (NIY) is the ratio between the annualized rents generated by the portfolio (including variable and temporary revenue), net of irrecoverable operating costs and the real estate assets market value, net of development properties and assets being remodelled.

The annualized rental income includes all the adjustments that the company is contractually entitled to consider at the close of each year (indexing and other changes).

The real estate assets considered for the purposes of NIY (the completed portfolio) include: *(i)* the properties held entirely by the Company; *(ii)* any properties held in joint venture and *(iii)* assets held for trading. Plots of land and properties under development are not included. The properties (hypermarkets and malls) which will be remodelled, were reclassified under "Investment properties under development".

The EPRA Topped-up NIY is a measure calculated by making an adjustment to EPRA NIY based on the annualized rental income (including variable and temporary revenue) at capacity, namely excluding any temporary incentives such as discounted and step-up rents.

The **EPRA vacancy rate** in Italy was 4.8%, higher than in the prior year, but lower on a like-for-like basis (the restated vacancy rate for 2023 was 5.2%, which accounted for the perimeter variation due to the completed sale).

The vacancy rate for malls came to 5.3%, decreasing compared to both the figure at 31 December 2023 and the like-for-like perimeter, while full occupancy was posted for hypermarkets, in line with the prior year. The EPRA vacancy rate in Romania was 4.2%, i.e. 3.8% higher than at 31 December 2023.

DIRECTORS' REPORT
2.3 EPRA PERFORMANCE INDICATORS

Epra Vacancy Rate		Hypermarkets Italy	Malls Italy	Total Italy	Romania
Estimated Rental Value of vacant space	A	-	5.63	5.63	0.42
Estimated Rental Value of the whole portfolio	B	11.88	105.6	117.5	10.18
EPRA Vacancy Rate	A/B	0.00%	5.3%	4.8%	4.2%

The calculations used for the EPRA Cost Ratios are shown below:

	Cost Ratios	FY 2024	FY 2023
Include	*(i)* Administrative / operating expense line per IFRS income statement	-41,457	-42,493
Include	*(ii)* Net service charge costs/fees	4,202	4,222
Include	*(iii)* Management fees less actual / estimated profit element	6,428	5,701
Include	*(iv)* Other operating income / recharges intended to cover overhead expenses less any related profits	41	19
Include	*(v)* Share of Joint Ventures expenses		
Exclude (if part of the above)	*(vi)* Investment Property depreciation		
Exclude	*(vii)* Ground rent costs	47	4
Exclude	*(viii)* Service charge costs recovered through rents but not separately invoiced		
	EPRA Costs (including direct vacancy costs) **(A)**	-30,739	-32,547
	(ix) Direct vacancy costs	-4,987	-5,897
	EPRA Costs (excluding direct vacancy costs) **(B)**	-25,752	-26,650
	(x) Gross Rental Income less ground rent costs - per IFRS	134,708	142,367
	(xi) Less: service fee and service charge costs components of Gross Rental Income (if relevant) (x)	-4,202	-4,222
	(xii) Add: share of Joint Ventures (Gross Rental Income less ground rent costs)		
Gross Rental Income **(C)**		130,506	138,145
EPRA Cost Ratio (including direct vacancy costs) **(A/C)**		23.6%	23.6%
EPRA Cost Ratio (excluding direct vacancy costs) **(B/C)**		19.7%	19.3%

The EPRA cost ratio (including direct vacancy costs) is in line with the figure at 31 December 2023.

The EPRA cost ratio (excluding direct vacancy costs) is slightly higher than in the prior year.

In 2024 the Group did not capitalize any project management costs related to development projects.

The EPRA Earnings per share calculation is shown below:

Earnings & Earnings Per Share	FY 2024	FY 2023
Earnings per IFRS income statement	-30,084	-81.732
Epra Earnings Adjustments:		
(i) Changes in value of investment properties, development properties held for investment and other interests	31,873	138,765
(ii) Profits or losses on disposal of investment properties development properties held for investment and other interests	29,150	0
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	-194	-112
(iv) Tax on profits or losses on disposals	54	31
(v) Negative goodwill / goodwill impairment	0	0
(vi) Changes in fair value of financial instruments and associated close-out costs	1,159	1,016
(vii) Acquisition costs on share deals and non-controlling joint venture interests	0	0
(viii) Adjustments related to funding structure		0
(ix) Adjustments related to non-operating and exceptional items	-491	
(x) Deferred tax in respect of EPRA adjustments	-1,102	-1,111
(xi) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	0	0
(xii) Non-controlling interests in respect of the above	0	0
EPRA Earnings	30,365	56,857
Company specific adjustments:		
(a) General provisions and depreciations	3,348	1,954
(b) Non-controlling interest in respect of the above	0	0
(c) Tax on profit or losses on disposals	-54	-31
(d) Contingent tax	62	-13
(e) Other deferred tax	191	-69
(f) Capitalized interests	0	0
(g) Current Tax	73	0
(h) Ground rent costs, adjustement financial results and nonrecurring expenses	-7,558	-7,293
(i) Other Adjustment for no core activities	9,196	4,037
Company specific Adjusted Earnings	35,623	55,442
Earnings Per Share *Numero azioni**	110,341,903	110,341,903
Earnings Per Share	0.28	0.52

The EPRA Earnings indicator is calculated by adjusting the net consolidated result from non-monetary items (write-downs, fair value gains and losses on properties and financial instruments recognized in the income statement, any impairment or revaluations of goodwill), non-recurring items (gains or losses from the disposal of investment properties, profits generated by trading and relevant current tax, costs relating to the advance repayment of loans), deferred tax relating to the fair value of properties and financial instruments recognized in the income statement, as well as the portion of these items that pertains to non-controlling interests. The main differences with respect to FFO are generic amortization, depreciation and provisions, as well as the above EPRA adjustments pertaining to the Group, the non-recurring tax recognized in the income statement and the deferred tax that does not relate to the fair value of properties and financial instruments recognized in the income statement, and non-recurring exchange costs that include the expected above-par redemption share. The figure posted at 31 December 2024 shows a decrease of €26,492 thousand or -46.6%, more than the decrease in FFO due to higher amortization and depreciation compared to the prior year and to non-recurring financial charges (excluded from FFO).

EPRA European Public Real Estate Association	€'000	(A) LTV under IFRS as reported without EPRA adjustments	(B) Group (€M) as reported	(C) Share of Material Associates (€M)	(D) = (B) + (C) Combined (€M)	(D) - (A)
Include	Borrowings from Financial Institutions	514,846	515,022	26,085	541,107	26,261
Include	Bond Loans	294,612	294,612		294,612	0
Include	Foreign Currency Derivatives (futures, swaps, options and forwards Net Payables	0	38,906		38,906	38,906
Include	Owner-occupied property (debt)	0	1,752		1,752	1,752
Exclude	Cash and cash equivalents	4,741	4,741	3,163	7,904	3,163
Net Debt (a)		**804,717**	**845,551**	**22,921**	**868,472**	**63,755**
include	Owner-occupied property	0	6,563		6,563	6,563
include	Investment properties at fair value	1,785,950	1,679,633	161,592	1,841,225	55,276
include	Properties held for sale	0	0		0	0
include	Properties under development	24,473	24,833		24,833	360
include	Intangibles	0	833		833	833
include	Financial assets	0	176		176	176
Total property Value (b)		**1,810,423**	**1,712,039**	**161,592**	**1,873,631**	**63,208**
LTV (a/b)		**44.4%**	**49.4%**	**14.2%**	**46.4%**	**1.9%**

The EPRA LTV is a measurement of the ratio between the net financial position, including finance leases relating to headquarters to which the difference between receivables (trade, other current assets, other non-current receivables) and payables (trade, provisions for risks and charges, severance reserves, other liabilities) is added, and the value of the real estate portfolio, including the building housing the company's office.

Please note that the Group holds two equity investments equal to 40% in two real estate funds (Fondo Food and Fondo Juice) and therefore the LTV of the equity investments is added to the Group's ratio. For greater transparency and comparability, in the first column of the table we show the Group's calculation of the LTV using the Group's method and the relevant reconciliation with the EPRA LTV.

> Additional information on investment properties

In accordance with EPRA Best Practices Recommendations, the capital expenditure made in the last two years is shown below:

Capital expenditure (Euro / thousand)	12/31/2024	12/31/2023
Acquisitions	**0**	**0**
Development	**900**	**5,032***
Investment properties	**19,090**	**20,132****
Incremental lettable space	**0**	**0**
No incremental lettable space	**11,503**	**10,476**
Tenant incentives	**0**	**0**
Other material non-allocated types of expenditure	**7,587**	**9,656**
Capitalised interest (if applicable)	**0**	**0**
Total CapEx	**19,990**	**25,164**

**Includes offsetting invoices for €1,878 thousand which decrease the actual investment made in Officine retail.*
***Includes €1,802 thousand in costs incurred to clean up Lungo Savio after the flood.*

Development includes the investments made in the reporting period in the development company Porta Medicea in Livorno.

No incremental lettable space, under investment properties, includes the capex made to accommodate new retailers and property restyling.

Other material non-allocated types of expenditure include extraordinary maintenance of properties, systems, earthquake proofing, as well as improvements to the Environmental Management System.

The Group is not party to any joint ventures.

In 2024 the Group did not capitalize any project management costs related to development projects.

With regard to capex capitalized for freehold properties please refer to the following sections of the Report on Operations:

> 2.2.2 Statement of financial position and financial review

> 2.5 Significant events in the year - Investments

and the Explanatory Notes (section 4.6.5, Notes 12, 13, 14, 15, 16, 17).

The Estimated Rental Value of Vacant Space is reported on in the section above on the EPRA Vacancy Rate.

For the accounting standards used for the various asset classes please refer to the Explanatory Notes (Chapter 4.6.2.1).

With regard to the real estate portfolio appraisals, independent experts and appraisal criteria please refer to section 2.6 The Real Estate Portfolio in the Directors' Report and section 4.6.3 Use of Estimates in the Explanatory Notes.

The reports issued by each independent expert on the appraisals made at 31 December 2023 are in section 2.7 Appraisals of the Independent Experts of the Directors' Report.

The reconciliation of the fair value shown in the independent experts' appraisals and the book value of the real estate portfolio, along with any changes in the classification of real estate assets, are reported in section 2.6 The Real Estate Portfolio in the Directors' Report.

DIRECTORS' REP
2.4 THE ST

2.4 // The Stock

IGD's shares are traded on the Euronext Milan market managed by Borsa Italiana as part of the Industry Finanza and Super Sector Beni Immobili index; IGD is also part of the Euronext STAR segment. The stock began trading on 11 February 2005.

The minimum lot is €1.00. The specialist is Intesa Sanpaolo – IMI Corporate & Investment Banking. IGD's stock symbols:

RIC: IGD.MI
BLOOM: IGD IM
ISIN: IT0005322612
Borsa italiana ID instrument: 327.322
IGD SIIQ S.p.A.'s share capital amounts to €650,000,000.00, broken down into 110,341,903 ordinary shares without a stated par value.

IGD is included in a number of index families.

International indices: Bloomberg, FTSE Russel, MSCI, S&P.

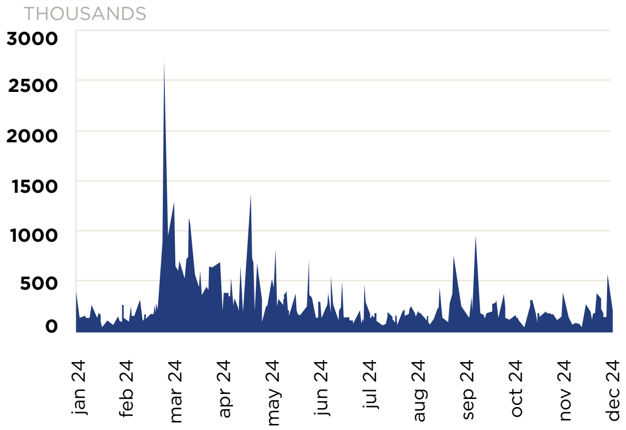
Real estate sector indices: EPRA (European Public Real Estate Association) and GPR (Global Property Research).

IGD is also included in seven stock exchange indices with a focus on **ESG (Environment, Social & Governance)**, which include: Bloomberg ESG Data Index, Bloomberg ESG Score Universe, Bloomberg ESG Coverage Index, FTSE EPRA NAREIT Developed Green Index, FTSE EPRA NAREIT Developed Green EU CTB Index, FTSE EPRA NAREIT Developed Green Target Index, GPR Eurozone ESG+ Index.

IGD has **2 financial ratings** from Fitch Ratings Ltd. and S&P Global Ratings: in particular, Fitch has assigned the Company a BBB- rating with a Stable Outlook, while the rating assigned by S&P is BB with a Credit Watch Negative Outlook.

IGD has 12 independent and unsolicited **ESG ratings**, as well as two solicited ratings from CDP and GRESB.

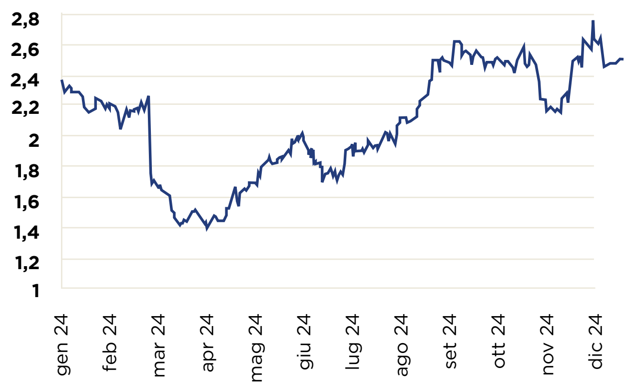
> Volume of IGD shares traded since 2 January 2024



In 2024, an average of 297,689 IGD shares were traded each day, 5.0% higher than the 283,507 shares traded on average in 2023. The volume high was recorded on 27 February 2024 when 2,689,551 shares were traded.

** Source: Bloomberg data compiled by IGD.*

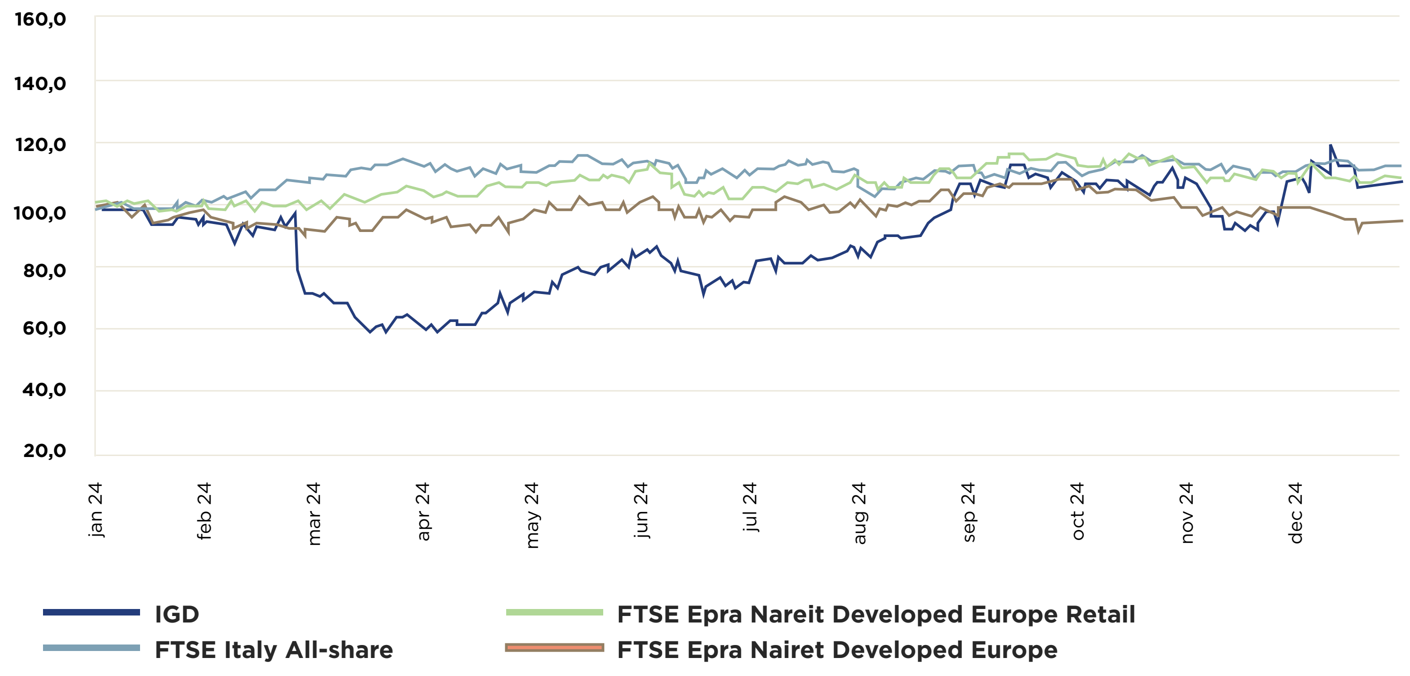
> IGD's stock price since 2 January 2024



IGD's stock rose 8.5% in 2024: from €2.305 recorded at 29 December 2023, the stock, in fact, closed at €2.5 on the last trading session of the year, 30 December 2024. The high for 2024, of €2.75, was recorded on 12 December, while the period low of €1.406 was posted on 5 April. **Compared to the low reached in April, the increase recorded by the price of the IGD stock at the end of 2024 is 77.8%.**

** Source: Bloomberg data compiled by IGD.*

IGD's stock vs. the Italian stock market index FTSE Italia All- Share, EPRA/NAREIT Developed Europe and EPRA/NAREIT Developed Europe Retail (Base 2.1.2024= 100)



** Source: Bloomberg data compiled by IGD.*

In 2024 IGD's stock performed differently than the **FTSE Italy All-Share**. The Italian stock market has in fact risen by 11.5% compared to the end of 2023, with a fairly constant trend over the twelve months. The index's rise was mainly supported by the excellent performance of the banking sector stocks and large caps, while mid and small caps generally underperformed the market.

IGD's stock outperformed the European real estate sector index, **EPRA/NAREIT Developed Europe**, which was down -5.7% year on year, while it was in line with the trend of the specific retail sector index, **EPRA/NAREIT Developed Europe Retail**, which rose 8.6%. Real estate sector indices also recorded fairly constant trends over the 12 months, without showing any particular spikes in either direction.

The IGD stock, on the contrary, showed a sharp decline, which effectively opened a gap with the three indices taken into consideration, followed by a recovery that gained strength at the end of the year; this trend therefore appears to have feeble connections with the reference indices, and rather depend on factors that had a specific impact on the Company.

In fact, the sudden drop in IGD's share price began on 27 February 2024, when the Company announced - at the same time as approving the 2023 results - its intention not to distribute a dividend to its shareholders in 2024, in light of the negative operating result of the parent company.

A turnaround occurred only in April when, following the appointment of the new Board of Directors and the subsequent launch of the new corporate strategic guidelines, the stock prices began to rise again. The upward trend continued throughout the summer and in September, IGD shares almost entirely filled the gap with the main indices analysed here. The presentation of the new 2025-2027 Business Plan with, on 21 November, gave momentum to the stock, which in the last weeks of the year returned to trading at levels higher than those at the beginning of the year.

> Investor Relations

> Broker coverage

The target consensus price of the five brokers covering IGD was €2.85 at the end of 2024. Brokers' recommendations are divided between neutral (two "Neutral" ratings), and buy recommendations (with three "Upside", "Buy" and "Outperform" ratings).

No broker has issued a sell recommendation for IGD shares.

2

> Presentations and meetings with investors

In 2024 IGD organized five conference calls:

- > 27 February, to discuss the results for FY 2023;
- >7 May, to discuss the results for 1Q 2024;
- >4 July, for the strategic guidelines of the new Business Plan
- >1 August, to discuss results for 1H 2024;
- >7 November, to discuss the results for the first nine months of 2024.

Overall, 180 participants joined the five conference calls, a higher attendance than in 2023 when there was a total of 138 participants in four conference calls.

On 21 November, on the occasion of the presentation of the new 2025-2027 Business Plan, IGD organized an in-person event in Milan, also giving the opportunity for the first time to follow the live webcast of the presentation by connecting remotely. The feedback was excellent with over 200 people following the presentation of the Plan, including those who physically attended (68) and those who connected from remote (139).

In 2024, IGD's management attended various events, both virtual and in-person, which made it possible to meet with **68 institutional investors during the year,** including 19 asset management companies for the first time.

In order to maintain a dialogue with equity portfolio managers IGD attended the Euronext STAR Conference of Borsa Italiana, held in Milan on 20 March 2024, and EPRA Conference held in Berlin on 17-19 September.

With a view to maintaining relationships with bond portfolio managers, IGD attended the Real Estate Credit Investor Day organized by Citi, which was also held in London on 15 May 2024.

Last but not least, the Company organized a series of virtual one-on-one meetings with equity investors and bondholders interested in gaining a better understanding of specific aspects of IGD's historic performances and prospects.

> Awards received for corporate reporting

In September 2024 EPRA (the European Public Real Estate Association) awarded **IGD's Consolidated Annual Report 2023** with the E**PRA BPR Gold Award for the seventh year in a row**. The award is given to the companies who can show they have applied Best Practice Recommendations. The Gold Award was given to IGD for complying with all the Association's high standards and after examining the quality of the annual reports of 178 European real estate companies.

As for the **Corporate Sustainability Report 2023, for the ninth consecutive year IGD received the "EPRA sBPR Gold Award" (Sustainability Best Practice Recommendations)** after the sustainability reports of 170 European real estate companies were analysed.

> Financial calendar 2025

> 6 MARCH
Board of Directors' meeting to approve the draft separate and consolidated financial statements as at 31 December 2024.

> 16-17 APRIL
Annual General Meeting in first call and second call. Approval of the financial statements for period ended 31 December 2025.

> 6 MAY
Board of Directors' meeting to approve the Interim Financial Report as at 31 March 2025.

> 5 AUGUST
Board of Directors' meeting to approve the Half-year Financial Report at 30 June 2025.

> 11 NOVEMBER
Board of Directors' meeting to approve the Interim Financial Report as at 30 September 2025.

2.5 // Significant events of the period

The main events in the reporting period are described below.

// Corporate events

On 23 February 2024 the Board of Directors examined and approved the draft separate and consolidated financial statements at 31 December 2023. The Board of Directors approved the Report on Corporate Governance and Ownership Structure, which forms an integral part of the annual report. The Board of Directors approved the Corporate Sustainability Report 2023 which was subject to Limited Assurance by Deloitte & Touche which certified compliance with the most important international standards (the GRI Standards).

On 18 March 2024 the Board of Directors examined and approved, as proposed by the Nominations and Compensation Committee, the Report on remuneration and compensation pursuant to Art. 123-ter of the TUF.

During the Annual General Meeting of IGD SIIQ S.p.A. held on 18 April 2024, IGD's shareholders approved the 2023 financial statements, as presented by the Board of Directors on 23 February 2024, which closed the year with a net loss of €72.5 million; The Annual General Meeting of the Shareholders approved the first section of the "Report on remuneration and compensation", pursuant to Art. 123-ter, para. 3-bis and 3-ter of the TUF and resolved in favour of the second section of the "Report on remuneration and compensation" pursuant to Art. 123-ter, paragraph 6, of the TUF. The Shareholders also appointed the new members of the Board of Directors for the three-year period 2024-2026, until the approval of the financial statements at 31 December 2026, and the new members of the Board of Statutory Auditors.

On 18 April 2024, as proposed by the Nominations and Compensation Committee, appointed Antonio Rizzi as Chairman of the Board of Directors, Edy Gambetti as Vice Chairman and Roberto Zoia as Chief Executive Officer and Managing Director. The Board of Directors has assigned to the Chief Executive Officer the powers the administration of the Company, with the exception of those assigned to the Board of Directors by applicable legislation, by the Articles of Association or kept within the scope of its own responsibilities. In line with the provisions of the Corporate Governance Code, the Board of Directors has established the Nominations and Compensation Committee, the Control and Risk Committee and the Committee for Related Party Transactions, appointing their members.

Finally, the Council established a new "Strategic Steering Committee", which will not have executive functions. This committee – which has also been assigned the functions currently performed by the "Sustainability Committee" – has a consultative role in the formulation of possible strategic guidelines in the management of the Company, also with a view to preparing a new industrial plan.

On 23 April 2024, the definitive contract in execution of the preliminary agreement disclosed to the market on 23 February 2024 was signed with Sixth Street and controlled affiliates of Starwood Capital and Prelios SGR S.p.A.

The operation consisted in a sale by IGD of a real estate portfolio for a total value of €258 million.

The portfolio comprises 8 hypermarkets (in Chioggia, Porto d'Ascoli, Roma, Rimini, Conegliano, Ascoli Piceno and 2 in Bologna), 3 supermarkets (in Civita Castellana, Ravenna and Rome) and 2 shopping malls (in Bologna and Chioggia).

The transaction was carried out through a closed-end real estate investment fund (an Italian REIF) called "Food Fund" managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. Subsequent to the contribution, IGD sold 60% of the fund units (class A shares with preferred returns) to a Luxembourg vehicle (held 50% Sixth Street and 50% Starwood Capital) for a consideration of €155 million, and maintaining the ownership of the remaining 40% (class B shares with subordinated returns).

The proceeds of the transaction shall be used by IGD to:

- > Partially redeem the "€310,006,000 Fixed Rate Step-up Notes due 17 May 2027" issued on 17 November 2023, on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from € 310 million to €220 million;
- > A partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for maximum amount equal to €62.5 million;
- > Make a partial early repayment of the €215 million green unsecured loan signed in August 2022, for €0.71 million.

IGD also signed a contract with Prelios SGR to continue managing the project, property & facility management activities across the entire portfolio with a view to further enhancing the portfolio over the next few years and selling it on the market at the best possible conditions.

On 7 May 2024 the Board of Directors examined and approved the interim financial report as at 31 March 2024.

On 4 July 2024, IGD SIIQ illustrated to the market the guidelines of the 2025-2027 Business Plan, which will be finalized and presented in full by the end of the year.

On 1 August 2024 the Board of Directors examined and approved the half-year financial report as at 30 June 2024.

In September 2024, IGD received, for the seventh consecutive time, the "EPRA BPR Gold Award" (Best Practice Recommendations) regarding the 2023 Consolidated Financial Statement. This award recognizes IGD's ongoing commitment to maintaining the transparency and comparability of its communications at the highest quality levels for the benefit of investors, the financial community and, in general, all of the Group's stakeholders.

Furthermore, IGD has obtained, for the tenth consecutive year, the "EPRA sBPR Gold Award" (sustainability Best Practice Recommendations), for the 2022 Sustainability Report. This recognition confirms the high standards achieved by IGD in the field of sustainability reporting.

On 7 November 2024 the Board of Directors examined and approved the interim financial report as at 30 September 2024.

On 20 November 2024 the Board of Directors examined and approved the new 2024-2027 Business Plan.

On 20 December 2024, IGD Siiq S.p.A. established the 100%-owned company Alliance SIINQ S.r.l. and transferred the store located in via Aquileia in Ravenna to it. The share capital of Alliance SIINQ S.r.l. is equal to €50 thousand. On 30 December 2024, Alliance SIINQ S.r.l. exercised the option to access the special SIINQ regime from the tax period starting on 1 January 2025. As of 31 December 2024, Alliance SIINQ S.r.l. was included in the Group's consolidation area for the first time.

// Investments

During 2024, the Group completed the restyling works at the Leonardo shopping center, the fit-out activities at the Officine Storiche mixed-use complex and the Darsena City shopping mall and continued the extraordinary maintenance activities at the freehold centers.

The investments made in 2024 are shown below:

		12/31/2024 Euro/mln
Development projects	Porta a Mare project (Trading) *(in progress)*	**0.90**
Development projects	FIT-OUT Officine Storiche	**4.43**
Development projects	Centro Leonardo restyling	**2.47**
Development projects	Extraordinary maintenance	**11.71**
Development projects	Other	**0.51**
Development projects	IT Project	**0.33**
Total investments carried out		**20.35**

> Development projects

// "Porta a Mare" Project

From works for the completion of the residential units in the Officine Storiche sub-area and for the arrangement of the Molo, Lips and Arsenale sub-areas, for a total amount of approximately €898 thousand; As of 31 December 2024, the sales of 4 residential units and 5 garages have been completed, following which 34 deeds of sale have been completed for the Officine Storiche sub-area and 2 binding proposals have been stipulated with a deed scheduled for the first half of 2025 for a total of 42 residential units.

// Restyling

At 31 December 2024 work was underway on the expansion of the Gran Rondò Shopping Center in Crema.

> Extraordinary maintenance

During 2024, extraordinary maintenance works continued and totalled Euro 18,582 thousand, mainly relating to fit-out interventions at the mixed-use complex of Officine Storiche, the Darsena City and Porto Grande shopping malls, restyling at the Leonardo shopping center, revamping at Esp and Le Maioliche shopping centers, waterproofing and safety of the roofs at the Città delle Stelle shopping center.

Based on the fair value measurement of investment property, the value of the extraordinary maintenance completed in the third quarter was fully written down at 31 December 2024.

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2.6 // The real estate portfolio

To ensure a thorough understanding of the performance trend of the IGD SIIQ S.p.A Group Real Estate Portfolio, the main data on the performance of the real estate market in 2024 are reported below, with specific insights into the Italian and Romanian retail segments.

> The Italian and European real estate market

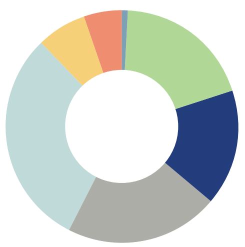
In the second half of 2024, the market recovery continued and although the Russian-Ukrainian war and the Israeli-Palestinian crisis are still ongoing, the stabilization of inflation and repeated interest cuts by the ECB have consolidated interest in investment activities in the European and Italian commercial real estate market. The outlook for 2025 is positive, with further interest rate cuts expected to attract core investors in established markets and value-adds in emerging markets. Below is a snapshot of investments in the seven main European countries:

> INVESTMENTS IN THE 7 MAIN EUROPEAN COUNTRIES

Source CBRE 4°Q 2024

At 31 December 2024, profit before tax was €9.9 million, showing an increase of +47% on 2023.
The following chart shows the breakdown of investments for the year by property class:

> BREAKDOWN OF COMMERCIAL REAL ESTATE INVESTMENTS IN ITALY IN 2024



Source CBRE 4°Q 2024

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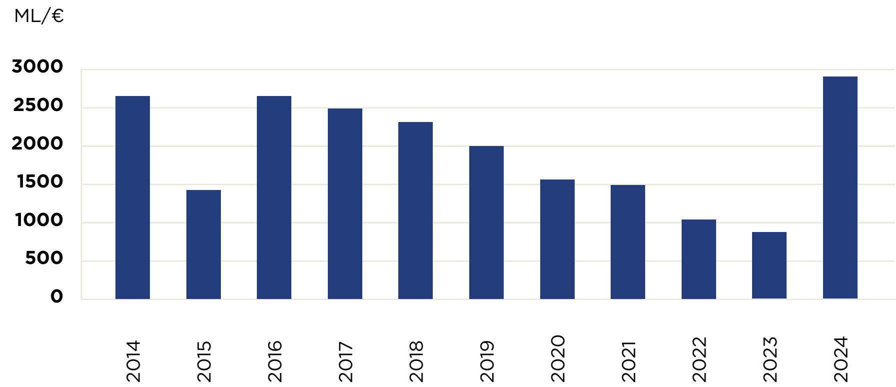
> The retail real estate market segment

In 2024, the retail asset class recorded the highest investment volume, reaching a value of €2.9 billion and marking a growth of 236% compared to the previous year.

In 2024, there were High Street disposals, including a main one in the Milan fashion district, but there were also disposals of grocery portfolios such as IGD's Food Portfolio and shopping malls such as Parma retail, Roma Est, Forum Palermo, confirming the renewed interest of investors in these types of properties.

> RETAIL INVESTMENT EVOLUTION CHART IN ITALY 2014_2024



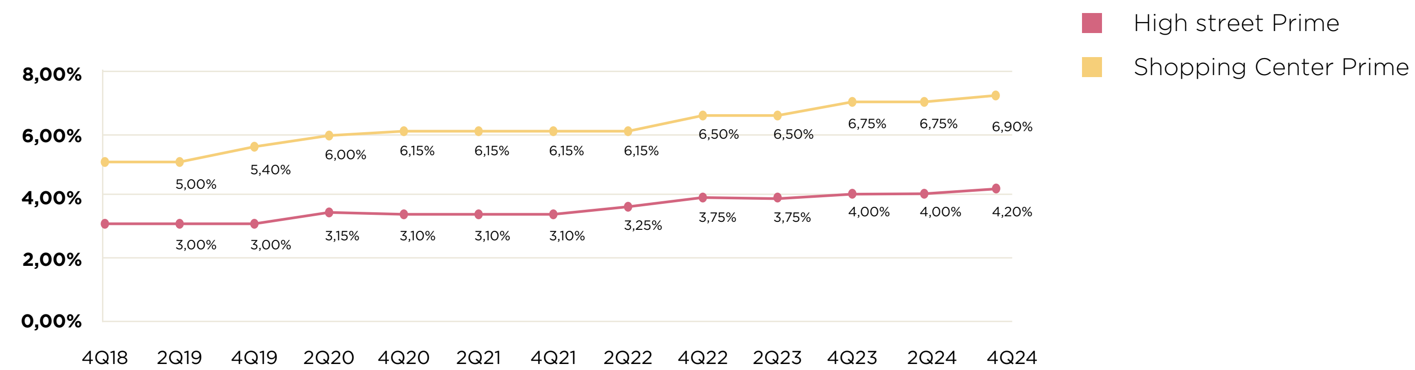
Source CBRE 4Q2024

In 2024, retail sales recorded a trend-based increase in value of +1.1%, compared to a decline in volume of -0.2%. Overall spending increased due to the inflationary effect at the expense of purchase volumes in the food sector, while the non-food sector recorded a negative sign both in terms of value and volume. Only large-scale distribution recorded increases in sales in both food and non-food sectors.

Attendance at Shopping Centers increased by +1.6% compared to the previous year (CNCC data) and development activity saw the release of 93,000 sqm new retail GLA.

At the end of 2024, the net prime yield of shopping centers grew by 15 bps to 6.90%, while on the rent side, the "prime" rates remained at €1,100/year.

> NET TETAIL REAL ESTATE YELDS IN ITALY



Source CBRE 4Q2024

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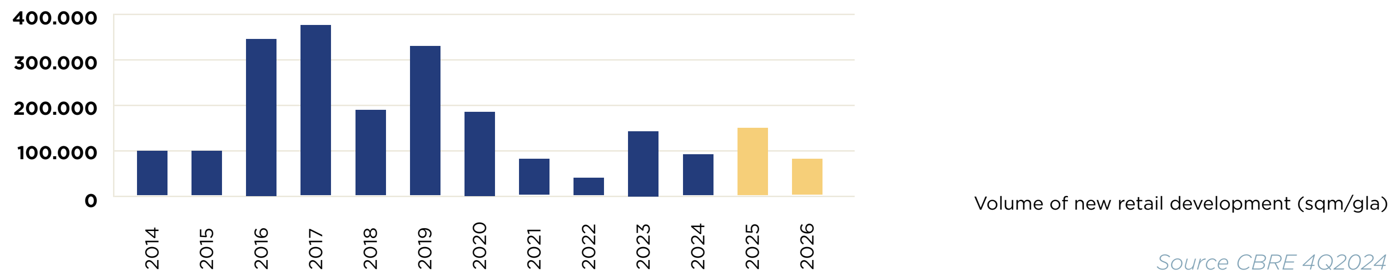
2.6 THE REAL ESTATE PORTF

> Offer and retail sector pipeline

> CHART OF NEW RETAIL DEVELOPMENTS COMPLETED AND UNDER CONSTRUCTION AS OF 31 DECEMBER 2024 (GLA >10,000 SQM)



Source CBRE 4Q2024

> The Romanian real estate market: Retail segment

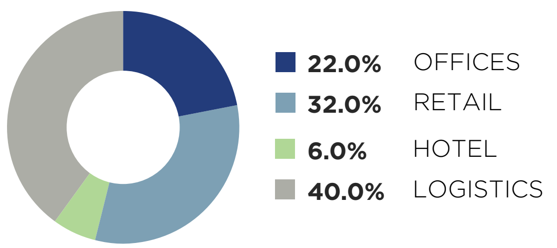
Over the past five years, Romania's economy has always outperformed the European average, while in 2024, GDP grew by only 0.8%, a result in line with the European average but lower than expected. The unemployment rate, from the peak of 6.1% in the Covid years, has progressively improved to 5.3% in 2024. Inflation in recent years has followed the same trend as the rest of Europe but always at a level significantly higher than the average. In 2024, there was a sharp drop of inflation, which is expected to settle at 5.5% and decline to 3.4% in 2025.

The total transaction volume was 733 million euros in 2024, a growth of 43% compared to 2023, which had recorded a decline.

The most significant transaction was the purchase of Doraly Expo by logistics operator WDP.

The logistics/industrial asset class was the most attractive for investors with 40% of the total transacted in 2024, followed by the retail asset class with 32%, the office asset class with 22% and the hotel asset class with 6%.

> BREAKDOWN OF COMMERCIAL REAL ESTATE INVESTMENTS IN ROMANIA IN 2024



With the introduction of approximately 170,000 sqm of new GLA, the total stock reached 4.5 million sqm GLA in 2024.

The retail park format continues to dominate over the traditional shopping center format in terms of new construction, and in 2024 it accounted for 57% of the new GLA placed on the market.

In 2024, twelve new retail properties were opened, and six extensions of existing properties were completed. The average size of the extensions was 5,000sqm GLA.

By 2025, a further 280,000 sqm of new commercial GLA are expected to be released, of which approximately 48% will be in the traditional shopping center format.

Rents in "prime" shopping centers as of 31 December 2024 remained unchanged at €80 per sqm/month corresponding to €960 per sqm/year.

In 2024, the vacancy rate was around 1% in Bucharest and around 2% in other cities of regional importance. Sales performed well and the interest from retailers was confirmed by the entry into the Romanian market of new brands in the cosmetics sector (Rituals; Kiko Milano) and catering (Happy Restaurants; Hesburger; Froo).

2.6.1 // The real estate portfolio

At 31 December 2024, the IGD Group had the following asset portfolio structure:

> Freehold real estate portfolio

Valued by independent experts at €1,694.17 million, recording a change of -13.92% (-273.92 million euros in absolute terms) compared to 31 December 2023. The contraction is attributable to the sale of 11 hypermarkets and 2 malls which were transferred to the FOOD Fund in April. On a like-for-like basis, the reduction compared to 2023 was -0.67% (-11.48 million euros in value) while, compared to the previous half-year, the contraction was reduced to -0.18% (-3.01 million euros in absolute terms).

> Lease-hold portfolio

Consisting of two shopping malls, it was valued €10.3 million, contracting -39.43% (-6.7 million euros in absolute terms) and -23.66% (-3.2 million euros in absolute value) respectively against 31 December 2023 and 30 June 2024. The constant reduction in value is due to the progressive approach of the deadlines of the master lease contracts.

> Equity investments in funds:

> Juice Fund: the 40% stake is valued €25.67 million, in line with the value recorded in the previous year and half year;

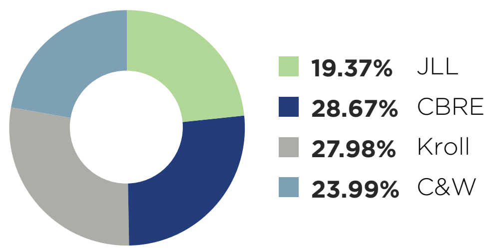
> FOOD Fund: new 40% stake acquired in the first half of 2024, valued at €80.29 million (104.70 ML/€ at nominal value, net of a write-down of -24.41 ML/€).

// The freehold real estate portfolio

The real estate portfolio of the IGD SIIQ S.p.A. Group consists of 98.6% commercial properties for income-generating purposes and the remaining 1.4% of assets under construction.

The income-generating portfolio consists of properties in Italy and Romania, while the development projects are located exclusively in Italy. The appraisers for the Group's real estate portfolio are CBRE Valuation S.p.A. (hereinafter CBRE), Kroll Advisory S.p.A. (hereinafter Kroll), Cushman & Wakefield LLP (hereinafter C&W) and Jones Lang LaSalle S.p.A. (hereinafter JLL) whose mandates were signed in May 2023 for a duration of four half-years.

> IGD'S PORTFOLIO BREAKDOWN BY APPRAISALS AT 12.31.2024



The following table shows the breakdown of the Fair Value at 31 December 2024 by appraiser in Italy and Romania:

Amount in € million	Fair Value 12.31.24 Total	Fair Value 12.31.24 Italy	Fair Value 12.31.24 Romania
C&W	406.42	406.42	0
CBRE	485.68	437.42	48.26
KROLL	474.00	405.10	68.90
JLL	328.08	328.08	0
Total IGD's portfolio	**1,694.18**	**1,577.02**	**117.16**

2

The following are the fees accrued as of 31 December 2024 by the independent experts:

Amounts in € thousand	Appraisal fees	Fees from ABI complaint evaluation	Other fees	Total fees
CBRE	130	168	1.000	1.298
KROLL	168	109	52	329
JLL	67	94	0	161
C&W	60	72	0	132
Total fees	425	443	1,052	1,920

The item "other compensation" includes:

> The fees paid to CBRE for its advisory activity in the Food transaction. These costs were accounted for as an increase in the value of the participation in the Food Fund;

> The fees paid to KROLL mainly for the Virtual Data Room and document platform activity for 2024.

The categories of properties comprising the Group's real estate assets as of 31 December 2024 are:

> **"Hyper and Super"**: the Hyper and Super class includes 8 properties (all hypermarkets) distributed across 4 Italian regional territories for a total GLA of approximately 81,700 sqm. Five hypermarkets have a GLA between 6,000 and 10,000 sqm, three hypermarkets have a GLA between 14,000 and 16,600 sqm. Compared to the same semester of 2023, the GLA has reduced by a total of approximately 81,800 sqm. The reduction is due to the exit from the perimeter of eleven hypermarkets/supermarkets, after the sale of the Food portfolio, which took place in April 2024, and the remodelling of the hypermarket of Le Porte di Napoli Shopping Center, in the second half of 2024;

> **"Malls and retail parks"**: this asset class consists of 25 properties distributed across 12 regions of the Italian territory for a total GLA of approximately 439,711 sqm. Sixteen malls have a GLA of up to 20,000 sqm, the remaining nine malls have a GLA between 20,000 sqm and 40,000 sqm. Compared to 31 December 2023, the GLA has decreased by a total 10,200 sqm. The main changes to the total GLA were due to the completion of the sale of the Food portfolio which took place in April 2024, which involved the exit of two Malls/RP from the perimeter of this asset class, and the remodelling of the hypermarket in the shopping Center Le Porte di Napoli in favour of the mall.

As of 31 December 2024, twelve malls have obtained the Breeam In Use certification, with a rating from Very Good to Excellent, in the Asset performance and Building management categories and an application for new V6 certification has been submitted for two further malls. Since 2013, the Group's environmental management system has been ISO14001 certified. Since 2022, the infection risk prevention and mitigation system applied by the Group in the malls/retail parks and the headquarters has obtained RINA's Biosafety Trust certification.

The system facilities in all the malls of the Italian real estate portfolio are managed through BMS (Building Management System) systems and equipped with divisional meters that monitor and optimise energy consumption. Seven shopping malls are equipped with renewable energy systems. (Renewable energy sources).

Twenty-four malls are served by public transport; seventeen malls are equipped with charging stations for electric cars and one also for electric bicycles. Fifteen malls can be reached via cycle path.

The majority of freehold malls have green areas planted with native and diversified flora to optimize biodiversity;

> **"Other"**: this asset class consists of 2 properties for various uses appurtenant to freehold commercial properties, 1 shop, 2 portions of properties for office use, 1 property for mixed use as a guesthouse/office to accommodate sports activities for a total of 6 properties with a GLA of approximately 9,600 sqm;

> **"Porta a Mare Project"**: it is a multifunctional real estate complex with a mix of residential, office, commercial, hotel and temporary residential accommodation under construction for a residual total gross floor area (GFA) of approximately 32,000 sqm. The location for the project is Livorno's old harbour area, close to the city center. Given the scale of the project, it was divided into five sub-areas: Mazzini, Officine, Lips, Molo and Arsenale.

The Mazzini sub-area, consisting of residences, a shopping mall, an office building and parking lots, is completely finished. The shopping mall, upon opening to the public in 2023, was reclassified in the Malls/RP asset class; the office building was sold and so were all the residences with related appurtenances; only a few residual real estate units to be used as car parks and garage units are still unsold in addition to the private parking for public use.

The Officine sub-area, consisting of a commercial space, residences with related appurtenances and private parking spaces for public use, is complete. The commercial space has been reclassified to the Malls/RP asset class and merged with the existing Galleria Mazzini, forming a single mall renamed Porta a Mare Waterfront; the residences with their appurtenances are in an advanced stage of sale, the parking lots are completed.

The Lips, Molo and Arsenale sub-areas are lands with building permits.

The entire building complex has been designed with the most advanced environmental solutions, ensuring high comfort and energy efficiency levels. Particular attention was paid to pedestrian and cycle-pedestrian mobility between the buildings, the existing urban fabric and the tourist port.

All the buildings were designed as class A. The air conditioning system was created with a multipurpose thermo-refrigeration plant based on sea water, exploiting thermal inertia and significantly reducing the need for electricity. Only refrigerating gases with a very low GWP (R513) were used, while the materials used during the construction phase were all CE marked with priority given to those coming from ISO, Casaclima, EDP, ANAB certified companies;

> **"Direct development projects"**: the class consists of a single area located near the Porto Grande Shopping Center, intended for the expansion of the shopping center by approximately 5,000 sqm GLA;

> **"Winmarkt"**: a portfolio of 14 commercial properties with a GLA of approximately 92,900 sqm and 1 office property with a GLA of 3,100 sqm distributed across Romania for a total of approximately 96,000 sqm GLA. The properties are located in the central areas of thirteen major cities in Romania. No properties in this class are in the capital, Bucharest. Sixteen malls have a GLA of between 20,000 sqm and 40,000 sqm whereas the remaining thirteen malls have a GLA of up to 20,000 sqm.

The IGD Group owns 41 properties in Italy, broken down by asset class as follows:

> 8 Hypermarkets and supermarkets;

> 25 Malls e retail park;

> 1 Asset held for trading (Porta a Mare Project);

> 6 properties classified as Other;

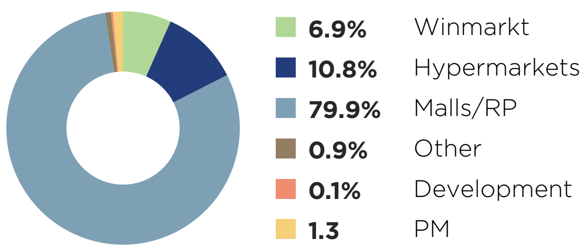
> 1 Direct Development project.

The IGD Group has 15 real estate units in Romania (Winmarkt portfolio) broken down as follows:

> 14 Malls;

> 1 Office building.

> IGD PORTFOLIO BREAKDOWN CHART BY ASSET CLASS AS OF 31 DECEMBER 2024



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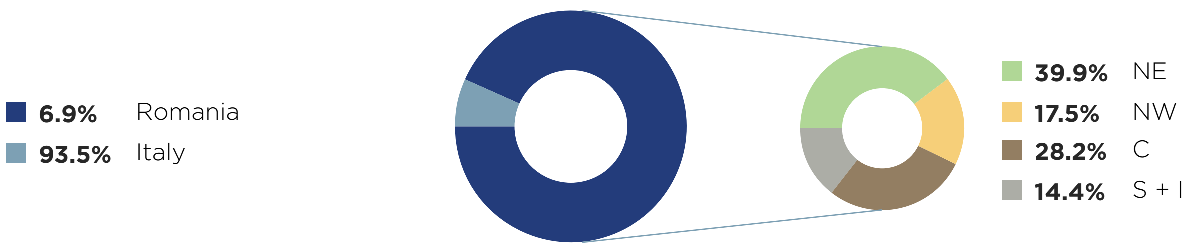
2.6 THE REAL ESTATE PORTF

> GEOGRAPHIC DISTRIBUTION CHART IN ITALY AND ROMANIA OF THE IGD REAL ESTATE PORTFOLIO AS OF 31 DECEMBER 2024



> GEOGRAPHICAL LOCATION MAP OF THE PROPERTIES IN THE ITALIAN REAL ESTATE PORTFOLIO AS OF 12/31/2024

E.Romagna:
7 GC, 4 Hyper - Super; 5 Other;

Piedmont:
2 GC + RP;

Lombardy:
3 GC;

Liguria:
1 GC;

Trentino:
1 GC + RP;

Veneto:
1 GC + RP;

Marche:
2 GC, 1 Development project;;

Abruzzo:
1 GC, 1 Hyper;

Campania:
1 GC, 1 Hyper;

Lazio:
2 GC;

Toscana:
1 Imm. per trading, 2 GC; 1 Other;

Sicilia:
2 Hyper, 2 GC;

Nota: **NE:** Trentino Alto Adige, Veneto, Emilia-Romagna; **NW:** Piedmont, Lombardy; Liguria; **C:** Tuscany, Marche, Lazio, Abruzzo; **S+I**: Sicily, Campania.

> GEOGRAPHICAL LOCATION MAP OF THE PROPERTIES IN THE ROMANIAN WINMARKT REAL ESTATE PORTFOLIO AS OF 12/31/2024

15 FREEHOLD ASSETS

Muntenia:
6 GC, 1 offiice building;

Moldova:
6 GC + RP;

Oltenia:
1 GC;

Transilvania:
3 GC;

Dobrogea:
1 GC;

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The following tables show the main data relating to the Italian freehold portfolio:

> ITALY

Appraiser	Asset	Location	Mall and Retail Park GLA(sqm)	Other/ external areas	Ownership	Branch title/ Company branches	Opening date	Date of last extension / restilyng / remodeling	% owned	Form of ownership	No. of shops	No. of medium surfaces	No. of other external areas	Parking places	Main brands	Food Anchor	GLA food anchor
CBRE	Centro Commerciale Katanè	Gravina di Catania (CT)	**21,252**	before hypermkt reduction: 14,940 sqm	IGD SIIQ SPA	IGD SIIQ SPA	**2009**	**2022** Hyper remodeling and mall extension	**100**	Freehold property	**69**	**10**		**1,320**	Adidas, Euronics, OVS, Conbipel, Piazza Italia	IperCoop	**7,221**
JLL	Galleria Commerciale Millennium Center	Rovereto (TN)	**7,683**		IGD SIIQ SPA	IGD SERVICE SRL	**2004**	//	**100**	Freehold property (excluding supermarket and a portion of the mall)	**28**	**4**		**900**	Game 7 Athletics, Oviesse, Terranova, Me & City	Superstore Despar (not owned)	**4,500**
CBRE	Galleria CC Favorita	Mantova (MN)	**7,400**		IGD SIIQ SPA	IGD SIIQ SPA	**1996**	**2022**	**100**	Frehold property (excluding hypermarket)	**33**	**4**			OVS, Piazza Italia, Calliope, Deichman	Ipercoop (not owned)	**11,000**
C&W	Centro Commerciale d'Abruzzo	San Giovanni Teatino (CH)	**12,571**		IGD SIIQ SPA	IGD SIIQ SPA	**2001**	**2014**	**100**	Freehold property	**45**	**7**	**3**	**1,730**	Unieuro, Piazza Italia, Terranova, Happycasa, Kiabi	Ipercoop	**14,127**
D&P	Centro Commerciale Le Porte di Napoli	Afragola (NA)	**16,983**		IGD SIIQ SPA	IGD SIIQ SPA	**1999**	**2014**	**100**	Freehold property	**66**	**9**		**2,650**	Euronics, H&M, Piazza Italia, Toys, Deichmann	HP Sole 365 from 2024	**9,570**
JLL	Centro Commerciale e Retail Park Conè	Conegliano (TV)	**20,464**	NB + 2,394 sqm due to new medium surfaces from hypermkt reduction	IGD SIIQ SPA	IGD SIIQ SPA	**2010**	**2019** Hyper remodeling - **2021** Mall extension	**100**	Frehold property (excluding hypermarket)	**58**	**9**		**1,550**	Maisons du Monde, Conbipel, H&M, Librerie Coop, Euronics, Scarpe&Scarpe, Stradivarius, Bershka	Ipercoop	Nuova GLA ridotta **6,972 mq** da dicembre 2019 **AV 4,356**
CBRE	Centro Commerciale Città delle stelle	Ascoli Piceno (AP)	**20,975**		IGD SIIQ SPA	IGD SIIQ SPA	**2002**	**2017**	**100**	Frehold property (excluding hypermarket)	**46**	**8**	**1**	**2,200**	Piazza Italia, HappyCasa, H&M, Multiplex Stelle, Kiabi, Casa, Clayton, Dverso	Ipercoop	**9,614**
CBRE	Centro Commerciale Casilino	Roma (RM)	**11,145**	before hypermkt reduction: 6,347sqm	IGD SIIQ SPA	IGD SIIQ SPA	**2002**	**2019** partial restyling and new MS GF - **2021** hyper remodeling **2022** new mall 1F	**100**	Frehold property (excluding hypermarket)	**27**	**7**	**2**	**1,260**	Euronics, Piazza Italia, Azzurra Sport, Pepco	Ipercoop	**5,870**
D&P	Centro Commerciale Tiburtino	Guidonia Montecelio (RM)	**36,062**	before hypermkt reduction: 33,493sqm	IGD SIIQ SPA	IGD SIIQ SPA	**2009**	**2021** hyper remodeling and mall extension (1 new MS)	**100**	Frehold property (excluding hypermarket)	**99**	**16**		**3,800**	Desigual, Azzurra Sport, Piazza Italia, Obi, Scarpamondo, New Yorker, Euronics, Orizzonte, Moby Dick	Spazio Conad	**5,262**
JLL	Centro Commerciale ESP	Ravenna (RA)	**29,952**		IGD SIIQ SPA	IGD SIIQ SPA	**1998**	**2017**	**100**	Freehold property	**84**	**16**	**1**	**3,304**	Deichmann, Game 7 Athletics, Unieuro, H&M, Piazza Italia, Bershka, Pull&Bear, OVS, Kiabi, Casa, Scarpe&Scarpe	Ipercoop	**16,536**
JLL	Galleria CC Luna	Sarzana (SP)	**3,576**		IGD SIIQ SPA	IGD SIIQ SPA	**1992**	//	**100**	Frehold property (excluding hypermarket)	**38**	**1**			Kiko, GameStop, Camaieu	Ipercoop (not owned)	**11,500**
CBRE	Galleria Commerciale Punta di Ferro	Forlì (FC)	**21,218**		IGD SIIQ SPA	IGD SIIQ SPA	**2011**	//	**100**	Frehold property (excluding hypermarket)	**88**	**7**		**2,854**	H&M, Unieuro, Toys, McDonald, Deichmann, Benetton	Conad (not owned)	**12,625**
D&P	Galleria Commerciale Gran Rondò	Crema (CR)	**14,905**	include external medium surface Euronics	IGD SIIQ SPA	IGD SERVICE SRL	**1994**	**2018** Hyper remodeling and mall extension	**100**	Frehold property (excluding hypermarket)	**40**	**4**	presente distributore di proprietà Coop Lombardia	**1,280**	Oviesse, Euronics, Pepco, DM	Ipercoop (not owned)	//
CBRE	Retail Park CC Favorita	Mantova (MN)	**6,214**		IGD SIIQ SPA	IGD SIIQ SPA	**1996**	**2007**	**100**	Freehold property (only building 1, 2A, 2B, 3)		**4**			Mediaworld, Terranova, Scarpe&Scarpe, Pepco	Ipercoop (not owned)	//
C&W	Centro Commerciale Borgo	Bologna (BO)	**7,017**	Merging surfaces 1F for the new gym	IGD SIIQ SPA	IGD SIIQ SPA	**1989**	**2015**	**100**	Frehold property (excluding hypermarket)	**33**	**4**		**1,450**	Librerie Coop, Unieuro, Scarpe&Scarpe, Pepco, Portobello	Ipercoop (not owned)	**11,480**
C&W	Centro Commerciale Leonardo	Imola (BO)	**14,874**		IGD SIIQ SPA	IGD SIIQ SPA	**1992**	**2024**	**100**	Freehold property	**60**	**7**			OVS, Mediaworld, King Sport, Terranova	IperCoop	**15,862**
CBRE	Galleria Commerciale Maremà	Grosseto (GR)	**17,121**		IGD SIIQ SPA	IGD SIIQ SPA	**2016**	//	**100**	Frehold property (excluding hypermarket)	**45**	**6**		**3,000**	Piazza Italia, Decathlon, Zara, Bershka, Stradivarius, Pull&Bear	Ipercoop (not owned)	//
C&W	Centro Commerciale Lungo Savio	Cesena (FC)	**2,928**		IGD SIIQ SPA	IGD SIIQ SPA	**2002**	//	**100**	Freehold property	**23**	**1**		**850**	Librerie Coop, Coop Salute	Ipercoop	**7,476**
D&P	MS CC Fonti del Corallo	Livorno (LI)	**5,835**	New stores from hypermkt reduction	IGD SIIQ SPA	IGD SIIQ SPA	**2003**	//	**100**	Freehold property (only hypermarket + MS from hyper reduction)		**5**			Conbipel, Euronics, Pepco, HappyCasa	see Iper Fonti	
C&W	Centro Commerciale Porto Grande	Porto d'Ascoli (AP)	**12,353**	before hypermkt reduction: 8,003 sqm	IGD SIIQ SPA	IGD SIIQ SPA	**2001**	**2019** Hyper remodeling **2022** mall extension **2023** restyling	**100**	Frehold property (excluding hypermarket)	**35**	**5**	**1**	**1,730**	Decathlon, Deichmann, Portobello, Unieuro	Ipercoop	Nuova GLA ridotta 2019 **8,360 mq AV 4,680 mq**
C&W	Centro Commerciale Le Maioliche	Fenza (RA)	**25,318**	before hypermkt reduction: 22,313sqm	IGD SIIQ SPA	IGD SIIQ SPA	**2009**	**2019** Hyper remodeling **2021** mall extension	**100**	Freehold property	**42**	**10**		**2,400**	Deichmann, H&M, Trony, C&A, Decathlon, Bricofer	Ipercoop	Nuova GLA ridotta 2019 **mq 6,163 AV mq 3,906**
D&P	Galleria Commerciale Sarca	Sesto S. Giovanni (MI)	**22,758**		IGD SIIQ SPA	IGD SERVICE SRL	**2003**	**2015**	**100**	Frehold property (excluding hypermarket)	**72**	**8**		**2,500**	OVS, H&M, Notorious Cinema, Roadhouse, Scarpe&Scarpe	Ipercoop (not owned)	//
D&P	Centro Commerciale Darsena City	Ferrara (FE)	**16,254**		IGD SIIQ SPA	IGD SERVICE SRL	**2005**	**2018**	**50**	Freehold property	**15**	**2**		**1,320**	UCI, WeArena, TEDI	Despar	**3,715**
D&P	Galleria Commerciale e Retail Park Mondovicino	Mondovì (CN)	**17,235**		IGD SIIQ SPA	IGD SIIQ SPA	**2007**	**2014**	**100**	Frehold property (excluding hypermarket)	**39**	**8**		**4,500**	Jysk, OVS, Librerie Coop, Brico IO, Foot Locker	Ipercoop (not owned)	**12,550**

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> ITALY

Appraiser	Asset	Location	Mall and Retail Park GLA(sqm)	Other/ external areas	Ownership	Branch title/ Company branches	Opening date	Date of last extension / restilyng / remodeling	% owned	Form of ownership	No. of shops	No. of medium surfaces	No. of other external areas	Parking places	Main brands	Food Anchor	GLA food anchor
D&P	Galleria Commerciale I Bricchi	Isola d'Asti (AT)	**15,994**		IGD SIIQ SPA	IGD SIIQ SPA	**2009**	//	**100**	Frehold property (excluding hypermarket)	**24**	**5**		**1,450**	Deichmann	Il Gigante (not owned)	//
CBRE	Piastra Commerciale Mazzini	Livorno (LI)	**6,087**		IGD SIIQ SPA	IGD SIIQ SPA	**2014**	//	**100**	Freehold property	**23**	**1**			Unieuro, Coop	Coop	**1,440**
CBRE	Officine Storiche	Livorno (LI)	**16,449**		IGD SIIQ SPA	IGD SIIQ SPA	**2023**	//	**100**	Freehold property	**24**	**4**			McDonald's, JD Sports, Giochi Preziosi, Wappy		
	Centro Piave	San Donà di Piave (VE)	**11,618**		CSII SPA	DOMA Srl	**1995**	**2003**	//	Master Leasing	**42**	**5**		**1,500**	Cisalfa, Librerie Coop, Oviesse, Piazza Italia, Scarpe&Scarpe	Ipercoop	**15,826**
	Centro Nova	Villanova di Castenaso (BO)	**12,640**		CSII SPA E COPA IN HOLDING SPA	IGD SERVICE SRL	**1995**	**2008**	//	Master Leasing	**55**	**7**		**2,400**	H&M, Librerie Coop, Bershka, Pittarosso, Benetton, McDonald	Ipercoop	**18,268**
	Galleria CC Fonti del Corallo	Livorno (LI)	**7,105**	NB more kiosks GF - reduced GLA for restaurant area change 2F	Fondo Mario Negri	IGD SIIQ SPA	**2003**	//	//	Master Leasing	**55**	**2**		**1,600**	Oviesse, Librerie Coop, Bata, Swarovski	Ipercoop	

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> ROMANIA

Shopping Center	Location	Shopping center GLA (sqm)	Net Salling Area	Circulation (sqm) Rented	Rentable Warehouse/ office	Ownership	Opening date	Date extension / restilyng	% owned	Form of ownership	No. of shops	No. of medium surfaces	Parking places	Main brands	Food Anchor	GLA food anchor	Food anchor sales area GLA
Winmarkt Grand Omnia Center	Ploiesti	19,689	16,870	309	1,129	Win Magazin SA	1986	2015	100	Freehold property	109	//	400	Adidas, Levi's, Domo, Vodafone, Carrefour Market, DM Drogherie, Leonardo, Jolidon, Eponge, Banca Transilvania, KFC, Flanco, Pepco	Carrefour	1.215	1.215
Winmarkt Big	Ploiesti	4,864	2,776	442	1,016	Win Magazin SA	1976	2013	100	Freehold property	82	//		Banca Transilvania, Carrefour Market	Carrefour	882	700
Winmarkt	Galati	7,898	7,490	106	367	Win Magazin SA	1973	2005	100	Freehold property	36	//		H&M, B&B, Sevda, Jolidon, Bigotti, Massini, Pepco, CGS	Billa	827	569
Winmarkt	Ramnicu Valcea	7,913	7,684	51	166	Win Magazin SA	1973	2004	100	Freehold property	35	//		H&M, Carrefour Market, Eponge, Leonardo, Jolidon, DM Drogherie Markt, Domo	Carrefour	900	900
Winmarkt	Piatra Neamt	5,948	4,879	337	839	Win Magazin SA	1985	2014	100	Freehold property	67	//		H&M, Sevda, B&B Collection, Billa, Leonardo, Eponge, Pepco, Reshoes	Billa	878	520
Winmarkt	Braila	7,727	6,349	93	821	Win Magazin SA	1978	2004	100	Freehold property	45	//		Carrefour Market, Leonardo, Jolidon, Altex, Vodafone, Sevda, Pepco	Carrefour	673	550
Winmarkt	Buzau	5,302	4,953	32	314	Win Magazin SA	1975	2013	100	Freehold property	29	//		H&M, Carrefour Market, Leonardo, Pepco	Carrefour	800	650
Winmarkt	Tulcea	3,963	3,777	5	182	Win Magazin SA	1972	2002	100	Freehold property	27	//		H&M, B&B Collection, Leonardo, Altex, Fraher, Vodafone	Fraher	405	405
Winmarkt	Cluj Napoca	7,651	5,704	85	1,510	Win Magazin SA	1983	2011	100	Freehold property	36	//		Carrefour Market, DM Drogherie, Leonardo, Big Fitness	Carrefour	1.338	1.188
Winmarkt	Bistrita	5,131	4,799	61	392	Win Magazin SA	1984	2005	100	Freehold property	33	//		Altex, Leonardo, DM Drogherie, fast-food Pizzamania, Pepco			
Winmarkt	Alexandria	3,434	3,302	33	74	Win Magazin SA	1978	2013	100	Freehold property	31	//		Carrefour Market, Pepco, Eponge, Leonardo, Jolidon, Vodafone	Carrefour	680	680
Winmarkt	Slatina	6,086	4,833	29	1,102	Win Magazin SA	1975	2005	100	Freehold property	22	//		Altex, Telekom, B&B	Carrefour	553	505
Winmarkt	Vaslui	3,622	3,452	23	192	Win Magazin SA	1973	2006	100	Freehold property	26	//		Carrefour, Reshoes, Jolidon	Carrefour	527	527
Winmarkt	Turda	2,515	2,231	-	284	Win Magazin SA	1981	2007	100	Freehold property	9	//		Pepco			
TOTAL SHOPPING CENTERS		91,743	79,099	1.607	8,388												
Winmarkt Junior	Ploiesti	3,012	2,137	544	331	Win Magazin SA			100	Freehold property	2						

> LEASEHOLD PORTFOLIO

The real estate leasehold portfolio as of 31 December 2024 consists of 2 shopping malls for a total GLA of approximately 20,000 sqm located in Italy respectively in Villanova di Castenaso (BO) and Livorno.

> EQUITY INVESTMENTS IN FUNDS:

As of 31 December 2024, IGD SIIQ SpA holds equity investments in the following real estate funds:

Juice Fund: the fund, managed by Savills Investment Management SGR, consists of five hypermarkets and a supermarket distributed in the regions of Veneto, Tuscany, Marche and Emilia-Romagna, for a total GLA of approximately 54,000 sqm. The company's equity investment as of 31/12/24 is 40% of the value.

Food Fund: the fund, managed by Prelios SGR, consists of eleven hypermarkets/supermarkets and two Malls/RP distributed in the regions of Emilia Romagna, Lazio, Marche and Veneto for a total GLA of approximately 101,100 sqm. The company's equity investment as of 31/12/24 is 40% of the value.

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2.6.2 // Breakdown of freehold assets

The following table details the main changes in value during the financial year by asset class.

Amount in € million	IGD Group Investment Property						Direct development initiatives	Porta a Mare Project	Total investment property, land and development initiatives, assets held for sale	Right to use (IFRS16)	Assets held for sale	Total investment property, land and development initiatives, assets held for sale and right to use
	Hypermarkets and supermarkets	Shopping Malls Italy	Other	Total Italy	Total Romania	Total IGD Group	Plots of land and ancillary costs	Porta a Mare Project (+)				
Book value at 12.31.2023	**399.79**	**1,404.80**	**15.45**	**1,820.04**	**122.02**	**1,942.06**	**2.06**	**23.97**	**1.968,09**	**16.99**	**0.00**	**1,985.08**
Increase due to 2024 work	0.46	16.91	0.16	17.53	1.06	**18.59**	0.00	0.90	**19.49**	0.00	0.00	**19.49**
Asset disposal	(209.20)	(56.94)	0.00	(266.14)	0.00	**(266.14)**	0.00	(2.08)	**(268.22)**	0.00	0.00	**(268.22)**
Capital gains from asset disposal	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	**0.00**	0.00	0.00	**0.00**
Reclassification from asset under construction	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	**0.00**	0.00	0.00	**0.00**
Reclassification from space remodelling	0.00	0.00	0.00	0.00	0.00	**0.00**	0.00	0.00	**0.00**	0.00	0.00	**0.00**
Reclassification to asset held for sale	0.00	0.00	0.00	0.00	(8.52)	**(8.52)**	0.00	0.00	**(8.52)**	0.00	8.52	**0.00**
Net revaluation/ writedowns	(7.45)	(10.46)	(0.62)	(18.53)	(5.91)	**(24.44)**	0.11	(0.85)	**(25.18)**	(6.70)	0.00	**(31.88)**
Book value at 12.31.2024	**183.60**	**1,354.31**	**14.99**	**1,552.90**	**108.65**	**1,661.55**	**2.17**	**21.94**	**1,685.66**	**10.29**	**8.52**	**1,704.47**

2.6.2.1 // Italy

> Hypermarkets and supermarkets

Five hypermarkets in IGD's real estate portfolio are leased to the Coop Alleanza 3.0 Group (formerly Coop Adriatica Scarl), the remaining six to national and local brands (Gruppo Unicoop Tirreno Soc. Coop., Gruppo Radenza and Superconveniente) with long-term contracts. The rents are indexed to 75% of the ISTAT index.

Ordinary and extraordinary maintenance relating to the systems and internal construction of the buildings are expected to be borne by the tenant.

The hypermarket class as of 31 December 2024 was valued by independent experts CBRE, Kroll, C&W and JLL with the following proportion based on the impact on fair value:

Hyper/Supermarkets	12/31/2024
C&W	**24%**
CBRE	**13%**
KROLL	**10%**
JLL	**54%**
TOTAL	**100%**

For this asset class, all appraisers used the discounted cash flow (DCF) method. CBRE, C&W and JLL have used a standard term of ten years, while KROLL has adopted a variable term, determined by the expiration of the existing lease and the subsequent year of renegotiation of the spaces at market value.

The total fair value of the Hyper/Super class was valued €183.60 million, recording a reduction in value of -54.07% (-216.17 million euros in absolute terms) compared to the same period of 2023. This decrease is due to the exit from the perimeter, in the first half of 2024, of 11 hyper/super stores following the sale of the FOOD portfolio.

On a like-for-like basis, the Hyper/Super asset class recorded a decrease of 3.67% (-5.4 million euros in absolute value), attributable to the remodelling of Le Porte di Napoli shopping center, which led to the reduction of the surface area of the Hyper of Le Porte di Napoli shopping center.

Compared to the same period in 2023, the average discount rate, on a like-for-like basis, recorded a contraction of 15 bps, falling to 7.16%. This decline was influenced by the reduction in the average inflation rate estimated in the DCFs compared to that applied the previous year.

The average gross exit yield in the two semesters of 2024 remained essentially unchanged compared to 31 December of the previous year. Indeed, as of 31 December 2024, it stood at 6.85%, recording an increase of 1 basis point compared to December 2023 and of 3 basis points compared to June 2024.

Once again on a like-for-like basis, the weighted average gross initial yield was 6.80%, recording an increase of 22 basis points compared to 31 December 2023 and of 24 basis points compared to the previous half-year. This increase was partly driven by the indexation of rents and the reduction in the fair value of the asset class.

The occupancy rate of the Hyper asset class is confirmed at 100%.

> Shopping Malls and Retail Parks

The "Shopping malls and retail parks" class as of 31 December 2024 was valued by independent experts CBRE, Kroll, C&W and JLL with the following proportion based on the impact on fair value:

Malls/RP	12/31/2024
C&W	**27%**
CBRE	**30%**
KROLL	**27%**
JLL	**16%**
TOTAL	**100%**

For this asset class, all appraisers used the discounted cash flow (DCF) method. The CBRE, C&W and JLL adopted a standard duration of 10 years, while KROLL used a standard duration of 15 years.

In the first half of 2024, the perimeter of the Malls/RP asset class recorded a reduction of two units following the sale of the Food portfolio.

As of 31 December 2024, the total fair value of this asset class was estimated to be €1,354.3 million, recording a reduction of -3.60% (-50.5 million euros in absolute terms) compared to the same period of 2023. The significant reduction in FV is mainly due to the reduction of two units in the perimeter following the disposal of the Food portfolio, as previously reported. On a like-for-like basis, the FV recorded an increase of 0.51% (+6.9 million euros in absolute terms), partly due to the increase in GLA of Le Porte di Napoli following the reduction of the hypermarket, but mainly to the improvement in the NOI of the malls thanks to the reduction in vacancy, the increase in the average MGR and consequently in the ERV.

On a like-for-like basis, the average discount rate of the Malls and RP asset class decreased 11 bps compared to the same date in 2023 and 7 bps compared to the prior half, at 8.34%. As for the Hyper/Super asset class, the reduction in the discount rate was influenced by the trend in the estimated average inflation rate used in the DCF.

Once again on a like-for-like basis, the weighted average gross exit yield decompressed 6.80 bps on 31 December 2023, and of 5 bps compared to the previous half, settling at 8.60%. The decompression of the exit rate was influenced by the disposals of retail assets that occurred during the year at "speculative" rates by sellers who had been looking to sell for a long time or for assets that required significant investments to be adequate for the commercial and ESG needs of the market.

Once again on a like-for-like basis, the weighted average gross initial yield was 7.72%, increasing 24 bps year on year and of 9 bps compared to the previous half-year, substantially due to the improvement of the malls' NOI.

The financial occupancy rate was 94.67%, showing a like-for-like improvement of 51 and 29 basis points respectively, compared to 31 December 2023 and the previous half-year.

> Development Projects

As of 31 December 2024, the asset class was valued by independent expert CBRE using the transformation method. At the same date, the fair value was estimated at 2.17 million euros, recording an increase of 5.5% compared to the same date in 2023 (+114 thousand euros in absolute terms) and of 18.13% compared to the previous half-year (+334 thousand euros in absolute terms) due to the hypothesis of a lower use of equity in the valuation model motivated by the improvement in credit access conditions.

> "Porta a Mare" Project

As of December 31, 2024, the assets of Porta Medicea, the company that owns the Porta a Mare Project, were valued by the appraisers CBRE for the Mazzini and Officine sub-areas, and by the Kroll company for the Molo, Lips and Arsenale sub-areas. For this asset class, all appraisers used the discounted cash flow (DCF) method.

As of 31 December 2024, the remaining development/sale of the Project is divided into the following sub-areas:

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> Mazzini: consisting of one private enclosed parking unit, three residential parking places, thirty leased enclosed garage units and a private parking lot open to the public with one hundred parking spaces.

> Officine storiche (retail, residential with appurtenances, private parking spaces open to the public): a residual total GFA (gross floor area) of 911 sqm of yet unsold residences. Work on this area started in the first half of 2015 and, at the end of 2024, consisted of 8 residential units, 12 garages and a private car park for public use with one hundred parking spaces.

> Lips: land with building permits covering a GFA of 15,867 sqm, to be used for retail, tourist services, hotel and temporary residencies.

> Molo Mediceo: land with building permit for 7,350 GFA, to be used for retail, tourism, hotel and temporary residencies.

> Arsenale: land with building permit covering GFA of 7,771 sqm, to be used for retail, tourism, hotel and temporary residencies.

The overall market value of this class of assets, in the 2024 year-end valuations, was €21.94 million, recording a reduction in value of 8.47% (-2.0 million euros in absolute terms) compared to the same period of the previous year and of 8.24% (-1.97 million euros in absolute terms) compared to the prior half. The decrease in fair value is a result of the sales of residential units and appurtenances in the residential sector within the Officine area.

The Porta a Mare project, as of 31 December 2024, was valued by independent appraisers Kroll and CBRE based on the following fair value percentages:

Trading	12/31/2024
CBRE	23%
KROLL	77%
TOTAL	100%

> Other

At 31 December 2024, the asset class "Other" was valued €14.99 million, lower by €0.47 million (-3.03%) compared to the same date in 2023 and of -€0.29 million (-1.91%) compared to the prior half. This variation is attributable to the decrease in the MGR of the property used as a guesthouse.

The valuation of this asset class was conducted by independent experts CBRE, Kroll and JLL, with the following breakdown in relation to fair value:

Other	12/31/2024
CBRE	14%
KROLL	2%
JILL	84%
TOTAL	100%

For this asset class, all appraisers used the discounted cash flow (DCF) method.

2.6.2.2 // Romania

The Winmarkt class at 31 December 2024 was valued by independent experts CBRE, Kroll, C&W and JLL with the following proportion based on the impact on fair value:

Romania	12/31/2024
CBRE	41%
KROLL	59%
TOTAL	100%

As of 31 December 2024, the overall fair value of this asset class was estimated to be €117.16 million, a decrease of 3.98% (-4.87 million euros in absolute terms) compared to the same period the previous year and 2.15% (-2.58 million euros) compared to the first half of 2024. The contraction in value is concentrated in the Malls asset class.

At 31 December 2024, the malls' fair value was €114.26 million, a decrease of 4.08% on 31 December 2023 and 2.12% compared to the first half of 2024. This decline is attributable to economic aspects, including the reduction of the average MGR, the increase in vacant spaces and the inclusion in the DCF of capex forecasts concentrated on the malls held for sale, as foreseen in the plan.

The weighted average discount rate of the malls increased 0.32% compared to 31 December 2023 and 0.30% compared to the previous half, settling at 9.25%. This growth is related to the estimated inflation rate increase in DCF.

The average gross exit yield also decompressed, increasing 0.22% year-on-year and 0.03% compared to the previous half, settling at 9.42%.

The weighted average gross initial yield rose to 9.02%, up 0.43% from the previous year and 0.29% from the first half of 2024, as a direct consequence of the lower fair value.

After a decline in the first half of 2024, the financial occupancy rate of Winmarkt Mall showed a partial recovery in the second half, to 95.83%, 38 bps down from 31 December 2023.

> KEY SUMMARY DATA AS OF 12/31/2024:

	No. of assets	Gross leasable area GLA (sqm)	Gross initial yield	Gross cap out	Weighted discount rate	Financial occupancy rate	Yearly rent/sqm	Erv/sqm
Hypermarkets and supermarkets	8	81,800	6.80%	6.85%	7.16%	100%	151	145
Shopping malls Italy	25	439,700	7.72%	8.60%	8.34%	94.67%	232	240
Total Italy Hypermkts and Malls	33	521,500	7.50%	8.39%	8.20%	95.21%	218	225
Shopping Malls Romania	14	92,900	9.02%	9.42%	9.25%	95.83%	104	110
Total hypermkts and shopping malls Gruppo IGD	47	614,400	7.70%	8.46%	8.27%	95.25%	201	208

> KEY SUMMARY DATA AT 12/31/2023:

	No. of assets	Gross leasable area GLA (sqm)	Gross initial yield	Gross cap out	Weighted discount rate	Financial occupancy rate	Yearly rent/sqm	Erv/sqm
Hypermarkets and supermarkets	19	170,100	6.82%	6.97%	7.33%	100%	148	140
Shopping malls Italy	27	447,100	7.52%	8.42%	8.50%	94.28%	227	231
Total Italy Hypermkts and Malls	46	617,200	7.37%	8.09%	8.24%	95.36%	203	205
Shopping Malls Romania	14	92,400	8.59%	9.20%	8.92%	96.21%	99	99
Total hypermkts and shopping malls Gruppo IGD	60	709,600	7.30%	7.94%	8.07%	95.42%	189	191

The following table shows the real estate investments, the main development projects and the details of the accounting criteria adopted:

Category	Book value 12/31/2024	Accounting method	Market value 12/31/2024	Book value 12/31/2023	Change
IGD Group Real Estate Investments					
Hypermarkets and supermarkets	183.60	fair value	183.60	399.77	(216.17)
Shopping malls Italy	1,354.31	fair value	1,354.31	1,404.82	(50.51)
Other	14.98	fair value	14.98	15.44	(0.46)
Total Italy	1,552.88		1,552.89	1,820.03	(267.14)
Shopping malls Romania	105.74	fair value	105.74	119.12	(13.38)
Other Romania	2.90	fair value	2.90	2.90	0.00
Total Romania	108.64		108.64	122.02	(13.38)
Total IGD Group	1,661.52		1,661.53	1,942.05	(280.52)

Category	Book value 12/31/2024	Accounting method	Market value 12/31/2024	Book value 12/31/2023	Change
Plots of land and ancillary costs	**2.17**	**Adjusted cost / Fair value**	**2.17**	**2.06**	**0.11**
Direct Development Initiatives	**2.17**		**2.17**	**2.06**	**0.11**

Category	Book value 12/31/2024	Accounting method	Market value 12/31/2024	Book value 12/31/2023	Change
Porta a Mare project	**21.96**	**Adjusted cost / Fair value**	**21.96**	**23.99**	**(2.03)**
Total Porta a Mare project	**21.96**		**21.96**	**23.99**	**(2.03)**

Category	Book value 12/31/2024	Accounting method	Market value 12/31/2024	Book value 12/31/2023	Change
Right to use (IFRS 16)	**10.28**	**fair value**	**10.28**	**16.98**	**(6.69)**
Total right to use	**10.28**		**10.28**	**16.98**	**(6.69)**

Category	Book value 12/31/2024	Accounting method	Market value 12/31/2024	Book value 12/31/2023	Change
Assets held for sale	**8.52**	**fair value**	**8.52**	**0.00**	**8.52**
Assets held for sale	**8.52**		**8.52**	**0.00**	**8.52**

Property investments, plots of land and development initiatives, assets held for trading and right to use	Book value 12/31/2024		Market value 12/31/2024	Book value 12/31/2023	Change
Total	**1,704.47**		**1,704.46**	**1,985.08**	**(280.62)**

The following table shows a detail of key direct development project:

PROJECT	TYPE	LOCATION	GLA	COMPLETION DATE	EXPECTED INVESTMENT	BOOK VALUE AT 12.31.2024 (Mln/€)	% HELD	STATUS
Porto Grande	Extension	Porto d'Ascoli (AP)	5,000 sqm	Jun 25	approx. 9.9 Mln/€	2.17	100%	Planning stage completed. All the building permits and authorisation for preletting activities have been issued
Total						**2.17**		

2.7 // Real Estate Appraisals

CUSHMAN & WAKEFIELD

Via Filippo Turati, 16/18
20121 Milano
Tel +39 02 63799 1
Fax +39 02 63799 250
PEC: finance@pec.cwllp.it
cushmanwakefield.it

IGD-GRUPPOIGD-VALCERTPERBILANCIO-241231-01-ENG

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TO:	**GRUPPO IGD** VIA TRATTATI COMUNITARI EUROPEI 1957-2007, 13 40127 BOLOGNA] ITALY
ATTENTION:	**MR. ROBERTO ZOIA**
PROPERTY:	**REAL ESTATE PORTFOLIO**
REPORT DATE:	**24 JANUARY 2025**
VALUATION DATE:	**31 DECEMBER 2024**
OUR REFERENCE:	*VAL/CLI/IGD-GRUPPOIGD-VALCERTPERBILANCIO-241231-01-ENG*

1. INSTRUCTIONS

1.1 APPOINTMENT

We are pleased to submit our report and valuation (the "Valuation Report"), which has been prepared in accordance with the Engagement Letter entered into between us dated 5 April 2023 and the following Perimeter Update Letter dated 9 May 2024, a copy of which is to be found at the back of this document. This letter and the terms set out there in constitute the "Terms of Business", which form an integral part of this Valuation Report.

Therefore, it is essential to understand that the contents of this Valuation Report are subject to the various matters we have assumed, which are referred to and confirmed as Assumptions in the Valuation Services Schedule (which forms part of the Terms of Business). Where Assumptions detailed in the Valuation Services Schedule are also referred to within this Valuation Report they are referred to as an "assumption" or "assumptions". Unless otherwise defined, all capitalised terms herein shall be as defined in the Terms of Business.

We have valued the property interest detailed in the Individual Report attached at Section A of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA*.

Detailed reports relating to the Properties are enclosed under Section A of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA*.

C & W (U.K.) LLP è iscritta nel ruolo degli agenti d'affari in mediazione al N. 14936 del 8/5/2008 C.C.I.A.A. di Milano – Registro Imprese di Milano N. 06159600961 – R.E.A. N. 1873621. Sede secondaria: Via Filippo Turati 16/18, 20121 Milano - Codice Fiscale e Partita IVA N. 06159600961.
C & W (U.K.) LLP è una partnership a responsabilità limitata (Limited Liability Partnership) registrata in Inghilterra e Galles con il N. OC328588, con sede legale a Londra, EC2N 1AR, 125 Old Broad Street. Ne sono membri Cushman & Wakefield (U.K.) Ltd e Cushman & Wakefield Debenham Tie Leung Limited.

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DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

1.2 THE PROPERTIES

We are instructed to provide our opinion of Market Value of the portfolio including the following Properties:

PORTFOLIO GRUPPO IGD			
#	City	Province	Centre
1	Rovereto	TN	Shopping Gallery Millenium
2	Forlì	FC	Shopping Gallery Punta di Ferro
3	Ravenna	RA	Shopping Gallery ESP
4	Sarzana	SP	Shopping Gallery Luna
5	Mantova	MN	Retail Gallery and Retail Park La Favorita
6	Crema	CR	Shopping Gallery Gran Rondò
7	Ravenna	RA	Ipercoop ESP

1.3 COMPLIANCE WITH RICS "RED BOOK"

We confirm that the valuation and Valuation Report have been prepared in accordance with the RICS Valuation – Global Standards, which incorporate the International Valuation Standards ("IVS") and the RICS UK Valuation Standards (the "RICS Red Book"), edition current at the Valuation Date. It follows that the valuations are compliant with IVS.

1.4 STATUS OF VALUER AND CONFLICTS OF INTEREST

We confirm that all valuers who have contributed to the valuation have complied with the requirements of PS1 of the RICS Red Book. We confirm that we have sufficient current knowledge of the relevant markets, and the skills and understanding to undertake the valuation competently. We confirm that Mariacristina Laria MRICS has overall responsibility for the valuation and is in a position to provide an objective and unbiased valuation and is competent to undertake the valuation. Finally, we confirm that we have undertaken the valuation acting as an External Valuer as defined in the RICS Red Book.

The valuation was prepared by the team of professionals of C&W V&A and reviewed by Mariacristina Laria MRICS and Joachim Sandberg FRICS. C & W (U.K.) LLP has been signatory to valuations provided to the Client for the same purpose as the report, for the retail gallery Gran Rondo in Crema from June 2014 to December 2015 and for the retail gallery Millenium in Rovereto from June 2015 until December 2018. The entire portfolio has been valued on 30/06/2023, 31/12/2023 and 30/06/2024 in relationship with the engagement letter. Prior to June 2014, C & W (U.K.) LLP had no previous involvement in the valuation. In our most recent financial year, C & W (U.K.) LLP received less than 5% of its total fee income from the Client.

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1.5 PURPOSE OF VALUATION

We have been instructed to prepare this valuation for accounting purposes.

The subject Valuations are not intended to be due diligence. Therefore, it is likely that a potential buyer before proceeding with the purchase of the Properties may require further advice or clarification on such issues that may affect the Market Values which we have estimated. We recommend you draw particular attention on the assumptions on which our valuations have been prepared.

1.6 BASES OF VALUATION

The valuation has been prepared on the basis of Market Value and Market Rent and adopts the following definitions contained in the Red Book:

MARKET VALUE

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

MARKET RENT

"The estimated amount for which a property would be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion".

1.7 SPECIAL ASSUMPTIONS

A Special Assumption is referred to in the Glossary in the RICS Red Book as an assumption that "either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date", ("Special Assumption").

This valuation is not subject to any Special Assumptions.

1.8 DEPARTURES

We have made no Departures from the RICS Red Book.

1.9 RESERVATIONS

The valuation is not subject to any reservation.

1.10 INSPECTION

Details of our inspection of the Property are included in the Individual Report section of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA.*

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

1.11 MEASUREMENT

Unless specified otherwise, floor areas and analysis in this Valuation Report are based on the areas provided to us and calculated as per local market practice. Details of the floor areas of the Property are included in the Individual Report section of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA*.

1.12 ACCOMMODATION

Source of Floor Areas

We adopted floor areas provided by Gruppo IGD.

1.13 ESG COMMENTARY

ESG is an increasingly important factor in the European real estate market. The European Union and the UK have committed to net zero carbon by 2050, with legislation already in place to reduce CO2 emissions from buildings. We consider it likely that further legislation and regulations will be introduced in coming years. Alongside this, occupiers and investors in some sectors are becoming more particular in the ESG aspects of the buildings they choose to occupy or purchase.

The existence of a green premium for the more environmentally sustainable buildings is a matter of ongoing market monitoring, investigation and debate. Appropriate levels of market evidence have yet to be established to demonstrate fully whether additional value can be ascribed to such buildings.

However, it should be noted that the market is evolving due to the focus from both occupiers and investors on a property's sustainability credentials. We expect that awareness of ESG matters will increase throughout all sectors of the property market.

However, where there is explicit income from renewable energy sources, such as solar panels, or there are explicit costs provided to us by the Client to ensure that the Property meets certain ESG legal requirements, then this income/costs are reflected in the valuation. This is in line with the latest guidance from the RICS.

1.14 SOURCES OF INFORMATION

In addition to information established by us, we have relied on the information obtained from you, listed in the Individual Report section of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA*.

We have made the assumption that the information provided by you, in respect of the Property we have valued is both full and correct. We have made the further assumption that details of all matters relevant to value within your and their collective knowledge, such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to us, and that such information is up to date.

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1.15 GENERAL COMMENT

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or Special Assumptions. A valuation is not a fact, it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer's opinion of value would exactly coincide with the price achieved were there an actual sale at the Valuation Date.

Property values can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the date of valuation were to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you contemplate a sale, we strongly recommend that the Property is given proper exposure to the market.

A copy of this Valuation Report should be provided to your solicitors and they should be asked to inform us if they are aware of any aspect which is different, or in addition, to that we have set out; in which case we will be pleased to reconsider our opinion of value in the light of their advice and opinions.

1.16 CURRENCY

The Properties have been valued in local currency.

2. GENERAL PRINCIPLES

Our valuations and their contents are subject to the general Assumptions contained in our 'General Valuation Principles' enclosed in the body of this report and to the terms stated in our proposal. We report below the main terms.

Unless otherwise stated in the Full Valuation Reports *Ref IGD-GruppoIGD-CertVal-241231-01-ITA*, our valuations assume the Properties are effectively freehold. We have assumed that the Properties have a good and marketable title, free from any unusually onerous restrictions, covenants or other encumbrances.

Should the lease contracts contemplate a pre-emption right in favor of the tenant, our valuations are based on the assumption that this right does not have any impact on our estimate of the Market Value of the Property.

Unless otherwise stated in the Full Valuation Reports *Ref. IGD-GruppoIGD-CertVal-241231-01-ITA*, our valuations are on the basis that the Properties have been erected in accordance with a valid planning permission and are being occupied and used without any contravention.

According to our proposal, we have not investigated the presence of harmful or hazardous substances in the Properties. In the absence of information to the contrary,

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

we based our valuations on the assumption that there are no such substances and that each Property has been properly built.

According to our proposal, we have not carried out technical surveys of the Properties nor verified the maintenance conditions of plants and machinery. In any case, our valuations take into consideration the information supplied to us and any defect which we have noted during our cursory visits to the Properties. However, our valuations are on the basis that there are no latent defects, wants of repair or other matters which would materially affect our valuations.

Should you be aware of any information contrary to the content of the subject paragraph, we recommend that this is referred back to us to enable us to amend our valuation accordingly.

3. VALUATION METHODOLOGY

In the following paragraph, we provide a brief description of the methodology used to arrive at the Market Value of the Properties. For further details, please refer to the single reports of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA.*

3.1 DCF ANALYSIS (DISCOUNTED CASH FLOW ANALYSIS)

This methodology takes into account the income generated by the lease contract/s in place for the Property, the annual costs to be borne by the Landlord (e.g. management fees, IMU property tax, insurance costs), the expenses relating to the extraordinary maintenance, the void period before the re-letting of the asset at market rental levels and the sale of the asset once it will be fully let at market rent. The assumed holding period is 10 years. The exit value of the Property is obtained capitalizing the net income of the year following the last year of the cash flow at a net yield that takes into account the specific features of the asset in the market (location, material characteristics, state of repair and letting status). The exit value is then reduced by the sales costs. The net cash flows are discounted using an appropriate discount rate which reflects the specific risk relating to the specific real estate investment and takes into considerations all the variables that have been assumed in the cash flow. The algebraic sum of the discounted cash flows represents the gross value of the Property from which, once deducted the purchaser's costs, we obtain the Market Value.

We wish to point out that there are no comparable of Discount Rates (especially considering that the choice of the discount rate to be applied depends on further factors which are not available, as data relating to investment transactions). Once we have estimated Market Value on the basis of the DCF method, the result is compared to the rent to check whether the initial yield would be consistent with those expectations of return that investors require for similar type of investments. Therefore, to support the result of our valuations, we use the Direct Capitalization methodology.

4. VALUATION

Subject to the contents of this Valuation Report, our opinion of the Market Value of the freehold interest in the Properties as at the Valuation Date is:

€400,400,000
(Fourhundredmillionandfourhundredthousand Euro)

The above is an aggregated figure of the individual values for each Property in the portfolio. Please note that the Properties have been valued individually and assuming that each of the Properties would be marketed in an orderly way and not placed on the market at the same time. If the portfolio were to be sold as a single lot or in groups of properties, the total value could differ significantly.

Single Valuation Reports are enclosed under Section A of *Ref: IGD-GruppoIGD-CertVal-241231-01-ITA.*

As per your request we report in the following table the Values gross of purchaser's costs, which is equal to €406,415,769.

5. CONFIDENTIALITY

The contents of this Valuation Report and appendices are confidential to you, for your sole use only and for the Purpose of Valuation as stated.

Such publication or disclosure will not be permitted unless, where relevant, it incorporates adequate reference to our Terms of Business and the Special Assumptions and/or Departures from the RICS Red Book referred to herein. For the avoidance of doubt, such approval is required whether or not C & W (U.K.) LLP is referred to by name and whether or not the contents of our Valuation Report are combined with others.

6. DISCLOSURE

You must not disclose the contents of this valuation report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or our valuation report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any Special Assumptions or Departures that we have made.

This Valuation Report or any part of it may not be modified, altered (including altering the context in which the Valuation Report is displayed) or reproduced without our prior written consent. Any person who breaches this provision shall indemnify us against all claims, costs, losses and expenses that we may suffer as a result of such breach.

We hereby exclude all liability arising from use of and/or reliance on this Valuation Report by any person or persons except as otherwise set out in the Terms of Business.

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2.7 REAL ESTATE APPRAISALS

7. RELIANCE

This Valuation Report may be relied upon only in connection with the Purpose of Valuation stated and only by:

(i) you;

(ii) by such other parties who have signed a Reliance Letter.

For the avoidance of doubt, the total aggregate limit of liability specified in the Terms of Business (the "Aggregate Cap") shall apply in aggregate to (i) you (ii) such other parties who have signed a Reliance Letter. Apportionment of the Aggregate Cap shall be a matter for you and such other third parties alone.

C & W (U.K.) LLP

Attachments part of this report:

SECTION A TERMS OF BUSINESS

Valuation Report

Report Date 10/02/2025

Valuation Date 31 December 2024

Current Market Volatility We draw your attention to current heightened geopolitical tensions, which combined with low economic growth in many major countries and a "higher for longer" interest rate sentiment, has increased the potential for constrained credit markets and more caution from investors. This has resulted in negative capital value movements and continued volatility in some property markets which in turn is impacting on transactional activity.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Development Appraisals The value of development project is is traditionally volatile and can be subject to rapid changes of value in short timeframes. Assets in the course of development appeal to a specific type of purchasers and can be significantly impacted by many factors such as broader economic conditions, fluctuating levels of supply and demand for the product, changes in building costs and the availability and cost of development finance. All these (and more) factors could have a significant impact on the value and demand for the subject properties.

Going forward there will be several key factors impacting on the viability of projects and their underlying land values. In addition, we also note that ongoing monitoring and governance of banking systems may significantly restrict development capital and increase the cost of development finance.

As experienced in previous market cycles, the value of development projects can undergo rapid and significant price corrections, as supply, demand and cost factors change. The Intended User is strongly advised to consider this inherent risk in their investment and lending decisions. Lending and investment caution is advised in this regard.

Construction Cost Volatility Material costs, labour costs and supply chains remain volatile with the market experiencing price increases in some, or all these areas during 2023. This has created significant uncertainty in cost estimates, which is likely to continue. In addition, there are significant risks that delays may be encountered in sourcing materials and labour, and as such, delivery risks are also heightened in this climate.

This may place additional pressure on both the developer's and builder's profit margins and development viability.

These inherent risks should therefore be given careful consideration in lending and investment decisions. Caution is advised in this regard.

Building Contracts Current supply issues associated with some building material shortages are impacting on construction costs and timing.

Unexecuted construction/building contracts may be subject to price increases and executed contracts may contain conditions which allow the builder to pass any increases onto the applicant.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

We recommend the client/reliant party obtains appropriate advice to confirm there are no adverse conditions within the final construction/ building contract and/or ensure the applicant has additional funds are available to cover potential cost escalations.

Rising building costs and shortages of labour and materials may also affect the builder's viability and/or ability to meet construction timeframes. In this climate, we strongly recommend the lender verify the experience and financial capability of the builder to complete the project on time and on budget. Caution is advised in this regard.

In the absence of any information to the contrary, we have assumed that the construction contract and any warranties will be assignable, [in the event of the property being repossessed by the lender].

Addressee IGD SIIQ SpA

Via Trattati Comunitari Europei 1957-2007, n.13

40127 Bologna (BO)

Properties Description At the valuation date, the assets are the following:

Portfolio in Italy

PROPERTY	ASSET TYPE	ASSET NAME	ADDRESS	TOWN
IGD SIIQ	Gallery	CENTRO SARCA	Via Milanese 10,	Sesto San Giovanni
IGD SIIQ	Gallery	PORTE DI NAPOLI	Via Santa Maria la Nova 1	Afragola
IGD SIIQ	Hyper	PORTE DI NAPOLI	Via Santa Maria la Nova 1	Afragola
IGD SIIQ	Gallery	LE MAIOLICHE	1/3 Via Bisaura	Faenza
IGD SIIQ	Hyper	LE MAIOLICHE	1/3 Via Bisaura	Faenza
IGD SIIQ	Gallery + Retail Park	MONDOVICO	15 Piazza Cerea	Mondovì
IGD SIIQ	Gallery	I BRICCHI	2 Strada Pratoboschiero	Isola d'Asti
IGD SIIQ	Gallery	PORTO GRANDE	Via Pasubio 144	Porto Grande
IGD SIIQ	Gallery	NUOVA DARSENA	Via Darsena, 73 - 81	Ferrara
IGD SIIQ	Gallery + Hyper	PIAZZA MAZZINI	Via Gaetano D'Alesio 2	Livorno
IGD SIIQ	Gallery	OFFICINE STORICHE	Via Edda Fagni 15	Livorno
ALLIANCE SIINQ	Shop	AQUILEIA	112 Via Aquileia	Ravenna
IGD SIIQ	Investment	PORTA A MARE - Livorno	Porta a Mare	Livorno

Portfolio in Romania

PROPERTY	ASSET TYPE	ASSET NAME	TOWN
Winmagazine	Shopping Centre	Galati	Galati
Winmagazine	Shopping Centre	Cluj	Cluj
Winmagazine	Shopping Centre	Braila	Braila
Winmagazine	Shopping Centre	Tulcea	Tulcea
Winmagazine	Shopping Centre	Buzau	Buzau
Winmagazine	Shopping Centre	Piatra	Piatra
Winmagazine	Shopping Centre	Turda	Turda
Winmagazine	Shopping Centre	Bistrita	Bistrita
Winmagazine	Shopping Centre	Vaslui	Vaslui

Ownership Purpose Investment

Instruction To value the unencumbered Freehold interest in the properties on the basis of Fair Value as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee(s) dated 19 Aprile 2023

Capacity of Valuer Independent Valuer, as defined in our instructions.

Purpose The valuation is to be used for Financial Reporting for incorporation within the Company's accounts purposes only and no other purpose is permitted.

Fair Value in accordance with IFRS 13 **€ 485,605,500 (EUROS) exclusive of VAT.**

We confirm that the "Fair Value" reported above, for the purpose of financial reporting under International Financial Reporting Standards (IFRS), is effectively the same as "Market Value".

Where a property is owned by way of a joint tenancy in a trust for sale, or through an indirect investment structure, our valuation represents the relevant apportioned percentage of ownership of the value of the whole property, assuming full management control. Our valuation does not necessarily represent the value of the interests in the indirect investment structure through which the property is held.

Our opinion of Fair Value (IFRS 13) is based upon the Scope of Work and Valuation Assumptions attached – and has been primarily derived using comparable recent market transactions on arm's length terms.

Service Agreement Our opinion of value is based upon the Scope of Work and Valuation Assumptions attached.

However, for the avoidance of doubt, we confirm that our Valuation has been prepared in accordance with the Valuation assumptions provided by Bank of Italy for Reit Fund and contained in the current version of the "Regolamento sulla gestione collettiva del risparmio - Titolo V, Capitolo IV, Sezione II, paragrafi 2.5 'Beni Immobili' and 4, 'Esperti indipenden.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

Special Assumptions	None.
Compliance with Valuation Standards	The valuation has been prepared in accordance with the current version of the RICS Valuation – Global Standards, which incorporate the International Valuation Standards ["the Red Book"]. We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently. Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book. This valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject property. This valuation is for the sole purpose of providing the intended user with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.
Sustainability Considerations	For the purposes of this report, we have made enquiries to ascertain any sustainability factors which are likely to impact on value, consistent with the scope of our terms of engagement. Sustainability encompasses a wide range of physical, social, environmental, and economic factors that can affect the value of an asset, even if not explicitly recognised. This includes key environmental risks, such as flooding, energy efficiency and climate, as well as design, legislation and management considerations - and current and historic land use. CBRE are currently gathering and analysing data around the four key areas we feel have the most potential to impact on the value of an asset: – Energy Performance – Green Certification – Sources of Fuel and Renewable Energy Sources – Physical Risk/Climate Risk Where we recognise the value impacts of sustainability, we are reflecting our understanding of how market participants include sustainability factors in their decisions and the consequential impact on market valuations.
Assumptions	The properties details on which the valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below. If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figure may also be incorrect and should be reconsidered.
Variation from Standard Assumptions	None.

Valuer	The properties have been valued by a valuer who is qualified for the purpose of the Valuation in accordance with the current edition of the RICS Valuation – Global Standards (the Red Book)
Independence	The total fees, including the fee for this assignment, earned by CBRE Valuation S.p.A. [or other companies forming part of the same group of companies within the Italy] from the Addressee [or other companies forming part of the same group of companies] is less than 5.0% of the total Italy revenues.
Conflicts of Interest	We confirm that on your behalf we have valuated the property called Piazza Mazzini and Porta a Mare on a semestral basis and that this Assignment represents a renewal of the existing agreements with you and does not involve a conflict of interest. We further confirm that none of the above valuers, nor CBRE, has had, nor does it currently have, any material involvement in the other Properties of the subject perimeter, with you and/or the current owner, and has no personal interest in the outcome of the assessment - nor are we aware of any conflicts of interest that would prevent us from exercising the necessary levels of independence and objectivity. Copies of our conflict of interest checks have been retained within the working papers.
Disclosure Financial	CBRE Valuation S.p.A. has carried out, Valuation and Professional services on behalf of the addressee for 15 years and over.
Reliance	The contents of this Report may only be relied upon by: (i) Addressees of the Report; and (ii) Parties who have received prior written consent from CBRE in the form of a reliance letter; for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.
Publication	Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval. Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Red Book or the incorporation of the special assumptions referred to herein.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

Yours faithfully

Davide Cattarin

Davide Cattarin

Managing Director

For and on behalf of
CBRE Valuation S.p.A.

+39 02 9974 6900
Davide.Cattarin@cbre.com

Yours faithfully

Elena Gramaglia MRICS

Director

MRICS Registered Valuer

For and on behalf of
CBRE Valuation S.p.A.

+39 02 9974 6900
Elena.Gramaglia@cbre.com

CBRE Valuation S.p.A.
Piazza degli Affari 2
20123 Milan
Project Reference 23-64VAL-0110

CBRE – Valuation & Advisory Services
T: 02 9974 6000
F: 02 9974 6050
W: www.cbre.it

RICS Regulated by RICS

Valuation Report

Report Date 10/02/2025

Valuation Date 31 December 2024

Current Market Volatility We draw your attention to current heightened geopolitical tensions, which combined with low economic growth in many major countries and a "higher for longer" interest rate sentiment, has increased the potential for constrained credit markets and more caution from investors. This has resulted in negative capital value movements and continued volatility in some property markets which in turn is impacting on transactional activity.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect any heightened level of volatility and potential for changing market conditions.

It is important to note that the conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Addressee IGD SIIQ SpA

Via Trattati Comunitari Europei 1957-2007, n.13

40127 Bologna (BO)

Properties Description At the valuation date, the assets are the following:

Portafoglio Italy

PROPRIETÀ	TIPOLOGIA ASSET	DENOMINAZIONE	INDIRIZZO	LOCALITÀ
IGD SIIQ	Galleria	CENTRO SARCA	Via Milanese 10,	Sesto San Giovanni
IGD SIIQ	Galleria	PORTE DI NAPOLI	Via Santa Maria la Nova 1	Afragola
IGD SIIQ	Iper	PORTE DI NAPOLI	Via Santa Maria la Nova 1	Afragola
IGD SIIQ	Galleria	LE MAIOLICHE	1/3 Via Bisaura	Faenza
IGD SIIQ	Iper	LE MAIOLICHE	1/3 Via Bisaura	Faenza
IGD SIIQ	Galleria + Retail Park	MONDOVICO	15 Piazza Cerea	Mondovi
IGD SIIQ	Galleria	I BRICCHI	2 Strada Pratoboschiero	Isola d'Asti
IGD SIIQ	Galleria	PORTO GRANDE	Via Pasubio 144	Porto Grande
IGD SIIQ	Galleria	NUOVA DARSENA	Via Darsena, 73 - 81	Ferrara
IGD SIIQ	Galleria + Iper	PIAZZA MAZZINI	Via Gaetano D'Alesio 2	Livorno
IGD SIIQ	Galleria	OFFICINE STORICHE	Via Edda Fagni 15	Livorno
ALLIANCE SIINQ	Negozio	AQUILEIA	112 Via Aquileia	Ravenna

DIRECTORS' REPORT
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Portafoglio Romania

PROPRIETÀ	TIPOLOGIA ASSET	DENOMINAZIONE	LOCALITÀ
Winmagazine	Shopping Centre	Galati	Galati
Winmagazine	Shopping Centre	Cluj	Cluj
Winmagazine	Shopping Centre	Braila	Braila
Winmagazine	Shopping Centre	Tulcea	Tulcea
Winmagazine	Shopping Centre	Buzau	Buzau
Winmagazine	Shopping Centre	Piatra	Piatra
Winmagazine	Shopping Centre	Turda	Turda
Winmagazine	Shopping Centre	Bistrita	Bistrita
Winmagazine	Shopping Centre	Vaslui	Vaslui

Ownership Purpose Investment

Instruction To value the unencumbered Freehold interest in the properties on the basis of Fair Value as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee(s) dated 19 Aprile 2023.

Capacity of Valuer Independent Valuer, as defined in our instructions.

Purpose The valuation is to be used for Financial Reporting for incorporation within the Company's accounts purposes only and no other purpose is permitted.

Fair Value in accordance with IFRS 13 **€ 478,366,000 (EUROS) exclusive of VAT.**

We confirm that the "Fair Value" reported above, for the purpose of financial reporting under International Financial Reporting Standards (IFRS), is effectively the same as "Market Value".

Where a property is owned by way of a joint tenancy in a trust for sale, or through an indirect investment structure, our valuation represents the relevant apportioned percentage of ownership of the value of the whole property, assuming full management control. Our valuation does not necessarily represent the value of the interests in the indirect investment structure through which the property is held.

Our opinion of Fair Value (IFRS 13) is based upon the Scope of Work and Valuation Assumptions attached – and has been primarily derived using comparable recent market transactions on arm's length terms.

Service Agreement Our opinion of value is based upon the Scope of Work and Valuation Assumptions attached.

However, for the avoidance of doubt, we confirm that our Valuation has been prepared in accordance with the Valuation assumptions provided by Bank of Italy for Reit Fund and contained in the current version of the "Regolamento sulla gestione collettiva del risparmio - Titolo V, Capitolo IV, Sezione II, paragrafi 2.5 'Beni Immobili' and 4, 'Esperti indipenden.

Special Assumptions None.

Compliance with Valuation Standards The valuation has been prepared in accordance with the current version of the RICS Valuation – Global Standards, which incorporate the International Valuation Standards ["the Red Book"].

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently.

Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

This valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property.

Other valuers may reach different conclusions as to the value of the subject property. This valuation is for the sole purpose of providing the intended user with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.

Sustainability Considerations For the purposes of this report, we have made enquiries to ascertain any sustainability factors which are likely to impact on value, consistent with the scope of our terms of engagement.

Sustainability encompasses a wide range of physical, social, environmental, and economic factors that can affect the value of an asset, even if not explicitly recognised. This includes key environmental risks, such as flooding, energy efficiency and climate, as well as design, legislation and management considerations - and current and historic land use.

CBRE are currently gathering and analysing data around the four key areas we feel have the most potential to impact on the value of an asset:

- Energy Performance
- Green Certification
- Sources of Fuel and Renewable Energy Sources
- Physical Risk/Climate Risk

Where we recognise the value impacts of sustainability, we are reflecting our understanding of how market participants include sustainability factors in their decisions and the consequential impact on market valuations.

Assumptions The properties details on which the valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figure may also be incorrect and should be reconsidered.

Variation from Standard Assumptions None.

Valuer The properties have been valued by a valuer who is qualified for the purpose of the Valuation in accordance with the current edition of the RICS Valuation – Global Standards (the Red Book).

Independence The total fees, including the fee for this assignment, earned by CBRE Valuation S.p.A. [or other companies forming part of the same group of companies within the Italy] from the Addressee [or other companies forming part of the same group of companies] is less than 5.0% of the total Italy revenues.

Conflicts of Interest We confirm that on your behalf we have valuated the property called Piazza Mazzini on a semestral basis and that this Assignment represents a renewal of the existing agreements with you and does not involve a conflict of interest.

We further confirm that none of the above valuers, nor CBRE, has had, nor does it currently have, any material involvement in the other Properties of the subject perimeter, with you and/or the current owner, and has no personal interest in the outcome of the assessment - nor are we aware of any conflicts of interest that would prevent us from exercising the necessary levels of independence and objectivity.

Copies of our conflict of interest checks have been retained within the working papers.

Disclosure Financial CBRE Valuation S.p.A. has carried out, Valuation and Professional services on behalf of the addressee for 15 years and over.

Reliance The contents of this Report may only be relied upon by:

(i) Addressees of the Report; and

(ii) Parties who have received prior written consent from CBRE in the form of a reliance letter;

for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.

Publication Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval.

Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Red Book or the incorporation of the special assumptions referred to herein.

Yours faithfully

Davide Cattarin

Managing Director

For and on behalf of
CBRE Valuation S.p.A.

+39 02 9974 6900
Davide.Cattarin@cbre.com

Yours faithfully

Elena Gramaglia MRICS

Director

MRICS Registered Valuer

For and on behalf of
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+39 02 9974 6900
Elena.Gramaglia@cbre.com

CBRE Valuation S.p.A.
Piazza degli Affari 2
20123 Milan
Project Reference 23-64VAL-0110

CBRE – Valuation & Advisory Services
T: 02 9974 6000
F: 02 9974 6050
W: www.cbre.it

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DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

KROLL
REAL ESTATE
ADVISORY GROUP

Agrate Brianza, 31st January 2025

Ref. n° 26953R03 – 26955R03

Messrs

GRUPPO IGD S.p.A.

Immobiliare Grande Distribuzione

Via Trattati Comunitari Europei 1957-2007, n. 13

40127 Bologna

To the kind attention of Mr Roberto Zoia

Subject: **Determination of the Market Value as of December 31st, 2024 of a real estate portfolio consisting of n. 10 real estate assets intended for commercial use and n.1 mixed use development, located on the italian territory and n. 5 real estate assets intended for commercial use and n.1 asset intended for office use located on the romanian territory, indicated as fully owned by GRUPPO IGD S.p.A.**

Dear sirs,

in compliance with Your request, **KROLL Advisory S.p.A. (hereinafter KROLL)** carried out the valuation of a real estate portfolio, indicated as fully owned by GRUPPO IGD S.p.A. (hereinafter the Client), in order to determine the market value as of December 31st, 2024.

The appraisal has been completed on the basis of the following assumptions:

- sale of the real estate complex as a whole (not piecemeal), in the rental situation at the date of the appraisal (income producing asset);
- sale of the real estate complex as a whole (not piecemeal), considering the development project and remaining urbanization costs provided by the Client (developing asset).

KROLL Advisory S.p.A.
Direzione Generale
Centro Direzionale Colleoni
Palazzo Cassiopea 2 – Via Paracelso, 24
20864 Agrate Brianza MB – Italy
Tel. +39 039 6423.1 - Fax +39 039 6058427
info.krolladvisory@kroll.com
krolladvisory@pec.kroll.com

Sede Legale
Via Boccaccio, 4 - 20123 Milano - Italy
Società a socio unico - Capitale Sociale € 1.100.000,00 i.v
Società soggetta alla attività di direzione e coordinamento di KROLL LLC con sede a New York
R.E.A. Milano 1047058
C.F. / Reg. Imprese / P.IVA 05881660152
www.kroll.com

Definitions

In this report, the following listed words have to refer to their proper definitions, except for the different cases mentioned on the report itself. For the definition of all other technical and/or legal terms contained in this report, please refer to the Italian Civil Code and related laws, or to the commonly used meaning.

"Real Estate" (hereinafter to be called the **"Property"**) shall mean the real estate asset (land, buildings, building services plant and external construction works) forming the subject matter (of the Valuation), with the express exclusion of all other or different assets including chattels and intangible assets.

"Valuation" shall mean "An opinion of the value of an asset or liability on a stated basis, at a specified date. If supplied in written form, all valuation advice given by members is subject to at least some of the requirements of the Red Book Global Standards – there are no exemptions (**PS 1 paragraph 1.1**). Unless limitations are agreed in the terms of engagement, this will be provided after an inspection, and any further investigations and enquiries that are appropriate, having regard to the nature of the asset and the purpose of the valuation" (RICS Red Book, English edition, January 2022).

"Market value" shall mean "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" (RICS Red Book, English edition, January 2022).

"Market rent" shall mean "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" (RICS Red Book, English edition, January 2022).

"Special Assumption" An assumption that either assumes facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date.

"Gross Area" is expressed in square metres, measured from the external edge of the building's perimeter walls and from the mid-point of boundary walls shared with third parties.

"Commercial/cadastral Area" expressed in square metres, shall mean the gross area net of technical rooms, technical shafts, stairwells and lift shafts.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

Valuation criteria

Valuations Asset by Asset of the entire portfolio have been carried out considering the conditions set out in drafts of leases and rent of business unit and individual "rent roll" provided by the Ownership, reflecting the rental situation as of December 2024.

For the valuation of the shopping centers having both the part called "Hyper" and the part called "Mall", KROLL, as agreed with the client, proceeded to the virtual separation of the properties into two separate entities, Hyper and Mall, making two separate assessments, assumptions and specific valuation criteria.

During the appraisal, KROLL followed generally accepted valuation concepts and methods, applying in particular the following valuation methods.

- **Market/Sales Comparison Approach**: is predicated on actual sales transaction data. Sales are adjusted for comparability including time, location, size, condition, utility and intangible benefits.
- **Income Capitalization Approach**: takes two different methodological approaches into consideration:
  - Direct Capitalisation: based on capitalisation of future net incomes generated by the property at a rate deduced from the real estate market;
  - Discounted Cash Flow Method (DCF) based:
    - on the calculation of future net incomes derived from Property renting for a period of "n." years;
    - on the determination of the Market Value of the property by means of the capitalisation in perpetuity of the net income at the end of this period;
    - on the discounted back net incomes (cash flow) as of the evaluation date.
- The **Development Approach**, based on the discounting of the cash flows generated by the development project to the Study/Valuation date through the project duration. This model can be combined with a financial valuation model (Discounted Cash Flow) based on a development project defined on the basis of size, use destination, development costs and sustainability. In other words, an analysis based on costs and revenues is used in order to determine the Market Value of the asset forming the subject matter of the valuation. The model is broken down into a chart of cash flows (incoming and outgoing) relating to the building development project. Outflows are made up of construction, demolition, urban development, design and works management costs, profits for the real estate promoter and any

other incidental costs; inflows are made up of revenues deriving from the sales of the forecast use destinations.The breakdown of costs and revenues on a temporal basis makes it possible to create a chart of cash flows - net of the profits of the real estate promoter – to be discounted to date at an appropriate rate representing the cost of the capital. The latter must take into account:

- The percentages represented by own capital and debt capital (financial structure);
- rates applied to non-risk investments with a similar duration to the operation;
- the appropriate "spreads" applied as correction to the above rates (liquidity, country risk, initiative risk and town planning risk);
- cost of the debt capital.

Revenues and costs are recorded in the same currency and shown at the moment when they occur.

For it to be possible to identify the value determined by the development approach with Market Value, the economic transaction associated with the development should have as its point of reference an "ordinary" business developer. An "ordinary" developer is a business with normal management abilities, that is, which carries out an economic transaction with costs and revenues identical or nearly identical to those that would be incurred and generated by the majority of developers for this same project. If a developer taken as a reference is not ordinary as defined above, this would lead to the inclusion of extra return, positive or negative, thus distorting the Market Value.

KROLL moreover:

- Carried out site inspections on the Properties located in Ascoli Piceno (CC Città delle Stelle), Conegliano Veneto (CC Conè), Gravina di Catania (CC Katanè), Palermo (CC La Torre), Roma (CC Casilino), Rimini (CC Malatesta), Livorno (sviluppo Porta a Mare) and n. 6 Properties located in Romania to find out all the information (building qualities, preservation condition, etc,) necessary to elaborate the appraisals themselves, in addition to the information given by Client (full analysis); no site inspections were carried on the other properties (Guidonia Montecelio (RM)), KROLL based the appraisals on the information provided by the Client (desktop analysis).
- Carried out an analysis of the conditions of the local real estate market, took the economic data detected therein into consideration and adapted it to the specific features of the Properties through appropriate statistical work-ups;

- Determined the building area on the basis of the documents supplied by the Client;
- Considered the draft of the "model" lease agreement, the individual amounts of the fees as indicated in the "rent-roll" and the related clauses (duration, insurance costs, maintenance costs, etc) provided by the Client;
- Determined the value of the Property on the assumption of its highest and best use, that is to say, considering among all legally permitted and financially feasible technical uses, only those that can potentially confer the maximum value to each Property;
- Considered the rental situation at the date of the appraisal and indicated by the Client;
- Considered, for the development in Livorno, building areas and remaining urbanization costs indicated by the Client;
- Specifically excludes the impact of substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials or of structural damage or environmental contamination resulting from earthquakes or other causes;
- No environmental impact study has been ordered made.
- Did not make specific compliance survey and analysis of the property to determine whether or not it is compliant with the various detailed requirements of the law, concerning the possibility for disabled people to enter work places;
- has expressed values in EURO;
- did not consider special assumptions for evaluation purposes.

Report content

This work, including the final report on the conclusions reached by KROLL, comprises:

- a letter of general introduction to the work, identifying the Property appraised, describing the nature and extent of the investigation, presenting and certifying the conclusion reached;
- assumptions and limiting conditions;
- general service conditions

Conclusions

The conclusions out coming from the analysis have been reached by KROLL on the basis of the results obtained at the end of all the following activities:

- Site inspections on the Properties;
- Collection, selection, analysis and valuation of the data and documents concerning the Property;
- Performance of proper market researches;
- Technical-financial elaborations;

besides on the basis of the methods and valuation criteria above described.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

Given the above considerations

It is our opinion that, as of December 31st, 2024, the **Market Value** of the full ownership of the subject Properties can reasonably be expressed as follows:

Euro 474.000.000,00

(Euro Four Hundred Seventy Four Millions /00)

Global Market conditions explanatory note

The ongoing Russian-Ukrainian conflict, as well as the Middle East conflict, continue to fuel the already high volatility of global markets. Negative consequences persist on energy availability of natural resources, leading the International Community to foster the diversification of energy supply sources.

On 12th December 2024, the Governing Council of the European Central Bank (ECB) approved the fourth interest rate cut, reflecting the easing of restrictive monetary policy. The main refinancing operations rate is lowered from 3.40% to 3.15%. The inflation target rate of 2% remains confirmed.

The real estate market, characterized by a persistent situation of uncertainty, continues to be challenging to interpret. The outlook remains marked by a high degree of uncertainty and tension, however, there are signs of potential improvement in the short to medium term regarding capital market operations. This is evidenced by several significant transactions recorded during the year, with a strong focus on specific asset classes such as hotels, living, logistics, and data centers, as well as the luxury segment. It is therefore crucial to closely monitor transaction trends and investors' sentiment toward the real estate sector.

This explanatory note is included in order to guarantee transparency and elements of in-depth analysis on the market context in which the valuation was drawn up. We emphasize the importance of the valuation date, reflecting the possibility that market conditions may change rapidly as ongoing conflicts and monetary policies evolve.

Agrate Brianza, 31st January 2025

Ref. n° 26953R03 – 26955R03

KROLL Advisory S.p.A.

Redatto da:	Supervisionato e controllato da:
Gianluca Molli	Savino Natalicchio
Associate Director,	Managing Director,
Retail, Special Divisions & Feasibility Dept.	Special Divisions & Feasibility Dept.

Simone Spreafico
Managing Director
Advisory & Valuation Dept.

KROLL
REAL ESTATE
ADVISORY GROUP

Agrate Brianza, 31st January 2025

Ref. n° 26953R03

Messrs
IGD SIIQ S.p.A.
Via Trattati Comunitari Europei 1957-2007, n. 13
40127 Bologna

To the kind attention of Mr Roberto Zoia

Subject: Determination of the Market Value as of December 31st, 2024, of a real estate portfolio consisting of n. 10 real estate assets intended for commercial use (n.6 mall, n.2 hypermarket, n.1 fitness area), located on the Italian territory, indicated as fully owned by IGD SIIQ S.p.A.

Dear sirs,

in compliance with Your request, **KROLL Advisory S.p.A. (hereinafter KROLL)** carried out the valuation of a real estate portfolio, indicated as fully owned by IGD SIIQ S.p.A. (hereinafter the Client), in order to determine the market value as of December 31st 2024.

The appraisal has been completed on the basis of the following assumptions:

- sale of the real estate complex as a whole (not piecemeal), in the rental situation at the date of the appraisal.

KROLL Advisory S.p.A.
Direzione Generale
Centro Direzionale Colleoni
Palazzo Cassiopea 2 – Via Paracelso, 24
20864 Agrate Brianza MB – Italy
Tel. +39 039 6423.1 - Fax +39 039 6058427
info.krolladvisory@kroll.com
krolladvisory@pec.kroll.com

Sede Legale
Via Boccaccio, 4 - 20123 Milano - Italy
Società a socio unico - Capitale Sociale € 1.100.000,00 i.v
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DIRECTORS' REP
2.7 REAL ESTATE APPRAIS

Definitions

In this report, the following listed words have to refer to their proper definitions, except for the different cases mentioned on the report itself. For the definition of all other technical and/or legal terms contained in this report, please refer to the Italian Civil Code and related laws, or to the commonly used meaning.

"Real Estate" (hereinafter to be called the **"Property"**) shall mean the real estate asset (land, buildings, building services plant and external construction works) forming the subject matter (of the Valuation), with the express exclusion of all other or different assets including chattels and intangible assets.

"Valuation" shall mean "An opinion of the value of an asset or liability on a stated basis, at a specified date. If supplied in written form, all valuation advice given by members is subject to at least some of the requirements of the Red Book Global Standards – there are no exemptions (**PS 1 paragraph 1.1**). Unless limitations are agreed in the terms of engagement, this will be provided after an inspection, and any further investigations and enquiries that are appropriate, having regard to the nature of the asset and the purpose of the valuation" (RICS Red Book, English edition, January 2022).

"Market value" shall mean "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" (RICS Red Book, English edition, January 2022).

"Market rent" shall mean "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion" (RICS Red Book, English edition, January 2022).

"Special Assumption" An assumption that either assumes facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date.

"Gross Area" is expressed in square metres, measured from the external edge of the building's perimeter walls and from the mid-point of boundary walls shared with third parties.

"Commercial/cadastral Area" expressed in square metres, shall mean the gross area net of technical rooms, technical shafts, stairwells and lift shafts.

Valuation criteria

Valuations Asset by Asset of the entire portfolio have been carried out considering the conditions set out in drafts of leases and rent of business unit and individual "rent roll" provided by the Ownership, reflecting the rental situation as of December 2024.

For the valuation of the shopping centers having both the part called "Hyper" and the part called "Mall", KROLL, as agreed with the client, proceeded to the virtual separation of the properties into two separate entities, Hyper and Mall, making two separate assessments, assumptions and specific valuation criteria.

During the appraisal, KROLL followed generally accepted valuation concepts and methods, applying in particular the following valuation methods.

- **Market/Sales Comparison Approach**: is predicated on actual sales transaction data. Sales are adjusted for comparability including time, location, size, condition, utility and intangible benefits.
- **Income Capitalization Approach**: takes two different methodological approaches into consideration:
  - Direct Capitalisation: based on capitalisation of future net incomes generated by the property at a rate deduced from the real estate market;
  - Discounted Cash Flow Method (DCF) based:
    - on the calculation of future net incomes derived from Property renting for a period of "n." years;
    - on the determination of the Market Value of the property by means of the capitalisation in perpetuity of the net income at the end of this period;
    - on the discounted back net incomes (cash flow) as of the evaluation date.

KROLL moreover:

- Carried out site inspections on the Properties located in Ascoli Piceno (CC Città delle Stelle), Conegliano Veneto (CC Conè), Gravina di Catania (CC Katanè), Palermo (CC La Torre), Roma (CC Casilino), Rimini (CC Malatesta) to find out all the information (building qualities, preservation condition, etc.) necessary to elaborate the appraisals themselves, in addition to the information given by Client (full analysis); no site inspections were carried on the other properties (Guidonia Montecelio (RM)), KROLL based the appraisals on the information provided by the Client (desktop analysis).

DIRECTORS' REP
2.7 REAL ESTATE APPRAIS

- Carried out an analysis of the conditions of the local real estate market, took the economic data detected therein into consideration and adapted it to the specific features of the Properties through appropriate statistical work-ups;
- Determined the building area on the basis of the documents supplied by the Client;
- Considered the draft of the "model" lease agreement, the individual amounts of the fees as indicated in the "rent-roll" and the related clauses (duration, insurance costs, maintenance costs, etc) provided by the Client;
- Determined the value of the Property on the assumption of its highest and best use, that is to say, considering among all legally permitted and financially feasible technical uses, only those that can potentially confer the maximum value to each Property;
- Considered the rental sistuation at the date of the appraisal and indicated by the Client;
- Specifically excludes the impact of substances such as asbestos, urea-formaldehyde foam insulation, other chemicals, toxic wastes, or other potentially hazardous materials or of structural damage or environmental contamination resulting from earthquakes or other causes;
- No environmental impact study has been ordered made.
- Did not make specific compliance survey and analysis of the property to determine whether or not it is compliant with the various detailed requirements of the law, concerning the possibility for disabled people to enter work places;
- has expressed values in EURO;
- did not consider special assumptions for evaluation purposes.

Report content

This work, including the final report on the conclusions reached by KROLL, comprises:

– a letter of general introduction to the work, identifying the Property appraised, describing the nature and extent of the investigation, presenting and certifying the conclusion reached;
– assumptions and limiting conditions;
– general service conditions

Section 01
Executive Summary

Conclusions

The conclusions out coming from the analysis have been reached by KROLL on the basis of the results obtained at the end of all the following activities:

- Collection, selection, analysis and valuation of the data and documents concerning the Property;
- Site inspections on the Properties;
- Performance of proper market researches;
- Technical-financial elaborations;

besides on the basis of the methods and valuation criteria above described.

DIRECTORS' REP
2.7 REAL ESTATE APPRAIS

Given the above considerations

It is our opinion that, as of December 31st, 2024, the **Market Value** of the full ownership of the subject Properties can reasonably be expressed as follows:

Euro 388.300.000,00

(Euro Three hundred Eighty Eight million Three Hundred thousand/00)

Global Market conditions explanatory note

The ongoing Russian-Ukrainian conflict, as well as the Middle East conflict, continue to fuel the already high volatility of global markets. Negative consequences persist on energy availability of natural resources, leading the International Community to foster the diversification of energy supply sources.

On 12th December 2024, the Governing Council of the European Central Bank (ECB) approved the fourth interest rate cut, reflecting the easing of restrictive monetary policy. The main refinancing operations rate is lowered from 3.40% to 3.15%. The inflation target rate of 2% remains confirmed.

The real estate market, characterized by a persistent situation of uncertainty, continues to be challenging to interpret. The outlook remains marked by a high degree of uncertainty and tension, however, there are signs of potential improvement in the short to medium term regarding capital market operations. This is evidenced by several significant transactions recorded during the year, with a strong focus on specific asset classes such as hotels, living, logistics, and data centers, as well as the luxury segment. It is therefore crucial to closely monitor transaction trends and investors' sentiment toward the real estate sector.

This explanatory note is included in order to guarantee transparency and elements of in-depth analysis on the market context in which the valuation was drawn up. We emphasize the importance of the valuation date, reflecting the possibility that market conditions may change rapidly as ongoing conflicts and monetary policies evolve.

Agrate Brianza, 31st January 2025

Ref. n° 26953R03

KROLL Advisory S.p.A.

Redatto da:	Supervisionato e controllato da:
Gianluca Molli	Savino Natalicchio
Associate Director,	Managing Director,
Retail, Special Divisions & Feasibility Dept.	Special Divisions & Feasibility Dept.

Simone Spreafico
Managing Director
Advisory & Valuation Dept.

Valuation Certificate

Milan, 05/02/2025

IGD SiiQ S.p.A.
Via Trattati Comunitari Europei 1957-2007, n.13
40127, Bologna
Italy

For the attention of Mr. R. Zoia

Subject: Valuation as at 31st December 2024 of a Portfolio held by IGD SiiQ S.p.A. comprising 3 Hypermarkets, 4 Shopping Centres, 1 Shopping Centre + Retail Park, 2 Offices, 1 Guest House and 1 property including Medium Size Units (MSU).

Dear Mr. Zoia,

Following the assignment conferred on 27th April 2023, we have performed the necessary analysis aiming to determine the Market Value and Market Rental Value (as defined in Section 2) of the properties identified in Section 1 of the present letter. The present Certificate Letter summarizes the results of the valuation analysis, the general principles and the information provided to us, which are detailed in each individual valuation report prepared on behalf of IGD SiiQ S.p.A. of the properties detailed in Section 1. All introductory and explanatory provisions, limitations, valuation and special assumptions and specific information are set out in each individual Valuation Report.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

1. Valuation Certificate

1.1. Subject properties

The portfolio under-analysis consists of 3 Hypermarkets, 4 Shopping Centres, 1 Shopping Centre + Retail Park, 2 Offices, 1 Guest House and 1 property consisting of retail MSU mainly located in the Centre of Italy.

The main details of these are identified in the table below:

Ref	Address	Use	Asset	GLA (sqm)
1	Grosseto, Via Commendone	Shopping centre + Retail Park	MAREMA'	17,121
2	Imola, Via G. Amendola ,129	Hypermarket	LEONARDO	15,862
3	Imola, Via G. Amendola ,129	Shopping centre	LEONARDO	14,872
4	Bologna, Via dei Trattati Comunitari 1957-2007,13	Offices	Sede Bologna 2°piano- ex Hera	1,070
5	Bologna, Via dei Trattati Comunitari 1957-2007,13	Offices	Sede Bologna - Librerie Coop	317
6	Livorno, Via Gino Graziani, 6	MSUs	FONTI	5,835
7	Bologna, Via dell'Arcoveggio	Guest house	Arco campus	1,297
8	San Giovanni Teatino, Via Po	Hypermarket	CENTRO D'ABRUZZO	14,127
9	Cesena, Via Arturo Carlo Jemolo, 110	Hypermarket	LUNGO SAVIO	7,476
10	Bologna, Via M.E. Lepido 184-186,	Shopping centre	BORGO	7,017
11	Cesena, Via Arturo Carlo Jemolo, 110	Shopping centre	LUNGO SAVIO	3,176
12	San Giovanni Teatino, Via Po	Shopping centre	CENTRO D'ABRUZZO	16,181

1.2. Purpose of Valuation

Scope of this valuation exercise is to provide you with our professional opinion of the following values as at market conditions available at the valuation date, 31st December 2024.

- Market Value: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion";
- Market Rent: "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

As previously mentioned, the present Valuation Certificate reports the results of our analysis, the supplied information, which have been considered to be accurate and correct, and the general assumptions upon which our valuations have been based.

1.3. Basis of Valuation

Our analyses are carried out in accordance with the principles, guidelines and definitions contained in the RICS professional standards and guidance, global – RICS Valuation – Global Standards, issued November 2021, effective from 31 January 2022, incorporating the IVSC International Valuation Standards.

The subject valuation is carried out in accordance with the following definition of Market Value settled by the International Valuation Standards Committee and referred to in the RICS professional standards and guidance, global – RICS Valuation – Global Standards, issued November 2021, effective from 31 January 2022 (VPS 4 – Section 4):

Market Value

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The subject valuation is carried out in accordance with the following definition of Market Rent as settled by the International Valuation Standards Committee and referred to in the RICS professional standards and guidance, global – RICS Valuation – Global Standards, issued November 2021, effective from 31 January 2022 (VPS 4 – Section 5):

Market Rent

"The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"

1.4. General Principles

Please note that the "General Principles" on which our Valuation are based, are detailed in the single Valuation Reports; those principles are to be considered valid and applicable to the present all valuation unless differently stated.

Every required Special Assumption will be detailed in the single Valuation Report of each property in order to guarantee a correct interpretation of the valuation results.

We would bring to your attention that, in the present Valuation Certificate, we refer to IGD SiiQ S.p.A. as the Client.

The present valuation has been carried out under the supervision of Mr. Riccardo Bianchi MRICS, Head of Value and Risk Advisory Department, Jones Lang LaSalle S.p.A. (signee of the present report) and Mr. Hugo Carlota MRICS, Head of Retail Value and Risk Advisory, Jones Lang LaSalle S.p.A. and carried out by Francesco Marchetti, Valuer, Jones Lang Lasalle S.p.A.

The Value and Risk Advisory Department confirms to have obtained the Certification ISO 9001:2015 related to "Real Estate Valuation and Advisory Services" issued by TÜV Rheinland on 08th November 2021. The Certificate no. 01 100 2117554 is valid from 05.11.2024 until 04.11.2027.

1.5. Source of Information

As per our agreement, we have carried out our analysis on the basis of the documentation and data provided by the Client. For the purposes of this valuation, we have assumed that the information provided to us are accurate and correct; we highlight that the documentation and information provided to us were analysed within the limits of our valuation instruction.

For completeness of the information, we report below the list of the documentation provided to us:

- Tenancy Schedule;
- Turnover figures (net of VAT) of each retail unit divided per year and per months for the years of 2019, 2020, 2021, 2022, 2023 and for the first 8 months of 2024;

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

- Non- recoverable Landlord costs and additional incomes;
- ESG schedules;
- BREEAM Certification (if available).

1.6. Valuation approach

We have analysed the subject property using an income-based approach to value in form of the Discounted Cash Flow Method (DCF), the choice of methodology represents the likely basis of analysis to be used by a potential purchaser for this type of investment. The DCF method identifies the value of the asset by discounting the cash flows generated by the property in the holding period. A ten-year cash flow period has been adopted with the assumption that all payments are made monthly in advance whereas the terminal value at the end of the assumed ten-year holding period is due annually in arrears. The Market Value was estimated on the basis of the analysis we conducted and the documentation provided by the Client.

1.7. Valuation

Please note that the sum of the Net Market Values of each subject property, listed in Section 1 ("Subject Properties"), is € 319,485,000, while the sum of the rounded Gross Market Values is equal to € 328,080,000 rounded.

Please note that the above reported Gross Market Value is inclusive of the associated acquisition costs detailed in the single Valuation Report.

This certificate has been drawn up in good faith and at best of our knowledge on the basis of information made available to us and market conditions available at the valuation date.

Riccardo Bianchi MRICS	**Hugo Carlota MRICS**	**Francesco Marchetti**
Head of Value and Risk Advisory	Head of Retail Value and Risk Advisory	Valuer - Value and Risk Advisory
Jones Lang LaSalle S.p.A.	Jones Lang LaSalle S.p.A.	Jones Lang LaSalle S.p.A.

Firmato digitalmente da:
Riccardo Bianchi
Data: 05/02/2025 17:35:21

Valuation Certificate

Milan, 05/02/2025

IGD SiiQ S.p.A.
Via Trattati Comunitari Europei 1957-2007, n.13
40127, Bologna
Italy

For the attention of Mr. R. Zoia

Subject: Valuation as at 31st December 2024 of a Portfolio held by IGD SiiQ S.p.A. comprising 3 Hypermarkets, 4 Shopping Centres, 1 Shopping Centre + Retail Park, 2 Offices and 1 property including Medium Size Units (MSU).

Dear Mr. Zoia,

Following the assignment conferred on 27th April 2023, we have performed the necessary analysis aiming to determine the Market Value and Market Rental Value (as defined in Section 2) of the properties identified in Section 1 of the present letter. The present Certificate Letter summarizes the results of the valuation analysis, the general principles and the information provided to us, which are detailed in each individual valuation report prepared on behalf of IGD SiiQ S.p.A. of the properties detailed in Section 1. All introductory and explanatory provisions, limitations, valuation and special assumptions and specific information are set out in each individual Valuation Report.

DIRECTORS' REPORT
2.7 REAL ESTATE APPRAISALS

1. Valuation Certificate

1.1. Subject properties

The portfolio under-analysis consists of 3 Hypermarkets, 4 Shopping Centres, 1 Shopping Centre + Retail Park, 2 Offices and 1 property consisting of retail MSU mainly located in the Centre of Italy.

The main details of these are identified in the table below:

Ref	Address	Use	Asset	GLA (sqm)
1	Grosseto, Via Commendone	Shopping centre + Retail Park	MAREMA'	17,121
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3	Imola, Via G. Amendola ,129	Shopping centre	LEONARDO	14,872
4	Bologna, Via dei Trattati Comunitari 1957-2007,13	Offices	Sede Bologna 2°piano- ex Hera	1,070
5	Bologna, Via dei Trattati Comunitari 1957-2007,13	Offices	Sede Bologna - Librerie Coop	317
6	Livorno, Via Gino Graziani, 6	MSUs	FONTI	5,835
7	San Giovanni Teatino, Via Po	Hypermarket	CENTRO D'ABRUZZO	14,127
8	Cesena, Via Arturo Carlo Jemolo, 110	Hypermarket	LUNGO SAVIO	7,476
9	Bologna, Via M.E. Lepido 184-186,	Shopping centre	BORGO	7,017
10	Cesena, Via Arturo Carlo Jemolo, 110	Shopping centre	LUNGO SAVIO	3,176
11	San Giovanni Teatino, Via Po	Shopping centre	CENTRO D'ABRUZZO	16,181

1.2. Purpose of Valuation

Scope of this valuation exercise is to provide you with our professional opinion of the following values as at market conditions available at the valuation date, 31st December 2024.

- Market Value: "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion";
- Market Rent: "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

As previously mentioned, the present Valuation Certificate reports the results of our analysis, the supplied information, which have been considered to be accurate and correct, and the general assumptions upon which our valuations have been based.

1.3. Basis of Valuation

Our analyses are carried out in accordance with the principles, guidelines and definitions contained in the RICS professional standards and guidance, global – RICS Valuation – Global Standards, issued November 2021, effective from 31 January 2022, incorporating the IVSC International Valuation Standards.

The subject valuation is carried out in accordance with the following definition of Market Value settled by the International Valuation Standards Committee and referred to in the RICS professional standards and guidance, global – RICS Valuation – Global Standards, issued November 2021, effective from 31 January 2022 (VPS 4 – Section 4):

Market Value

"*The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.*"

The subject valuation is carried out in accordance with the following definition of Market Rent as settled by the International Valuation Standards Committee and referred to in the RICS professional standards and guidance, global – RICS Valuation – Global Standards, issued November 2021, effective from 31 January 2022 (VPS 4 – Section 5):

Market Rent

"*The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*"

1.4. General Principles

Please note that the "General Principles" on which our Valuation are based, are detailed in the single Valuation Reports; those principles are to be considered valid and applicable to the present the all valuation unless differently stated.

Every required Special Assumption will be detailed in the single Valuation Report of each property in order to guarantee a correct interpretation of the valuation results.

We would bring to your attention that, in the present Valuation Certificate, we refer to IGD SiiQ S.p.A. as the Client.

The present valuation has been carried out under the supervision of Mr. Riccardo Bianchi MRICS, Head of Value and Risk Advisory Department, Jones Lang LaSalle S.p.A. (signee of the present report) and Mr. Hugo Carlota MRICS, Head of Retail Value and Risk Advisory, Jones Lang LaSalle S.p.A. and carried out by Francesco Marchetti, Valuer, Jones Lang Lasalle S.p.A.

The Value and Risk Advisory Department confirms to have obtained the Certification ISO 9001:2015 related to "Real Estate Valuation and Advisory Services" issued by TÜV Rheinland on 08th November 2021. The Certificate no. 01 100 2117554 is valid from 05.11.2024 until 04.11.2027.

1.5. Source of Information

As per our agreement, we have carried out our analysis on the basis of the documentation and data provided by the Client. For the purposes of this valuation, we have assumed that the information provided to us are accurate and correct; we highlight that the documentation and information provided to us were analysed within the limits of our valuation instruction.

For completeness of the information, we report below the list of the documentation provided to us:

- Tenancy Schedule;
- Turnover figures (net of VAT) of each retail unit divided per year and per months for the years of 2019, 2020, 2021, 2022, 2023 and for the first 8 months of 2024;

Property: IGD Portfolio

February 2025
Confidential

- Non- recoverable Landlord costs and additional incomes;
- ESG schedules;
- BREEAM Certification (if available).

1.6. Valuation approach

We have analysed the subject property using an income-based approach to value in form of the Discounted Cash Flow Method (DCF), the choice of methodology represents the likely basis of analysis to be used by a potential purchaser for this type of investment. The DCF method identifies the value of the asset by discounting the cash flows generated by the property in the holding period. A ten-year cash flow period has been adopted with the assumption that all payments are made monthly in advance whereas the terminal value at the end of the assumed ten-year holding period is due annually in arrears. The Market Value was estimated on the basis of the analysis we conducted and the documentation provided by the Client.

1.7. Valuation

Please note that the sum of the Net Market Values of each subject property, listed in Section 1 ("Subject Properties"), is € 316,115,000, while the sum of the rounded Gross Market Values is equal to € 324,710,000 rounded.

Please note that the above reported Gross Market Value is inclusive of the associated acquisition costs detailed in the single Valuation Report.

This certificate has been drawn up in good faith and at best of our knowledge on the basis of information made available to us and market conditions available at the valuation date.

Riccardo Bianchi MRICS	**Hugo Carlota MRICS**	**Francesco Marchetti**
Head of Value and Risk Advisory	Head of Retail Value and Risk Advisory	Valuer - Value and Risk Advisory
Jones Lang LaSalle S.p.A.	Jones Lang LaSalle S.p.A.	Jones Lang LaSalle S.p.A.

Firmato digitalmente da:
Riccardo Bianchi
Data: 05/02/2025 17:34:52

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2.8 // The SIIQ status: Regulatory Environment and Information on the Company's Compliance

The special SIIQ (Società di Investimento Immobiliare Quotate) regime was introduced in Art. 1, paragraphs 119 - 141, of Law 296 dated 27 December 2006 ("**the Founding Law**") and is governed by the Ministry of Economics and Finance's Decree no. 174 dated 7 September 2007 ("**the Implementing Regulation**").

Although the income generated by real estate rental activities is exempt from IRES and IRAP, the Special regime requires SIIQs to distribute a minimum percentage of the income generated by such activities ("**Exempt Operations**").

Based on Legislative Decree 133 of 12 September 2014, converted as amended into Law no. 164 of 11 November 2014, exempt operations may also include the capital gains and losses relating to rental properties and interests held in SIIQ or SIINQ, as well as the income, capital gains and losses, relating to interests held in "qualified" real estate funds.

In order to fulfil the distribution requirements, the SIIQs must distribute (or risk losing their SIIQ status): *(i)* at least 70% of the distributable income generated by exempt operations upon approval of the full year financial statements; *(ii)* at least 50% of the capital gains generated by the sale of rental properties, interests in SIIQs or SIINQs, as well as in qualified real estate investment funds within two years of their realization.

The main characteristic of the special regime is, therefore, the adoption of a specific taxation system, once certain mandatory qualifications are met, based on which earnings are subject to taxation solely upon distribution to shareholders, which basically inverts the taxation system whereby income is subject to taxation when recorded rather than when distributed.

The current requirements for eligibility to the special SIIQ regime can be summarized as follows:

> Subjective requirements

> The company must be a joint stock company;

> The company must be resident in Italy for tax purposes or, if it is a permanent establishment predominantly engaging in real estate business in Italy, it must be tax resident in one of European member states or in a country that is party to the European Economic Area (EEA) Agreement as listed in the appendix to the decree issued by the Italian Ministry of Treasury and Finance as per paragraph 1 of Art. 168-*bis* of the Consolidated Income Tax Act;

> The company's shares must be traded on a regulated market.

> Requirements concerning the articles of association

The company's articles of association must include:
> Rules adopted concerning investments;

> Limits on the concentration of investment and counterparty risk;

> Limits on the maximum financial leverage allowed.

> Objective requirements

> Freehold properties or other rental properties, equity investments in other SIIQ/SIINQ, in SICAF and in "qualified" real estate funds must make up 80% of the real estate assets, the so-called "**Asset Test**".

> Revenue from rental activities, income from SIIQ/SIINQ, SICAF and "qualified" real estate funds, gains on rental properties must make up must total at least 80% of the positive entries in the income statement, the so-called "**Profit Test**".

The failure to comply with one of the most important conditions for three consecutive years will result in ineligibility under the special regime, and ordinary rules and regulations will be applied beginning on the second of the three years considered.

> Ownership requirements

> A single shareholder may not hold more than 60% of the voting rights exercisable in ordinary Shareholders' Meetings and more than 60% of the dividend rights, the so-called "**Control limit**".

> At least 25% of the float must be held by shareholders who, at the time the option is exercised, hold less than

2% of the voting rights exercisable in ordinary Shareholders' Meetings and less than 2% of the dividend rights, the so-called "**Float requisite**". This requisite is not applicable to companies that are already listed.

For the purposes of assessing eligibility, the Founding Law expressly provides that subjective requirements and requirements connected to the articles of association be satisfied before the option is exercised, while objective and ownership requirements can be ascertained after the end of the financial statements for the year in which the option is exercised, and on an annual basis thereafter, following financial year-end.

> Reporting on compliance with subjective, objective and ownership requirements

The subjective requirements were satisfied as IGD SIIQ SPA is a joint stock company, with headquarters and tax residency in Italy. Its shares are traded on the Mercato Telematico Azionario (MTA - screen-based stock market) managed by Borsa Italiana S.p.A. in the STAR segment.

Based on the parent company's financial statements at 31 December 2023 and likewise at 2022 year-end, both the equity and income requirements were also satisfied. The Asset Test showed that the value of freehold rental properties held for leasing exceeded 80% of the total value of the real estate assets and the Profit Test showed that the revenues from the rental of freehold properties or other property rights rental activities totalled at least 80% of the positive entries in the income statement.

As for the Ownership Requirement, based on the information available to the company, no single shareholder holds more than 60% of the voting rights exercisable in ordinary Shareholders' Meetings and more than 60% of the profit-sharing rights.

> Reporting on compliance with requirements of the articles of association

With regard to the requirements set by the articles of association, please note the following.

With regard to investments, it is expressly provided in Art. 4.3 lett. i) of the Company's Articles of Association that: "*the Company shall not, either directly or through its subsidiaries, invest more than 30 percent of its assets in a given property with a single identity for zoning and functional purposes, except in the case of development plans covered by a single planning scheme, where portions of the property covered by individual, functionally independent building permits, or equipped with urban works that are sufficient to guarantee connection to public services, cease to have a single identity*";

The Company did not invest, either directly or through its subsidiaries, more than 30% of its assets in a single property with common urban and functional characteristics. With regard to the limits on the concentration of investment and counterparty risk, it is expressly provided in Art. 4.3 lett. ii) of the Company's Articles of Association that: "*income from a single tenant or from tenants belonging to a single group may not exceed 60 percent of total rental income*".

The income from a single tenant or tenants belonging to a single group does not exceed 60% of total rental income. With regard to limits on the maximum financial leverage permitted, it is expressly provided in Art. 4.3 lett. iii) of the Company's Articles of Association that: "*the maximum permitted financial leverage, at a company or group level, is 85 percent of equity*".

Financial leverage, either at group or company level, never exceeded 85% of equity.

> Other information relating to the company's adherence to the special regime

Once it was clear that all the requisites had been satisfied, IGD exercised the option to be subject to the special regime effective from 1 January 2008.

Under the special regime the total capital gains, net any losses, resulting from the difference between the normal value of the rental assets and the value for tax purposes at the end of the tax year, are subject to IRES (corporate income tax) and IRAP (regional business tax) at a tax rate of 20% (the **Entry Tax**).

Given the net loss recorded by IGD SIIQ S.p.A. in 2023 the obligation to distribute 70% of the profits for the year lapsed. In order to preserve financial balance and the investment grade profile of the corporate debt and of the clause in the November 2023 BOND that does not allow the distribution of voluntary dividends, IGD's Board of Directors proposed on 27 February 2024 not to distribute dividends for the 2023 financial year. The proposal was then approved during the Annual General Meeting of 18 April 2024.

2.9 // Organization and Human Resources

> Organizational structure

During the year IGD worked in various areas related to organization and human resources, to **equip itself with tools and processes for organizational and personnel management and development**, to support the **company's strategies** for growth and consolidation of its market presence, in line with the improvement actions identified through the 2022 climate survey. These actions are described below:

a) During 2024, the second step of "Project People" continued with the help of Willis Towers Watson (WTW) for a **redefinition of the performance management process. The aims of this phase were to reorganize the process** through a competence-based approach, to develop a culture of continuous improvement, make the performance evaluation process more objective by providing evaluation tools to managers, and foster the creation of a feedback culture.

b) Personnel turnover and replacements continued to be managed by updating or redefining profiles during the recruitment phase and fostering the development of internal resources, where possible. Recruitment processes initiated the previous year were finalized, and solutions – sometimes internal – were found for vacancies created during the year.

c) The existing remote working agreement for IGD SIIQ S.p.A. employees was confirmed.

d) The training and development plan was implemented, focusing on compliance (anti-corruption, H&S, privacy), hard skills (language training, refresher courses, training in the new "Time" attendance management system), and soft skills (awareness and motivation, managerial skills).

> Workforce and Turnover

The total workforce of Gruppo **IGD ITALY** remains substantially in line with the previous year at 31/12/2024. In fact, during the year, the same number of new hires and resignations were recorded (including 4 for retirement), which led to an overall balance in the workforce.

The breakdown of Gruppo IGD Italy personnel by job level and gender is shown below:

	Executive	Middle Managers	Junior Managers	Clerks	Of which fixed terms	Total	Percentage
Men	**5**	**16**	**30**	**11**	**0**	**62**	**45%**
Women	**1**	**6**	**31**	**39**	**3**	**77**	**55%**
Total	**6**	**22**	**61**	**50**	**3**	**139**	
Percentage	**4%**	**16%**	**44%**	**36%**		**100%**	**100%**
Percentage on total employees					**2%**		

DIRECTORS' REPORT
2.9 ORGANIZATION AND HUMAN RESOURCES

Below is the breakdown of staff turnover at Gruppo IGD Italy by job level (including fixed-term contracts):

	Hires (*)	Resignation (*)	Change
Executive	0	1	-1
Middle Managers	1	2	-1
Junior Managers	5	5	0
Clerks	8	5	3
Total	14	13	1

** excluding promotion for Executive , Middle and Junior Managers*

Below is the breakdown of staff turnover at Gruppo IGD Italy by job level (including fixed-term contracts) and company:

	Executive	Middle Managers	Junior Managers	Clerks	Of which fixed terms	Total	Percentage
IGD SIIQ	6	13	28	31	2	78	56%
IGD SERVICE	0	9	32	19	1	60	43%
Porta Medicea	0	0	1	0	0	1	1%<
Total	6	22	61	50	3	139	
Percentage	4%	16%	44%	36%		100%	100%
Percentage of total employees					2%		

There are 3 fixed-term contracts (2% of the number of permanent contracts), one higher than the previous year.

The turnover rate in Italy, calculated as the number of fixed-term and permanent contracts terminated between 1 January and 31 December 2024 as compared to contracts in force at the end of the year, was 10% – slightly increasing from the previous year. Though to a lesser degree than before, the figure continues to reflect the "Great Resignation" whereby rising numbers of people throughout the labour market have left their jobs voluntarily after redefining their professional and personal goals.

The total workforce of Winmarkt Romania Group is down to 30 units, a value similar to the one recorded in the previous year (31 units).

After a decline lasting several years aimed at optimizing internal management processes, the workforce stabilized. There were no new hires during the year and conversely only one exit due to retirement.

Turnover in Romania over the year, i.e. terminations as a percentage of total workforce was 3.3% at 31 December 2024.

The breakdown of Winmarkt Group personnel by job level and gender is shown below:

	Executive	Middle Managers	Junior Managers	Clerks	Total	Percentage
Men	0	2	7	1	10	33%
Women	0	3	5	12	20	67%
Total	0	5	12	13	30	100%
Percentage	0%	17%	40%	43%	100%	

Below is the breakdown of staff turnover at Winmarkt Group Romania by job level (including fixed-term contracts):

	Hires	Resignation	Change
Executive	0	0	0
Middle Managers	0	0	0
Junior Managers	0	0	0
Clerks	0	1	-1
Total	0	1	-1

> Welfare program

IGD's Corporate Welfare Program marked its seventh year, in 2024.

IGD's Welfare Portal continued to offer a wide range of services that are reviewed and updated every year. As always, the goal is to enhance the individual wellbeing of employees and their families within the community, while having a positive impact on the organizational structure and the workplace environment.

With the exception of executives, all permanent employees are given a personal budget (the same for everyone in proportion to actual worked hours), which they can spend on benefits by accessing the portal through a secured access, during the year.

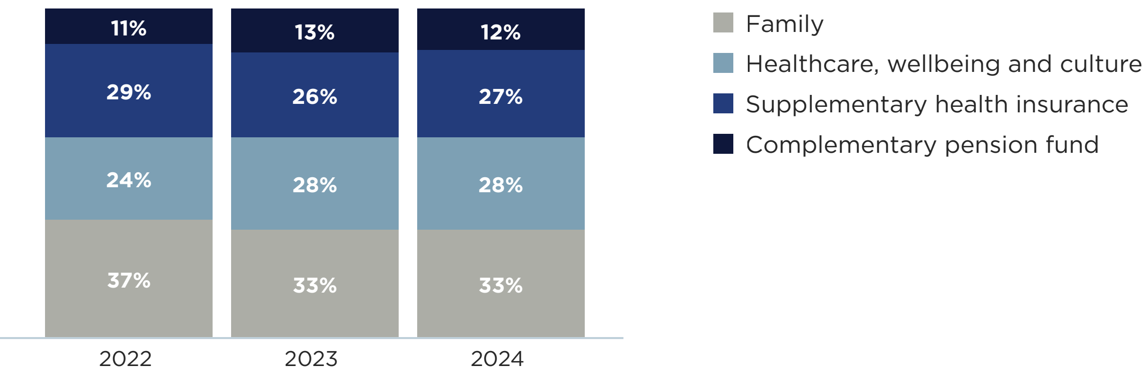
The portal offers reimbursement packages and vouchers for courses and classes, cultural events, recreation, supplemental retirement plans, social assistance, and health insurance.

Of the 134 eligible employees, 98% made use of the corporate welfare program.

The most popular benefits were reimbursement of household expenses, followed by health, wellbeing and culture, with a slight increase of health insurance, while supplemental retirement plans were once again less popular. As the cost of living goes up, people spend proportionally more on basic necessities.

DIRECTORS' REP
2.9 ORGANIZATION AND HUMAN RESOUR

> COMPARISON OF WELFARE BENEFITS USED



> Remuneration policies, professional development and other staff policies

In 2024, all the Italian employees under permanent contracts (in employment for at least six months) were included in the corporate **incentive plan**, which involved a bonus (variable salary) on the achievement of certain corporate and individual targets.

The yearly performance evaluation involved all permanent employees in force since 01/01/2024.

In 2024, there were 19 salary reviews with role and merit-based pay raises. In addition, 7 new professional career paths were launched and 13 of those assigned in previous or current years were completed.

During the same year, the management structure underwent some significant changes. In particular, a new Chief Executive Officer/Managing Director and a new President were appointed. In addition to that, a Manager left, and two new managers were appointed. These changes mark a significant step in the growth and consolidation of our structure and an important strategic contribution to the future and growth of the company.

> Training

Within the IGD Group, during 2024, investment in the growth and development of staff skills continued. In particular, training has focused on improving English language skills, on courses dedicated to Compliance and the development of Hard and Soft Skills.

H&S activities were among the first to be addressed. Mandatory safety courses were completed for both new hires and employees with expiring credentials.
Safety courses focused on:

> Training for new hires.

> Training and updates for safety officers.

> Updates for workers' safety representatives.

> Fire safety updates.

Courses relating to **compliance** focused on privacy and the anti-corruption system.

As for hard skills, in connection with the new Skills evaluation system, all employees received training on the redesign of the performance management system.

Finally, further training was provided to enhance s**pecialized technical expertise**.

Once again, this year IGD Service enthusiastically joined the CNCC Academy for Shopping Center Managers and dedicated 5 resources to this project, which relies on the educational and organizational support of Università Cattolica in Milan and is aimed at updating and developing the necessary skills to face dynamically the evolution of our sector. The topics covered were sustainability and digitalization, as well as insights into marketing strategies, omnichannel and customer experience. Part of the course was dedicated to budget management, specialty leasing and people management, with the valuable testimony of important groups operating in the real estate management and investment sector.

Training was provided in both **virtual** and **in-person** form.

During the year, all employees participated in at least one training initiative, thus reaching 100% coverage of the total number of employees in force as of 31 December. A total of 1,846 hours were taught, with an investment of €48,702.

However, the overall number of training hours provided was lower than in the previous year mainly because in 2024 there was no need for specific mandatory training, the deadlines for which are expected in the coming years.

> Training at Winmarkt Group

In 2024, it was not possible to provide systematic training as in the previous years, as also shown by the decrease in hours dedicated to professional training of approximately 32% in 2024 compared to the previous year (50 hours of professional training against 156 hours).

However, more targeted training was organized, involving the leasing service and the shopping center management network, as well as two specific training courses on financial and investment topics.

The training followed the strategic decision of the Parent Company to start its portfolio disposal activity during the course of the subsequent Business Plan 25-27.

2

2.10 // Sustainability: strategy and performance 2024

Beginning in 2011 IGD has embarked on a structured sustainability path, aware of how important environmental, social and governance issues are to healthy, lasting long-term growth. The company is both owner and manager of its assets. It therefore has the tools needed to make structural changes as well as apply these policies to everyday shopping center operations.

Since 2013, IGD has integrated sustainability into its strategic planning, involving internal and external stakeholders, and since 2017, it has structured its sustainability strategy along 5 lines summarised in «Becoming Great»:

becoming g.r.e.a.t.

> **GREEN**: Reduce environmental impact, actively contributing to the transition toward a "low carbon" economy in the countries where it operates;

> **RESPONSIBLE**: act responsibly with respect to people, both employees and shopping mall visitors;

> **ETHICAL**: work ethically with all the stakeholders, both through the safeguards necessary for compliance with the law and encouraging behaviours that may positively influence the context in which it operates;

> **ATTRACTIVE**: make its structures attractive, both when working on the assets and when managing the offer and the marketing activities, with a specific focus on innovation;

> **TOGETHER**: act together with its stakeholders, strengthening not only the significant role of the shopping centers as local places to shop, but also the economic and social development of the communities in which it operates.

Sustainability strategy is an integral part of company planning starting with the 2014-2016 Business Plan and is currently part both of the 2022-2024 Business Plan and of the 2025-2027 one.

The strategy reflects IGD's commitment to sustainable growth, shaped by the United Nations' Sustainable Development Goals (SDGs), the millennium development goals defined by the United Nations. Adherence to the United Nations' Global Compact, the world's largest corporate sustainability initiative, also follows in this direction.

The foundation of IGD's sustainability strategy consists of the material topics based on which the company defines both the risks and the opportunities connected to the sustainable management of its business, as well as the goals to be reached over the life of the plan (2022-2024) and over the longer term (2030). The actions to implement are identified through this process and each year the Company examines the results achieved in a report based on the international standards and the standards specific to the real estate sector. At the end of each Business Plan, in parallel with the process of evaluating the level of achievement of the pre-established targets, the Company identifies the targets that it intends to pursue in the subsequent planning. For this reason, during 2024 it carried out an analysis and evaluation process that led to the identification of the targets and ambitions that it intends to achieve in the next three years.

There are three elements that shape the implementation of the Company's strategy:

1. Material topics.

2. Sustainability targets (connected to planning).

3. The risks and related policies/actions.

2.10.1 // Material topics

The material topics lie at the foundation of the sustainability strategy. Defining and identifying these issues makes it possible for the company to focus on the real issues that need to be addressed in terms of sustainability, avoiding the use of human and economic resources to achieve objectives that are not material. IGD has been identifying material topics in accordance with the GRI Standards since 2017 and each year the company assesses the need for any adjustments taking into account both the business and topics pertaining to stakeholders.

In 2022, following the new definition of "material" included in the 2021 updated GRI Standards, the Company updated its own material topics focusing on the business's impact on the environment, the economy and people. In 2023 and 2024 the Company confirmed that these topics were material, after looking at both the operating backdrop and the expectations of the stakeholders. At the end of the process, the material topics identified in 2022 and confirmed in 2023 and 2024 were included in the 5 corporate strategic areas:

Green	Responsible	Ethical	Attractive	Together
1. Road to zero emissions	4. Good employment	6. Governance, ethics and corruption	7. Enhancement of the portfolio	10. Relations with the community and stakeholders
2. Zero waste	5. Wellbeing, health and safety		8. Spaces to be lived in	
3. Accessibility and sustainable mobility			9. Innovation	

The material topics represent the cornerstones of the Sustainability strategy and its planning, as well as the topics reported on in the Sustainability Report. The respective risks and the corresponding policies and steps the Company is taking/will take over the next few years are identified for each material topic.

2.10.2 // Sustainability targets (connected to planning)

2024 was the third year of the Sustainability Plan for the three-year period 2022-2024. The Group examined the progress made with respect to the Plan targets every six months and shared the results with the Board of Directors.

In the first three years the Group achieved around 83% of the targets set for the three-year period. The actions taken during the year with respect to each target and the extent to which the targets were achieved are summarized below. All 41 quantitative targets for 2022-2024 can be found on the corporate website at www.gruppoigd.it/sostenibilità.

The following scale was used to determine to what extent a 2022-2024 Plan target has been achieved:

Key - level of achievement of targets:
●●●● 4/4 fully achieved
●●●○ 3/4 achieved in significant part
●●○○ 2/4 achieved in small part
●○○○ 1/4 not achieved

DIRECTORS' REP
2.10 SUSTAINABILITY: STRATEGY AND PERFORMANCE

	Target	Actions carried out during the 2022-2024 three-year period	Level of achievement of target as at 2024
g. GREEN	**Use of electricity coming 100% from renewable sources _Italy.**	95% of renewable energy purchased altogether over the three-year period.	●●●◐
g. GREEN	Production of energy: **double** the energy produced from **renewable sources (baseline 2021)**.	Increased by 53% the quantity of energy produced by photovoltaic panels (+1,072 kwp, 6 photovoltaic systems installed).	●●○○
g. GREEN	**Reduce energy consumption – at least by 15% (baseline 2018).**	Intensity per square metre of energy consumption as at 2024 was reduced by 30% (baseline 2018).	●●●●
g. GREEN	**Assess «scope 3» emissions and define first reductions.**	Scope 3 emissions reported since 2022. Reduction targets defined for the 2025-2027 Sustainability Plan.	●●●●
g. GREEN	Development of projects to foster **biodiversity** in at least 4 Shopping Centres (tree planting, protection of animals, urban woods etc.).	Project carried out in 4 Shopping Centres.	●●●●
g. GREEN	Increase **waste sorting** by 15% **(baseline 2021)_Italy.**	85% of waste was sorted over the three-year period.	●●●●
g. GREEN	**9 more assets Breeam certified** by the end of 2024 (in addition to the 8 already certified by the end of 2021).	5 Shopping Centres certified over the three-year period.	●●○○
g. GREEN	Introduction of **EV charging areas** in 100% of the Italian portfolio (<22kw charging and/or fast charging).	19 out of 24 Shopping Centres have at least one EV charging station.	●●●○
r. RESPONSIBLE	Training each year for 100% of employees in Italy and Romania.	Between Italy and Romania, every year over the three-year period, 94% of employees carried out at least one training activity.	●●●●
r. RESPONSIBLE	Carry out an **internal atmosphere assessment** during the three-year period and at least two «pulse surveys» to understand the workers' perception of specific issues**_Italy.**	Internal atmosphere assessment and 2 pulse surveys carried out (1 on corporate welfare and 1 to define the new skills model).	●●●●
r. RESPONSIBLE	Define a target linked to ESG issues for part of the corporate workforce (starting from the one defined for the Management)**_Italy.**	ESG targets assigned every year to the employees in possession of the operational levers required to reach them.	●●●●
r. RESPONSIBLE	Introduce every year at least one new service into the corporate Welfare Plan for the employees**_Italy.**	At least one new element introduced every year into the corporate Welfare Plan (special arrangements, services, etc.).	●●●●
r. RESPONSIBLE	Certify 100% of the Italian Shopping Centres in accordance with the «Biosafety Trust Certification» scheme, ensuring in this way the protection of health in line with Covid protocols .	The entire Italian portfolio of freehold Malls, in addition to the headquarters, were certified annually in accordance with the Bio Safety Trust scheme in 2022 and 2023 and in accordance with the Biological Shield Approach in 2024.	●●●●

	Target	Actions carried out during the 2022-2024 three-year period	Level of achievement of target as at 2024
e. ETHICAL	Increasingly **integrate sustainability risks into Enterprise Risk Management.**	The integration process is underway, in association with the Risk Management role recently introduced.	●●●●
e. ETHICAL	Increase the **Board of Directors' participation in CSR.**	Strategic Committee defined within the Board of Directors appointed in April 2024, with mandate also for the definition of the sustainability strategies.	●●●●
e. ETHICAL	Develop a **corporate Cybersecurity** strategy.	Following the activities carried out between 2022 and 2024 on the matter of cybersecurity, the procedures and policy are being defined.	●●○○
e. ETHICAL	Update internal regulations in full compliance with the «privacy» law currently in force.	The procedures were updated and appropriate audit activities were carried out.	●●●●
e. ETHICAL	Codify a system for the assessment (both during the selection phase and periodically during the contractual relationship) of suppliers along the supply chain with a view to sustainability.	The policy for the sustainable management of the Supply Chain was defined with a supplier assessment system.	●●●●
e. ETHICAL	Maintain the Legality Rating with the maximum score.	Renewal obtained for the fifth time in 2024 with the maximum score (3 stars).	●●●●
e. ETHICAL	Maintain UNI ISO 37001 certification.	Three-yearly renewal of the certification was obtained.	●●●●
a. ATTRACTIVE	Carry out **restyling/refurbishment** activities **in 4 Shopping Centres with energy improvement measures.**	Restyling/revamping projects carried out in 4 Shopping Centres: La Favorita, Portogrande, ESP and Leonardo.	●●●●
a. ATTRACTIVE	100% of the Italian Shopping Centres with at least one annual initiative on social or environmental issues.	Initiatives on social/environmental issues organised annually, on average, in 95% of the Shopping Centres.	●●●●
t. TOGETHER	Define a **framework for the issuing of financial instruments linked to sustainability.**	Framework created at the beginning of 2022.	●●●●
t. TOGETHER	Assess the opportunity of obtaining a **solicited ESG Rating**.	Solicited GRESB rating obtained in 2023.	●●●●
t. TOGETHER	Organise an **Investor/CSR day**.	Investor Day organised on the occasion of the presentation of the 2025-2027 Business Plan.	●●●●
t. TOGETHER	Increase the number of events to participate in, also with specific focus on ESG issues.	The company participated in the Sustainability Week organised by Borsa italiana over the three-year period.	●●●●
t. TOGETHER	Involve at least 50% of the tenants in the sharing of data on energy consumption, launching a process aimed at the definition of common activities on CSR.	About 300 tenants involved annually in the collection of data on yearly consumption (from 2022), corresponding to 70% of the target identified (50% of the total).	●●●○
t. TOGETHER	Involve at least one non-profit organisation in 100% of the Shopping Centres_Italy.	95% of the Shopping Centres in Italy, on average over the three-year period, involved at least one non-profit organisation every year.	●●●●
t. TOGETHER	Examine the opportunity to resume the "Social Borgo" project.	After the replanning of the project in 2023, the project was developed with the cooperation of local associations in Borgo Shopping Centre (BO).	●●●●

2.10.3 // Risks and corresponding policies/actions

IGD monitors and manages overall risks through the Enterprise Risk Management system which takes into account both financial and non-financial risks, a few of which are tied to sustainability issues (like climate change, ethics, quality employment and safety). Even though the Company is not required by law to prepare a Non-Financial Statements (pursuant to Legislative Decree 254/16, in implementation of EU Directive 2014/95/EU), IGD voluntarily worked to identify the risks and opportunities connected to sustainability. Each year the company analyses how effective the actions were in mitigating each risk and reports the results achieved in the Sustainability Report.

During the year the company worked to gradually include the integration started in 2023 into the environmental, social and governance (ESG) risks and the Enterprise Risk Management (ERM) model. In 2023 the company defined a project in various steps and reached the first phase of the project, corresponding to the connection between ESG risks and the ones monitored through the ERM system, which guarantee an integrated and comprehensive understanding of the company's risk management system. In 2024, it further refined the integration process with the effective inclusion of sustainability risks in the ERM, linked to the monitoring and control system contained therein. This also led to a change in the risk classification system contained in the ERM. The overall process, currently being finalized, will come into force during 2025.

The ESG risks monitored now, their connection with material topics, policies and actions identified to mitigate them, indicators used to monitor the efficacy of the actions undertaken and opportunities are reported in the Sustainability Report in the "Sustainability Strategy" chapter.

> Actions taken and results achieved in 2024

The Corporate Sustainability Report provides a yearly report on both the actions taken and the socio-environmental performance achieved by the Company in the year. The data and the information in the report are subject to Limited Assurance based on ISAE 3000 procedures. The 2024 Sustainability Report can be found on the corporate website at https://www.gruppoigd.it/sostenibilita/bilancio-di-sostenibilita/archivio-bilanci/.

2.11 // Business Outlook

IGD estimates higher operating results in 2025, and an improvement in financial management as a result of the refinancing operation concluded in February 2025. For these reasons and based on the current global market and operating environment, the 2025 FFO is expected to come in at about €38 million, increasing +6.7% on the 2024 year-end figure.

2.12 // Main risks and uncertainties for IGD SIIQ S.p.A. and the Group

IGD's operations entail inherent risks that influence the Group's earnings and financial situation.

To identify and assess its business risks, IGD SIIQ S.p.A. has developed an integrated Enterprise Risk Management (ERM) system based on the CoSo framework promoted by the Committee of Sponsoring Organizations of the Treadway Commission. This systematic approach makes it possible to identify priority risk areas, assess potentially negative effects in advance, and implement control mechanisms for the Company's protection.

The Company monitors the various risks in light of its strategic, operational, financial and compliance goals, ad monitors risks through a model based on Key Risk Indicators.

Key Risk Indicators play a crucial role because they signal trends, allowing Management to keep an eye on significant changes in business risks, and are therefore a valuable tool for handling potential negative impacts in a proactive and timely manner.

In 2024, the Group's risk management model consolidated the previous year's progress by introducing advanced quantitative models for assessing risk. These models, based on probabilistic simulations, help analyse the risk at different confidence levels, considering both normal scenarios and stress test conditions.

The risk appetite framework, refined in 2023, was further validated and operationally applied, using quantitative parameters closely linked to the key indicators of the budget plan, including FFO (Fund for Operations), LTV (Loan to Value) and ICR (Interest Coverage Ratio).

Furthermore, a benchmarking analysis confirmed the substantial completeness of the Group's risk library compared to the most relevant peers and the trends of the market in which it operates. This has strengthened the Group's ability to promptly identify key risk areas and refine mitigation strategies, in line with industry best practices.

The Group's primary risks are described below.

2.12.1 // Strategic risks

2.12.1.1 Purchasing power (inflation, consumption drop etc.) and competition risk

Main risk factors:

> Radical change in consumer habits, affecting IGD's business model based on shopping centers;
> Regulatory changes with a heavy impact on business activities, which could impact the Group's revenue and the value of its assets.

> Controls adopted to monitor risk exposure and impact mitigation:
The Company regularly monitors the Italian economy and the main macroeconomic indicators to update the Strategic Plan and the annual Budget. It analyses the competition, consumer trends and the positioning of the offer with respect to the target audience, adapting the merchandising mix and pricing based on market trends.

Attention is also paid to the evolution of consumer habits, with a focus on the integration of services that cannot be replicated by e-commerce and on the inclusion of destination stores to maintain the attractiveness of shopping centers.

For the portfolio in Romania, territorial diversification reduces risks related to variations in consumption. Winmarkt's Commercial Management monitors local competition and responds with renovations, extraordinary maintenance and marketing strategies to strengthen the attractiveness of shopping centers.

2.12.1.2 Macroeconomic risk

Main risk factors:
> Uncertainty regarding inflation;
> Domestic/international economic downturns.

> Controls adopted to monitor risk exposure and impact mitigation:
The Company constantly analyses changes in consumer spending levels and inflation rates through market research activities, using reports prepared by specialized professionals. Management monitors the country's market conditions by looking at economic and financial stability indicators.

With regard to the Romanian market, Management constantly monitors the country's economic performance, checking the main economic stability indicators such as exchange rates and the status of the European aid programs, in order to make sure no critical areas that could affect IGD's business have emerged. The Company develops and maintains relationships with the Italian business

DIRECTORS' REPORT
2.12 MAIN RISKS AND UNCERTAINTIES FOR IGD SIIQ S.P.A. AND THE GROUP

and financial community, with institutions and national and international trade organizations in order to increase the flow of information and understanding of the local market.

2.12.1.3 Socio-political risk scenario

Main risk factors:

> Domestic/international political crises;

> Regulatory changes with a strong impact on the laws applicable to the Company.

> Controls adopted to monitor risk exposure and impact mitigation:

Risk management: With regard to both the Italian and the Romanian market, Management monitors the national and international socio-political situation by analysing political stability indicators, as well as any regulatory changes that could impact the Company's compliance, including with the support of specialized consultants.

The Company develops and maintains relationships with institutions and national and international trade organizations in order to increase the flow of information and understanding of the local market.

2.12.1.4 Risk given by the suboptimal management of the effects of e-commerce market penetration

Main risk factors:

> Radical change in end-consumer habits with a growing preference for online shopping, which impacts IGD's business tied to the shopping center model.

> Controls adopted to monitor risk exposure and impact mitigation:

The Marketing Department periodically monitors and analyses the Company's and the sector's data vis-a-vis e-commerce trends: up until now the sectors most impacted by online competitors are tourism (travel organization, specifically) and services.

The Company participates in working groups and commissions of the national association of shopping centers (CNCC or Consiglio Nazionale dei Centri Commerciali) which provides the Company with an opportunity to analyse any findings and discuss the controls in place with its peers.

The Company's current strategy focuses on two key aspects: the analysis and continuous fine tuning of the merchandising mix in order to introduce activities that cannot be substituted (e.g. restaurants and personal services) and the remodelling/renewal of shopping center space; and the increasing integration between "online and offline," making shopping centers multichannel spaces with personalized communication and visitor offerings including by using the tools developed in the Digital Marketing Plan.

2.12.1.5 Financial strategy and debt refinancing risk

Main risk factors:

> Failed/unclear definition of the Company's financial strategy, resulting in delays in debt refinancing which could affect the ability to access the best sources of funding and maintain an investment-grade rating.

> Controls adopted to monitor risk exposure and impact mitigation:

The Company's strategy calls for rigorous financial discipline, in line with its investment grade profile. It aims to improve its LTV and liquidity position by maintaining a significant portion of medium/long-term debt which typically accounts for more than 90% of the total debt. The Company uses different sources of funding and looks for the best conditions available on the capital markets, while also working to expand the investor base. Today the Company is rated by two agencies which have issued the following ratings: S&P BB with a stable outlook and Fitch BBB- with a stable outlook.

2.12.1.6 Strategic definition, tenant mix/merchandising mix risk

Main risk factors:

> The shopping centres' positioning fails to attract the target customers found in the catchment area;

> The merchandising mix does not meet the needs of the customers in the catchment area;

> The merchandising mix does not meet the needs of the customers in the catchment area.

> Controls adopted to monitor risk exposure and mitigate impact:

The Commercial Department defines commercial planning to optimize the tenant mix of shopping centers and their offer, reducing the risk of strategic errors. The company constantly monitors sales, vacancies and market trends through data updates and benchmarking tools. Any non-routine decisions on commercial spaces are subject to approval and periodic coordination meetings.

Tenant mix analysis takes into account location, center characteristics and expert-supported market research. The establishment of a Marketing Service with dedicated staff allows for more precise analyses to define targeted strategies for centers, tenants and product categories. The company measures customer satisfaction through interviews and questionnaires.

In Romania, the local Management sees to the mix of tenants with attention to their geographical position and regional identity, considering the presence of strategic anchors. The company constantly analyses the evolution of the Merchandising Mix and the tenant mix through monthly reports. Furthermore, it has foreseen the reconversion of less attractive spaces into offices or services to maximize returns and contract duration.

2.12.1.7 Hypermarket format crisis risk

Main risk factors:

> Crisis among hypermarket retailers which could affect the large-space occupancy of shopping centers, their appeal to customers, and the Company's revenue.

> Controls adopted to monitor risk exposure and mitigate impact:

The Company constantly monitors the performance of its shopping center tenants and, where necessary, remaps mall space or adjusts rent to make it more sustainable over time, sometimes in conjunction with a decrease in the size of hypermarkets. The Commercial Division has defined a synergistic commercial strategy by which hypermarkets and malls work more closely together on marketing and management, with a view to improving the customers' experience. When evaluating tenants, the Company considers mitigating factors like the ability to attract customers through offerings more in line with market trends.

For some years now the Company has also been adding new services and innovative activities tied to food & beverage and entertainment, interpreting the latest trends in the retail market.

Below is a list of the most significant actions taken by the Group as part of its risk response strategy:

> The remapping of malls in line with the LSD surface of hypermarket formats;

> Rent adjustments with the aim of making them more sustainable over time. In parallel, synergic commercial strategies are defined between the hypermarket and the mall, with a view to strengthening collaboration in the marketing and management fields. The main goal is to improve the overall customer experience;

> Where possible, the creation of shop-in-shops at hypermarkets that have not been resized, to boost profitability and especially the range of specialties on offer;

> An expansion of the online order and pick-up service using the former stockrooms of the hypermarkets that are easily accessible.

2.12.1.8 Suboptimal digital transformation risk

Main risk factors:

> Diminished appeal of the shopping center/mall;

> Trouble meeting the personalized needs of each visitor.

> Controls adopted to monitor risk exposure and mitigate impact:

IGD has completed the integration of digital marketing strategies in Shopping Centers, consolidating a path that began with the introduction of the role of Digital Specialist. The Digital Plan was developed with a view to customer retention, increasing loyalty and personalising the offer for visitors, through a structured system of lead generation, profiling and interaction with tenants and customers.

The implementation of the Customer Relationship Management (CRM) system in Shopping Centers has allowed to optimize the management of contacts and improve customer experience, thanks to the integration of different touchpoints, both physical and digital. The restyling of the websites has made navigation more intuitive and engaging, while the Reserved Area "Area PLUS +" offers users exclusive content, personalized promotions and engagement opportunities, promoting a more direct and continuous relationship with the public.

Social networks, through targeted influencer marketing strategies and dedicated commercial initiatives, play a key role in enhancing the products available in Shopping Centers and increasing traffic in points of sale. This omnichannel approach allows to strengthen the company's positioning, creating an increasingly integrated digital ecosystem aligned with market evolutions.

2.12.1.9 Corporate social responsibility risk

Main risk factors:

> Damaged reputation;

> Delays in development;

> Weakened customer relations;

> Erosion of shareholder value.

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> Controls adopted to monitor risk exposure and mitigate impact:
The Company has developed an acronym ("GREAT") which reflects IGD's vision of sustainability and, at the same time, presents the material issues identified as a group. "GREAT" summarizes the Company's commitment to constant growth and stands for Green, Responsible, Ethical, Attractive, Together.

In 2024 the Group invested more than €2.4 million in improving the environmental sustainability of its structures in Italy (more than €3 million including Romania). In addition to structural improvements, the Company worked to raise shoppers', suppliers' and tenants' awareness of sustainability issues.

The Company is also committed to promoting quality employment for its employees, including through training and the continuous development of their expertise, and strives to work ethically through an effective governance system which reflects the best practices for listed companies, in line with the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana.

Lastly, the Company works to make its shopping centers even more attractive though continuous enhancement of the malls' interiors and exteriors and is engaged in a continuous dialogue with its stakeholders in order to understand their needs and expectations and assess their satisfaction with decisions made and actions taken.

2.12.1.10 Pandemic risk

Main risk factors:
> Potential significant reduction in revenue;
> Potential significant reduction in personnel;
> Administrative decisions and/or operating restrictions;
> Temporary closures;
> Inability of tenants to carry on their retail businesses and remain solvent.

> Controls adopted to monitor risk exposure and mitigate impact:
In recent years, IGD has implemented a structured set of measures to minimize the risk associated with pandemic events, integrating these actions into its sustainability and operational management strategies. The experience gained during the Covid-19 emergency has led the Company to consolidate an approach based on prevention, operational continuity and safety, thus ensuring high resilience of its real estate portfolio.

To protect the health of visitors, tenants and employees, IGD has adopted enhanced hygiene and sanitation protocols in its Shopping Centers, maintaining high standards of cleanliness and safety. The BIOSAFETY TRUST CERTIFICATION, initially obtained for seven Shopping Centers and the Bologna headquarters, has been progressively extended to the entire portfolio, as evidence of a constant commitment to providing safe environments that comply with international best practices.

At the same time, the Company has introduced tools for a more flexible management of operational and financial activities, with organizational models that include the adoption of digital solutions for work management and communication with tenants. Financial planning has been strengthened with a prudent approach, which includes the diversification of investments and the optimization of expenses, in order to preserve economic stability even in uncertain scenarios.

2.12.2 // Operating Risks

2.12.2.1 Disaster risk (earthquakes, floods) and damage to assets by third parties

Main risk factors:
> Natural disasters such as floods and earthquakes;
> Catastrophic events, e.g. fires.

> Controls adopted to monitor risk exposure and mitigate impact:
Given the type of business and its unique portfolio, the Company has taken out an all-risks policy with a major insurer that provides annual coverage to each shopping center.

IGD is committed to investing in the maintenance and quality of its properties. When renewing the insurance for its buildings, the Company has added and/or changed coverage as needed. Appraisal operations regarding building damage were assigned to a dedicated expert so as to ensure cross-examinations during site inspections and a prompter management of the investigation and subsequent settlement offer. The Company also developed a procedure for updating and monitoring outstanding claims on a quarterly basis.

In light of the growing concern about earthquakes as a result of the recent occurrences in Italy, the Company is looking more closely at potential risk factors and assessing whether changes should be made to safety mechanisms and insurance coverage. In the last few years, IGD has also negotiated further changes to the all-risks policy, increasing the amount insured for various types of events deemed the most likely to occur and to cause the most significant damage.

Disaster risk is an extremely important topic for the Group, especially in light of the floods that struck the Romagna region. Well aware of the size of such risks, in 2023 the Company raised the maximum benefits and coverage against catastrophic events.

2.12.2.2 Credit risk - problems with management/monitoring of credit from lease rentals and condominium expenses

Main risk factors:
> Customer insolvency;
> Credit recovery problems.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company adopts a structured and multidisciplinary approach to the management of tenants' credit risk. During the pre-contractual phase, the operators' financial, economic and equity soundness is assessed through analyses conducted with the support of external experts and guarantees such as sureties or security deposits are requested. During the contractual relationship, a dedicated system – with monthly analyses and daily monitoring – constantly checks the credit situation, sending automatic alerts in the event of a deterioration in the rating and activating internal procedures for managing abnormal results. In exceptional situations, especially for reliable tenants, the Company may adopt temporary relief measures.

The Leasing, Digital & Innovation Department works closely with the leasing office, Credit Management and legal functions to produce periodic reports, ensuring accurate control over debt collection activities. The credit impairment policy provides for high coverage (with quarterly updates). Furthermore, the Consortia, in cooperation with IGD Service, constantly monitor condominium expenses and, in the event of non-compliance, activate internal procedures for credit management, keeping payment schedules and credit situations up to date.

To improve control over consortium charges, the Company has initiated a process of transforming consortia into owner entities, thus allowing direct management of both charges and rents and more timely monitoring of the tenants' credit situation.

In Romania, according to local legislation, which gives the landlord the right to regain ownership of the premises in the event of default, Winmarkt uses standard lease contracts that include clauses related to credit risk, interest on late payments and penalties, and requires every tenant to post guarantees in the form of sureties or security deposits. The credit write-down policy provides for 100% coverage of receivables more than 60 days old, unless a signed agreements is in place. Customer ratings are based on best practices, considering business skills, the opinions of the shareholders, and information from the Chamber of Commerce for national tenants. Winmarkt constantly monitors its tenants' credit quality by assessing the sustainability of rent with respect to their revenue and adopts a positioning strategy that favours international tenants with higher credit standing than national and local ones.

2.12.2.3 Asset Valuation Risk

Main risk factors:
> External events;
> Global economic crises;
> Changes in the domestic/international market which results in a significant writedown of the asset portfolio;
> Change in the performance of one or more assets.

> Controls adopted to monitor risk exposure and mitigate impact:
Exogenous risk is constantly monitored by the General Management, the Asset Management and the functions responsible for managing the Network.

The location of shopping centers, spread across the territory, reduces exposure to risk associated with regional phenomena.

The analysis of sales data and the observation of commercial trends, the performance of credit positions, renegotiations and footfalls, and the support of external appraisers when valuing assets are all useful to Management for capturing any signs of a downturn in the commercial real estate market. To value its properties, the Company selects independent appraisers who are specialists in the field of freehold properties. Assets are evaluated twice a year; however, with a view to monitoring the valuation process, the Company may request a further valuation from independent appraisers.

Periodically the Company runs sensitivity analyses on its largest assets, to assess and anticipate the potential impact of changes in the key economic variables used to value the properties (discount rate, capitalization rate,

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revenue). To ensure stronger controls on asset appraisal activities and the turnover of appraised assets, the Company appointed independent appraisers for the valuation of part of the real estate portfolio.

The Planning, Control, IR and Sustainability Department reviews the appraisals, checks for errors and reconstructs the Discounted Cash Flow. In the Balance Sheet there is the sensitivity of the main variables (increase and decrease of exit rates), while in the forecast/budget/industrial plan stage, a hypothesis is made on the expected value of the assets.

To reinforce the response strategy in the event of an incorrect valuation of assets, the Company has also adopted a new procedure governing the asset valuation process, the responsibilities of IGD and the appraisers, and the controls to be implemented to mitigate the risk of faulty valuation.

2.12.2.4 Lease risk - Suboptimal management of contractual relationship and renewals with tenants

Main risk factors:
> Critical profiles in managing contractual relationship with the tenants;
> Increased costs or loss of income.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company oversees relationships with its tenants through the constant monitoring of any contractual breaches or violations and through the regional supervision of the Commercial Division. Every tenant is subject to pre-contractual selection based on financial solidity, the economic prospects of its business and credit history. Guarantees in the form of sureties and security deposits, typically equal to 6 (six) months' rent, are also typically requested before the lease is signed.

The Company uses standard rent/lease agreements that may be revised or amended based on the conditions agreed upon with the tenant; if need be, the Company may avail itself of outside consultants to define unusual contractual clauses.

In the annual budget the Company has made provisions for risk mitigation tools (temporary discounts, co-marketing actions) and has strengthened its organizational structure with a Credit Management Department.

In Romania, lease management is closely monitored through a steady relationship with tenants, handled by local management, in particular through the commercial department. Before renegotiating a contract, Management looks at the rent as a percentage of the tenant's revenue. Any contractual change requires the approval of the Commercial Director, the COO or the Board of Directors, depending on the authorization limits set by the shareholders' meeting. The existence of a centralized Leasing Division, with a unit covering the Romanian market, provides constant supervision of this risk.

Winmarkt has a diverse tenant portfolio that includes local, national and international retailers. The company continues to strengthen its relationships with tenants with the best credit standing, through contract management policies designed to extend the lease term, add stricter clauses and prolong the lock-in period. From a legal and regulatory standpoint, there is more flexibility for the renewal or termination of leases.

2.12.2.5 Vacancy risk - failure to optimize occupancy of the properties

Main risk factors:
> Failure to reach the expected level of occupancy at shopping centers, which could impact appeal and profitability.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company manages the risk of empty spaces in shopping centers through promotional and commercial incentive activities, both with existing and new tenants. The sales team, consisting of experienced professionals, works to maximize revenues and space occupancy. Occupancy rates are monitored, and corrective actions are taken when necessary.

The Company invests constantly to increasing the quality and appeal of the properties, including by changing internal layouts. Particular attention is paid to tenant performance, with monthly sales reports. If necessary, temporary support actions are implemented on rents and step rents are granted for new points of sale.

To attract anchor stores, the Company contributes to the construction of the points of sale. In the Romanian market, Winmarkt shopping centers, located in central locations, follow a vertical development model, with a "full occupancy" strategy even for the less prestigious floors. Tenant turnover is generally high, especially on the upper floors.

Marketing actions are implemented to attract clients and support small local tenants.

The Group has introduced a control dashboard to monitor industrial strategy through specific indices.

2.12.2.6 IT risk - Inadequate planning and management of Information technology systems

Main risk factors:
> Problems connected with the correct functioning of the IT systems supporting the company's operations.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company has completed the insourcing of IT services. The project developed through the creation and deployment of a new ERP/EPM software, the update of complementary third-party platforms (financing and leases) and the insourcing of HCM and IT security services.

The IT function has been established, reporting directly to the CEO and Managing Director of the Company, and an IT Manager with many years of experience in similar roles at multinational companies has been hired to lead it.

2.12.2.7 Risk connected to performance or critical profile of third-party suppliers of products/services (e.g. consultants, contractors)

Main risk factors:
> Delays, problems and/or contractual non-compliance by construction companies commissioned by the Group;
> Delays, problems and/or contractual non-compliance by sellers of finished "turnkey" shopping centers;
> Delays, problems and/or contractual non-compliance by suppliers, including breach of professional responsibilities.

> Controls adopted to monitor risk exposure and mitigate impact:
When selecting professionals, contractors, construction companies, external consultants and appraisers, the Company checks the financial and professional solidity of the potential provider in order to reduce the risk of any counterparty non-compliance and/or default in accordance with internal procedures. Pursuant, furthermore, to the Anticorruption Policy (UNI ISO 37001:2016) and the Due Diligence Procedure adopted by the Company, all third parties (both contractors and contractees) undergo screening/due diligence.

The contractual terms applied contain a set of customer guarantee clauses (i.e. penalties for delays and for failure to provide the services as promised).

The Division involved monitors the time it takes to complete the work and/or provide services and carefully monitors compliance with the qualitative standards agreed upon, over the life of the contractual relationship.
Each Division selects its own supplier and approves payment of the corresponding invoice, according to the rules established in the purchasing procedure. In accordance with the Anticorruption Policy (UNI ISO 37001:2016) and the Due Diligence Procedure adopted by the Group, all third parties (both contractors and contractees) undergo screening/due diligence.

With regard specifically to the building of shopping centers by construction companies and sub-contractors, the work done is supervised by an internal resource and a consultant who each week/every two weeks prepare a report on the progress made at the construction site.

As for the purchase of finished "turnkey" shopping centers, the Company requires the seller to provide a bank guarantee for the down payment and any further deposits made.

Through the Supervisory Board and the Risk and Control Committee, the Company audits the purchase of goods and services, and construction work every quarter.

2.12.3 // Compliance Risk

2.12.3.1 Tax risk - penalties for breaches of tax regulations

Main risk factors:
> Fines for the violation of tax laws;
> Loss of the earnings and financial requisites necessary to maintain SIIQ status, and loss of the status in the times and manners provided for by current regulations.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company, which was granted SIIQ status in 2008, has since then carefully monitored the associated tax risks; transactions affecting the chosen tax regime directly or indirectly are reviewed with support from the Administration, Legal and Corporate Affairs, Contracts, HR and IT Division, which constantly monitors any legislative changes and the internal administrative, accounting and tax procedures with assistance from an internal resource assigned

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to this task.

More specifically, separate accounts are kept for taxable operations and exempt operations; every six months, and more often in advance of corporate finance transactions, the Division conducts asset and profit tests in order to monitor tax compliance at the present moment and on a forward-looking basis. The results of the tests are shared with management. In addition, financial statements disclosures and tax returns are reviewed by a leading tax advisory business.

For any problems relating to new transactions, it is good practice for the Company to ask for support from the external auditing firm.

In the past, the firm received inspection notices for IGD Management, IGD Property and Punta di Ferro, resulting in no significant findings.

The Company has also undergone an inspection concerning registration tax for the acquisition of the ECP portfolio, which was closed without any findings of note.

2.12.3.2 Data privacy risk - fines connected to breaches of data protection regulations

Main risk factors:
> Fines for the violation of data protection and privacy laws.

> Controls adopted to monitor risk exposure and mitigate impact:
The Data Protection Officer (DPO), with support from an internal legal team, is responsible for supervising GDPR compliance in terms of Company records (privacy organizational chart, appointments and authorizations) and contracts.

Since 2018, when the GDPR took effect, training in this area is provided to all white-collar employees, junior managers and managers, and regular audits are carried out and reported on each year when the Board of Directors meets to approve the half-year financial statements.

2.12.3.3 Corporate liability risk (Legislative Decree 231/01)

Main risk factors:
> Penalties connected with corporate liability for crimes pursuant to Legislative Decree 231/01.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company has adopted the "Model for organization, management and control" ("MOG") pursuant to Legislative Decree 231/01 ("Decree"), defining the guidelines, rules, standards of conduct and governance for the Company's activities, which apply to all recipients with a view to preventing the crimes falling under the Decree.

As an integral part of the MOG, the Company has also adopted a Code of Conduct applicable to everyone who works for or with the Group, without exception, who are required to comply and ensure compliance with it when performing their duties.

Toward this end, the Supervisory Board, instituted in accordance with the Decree, carries out its control and supervisory duties with the support of a specialized consultant in order to monitor compliance with the Company's protocols and procedures, as well as the functioning of and compliance with the MOG.

The Supervisory Board keeps the MOG fully up to date to ensure that it complies with the law and that it adequately reflects the Group's organizational and business structure.

Since 2014, when corruption between private parties was added to the Decree, the absence of conflicts of interest within top management is verified every year. In 2018, after the whistleblowing law (Law 179 of 30 September 2017) took effect, the MOG was updated and the Company set up an anonymous whistleblowing platform accessible to both internal and external parties via the home page of the Company's website.

In 2020 Gruppo IGD obtained ISO 37001 "Anti-Bribery Management Systems" certification, which defines the requisites for anti-bribery/anti-corruption systems. The certification was issued by RINA Services S.p.A., an independent certifier accredited by Accredia (the government-appointed national accrediting entity for certifications and inspections) and the Italian leader in compliance certification.

In 2020 the MOG underwent extensive revision and was integrated with the UNI ISO 37001:2016 Anti-Bribery System already implemented by the Company.

2.12.3.4 Penalties for breaches of listed companies' regulations (CONSOB, Stock Exchange)

Main risk factors:
> Fines, reprimands and warnings from market management and supervisory authorities.

> Controls adopted to monitor risk exposure and mitigate impact:
As required of listed companies, IGD has established an Investor Relations department. Information is therefore managed by two units: Investor Relations, responsible for the relationship with Borsa Italia, and the Legal and Corporate Affairs Department, which handles the relationship with CONSOB. The division works closely with the Chief Executive Officer, the Management and in compliance with internal and external regulations governing market abuse.

Communications are reviewed by the management and the CEO depending on their significance.

In addition, the Company has prepared a timetable for the periodic shareholder meetings that are required for approval of the financial statements and in case of extraordinary operations.

Following the enactment of EU Regulation 596/2014 ("MAR"), the Company adopted a market procedure for the management, handling and public disclosure of confidential and price sensitive information and set up an Insider Registry.

IGD follows the 2020 version of Borsa Italiana's Corporate Governance Code, prepared by the Corporate Governance Committee. The Company conducts ongoing monitoring on any regulatory changes and their possible implications for compliance.

2.12.3.5 Liability under Law 262/05

Main risk factors:
> Fines for violation of the Financial Reporting Officer's responsibilities pursuant to Law 262/05.

> Controls adopted to monitor risk exposure and mitigate impact:
The Company, in accordance with Legislative Decree 262 of 28 December 2005 (Savings Act), has adopted administrative and accounting control procedures related to financial disclosures in order to *(i)* ascertain whether the current Internal Control System provides reasonable certainty that economic, asset and financial information represented offers a true and fair view of the financial statements; *(ii)* implement suitable administrative and accounting procedures to be used in drafting the separate and consolidated financial statements, as well as any other financial disclosures (in accordance with Law 262/2005); *(iii)* ensure compliance with the administrative and accounting procedures during the period to which the above documents refer.

The implementation of Internal Control System under Legislative Decree 262/05 is coordinated and monitored by internal resources as instructed by and under the supervision of the Financial Reporting Officer appointed by the Board of Directors in accordance with the law; verifications are carried out by Internal Audit.

The administrative-accounting system adopted pursuant to L.262/05 is monitored periodically in order to make sure the risk controls implemented as per risk assessments are effectively applied and updated in light of activities carried out by the Administration, Corporate and Legal Affairs, Leasing, HR, and IT Division.

The Company uses a model for risk assessment and management of the administrative system used for financial reporting and regularly updates this model. Each year the Company tests the adequacy and effective application of the administrative-accounting processes and subprocesses. The Company has also drawn up a manual for the Financial Reporting Officer and updated all administrative-accounting procedures, specifically those that impact reporting. The findings that emerge during Law 262 Testing are analysed periodically by the control bodies and the Board of Directors. The Company works constantly to make any recommended changes in order to continuously improve the administrative and accounting activities.

2.12.4 // Financial Risk

2.12.4.1 Cash management and financial resources risk

Risk factors:
> Problems with treasury management and accessing funds.

> Controls adopted to monitor risk exposure and mitigate impact:
Liquidity is monitored through cash flow planning, and risk is mitigated by the Company's extensive credit lines, committed and uncommitted.

The Finance Division uses a financial forecasting tool to monitor expected cash flows over a one-quarter rolling

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horizon and makes sure there is enough liquidity to operate the business, while establishing the proper ratio of bank borrowings to capital market debt.

With regard to medium/long term debt, the Group finances its operations using: *(i)* medium/long-term floating rate mortgages and unsecured loans, and *(ii)* fixed-rate bond loans. Medium/long-term borrowings may contain covenants, compliance with which is monitored constantly by the chief financial officer, who also coordinates with management using the enterprise risk management system to gauge the likelihood of violating the covenants as a result of strategic, operational, compliance and financial risks.

Financial commitments are covered by confirmed bank funding and available committed and uncommitted credit lines.

Liquidity risk is managed prudently to avoid incurring excessive costs in the case of unforeseen events, which could have a further negative impact on the Company's market reputation and financial viability.

The Company is equipped with tools to i) analyse and measure interest rate risk, ii) gather data and information relative to contracts entered into for the management of interest rate risk, iii) develop a single risk assessment and management model, and iv) identify and measure financial risks taking into account:

a) fair value;
b) cash flow sensitivity;
c) stress tests;
d) likelihood of counterparty default.

All information pertinent to cash management and funding is managed by a single department. The planning and control figures from the business plan are also integrated with financial data provided by the Finance and Treasury Division.

2.12.4.2 Interest rate risk

Main risk factors:
> Interest rate volatility that could impact the financing of operations and the use of available liquidity.

> Controls adopted to monitor risk exposure and mitigate impact:
The Group finances its operations through short-term borrowings, long-term secured and unsecured loans charging adjustable interest, and fixed-interest bonds, so it determines its risk of increased financial charges if interest rates go up or if it refinances debt at higher rates.

The Finance and Treasury Division monitors interest rate risk constantly, in coordination with top management. Over the years the Company has gradually increased its interest rate hedges and reduced LTV.

The Finance Division monitors trends in the main economic and financial indicators that may affect the Group's performance.

The risk hedging policy involved entering into IRS-interest rate swap agreements, which allowed the Group to collect a variable interest rate paying a fixed rate and, in light of the yield curve, considers other forms of hedging like caps and collars which allow it to cover about 80% (at 31 December 2024) of its interest rate risk on medium/long-term loans, including bonds.

The Finance department analyses and measures interest rate and liquidity risk while constantly evaluating the best means of implementation of the risk management model and conducts routine scouting activities to find opportunities to reduce the cost of debt with banks and/or the capital markets. The Company is currently rated by two agencies that have assigned the following ratings: S&P BB with a stable outlook and Fitch BBB- with a stable outlook.

The Finance Division carefully monitors the parameters assessed by the two rating agencies, as it recognizes the crucial importance that ratings play in protecting the Group's financial credibility and building confidence on the part of stakeholders.

This area of risk is mitigated by periodic monitoring in the context of the ERM process.

2.12.4.3 Exchange rate risk

Main risk factors:
> Fluctuations in the value of the Romanian RON.

Which could result in the portfolio being written down and the default of Romanian retailers whose rent is denominated in EUR but paid in the local Romanian currency.

> Controls adopted to monitor risk exposure and mitigate impact
Rent for tenants in Romania is denominated in euros but invoiced and paid in the local currency (RON); this exposes the Company to the risk that fluctuations in exchange rates could make it harder for these tenants to meet their contractual obligations.

Currently IGD mitigates this risk through constant efforts to optimize the merchandising mix and tenant mix and by sustaining the value of the real estate portfolio, in part by making improvements. Periodic meetings are held to coordinate and monitor the credit situation of individual malls and tenants and determine if any action is needed. On a regular basis, the Company monitors the rent as a percentage of the tenant's sales. Commercial policies are determined with care and with the utmost attention to local consumption styles and market demands.

To that end, the Group employs a specialized team made up of head office and local professionals, to seek the right trade-off between the expertise acquired at the corporate level and knowledge of the local context.

2.12.5 // Other considerations

As mentioned in Section 2.10, the Group is evaluating the potential risks that climate change poses for its operations and has identified the following possible impacts:

> Increase in consumption, energy costs and damages caused by sudden environmental events;
> Increase in operating costs due to higher fossil fuel prices;
> Stricter environmental legislation and potential fines;
> Reputational damage caused by environmentally harmful events involving the Group.

With regard specifically to transition risks and the potential impact on the fair value of the real estate portfolio, as reported in the appraisals, the independent appraisers have taken into account the ESG indicators of every building and included a cost component in their base cash flow analysis. This component includes extraordinary maintenance costs for which the owner is responsible, including energy upgrades associated with business plan targets and the company's ambitions, which may not represent a realistic estimate of such costs considering that companies are not yet legally required to incur them.

In their reports, the independent appraisers emphasize that currently there are no objective parameters or specific databases allowing them to accurately reflect the impact of ESG in property valuations.
They did point out that properties with good to excellent levels of energy efficiency are viewed favourably by the real estate market as the property is capable of attracting tenants of high standing. Therefore, energy efficiency aspects are reflected indirectly in the property appraisal and expressed implicitly in market value.

In 2024 the Group intensified its commitment to using sustainable energy in both Italy and Romania. In Italy, 96% of the energy used came from renewable sources. Both in Italy and Romania, self-production of energy has increased. Energy coming from photovoltaic sources represented 6.3% of the total energy consumed, with a growth of 0.4 p.p. compared to 2023. In the last three years 2022-2024, the total power of photovoltaic systems installed on the roofs or in the parking lots of the Shopping Centers owned by the Group has grown by over 50%, going from 2.1 MWp to 3.1 MWp, thanks to the installation of photovoltaic panels in 6 structures.

2.13 // Intercompany and related party transactions

With regard to related party and intercompany transactions, there are no transactions which qualify as unusual or atypical, as they fall within the Group's ordinary scope of operations and take place under arm's-length conditions.

With regard to the rules of corporate governance and the procedures for related party transactions, please refer to Section 3.10, "Report on Corporate Governance and Ownership Structure".

Details of related party transactions carried out in 2024 are provided in a section of the notes to the financial statements.

2.14 // Treasury shares

IGD owned no treasury shares at 31 December 2024.

2.15 // Research and development

IGD SIIQ and the Group companies do not perform research and development activities.

2.16 // Significant Transactions

During the year closed on 31 December 2024, no significant non-recurring transactions or atypical/unusual transactions, as defined in CONSOB's notice of 28 July 2006, were carried out with third parties or between Group companies.

2.17 // Comment on the Parent Company's financial and economic performance

The financial statements as at 31 December 2024, whose draft has been approved by the Board of Directors during the meeting held on 6 March 2025, and which are now being submitted to the Shareholders, show a net loss of 26,921 thousand euros. Total revenues and operating income amounted to €117 million, a decrease of €8.2 million, or 6.6%, compared to the previous financial year, due to the transfer of 8 hypermarkets, 3 supermarkets and 2 malls to the Food fund, completed on 23 April 2024. Operating costs, including overheads, have decreased 1.4 million euros compared to the previous financial year, impacting on revenues by 25.2%, substantially in line with 25.0% at 31 December 2023.

Operating result amounted to €65.3 million, increasing €93.4 million compared to the previous year, mainly as a result of lower impairment in the real estate portfolio, equal to €19.1 million (impairment was €119.6 million at 31 December 2023).

The result of the management of equity investments and property sales shows a loss of €29.3 million, mainly due to the first entry of the Food Fund shareholding.
Financial management showed a balance of €62.7 million at 31 December 2024, an increase of €18.6 million with respect to prior financial year.

The Net Financial Position improved compared to 2023 by approximately €154.5 million, mainly due to the effects of the sale of 60% of the shares in the Food fund.

IGD SIIQ S.p.A.'s statement of financial position at 31 December 2024 can be summarized as follows:

(in thousand of Euros)	12.31.2024	12.31.2023	Δ	%
Investment property	**1,541,073**	**1,810,741**	**(269,668)**	**-17.50%**
Assets under construction and advance payments	**2,402**	**2,288**	**114**	**4.75%**
Intangible assets	**1,571**	**1,775**	**(204)**	**-12.99%**
Other tangible assets	**8,683**	**9,035**	**(352)**	**-4.05%**
Soundry receivables and other non-current assets	**110**	**80**	**30**	**27.67%**
Equity investments	**222,486**	**142,085**	**80,401**	**36.14%**
Net working capital	**(13,658)**	**(15,611)**	**1,953**	**-14.30%**
Funds	**(6,965)**	**(6,837)**	**(128)**	**1.84%**
Sundry payables and other non-current liabilities	**(9,900)**	**(16,890)**	**6,990**	**-70.61%**
Net deferred tax (assets)/liabilities	**1,671**	**1,593**	**78**	**4.67%**
Total use of funds	**1,747,473**	**1,928,259**	**(180,786)**	**-10.35%**
Total shareholders' equity	**1,022,456**	**1,049,568**	**(27,112)**	**-2.65%**
Net (assets) and liabilities for derivative instruments	**1,594**	**1,205**	**389**	**24.40%**
Net debt	**723,423**	**877,888**	**(154,465)**	**-21.35%**
Total sources	**1,747,473**	**1,928,661**	**(181,188)**	**-10.37%**

The income statement of IGD SIIQ S.p.A. is shown below:

IGD SIIQ S.p.A.	(A) 12/31/2024	(B) 12/31/2023	Δ (A)/(B)
Revenues from freehold rental activities	112,756	120,564	-6%
Revenues from leasehold rental activities	3,090	3,220	-4%
Total revenues from rental activities	115,846	123,784	-6%
Rents and payable leases	-49	-6	n.a.
Direct costs from rental activities	-17,714	-18,728	-5%
Net rental income	98,083	105,050	-7%
Revenues from services	1,140	1,017	12%
Direct costs from services	-172	-16	n.a.
Net services income	968	1,001	-3%
HQ Personnel expenses	-6,977	-7,184	-3%
G&A Expenses	-5,675	-5,304	7%
Core Business EBITDA (Operating income)	**86,398**	**93,566**	**-8%**
Core Business Ebitda Margin	*73.9%*	*75.0%*	*-2%*
Impairment and Fair Value adjustment	-19,121	-120,043	-84%
Depreciation and provisions	-1,950	-1,645	19%
EBIT	**65,327**	**-28,122**	**n.a.**
Financial management	-62,664	-44,062	n.a.
Extraordinary management	-29,263	-45	n.a.
Pre-tax resuts	**-26,601**	**-72,229**	**-63%**
Taxes	-320	-286	12%
Group net result	**-26,921**	**-72,515**	**-63%**

Certain cost and revenue items have been restated or offset, which explains any differences from the financial statements (see the segment reporting section for further information).

3

// REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

DETAILED INDEX

3. REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

// GLOSSARY

// CG Code
The Corporate Governance Code for Listed Companies approved in January 2020 by the Corporate Governance Committee.

// Civil Code/C.C.
The Italian Civil Code.

// CG Committee/Corporate Governance Committee
The Italian Corporate Governance Committee of listed companies, promoted not only by Borsa Italiana S.p.A., but also by ABI, Ania, Assogestioni, Assonime and Confindustria.

// Board
The board of directors of the Issuer.

// Issuer/Company/IGD
The company Immobiliare Grande Distribuzione SIIQ S.p.A. to which the Report refers.

// Financial Year/Year 2024
The financial year 2024, to which the Report refers.

// CONSOB Regulation on Issuers
The Regulation issued by CONSOB with Resolution No. 11971 of 1999 (as subsequently amended) on issuers.

//CONSOB Market Regulations
The Regulations issued by CONSOB with Resolution No. 20249 of 2017 on markets.

// CONSOB Related Parties Regulation
The Regulation issued by CONSOB with Resolution No. 17221 of 12 March 2010 (as subsequently amended) concerning related party transactions.

// Report
This report on corporate governance and corporate structure prepared pursuant to Article 123-*bis* of the Consolidated Finance Act.

// Remuneration Report
The report on the remuneration policy and compensation paid prepared by the Issuer pursuant to Article 123-*ter* TUF and Article 84-*quater* CONSOB Regulation on Issuers.

// Consolidated Finance Act/TUF
Legislative Decree 58 of 24 February 1998.
Unless otherwise specified, reference is to be made to the CG Code for the definitions of **directors**, **executive directors** [*see Q. Def. (1) and Q. Def. (2)*], **independent directors, significant shareholder, *chief executive officer* (CEO), board of directors, control body, business plan, concentrated ownership company, large company, sustainable success, *top management***.

3.1 // Company profile

The Company has a traditional system of management and control founded on the centrality of the Board of Directors. The accounting is entrusted to an external auditing firm in accordance with the law.

The Company's governance model is centred on *(i)* the Board of Directors' guiding role in corporate strategy, as a whole and through specific committees with advisory and consultative functions; *(ii)* the transparency of internal management decisions and towards the market; *(iii)* the definition of a policy for the remuneration of directors and top management in accordance with the provisions of the Code; *(iv)* the efficiency and effectiveness of the internal control and risk management system; *(v)* the careful regulation of potential conflicts of interest; and *(vi)* clear procedural rules for carrying out transactions with related parties, in accordance with current regulations, as well as for the handling of corporate information. The company's mission is to create value for all its stakeholders: shareholders and lenders, employees, visitors and local communities, retailers and suppliers. The Company believes this is possible through sustainable growth.

The Board of Directors plays an active role in defining the Company's strategy, first and foremost through in-depth board discussions in which, on request, the Company's Management participates to provide further information on specific agenda items. Furthermore, when approving the 2025-2027 Business Plan, the Company organised special meetings attended by the entire Board of Directors and the members of the Board of Statutory Auditors, which were prearranged to draw up the Plan itself to allow an open and shared discussion of the Company's strategies before proceeding with the relevant approval.

The Company has defined and implemented, with the support of the Control and Risk Committee, an integrated risk management process, which is inspired by internationally recognised standards in Enterprise Risk Management (ERM). The Company's ERM system, which includes both financial and non-financial risks, some of which are related to sustainability issues, is periodically updated through structural risk assessment processes, evaluation of newly identified risks and the related controls in place, with a view to integration with the strategies pursued, considering the Company's organisational and business model. All such efforts figured into the 2025-2027 Business Plan. In this regard, see Section 9, "Internal Control and Risk Management System - Control and Risk Committee".

Similarly, with regard to remuneration policy, the Board, supported by the Nomination and Compensation Committee, has proposed revisions and additions to the bonus system to strengthen the rigour and alignment of performance targets with the business and sustainability strategy over a multi-year horizon to create long-term value.

On 18 April 2024, the Board of Directors established the Strategic Steering Committee. This Committee - which has also been assigned the functions of the Sustainability Committee - plays an advisory role on possible strategic guidelines in the management of the Company, ensuring that these are aligned with the targets of sustainability, growth and long-term value creation for shareholders. For the functions of the Strategic Steering Committee, please refer to Section 6.0 of this Report.

For the financial year, the company drew up the Sustainability Report, which describes the strategy, the short-, medium- and long-term development targets and the main ESG achievements during the year.

Although the Group does not fall within the scope of Legislative Decree 254/2016 - enacted in implementation of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 - which provides for mandatory disclosure of non-financial and diversity information by certain companies and large groups - the Company publishes annually on a voluntary basis the Sustainability Report certified and approved by the Issuer's Board of Directors and makes it available to the public at https://www.gruppoigd.it/en/sustainability/sustainability-report/.

For the financial year, the Company did not prepare the sustainability reporting required by Legislative Decree No. 125/2024. The provisions of Legislative Decree 125/2024 will apply to the Company as of financial year 2025.

The Company qualifies as an SME pursuant to Art. 1, lett. w-quater.1) TUF and Art. 2-*ter* of the CONSOB Issuers' Regulations (capitalisation below the threshold set by CONSOB).

Average Capitalization

2024	2023	2022
230,056,000	278,798,937	404,697,177

The Company does not meet the definition of "large company" and/or "company with concentrated ownership" as set forth in Borsa Italiana's Corporate Governance Code.

3

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
3.2 INFORMATION ON OWNERSHIP STRUCTURE (PURSUANT TO ART. 123-BIS, PAR. 1, TUF) AT 27 FEBRUARY 2

3.2 // Information on ownership (pursuant to Article 123-*bis* (1) of the Consolidated Finance Act) AS OF 31 DECEMBER 2024

a) Share capital structure (pursuant to Art. 123-bis, par. 1, lett. a), TUF)

The share capital approved at the date of this Report totals €650,000,000.00 fully subscribed and paid-in, divided into 110,341,903 ordinary shares without a stated par value (see Table 1).

b) Share transfer restrictions (pursuant to Art. 123-bis, par- 1, letter b), TUF)

There are no restrictions and all shares are freely transferable.

c) Significant interests in share capital (pursuant to Art. 123-bis, par. 1, lett. c), TUF)

Based on the declarations received under Art. 120 of TUF and other information available to the Company, the shareholders with voting rights holding more than 5% of the company's ordinary share capital are those indicated in Table 1, "Significant interests in share capital", attached to this report (see Table 1).

d) Shares granting special rights (pursuant to Art. 123-bis, para. 1, lett. d), TUF)

The shares issued all have the same rights.

e) Stock sharing; exercise of voting rights (pursuant to Art. 123-bis, par. 1, lett. e), TUF)

There are no specific mechanisms which provide for employee share ownership.

f) Restrictions on voting rights (pursuant to Art. 123-bis, par. 1, lett. f), TUF)

There are no restrictions on voting rights.

g) Shareholder agreements (pursuant to Art. 123-bis, par. 1, lett. g), TUF)

There are no shareholder agreements deemed relevant pursuant to Art. 122 of TUF.

h) Provisions relating to change of control clauses (pursuant to Art. 123-bis, par.1, lett. h), TUF) and takeover bids (pursuant to Art. 104, par. 1-ter, and 104-bis, par. 1, TUF)

In the course of their normal business, the Company and group companies may stipulate agreements with financial partners, which include clauses which grant each of the parties the right to rescind and/or amend said agreements and/or require repayment of the loan in the event the direct or indirect control of the company contracting party should change.

Without prejudice to the above, the Company:

i. On 28 November 2019, repurchased the bonds representing the bonds denominated "€300,000,000 2,500 per cent. Notes due 31 May 2021" and "€162,000,000 2,650 per cent. Notes due 21 April 2022" (outstanding notes) tendered as a result of the tender offer launched by BNP Paribas S.A., which settled on 22 November 2019. After the notes were repurchased, the Company requested the cancellation of the Existing Notes repurchased by IGD. At the same time, on 28 November 2019, the Company issued new fixed-rate senior notes, "€400,000,000 2.125 per cent. Fixed Rate Notes due 28 November 2024," which call for the issue of a put option that may be exercised by the noteholders in the event control of the Company should change. As a result of the exchange transaction, which took place on 17/11/2023, the amount of the remaining Notes was, therefore, reduced € 57,816,000;

ii. On 16 October 2020, signed an agreement with Banca Monte dei Paschi di Siena for a 6-year €36.3 million loan, guaranteed by SACE as part of the Garanzia Italia program, which contains a mandatory early termination clause in the event control of the Company should change;

iii. On 4 August 2022, entered into a senior green unsecured loan agreement for €215,000,000.00 with BNP Paribas and other financial institutions that contains a mandatory early repayment clause that can be triggered in the event of a change of control of the Company;

iv. On 9 May 2023, it entered into a guaranteed senior green financing agreement for €250,000,000.00 with Intesa Sanpaolo S.p.A. and other financial institutions that contains a mandatory early termination clause that can be activated in the event of a change of control of the Company;

v. On 17 November 2023, following the tender and exchange offer on the bond expiring on 28 November 2024, the Company issued a new senior bond for € 310,006,000.00 whose settlement provides, *inter alia*, a put option in favour of the bondholders, actionable in the event of a change of control of the Company.

Subsequent to the end of the financial year, on 11 February 2025, as announced to the market on the same date, the Issuer entered into a secured financing transaction for an amount of €615 million with a pool of leading national and international banks and financial institutions. The transaction contains, *inter alia*, a mandatory early repayment clause that can be activated in the event of a change of control of the company.

The proceeds of this financing were used to partially refinance the existing indebtedness (including the loans referred to in items *(ii)* and *(iii)* above and which, as of the date of publication of this Report, are therefore extinguished) and to repay in full the outstanding bonds referred to in items *(i)* and *(v)* above and which, as of the date of this Report, are therefore extinguished.

It is reiterated, however, that the new change of control constraints results from the renewed secured financing.

With regard to takeover bids, in the Company's Articles of Association there are no clauses which provide for exceptions to the passivity rule nor application of the neutrality rules.

i) Authority to increase share capital and authorizations to buy back shares (pursuant to Art. 123-bis, par. 1, lett. m), TUF)

The Board of Directors has the right to, by 14 April 2027, increase share capital against payment, in one or more instalments, by up to 10% of the current share capital through the issue of new ordinary shares without a stated par value, to be subscribed by parties selected by the Board of Directors including qualified investors and/or business partners and/or financial partners in Italy and abroad or shareholders of the Company - excluding pre-emption rights pursuant to Art. 2441, paragraph 4 (2), of the Italian Civil Code, as long as the issue price corresponds to the shares' market price, which must be confirmed in a report issued by a financial auditor or a financial audit firm.

During the Annual General Meeting held on 14 April 2022, shareholders granted the Board of Directors, pursuant to Art. 2443 of the Italian Civil Code, the right to, by 14 April 2027, increase share capital against payment, in one or more instalments, by up to €65,000,000.00 (sixty-five million/00), including any share premium, through the issue of new ordinary shares without a stated par value, excluding pre-emption rights pursuant to Art. 2441, paragraph 4 (1) of the Italian Civil Code, to be carried out through contributions in kind pursuant to Art. 2440 of the Italian Civil Code, provided that these are related to the Company's corporate purpose (including, for example, real estate assets, equity investments, companies and/or business divisions), with the ability to make use of the provisions provided under Art. 2343-ter of the Italian Civil Code.

At the moment there is no authorization for the Company to purchase or sell treasury shares, pursuant to Art. 2357, par. 2 of the Civil Code.

The Company had no treasury shares at the date of this report.

j) Management and coordination (pursuant to Art. 2497 et seq. Italian Civil Code)

The Company, pursuant to Art. 2497 of the Italian Civil Code is subject to the management and coordination of shareholder Coop Alleanza 3.0 soc. coop, which controls 40.92% of the Company's share capital.

As the Company is subject to the management and coordination of Coop Alleanza 3.0 soc. Coop., it is subject to Art. 16, paragraph 1, lett. d) of the CONSOB Market Regulations, based on which the committees formed pursuant to the Code must comprise only independent directors.

// Other information

Indemnity of Directors (pursuant to Art. 123-bis, para 1, letter i), TUF)

With regard to information on any agreements between the Company and the directors that provide for indemnities in the event of resignation or in the event of revocation of the mandate/assignment or if the same ceases following a takeover bid pursuant to Article 123-bis, paragraph 1, letter i) of the Consolidated Finance Act, please refer to the information contained in the Report on the remuneration policy and compensation paid published pursuant to Article 123-ter of the Consolidated Finance Act and available on the Company's website, at the address: http://www.gruppoigd.it/Governance/remunerazione/

Norms applicable to the appointment and replacement of directors, amendments to the corporate by-laws (pursuant to Art. 123-bis, par. 1, lett. l),TUF)

Rules for the appointment and replacement of directors and for amendments to the corporate articles of association are contained in Title V of the Articles of Association (General Meeting, Board of Directors) made available on the company's website: www.gruppoigd.it. Please refer to the "Board of Directors" section of this report for further information.

3.3 // Compliance (pursuant to art. 123-bis, paragraph 2, lett. a), first part, TUF)

Since its IPO on 11 February 2005, the Company has adopted the Corporate Governance Code and has structured its corporate governance, i.e. its rules and standards of conduct, in a way that ensures efficient and transparent corporate bodies and control systems in line with the Code guidelines.

In January 2020, the Corporate Governance Committee of Borsa Italiana adopted the Corporate Governance Code to be effective as of the financial year 2021. Since 2020 the Company implemented the process of updating its Corporate Governance Code to comply with Code recommendations, as discussed in greater detail below.

The current version of the Code is available on the Borsa Italiana website at the following address: https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.

In line with international best practices in the field of Corporate Governance, and having regard to the recommendations of the Code approved by the Corporate Governance Committee of Borsa Italiana, the Company also adopted some time ago its own Rules for Corporate Governance, which - together with other documents (such as, by way of example, but not limited to Articles of Association, Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, Code of Ethics, Rules of Annual General Meetings, Procedure for Transactions with Related Parties, Rules for Handling Material and Privileged Information, Internal Trading Procedure, Anti-Bribery Policy, Rules of Internal council Committees) - constitutes the set of instruments for self-regulation of the Company's governance.

In accordance with the law, this Report contains a general description of the corporate governance system adopted by the Company, along with information on the shareholder structure and application of the Corporate Governance Code, as per the "comply or explain" standard set out in the Code.

The Company counts among its subsidiaries the companies Win Magazin S.A. and WinMarkt Management S.r.l., both under Romanian law, which do not influence IGD's current governance structure.

3.4 // Board of Directors

3.4.1 // Role of the Board of Directors

The Board of Directors plays an active role in guiding and encouraging decision-making by carefully assessing information and documentation at its board meetings, including input from its internal council committees. The committees report to the Board of Directors twice yearly on the work they have carried out and/or when specific issues are discussed; of particular note is the role of the Control and Risk Committee when it comes to the constant monitoring as part of the Enterprise Risk Management (ERM) project, of the internal control and risk management system.

Without prejudice to the duties assigned to it by law and the corporate Articles of Association or its specific functions within the Internal Control System, the Board of Directors:

a) Examines and approves the business plan and/or the strategic plan of the Company and the Group headed by it, also based on the analysis of issues relevant to the generation of long-term value (carried out with the support, to the extent of its competence, of the Strategic Steering Committee);

b) Periodically monitors the implementation of the business plan and/or the strategic plan and assesses the general performance of management, periodically comparing the results achieved with those planned;

c) Defines the nature and level of risk deemed compatible with the Company's strategic targets, including in its assessments all the factors deemed material to the Company's sustainable success;

d) Defines the Company's corporate governance system and the structure of the Group it heads and judges the adequacy of the organisational, administrative and accounting structure of the Company and its strategic subsidiaries, with particular reference to the internal control and risk management system. It should be noted, however, that in exercising this function, the Board of Directors did not deem it necessary or appropriate to submit specific proposals to the Annual General Meeting to amend the corporate governance system, evaluating the current one as already adequate and functional to the needs of the Issuer and the Group (see Section 13);

e) Resolves on the operations of the Company and its subsidiaries where such transactions are strategically, economically or financially significant for the Company; toward this end, it determines the general criteria to be used to define relevant transactions and ensures that the strategically significant subsidiaries submit any transactions that could have a significant impact on the Company to the Board of Directors for approval;

f) At the recommendation of the Chair of the Board of Directors in agreement with the Chief Executive Officer (responsible for the internal control and risk management system), updates the procedure for the management and disclosure of documents and information concerning the Company, with particular reference to inside information. For further details, see Section 5 of this Report.

g) Promotes the group's commitment to sustainability, approves the sustainability strategy and sustainability report, and annually evaluates social and environmental performance. Please refer to the Company's website at https://www.gruppoigd.it/sostenibilita/la-nostra-strategia-di-sostenibilita/ for further information.

In particular, with reference to the aforementioned functions, the Board of Directors in FY2024:

> Voluntarily approved the Sustainability Report for financial year 2023, as well as analysed the development of sustainability targets on a half-yearly basis as part of the progress assessment of the 2022-2024 Business Plan;

> Within the framework of the Internal Control and Risk Management System, further implemented the ERM model, adequately assessing the main risks with respect to the business model of the Company and the Group, considering them compatible with business management consistent with its strategic targets;

> Approved the new Business Plan 2025-2027;

> Assessed, at least once a quarter, the general business performance, comparing the results achieved with the programmed ones;

> Undertook a review of the company's functions with the aim of further strengthening the company's structure by drawing on the wealth of internal talent, in line with the Group's human resources management policy. Within the new organisational structure, a Business Unit Services was also created, dedicated to the management of assets owned by third parties;

> Approved the regulations of the internal council committees, as well as the updating of the Company's Rules for Corporate Governance;

> Launched a project to update the IGD Group's corporate procedures (Italian perimeter), with reference to both governance procedures and those relevant for the purposes of the application of Law 262/05 (with the exclusion of IT procedures), to align internal procedures with the changes in process flows resulting from the changes in the organisational structure and the system of proxies and powers of attorney.

For further information on the Board of Directors with regard to its composition, functioning, appointment and self-assessment, remuneration policy and internal control and risk management system, please refer to sections 4, 8 and 9 of this report.

In addition, on 14 December 2021, the Board approved the "Policy for the management of dialogue with shareholders and other stakeholders", which regulates the tools of dialogue and the methods of engagement and communication in line with the recommendations of the Code and the engagement policies adopted by institutional investors, Proxy Advisors, active managers and international best practices, with the provisions contained in EU Regulation no. 596/2014 of the European Parliament and of the Council of 16 April 2014 ("MAR") and its implementing provisions on the management and public disclosure of "inside information".

The Board was also informed periodically by the Chief Executive Officer about the investor relations activities carried out through specific reports which were discussed during the board meetings.

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REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
3.4 BOARD OF DIRECT

Within the framework of the internal control and risk management system, the Board of Directors defines the guidelines of the internal control and risk management system in line with the company's strategies and assesses, at least once a year, the appropriateness of the system with regard to the company's characteristics and the risk profile assumed, as well as its effectiveness.

The Board is the promoter of the Group's commitment to sustainability: it approves the strategy and the sustainability report and, in addition, annually assesses the Group's social and environmental performance. Although the Board has not formally delegated the management and monitoring of the Company's significant impacts on its stakeholders, the environment and society in general, according to the guidelines provided by the Global Reporting Initiative (GRI), these are monitored by various corporate functions, such as, for example, the individual internal committees and the Sustainability Department, as illustrated in the 'Sustainability Strategy' chapter of the Sustainability Report published on the Company's website at https://www.gruppoigd.it/sostenibilita/bilancio-di-sostenibilita/.

The Company manages the information provided to its shareholders in accordance with the Law on Market Abuse and CONSOB guidelines.

For more information, refer to Section 12 of this Report.

3.4.2 // Appointment and replacement (pursuant to art. 123-bis, par. 1, lett. l), first part, TUF)

In accordance with Articles 16.2 and 16.3 of the Articles of Association, the directors are elected based on preference lists which comply with the current laws relating to gender equality. Under the provisions of Article 16.3 of the Articles of Association, the lists may be submitted by shareholders holding, individually or jointly, the participation share determined in accordance with CONSOB provisions (corresponding, for the year 2025, to 4.5% of IGD's share capital, as provided for in CONSOB Decision no. 123 of 28 January 2025) and must be submitted to the Company's registered office at least 25 days before the date set for the first meeting. The lists must be filed at the head office at least twenty-five days in advance of the first-call date of the meeting. Shareholders must prove possession of the shares needed to file voting lists by submitting the relevant certification by the deadline for the publication of the list (namely, at least 21 days prior to the Annual General Meeting). Pursuant to Art. 147-ter, paragraph 1-bis, TUF, ownership of the minimum amount needed to participate in the filing of a list is based on the number of shares officially held by the shareholder on the day the lists are filed with the Issuer.

The candidates must be numbered sequentially in the lists up to the number of seats to be filled. In accordance with the latest version of Article 147 ter, fourth paragraph of the Articles of Association, Article 16.3, last passage, of the Articles of Association states that every list must include at least two clearly identified candidates who qualify as independent in accordance with the law. The lists, which include three or more candidates, must include candidates of both genders, as indicated in the notice of call for the Annual General Meeting, to ensure that the composition of the Board of Directors complies with current laws on gender equality.

In compliance with the Articles of Association, the lists must be filed along with the candidates' irrevocable acceptance of office (should they be elected), curriculum vitae, and statements confirming that there are no reasons for ineligibility and/or disqualification and that they meet the requirements set by law.

Article 16.4 of the Articles of Association, reflecting the provisions of Art. 147-ter, paragraph 3 of the TUF prohibits any shareholder from submitting or participating in the submission of more than one list. In keeping with the above, Article 16.7 of the Articles of Association states that if more than one list is submitted, at least one director must be appointed from the minority list that receives a majority of the votes cast. Thus, if the candidates ranked with the highest quotients come from a single list, the candidate from the minority list who has earned the highest quotient will be elected in place of the candidate at the bottom of the ranking. In accordance with Article. 16.7-bis of the Articles of Association, if, following the voting and the operations described above, the current legislation on gender balance is not respected, the candidates belonging to the more represented gender who - considering their order on the list - would be elected last in the list with the highest number of votes, shall be replaced in the number necessary to ensure requirement is met by the first non-elected candidates on the same list belonging to the less represented gender, without prejudice to compliance with the minimum number of directors meeting the independence requirements established by law. In the event that not enough candidates of the least represented gender appear on the list that receives the greatest number of votes, the shareholders will appoint the directors of the least represented gender with the majority of votes required by law.

Article 16.8 of the Articles of Association, on the subject of filling vacancies on the Board of Directors, combines the co-option system with the requirement that minority interests be represented and that at least two directors qualify as independent pursuant to Art. 147-ter, par. 3 of the TUF, as well as in accordance with the laws governing gender equality.

For information on the role of the Board of Directors and board committees in the processes of review, appointment and succession of directors, see Section 7 of this Report.

3.4.3 // Composition (pursuant to art. 123-bis, paragraph 2, lett. d) and d-bis), TUF)

IGD's Board of Directors is made up of 11 Directors, including 1 executive Director identified as the Chief Executive Officer and Managing Director, who is also in charge of the internal control system, 4 Independent Directors, including the Chair, and 6 non-executive Directors. All of the directors have professional qualifications and skills appropriate to their tasks. This was taken into account on occasion of the re-election of the Board, including in light of the opinion expressed by the outgoing Board of Directors on its size, composition and functioning with respect to the Company's complexity, as presented to the shareholders at the Annual General Meeting of 18 April 2024.

In the Board composition, the profiles of the non-executive directors are such as to ensure them a significant weight in the adoption of board resolutions and to provide for the effective monitoring of operations. A significant share of the directors - 4 out of 11 - qualify as independent.

On 18 April 2024, the Ordinary Annual General Meeting appointed the Board of Directors currently in office to serve until the date of the Annual General Meeting to be convened to approve the financial statements for the year ending 31 December 2026.

The Board of Directors currently in office is made up of 11 Directors, namely Antonio Rizzi (Chairman), Roberto Zoia (Chief Executive Officer and Managing Director), Edy Gambetti (Vice Chairman), Antonello Cestelli, Antonio Cerulli, Mirella Pellegrini, Simonetta Ciocchi, Daniela Delfrate, Laura Ceccotti, Alessia Savino and Francesca Mencuccini.

At the Ordinary Annual General Meeting of 18 April 2024, which appointed the current Board, two lists were submitted by Coop Alleanza 3.0 soc.coop. (List No. 1) and Unicoop Tirreno soc.coop. (List No. 2). The lists were submitted with all the documentation relating to the personal and professional characteristics of the candidates along with statements relating to their qualifications as independent and irrevocable acceptance of the appointment in the time period provided for under the law.

More in detail, from List no. 1, submitted by the majority shareholder Coop Alleanza 3.0 soc. Coop, (owner of 40.92% of the share capital), the following members were appointed: Antonello Cestelli, Antonio Cerulli, Roberto Zoia, Antonio Rizzi, Mirella Pellegrini, Simonetta Ciocchi, Daniela Delfrate, Edy Gambetti, Laura Ceccotti. This list was voted by 78.91% of the shares represented in AGM.

Alessia Savino and Francesca Mencuccini were drawn from List No. 2 submitted by Unicoop Tirreno soc.coop. (holder of a 9.97% shareholding). This list was voted by 21.08% of the shares represented in AGM.

Directors Antonio Rizzi, Mirella Pellegrini, Simonetta Ciocchi and Daniela Delfrate certified that they meet the independence requirements set forth in the applicable provisions of the Consolidated Finance Act, the CONSOB Market Regulations and the Corporate Governance Code.

Table 2 attached to this Report shows the members of the Board of Directors for the Year, indicating their respective executive or non-executive functions and whether they meet the independence requirements of the Code, the date of their first appointment and, in Table 3, the composition of the Committees.

The Board has a high level of expertise and professional experience in key areas that directly affect the strategic and operational management of the Company. Among them, Chief Executive Officer and Managing Director Roberto Zoia, in his 18 years with the company, brings direct knowledge of the company's internal dynamics, enabling effective integration of strategic vision with operational management. The Board also benefits from the presence of members with a high level of legal training and experience, who help to ensure that corporate decisions are legally compliant. The presence of experts from the retail sector will help to address the challenges and opportunities of the changing market, while those from the world of finance will contribute to the strategic management of financial resources, which is increasingly focused on sustai-

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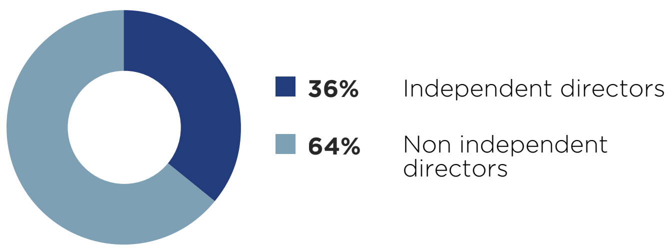
REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
3.4 BOARD OF DIRECT

nable growth and risk management. In addition, the presence of accountants with solid training and experience in accounting and taxation ensures strict control of financial practices and transparent management of resources.

In addition, the Board is committed to sustainability issues, which are essential for addressing environmental, social and governance (ESG) challenges. This enables the company to adopt responsible practices, promote an ethical and inclusive approach in its operations, and integrate sustainability into strategic decisions. This combination of diversified experience, together with a strong sensitivity to sustainability issues, guarantees a solid, long-term oriented governance, capable of responding to market needs and Company expectations.

In addition, an induction session was organised during the year to provide the new Board with a full understanding of the company's corporate governance system and the type of business and market in which it operates, including its sustainability policies and marketing strategies.

> DIRECTORS' INDEPENDENCE



The personal characteristics and professional experience of the single members of the Board of Directors as at the date of the present report, are provided below.

// Antonio Rizzi
Chairman of the Board of Directors
Independent Director

Born in 1965, he graduated in Law from the L.U.I.S. Guido Carli University in Rome in 1989 and has been full Professor of Private Law at the University of Rome - Tor Vergata since 2011. He has been a lecturer at the Pontifical Lateran University since 2014.
He is the author of numerous scientific publications and a member of the editorial boards of several law journals. A former magistrate of the judiciary, he is a case lawyer with the Court of Cassation.
He mainly practices in the areas of corporate law, banking and finance law and contract law.
He has held positions in the extraordinary administration of large and very large companies in crisis, as well as on the boards of banks and listed companies.
He joined the Board of Directors of IGD SIIQ in 2021 as an independent member; since 18 April 2024 he has been the independent Chairman of the Board of Directors.
He is also a member of the Company's new 'Strategic Steering Committee', which has also been assigned the functions previously held by the 'Sustainability Committee', which has an advisory role in the formulation of possible strategic guidelines in the management and sustainable development of the Company. For the functions of the 'Strategic Steering Committee' in the field of sustainability, please refer to Section 6 of this Report.
The number of offices held is shown in Table 2.

// Roberto Zoia
Chief Executive Officer and Managing Director
Executive Director

Born in 1961, his career is completely focused on the commercial segment of the real estate industry. As early as 1986, he was with Coopsette as Business Manager, where he was responsible for managing complex projects involving shopping centers in particular.
In 1999, he joined the GS Carrefour Italia Group as Development Manager for Hypermarkets and Shopping Centers, before becoming Asset and Development Manager for Carrefour Italia in 2005.
He arrived at IGD in 2006 where he took on the role of Director of Development and Asset Management, while since 2019 he has also headed the Management of the Group's shopping center network. In April 2024, he was appointed Chief Executive Officer and Managing Director of the Company. He also serves as Chairman of the Board of Directors of the subsidiaries Porta Medicea, IGD Service and the Romanian subsidiary Win Magazine, and as Sole Director of the subsidiary Alliance SIINQ.
In October 2020, he was also appointed President of CNCC, the National Council of Shopping Centers, a civil and independent non-profit association that aims to bring together all the stakeholders of the Shopping Center Industry, Factory Outlets, Retail Parks and similar structures, after having served as President of the Real Estate Development and Investment Commission for 6 years (from May 2014 to October 2020).
He is also a member of the Company's new 'Strategic Steering Committee', which has also been assigned the functions previously held by the 'Sustainability Committee', which has an advisory role in the formulation of possible strategic guidelines in the management and sustainable development of the Company. For the functions of the 'Strategic Steering Committee' in the field of sustainability, please refer to Section 3.6 of this Report.
The number of offices held is shown in Table 2.

// Edy Gambetti
Vice Chairman
Non-executive Director

Born in Modena in 1951, he graduated in Economics from the University of Modena in 1976.
He gained solid experience in management and later in corporate governance, serving as executive and non-executive director as well as legal representative. As an executive and an area manager, he has been a strategy and management expert for the mass retailing business within the Coop group, with related expertise in the management of hypermarkets and malls. He has worked for consortiums within the sphere of Coop Italia and for diverse companies in the same business. In the mass retailing industry, he has also served as director and legal representative in the discount and logistics sectors.
Since June 2019, he has held the position of Vice-Chairman of Coop Alleanza 3.0 and Chairman of the Board of Directors of the company Distribuzione Centro Sud Srl.
At IGD, he served as a non-executive director from 2021 to 2024, and in April 2024 he was appointed Vice Chairman.
He is also a member of the Company's new 'Strategic Steering Committee', which has also been assigned the functions previously held by the 'Sustainability Committee', which has an advisory role in the formulation of possible strategic guidelines in the management and sustainable development of the Company. For the functions of the 'Strategic Steering Committee' in the field of sustainability, please refer to Section 3.6 of this Report.
The number of offices held is shown in Table 2.

// Alessia Savino
Non-executive Director

She graduated in Economics and Banking from the Catholic University of Milan and later obtained a Master in Managerial Development from the L. Bocconi School of Management, Milan. She is currently head of Finance and Administration at Unicoop Tirreno, where she has been working since February 2017.
A finance expert, she has gained experience in both banking and business management as she has worked for two important banking groups and two multinational manufacturing companies. On the corporate side, she was General Manager and member of the Board of Directors of the Giorgio Armani Group Finance Company for about 15 years. Prior to that, she was Group Treasurer of Aprilia, now the Piaggio Group. As for banking, she was part of the corporate division's financial sector as head of securities trading for the joint venture of Credito Italiano and Natwest Bank of London, Banca Creditwest and, subsequently head of the division responsible for covering interest rate risk management of the banking group Credito Emiliano in Reggio Emilia.
She is also Vice Chair and member of the Board of Directors of Sogefin, member of the Board of Directors of Factorcoop Spa, member of the Board of Directors of Enercoop Tirreno Srl and member of the Board of Directors of Axis Srl.
She has held the position of Non-Executive Director at IGD since June 2018.
The number of offices held is shown in Table 2.

// Antonello Cestelli
Non-executive Director

Born in 1970, he graduated in Economics from the University of Perugia in 1995.
He currently holds the position of Finance Director of Coop Alleanza 3.0 since February 2024, after joining the company in March 2021 and having held various management positions in the areas of extraordinary operations, finance, administration and investee companies.
He gained extensive experience in the banking world between 1997 and 2021, starting his career at Banca Commerciale Italiana, which later merged with Banca Intesa Sanpaolo, and moving on to Banca Akros, UniCredit and UBI Banca, where he reached the position of Deputy Central Director, Head of Extraordinary Operations and Equity Investments.
Over the years, he has held numerous directorships in companies in the real estate, private banking and private equity sectors, and is a director of Alleanza Luce & Gas and Factorcoop.
At IGD, he has held the position of Non-Executive Director of the Board of Directors since April 2024.
He is also a member of the Company's new 'Strategic Steering Committee', which has also been assigned the functions previously held by the 'Sustainability Committee', which has an advisory role in the formulation of possible strategic guidelines in the management and sustainable development of the Company. For the functions of the 'Strategic Steering Committee' in the field of sustainabili-

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
3.4 BOARD OF DIRECT

ty, please refer to Section 6 of this Report.
The number of offices held is shown in Table 2.

// Antonio Cerulli
Non-executive Director

Born in 1960, he graduated in Economics and Philosophy and attended various professional training courses at SDA Bocconi in Milan.
His professional career began in companies operating in the construction sector (Edilcoop, Edilfornaciai and Cooperativa Costruzioni), where he gained almost 20 years of experience.
After a brief experience at FINEC Merchant, a subsidiary of the Unipol Group, he joined Coop Adriatica, now Coop Alleanza 3.0, in October 2000, where he was mainly responsible for strategic planning, investment analysis and planning, assets and development of new initiatives, until he was appointed Director of Assets and Development in 2022.
He is also Chairman of Alleanza Luce & Gas, a subsidiary of Coop Alleanza 3.0. operating in the resale market for the sale of electricity and gas to domestic consumers and holds various positions on the boards of real estate companies belonging to the cooperative world.
At IGD, he has held the position of Non-Executive Director of the Board of Directors since April 2024. He is also a member of the Company's new 'Strategic Steering Committee', which has also been assigned the functions previously held by the 'Sustainability Committee', which has an advisory role in the formulation of possible strategic guidelines in the management and sustainable development of the Company. For the functions of the 'Strategic Steering Committee' in the field of sustainability, please refer to Section 3.6 of this Report.
The number of offices held is shown in Table 2.

// Laura Ceccotti
Non-executive Director

Born in 1968, she graduated as an Accounting Expert and Auditor from the University of Trieste in 1991.
She is a member of the Order of Chartered Accountants of Udine, the Register of Auditors and the Register of Auditors of Local Authorities.
In association with other professionals, she works as a chartered accountant, holding, among other things, the position of member of the Board of Statutory Auditors of corporations.
After an initial experience with the auditing firm KPMG, she now works as a statutory and voluntary auditor for joint stock companies and cooperatives on behalf of the auditing firm "Aurea Revisione" and also as an auditor for various public bodies in the Friuli-Venezia Giulia region.
She is also a member of the Board of Directors and the Presidency of the League of Cooperatives of Friuli-Venezia Giulia.
She also currently holds the position of Independent Technical Director on the Board of Directors of Coop Alleanza 3.0 and is a member of various internal council committees and a member of the Board of Statutory Auditors of Bcc Financing S.p.A.
At IGD, she was appointed as a Non-Executive Director of the Board of Directors from April 2024.
The number of offices held is shown in Table 2.

// Francesca Mencuccini
Non-executive Director

Born in 1970, she graduated in Law from the University of Siena in 1997 and qualified as a lawyer at the Florence Court of Appeal in 2000.
In 1998 she joined a company of the Unicoop Tirreno Group for the first time, covering various roles within the legal department, until 2000 when he became Head of Corporate and Legal Affairs of the Tuscan cooperative. Since September 2016 he has taken on the role of Legal, Compliance and Corporate Director of the Unicoop Tirreno Group, dealing with contracts, litigation, insurance, corporate compliance, Legislative Decree 231/2001, privacy, quality, work safety and prevention, environment and anti-money laundering.
At IGD, she was appointed as a Non-Executive Director of the Board of Directors from April 2024.
The number of offices held is shown in Table 2.

// Mirella Pellegrini
Independent Director

Born in 1964, she graduated in Law from the University of Pisa in 1990. She then furthered her education in Finance and Economics of Intermediaries and Markets at the School of Management of the LUISS Guido Carli University in Rome and obtained a PhD in Financial Market Law from the University of Pisa. After an initial period as a Researcher in Economic Law at the University of Bologna, she is now a Full Professor at the Department of Business and Management of the LUISS Guido Carli University in Rome, where she teaches Financial Regulation and Digital Innovation; Public Economic Law, Market and Financial Intermediaries Law. She is the didactic director of the master's programme 'Regulation of Financial Activities and Markets'.
In addition to her academic experience, she also has many years' experience as an independent director on the Board of Directors of major joint-stock companies such as Enel Spa, Generali Investment Europe SGR, Generali Investment Partners SGR and Generali Real Estate SGR.
She currently holds the position of Independent Director in AS Roma and in Fideuram - Intesa Sanpaolo Private Banking, she is a member of the Supervisory Board of Italgas Reti and since March 2024 she has been appointed by the Ministry of Economy and Finance as a member of the technical working group Mercati for the reform of the Consolidated Finance Act.
At IGD, she has held the position of Independent Director of the Board of Directors since April 2024 and is also Chair of the Nomination and Compensation Committee and member of the Control and Risk Committee.
The number of offices held is shown in Table 2.

// Simonetta Ciocchi
Independent Director

Born in 1972, after graduating from high school, she obtained a bachelor's degree in economics in 1996 and a master's degree in law in 2024.
She started her career at a major engineering company in the Brescia area and then moved on to professional practice at Studio Cossu e Associati in Brescia.
Since 2006 she has been a member of the Register of Chartered Accountants of Brescia and since the following year of the Register of Auditors.
In 2007, she began working with Ergon Commercialisti in Brescia, a firm of which she became a partner in 2019.
She has gained experience in the civil, tax and contractual assistance of companies and groups, in the management of business processes, in valuations and extraordinary transactions.
She currently holds supervisory and administrative positions in companies.
At IGD, she has been appointed as an independent member of the Board of Directors since April 2024 and is also Chair of the Control and Risk Committee and a member of the Nomination and Compensation Committee and the Related Party Transactions Committee.
The number of offices held is shown in Table 2.

// Daniela Delfrate
Independent Director

Born in 1965, she graduated from the Università Cattolica del Sacro Cuore in Milan in 1993 with a master's degree in economics and business administration. She is registered in the register of chartered accountants in Milan and in the register of auditors.
She has been practising as a chartered accountant for more than 20 years now, mainly dealing with tax consultancy as well as holding corporate positions within leading Italian companies. She has significant experience in the taxation of companies operating in the real estate sector, with a focus on real estate funds and Sicaf, SIIQ, NPLs, in the energy sector, with a focus on renewable energy, in the taxation of companies operating in the telecommunications sector and in the food sector.
A tax advisor to major listed and unlisted Italian and international groups, she has specific expertise in group taxation issues. In addition, she followed and closely monitored the first experiences of cooperative compliance and corporate adoption of a tax control framework.
She has co-authored numerous publications on alternative and renewable energies, taxation and international trade and corporate welfare, and collaborates with Giuffrè Editore, Italia Oggi and Il Sole 24 Ore on specific articles.
She also currently holds the position of Chair of the Board of Statutory Auditors of Sogefi and is an auditor of the following companies: CDP Real Asset SGR, CY4GATE, DP Group, Synchron Nuovo San Gerardo and DP Dent. At IGD, she has been appointed as an independent Director of the Board of Directors since April 2024 and is also a member of the Nomination and Compensation Committee and the Committee for Related Party Transactions.
The number of offices held is shown in Table 2.

* * *

In accordance with the Code, Directors accept office when they consider that they can devote the necessary time to the diligent performance of the duties required by the nature of the office, also taking into account their participation in the committees established within the Board of Directors, the obligations connected with their work and professional activities, as well as the number and burden of other directorships or audit functions held in other companies, in accordance with the "Limits on the number of directorships that may be held by directors" set out below, taking care to verify that this condition is maintained throughout their term of office.

The Directors, aware of the responsibilities inherent in the office held, must be constantly updated on the newest legislative and regulatory developments affecting the Company and its business.

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3.4 BOARD OF DIRECT

The directors must comply with the Code of Ethics, the Internal Dealing Code and any other provisions with which the Company regulates the directors' conduct; the directors, like the Statutory Auditors, must treat any documents and information to which they might have access in the course of their duties with the maximum confidentiality.

// Diversity criteria and policies regarding the composition of the Board and company organisation

The Company's Board of Directors is comprised of individuals with different professional and personal profiles, including university professors, independent professionals and entrepreneurs, as well as company executives. 36% of the elected directors meet the independence requirement set out in the Code and the TUF.

Prior to the latest board election, the outgoing Board of Directors published its opinion on the future size and composition of the board and presented it to the shareholders ahead of the Annual General Meeting of 18 April 2024. The opinion also addressed the professional qualifications, experience, and skills expected of directors, including in light of the Company's size, complexity and strategy.

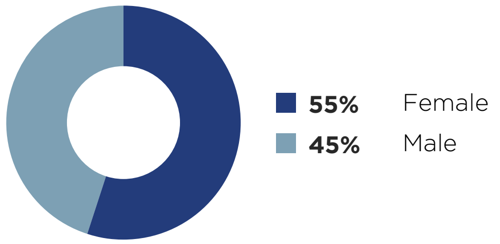
The current composition of the Board of Directors also complies with the current legislation on gender balance (Law 160/2019, known as the "Budget Law", which amended Art. 147-ter, paragraph 1-ter, and 148, paragraph 1-bis, of the Consolidated Finance Act, introduced by Law 120/2011), according to which the proportion of directors reserved for the less represented gender must be at least two-fifths, rounded up to the next higher unit, if the application of the gender distribution criterion does not result in a whole number of directors belonging to the less represented gender. This distribution criterion will apply for six consecutive terms starting from the first renewal of the governing body following the date of entry into force of the Budget Law.

In this respect, on 5 November 2020 the Company's Board of Directors had amended the Articles of Association to comply with provisions relating to gender equality referred to in the Budget Law.

As a result of the foregoing, the Company has not to date deemed it necessary to adopt a formal diversity policy with respect to the composition of the Board of Directors, as it has deemed it necessary to comply with diversity criteria - including gender criteria - in the current composition of the Board of Directors, in accordance with the primary objective of ensuring adequate competence and professionalism of its members.

The Company operates in line with the principles set out in its Code of Ethics and has also adhered to the UN Global Compact since 2021. This membership represents IGD's commitment to respect and promote human rights, decent working conditions, and active anti-corruption policies that are consistent with the highest international standards. The commitment to the principles of sustainability and social responsibility guides every aspect of IGD's governance and business activities and reinforces inclusiveness, transparency and ethics in its operations.

> GENDER QUOTAS IN THE BOARD OF DIRECTORS



// Maximum number of positions held in other companies

In order to regulate the maximum number of directorships and audit positions held by directors in other companies, IGD has adopted the regulation entitled "Limits on the number of directorships that may be held by directors", approved by the Board of Directors on 13 December 2010 and subsequently updated on December 18, 2024. The regulations are available to the public on the Company's website: http://www.gruppoigd.it/Governance/Consiglio-di-amministrazione.

Based on the regulations, the term "maximum number" does not refer solely to the number of offices held but also attributes weight to each type of appointment in relation to the nature and size of the company, as well as the position held by IGD's directors in other companies, in light of the fact that more time is dedicated to certain positions than to others. In light of this consideration, IGD's Board of Directors held that the weight to be attributed to the office of chair or executive director be different, for example than that of a non-executive/independent director or member of the Board of Statutory Auditors, also depending on whether the person serves on one or more Committees constituted within the Board of Directors. Lastly, the weight attributed to each office was also different based on the type and size of the company, and two sub-categories were established: Group A and Group B. Group A includes listed companies, financial institutions, banks, insurance companies or other large companies that meet the requirements listed in the Regulations. All the companies which are not part of Group A are automatically considered part of Group B. In light of these considerations, the Board listed the overall weight of the offices held by other companies, which can be considered compatible with acting effectively as a director in IGD.

The composition of the Board of Directors as of the date of this Report was fully compliant with the regulations governing the "Limits on the number of directorships that may be held by directors".

The number of offices held by directors in companies other than those of the IGD Group can be found in Table 2, attached to this Report.

3.4.4 // Functioning of the Board of Directors (pursuant to art. 123-bis, par 2, lett. d) TUF)

As part of its activities to review and strengthen its organisational structure and corporate governance, the Board of Directors approved a new set of Rules for Corporate Governance on 18 December 2024, replacing the previous version approved by the Board of Directors on 8 November 2012, and subsequently amended on December 18, 2014, August 5, 2016, and May 6, 2021. The new Rules for Corporate Governance define, inter alia, the role, composition and rules of operation of the governing body and its committees, including the procedures for scheduling, convening, conducting and minuting meetings.

On the same date, with a view to simplification, the "Management of Board Meetings" procedure was repealed, the content of which (roles, responsibilities, operating and control methods related to the process of managing Board meetings) was included in the Rules for Corporate Governance.

The Rules for Corporate Governance also regulate the procedures for the management of information to the Directors, ensuring that it is made available well in advance of Board meetings and assigning responsibility to the Chair of the Board, assisted by the Board Secretariat, which provides the Board, with impartial judgment, with assistance and advice on any aspect relevant to the proper functioning of the corporate governance system.

The corporate disclosure consists of illustrative presentations, supporting documentation, and other material for each agenda item. When necessary, the Chair of the Board will read resolution proposals verbatim to the entire Board before calling the vote.

The Council Secretariat is responsible for maintaining the minutes of individual meetings, including all speeches made and clarifications provided. These minutes are made available to all councillors and mayors following the council meeting. This allows for verification of the recording of speeches, ensuring accuracy and transparency. The acknowledgement of any comments received, and the finalisation of the draft minutes are the responsibility of the Chair and the Board Secretariat; the Chair is also responsible for resolving any conflicts that may arise with regard to the manner in which the minutes are recorded. The draft minutes, as identified by the Chair, will be formally authorized for transcription in the Board of Directors' Book of Meetings and Resolutions. This authorisation will take place at the opening of the first useful Board meeting. At that time, the Chair will also provide an account of any conflicts regarding the manner in which the minutes are to be recorded. A copy of the transcribed minutes is made available to the members of the Board of Directors and the members of the Board of Statutory Auditors by the Secretary via the appropriate company software platform and/or by email.

To ensure effective collaboration in fulfilling its responsibilities, the Board of Directors convenes on the dates indicated in the financial calendar disclosed to the market in accordance with the provisions of the Stock Exchange Instructions. Additionally, the Board may meet at other times when: - There is a need or opportunity to deliberate on specific issues. - The majority of the Directors, the Executive Committee (if established), or an Auditor so requested. The Board, at any rate, takes the steps necessary to effectively fulfil its duties.

The Chair of the Board of Directors has the authority to request the attendance of executives from the Company and its Group companies at board meetings. These executives must be in charge of the relevant corporate functions according to the subject matter. The purpose of this request is to provide the appropriate in-depth analysis of the items on the agenda. This request can be made upon the request of one or more directors and with the agreement of the Chief Executive Officer.

3

The Board of Directors is responsible for discussing all transactions within its area of authority, as outlined in Section 4. Each director is guaranteed sufficient time to provide interventions, comments, and requests for clarification.

On 23 January 2025, the Company released its financial calendar, which provides for the following meetings of the Board of Directors during the financial year 2024:

> 6 March 2025: Board of Directors to approve the Draft Financial Statements and Consolidated Financial Statements as of 31 December 2024;

> 6 May 2025: Board of Directors' meeting to approve the Interim Management Statement at 31 March 2025;

> 5 August 2025: Board of Directors' meeting to approve the Half-year Financial Report at 30 June 2025;

> 11 November 2025: Board of Directors' meeting to approve the Interim Management Statement at 30 September 2025.

If the Company deems it advisable it may convene, in accordance with the Articles of Association, other Board of Directors' meetings in 2025.

Pursuant to Article 17.3 of the Articles of Association, the Chair convenes and chairs the Board of Directors, guiding, coordinating and moderating its discussions and course of action, and announcing the outcome of its resolutions.

Pursuant to Art. 18 of the Articles of Association, meetings of the Board of Directors are called by the Chair, or the Chair's deputy, whenever he/she sees fit or at the request of a majority of the directors. Meetings are normally called by e-mail, with a follow-up to check the directors' availability to attend, at least five days in advance of the meeting. In urgent cases, meetings may be called two days in advance.

The power to call the Board of Directors' meetings granted to the Board of Statutory Auditors or by any member thereof complies with Art. 151, second paragraph of TUF.

The Board of Directors meets at the place specified in the notice of call of the meeting, which may be the registered office or anywhere else in Italy.

The Chair of the Board of Directors, with the assistance of the Secretary, is responsible for ensuring that the relevant documentation related to the agenda items is made available to the Directors and Auditors with sufficient lead time before the Board meeting. This includes making sure that the pre-meeting information and any additional materials provided during the meeting are adequate to enable the Directors to act in an informed manner in the performance of their duties(1).

The documentation relative to the Board meeting agendas is regularly made available to each director on the Company's website; directors may access it on an exclusive basis. The publication of the documentation is preceded by a notice sent by e-mail from a specific office within the Company. During 2024 the adequate publication notice period on average was 2 (two) days.

The Chair of the Board of Directors made sure that the agenda items were thoroughly discussed during the meetings, facilitating constructive, in-depth debate. He also engaged the executives of the company and its group companies when necessary to provide the Board with valuable insights.

Board meetings are presided over by the Chair or, if the Chair is unavailable, by the Deputy Chair (if appointed) or, if that person is unavailable, by the most senior director in terms of age.

The Articles of Association require the presence of at least one member of the Board of Statutory Auditors at all sessions of the Board of Directors to ensure that the Statutory Auditors are informed of the Company's activities and of the transactions having a significant impact on profitability, assets, liabilities, and financial position carried out by the Company or its subsidiaries, in particular those transactions in which they have an interest on their own or third parties' account; that are influenced by the party in charge of management and coordination; or that have been the subject of resolutions, debate or announcement during the course of the session. The Articles of Association stipulate that, in the event that the Board of Statutory Auditors is not in attendance at Board of Directors meetings, or if a report cannot be guaranteed on a quarterly basis, the Chairman and/or Chief Executive Officer are required to submit a written report on their respective activities to the Chairman of the Board of Statutory Auditors within a maximum period of three months. This report must be mentioned in the minutes of the first subsequent meeting of the Board of Statutory Auditors.

During the financial year, the Board of Directors met 14 times on 6 February 2024, 27 February 2024, 18 March 2024, 18 April 2024, 7 May 2024, 29 May 2024, 18 June 2024, 4 July 2024, 1 August 2024, 10 September 2024, 18 October 2024, 7 November 2024, 20 November 2024 and 18 December 2024, which were duly attended by the directors and at least one member of the Board of Statutory Auditors. The absentee rate was quite low, and all absences were excused. Each meeting lasted an average of around 2 hours and 25 minutes. Specific meetings of the Board of Directors were attended, in addition to the Company's executives when requested, by external parties invited to provide specialist input on the topics discussed.

The Board meetings were also held by audioconference, pursuant to Article 20.1 of the Articles of Association.

3.4.5 // Role of the Chair of the Board of Directors

The Chair of the Board of Directors acts as liaison between the executive director and the non-executive directors, relaying any requests and/or demands of the latter. In carrying out the responsibilities outlined in the Articles of Association, he is authorised to oversee the work of the Board of Directors. Specifically, he is responsible for convening and chairing the Board of Directors, establishing the agenda in consultation with the Chief Executive Officer and Managing Director, and ensuring the smooth and orderly conduct of the Board's business.

The Chair promotes specific initiatives – with the participation of the Company's top management – to ensure that Directors and Statutory Auditors have an adequate knowledge of the sector in which the Company operates, of the Company dynamics and their evolution, also with a view to sustainable success, as well as of the principles of proper risk management and of the relevant regulatory and self-regulatory framework. He or she also encourages meetings of the independent directors as the best opportunity for them to share opinions and ensures that meetings are held among all internal control bodies. He or she also coordinates the Council's regular self-evaluation activities, ensuring the appropriateness and transparency of the process.

In particular, during the financial year, the Chair of the Board of Directors oversaw:

> That pre-meeting information - reviewed in advance - was thorough and provided sufficiently in advance of the meeting, assured by express mention of the time it was sent;

> The coordination of activities between the Board committees and the Board itself, reserving to the Chairs of the respective committees - involved when the items on the specific Board meeting agenda made their presence relevant - the time necessary to explain the committee's actions;

> In accordance with the directives of the Chief Executive Officer and Managing Director, and at the request of individual directors, Company executives are expected to attend Board meetings. During these meetings, executives are required to provide the necessary details on the agenda items as requested;

> The organisation of an induction session, which was also attended by the Company's executives, to provide the new Board of Directors with a full understanding of the Company's governance system as well as the type of business and market to which it belongs;

> The organisation of special board meetings to foster participation in the preliminary stages of the drafting of the 2025-2027 Business Plan, approved by the Board in November 2024;

> Prior information to the Board of Directors for the start of the self-assessment process, encouraging full participation, also checking its adequacy in advance, with the support of the Nomination and Compensation Committee, previously involved in the definition of the methodology applied;

> Reporting to the Board on investor relations activities, which are illustrated on a quarterly basis by the Chief Executive Officer and Managing Director, as the main person responsible for the dialogue with shareholders.

// Secretary

The Chair's proposal is followed by the Board of Directors' decision on the appointment and dismissal of the Secretary of the Board. The Board determines the Secretary's professional requirements and powers, considering the provisions of the Articles of Association in force.

(1). Recommendation 12 (a) of the Code.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
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The Board of Directors identifies the Secretary from among the members of the Board Secretariat. The members of the Secretariat of the Board of Directors are expected to meet rigorous standards of professionalism in legal and corporate governance matters. They are required to demonstrate experience and independence of judgment. Additionally, they must avoid any situations that could potentially compromise their objectivity.

The Secretary mainly assists the Chair in carrying out certain activities and provides impartial judgement, assistance and advice to the Board of Directors on any aspect relevant to the proper functioning of the corporate governance system.

In particular, during the financial year, the Secretary of the Board of Directors took care of:

> The preparation of individual board meetings and related resolutions, also following the process of making pre-meeting documentation available in compliance with the notice period, which, as per established practice, is two days prior to the board meeting;

> Supporting the Committees in the planning and organisation of specific meetings, ensuring their coordination with the activities of the Board of Directors and ensuring that the relevant documentation is made available in compliance with the notice period, which, in accordance with established practice, is two days prior to the specific meeting, as well as supporting them in the preparation of preliminary reports to the Board of Directors;

> The organisation of induction initiatives for directors;

> Taking minutes of the meetings, ensuring that the speeches made during the meetings are fully taken into account;

> The identification, in agreement with the Chair and the Chief Executive Officer and Managing Director, of the executives or consultants whom it is deemed useful to invite to Board meetings to provide appropriate insights into the items on the agenda.

3.4.6 // Executive Directors

// Chief Executive Officer and Managing Director

The Board of Directors, during its meeting of 18 April 2024, following the Annual General Meeting that renewed the Board of Directors, appointed the Chief Executive Officer and Managing Director from among its members, upon the proposal of the Nomination and Compensation Committee, identifying him in the person of Mr. Roberto Zoia.

The Chief Executive Officer and Managing Director is primarily responsible for the management of the company and performs the functions assigned to him by the Board of Directors.

In particular, the Chief Executive Officer is vested with the following powers:

1. The creation and proposal of corporate real estate investment policies and programs is a key aspect of the multi-year development strategy. These policies and programs are formulated within the framework of the Company's business plan and the business plan of its parent group. The proposals are based on a thorough analysis of issues relevant to long-term value generation, and they are subject to approval by the board of directors.

2. To develop and propose the financial strategies and policies of the Company and the Group in relation to the development, profitability and risk targets set by the Board of Directors, with the allocation of responsibilities for their implementation; to check that the targets are implemented in accordance with the guidelines set by the Board of Directors on the matter.

3. Optimise financial management tools and procedures; maintain relations with the financial system.

4. Drawing up and proposing strategies concerning organisational development and policies for the recruitment, management and training of human resources, proceeding with disciplinary charges against human resources, excluding the Company's managers.

5. Proposing to the Board of Directors the accounting and management principles for the Group, ensuring the correct formulation of the financial statements (statutory - management - consolidated and other financial statements where applicable, e.g. sustainability); verifying compliance with Group directives as well as administrative, tax and legal regulations and laws.

6. Coordinate the preparation of business plans, multi-year plans, the annual budget and its reporting.

7. The following functions are also performed to protect the company's risks:

a) Take care of the identification of the main corporate risks, considering the characteristics of the activities carried out by the company and its subsidiaries, and periodically submit them to the board of directors for examination;

b) Implementing the guidelines defined by the Board of Directors, taking care of the design, implementation and management of the risk management system and constantly verifying its adequacy and effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory landscape;

c) Deal with the adaptation of this system to the dynamics of operational conditions and the legislative and regulatory landscape;

d) Promptly report to the Control and Risk Committee on problems and critical issues that have emerged in the performance of its activities or of which it has otherwise become aware so that the Board of Directors can take the appropriate initiatives.

8. Decide recruitments and disciplinary dismissals, excluding those relating to executives; represent the Company before the competent Judicial Authority in labour matters with the power to sign petitions, appeals, make attempts at conciliation and settle labour disputes, also in this case subject to a resolution of the Board of Directors.

9. Appointing "ad hoc" attorneys and assigning powers of attorney, lasting and/or for the performance of specific acts, to managers, employees and third parties within the limits of the powers assigned.

10. Settling disputes, accepting and rejecting arrangement proposals, concluding out-of-court settlements with suppliers and customers or legal disputes up to a limit of EUR 500,000 per individual act.

11. Carrying out operations, including those for extraordinary administration, with state and local authorities, social security and welfare institutions and public offices in general, including, by way of example, requesting or waiving licences, concessions and authorisations, filing complaints, and initiating litigation.

12. Without prejudice to the Board's policymaking and management powers vested in it, determine the general personnel management policy and, to this end, organise and coordinate the various corporate functions.

13. Hiring, fixing economic and regulatory conditions, categories, qualifications and levels, changing duties, approving internal professional development paths, suspending and imposing disciplinary sanctions, transferring, dismissing and liquidating employees, excluding managers.

14. Stipulating, renewing, extending and terminating, within the expenditure limit of €100,000 for individual employment contracts for the professional supply of labour, coordinated and continuous collaboration contracts pursuant to Article 409 of the Italian Civil Code and self-employment contracts pursuant to Article 2222 et seq. of the Italian Civil Code.

15. Entering into, renewing, extending and terminating contracts for the provision of human resources services (including, but not limited to, engagement contracts with headhunters, outplacement companies, etc.), monitoring their execution and compliance with all inherent conditions, within the limits of their budget.

16. Pursuant to Legislative Decree no. 196/2003, the European Regulation (EU) 2016/679 and the provisions from time to time applicable issued by the Guarantor for the protection of personal data (jointly the "Privacy Legislation") and in his capacity as both "owner" and "person in charge" of all processing of personal data conducted within the scope of the Company's activity, implement, in full operational autonomy and with broad decision-making authority, also with regard to assets, the measures and actions necessary to ensure, from time to time, the Company's compliance with the Privacy Law and the best possible fulfilment of all the responsibilities and obligations under the aforesaid law established in relation to the aforesaid processing and data.

17. This is achieved through effective organisation and implementation, ensuring the representation of the Company, when necessary, towards third parties and the Guarantor for the protection of personal data. Particular attention is given to the collection, security, communication and dissemination of this data in accordance with the rights of the data subjects to whom it pertains. If deemed necessary, external parties may be engaged, and, upon acceptance, they will be required to declare their conformity with the measures adopted by the Company in accordance with and for the purposes of the aforementio-

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ned Privacy Law.

18. The Chief Executive Officer will report to the Board of Directors, at least quarterly, on the activities carried out in the exercise of the powers delegated to him.

The Chief Executive Officer must also:

> Define, together with the Chair, the optimal size of the administrative bodies and select the Directors and Statutory Auditors, as well as the Chair, Deputy Chair and/or Chief Executive Officer of subsidiaries and affiliates so that the Chair may submit them to the Nomination and Compensation Committee;

> Oversee the appointment of the main managerial positions within the Group;

> Define, together with the Chair, the proposals for the compensation of the Company's and Group's top management to be submitted to the Nomination and Compensation Committee;

> Ensure that the Company's organisational, administrative and accounting functions are adequate in light of the size of the business.

In addition, as of 18 April 2024, Roberto Zoia also accepted the role, for an indefinite term and, therefore, until revocation, of Managing Director of the Company. His powers are indicated below.

1. See to the correct and timely realisation of real estate projects carried out directly by the company in compliance with the projects, expenditure budgets and time schedules approved by the Board of Directors.

2. See to the executive control of the progress of orders acquired from third parties on a turnkey basis.

3. See to the proper maintenance of the real estate assets, within the scope of the lease and rental agreements signed by the Company with third parties, the expenditure budgets approved by the Board of Directors and in compliance with the applicable provisions of law, all within the limit of EUR 3,000,000 per year for each purchase/contract/service/mandate agreement.

4. Accept responsibility for the preparation of the annual plan of interventions as well as the related budget estimates for both new implementations and maintenance to be submitted to the board of directors for approval.

5. Hold the function of 'employer', with all the widest powers deriving from work safety regulations, to implement legal, regulatory and corporate provisions on the safety of workers and workplaces, with the express right to delegate powers/attributions to its managers, collaborators and supervisors, as well as to third parties, and to appoint the safety and prevention manager.

6. Periodically carry out the overall assessment of all risks to workers' health and safety, aimed at identifying the appropriate prevention and protection measures and drawing up the programme of measures to ensure the improvement of health and safety levels over time, with the consequent drafting of the document provided for in Article 28, Legislative Decree no. 81/2008 and related fulfilments, as well as designate the 'person in charge of the risk prevention and protection service', a person in possession of the professional capacities and requirements under Art. 32, Leg. 81/2008.

7. Exercise, with regard to the protection of health and safety in the workplace and the related authorisation system, all appropriate and necessary powers, including those of representation and/or signature and/or delegation (within the limits of the law) to persons deemed suitable, endowed with particular and specific technical skills and personal abilities, to prepare, organise and coordinate the various corporate functions and perform, with adequate decision-making autonomy and sufficient spending powers, all related functions, tasks and obligations.

8. Administering personnel - through the dedicated company structure - performing all necessary activities with express authorisation to perform any act required by trade union, insurance, social security and mutual insurance regulations.

9. Sign correspondence, declarations, certifications, attestations and any act pertaining to the administration of employees before the national labour inspectorate and its territorial representations, social security, mutual insurance, and accident insurance institutions (including but not limited to INPS, Inail, etc.), bilateral bodies and complementary and interprofessional pension funds.

10. Represent the Company vis-à-vis the national labour inspectorate and its territorial representations, social security, mutual insurance, and accident insurance institutions (including but not limited to INPS, Inail, etc.) for all labour relations, making requests and conducting negotiations, providing data and documents, and signing the documents and acts required to fulfil the obligations provided for by law and/or by the applicable collective bargaining agreement.

11. Represent the Company vis-à-vis trade union organisations and representatives for all labour and trade union-related relations, initiating consultation and/or trade union information procedures, conducting negotiations, providing data and documents where requested, and signing the documents and deeds required to fulfil the obligations provided for by law and/or by the applicable collective bargaining agreement (such as supplementary company agreements and contracts).

12. Enter into contracts for the performance of property management services, such as real estate and/or commercial and/or administrative and/or financial assets and liabilities, including the management of third-party assets.

13. Demand and release sums, values or anything else due to the company for cheques, money orders and warrants issued by the treasuries of public bodies in general.

14. Take out loans, mortgages, finance leases and credit lines of up to EUR 5,000,000; grant loans to group companies of up to EUR 5,000,000.

15. Issue and enforce sureties up to the limit of EUR 1,000,000.

16. Establish and extinguish pledges and collateral to the limit of EUR 1,000,000.

17. Underwrite, purchase and dispose of corporate and consortium participations up to the limit of EUR 750,000, informing the board of directors at the first subsequent meeting.

18. Sign deeds and contracts for the purchase of goods and services for ordinary operations, including the sale and purchase of personal property, registered chattels, plant and equipment, as well as signing insurance contracts within the limits of their budget.

19. Underwrite insurance contracts relating to real estate owned by the Company.

20. Propose studies, research and consultancy to the Chairman.

21. Appoint "ad hoc" attorneys and assign powers of attorney, lasting and/or for the performance of specific acts, to managers, employees and third parties within the limits of the powers assigned.

22. Purchas, sell and exchange real estate, rights in rem and enjoyment, business branches and business premises, including commercial goodwill, administrative titles and related equipment, including the consequent fulfilments, and establishing contractual terms and conditions, subject to an expenditure limit of €3,000,000 per individual asset.

23. Underwrite contracts for the supply of goods, tenders, sub-contracts and ancillary services within the expenditure limit of EUR 3,000,000 per individual contract and, in any case, within the overall forecasts of the budgets approved by the board of directors.

24. Engage the Company in dealings with public entities by concluding agreements and signing deeds and/or contracts and/or conventions aimed at obtaining the necessary authorisations for the implementation of the planned building works, both for existing projects and new projects, as well as for the renovation and maintenance of the existing real estate assets.

25. Carry out operations, including those of extraordinary administration, with state and local authorities, social security and welfare bodies and public offices in general, including, by way of example, applying for or waiving licences, concessions and authorisations, filing complaints, and instituting litigation.

26. Sign deeds and contracts of lease, sub-lease and business leases, loan for use, assets and liabilities, with the power to terminate them, up to the total annual rent per single contract of EUR 1,000,000.

27. Carry out ordinary credit and debit transactions with ordinary and special credit institutions, including all payments ordered for the management of the Company, on the Company's bank and postal accounts and on accounts opened with companies and/or financial consortia, including the drawing of drafts and payment orders, within the limits of existing funds and credit lines granted and in compliance with approved Company procedures, to sign bills of exchange, drafts, bankers' drafts and postal cheques, to sign receipts, to issue bank receipts and drafts to customers, to sign assignments of bills of exchange, drafts, bankers' drafts, bankers' drafts and postal cheques

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presented for discounting, collection or credit subject to collection.

28. Sign correspondence contracts, including requests for extensions and/or enforcement of sureties already issued and relating to investments already made.

29. To ensure and coordinate activities concerning the ordinary business of the Company and the Group, including general, legal, corporate and tax services, as well as the contractual and rental management of the Company's offices.

30. Management of IT processes and related matters, with the exception of operational activities related to the management of accounting/administrative processes.

// Chairman of the Board of Directors

At its meeting of 18 April 2024, the Board of Directors appointed Antonio Rizzi as Chairman of the Board of Directors. He meets the independence requirements set forth in the applicable provisions of the Consolidated Finance Act, the CONSOB Regulations, the Market Regulations and the Corporate Governance Code. The Chairman of the Board of Directors is not responsible for the management of the Company, which, as stated above, is the responsibility of the Chief Executive Officer and Managing Director.

The Chairman of the Board of Directors is not granted management powers. In addition to the powers provided for by law and the Articles of Association concerning the functioning of the corporate bodies and the legal representation of the Company, he is assigned the functions listed below.

1. Play a liaison role between the Company's executive and non-executive directors and ensure the effective functioning of board proceedings; in particular, with the help of the competent structures, ensure a) that the pre-meeting information and complementary information provided during the meetings are suitable to allow the directors to act in an informed manner in the performance of their role; b) that the activity of the board committees with investigative, proposing and advisory functions is coordinated with the activity of the board of directors; c) that the Company's executives and those of the Group companies, responsible for the corporate functions competent according to the subject matter, attend the board meetings, also at the request of individual directors, to provide the appropriate in-depth analysis of the items on the agenda d) that all members of the Company's administration and control bodies may participate, after their appointment and during their term of office, in initiatives aimed at providing them with adequate knowledge of the business sectors in which the Company operates, of the Company's dynamics and their evolution, also with a view to the Company's sustainable success, as well as the principles of proper risk management and the regulatory and self-regulatory framework of reference; e) the adequacy and transparency of the Board of Directors' self-assessment process, with the support of the Nomination and Compensation Committee.

2. Propose to the Board of Directors the appointment and dismissal of the Secretary of the Board of Directors, defining his professional requirements and powers.

3. Coordinate and connect the internal and external control functions of the Company and its subsidiaries, taking care of relations with the control bodies of the Group companies, the auditing company and those entrusted with internal audit functions.

The Chairman of the Board is not the Company's controlling shareholder.

// Executive Committee (pursuant to Art. 123-bis, para. 2, lett. d), TUF)

The Company has not appointed an Executive Committee.

// Reporting to the Board by the Chief Executive Officer and Managing Director

In accordance with Article 23.2 of the Articles of Association and Art. 150 of TUF, the Board of Directors and the Board of Statutory Auditors must be informed at least once a quarter, when the Board meetings are held, on general performance, the business outlook, and the transactions most relevant in terms of size or characteristics carried out by the Company or its subsidiaries. In this regard, the Chief Executive Officer and Managing Director report at least quarterly at the meetings of the Board of Directors. Such reporting is provided when the Board approves the separate and consolidated financial statements for the year, the half-year, and the quarter. Each director may request the Chief Executive Officer and Managing Director to provide the Board with information concerning the management of the Company. For the sake of complete and organised reporting, the Company has adopted guidelines setting the rules to be followed for compliance with the reporting obligations. The main purpose of these guidelines is to implement suitable corporate governance tools that are concrete examples of the recommendations found in the Code. In particular, the procedure, by ensuring transparency and timeliness, allows for the activation of transparent information flows between the Chief Executive Officer and Managing Director and the Board of Directors, as recommended by the Code, aimed, on the one hand, at sanctioning the centrality of the Company's Management Body in its plenum and, on the other hand, at reinforcing the internal control functions. At the same time, the Board of Statutory Auditors is provided with information relevant to its supervisory activities pursuant to Art. 149 of the Consolidated Finance Act.

3.4.7 // Independent Directors and Lead Independent Director

// Independent Directors

The current Board of Directors is composed of four independent directors, specifically: Chairman Antonio Rizzi and the directors Mirella Pellegrini, Simonetta Ciocchi and Daniela Delfrate, who meet the independence requirements set forth by the applicable provisions of Legislative Decree 58/98 ("TUF"), the CONSOB Regulations, the Market Regulations and the Corporate Governance Code.

The number and the qualifications of independent directors are suited to the Company's needs and the functioning of the Board, and to the formation of Board committees.

On 17 December 2020, the Company's Board of Directors, in accordance with Art. 7 of the Corporate Government Code adopted the criteria for assessing the significance of professional, economic and financial relationships, as well as additional compensation when evaluating independent status. More in detail, during this meeting, the Board of Directors established that "*For the purposes of assessing the independence of each non-executive director pursuant to Art. 2 of the Corporate Governance Code, the following are considered to be significant, with the exception of specific circumstances to be evaluated on a case-by-case basis, with substance prevailing over form:*

a) *Commercial, financial or professional relationships, existing or entered into in the last three years, with IGD or its subsidiaries or its parent company, or with the respective executive directors or Top Management, for which annual compensation is higher than at least one of the following thresholds:*

(i) 5% of the director's annual income;

(ii) in the case the undertakings are with a company of which the director has control or is an executive director or a professional firm or company of which the director is a partner or an associate, 5% of the annual turnover generated directly by the director as part of the activities carried out with this company, professional firm or consultancy;

(iii) The amount of the annual compensation for acting as a non-executive director of IGD;

b) *Remuneration in addition to the fixed compensation for acting as a board member and being part of a committee as per the Corporate Governance Code and the current law, received in the current year or in the last three years from IGD, one of its subsidiaries or its parent company, which exceeds at least one of the following thresholds:*

(i) 5% of the director's annual income;

(ii) The annual compensation for acting as a non-executive director of IGD.

On 6 March 2025, the Company's Board of Directors assessed, based on the information available and the declarations made by the interested parties, the existence of the independence requirements envisaged by the Consolidated Finance Act, the CONSOB Market Regulations, and the Corporate Governance Code adopted by Borsa Italiana for non-executive directors qualified as independent. The outcome of this evaluation was disclosed to the market.

Similarly, on 28 February 2025, the Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board of Directors to verify the independence requirements of directors.

The directors appointed have committed to maintaining their independence throughout their term in office or otherwise to resigning from the Board.

The independent directors met on 4 March 2025 to discuss the issues deemed to be of most interest with respect to the functioning of the Board of Directors and corporate management.

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// Lead Independent Director

In light of the separation of the offices of the Board Chair and Chief Executive Officer and the circumstance that the office of the Chair is not held by a person who controls the Company, the independent directors deemed it unnecessary to appoint a Lead Independent Director.

3.5 // Handling of Corporate Information

// Procedure for the management of relevant and price-sensitive information

In accordance with the Code recommendations, particularly with regard to *price-sensitive information* pursuant to Art. 114, para. 1 TUF, in December 2006, the Company adopted an internal procedure for the secure, confidential management and disclosure of price-sensitive information and documents. Furthermore, in accordance with Art. 115-bis TUF, the Company established a registry of the persons who have access to price-sensitive information in June 2006.

After the EU Regulation 596/2014 ("MAR") took effect the Company adopted a Procedure for the Management, Handling and Public Disclosure of Confidential and Price Sensitive Information and the Registry of Insiders.

On 3 August 2018, the Company updated the aforementioned regulation (the "Regulation for internal management and handling of relevant information and inside information of IGD Siiq SpA" or "Regulation") to take into account the Guidelines on the Management of Inside Information adopted by CONSOB in October 2017. The regulation was subsequently updated in 2023 and, most recently, in 2024.

All directors, statutory auditors, executives and employees of the Company and/or its subsidiaries, as well as others who act in the name of or on behalf of the Company and/or its subsidiaries, who have access to the Company's confidential or price sensitive information in the course of their duties, are bound by the Procedure.

The assessment of the material and/or privileged nature of information is the responsibility of the Chief Executive Officer and Managing Director who, to this end, may rely on the support of the relevant corporate structures, the Legal, *Corporate & Compliance* department and the *Investor Relator*. Should the Chief Executive Officer and Managing Director deem it advisable or necessary, this assessment may be referred to the Board of Directors.

If the Chief Executive Officer and Managing Director, with the support of the competent corporate functions, considers that a piece of information is of a material nature, he shall see to it that a new section is added to the Relevant Information List in which the persons having access to that information are entered. Furthermore, the Chief Executive Officer and Managing Director, with the support of the competent corporate functions, is required to monitor the development of relevant information to assess whether and when such information may acquire a privileged nature.

The Company discloses price-sensitive information to the public as quickly as possible in a way which guarantees quick, equal, simultaneous access to the information throughout the European Union, as well as a complete, accurate and timely analysis of the information, by issuing a press release.

The Company may delay, under its own responsibility, public disclosure of the price-sensitive information as long as the conditions called for in MAR are satisfied. The decision as to the activation of the delay is the responsibility of the Chief Executive Officer and Managing Director, who shall also ensure the utmost confidentiality in the handling of privileged information and the necessary and timely entries in the list of persons with access to privileged information ("Insider List"), kept by the Company pursuant to the Regulation.

The Insider List is divided into two distinct sections: one defined as "occasional" which includes parties identified on a case-by-case basis who may have access to specific information; one defined as "permanent", which includes those parties who always have access to price sensitive information.

The Company manages the information provided to its shareholders in accordance with the Law on Market Abuse and CONSOB guidelines.

// Internal Dealing

In accordance with Art. 114, paragraph 7 of TUF, and the implementation provisions found in Arts. 152-sexies et seq. of the "CONSOB Issuer Regulations", effective as of January 2007, the Board of Directors adopted a procedure governing mandatory notification and conduct on the subject of transactions carried out by relevant persons and parties closely related to such persons on the Company's shares or on related financial instruments ("Internal Dealing Procedure"). The Internal Dealing Procedure was updated in content in 2016, in 2018, in 2023 and, most recently, in 2024.

For more information, refer to the Internal Dealing Procedures available on the website at http://www.gruppoigd.it/Governance/Internal-Dealing.

3.6 // Board Committees (pursuant to art. 123-bis, par. 2, lett. d), TUF)

In full compliance with the Code recommendations, the Board of Directors has set up Board committees with advisory functions: *(i)* the Control and Risk Committee, *(ii)* the Nomination and Compensation Committee (a single committee performing the functions the Code assigns to the Nomination Committee and the Compensation Committee), and *(iii)* the Related Party Transactions Committee.

As the Company is subject to the management and coordination of Coop Alleanza 3.0 soc. Coop., pursuant to Art. 2497 of the Italian Civil Code, it is subject to Art. 16 of the CONSOB Market Regulations, based on which the committees formed pursuant to the Code must comprise only independent directors as defined in these provisions. Therefore, all established committees are composed of independent directors.

The members of the above-mentioned committees were elected at the last renewal of the administrative body, following their appointment by the Annual General Meeting held on 18 April 2024.

For more information on the Nomination and Compensation Committee, the Control and Risk Committee and the Related Party Transactions Committee, please refer to sections 7, 9 and 10 of this Report, respectively.

The composition of the committees, their tasks, the manner in which they are convened, conducted and the minutes of their meetings are governed by specific organisational regulations approved by the Board of Directors.

Minutes of the meetings of each committee are taken by the secretary - who may coincide with the Secretary of the Board of Directors or be appointed for the purpose, even if not a member of the committee - and are the subject of reporting to the Board at meetings called to deliberate on matters previously submitted to the respective committees.

The Committee chair reports on meetings at the first Board of Directors meeting convened, and in any case, at least every six months.
Members of the Board of Statutory Auditors may attend the meetings of each Committee. Committees are entitled to access the information, and company functions necessary to perform their tasks.

No director may attend a meeting of the Nomination and Compensation Committee during which his/her compensation is being discussed. Notices of committee meetings, with an indication of the day, time and manner of attendance, as well as the items to be discussed, are sent to the members of the relevant committee upon indication by the Chair of the committee, assisted in practice by IGD's Corporate Secretary. As a rule, meetings are convened by e-mail with at least two days' notice.

In cases of urgency, the time limit may be shorter, subject, however, to a minimum notice period laid down in the relevant regulation. The notice of the meeting is sent by the IGD Corporate Secretariat not only to the members of the committee, but also to any other persons invited by the Chair of the committee to take part in the meeting.

Any documents relating to the items on the agenda are made available via the appropriate company software platform and/or by e-mail usually at the same time as the relevant convocation.

// Additional committees
Strategic Steering Committee

On 18 April 2024, the Board set up a new 'Strategic Steering Committee' with no executive functions. This committee - to which the functions previously held by the 'Sustainability Committee' have also been attributed - has an advisory role in formulating possible strategic guidelines for the Company's management, including for the preparation of its business plan.

The Committee is chaired by Chairman Antonio Rizzi, and is composed of Vice-Chairman Edy Gambetti, Chief Executive Officer and Managing Director Roberto Zoia, and Directors Antonello Cestelli and Antonio Cerulli.

During the Year, the Committee met three times with the participation of all its members.

In order to facilitate an agile settlement and accelerate the strategic input in the drafting of the new 2025-2027 business plan, the newly established Committee initially carried out its work with a minimum of formalities. With the consolidation of its role within the governance and in conjunction with the broader project of corporate reorganisation and revision of the Company's governance system - aimed at simplifying and rationalising the internal regulatory framework - the Committee was endowed with the necessary formalities, with the aim of strengthening its strategic support and at the same time improving the transparency of decision-making processes.

The tasks and procedures for convening, conducting and minuting the relevant meetings of the Committee are governed by special organisational regulations approved by the Board of Directors.

The Committee Chairman reports on relevant issues examined and discussed at Committee meetings to the first available Board of Directors meeting. The President of the Committee also reports on the orientations that have emerged, possibly also explaining the reasons for dissent expressed within the Committee.

Specifically, the Committee is responsible for:

(i) Expressing opinions and non-binding indications on the business plan proposals of the Company and its parent group prepared by the Company's executive bodies and functions, also with a view to generating long-term value;

(ii) Carrying out an in-depth analysis of the strategic management of the Company, also with reference to market opportunities;

(iii) Examine the Chief Executive Officer's proposals concerning the management, including financial management, of the Company;

(iv) Conducting any appropriate investigation into the company's financial management, pointing out potential areas for improvement and redefinition of the debt reduction strategy;

(v) Monitoring financial procurement costs;

(vi) Examining any opportunities for extraordinary transactions proposed by the Company's executive bodies and functions, taking care of the relationship with any third parties involved;

(vii) Monitoring the progress of the implementation of the business plan;

(viii) Verifying budget trends and proposing corrective measures;

(ix) Identify organisational needs and taking care of the collective evaluation of the candidates proposed by the CEO.

In addition:
(i) Formulating proposals for the benefit of the Board of Directors concerning Corporate Social Responsibility (CSR) strategies and related targets and their operational implementation;

(ii) Coordinating the initiatives of the various operational directorates on CSR policies;

(iii) Issuing directives on CSR policy reporting;

(iv) Taking appropriate internal communication initiatives to promote CSR culture.

The Committee is constantly informed about the development and significant contents of any discussions with the controlling shareholder, within the scope of the latter's exercise of management and coordination activities over the Company, in relation to matters falling within the Committee's competence. The latter is also entitled to make comments on the matters to be brought to the attention of the Board of Directors.

To support the work of the Strategic Steering Committee on Sustainability, the Company has set up a 'Sustainability Department', consisting of internal figures who are responsible for the following tasks:

> Monitoring the progress of the sustainability plan;

> Proposing policies and strategies on sustainability to the Strategic Steering Committee;

> Defining operational actions for the implementation of the sustainability plan;

> Promoting actions to integrate the sustainability budget with the financial budget.

For further information, please refer to the “Sustainability Strategy” section of the Sustainability Report available on the Company's website at https://www.gruppoigd.it/sostenibilita/bilancio-di-sostenibilita/.

3.7 // Board review and succession of Directors - Appointments and Remuneration Committee

3.7.1 // Board review and succession of Directors

Consistent with Principle XIII of the Corporate Governance Code, in 2024, the Board of Directors once again reviewed the effectiveness of its own activities and the contribution of each of its members through formalised self-evaluation procedures. More specifically, the Board of Directors has placed the Nomination and Compensation Committee, in the context of its role supporting the Board review process, in charge of checking the methodology used for the review process with assistance from the consulting firm Egon Zehnder.

The issues assessed in the Year mainly concerned:

> Qualitative-quantitative profile of the Board of Directors;
> Council dynamics and individual contributions. Benchmarking and summary considerations;
> Integration and training;
> Board meetings and decision-making processes;
> The role of the Chair of the Board of Directors;
> Reports of the Board with the Management and the Statutory Auditors;
> Information and presentations;
> Strategy;
> Committees of the Board of Directors;
> Risks and related controls;
> Structure, People and Remuneration;
> ESG - Environment, Social and Governance.

For each area, individual interviews were conducted with each director to gather the information needed to prepare the Board Review. Subsequently, the results of these interviews were shared with the Board of Directors to identify areas in need of improvement to be addressed in 2025.

In general, with reference to the financial year 2024, the directors agreed with the findings of the self-assessment exercise, considering the characteristics as well as the functioning of the Board and its committees to be adequate in relation to the size and needs of the Company. The directors expressed their appreciation for the topics included in the review. The Board expressed a positive opinion about the size, composition, and functioning of the Board itself, including the internal council committees, considering its expertise and professional characteristics.

For the sake of completeness, it should be noted that the Board of Directors' term of office expired on 18 April 2024, in view of its renewal at the Annual General Meeting held on the same date:

(i) In compliance with the recommendations of the Corporate Governance Code and considering the results of the self-assessment carried out the previous year, the company approved its Guideline on the size and composition deemed optimal for the new board of directors on 27 February 2024. This decision was made following consultation with the Nomination and Compensation Committee. The Guidance, published on the Company's website well in advance of the publication of the notice of call of the Annual General Meeting, also included a reflection on the characteristics of professionalism, experience and skills in the broadest sense of the Directors, also in light of the size and complexity of the Company, its business targets and strategy. In the notice convening the AGM that would re-elect the company's boards, the shareholders were therefore urged to read the outgoing Board's opinion and, for

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3.7 BOARD REVIEW AND SUCCESSION OF DIRECTORS - APPOINTMENTS AND REMUNERATION COMMIT

voting lists with a number of candidates exceeding half the members to be elected, to provide suitable information on the list's consistency with that opinion;

(ii) Invited the shareholders to indicate their candidate for the office of President;

(iii) Adopted, in January 2021, the CEO Succession Plan - drawn up with the support of Egon Zehnder - all in accordance with the provisions of Recommendation 19 (e) of the Code.

With regard to the internal council committees, the Board finds the current structure and organisation to be adequate.
It should be noted that the aforementioned Succession Plan lost its relevance following the change of governance in April 2024. The Company is considering opening a path for its redefinition during the term of the 2025-2027 Business Plan.

3.7.2 // Nomination and compensation committee

In 2012, having confirmed the organisational needs mentioned in the Code, the Board of Directors decided to combine the Compensation Committee and the Nomination Committee along with the functions assigned to each.

The establishment of the "Nomination and Compensation Committee" was decided for organisational purposes within the Board and because of the strong correlation between the competencies of the former Compensation Committee and those of the former Nomination Committee pursuant to the Code. The Company verified that the members of the Compensation Committee possess the same requirements of independence, professionalism and experience as the members of the Nomination Committee.

> COMPOSITION AND FUNCTIONING OF THE APPOINTMENTS AND REMUNERATION COMMITTEE
(PURSUANT TO ART. 123-BIS, PARA. 2, LETTER D), TUF)

Nomination and Compensation Committee	
Mirella Pellegrini	Chairman (Independent)
Simonetta Ciocchi	(Independent)
Daniela Delfrate	(Independent)

IGD's current Nomination and Compensation Committee is composed of the Directors Mirella Pellegrini, as Chair, Simonetta Ciocchi and Daniela Delfrate, all Independent Directors.

In particular, the Nomination and Compensation Committee currently in office was appointed by the Board of Directors on 18 April 2024, following the renewal of the corporate bodies by the Annual General Meeting on the same date.

The Nomination and Compensation Committee consists of three non-executive independent directors appointed by the Board, which also appoints its Chair.

At least one member of the Committee has sufficient expertise and experience in finance or compensation policies, as determined by the Board of Directors at the time of appointment[2].

The Committee meets as often as needed to perform its duties and is in any case convened sufficiently ahead of the Board of Directors meeting during which its proposals will be discussed and resolved upon; it is provided with background documentation sufficient for making informed decisions.

During the Year, the committee met seven times: on 11 January 2024, 15 February 2024, 7 March 2024, 8 March 2024, 18 April 2024, 3 May 2024 and 18 June 2024. The percentage of attendance at these meetings is 100%. The Chair of the Statutory Auditors attended 6 out of 7 meetings. In particular, since 18 April 2024, President Iacopo Lisi has attended 3 out of 3 meetings.

During the Year, the average duration of meetings was about 55 minutes. Proper minutes were taken during each meeting.

Committee meetings were usually attended upon invitation by the Committee Chair, by the Chair of the Board of Directors and the Chief Executive Officer, as well as, until the renewal of the Committee on 18 April 2024, by the then Director of Administration, Legal and Corporate Affairs, Contracts, HR and IT for the specific competence on the subject.

The Chair of the Board of Statutory Auditors is invited by right to all meetings of the Nomination and Compensation Committee. The statutory auditors may also intervene, particularly when the committee deals with matters on which the board of directors decides, using the mandatory opinion of the board of statutory auditors.

It is the responsibility of the Chair of the Nomination and Compensation Committee, with the support of the competent corporate bodies, after hearing the Chair of the Board of Directors and the Chief Executive Officer and Managing Director, to gather indications and submit topics to the committee, ensuring that the various proposals are accompanied by all the necessary information to express a fully informed opinion.

The Secretary, appointed at every meeting, prepares the meeting minutes. As a rule, the minutes are submitted for the approval of the Nomination and Compensation Committee through an exchange of emails between the Secretary and the Chair of the Committee.

No director may attend a meeting of the Nomination and Compensation Committee during which his/her compensation is being discussed for submission to the Board of Directors.

> Functions of the Appointments and Remuneration Committee

The functions that the Code attributes to the Nomination and Compensation Committee have been assigned in accordance with the Code recommendations for the composition of such committees.

On the subject of Appointments, the Nomination and Compensation Committee assists the Board of Directors in:

a. The review process (self-evaluation) of the Board of Directors and its committees;

b. The definition of the optimal quality and quantity composition of the Board of Directors and its committees;

c. The identification of candidates for the office of director in the event of co-optation outside the cases of statutory slippage;

d. The possible submission of a list by the outgoing Board of Directors to be implemented in a manner that ensures its transparent formation and presentation;

e. The preparation, updating and implementation of the Chief Executive Officer succession plan, if any.

On the subject of remuneration, the Nomination and Compensation Committee is responsible for:

a. Assisting the Board of Directors in drawing up the remuneration policy;

b. Submitting proposals or expressing opinions on the remuneration of executive directors and other directors holding particular offices as well as on the setting of performance targets, to which the payment of variable components is linked, predeterminable, measurable and linked in significant part to a long-term horizon;

c. Monitoring the concrete application of the remuneration policy and verify, in particular, the actual achievement of performance targets;

d. Periodically evaluating the adequacy and overall consistency of the policy for the remuneration of directors and top management.

The Nomination and Compensation Committee also expresses opinions on:

> The formulation of criteria for the appointment of the Company's Executives with Strategic Responsibilities, whose appointment is reserved for the Board of Directors; and

> The formulation of opinions on the choice of the type

(2). Recommendation No. 26 Corporate Governance Code

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of Administrative Body (monocratic or collective), the number of members and the names to be indicated in the competent offices for the adoption of the relevant resolutions for the positions of Administrator and Auditor, as well as of President, Vice President of the Board of Directors and Chief Executive Officer and Managing Director of the subsidiary and associated companies.

The Board of Directors did not submit any voting lists for the re-election of the Board.

During the year, the Nomination and Compensation Committee, in the course of its duties:

> Performed the necessary preliminary work, in particular by studying the methodology used for the review process of the Board of Directors and its committees;

> Helped the Board of Directors devise the remuneration policy, in particular by submitting recommendations and expressing opinions on the remuneration of executive directors and other key directors and on the setting of performance targets for the payment of short- and medium/ long-term bonuses;

> Expressed opinions on the appointment of Executives with and without Strategic Responsibilities of the Company;

> Assessed the adequacy and overall consistency of the policy for the remuneration of directors and top management.

The Nomination and Compensation Committee, in the performance of its duties, ensures appropriate functional and operational links with the competent corporate structures, having at its disposal adequate financial resources to perform its tasks and availing itself of consultants or other professionals, including external ones, under the terms established by the Board.

3.8 // Directors' compensation

This information can be found in the Report on remuneration and compensation, published in accordance with Art. 123-ter of TUF, and made available on the Company's website http://www.gruppoigd.it/Governance/Remunerazione within the terms of the law and to which express reference is made.

3.9 // Internal Control and Risk Management System - Control and Risks Committee

The Internal Control and Risk Management System ("ICRMS") consists of a set of rules, procedures, and organisational structures designed to ensure that the business is run correctly and in line with the targets agreed upon through the proper identification, assessment and control of the primary risks facing the company with a view to creating medium/long term value for shareholders. The ICRMS ensures the safeguarding of the company's assets, the efficiency of the company's operations, compliance with laws, regulations, Articles of Association and internal procedures, as well as the reliability of financial information. As the objective of the Internal Control System is, therefore, to guarantee the reliability, accuracy, dependability and timeliness of the financial information, the system is considered an integral part of and not separate from the general Risk Management System adopted by the Company.

The Board of Directors, in accordance with the Company's strategic guidelines, has defined the key principles of the ICRMS including through the formation of specific committees with advisory and consulting functions.

This system is part of the Company's organisational and corporate governance structure and reflects the reference models, as well as national and international best practices, also in light of the changing rules.

In particular, the design, implementation and monitoring activities of the SCIGR defined by IGD make methodological reference to the *CoSo (Committee Of Sponsoring Organisations of the Treadway Commission) Framework;* the Company constantly plans and carries out activities to develop and refine the system in its components, in a perspective of continuous improvement.

The CoSo Framework aims to:

> Establish a definition of internal control that meets the needs of the different stakeholders;

> Establish a reference model in relation to which companies and other organisations can assess the reliability of internal control;

> Provide a shared reference base (shared language) for Management, Directors, Control Bodies and Delegates, etc.

Under the CoSo Framework, there should be a direct correlation between the Company's targets and the components of the Internal Control System:

> Each component of the Internal Control System correlates with three main categories of targets, including *i)* operational efficiency (management control); *ii)* adequate information (administrative-accounting control); *iii)* compliance;

> An efficient control system reduces the risk that one or more targets will not be achieved (achieved = the level deemed acceptable by the company/organisation);

> This is guaranteed if *i)* the five components of the control system and the standards are concrete, clear and completely functional, and *ii)* the five components work together.

Based on the CoSo Framework, the following five components comprise the Internal Control System: (a) control environment; (b) risk assessment; (c) control activities; (d) information and communication; (e) monitoring.

ICRMS planning activities are coordinated to keep with the assessment of a risk level that is compatible with the issuer's strategic targets, including with a view to the medium/long-term sustainability of its operations.

The components of the ICRMS are summarised below:

a) Control environment

The control environment refers to the organisational context in which the strategies and targets are defined, the ways in which business activities are structured and the ways in which risks are identified and managed. This includes many elements, such as the Company's ethics, expertise, and personnel development, as well as the style with which operations are managed and the methods used to grant special mandates, powers, and responsibilities. In line with the framework standards, the control environment includes the following five sub-elements:

i) Commitment to integrity and ethical conduct

The Company has defined and shared its Code of Ethics with employees and staff members. This Code is an official document that contains all the standards underlying the Company's activity. The top management and the supervisory and control bodies that make up the SCIGR monitor the alignment of behaviour to the requirements of the Code. The Company is committed to pursuing economic, environmental, and social sustainability for its stakeholders and has issued a Corporate Sustainability Report. Furthermore, to continuously improve and strengthen corporate governance, consolidate ethical business practices, protect integrity, and offset the risk of corruption, in April 2020, the Company concluded the project designed to strengthen its anti-corruption controls further. This called for the design and implementation of the anti-corruption systems in accordance with the international norm, ISO 37001:2016 (in synergy with the other anti-corruption compliance tools already adopted), obtaining the relative certification. This path, begun in the fall of 2019, also compelled the adoption of an anti-corruption policy and the formation of a Supervisory Board, Top Management, and a Compliance Unit charged with monitoring the prevention of corruption.

ii) Exercise of supervisory responsibilities

The group of individuals who comprise the Company's ICRMS guarantees that the supervisory activities will be carried out in compliance with the law and regulations. More in detail the different duties (which will be explained in greater detail below) are assigned to the Board of Directors, the Director in Charge of the ICRMS, the Control and Risk Committee, the Board of Statutory Auditors, the Supervisory Board, the Financial Reporting Officer, and the Internal Audit Unit.

iii) Definition of the Internal Control and Risk Management System's structures, reporting lines and responsibilities

ICRMS involves, to the extent of their expertise:

1) The Board of Directors, whose responsibility is to determine and pursue the strategic targets of the Company and the entire Group, as well as define the nature and level of risk deemed compatible with the Company's targets, including all the risks deemed material to medium/ long-term sustainability;

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2) The Director in charge of creating and managing an effective ICRMS;

3) The Control and Risk Committee, as the voice of the Board of Directors, formed in accordance with the Corporate Governance Code, which must support, after having received adequate information, the evaluations and decisions made by the Board of Directors relating to the ICRMS, as well as the decisions relating to the approval of the periodic financial reports;

4) The Head of Internal Audit, who is responsible for reviewing the functioning and effectiveness of the SCIGR and adapting its audit plan to the results of the Enterprise Risk Management process;

5) The Financial Reporting Officer who, by law, is in charge of establishing adequate administrative and accounting procedures for the preparation of financial documents and reports;

6) The Board of Statutory Auditors, which oversees the effectiveness of the ICRMS;

7) The Supervisory Board, formed pursuant to Legislative Decree 231/01, which supervises compliance with the Code of Ethics and verifies the efficacy and adequacy of the Organisational, Management and Control Model pursuant to Legislative Decree 231/01;

8) The governing body, top management, and the division are responsible for compliance with anti-corruption measures.

The list of the relevant parties also includes *(i)* Group Management, which is responsible for first-level internal controls and risk management; *(ii)* the divisions involved in second-level controls with specific duties and responsibilities relative to the control of different areas/types of risk.

The ICRMS, in line with regulations and best practices, can be broken down into the following levels:

> First level: monitored by the single operating lines, consistent with the controls made by those who carry out certain activities and the relative supervisors; it also ensures that operations are being carried out correctly;

> Second level: assigned to structures other than the operating lines, participates in the definition of methods to be used to measure, identify, assess and control risk (risk management); verifies compliance with laws and regulations (Compliance);

> Third level: assigned to Internal Audit, which assesses the functioning of the entire internal control and risk management system, as well as the detection of unusual performances, procedural and regulatory violations, and the division responsible for compliance with anti-corruption measures.

All persons involved coordinate their activities to ensure the reliability and effectiveness of the ICRMS and to avoid overlaps. The results of the periodic supervisory/control operations are always shared with the internal control bodies, the Board Committees and the Board of Directors, including when they meet as a whole.

The Board of Directors ensures that the assessments and decisions made relating to the Issuer's risk exposure, the internal control system, the approval of the annual and half-year reports, as well as the relations between the Company and the external auditors are supported by an adequate exchange of information.

The Board of Directors, as part of its strategic supervision, defines the guidelines for the control systems in line with the Company's business risk previously determined by the Board (3).

The Board, by law, must also periodically verify the adequacy of the control systems. Unforeseen events, however, may require further investigation to verify the efficacy of the controls in relation to particular situations (4).

The Board, therefore, is also responsible for the adoption of an adequate system in light of the business's characteristics.

Toward this end, efficient workflow management is key to ensuring that any questions relating to internal control, in general, and risk management, in particular, are discussed with the Board after having been adequately briefed by the Control and Risk Committee.

(3). Comment to article 6 of the Corporate Governance Code.
(4). Comment to article 6 of the Corporate Governance Code.

iv) Commitment to recruit, develop and retain qualified resources

The Company promotes research and development activities to enhance the talent and professional expertise of its resources. The human resources management systems adopted to foster the enhancement of professional know-how and incentivise the achievement of goals through specific bonus schemes and the development of employee training programs.

v) Promotion of reliability

The Company promotes and enhances, at all levels, the reliability - in the broadest sense of the term - of organisational conduct, procedural management, IT, and internal and external communications.

b) Risk assessment

Risk assessment is viewed as an integral part of the system. In order to most effectively serve its control and risk management needs, as well as its complexity, status as a listed company and business dynamics, IGD developed an integrated model for risk management which is in line with renowned international Enterprise Risk Management (ERM) standards. As per these standards, risk assessment is carried out in line with a) above and is based on four sub-elements:

i) Definition of appropriate targets

The Company verifies that the planning, implementation and monitoring of the ICRMS are in line with the Company's strategic, financial, operational and compliance targets.

ii) Identification and assessment of risks

The risk management system adopted is constantly monitored, updated and developed by management to ensure that it is adequate in light of changes in the organisational structure or business.

Process risk management is assigned to Management, which is responsible for risk assessment and definition of risk management tools. Toward this end, Management is responsible for the monitoring of risk based on an assessment as to the adequacy of the risk management controls in place, pointing out areas in need of attention and for which action plans should be adopted, without prejudice to the functions assigned to the Board of Directors and the Control and Risk Committee.

The methods in progress at the date of the present Report for integrated risk management, used as part of the Group's ERM system, periodically provide for:
> Benchmark analyses of competitors/peers, with regard to both governance models and the ERM methods used, as well as of the risk management controls used relative to emergencies and unforeseeable exogenous events (e.g. Covid-19 pandemic, Russia-Ukraine conflict);

> Analysis of the risks identified, the organisation of the risk management personnel and the risk control measures used, assessment of the risk identified by the management of Group companies;

> Identification of the Key Risk Indicators (KRI) that make it possible to identify and assess the impact that the risks under examination could have on the company's performance;

> Assessment of the level of risk coverage based on the control mechanisms used;

> Prioritisation of risks and the areas of intervention, as well as the analysis of the risk tolerance consistent with the guidelines defined by the Group's top management as a result of specific assessments. The definition of the risk appetite framework is re-examined each year to ensure greater consistency between the company's strategic targets and risk management. The use of target quantitative analyses to determine the Group's exposure to risks which will have an economic-financial impact, consistent with the limits established in the risk appetite framework, close monitoring on a rolling basis of the biggest risks and their controls, including in relation to the reference markets;

These Enterprise Risk Management procedures are updated based on the findings of specific risk assessments made by other control bodies (internal audit, system used to control accounting-administrative procedures pursuant to Law 262/05).

iii) Identification and assessment of fraud risk

The Company pays particular attention to potential areas of exposure to the risk of fraud when planning, implementing and monitoring the ICRMS. The ERM model identifies and assesses in the Risk Map an area of risk referred to as "Fraud committed by Company personnel or its stakeholders that could impact its assets and its reputation." The controls defined relating, in particular, to administrative

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and accounting operations, financial and treasury management, and property and retail management also take into account aspects relating to fraud risk.

The assessments of this sort of risk take into account not only the results of the controls made by system personnel but also the recommendations and action plans that emerged as a result of internal audits and any observations made by the external auditors shared with the Company. With a view to continuously improving the system, the Company will continue to work on preventing fraud and the instruments used in this regard.

iv) Identification and analysis of significant changes

Within the framework of the defined SCIGR, activities are periodically planned and carried out to verify and update the risk analysis and assessment, taking into account the strategies pursued, and the organisational and business model adopted. The Company, therefore, periodically updates the tools used to identify and assess risk (ERM system, Decree 231/01 Model for Organization, Management and Control, system used to control accounting-administrative procedures pursuant to Law 262/05) to ensure that they fit the Company's organisational and business characteristics, as well as the corporate strategy.

Toward this end, after the EU privacy regulation no. 2016/679 took effect; the Company worked to comply with the new regulation and identified, using its ERM model and Risk Map, an area of risk referred to as "Privacy risk - Sanctions connected to violations of regulations protecting data privacy." Controls call for *(i)* monitoring the relative regulations, *(ii)* updating company procedures, mandates and related company documentation, and *(iii)* training company personnel.

The Company also included the risk of "*Legislative Decree 231/01 Liabilities*" and *"Law 262/05 Liabilities*" in its ERM model and the relative risk map used to periodically assess the measures implemented to guarantee the adequacy and effectiveness of the relative models with respect to the law and the Company's organisation.

c) Control activities

Control activities are defined in accordance with regulations, policies, guidelines and procedures that ensure that the risk management strategies adopted are executed correctly. In accordance with the methodological reference standards, control activities are represented, in continuity with point b), through the description of three sub-elements:

i) Definition and development of control activities

The control activities defined by IGD are based on the definition and deployment of a series of controls designed to mitigate risks of various types, including organisational, procedural, operational or relating to third-party interests. The selection of the control activities is rooted in the risk identification and mapping carried out in accordance with the ERM model, the Decree 231/01 Model for Organization, Management and Control, and the administrative-accounting control system pursuant to Law 262/05. As part of these assessment activities, the Company assesses the adequacy of the existing controls with respect to the level of risk identified and determines the steps that need to be taken to strengthen controls in line with the control targets defined and shared with Top Management. Implementation is periodically monitored by the system personnel based on his/her duties and responsibilities, including specific monitoring of the main risks identified by interviewing management, gathering documentation, and data analysis.

ii) Selection and development of general controls for technology

The organisational model adopted by the Company calls for the use of information systems in Software as a Service (SaaS) mode, which guarantees that a high degree of service will be available thanks to backup and disaster recovery measures. In 2023, a new system was also implemented for the HR Human Capital Management processes.

In 2023 IGD internalized network management, guaranteeing better control, including on cyber security, thanks to the application of specific, stringent safety measures on the wi-fi networks targeting the monitoring of any vulnerabilities and preventing any cyber-attacks.

The company, lastly, has equipped itself with an IT Network & Security Specialist who reports to the IT Manager.

iii) Implementation of controls through policies and procedures

IGD, in line with the control targets defined, as well as the best market practices and the methods adopted, defined a series of policies and procedures that govern conduct, as well as organisational and management practices (internal regulations and procedures). They form an integral part of internal regulations and procedures, along with the market procedures, administrative accounting controls, the Model for Organization, Management and Control, and the procedures required by law.

d) Information and communication

Information is needed at all corporate levels to identify, assess and carry out the decisions made to deal with risk, as well as deploy the control activities defined to reach the targets defined. The correct functioning of the ICRMS is based on an active sharing of the duties between the company divisions involved. An efficient Internal Control System aims at achieving the following targets:

> Eliminate the methodological/organisational overlaps between the different control functions;

> Share the assessment methods used by the different control functions;

> Improve the communication between the control functions and corporate bodies;

> Reduce the risk of "partial" or "misaligned" information;

> Capitalise on the information and assessments made by the different control functions.

In line with the framework standards and pursuant to the observations made in c) above, the information and communication activities are defined based on the following three sub-elements:

i) Use of relevant information

In order to provide concrete support for the control activities, the Company gathers and assesses relevant information. While the system is being monitored, information is gathered through interviews with management and based on self-assessment initiatives. The Company has also defined a set of Key Risk Indicators that are updated periodically to understand elements that could prove useful in understanding potential risks. Similarly, reporting lines and ways to manage information flows are determined by the Legislative Decree 231/01 Supervisory Board, Internal Audit and the Financial Reporting Officer. The management, control bodies, and the Board of Directors are periodically provided with reports on the progress of the work being done and updates about any changes relative to the levels of the risks identified.

ii) External communications

The Company promotes transparent and thorough external communications policies. Toward this end the ICRMS, as well as the corporate events of potential interest to all stakeholders, are made public through the institutional channels adopted by the Company, namely periodic financial reporting, the Report on Corporate Governance and Ownership Structure, the corporate website www.gruppoigd.it and all the disclosures made available to the public by the Investor Relations department.

iii) Internal communications

Internal communications must ensure that all appropriate company staff members are aware of the control and governance rules and that management is updated constantly, including with regard to any new provisions relating to the ICRMS and changes to internal rules. The internal communications system includes training programs developed to provide management with an understanding of the procedures and controls defined by the Company. Information channels are in place through which Top Management and the control bodies are provided with useful information to improve the system or report any lack of compliance with the controls.

e) Periodic monitoring

Information is needed at all corporate levels to identify, assess and carry out the decisions made relative to the treatment of risk, as well as deploy the control activities defined to reach the targets outlined. In line with the framework standards and pursuant to the observations made in d) above, the risk assessment activities include the following two sub-elements:

i) Continuous and periodic evaluations

In line with the procedures used to identify, assess, manage and monitor the risks defined by the system adopted, each system player is called upon periodically to report on the functioning of the system and its ability to contain risk within the defined limits as per the guidelines defined by the relative control bodies.

ii) Evaluation and communication of any deficiencies

The periodic evaluation of the ICRMS makes it possible to identify areas in need of improvement to align the system with the control bodies' expectations and the level of risk

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that the Company can tolerate. The players and the bodies that are part of the ICRMS are involved in the evaluation process and the communication of any deficiencies.

// Main features of the Internal Control and Risk Management System in relation to the financial reporting process

Phases of the Internal Control and Risk Management System in relation to the financial reporting process

With regard to the internal controls implemented in relation to the financial reporting process, in prior years IGD has undertaken to comply with Law 262/05 by updating the accounting and administrative control models and has also executed the controls necessary to support the Financial Reporting Officer's certification process.

The aforementioned accounting and administrative control model represents the set of internal procedures and tools adopted by the Company to enable the achievement of the targets of reliability, accuracy, trustworthiness and timeliness of financial reporting.

The methods used by the Financial Reporting Officer in the development of the accounting and administrative control system are those described in specific guidelines drafted in this regard which are in line with the recommendations found in the CoSo Report, the model referred to in the guidelines issued by ANDAF for the Financial Reporting Officer.

As part of the financial reporting process, to understand the principal risks to which IGD and the Group are exposed, the Financial Reporting Officer works with the parties involved in the Company's and the Group's Enterprise Risk Management system to identify and assess business risks.

The phases of the administrative-accounting control model are summarised below.

Identification of risks associated with financial reporting

During this phase, the scope of the analysis is determined relative to the group companies (including the foreign companies), the processes of the single companies, and the administrative accounting risks and controls to be investigated further.

The Financial Reporting Officer constantly evaluates the scope of the analysis and makes any necessary changes and additions. Risks are, therefore, identified for each individual administrative-accounting process.

Assessment of the risks associated with financial reporting

This activity calls for the assessment of financial reporting risk for both entities and processes, as well as for single transactions. Existing controls and the ability to effectively mitigate the risks inherent to administrative accounting processes are checked.

Based on the approach used, both the risks relating to non-intentional errors and fraud are taken into account and controls are put into place to ensure that these risks are monitored, including as part of control protocols implemented in the context of other components of the overall internal control system.

The approach used also takes into account the manual and IT systems control supporting the administrative-accounting procedures, namely the automatic IT controls for applications, general controls covering systems access, control of systems development and changes and, lastly, the adequacy of the IT structures. The control system, both on entity and general IT structural levels, is subject to analysis to understand how to deploy initiatives to strengthen it.

The analysis of procedures, risks and controls established based on the Financial Reporting Officer's work plan includes the updating of the model used to control accounting and administrative risk with constant risk assessment review pursuant to Law 262/05 and the introductions of new procedures as a result of the scoping reviews. The Financial Reporting Officer constantly monitors the adequacy of the controls identified and carries out, when necessary, corrective measures.

Identification of appropriate risk controls

Based on the work carried out to identify procedures, risks and controls, the Company plans the improvements needed to introduce and/or change controls, both general and for single processes. The administrative-accounting procedures are then updated accordingly. IGD's administrative accounting procedures are defined and deployed in accordance with the organisational structure and corporate processes in place, both in Italy and Romania. A specific analysis was done of the control system and the accounting IT systems to assess the adequacy of the controls with respect to the standards included in the Company's framework. The Company evaluates the need for updates and plans them to ensure that all administrative accounting procedures are in line with the Group's organisation and functioning.

Evaluation of risk controls

Ongoing monitoring of the administrative and accounting procedures is foreseen; to this end, specific testing activities are planned and carried out to ensure that the business functions correctly perform the controls required by the administrative and accounting procedures and implement the defined corrective actions. These audits include all Group companies.

Roles and corporate bodies involved

The SCIGR is based on a clear identification of the roles to which the different phases of the design, implementation, monitoring and updating over time of the System itself are attributed. These include the Board of Directors, the Control and Risk Committee, the Board of Statutory Auditors, the Director charged with creating and managing an effective ICRMS, the Supervisory Board, the Financial Reporting Officer, Internal Audit, the Anti-corruption division and Company Management.

Based on the current ICRMS, the Financial Reporting Officer must report to the Board Directors and actively participate in the coordination of the control activities.

The *Enterprise Risk Management* system enables the integrated monitoring and management of both financial and non-financial risks, some of which are related to sustainability issues (climate change, ethics, good employment and safety). Despite the fact that the Issuer is not one of the entities obliged to publish the non-financial statement pursuant to Legislative Decree No. 254 of 30 December 2016, nor, for the Financial Year, does it fall within the scope of Legislative Decree No. 125 of 6 September 2024, which provides for the obligation to publish sustainability reporting, IGD has voluntarily proceeded to identify sustainability-related risks and opportunities. Internally, the company analyses annually the level of effectiveness of the actions taken to mitigate each risk and reports the results in the Sustainability Report.

In this context, during the financial year, the Company worked to continue the integration that began in 2023 between risks related to environmental, social, and governance (ESG) aspects and the Enterprise Risk Management (ERM) model. In particular, in the financial year 2023, the Issuer defined a step-by-step project and implemented the first phase of the same, corresponding to linking the CSRs with the risks contained in the ERM monitoring system, thus ensuring an integrated and comprehensive reading of the corporate risk management system.

In 2024, it further refined the integration process with the effective inclusion of sustainability risks in ERM, linked to the monitoring and control system contained therein. This also entailed a change in the risk classification system contained in the ERM. The process, which is in the final stages of evaluation, will come into effect in the course of 2025.

The ESG risks now monitored, their link to material issues, the policies and actions identified to contain them, the indicators used to monitor the effectiveness of the actions taken and the opportunities are reported in the Sustainability Report, in the chapter 'Sustainability Strategy'.

* * *

The parties involved in the SCIGR shall exchange the information flows required by the regulations in force, as well as any other useful information to ensure that the administrative body has complete knowledge of the relevant corporate facts and to provide the other parties involved with all the information necessary for the performance of their duties in this regard.

In order to allow the Board to express its overall assessment of the SCIGR, the Chief Executive Officer and Managing Director, as the person in charge of establishing and maintaining an effective SCIGR, the Control and Risk Committee, the Supervisory Board, the Financial Reporting Officer, and the Compliance Function for the prevention of corruption, periodically prepare a summary report on their work, including an assessment of the effectiveness of the internal control and risk management system within their respective areas of responsibility.

With reference to the current financial year, it should be noted that the Board, in its meeting of 6 March 2025, acknowledged the work carried out by the parties involved in the SCIGR and assessed as adequately identified the main risks with respect to the business model of the Company and its subsidiaries, considering them compatible with management of the business consistent with its strategic targets, as well as assessed as adequate and effective the SCIGR with respect to the size and characteristics of the Company and the risk profile assumed by it.

3.9.1 // Chief Executive Officer

At the meeting held on 18 April 2024, the Board of Directors also entrusted the CEO and Chief Executive Officer with the task of setting up and maintaining the internal control and risk management system.

With reference to the Year, the Chief Executive Officer and Managing Director, as Director in Charge of the Internal Control and Risk Management System, declares:

> To have carefully monitored the business and market evolution for the identification of any new risks, considering the characteristics of the activities carried out by the Issuer and its subsidiaries, to submit them periodically to the examination of the Board, all through constant discussion with the Company's Executives with Strategic Responsibilities who meet collectively in the run-up to Board and Strategic Steering Committee meetings and whenever necessary;

> That it has implemented the guidelines defined by the Board, taking care of the design, implementation and management of the SCIGR and constantly verifying its adequacy and effectiveness, as well as taking care of its adaptation to the dynamics of the operating conditions and the legislative and regulatory landscape;

> To have entrusted the *Internal Audit* Department with the task of carrying out checks on specific operational areas and on compliance with internal rules and procedures in the execution of corporate transactions, simultaneously notifying the Chair of the Board, the Chair of the Control and Risk Committee and the Chair of the Board of Statutory Auditors;

> Actively participated in risk analysis and the relative control measures adopted by working closely with the Company's Key Management Personnel, supported by PwC, the firm engaged to support the implementation of the ERM Process;

> Participated in the meetings of the Control and Risk Committee - along with the Board of Statutory Auditors and the Financial Reporting Officer - during which updates on the ERM process, as well as the outcomes of Internal Audit's verifications, were discussed;

> To have ensured that the information to the Board of Directors with regard to the SCIGR was complete and that sufficient time was given to the directors and auditors for the appropriate discussions so that the committee could take the appropriate initiatives;

> Executed the guidelines defined by the Board of Directors.

3.9.2 // Control and Risks Committee

The Control and Risk Committee was formed by the Board of Directors in accordance with Code rules ([5]).

> COMPOSITION AND ROLE OF THE CONTROL AND RISK COMMITTEE
(PURSUANT TO ART. 123-BIS, PAR. 2, LETT. D), TUF)

Control and Risk Committee	
Simonetta Ciocchi	Chairman (Independent)
Mirella Pellegrini	(Independent)
Daniela Delfrate	(Independent)

The current Control and Risk Committee is composed of Simonetta Ciocchi, acting as Chair, Mirella Pellegrini and Daniela Delfrate appointed by the Board of Directors, following the renewal of the corporate bodies by the Annual General Meeting of 18 April 2024. The Control and Risk Committee is composed entirely of independent directors.

Toward this end, upon appointment, the Board of Directors examined the curricula of the independent director candidates, verifying that they met at least one of the requirements in terms of experience in accounting and finance, having worked at least three years as: *(i)* managers in administration, finance and control departments of joint stock companies, or *(ii)* professional activities or as confirmed university professors in law, economics or finance, or *(iii)* managers of public bodies or public administrations active in the banking, financial and insurance sectors.

Overall, the Control and Risk Committee possesses adequate knowledge of the sector in which the Company operates, sufficient to assess the relative risks, as well as adequate experience in accounting and finance or risk management.

The Control and Risk Committee meets with the frequency needed to perform its duties and is in any case convened when the Board of Directors meeting is called to examine the periodic financial reports; it can access the information and company divisions as needed to carry out its tasks.

The Control and Risk Committee meetings are overseen by the Chair and a secretary is appointed for each meeting who takes the minutes of the meeting which, typically, are subsequently submitted to the Control and Risk Committee for approval through an exchange of e-mails between the appointed secretary and the Chair of the Committee.

At the invitation of the Chair of the Control and Risk Committee, the Chief Executive Officer as the person in charge of the internal control and risk management system, the Chair of the Board of Directors as well as the Chairman of the Board of Statutory Auditors and/or another auditor designated by him, may attend the meetings of the Control and Risk Committee.

// Functions of the Control and Risks Committee

The Control and Risk Committee supports the Board of Directors in carrying out the duties assigned to the Board relating to internal control and risk management, more in detail:

a) Definition of the guidelines for the Company's internal control and risk management system consistent with the Company's strategies, assessing, at least once a year, the adequacy of the system with respect to the characteristics of the business and the risk profile assumed, as well as its effectiveness;

b) The appointment, dismissal and, in accordance with the company policies, the determination of the Head of Internal Audit's compensation, and ensures the adequacy of the resources dedicated to the Head of Internal Audit in light of the duties assigned. In the event the Internal Audit function is outsourced, entirely or for certain segments, ensures that the provider possesses the requisite professionalism, independence and organisation and provides adequate motivation in the Report on Corporate Governance and Ownership Structure;

c) Approves, at least once a year, the work program prepared by the Head of Internal Audit after having consulted with the Board of Statutory Auditors and the Chief Executive Officer;

d) Assesses the appropriateness of adopting measures to ensure the effectiveness and impartial judgement of other corporate functions with specific tasks in the area of internal control and risk management, verifying that they are provided with adequate professionalism and resources;

e) Assigns to the Board of Statutory Auditors or to a specially constituted body the supervisory functions pursuant to Article 6(1)(b) of Legislative Decree No. 231/2001. In the event that the body does not coincide with the control body, the Board of Directors shall assess the appropriateness of appointing at least one non-executive director and/or a member of the Board of Statutory Auditors and/or the holder of legal or control functions of the Company to the body, to ensure coordination between the various persons involved in the internal control and risk management system;

f) The evaluation, after having consulted with the Board of Statutory Auditors, of the findings in the independent auditors' report, any letters of opinion and additional reports addressed to the Board of Statutory Auditors;

g) The description, included in the Corporate Governance Report, of the main characteristics of the internal control and risk management system and the methods used to organise the parties involved, indicating the relative models and domestic and international best practices adhered to, providing an overall assessment of the system's adequacy, considering the choices made relative to the composition of the Supervisory Board referred to above in letter e)[6].

(5). Recommendation n. 33 of the Corporate Governance Code.

(6). Recommendation No. 33 Corporate Governance Code

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In assisting the Board of Directors with the Internal Control and Risk Management System, in addition to the above, the Control and Risk Committee carries out the following:

h) Assessing, in consultation with the Financial Reporting Officer, the statutory auditor and the Board of Statutory Auditors, the correct use of the accounting standards and, with reference to the IGD Group, their uniformity for the purposes of preparing the consolidated financial statements;

i) Assessing the suitability - at least verifying the correctness of the formation process - of periodic financial and non-financial information to correctly represent the Issuer's business model, strategies, the impact of its activities and the performance achieved;

j) Examines the content of the periodic financial and non-financial information relating to the Internal Control and Risk Management System;

k) Express opinions on specific aspects relating to the identification of the main corporate risks and support the Board of Directors' assessments and decisions relating to the management of risks arising from prejudicial events of which the latter has become aware;

l) Examines the periodic reports in which the internal control and risk management system is evaluated, along with any particularly relevant reports prepared by internal audit;

m) Monitors the independence, adequacy, efficacy and efficiency of Internal Audit;

n) Entrust the Internal Audit Department, where it sees the need, with the task of carrying out audits of specific operational areas and, at the same time, inform the Chair of the Board of Statutory Auditors and the Chair of the Board of Directors;

o) Reports to the Board of Directors, at least every six months when the half-yearly and annual reports are approved, on its activity and the adequacy of the Internal Control and Risk Management System;

p) Assists the Board of Directors with the appointment of the members of the Supervisory Board, supporting the Board in the evaluation of the need to appoint at least one non-executive director and/or member of the Board of Statutory Auditors and/or a head of the company's legal or control functions to ensure the coordination of the different parties involved in the Internal Control and Risk Management System.

The prerogatives of the Control and Risk Committee are open, and other functions may be added.

The Board of Directors ensures that the Control and Risk Committee has the support needed to carry out the tasks assigned.

During the year, the Control and Risk Committee reviewed the adequacy of the Group's risk management policies with reference to the *Enterprise Risk Management* model adopted by the Company and with the support of the *Risk Management* function. In particular, it assessed the consistency of the *Risk Appetite framework*, which is now measurable and aligned with the main indicators of the Business Plan thanks to the introduction of a quantitative approach to risk analysis and assessment.

Key indicators such as FFO@Risk, LTV@Risk and ICR@Risk were monitored and used to identify the main areas of risk and potential opportunities, to support management in strategic decisions and risk mitigation.

The Committee also reviewed the results of the benchmarking exercise conducted to compare the main risks analysed by the peer companies. The analysis showed substantial coverage of risks already considered in the Company's Risk Universe and confirmed a general focus on:

> **Strategic risks**, particularly related to the evolution of the large-scale retail sector.

> **Financial risks**, with reference to interest rate and inflation trends.

> **Operational risks**, ranging from real estate asset management to leasing.

> **ESG risks and climate change**, including resilience to physical risks and changing consumer behaviour.

The committee also gave a favourable opinion on the proposed renewal of the outsourced Risk Management Function for the year 2025.

With regard to the Internal Audit Function, for which the company Grant Thornton Consultants S.r.l. is appointed, the committee received periodic feedback on the activities planned pursuant to the 2024 Audit Plan; it also reviewed and expressed a favourable opinion on the draft 2025 Audit Plan, subject to specific approval by the Board of Directors.

Finally, during 2024, the committee, as part of its preliminary activities, requested and obtained from the Administration Department regular quarterly feedback on the progress of credit management activities. The same process was subject to the specific audits called for in the Plan prepared by Internal Audit.

During Financial Year 2024, the committee met 10 times, on 15 February 2024, 20 March 2024, 18 April 2024, 3 May 2024, 5 June 2024, 18 June 2024, 23 July 2024, 30 July 2024, 24 October 2024, 16 December 2024.

100% of the members attended the meetings.

71% of the meetings of the Control and Risk Committee were attended by the Board of Statutory Auditors.

The meetings lasted an average of 1 hour and 10 minutes.

Proper minutes were taken during each meeting.

In carrying out its duties, the Control and Risk Committee ensures suitable functional and working connections with the competent corporate structures, as it has adequate financial resources to carry out its duties and may avail itself of external consultants within the terms established by the Board.

3.9.3 // Head of Internal Audit Function

During the meeting held on 18 December 2024, the Board, on the proposal of the Chief Executive Officer and Managing Director as Director in Charge of the Internal Control System and Risk Management, after hearing the opinion of the Control and Risk Committee, as well as after hearing the opinion of the Board of Statutory Auditors, resolved to renew for the 2025 financial year the appointment of Mr. Mario Galiano, of Grant Thornton Consultants S.r.l., as Head of the Internal Audit Function in outsourcing, as the person in charge of verifying that the SCIGR adopted by the Company is functioning, adequate and consistent with the guidelines defined by the Board.

At the same meeting, the Board approved the work plan prepared by the Head of the Function for 2025.

Grant Thornton Consultants S.r.l. is among the leading advisory firms, with renowned and consolidated experience and professional personnel who are organised and qualified in internal audit, risk management, assessment of internal control systems, and compliance. At the date of this report, there are no assignments, contractual relationships, or other elements that point to a conflict of interest between Grant Thornton Consultants S.r.l. and any of the companies belonging to the IGD Group.

The Board defined the remuneration for Internal Audit as consistent with company policies and market practices, assuring access to the resources needed to carry out the relative duties.

The Head of Internal Audit is not responsible for any operations and reports to the Board of Directors. He has direct access to all the information needed to fulfil his role. More in detail, during the year, the Head of Internal Audit:

a) Verified, continuously, as well as when specific needs arise and in accordance with international standards, the functioning and adequacy of the Internal Control and Risk Management System, based on an audit plan prepared by the Head of Internal Audit and approved by the Board of Directors based on a structured analysis and prioritisation of the main risks;

b) Prepared periodic reports containing adequate information regarding the activities, how risk management is carried out, as well as the status of the plans defined. The periodic reports contain an evaluation of the adequacy of the Internal Control and Risk Management System;

c) Promptly prepared reports about important events;

d) Sent the above reports to the Chair of the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors, as well as the Chief Executive Officer;

e) Supported the financial reporting officer pursuant to Art. 154 bis TUF in verifying the reliability of information systems, including accounting systems.

3.9.4 // The Organisation Model pursuant to Leg. 231/2001

The internal control system is backed by the adoption of a specific organisational model, approved by the Board of

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Directors already in May 2006 (the "**Organizational Model**") and subsequently updated and revised in line with the changes in legislation. More in detail:

> During the course of 2018, the "whistleblower" reporting system introduced by Law No. 179/2017 was established. It provides for the obligation to create one or more information channels that allow managers and subordinates to report illegal behaviour, ensuring the confidentiality and anonymity of the whistleblower. This reporting system was updated and supplemented in 2023 in light of the extension of the scope of application of the rules on whistleblowing pursuant to Legislative Decree No. 24/2023, transposing EU Directive 2019/1037. The Whistleblowing Procedure adopted by the Company (**"Whistleblowing Procedure"**) was amended, in accordance with this law, to *(i)* adjust the objective scope of reportable violations in line with the provisions of Legislative Decree 24/2023; *(ii)* identify the Compliance Function for the prevention of corruption as the recipient of the reports referred to in Legislative Decree 24/2023 above and other reports; *(iii)* expand the list of persons who can file a report; *(iv)* update the phases of the internal reporting process; *(v)* introduce, as an alternative to the online platform, the possibility to file reports through direct meetings with the Supervisory Board or the Compliance Function for the prevention of corruption; *(vi)* include references to the disciplinary system included in the Organisational Model; *(vii)* enhance the measures protecting the whistleblower and related parties; *(viii)* refer to the other reporting channels included in the law.

> In 2020, the Organisational Model was extensively revised. More specifically, it was integrated with the *Anti-Bribery Management System* already implemented by the Company when it received the UNI ISO 37001:2016 certification issued by RINA Services S.p.A., an independent certifier accredited by Accredia (a national accrediting entity for certifications and inspections appointed by the government) and the Italian leader in compliance certification.

> In the course of 2024, the Organisational Model was updated to incorporate the new predicate offences under Leg. 231/2001 and additions and amendments to existing offences, as well as updates resulting from compliance with the *whistleblowing* legislation. All the company staff was adequately trained on the changes introduced by the updated Organisational Model adopted by the Company.

The Organisational Model seeks to ensure that the system complies with Decree 231/2001, pursuant to which companies may be held administratively liable for crimes committed by top managers and subordinates while carrying out their duties.

The key components of IGD's Organisational Model, developed in line with the requirements of Legislative Decree 231/2001 and aimed at preventing the commission of the offences defined in the decree, are listed below:

> The IGD organisation system;
> The Code of Ethics;
> The Anti-Corruption Policy;
> The mapping of sensitive activities;
> The Supervisory Board;
> The disciplinary system;
> The training and communication system;
> The set of organisational, management and control procedures adopted by the company, referred to by the model and its components, and having a specific impact in the areas considered sensitive.

The Supervisory Board may act independently and must ensure that the Model is constantly updated.

The Supervisory Board also provides the Board of Directors with information regarding the changes that need to be made to the Model to comply with laws and regulations and to reflect the business operations.

The Supervisory Board has specifically appointed an external consultancy firm to provide the necessary operational support for the management and analysis of the information flows established pursuant to Article 6(2)(d) of Legislative Decree no. 231/2001 and carries out specific audits based on the evidence received through the aforementioned information flows.

The Supervisory Board currently in office, appointed by the Board of Directors on 7 May 2024, consists of members from outside the Company, namely Mr Giuseppe Carnesecchi as Chairman, Alessandra De Martino and Paolo Maestri.

The Supervisory Board will remain in office until the approval by the Annual General Meeting of the financial statements at 31 December 2026.

The members of the Supervisory Board do not hold any other office in the Company and have the specific professional expertise that is necessary to fulfil the duties assigned effectively.

The Supervisory Board has two reporting lines: one ongoing to the Chair of the Board of Directors and one on a half-yearly basis to the Board of Directors and the Statutory Auditors. The Supervisory Board determines how it relates to the Control and Risk Committee to coordinate their respective control activities without prejudice to the functional autonomy and different purposes of the two bodies. In light of the above, the Company did not deem it necessary to appoint a non-executive director and/or a member of the Statutory Auditors and/or a head of the company's legal or control functions as member of the Supervisory Board, as the existing coordination between the different parties involved in the internal control and risk management system was deemed to be adequate.

The Organisational Model is also available on the Company's website: http://www.gruppoigd.it/Governance/Modello-Organizzativo.

The Organisational Model adopted by the Company incorporates the principles of compliance and sustainability to respond adequately to regulatory obligations and stakeholder expectations as follows:

1. Business ethics and corporate culture

The company has developed a strong commitment to a corporate culture that promotes integrity, responsibility and ethics in its daily operations. The Organisational Model, also through its key components referred to therein (i.e. Anti-Corruption Policy, Code of Ethics), includes clear provisions to prevent and counter corruption, both active and passive, in all its forms. The protection of whistleblowers is guaranteed through secure channels and internal procedures for reporting unlawful or improper conduct without risk of retaliation.

2. Management of relations with suppliers

The company adopts transparent and responsible management practices towards suppliers. With a view to reinforcing its commitment to cooperation based on social and environmental sustainability principles, IGD adopted a policy (i.e. *Responsible Supply Chain Policy*) centred on two guiding principles: respect for people and respect for the environment. Respect for people means focusing on issues such as the protection of human rights, workplace health and safety and ethical conduct, defending the dignity of all those involved. Respect for the environment means commitment to the promotion of environmentally friendly practices, with a focus on energy efficiency, correct use of water resources, waste disposal and the sharing of data on environmental impact to ensure transparency and encourage sustainable resource management.

IGD is also a member of the Italian National Council of Shopping Centers, which, as part of its institutional duties, is committed to addressing the concerns raised by its members. To this effect, it relies on the support of companies specialised in political intelligence lobbying and public affairs.

3.9.5 // External Auditors

The statutory audit of accounts is carried out by a company selected by the shareholders from among those listed in the special register kept by CONSOB, based on a motivated proposal put forward by the Board of Statutory Auditors.

As the body in charge of the strategic supervision over the Internal Control and Risk Management System, the Board of Directors evaluates, with the support of the Control and Risk Committee and by prior consultation with the Board of Statutory Auditors, any findings pointed out by the independent auditors in their letter of opinion, if any, and in the additional report addressed to the Board of Statutory Auditors.

On 14 April 2022, the shareholders, based on the motivated opinion of the Board of Statutory Auditors, appointed Deloitte & Touche S.p.A. as independent auditors for the period 2022-2030.

For a number of years, IGD has voluntarily prepared a sustainability report and appointed independent auditors to conduct a limited review. The appointment of the current auditor for the limited review of the Sustainability Report in 2022 was entrusted to Deloitte & Touche S.p.A. as part of the assignment to audit IGD's consolidated financial statements for the years 2022-2030.

3.9.6 // Financial Reporting Officer

On 18 June 2024, the Board of Directors, by prior agreement with the Board of Statutory Auditors and considering he satisfied the professionalism requirements for the office, appointed Marcello Melloni, Head of Administration, as the Financial Reporting Officer, with effect on 1 October 2024 and until approval of the Company's fi-

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nancial statements for the year ending 31 December 2026, assigning him the relevant duties, as well as adequate powers and means.

In line with Article 23.5 of the Articles of Association, and in compliance with the provisions of Art. 154-bis of the Consolidated Finance Act, the Board of Directors, after consultation with the Board of Statutory Auditors, selected the Financial Reporting Officer from a number of candidates with at least five years overall experience in: a) administration or control activities and experience in management positions in companies or entities with assets of at least ten million euro; or b) professional activities, including auditing activities, closely related to the company's activities and the functions that the Financial Reporting Officer is called upon to perform.

The Financial Reporting Officer has access to adequate administrative and accounting procedures to draft the separate and, where provided for, the consolidated financial statements, as well as all other financial documents.

The Board of Directors sees that the Financial Reporting Officer has all the powers and means he needs to carry out his duties, and to ensure compliance with administrative and accounting procedures.

The Financial Reporting Officer is required to attach to all Company releases and disclosures to the market, to all interim and annual financial reports, his written declaration attesting that the information contained reflects the underlying accounting records, ledgers and entries.

Along with the executive director, the Financial Reporting Officer, must provide a report on the separate and consolidated (if prepared) yearly financial statements and on the half-year report attesting that the administrative and accounting procedures used to prepare the separate and financial statements are adequate in light of the characteristics of the Company's business.

The Financial Reporting Officer must also attest that the separate and consolidated financial statements:

a) Are prepared in accordance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) No. 1606 of 19 July 2002 of the European Parliament and of the Council;

b) Correspond to the entries in the books and records;

c) Are suitable for giving a true and fair view of the assets and liabilities, profit and loss, and financial position of the issuer and the group of companies included in the consolidation.

Finally, the Financial Reporting Officer, together with the delegated body/bodies, certifies that the management report includes a reliable analysis of the performance and operating result, as well as the situation of the issuer and all the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which they are exposed.

* * *

During the year, the Board did not deem it necessary to adopt other measures to guarantee the effectiveness and impartiality of judgement of the other company divisions involved in the controls (Recommendation 33, d). The Board reserves the right to carry out other evaluations in this regard.

3.9.7 // Coordination between Internal Control and Risk Management staff

The Company is aware that the different control functions were conceived by the legislator to be part of a well-organised system which is effective because each control function operates in a specific perspective and provides multiple subjective points of view.

It is also clear that the overall operations of the different control functions can benefit from the coordination of the different operators while complying with the fundamental principle of independence and autonomy, above all, when the objective of the controls coincides.

The Company encouraged meetings between the control bodies with a view to facilitating coordination of their respective activities, as reported below.

The Chair of the Control and Risk Committee and the Chair of the Board of Statutory Auditors (also in his capacity as Internal Control and Audit Committee) meet at regular intervals as established by the latter and at least once a year, at the request of the Chair of the Board of Statutory Auditors, to compare the results of their respective control activities and to evaluate the planning and possible coordination of their respective activities. The chairman of the Board of Statutory Auditors coordinates the work of the statutory auditors and has a pivotal role as reference for all the other corporate bodies involved in the control system.

In addition to the members of the respective bodies, the following may be invited to the meetings, which are held periodically or whenever a specific need is identified, even separately from each other: the Chief Executive Officer and Managing Director (responsible for the internal control and risk management system), the Head of Internal Audit, the Financial Reporting Officer, the Independent Auditors, the Chairman of the Supervisory Body and the Compliance Function.

For 2024 and the current financial year, the meetings were held on 30 July 2024 and 4 March 2025 and were attended by the Chairman of the Control and Risk Committee, the Board of Statutory Auditors, the Internal Audit Department, the Independent Auditors, the Director in charge of the Internal Control System, the Compliance Function, the Financial Reporting Officer and the Supervisory Body.

During the Year, the Chairman of the Control and Risk Committee and the Chief Executive Officer and Managing Director - in charge of the SCIGR - met periodically with the Head of the Internal Audit Function:

a) To examine the yearly work plan in advance and suggest any changes that might be needed to the control activities scheduled by the Committee;

b) To receive and discuss the results of the actions undertaken by the Head of Internal Audit, suggesting any other initiatives that might be called for.

The Chairman of the Supervisory Board may coordinate with the Head of the Internal Audit Function to review the annual activity plans.

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3.10 // Directors' interests and transactions with related party transactions

Since 1 January 2011, the Company has been applying the Procedure for Related Party Transactions (the "RPT Procedure") approved by the Board of Directors, by prior consent of the Committee for Related Party Transactions, on 11 November 2010, subsequently revised and updated on 30 June 2021, by the latest amendments to the Regulation on Related Party Transactions, the Issuers' Regulation and the Markets Regulation (resolutions no. 21624 and 21623) published by CONSOB on 11 December 2020 in implementation of the proxy contained in Legislative Decree No. 49 of 10 June 2019, which transposed the European Shareholder Rights Directive II, and, most recently, on 18 December 2024.

When the Procedure for Related Party Transactions was approved, the Company's Board of Statutory Auditors assessed its compliance with the standards set out in the Regulations for Related Party Transactions.

The purpose of the Procedure for Related Party Transactions is to define the rules governing the approval and execution of the related party transactions conducted, whether directly or through its subsidiaries, by the Company, to ensure the transparency and the substantive and procedural fairness of the transaction.

The new notion of Related Party is defined by reference to the current international accounting standards adopted in accordance with Article 6 of the EC Regulation n. 1606/2002 of 19 July 2002.

As to the scope of the definition of related parties, the Company will be entitled to extend, on a case-by-case basis, the application of the RPT Procedure to individual transactions with parties other than related parties, considering, inter alia, the Company's ownership structure, the counterparty's potential ability to exert a significant influence in relation to the transaction, as well as the characteristics and relevance of the transaction for the Group.

The Company established the Related Party Transactions Committee in application of the provisions of Article 2391-bis of the Italian Civil Code and Article 4, paragraphs 1 and 3 of the Regulation on Related Party Transactions. The Related Party Transactions Committee consists of three Independent Directors appointed by resolution of the Board of Directors.

For the purposes of the correct implementation of the Related Parties procedure, any prospective managers with the direct or indirect power and responsibility for the planning, management and control of the Company's activities, including executive and non-executive directors (defined as "Key Management Personnel") must issue a specific self-declaration stating whether they may be considered existing related parties, at the time of their appointment.

Based on the Procedures for Related Party Transactions, when the Board of Directors is called to pass resolutions on related party transactions, any directors involved in that Transaction shall abstain from voting on that resolution. They can however attend the meeting and take part in the Board's discussions. The expression "Directors involved in the transaction" means those directors who have any direct or indirect (through a third party) interest in the transaction that may conflict with the Company's interest (as defined in the CONSOB's Regulations for Related Party Transactions).

> COMPOSITION AND FUNCTIONS OF THE RELATED PARTY TRANSACTIONS COMMITTEE

Related Party Transactions Committee

Antonio Rizzi	Chairman (Independent)
Simonetta Ciocchi	(Independent)
Daniela Delfrate	(Independent)

The current Related Party Transactions Committee was appointed by the Board of Directors following the renewal of the corporate bodies by the Annual General Meeting of 18 April 2024.

The Related Party Transactions Committee meets as frequently as necessary to perform its duties and is convened sufficiently ahead of the Board of Directors' meeting called to discuss and resolve upon any proposals involving the Committee. To this effect, it will receive all the documents that may be suitable and sufficient to take informed decisions. The Related Party Transactions Committee meetings are overseen by the Chair. For each meeting, a secretary is appointed to take the minutes of the meeting, which are then, typically, submitted to the Committee for approval by e-mail between the appointed secretary and the Chairman of the Committee.
During the Year, the Related Party Transactions Committee met twice, on 21 May 2024 and 18 December 2024, with all members present. The average length of the meetings was about 37 minutes.

The RPT Procedure is made public through publication on the Company's website at the following link: https://www.gruppoigd.it/governance/comitati/comitato-per-le-operazioni-con-parti-correlate/ to which reference is made for details.

3.11 // Board of Statutory Auditors

3.11.1 // Appointment and replacement

Pursuant to Art. 26.2 of the Articles of Association, members of the Board of Statutory Auditors are elected based on preference lists that must be filed with the registered office along with declarations in which each candidate states that he/she is not in violation of the limits on the maximum number of positions that can be held in accordance with the applicable provisions, and detailed information about each candidate's personal and professional background, at least twenty-five days in advance of the shareholders' meeting called for this purpose. Lists may be submitted by shareholders who own, individually or jointly with others, a shareholding identified in accordance with CONSOB's provisions (equal, for the year 2025, to 4.5 % of IGD's share capital, as established by CONSOB Executive Determination No. 123 of 28 January 2025).

Under Article 26.9 of the Articles of Association, any appointment or replacement of standing and alternate auditors must ensure that the composition of the Board of Statutory Auditors remains compliant with the current laws on gender equality.

Based on Article 26 of the Articles of Association, the members of the Board of Statutory Auditors are appointed as follows:

> From the list obtaining the highest number of votes, two standing auditors and two alternate auditors will be taken in the order in which they appear on the list;

> The third standing auditor and the third alternate auditor are drawn from the list with the second highest number of votes in the order in which they appear;

> In the event the composition of the Board of Statutory Auditors fails to comply with the law on gender equality as a result of the votes cast, the candidates belonging to the most represented gender who – on account of their ranking in respective section of the list - would be elected last from the list that received the highest number of votes will be replaced by the first non-elected candidates from the same section same list and belonging to the least represented gender, in the number necessary to comply with such requirement. In the event that not enough candidates of the least represented gender appear on the list that receives the greatest number of votes, the shareholders will appoint the missing standing and alternate statutory auditors of the least represented gender with the majority of votes required by law, thus ensuring compliance with the requirement.

In the event of a tie between lists, a new ballot is held between these lists on which all shareholders present at the meeting shall vote. The candidates on the list winning a simple majority of votes are elected in such a way, however, to ensure that the composition of the Board of Statutory Auditors complies with the current law relating to gender equality.

The first candidate on the list with the second highest number of votes will be appointed Chair of the Board of Statutory Auditors.

Candidates for statutory auditor must meet the requirements set by law. For the purposes of defining the professional requirements of those who have an overall experience of at least three years in the exercise of (a) professional activities or university teaching positions in legal, economic, financial and technical-scientific subjects closely related to the Company's business, or (b) management positions in public bodies or public administrations operating in sectors closely related to that of the Company's business, the following is established:

> All subjects per letter a) above that are associated with the real estate business or other sectors pertaining to real estate are considered to be closely related to the Company's business;

> Sectors pertaining to real estate are those in which the parent companies operate or those that may be controlled by or associated with companies operating in the real estate business.

Anyone in any of the situations of incompatibility provided for by the law, or anyone not satisfying the established requirements of integrity and qualification, in addition to anyone holding standing auditor positions in more than five companies listed on a regulated Italian market may not be elected as statutory auditors and, if elected, will forfeit their office. Positions held at parent companies, subsidiaries, or affiliates subject to the control of the same parent will not be included in the computation.

With regard to the Chair of the Board of Statutory Auditors, pursuant to Art. 148, par. 2 bis, TUF, the Chair was appointed by the Shareholders' Meeting from the minority list of candidates, in accordance with Articles 26.4 and 26.5 of the Articles of Association and the current norms and regulations based on which the first candidate on the minority list with the second highest number of votes will be appointed Chair of the Board of Statutory Auditors.

3.11.2 // Composition and operation (pursuant to Article 123-bis, paragraph 2, letters d) and d-bis), TUF)

The current IGD's Board of Statutory Auditors comprises:

(i) Iacopo Lisi as Chairman, Barbara Idranti and Massimo Scarafuggi as Standing Auditors and Laura Macrì, Pierluigi Brandolini and Juri Scardigli as Alternate Auditors.

The current Board of Statutory Auditors was appointed by the Ordinary Annual General Meeting of 18 April 2024 and will remain in office until the date of the Annual General Meeting to approve the financial statements as of 31 December 2026.

Massimo Scarafuggi and Barbara Idranti, Standing Auditors, as well as Laura Macrì and Pierluigi Brandolini, Alternate Auditors, were drawn from list No. 1, submitted by the majority shareholder Coop Alleanza 3.0 soc.coop. (holder of a 40.92% stake in the share capital), which was voted by 78.49% of the shares represented at the Annual General Meeting.

The Chairman of the Board of Statutory Auditors, Iacopo Lisi, and the Alternate Auditor, Juri Scardigli, were drawn from list no. 2 submitted by the shareholder Unicoop Tirreno Soc. coop. (holder of a 9.97% stake in the share capital), which was voted by 21.50% of the shares represented at the Annual General Meeting.

Below is information on the personal and professional characteristics of the individual members of the Board of Statutory Auditors.

Iacopo Lisi
Chair the Statutory Auditors

Born in Livorno in 1962, he graduated in Economics at the University of Florence in 1991. He then qualified as a Chartered Accountant and is enrolled in the Register of Auditors. He is an Expert of the Court of Florence. He has been managing partner of Studio Lisi e Associati in Florence since 1991.
He has been and is a consultant for Italian and foreign companies in the following sectors: industry (construction, hospitals, building materials, prefabricated goods, timber, textiles-fashion, footwear, household appliances, furniture, motor vehicle accessories, gas, agricultural products), services (public and private transport, public services, air terminals, publishing), cooperation (in particular construction transport, gdo), financial activities (financial intermediaries, holding companies, confidi), public bodies, private non-profit (associations, religious congregations), Italian business associations (Lega Pro - Lega Italiana Calcio Professionistico, Confcommercio Toscana, Confapi Toscana).
He has developed particular experience and expertise in corporate and tax advice to corporate groups; extraordinary corporate transactions, in particular mergers, M&A, restructuring and reorganisation of groups and local authority subsidiaries.
He has been and is Chairman and member of Boards of Statutory Auditors of supervised, listed, private, public and mixed public-private companies in the following sectors: financial intermediaries/supervised by the Bank of Italy, publishing, public transport, airports, tramways, real estate, holding companies, utilities, retirement homes.
At IGD, he was appointed Chairman of the Board of Statutory Auditors in April 2024. He also holds the offices listed in Table 4.

Barbara Idranti
Standing Auditor

Born in Bologna in 1967, she graduated in Economics from the University of Bologna in 1992. After an initial experience as Senior Manager of the auditing department at the auditing firm Uniaudit, in 1996, she became a registered auditor (registered in the Register of Statutory Auditors) and a chartered accountant (registered in the Register of Chartered Accountants and Accounting Experts of Bologna), founding her own firm in 1996.
As a freelancer, she is a member of Boards of Auditors, a member of Boards of Directors and a liquidator of important companies in our territory.
In the course of her auditing activities, she gained considerable experience in the preparation of interim and annual financial statements and consolidated financial statements, analysis of internal administrative procedures and consequent identification of areas for improvement aimed at the correct representation of economic events in the financial statements, examination of consolidation procedures and identification of intercompany information flows, legal auditing, auditing and certification of financial statements. In the course of her professional activity as a chartered accountant, she has also developed expertise in accounting, tax and corporate matters.
At IGD, she was appointed Statutory Auditor in April 2024. He also holds the offices listed in Table 4.

Massimo Scarafuggi
Standing Auditor

Born in Florence in 1966, he graduated in Economics from the University of Florence in 1991. After a brief experience in audit at the audit firm “Reconta Ernst & Young”, he registered with the Role of Chartered Public Accountants and Accounting Experts in Florence and began working as a professional chartered accountant. In 1997 he opened his own practice. Enrolled with the Register of Auditors, he has held and still holds the position of auditor and supervisory board member in banks (Cassa di Risparmio di Lucca Pisa Livorno S.p.a., Banca Ifigest S.p.a., Banca Area Pratese S.c., Banca di Pescia S.c.), SGRs (Monte dei Paschi Venture SGR S.p.a., QuattroR SGR S.p.a.) and companies, listed (Aeroporto G. Marconi di Bologna S.p.a. and Montefibre S.p.a.), operating in the credit, financial and industrial sectors, belonging to corporate groups of national importance (Banco Popolare, Pirelli, Monte dei Paschi di Siena, Rekeep), with public shareholdings, participated by investment funds (Monte dei Paschi Venture SGR S.p.a, 21 Investimenti SGR S.p.a., Star Capital SGR S.p.a.), gaining significant experience in corporate governance and control systems. He also acts as a court-appointed administrator for the District Court of Florence and has almost thirty years' experience in bankruptcy proceedings as a bankruptcy trustee, commissioner and judicial liquidator in various company volunteer arrangements (CVAs).
He also holds the offices listed in Table 4.

* * *

The Board of Statutory Auditors oversees the operation of external auditors.

The Board of Statutory Auditors also prepares the reasoned proposal for the appointment of the statutory auditors by the Shareholders' Meeting.

Pursuant to Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors also acts as the Internal Control and Audit Committee.

The Statutory Auditors, also individually, may proceed at any time to carry out inspections and audits, and may request information from the Directors, also with reference to the subsidiaries, on the course of corporate operations or on certain business affairs, or directly address such requests to the boards of directors and auditors of the subsidiaries themselves. The statutory auditors may ask the Head of Internal Audit to carry out audits of specific operating divisions or corporate transactions.

The Board of Statutory Auditors reports on its supervisory activities and any findings to the Annual General Meeting called to approve the annual report in accordance with Art. 2364, paragraph 2, of the Italian Civil Code.

The statutory auditors may also submit proposals to the Annual General Meeting relating to the full year financial statements and their approval, as well as to other matters that they are responsible for.

The Board of Statutory Auditors (at least two statutory auditors), by prior notification to the Chairman of the Board of Directors, may call Meetings of the shareholders and of the Board of Directors and, if existing, the Executive Committee.

The Board of Statutory Auditors, the external auditors, the Control and Risk Committee, and all the other bodies involved in the supervision of the control systems will exchange information about the execution of their assignments in a timely manner.

The Board of Statutory Auditors is invited to provide a proactive rather than reactive oversight. The Statutory Auditors should advise the Board of Directors as to the results of their controls so that the latter might implement any corrective measures needed.

The Chair of the Board of Statutory Auditors will not only coordinate the work of the statutory auditors but will also act as the connection with the other corporate entities involved in the supervision of the control systems.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
3.11 BOARD OF STATUTORY AUDIT

The members of the Board of Statutory Auditors in office during the year and respective qualifications as independent, if any, as per current regulations, are listed in Table 4, attached to this report.

During the Year, the Board of Statutory Auditors met 11 times on the dates of 13 February 2024, 26 February 2024 (twice), 25 March 2024, 18 April 2024, 30 May 2024, 15 July 2024, 30 July 2024, 5 August 2024, 29 October 2024, 10 December 2024, with an average attendance of 100%.

Each meeting lasted an average of 55 minutes.

An additional number of meetings was held specifically with the Company's top management and with representatives of the external auditors and of the Control and Risk Committee.

The composition of the Board of Statutory Auditors ensures the independence and professionalism of its function.

The members of the Board of Statutory Auditors are registered in the role of financial auditors and have been involved in the legal auditing of accounts for a period of at least three years, and have at least three years of experience in any of the following:

a) In administration or control activities or managerial positions at joint stock companies with a share capital of at least two million euros or

b) In professional activities or as university professors in law, economics, finance or technical-scientific subjects closely related to the Company's business or

(c) Management functions in public bodies or public administrations operating in the credit, financial and insurance sectors or, in any event, in sectors closely related to IGD's field of activity.

Furthermore, all the members of the Board of Statutory Auditors meet the independence requirements set forth in Article 148, paragraph 3 of Legislative Decree No. 48/1998, and in the Code (having regard, in particular, to the definition of "independent director" contained in the Code and Recommendations No. 7 and No. 9), also in consideration of the criteria adopted by the Company's Board of Directors to assess the significance of the circumstances outlined in letters c) and d) of Recommendation No. 7 of the Code.

// Diversity criteria and policies

IGD's Board of Statutory Auditors is made up of highly qualified members with complementary *backgrounds* and experiences, thus ensuring effective supervision of the company's activities. Diversity, both in terms of professional skills and gender, is a key feature of IGD's Board of Statutory Auditors.

In addition, the composition of the Board of Statutory Auditors complies with the current regulations on gender balance set forth in Law 160/2019 (the "Budget Law"), which amended Articles 147-ter, paragraph 1-ter, and 148, paragraph 1-bis, of the TUF, introduced by Law 120/2011.

Based on the Budget Law, at least two fifths of the standing auditors must be drawn from the least represented gender. In boards consisting of three members, in the event application of the criteria results in a fractional number, the number may be rounded by defect. This provision is applicable for six consecutive mandates as of the first re-election of the Board subsequent to the date on which the Budget Law took effect.

On 5 November 2020, the Company's Board of Directors amended the Articles of Association to comply with the provisions on gender equality referred to in the Budget Law.

In light of the above, to date the Company has not deemed it necessary to adopt a formal Diversity Policy as the current composition of the Board complies with the criteria for diversity.

// Independence

All the members of the Board of Statutory Auditors meet the qualifications for independent directors envisaged in Recommendation 7 of the Corporate Governance Code. In compliance with Recommendation No. 7 of the Corporate Governance Code, on 17 December 2020 the Company's Board of Directors adopted the criteria for assessing the materiality of professional, economic and financial relations, and supplementary remuneration, to confirm the persistence of the directors' independence requirement - as applicable also to confirm the persistence of the requirement of independence of statutory auditors. According to such criteria, and exception made for any specific circumstances that require a case-by-case assessment, the following are considered material relations based on the principle of substance over form:

a) Commercial, financial or professional relations, ongoing or existing in the previous three financial years, with IGD, its subsidiaries or the parent company, or with the respective executive directors or top management, whose total annual remuneration exceeds at least one of the following parameters:

(i) 5% of the director's annual income;

(ii) in the event of relations with a company in which the director has a controlling stake or in which the director is an executive director or with a professional firm or consultancy firm of which the director is a partner or an associate, 5% of the annual turnover generated directly by the director as part of the activities carried out with this company, professional firm or consultancy;

(iii) The amount of the annual compensation for acting as a non-executive director of IGD.

b) Remuneration in addition to the fixed compensation for acting as a board member and being part of a committee as per the Corporate Governance Code and the current law, received in the current year or in the last three years from IGD, one of its subsidiaries or its parent company, which exceeds at least one of the following thresholds:

(i) 5% of the director's annual income;

(ii) The amount of the annual compensation for acting as a non-executive director of IGD.

The independence of the members of the Board of Statutory Auditors is evaluated by the Board of Directors or the Board of Statutory Auditors in accordance with Recommendation 6 (namely right after the appointment, during the term in office, if needed and, in any event, at least once a year.

In particular, the Board of Statutory Auditors conducts the board review process also in line with the rules of conduct of the Board of Statutory Auditors of listed companies issued by the National Council of Certified Public Accountants and Accounting Experts, which is the subject of a specific Report on the agenda of the meeting of 28 February 2025. The Board of Statutory Auditors confirmed compliance with the criteria set forth by the Code and the Consolidated Finance Act concerning the independence of its members during the meeting of 28 February 2025 and, subsequently, communicated the outcome of this verification to the Board of Directors.

When carrying out this evaluation, the information provided by each member of the Board of Statutory Auditors was taken into account while also evaluating all the circumstances that could compromise independence pursuant to TUF and the Code, also in light of the criteria adopted by the Company's Board of Directors to assess the significance of the circumstances referred to in letters c) and d) of Code Recommendation n. 7.

// Remuneration

The remuneration for the office of statutory auditor is proportionate to the commitment required, the importance of the role, the scale and the industry of the Company, and was determined by the Annual General Meeting of 18 April 2024 on the occasion of the renewal of the statutory auditors' board.

// Management of interests

The Statutory Auditor who, on his own behalf or on behalf of third parties, has an interest in a specific Company transaction shall inform the other Statutory Auditors and the Chair of the Board of Directors of the nature, terms, origin and extent of the interest in a timely and thorough manner.

3.11.3 // Role

The Board of Statutory Auditors monitors compliance with the law and the articles of association, compliance with the principles of proper administration and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the Company and the reliability of the latter in correctly representing operating events, as well as the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114(2) of the Consolidated Finance Act (public disclosures). Furthermore, the Board of Statutory Auditors is responsible for supervising how the corporate governance rules laid down in codes of conduct to which the company adheres are actually implemented, as well as those concerning resolutions on remuneration and other benefits.

Pursuant to Legislative Decree No. 39/2010, as amended, the Board of Statutory Auditors formulates a reasoned proposal for the appointment of the statutory auditors by the Annual General Meeting.
The Board of Statutory Auditors also performs the function of the Internal Control and Audit Committee and, in

accordance with these regulations, is entrusted with the following tasks:

a) To inform the Board of Directors of the outcome of the statutory audit and, where applicable, of the outcome of the attestation of sustainability reporting and to transmit to this Body the additional report referred to in Article 11 of the EU Regulation No. 537/2014 of the European Parliament and of the Council of 16 April 2014 (the "European Regulation"), accompanied by any comments;

b) To monitor the process of financial reporting and, where applicable, of individual or consolidated sustainability reporting, including the use of the electronic format referred to in Articles 3, paragraph 11, and 4, paragraph 10 of the legislative decree adopted in the implementation of Article 13 of Law 21 February 2024, no. 15, and the procedures implemented by the company for the purpose of complying with the reporting standards adopted by the European Commission pursuant to Article 29-ter of Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, as well as submit recommendations or proposals aimed at ensuring their integrity;

c) To monitor the effectiveness of the company's internal quality control and risk management systems and, if applicable, internal audit with respect to the company's financial reporting and, where applicable, individual or consolidated sustainability reporting, including the use of the electronic format referred to in Articles 3(11) and 4(10) of the legislative decree adopted in implementation of Article 13 of Law No. 15 of 21 February 2024, without violating its independence;

d) To monitor the statutory audit of the annual financial statements and consolidated financial statements and, where present, the attestation of the compliance of individual or consolidated sustainability reporting, also considering the results and conclusions of quality audits carried out by CONSOB, where available;

e) To verify and monitor the independence of statutory auditors, sustainability auditors or audit firms under applicable law, in particular with regard to the appropriateness of the provision of non-audit services to the audited entity;

f) To be responsible for the procedure for selecting statutory auditors or audit firms and to recommend that the statutory auditors or audit firms be appointed in accordance with applicable law.

For the main activities performed during the year, please refer to the contents of the Report of the Board of Statutory Auditors to the Annual General Meeting prepared pursuant to Article 153 of Legislative Decree 58/1998 and Article 2429 of the Italian Civil Code.

3.12 // Relations with Shareholders

// Access to information

The Company's website contains a Shareholder Relations section (http://www.gruppoigd.it/Investor-Relations) where you can find up-to-date information on the Company's shares (share price performance, dividend, share structure, etc.), financial statements and reports, press releases, presentations by top management to the financial community, the financial calendar and the calendar of events. Further information of interest to shareholders and relevant stakeholders can be found in the Governance section of the Company's website (http://www.gruppoigd.it/Governance), where details on the Annual General Meeting and the Company's governance system can be easily found.

All relevant information is published and updated in real-time in two languages (Italian and English) on the Company's website, which also uses other means to make access to information timely and easy. Press releases, presentations, and financial reports are distributed immediately after they are released to the market via a mailing list information system that can be joined by connecting to the website http://www.gruppoigd.it/. Road shows, meetings and conference calls (scheduled just after the annual and periodic financial results are published or when the business plan is presented) are organised, in collaboration with the brokers following the Company's stock. This provides good opportunities for institutional investors to meet the top management. The presentations made to the financial community are published on the Company's website.

In order to promote an ongoing dialogue with shareholders in general and, in particular, with institutional investors as well as other relevant stakeholders, the new Board of Directors confirmed the appointment of Claudia Contarini as Head of Investor Relations. In addition, a special corporate structure (Investor Relations team) was set up some time ago within the Planning, Control, Investor Relations and Sustainability Department, which, in turn, reports directly to the Chief Executive Officer and Managing Director.

We are committed to ensure that Shareholders' Meetings are conducted in an orderly fashion. For this reason at the Annual General Meeting of 26 March 2003, the Shareholders approved the current Regulations for Shareholder Meetings, subsequently updated, which are available on the corporate website at http://www.gruppoigd.it/Governance/Assemblea-degli-Azionisti.

// Dialogue with shareholders and other relevant stakeholders

On 14 December 2021, the Board of Directors of IGD approved the Policy for managing dialogue with Shareholders and other Interested Parties. This was formulated on the proposal of the Chairman of the Board of Directors, in agreement with the Chief Executive Officer. The Policy was also taken into account in line with the recommendations of the Corporate Governance Code to which the Company adheres and in line with the engagement policies adopted by institutional investors and asset managers. The Chair - duly informed by the Chief Executive Officer (who is responsible for the management of the dialogue), including with the support of Investor Relations - ensures that the Board of Directors is informed periodically and in a timely manner about significant events affecting how the Dialogue is carried out and could be affected.

To this end, the Chief Executive Officer, with the support of the Investor Relations Department, prepares the quarterly IR Board Report submitted to the Board of Directors, which reports on the Investor Relations activities carried out during the quarter in question, the Company's participation in institutional events as well as the research published by analysts and their recommendations, in addition to information on the performance of the share and a comparison with the main indices and comparable companies.

The Company communicates and engages with the Shareholders and Stakeholders on an ongoing basis through Investor relations, press releases, shareholders' meetings, road shows, investor days, conference calls, investor meetings, digital communication 'website', presentations of financial data and strategies, social channels (Facebook, LinkedIn, YouTube, Sound cloud, Twitter).

Through the IR Manager, the Chief Executive Officer works to guarantee that the Stakeholders receive an adequate response to any valid and appropriate requests made in accordance with the general principles defined in the Policy, company provisions relating to market abuse and any regulations in effect for listed companies.

The Policy is published on the Company's website, www.gruppoigd.it, in the 'Investor Relations '(https://www.gruppoigd.it/investor-relations/) section and in the "Governance" (https://www.gruppoigd.it/governance/) section.

The Company manages the information provided to its shareholders in accordance with the Law on Market Abuse and CONSOB guidelines.

The involvement of shareholders and other stakeholders through the aforementioned channels is aimed at ensuring responsible, sustainable and transparent corporate governance. Their views and interests are integrated into the business strategy and operating model, with an increasing focus on sustainability.

For IGD, the constant commitment to listening to stakeholders and interpreting their needs translates into a careful assessment of the issues that are relevant and impactful for them. The company has identified people, companies and other organisations that qualify as stakeholders because they add value, are affected by its activities or are otherwise affected by them. The evidence emerging from their involvement is evaluated and, where applicable, integrated into both the strategies and operations of the company.

Testifying to the importance attributed to a structured relationship with the stakeholders that, in various ways, interact with the company, stakeholder engagement - i.e. the involvement of stakeholders - is an integral part of IGD's strategy. With respect to functionality and business targets, each department is responsible for implementing and monitoring the initiatives pertaining to its area.

Please refer for details to Chapter 5 "Together" of the Sustainability Report available on the Company's website at https://www.gruppoigd.it/sostenibilita/bilancio-di-sostenibilita/.

3.13 // Shareholders' meetings (ex art. 123-bis, par. 2, letter c) TUF)

The proceedings of Shareholders' Meetings are regulated by the Articles of Association in accordance with the applicable legal provisions.

In compliance with the law, the Shareholders' Meetings are convened by notice published on the Company's website and in at least one national daily newspaper.

Under Art. 125-bis TUF, the notice of call must be published at least 30 days prior to the day the Shareholders' Meeting is to be held. A different timeframe is applied when the Shareholders' Meetings are called to *(i)* appoint members of the corporate bodies (i.e., 40 days prior to the day on which the Shareholders' Meeting is to be held); *(ii)* resolve takeover bids (i.e. 15 days prior to the day in which the Shareholders' Meeting is to be held); and *(iii)* resolve on reducing share capital and appoint and remove a liquidator (i.e. 21 days prior to the day in which the Shareholders' Meeting is to be held).

Pursuant to Art. 12.2 of the Articles of Association, shareholders wishing to attend and vote at the Shareholders' Meetings, must provide the Company with the certification issued by a licensed intermediary indicating the shareholdings recorded as of the seventh trading day prior to the date set for the Shareholders' Meeting in first call (the "record date"). Pursuant to Article 83-sexies (2) of the Consolidated Finance Act, debit or credit entries made to the accounts after this deadline are irrelevant for the purpose of entitlement to exercise voting rights.

Pursuant to Article 13 of the Articles of Association, those entitled to vote at the Annual General Meeting may be represented in accordance with the law by means of a written proxy, which may also be conferred by means of an electronically signed document. The proxy may also be made by submitting a request with an electronic signature, accessing a specific section on the Company's website, or by certified e-mail in accordance with the procedures indicated in the notice of call.

For each Shareholders' Meeting, the Company may also designate, as indicated in the notice of call, a proxy holder to whom the entitled shareholders may grant a proxy with voting instructions on all or part of the items on the agenda in accordance with the law.

Shareholders may submit questions relating to the items on the agenda prior to the Shareholders' Meeting. The questions received prior to the Shareholders' Meeting will be answered, at the latest, during the meeting itself. The deadline for submitting questions to the Company prior to the Shareholders' Meeting is indicated in the notice of call. The deadline may not be earlier than five trading days prior to the date of the meeting in the first or single call or by the seventh trading day prior to the date of the meeting (so-called record date) if the notice of a meeting provides that the Company shall give a reply to such questions before the meeting. In this case, the answer will be provided at least two days prior to the Shareholders' Meeting, including via a specific section of the Company's website. Proof of voting rights may be submitted subsequent to having sent the question, provided it is received within three days of the record date. No answer is required when the information requested is available in a specific Q&A section of the Company's website.

In order to ensure that the Shareholders' Meetings are conducted in an orderly and organised manner, on 26 March 2003 the shareholders approved the Regulations for Shareholders' Meetings currently in effect (and last amended on 20 April 2011) which is available on the Company's website.

The current Regulations for Shareholders' Meetings are designed to guarantee that the Meetings of the Shareholders are conducted in an orderly fashion and in full respect of the rights of each shareholder to request clarifications in relation to certain issues being discussed, to express opinions and submit proposals.

During the course of 2024, the Company has decided to apply for the option granted by Art. 106, paragraph 7, of Decree Law no. 18 of 17 March 2020, converted, with amendments, by Law no. 27 of 24 April 2020, subsequently amended and most recently extended by Law Decree no. 215 of 30 December 2023, converted, with amendments, by Law no. 18 of 23 February 2024, providing that those entitled to attend the Meeting may only do so through the designated representative of the Company pursuant to Art. 135-undecies of the TUF (Consolidated Finance Act), namely Computershare S.p.A., with the procedures specified in detail in the notice of call.

IGD's Annual General Meeting held on 18 April 2024 was attended by 3 out of 11 directors.

The illustrative reports required by Article 125-ter of Legislative Decree No. 58/1998 and the documents supporting the items on the agenda of the Annual General Meeting of 18 April 2024 were made available to the public within the legal terms at the Company's registered office, on the Company's website www.gruppoigd.it, as well as at the authorised storage mechanism www.emarketstorage.com.

In the course of the Year, the Board of Directors did not prepare any justified proposals to be submitted to the Annual General Meeting concerning;

a) Selection and characteristics of the corporate governance model (traditional, one-tier, two-tier);

b) Size, composition and appointment of the Board and term of its members;

c) Definition of the shares' administrative and equity rights;

d) Percentages relative to the exercise of the measures aiming to protect non-controlling interests;

as the current corporate governance system was found to meet the company's needs.

3.14 // Further Corporate Governance Practices (pursuant to Art. 123-bis(2)(a)), second part, TUF)

The Company has adopted an Organisational Model pursuant to Legislative Decree 231/2001, as better described in Section 9.4 above, to which express reference is made.

3.15 // Changes since the end of the reference period

There have been no changes in the corporate governance structure since the end of the financial year to the date of this report.

3.16 // Comments on the letter from the Chairman of the Corporate Governance Committee

The letter sent to the Company by the Chairman of the Corporate Governance Committee on 17 December 2024 was promptly brought to the attention of the Board of Directors and the Board of Statutory Auditors by the Chairman of the Board of Directors.

In particular, the recommendations it outlined for 2025 were also brought to the attention of the Independent Directors at a specially convened meeting and, subsequently, to the attention of the entire Board of Directors.

TABLES

// TABLE 1
"Information on the ownership structure as of 31 December 2024"

// TABLE 2
"Structure of the Board of Directors as of 31 December 2024"

// TABLE 2 Bis
"Structure of the Board of Directors up to 18 April 2024"

// TABLE 3
"Structure of the Board Committees as of 31 December 2024"

// TABLE 3 Bis
"Structure of the Board Committees up to 18 April 2024"

// TABLE 4
"Structure of the Board of Statutory Auditors as of 31 December 2024"

// TABLE 4 Bis
"Structure of the Board of Statutory Auditors up to 18 April 2024"

> TABLE 1 "INFORMATION ON THE OWNERSHIP STRUCTURE AS AT 31 DECEMBER 2024"

SHARE CAPITAL STRUCTURE				
	No. of shares	No. of voting rights	Listed (list the markets)/Not listed	Rights and obligations
Ordinary shares (specifying whether the possibility of increase the voting rights is envisaged)	**110,341,903**	**110,341,903**	Euronext STAR Milan Segment (Stock Segment with High Requirements) of the Italian Stock Exchange, in the Beni Immobili sector	Shares are indivisible and each share gives right ot ne vote. Shares can be transferred and subject to real restrictions pursuant law
Preferential shares	-	-	-	-
Multiple-vote share	-	-	-	-
Other share categories with voting rights	-	-	-	-
Saving shares	-	-	-	-
Convertible saving shares	-	-	-	-
Other share categories without voting rights	-	-	-	-
Other	-	-	-	-

OTHER FINANCIAL INSTRUMENT (which give right to subscribe new shares)				
	Listed (list the markets)/ Not listed	No. of instruments circulating	Category of shares at the service of conversion/exercise	No. of shares at the service of conversione/exercise
Convertible bonds	-	-	-	-
Warrant	-	-	-	-

INFORMATION ON THE OWNERSHIP STRUCTURE			
Declarant	Direct Shareholder	% of ordinary shares	% of voting capital
Coop Alleanza 3.0	**Coop Alleanza 3.0**	**40.92%**	**40.92%**
Unicoop Tirreno*	**Unicoop Tirreno**	**9.97%**	**9.97%**

NOTES

(*) This percentage is based on the information provided to the Company by the shareholder Unicoop Tirreno

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> TABLE 2 “STRUCTURE OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2023”

Board of Directors												
						Board of Directors						
Office	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (presenters)(**)	List (M/m) (***)	Exec.	Non-exec.	Indep. as per the Code	Indep. as per the TUF	No. of other appointments (****)	Attendance (*****)
Chairman	Rizzi Antonio	**1965**	04/15/2021	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**			x	x	-	**11/11**
Chief Executive Officer (CEO) ●	Zoia Roberto	**1961**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**	x				**5**	**11/11**
Vice Chairman	Gambetti Edy	**1951**	04/15/2021	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**		x			**5**	**11/11**
Director	Cestelli Antonello	**1970**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**		x			**2**	**11/11**
Director	Cerulli Antonio	**1960**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**		x			**12**	**10/11**
Director	Savino Alessia	**1967**	06/01/2018	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**m**		x			**3**	**10/11**
Director	Pellegrini Mirella	**1964**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**			x	x	**2**	**11/11**
Director	Ciocchi Simonetta	**1972**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**			x	x	**15**	**11/11**
Director	Delfrate Daniela	**1965**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**			x	x	**11**	**11/11**
Director	Mencuccini Francesca	**1970**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**m**		x			**1**	**9/11**
Director	Ceccotti Laura	**1968**	04/18/2024	04/18/2024	Approval of Financial Statement as of 12/31/2026	Shareholders	**M**		x			**3**	**11/11**

Indicate the number of meetings held during the year: 14

Indicate the quorum required to present lists for the election of one or more members by non-controlling interests (pursuant to Art. 147-ter TUF): the quorum established by CONSOB (for 2025 equal to 4.5% of IGD’s share capital, pursuant to CONSOB regulation n. 123 of 28 January 2025)

NOTES

Symbols listed below must be entered in the “Office” column:

● *This symbol indicates the administrator in charge of the internal control and risk management system.*

◊ *This symbol indicates the Lead Independent Director (LID).*

(*) *Date of first appointment refers to the date on which the director was appointed to the Company’s BoD for the first time (ever).*

(**) *This column indicates whether the director was elected from a list presented by shareholders (“Shareholders”) or the Board of Directors (“BoD”).*

(***) *This column indicates whether the director was elected from a Majority list “M” or a minority list “m”.*

(****) *This column reports the number of directorships and statutory auditorships held in other listed or large companies.*

(*****) *This column indicates the director’s attendance record at BoD and Board committee meetings (expressed as the number of meetings attended out of the number of meetings held, i.e.. 6/8; 8/8 etc.).*

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REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
TAB

> TABLE 2 BIS "STRUCTURE OF THE BOARD OF DIRECTORS UP TO 18 APRIL 2024"

Board of Directors							Board of Directors							
Office	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (presenters)(**)	List (M/m) (***)	Exec.	Non-exec.	Indep. as per the Code	Indep. as per the TUF	No. of other appointments (****)	Attendance (*****)
Chairman	Saoncella Rossella	**1954**	04/15/2015	04/20/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**			x	x	-	**3/3**
Chief Executive Officer (CEO) ●	Albertini Claudio	**1958**	04/28/2006	04/20/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**	x				**1**	**3/3**
Vice Chairman	Dall'Ara Stefano	**1963**	04/15/2021	04/20/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**		x			**7**	**3/3**
Director	Santini Timothy Guy Michele	**1966**	06/01/2018	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**m**			x	x	-	**2/3**
Director	Savino Alessia	**1967**	06/01/2018	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**m**		x			**4**	**2/3**
Director	Benzi Silvia	**1975**	04/15/2021	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**			x	x	-	**2/3**
Director	Schiavini Rossella	**1966**	04/15/2021	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**			x	x	**3**	**3/3**
Director	Rizzi Antonio	**1965**	04/15/2021	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**			x	x	**1**	**2/3**
Director	Cipriotti Rosa	**1974**	04/15/2021	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**m**			x	x	**13**	**1/3**
Director	Gambetti Edy	**1951**	04/15/2021	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**M**		x			**7**	**3/3**
Director	Robert-Ambroix Gery	**1966**	04/15/2021	04/15/2021	Approval of Financial Statement as of 12/31/2023	Shareholders	**m**			x	x	**1**	**2/3**

Indicate the number of meetings held during the year: 14

Indicate the quorum required to present lists for the election of one or more members by non-controlling interests (pursuant to Art. 147-ter TUF): the quorum established by CONSOB (for 2025 equal to 4.5% of IGD's share capital, pursuant to CONSOB regulation n. 123 of 28 January 2025)

NOTES

Symbols listed below must be entered in the "Office" column:

● *This symbol indicates the administrator in charge of the internal control and risk management system.*

◊ *This symbol indicates the Lead Independent Director (LID).*

(*) *Date of first appointment refers to the date on which the director was appointed to the Company's BoD for the first time (ever).*

(**) *This column indicates whether the director was elected from a list presented by shareholders ("Shareholders") or the Board of Directors ("BoD").*

(***) *This column indicates whether the director was elected from a Majority list "M" or a minority list "m".*

(****) *This column reports the number of directorships and statutory auditorships held in other listed or large companies.*

(*****) *This column indicates the director's attendance record at BoD and Board committee meetings (expressed as the number of meetings attended out of the number of meetings held, i.e.. 6/8; 8/8 etc.).*

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REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCT
TAE

> TABLE 3 "STRUCTURE OF THE BOARD COMMITTEES AS OF 31 DECEMBER 2024"

B.o.D.		Related Party Committee		Control and Risk Committee		Nominations and Compensation Committee		Strategic Committee	
Office	Member	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman of the B.o.D.- Independent Director as per the TUF and as per the Code	Rizzi Antonio	2/2	C					3/3	C
Independent Director as per the TUF and as per the Code	Ciocchi Simonetta	2/2	M	8/8	C	3/3	M		
Independent Director as per the TUF and as per the Code	Delfrate Daniela	2/2	M	8/8	M	3/3	M		
Independent Director as per the TUF and as per the Code	Pellegrini Mirella			8/8	M	3/3	C		
CEO	Zoia Roberto							3/3	M
Vice Chairman Non-executive Director	Gambetti Edy							3/3	M
Non-executive Director	Cestelli Antonello							3/3	M
Non-executive Director	Cerulli Antonio							3/3	M
No. of meeting held during the year:		2		8		3		3	

NOTE

(*) This column indicates directors attendance at committee meetings (indicate the number of meeting to which they attended with respect to the total number of meeting; i.e. 6/8; 8/8 etc.).

(**) This column indicates the office held by the Director in the committee: "C": Chairman; "M": Member.

> TABLE 3 BIS "STRUCTURE OF THE BOARD COMMITTEES UP TO 18 APRIL 2024"

B.o.D.		Related Party Committee		Control and Risk Committee		Nominations and Compensation Committee	
Office	Member	(*)	(**)	(*)	(**)	(*)	(**)
Independent Director as per the TUF and as per the Code	Santini Timothy Guy Michele					4/4	C
Independent Director as per the TUF and as per the Code	Benzi Silvia	-	M			4/4	M
Independent Director as per the TUF and as per the Code	Schiavini Rossella			2/2	C	4/4	M
Independent Director as per the TUF and as per the Code	Cipriotti Rosa			2/2	M		
Independent Director as per the TUF and as per the Code	Rizzi Antonio	-	C	2/2	M		
Independent Director as per the TUF and as per the Code	Robert-Ambroix Gery	-	M				
No. of meeting held during the year:		-		2		4	

NOTE

(*) This column indicates directors attendance at committee meetings (indicate the number of meeting to which they attended with respect to the total number of meeting; i.e. 6/8; 8/8 etc.).

(**) This column indicates the office held by the Director in the committee: "C": Chairman; "M": Member.

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REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE
TABLES

> TABLE 4 "STRUCTURE OF THE BOARD OF STATUTORY AUDITORS AS OF 31 DECEMBER 2024"

Board of Statutory Auditors									
Office	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (***)	Indep. as per the Code	Attendance at the Board of Statutory Auditors meetings (***)	No. Of other appointments (****)
Chairman	Lisi Iacopo	**1962**	**04/18/2024**	**04/18/2024**	Approval of Financial Statement as of 12/31/2026	**m**	**x**	**7/7**	**10**
Standing Auditor	Idranti Barbara	**1967**	**04/18/2024**	**04/18/2024**	Approval of Financial Statement as of 12/31/2026	**M**	**x**	**7/7**	**12**
Standing Auditor	Scarafuggi Massimo	**1966**	**04/15/2024**	**04/18/2024**	Approval of Financial Statement as of 12/31/2026	**M**	**x**	**7/7**	**6**
Alternate	Macrì Laura	**1970**	**04/18/2024**	**04/18/2024**	Approval of Financial Statement as of 12/31/2026	**M**			
Alternate	Brandolini Pierluigi	**1970**	**04/18/2024**	**04/18/2024**	Approval of Financial Statement as of 12/31/2026	**M**			
Alternate	Scardigli Juri	**1964**	**04/18/2024**	**04/18/2024**	Approval of Financial Statement as of 12/31/2026	**m**			

Indicate the number of meetings held during the year: 11

Indicate the quorum required to present lists for the election of one or more members by non-controlling interests (pursuant to Art. 147-ter TUF): the quorum established by CONSOB (for 2025 equal to 4.5% of the IGD's share capital, pursuant to CONSOB regulation n. 123 of 28 January 2025)

> TABLE 4 BIS "STRUCTURE OF THE BOARD OF STATUTORY AUDITORS UP TO 18 APRIL 2024"

Board of Statutory Auditors									
Office	Member	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (***)	Indep. as per the Code	Attendance at the Board of Statutory Auditors meetings (***)	No. Of other appointments (****)
Chairman	Committeri Gian Marco	**1969**	**04/15/2021**	**04/15/2021**	Approval of Financial Statement as of 12/31/2023	**m**	**x**	**4/4**	**39**
Standing Auditor	Preite Daniela	**1969**	**06/1/2018**	**04/15/2021**	Approval of Financial Statement as of 12/31/2023	**M**	**x**	**4/4**	**4**
Standing Auditor	Scarafuggi Massimo	**1966**	**04/15/2021**	**04/15/2021**	Approval of Financial Statement as of 12/31/2023	**M**	**x**	**4/4**	**4**
Alternate	Delfrate Daniela	**1965**	**04/15/2021**	**04/15/2021**	Approval of Financial Statement as of 12/31/2023	**M**			
Alternate	Maggi Aldo Marco	**1965**	**04/15/2021**	**04/15/2021**	Approval of Financial Statement as of 12/31/2023	**M**			
Alternate	Gandini Ines	**1968**	**04/15/2021**	**04/15/2021**	Approval of Financial Statement as of 12/31/2023	**m**			

Indicate the number of meetings held during the year: 11

Indicate the quorum required to present lists for the election of one or more members by non-controlling interests (pursuant to Art. 147-ter TUF): the quorum established by CONSOB (for 2025 equal to 4.5% of the IGD's share capital, pursuant to CONSOB regulation n. 123 of 28 January 2025)

NOTE

(*) Date of first appointment refers to the date on which the statutory auditor was appointed to the Company's Board of Statutory Auditors for the first time (ever).

(**) This column indicates whether the director was elected from a Majority list "M" or a minority list "m".

(***) This column indicates the statutory auditor's attendance record at meetings of the Board of Statutory Auditors (expressed as the number of meetings attended out of the number of meetings held, i.e.. 6/8; 8/8 etc.).

(****) This column reports the number of directorships and statutory auditorships held pursuant to Art. 148-bis TUF and its implementing provisions contained in CONSOB's Regulations for Issuers. The full list of offices held is published by CONSOB on its website pursuant to Art.144-quinquiesdecies of CONSOB's Issuers' Regulations.

NOTE

(*) Date of first appointment refers to the date on which the statutory auditor was appointed to the Company's Board of Statutory Auditors for the first time (ever).

(**) This column indicates whether the director was elected from a Majority list "M" or a minority list "m".

(***) This column indicates the statutory auditor's attendance record at meetings of the Board of Statutory Auditors (expressed as the number of meetings attended out of the number of meetings held, i.e.. 6/8; 8/8 etc.).

(****) This column reports the number of directorships and statutory auditorships held pursuant to Art. 148-bis TUF and its implementing provisions contained in CONSOB's Regulations for Issuers. The full list of offices held is published by CONSOB on its website pursuant to Art.144-quinquiesdecies of CONSOB's Issuers' Regulations.

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// IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

DETAILED INDEX

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.1 CONSOLIDATED INCOME STATEM

4.1 // Consolidated income statement

(in thousands of Euros)	Note	12/31/2024 (A)	12/31/2023 (B)	Change (A) - (B)
Revenue	1	134,755	142,370	(7,615)
Revenues from third parties		117,661	116,560	1,101
Revenues from related parties		17,094	25,810	(8,716)
Other revenue	2.1	8,218	8,090	128
Other revenues from third parties		4,194	4,528	(334)
Other revenues from related parties		4,024	3,562	462
Revenues from property sales	2.2	2,276	6,245	(3,969)
Operating revenues		145,249	156,705	(11,456)
Change in inventory	6	(1,184)	(4,937)	3,753
Revenues and change in inventory		144,065	151,768	(7,703)
Construction costs for the period	6	(898)	(1,196)	298
Service costs	3	(19,576)	(21,048)	1,472
Service costs from third parties		(15,672)	(16,720)	1,048
Service costs from related parties		(3,904)	(4,328)	424
Cost of labour	4	(11,321)	(11,049)	(272)
Other operating costs	5	(9,424)	(9,956)	532
Total operating costs		(41,219)	(43,249)	2,030
Depreciations, amortization and provisions		(3,348)	(2,371)	(977)
(Impairment losses)/Reversals on work in progress and inventories		(732)	(742)	10
Provisions for doubtful accounts		(1,136)	(440)	(696)
Change in fair value		(31,141)	(138,022)	106,881
Depreciation, amortization, provisions, impairment and change in fair value	7	(36,357)	(141,575)	105,218
EBIT		66,489	(33,056)	99,545
Income / (loss) from equity investments and asset disposal	8	(29,150)	(50)	(29,100)

(in thousands of Euros)	Note	12/31/2024 (A)	12/31/2023 (B)	Change (A)/(B)
Financial Income		392	514	(122)
Financial income from third parties		387	514	(127)
Financial charges		(67,527)	(49,171)	(18,356)
Financial charges from third parties		(67,362)	(48,650)	(18,712)
Financial charges from related parties		(165)	(521)	356
Net financial income (expense)	9	(67,135)	(48,657)	(18,478)
Pre-tax profit		(29,796)	(81,763)	51,967
Income taxes	10	(288)	31	(319)
NET PROFIT FOR THE PERIOD		(30,084)	(81,732)	51,648
Non-controlling interests in (profit)/loss for the period		0	0	0
Profit/(loss) for the period attributable to the Parent Company		(30,084)	(81,732)	51,648
Basic earnings per share	11	(0.273)	(0.741)	0.468
Diluted earnings per share	11	(0.273)	(0.741)	0.468

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4.2 // Consolidated statement of comprehensive Income

(amount in thousands of euro)	12/31/2024	12/31/2023
NET PROFIT (LOSS) FOR THE PERIOD	**(30,084)**	**(81,732)**
Other components of comprehensive income that will be reclassified to profit/(loss) for the year		
Recalculation of defined benefit plans	**54**	**(110)**
Tax effect	**(6)**	**14**
Total other components of comprehensive income that will not be reclassified to profit/(loss) for the year, net of tax effect	**48**	**(96)**
Effects of hedge derivatives	**(294)**	**(7,712)**
Tax effect of hedge derivatives	**71**	**1.851**
Translation effects	**(1)**	**(475)**
Total other components of comprehensive income that will be reclassified to profit/(loss) for the year	**(224)**	**(6,336)**
TOTAL COMPREHENSIVE PROFIT/(LOSS) FOR THE PERIOD	**(30,260)**	**(88,164)**
Non-controlling interest profit/(loss) for the period	**0**	**0**
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT COMPANY	**(30,260)**	**(88,164)**

4.3 // Consolidated statement of financial position

(in thousands of Euros)	Nota	12/31/2024 (A)	12/31/2023 (B)	Change (A)-(B)
NON CURRENT ASSETS:				
Intangible assets				
Intangible assets with finite useful lives	12	**833**	**1.012**	**(179)**
Goodwill	13	**6,648**	**6,648**	**0**
		7,481	**7,660**	**(179)**
Property, plant, and equipment				
Investment property	14	**1,671,834**	**1,959,053**	**(287,219)**
Buildings	15	**6,563**	**6,790**	**(227)**
Plant and machinery	16	**86**	**110**	**(24)**
Equipment and other goods	16	**2,388**	**2,474**	**(86)**
Assets under construction and advance payments	17	**2,484**	**2.364**	**120**
		1,683,355	**1,970,791**	**(287,436)**
Other non-current assets				
Deferred tax assets	18	**4,685**	**4,469**	**216**
Sundry receivables and other non-current assets	19	**140**	**112**	**28**
Equity investments	20	**106,005**	**25,715**	**80,290**
Non-current financial assets	21	**176**	**174**	**2**
Derivative assets	21	**2,155**	**2,649**	**(494)**
		113,161	**33,119**	**80,042**
TOTAL NON-CURRENT ASSETS (A)		**1,803,997**	**2,011,570**	**(207,573)**
CURRENT ASSETS:				
Work in progress inventory and advances	22	**21,989**	**24,027**	**(2,038)**
Trade and other receivables	23	**10,542**	**9,676**	**866**
Related party trade and other receivables	24	**808**	**1,066**	**(258)**
Other current assets	25	**2,889**	**8,334**	**(5,445)**
Cash and cash equivalents	26	**4,741**	**6,069**	**(1,328)**
TOTAL CURRENT ASSETS (B)		**40,969**	**49,172**	**(8,203)**
ASSETS HELD FOR SALE (C)		**8,520**	**0**	**8,520**
TOTAL ASSETS (A + B + C)		**1,853,486**	**2,060,742**	**(207,256)**

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(In thousands of Euros)	Note	12/31/2024 (A)	12/31/2023 (B)	Change (A)-(B)
NET EQUITY:				
Share capital		650,000	650,000	0
Other reserves		380,388	453,079	(72,691)
Group profit (loss) carried forward		(30,031)	(20,814)	(9,217)
Group profit (loss)		(30,084)	(81,732)	51,648
Total Group net equity		970,273	1,000,533	(30,260)
Capital and reserves of non-controlling interests		0	0	0
TOTAL NET EQUITY (D)	27	970,273	1,000,533	(30,260)
NON-CURRENT LIABILITIES:				
Derivatives - liabilities	38	3,749	3,854	(105)
Non-current financial liabilities	29	741,603	937,297	(195,694)
Provisions for employee severance indemnities	30	2,889	2,863	26
Deferred tax liabilities	18	14,788	15,559	(771)
Provisions for risks and future charges	31	7,756	6,372	1,384
Sundry payables and other non-current liabilities	32	6.,58	7,140	(782)
Related parties sundry payables and other non-current	32	4,465	10,460	(5,995)
TOTAL NON-CURRENT LIABILITIES (E)		781,608	983,545	(201,937)
CURRENT LIABILITIES:				
Current financial liabilities	33	69,788	37,371	32,417
Trade and other payables	35	13,731	22,405	(8,674)
Related parties trade and other payables	36	1,395	2,203	(808)
Current tax liabilities	37	1,461	1,353	108
Other current liabilities	38	15,230	13,332	1,898
TOTAL CURRENT LIABILITIES (F)		101,605	76,664	24,941
TOTAL LIABILITIES (H=E+F)		883,213	1,060,209	(176,996)
TOTAL NET EQUITY AND LIABILITIES (D+H)		1,853,486	2,060,742	(207,256)

4.4 // Consolidated statement of changes in equity

(Amounts in thousands of euro)	Share Capital	Share premium reserve	Other reserve	Profit (loss) from previous years	Profit (loss) of the year	Group net equity	Non-controlling interest capital and reserves	Total net equity
Balance at 01/01/2024	650,000	453,079	(20,814)		(81,732)	1,000,533	0	1,000,533
Profit/(loss) for the year	0	0	0		(30,084)	(30,084)	0	(30,084)
Cash flow hedge derivative assessment	0	(223)	0		0	(223)	0	(223)
Other comprehensive profit /(loss)	0	47	0		0	47	0	47
Total comprehensive profit /(loss)	0	(176)	0		(30,084)	(30,260)	0	(30,260)
Cover of 2023 loss								
Reclassification to fair value reserve	0	0	0		0	0	0	0
Undistributed dividends from previous years	0	0	0		0	0	0	0
Cover of 2023 loss	0	(72,515)	(9,217)		81,732	0	0	0
Balance at 12/31/2024	650,000	380,388	(30,031)		(30,084)	970,273	0	970,273

(Amounts in thousands of euro)	Share Capital	Share premium reserve	Other reserve	Profit (loss) from previous years	Profit (loss) of the year	Group net equity	Non-controlling interest capital and reserves	Total net equity
Balance at 01/01/2023	650,000	0	477,948	16,167	(22,315)	1,121,800	0	1,121,800
Profit/(loss) for the year	0	0	0	0	(81,732)	(81,732)	0	(81,732)
Cash flow hedge derivative assessment	0	0	(5,861)	0	0	(5,861)	0	(5,861)
Other comprehensive income/(losses)	0	0	(571)	0	0	(571)	0	(571)
Total comprehensive profit/(losses)	0	0	(6,432)	0	(81,732)	(88,164)	0	(88,164)
Cover of 2022 loss								
Dividends payed	0	0	(16,843)	(16,260)	0	(33,103)	0	(33,103)
2022 loss cover	0	0	(1,594)	(20,721)	22,315	0	0	0
Balance at 31/12/2022	650,000	0	453,079	(20,814)	(81,732)	1,000,533	0	1,000,533

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.5 CONSOLIDATED STATEMENT OF CASH FL

4.5 // Consolidated statement of cash flows

(In thousands of Euros)	Note	12/31/2024	12/31/2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit (loss) of the year		**(30,084)**	**(81,732)**
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities			
Taxes of the year	10	**288**	**(31)**
Financial charges / (income)	9	**67,135**	**48,657**
Depreciation and amortization	7	**3,348**	**2,371**
Writedown of receivables	7	**1,136**	**440**
(Impairment losses) / reversal on work in progress	7	**732**	**742**
Changes in fair value - (increases) / decreases	7	**31,141**	**138,022**
Gains/losses from disposal - equity investments	8	**29,150**	**50**
Changes in provisions for employees and end of mandate treatment		**802**	**1,492**
CASH FLOW FROM OPERATING ACTIVITIES:		**103,648**	**110,011**
Financial charge paid		**(44,965)**	**(36,282)**
Provisions for employees, end of mandate treatment		**(1,393)**	**(1,083)**
Income tax		**(899)**	**(1,027)**
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:		**56,391**	**71,619**
Change in inventory		**1.192**	**4,937**
Change in trade receivables		**(1,744)**	**5,272**
Net change in other assets		**5,201**	**(2,509)**
Change in trade payables		**(9,482)**	**17**
Net change in other liabilities		**(5,095)**	**(1,956)**
CASH FLOW FROM OPERATING ACTIVITIES (A)		**46,463**	**77,380**
(Investments) in intangible assets	12	**(333)**	**(597)**
Disposals of intangible assets		**0**	**0**
(Investments) in tangible assets		**(19,063)**	**(22,585)**
Disposals of tangible assets		**3,595**	**0**
(Investments) in equity interests		**(10)**	**0**
Impact of the food transaction		**153,165**	**0**

(In thousands of Euros)	Note	12/31/2024	12/31/2023
CASH FLOW FROM INVESTING ACTIVITIES (B)		**137,354**	**(23,182)**
Change in non-current financial assets		**(2)**	**0**
Distribution of dividends	28	**0**	**(33,103)**
Rents paid for financial leases		**(8.,29)**	**(8,814)**
Collections for new loans and other financing activities		**15,756**	**256,000**
Loans repayments and other financing activities		**(192,069)**	**(289,243)**
CASH FLOW FROM FINANCING ACTIVITIES (C)		**(185,144)**	**(75,160)**
Exchange rate differences on cash and cash equivalents (D)	27	**(1)**	**(38)**
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C+D)		**(1,328)**	**(21,000)**
CASH BALANCE AT BEGINNING OF THE PERIOD	34	**6,069**	**27,069**
CASH BALANCE AT END OF THE PERIOD	34	**4,741**	**6,069**

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

4.6 // Notes to the financial statements

4.6.1 // General information

The consolidated financial statements of Immobiliare Grande Distribuzione SIIQ S.p.A. at 31 December 2024 were approved and authorised for publication by the Board of Directors on 6 March 2025.

IGD SIIQ S.p.A. is a subsidiary of Coop Alleanza 3.0 Soc. and under the management and coordination of that company. Coop. and is under the management and coordination of that company.

4.6.2 // Summary of accounting standards

4.6.2.1. // Basis of preparation

> Statement of compliance with International Accounting Standards

The 2024 consolidated financial statements have been prepared in accordance with the IFRS (International Financial Reporting Standards) issued by IASB (International Accounting Standards Board) and approved by the European Union, and with the instructions issued in compliance with Art. 9 of Italian Legislative Decree 38/2005. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), including those previously issued by the Standing Interpretations Committee (SIC), that as of the reporting date had been endorsed following the procedure specified in Regulation (EC) 1606/2002. The IFRS have been applied consistently to all reporting periods presented.

The Directors have assessed the applicability of the going concern assumption in the preparation of the financial statements, concluding that such assumption is appropriate as there are no doubts about the business continuity, considering the actions taken in 2024 and 2025 described in the corporate events paragraph.

> Reporting formats

The items in the statement of financial position have been classified as current or non-current, and those in the income statement by type.

The statement of comprehensive income shows the net profit or loss along with income and charges that by express requirement of IFRS are recognized directly in equity.

The statement of changes in equity presents comprehensive income and charges, transactions with shareholders and other changes in net equity.

The statement of cash flows is prepared using the indirect method, adjusting the pre-tax result for non-cash items.

The financial statements, tables and explanatory notes are expressed in thousands of euro, unless otherwise specified.

Due to certain technical limitations, some information in these consolidated financial statements prepared in ESEF format, when extracted from XHTML in an XBRL instance, may not be reproduced in the same way as the corresponding information that can be viewed in the consolidated financial statements in XHTML format.

> Changes in accounting standards

a) IFRS accounting standards, amendments and interpretations applied from 1 January 2024

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group as from 1 January 2024:

> On 23 January 2020, IASB published "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 31 October 2022 "Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants." These amendments clarify how to classify payables and other liabilities as current or non-current. They also improve the required disclosures when an entity's right to defer the settlement of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants). The adoption of these amendments has not affected the Group's consolidated financial statements.

> On 22 September 2022, IASB published "Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback." The amendments require the seller-lessee to determine the lease liability arising from a sale & leaseback transaction in a way that does not recognize a gain or loss relating to the retained right of use. This amendment has not affected the Group's consolidated financial statements.

> On 25 May 2023, IASB published "Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements." The document requires disclosures on reverse factoring agreements that allow users of financial statements to assess how supplier finance arrangements affect an entity's liabilities and cash flows and to understand the effect of supplier finance arrangements on the entity's exposure to liquidity risk. The adoption of this amendment has not affected the Group's consolidated financial statements.

b) IFRS and IFRIC accounting standards, amendments, and interpretations endorsed by the European Union but not yet effective and not applied in advance by the Group as of 31 December 2024

As of the reporting date, the competent bodies of the European Union have completed the endorsement process for the adoption of the amendments and principles described below, but they are not mandatorily applicable and have not been adopted in advance by the Group as of 31 December 2024:

> On 15 August 2023 IASB published "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability." The amendments require an entity to use a consistent method to assess whether a currency can be exchanged for another, and if it cannot, how to determine the exchange rate to be used and what disclosures to make in the notes to the financial statements. They are effective from 1 January 2025, but early adoption is permitted. The directors do not expect this standard to have a significant impact on the consolidated financial statements.

c) IFRS accounting policies, amendments and interpretations not yet endorsed by the European Union as of 31 December 2024

As of the reporting date, the EU authorities have not yet finished the endorsement process necessary for the adoption of the following amendments and standards.

> On 30 May 2024 the IASB published "Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7". The document clarifies some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting of financial assets whose returns depend on the achievement of ESG objectives (i.e. green bonds). Specifically:

> Clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;

> Determine that the liabilities settlement date through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognized before delivering cash at the settlement date if certain specified conditions are met.

With these amendments, the IASB has also introduced additional disclosure requirements specifically regarding investments in equity instruments recognized at FVOCI.

The changes are effective from 1 January 2026, but early adoption is permitted. The directors do not expect this standard to have a significant impact on the consolidated financial statements.

> On 18 July 2024, the IASB published "Annual Improvements Volume 11". The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are as follows:

> IFRS 1 First-time Adoption of International Financial Reporting Standards;

> IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7;

> IFRS 9 Financial Instruments;

> IFRS 10 Consolidated Financial Statements; and

>IAS 7 Statement of Cash Flows.

The changes are effective from 1 January 2026, but early adoption is permitted. The directors do not expect them to have a significant impact on the consolidated financial statements.

> On 9 January 2024, IASB published the new IFRS 18 Presentation and Disclosure in Financial Statements that will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the format for the presentation of financial statement and the income statement in particular. Specifically, the new standard requires to:

> classify revenue and costs into three new categories (operating, investing and financing), in addition to the tax and discontinued operations already included in the income statement;

> present two new subtotals, operating profit and earnings before interest and taxes (i.e. EBIT).

The new standard also:

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- > Requires more information on the performance indicators defined by management;
- > Introduces new criteria for the aggregation and disaggregation of information; and,
- > Introduces some changes to the cash flow statement, including the requirement to use operating profit as the starting point for the presentation of the cash flow statement prepared using the indirect method and the elimination of some classification options for some currently existing items (such as interest paid, interest received, dividends paid, and dividends received).

They are effective from 1 January 2027, but early adoption is permitted. The directors are currently evaluating the possible effects of the introduction of this new principle on the Group's consolidated financial statements.

4.6.2.2 // Consolidation

a) Scope of consolidation

The consolidated financial statements have been drawn up on the basis of the draft financial statements at 31 December 2023, prepared by the directors of the consolidated companies and adjusted, where necessary, to align them with the Group's IFRS-compliant accounting and classification policies. On 20 December 2024, IGD Siiq S.p.A. established the fully owned company Alliance SIINQ S.r.l. and transferred to it the store located in via Aquileia in Ravenna. The share capital of Alliance SIINQ S.r.l. is €50 thousand. On 30 December 2024, Alliance SIINQ S.r.l. exercised the option to access the special SIINQ regime from the tax period starting on 1 January 2025. As of 31 December 2024, Alliance SIINQ S.r.l. was included in the Group's consolidation area for the first time.

Pursuant to Consob Circular DEM/6064293 of 28 July 2006, below is a list of Group companies showing the location of their registered office, share capital in the local currency and consolidation method. The interests held directly or indirectly by IGD SIIQ S.p.A. and each of its subsidiaries are also specified. Below are the exchange rates used to convert foreign subsidiaries' accounts into euros:

Exchange rates	Euro / Ron
Spot rate at 12.31.2024	**4.9741**
Average rate 2024	**4.9746**
Spot rate at 12.31.2023	**4.9746**
Average rate 2023	**4.9465**

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4.6 NOTES TO THE FINANCIAL STATEME

Name	Registered Office	Country	Share capital	Currency	% of consolidated Group interest	Held by	% of share capital held	Activities
Parent Company								
IGD SIIQ S.p.A.	Bologna, via trattati comunitari Europei 1957 - 2007	Italy	**650,000,000.00**	Euro				Shopping center management
Subsidiaries fully consolidated								
IGD Service S.r.l.	Bologna, via trattati comunitari Europei 1957 - 2007	Italy	**60,000,000.00**	Euro	**100%**	IGD SIIQ S.p.A.	**100,00%**	Shopping center management and services
Porta Medicea S.r.l.	Bologna, via trattati comunitari Europei 1957 - 2007	Italy	**7,227,679.23**	Euro	**100%**	IGD Service S.r.l.	**100,00%**	Construction and marketing company
Alliance SIINQ S.r.l.	Bologna, via trattati comunitari Europei 1957 - 2007	Italy	**50,000.00**	Euro	**100%**	IGD Service S.r.l.	**100,00%**	Shopping center management
Win Magazin S.A.	Bucarest	Romania	**113,715.30**	Lei	**100%**	IGD Service S.r.l. 99,9% IGD SIIQ S.p.A. 0,1%	**100,00%**	Shopping center management
Winmarkt Management S.r.l.	Bucarest	Romania	**1,001,000**	Lei	**100%**	Win Magazin S.A.	**100,00%**	Agency and Facility Management services
Arco Campus S.r.l.	Bologna, via dell'Arcoveggio 49/2	Italy	**1,500,000.00**	Euro	**99,98%**	IGD SIIQ S.p.A.	**99,98%**	Asset management, sport facilities and equipment management, construction, sale and rent of properties to be used for sport and commercial activities
Associated companies consolidated at net equity								
Fondo Juice	Milano, via San Paolo 7 Italia	Italy	**64,165,000.00**	Euro	**40%***	IGD SIIQ S.p.A.	**40%**	Hypermarkets/ Supermarkets property
FOOD Fund	Milano, via San Paolo 7 Italia	Italy	**258,000,000.00**	Euro	**40%***	IGD SIIQ S.p.A.	**40%**	Hypermarkets/ Supermarkets/ Shopping malls property

** IGD SIIQ holds 25,224 class B shares equal to 40% of the fund capital*
*** IGD SIIQ holds 5.162 class B shares equal to 40% of the fund capital*

IGD SIIQ S.p.A., directly and indirectly, controls various consortiums for the management of shopping centers (costs relating to common areas and promotional activities). They are not consolidated as they are considered to be immaterial.

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4.6 NOTES TO THE FINANCIAL STATEMENTS

Name	Type of control	% held	Registered office
Owner consortium of Leonardo SC	Direct	**52.00%**	via Amendola 129, Imola (BO)
Owner consortium of I Bricchi SC	Direct	**72.25%**	via Prato Boschiero, Isola d'Asti (Loc Molini)
Consortium of Katanè SC	Direct	**53.00%**	via Quasimodo, Gravina di Catania Loc San Paolo
Consortium of Conè SC	Direct	**65.78%**	via San Giuseppe SNC, Quartiere dello Sport Conegliano (TV)
Consortium of La Torre - Palermo	Direct	**55.04%**	via Torre Ingastone, Palermo Loc Borgonuovo
Consortium of Gran Rondò SC	Direct	**48.69%**	via G. La Pira n. 18, Crema (CR)
Owner consortium of Fonti del Corallo SC	Direct	**68.00%**	via Gino Graziani 6, Livorno
Owner consortium of Centrosarca SC	Indirect	**62.50%**	via Milanese, Sesto San Giovanni (MI)
Consortium of Mare Mazzini SC	Direct	**80.90%**	via G. D'Alesio, 2, Livorno
Consortium of Le Maioliche SC	Direct	**70.52%**	via Bisaura n. 13, Faenza (RA)
Consortium of ESP SC	Direct	**64.59%**	via Marco Bussato 74, Ravenna (RA)
Owner consortium of Puntadiferro SC	Direct	**62.34%**	Piazzale della Cooperazione 4, Forlì (FC)
Owner consortium of Commendone commercial area	Direct	**52.60%**	via Ecuador snc, Grosseto
Consortium of Le Porte di Napoli SC	Direct	**70.56%**	via S. Maria La Nuova, Afragola (NA)
Consortium of Darsena SC	Direct	**77.12%**	via Darsena 75, Ferrara (FE)
Consortium of Casilino SC	Indirect	**45.80%**	via Casilina 1011, Roma

b) Consolidation methods

The consolidated financial statements include the financial statements of the parent company, IGD SIIQ S.p.A., its direct and indirect subsidiaries, and its associates at 31 December 2024. The subsidiaries' and associates' accounts are prepared each year using the same accounting standards as the parent. The main consolidation methods used to prepare the consolidated financial statements are as follows:

> Subsidiaries are consolidated from the date control is effectively transferred to the Group, and cease to be consolidated from the date control is transferred outside the Group; control exists when the Group has the power, directly or indirectly, to influence a company's financial and managerial policies in such a way as to obtain benefits from its operations;

> Subsidiaries are consolidated on a line-by-line basis, aggregating all financial statement items in full, regardless of the interest held by the Group. Only for the determination of net equity and net profit (loss) is the minority interest, if any, shown separately in the statement of financial position and the income statement;

> The carrying value of equity investments is eliminated against the assumption of their assets and liabilities;

> All intercompany balances, including unrealised profits deriving from transactions between Group companies, are completely eliminated;

> The financial statements of all IGD SIIQ Group companies that use a functional currency other than the one used in the consolidated statements are translated into euros as follows:

> The assets and liabilities of each statement of financial position submitted are translated at the exchange rates in force on the reporting date;

> The revenue and costs of each income statement are converted at the average exchange rates for the period;

> All exchange gains and losses arising from this process are shown in the translation reserve under net equity.

> Equity investments in joint ventures and associates are consolidated using the equity method. As such, the investment is initially carried at cost, which is then adjusted upward or downward to reflect changes in net equity after purchase. If an investment is classified as joint control or associate, due to loss of control, it is initially carried at fair value, which is then adjusted upward or downward to reflect changes in the net equity of the investee after the date control was lost. The adjustments are taken to the income statement in proportion to the Group's share of the company's profit or loss, taking into account any impact of preference shares or quotas held by third parties.

> Controlling investments that are outside the scope of consolidation, namely the consortiums mentioned above, are measured at cost.

4.6.2.3 // Intangible assets

Intangible assets are recognized at cost when they are identifiable and controllable, and it is likely that use of the asset will generate future economic benefits and when its cost can be reliably determined. Intangible assets acquired through business combinations are recognized at the market value defined as of the acquisition date, if that value can be reliably determined.

After their initial recognition, intangible assets are carried at cost. The useful life of intangible assets can be either finite or indefinite. Intangible assets with indefinite useful lives are not amortised but are subject to impairment testing each year, or more frequently, whenever there is any indication of impairment. All intangible assets with indefinite useful life are subject to impairment testing on an annual basis to assess whether there is an impairment loss. Further to such testing, if the recoverable value of an asset is less than its book value, the latter is reduced to recoverable value. This reduction constitutes an impairment loss, which is immediately posted to the income statement. An asset's recoverable value is the higher of its net sale value or value in use. Value in use is the present value of expected cash flows generated by the asset. In order to assess losses in value, assets are aggregated to the lowest cash generating unit, i.e. the lowest level for which independent cash flows can be separately identified. If there is any indicator of recovery of the value lost, the asset's recoverable value is re-determined and the book value is increased to that new value. However, the increase in book value can never exceed the net book value that the fixed asset would have had if no impairment had occurred.

4.6.2.4 // Business combinations and goodwill

Business combinations are accounted for using the purchase method. This requires the recognition at market value of the identifiable assets (including intangible assets previously not recognized) and identifiable liabilities (including contingent liabilities but excluding future restructuring) of the entity acquired. Costs related to the transaction are recognized as soon as they are incurred.

Goodwill acquired in a business combination, which in the separate financial statements is incorporated into the value of the equity investment acquired, is calculated as the excess of the total consideration transferred, minority interests in net equity and the fair value of any previously held interest in the company over the acquisition-date fair value of the net assets acquired and the liabilities assumed. If the acquisition-date fair value of the net assets acquired and the liabilities assumed exceeds the sum of the consideration transferred, minority interests in net equity and the fair value of any previously held interest in the acquiree, the excess is recognized immediately as income arising from the transaction.

Minority interests in net equity, as of the acquisition date, can be measured at fair value or as a pro-quota proportion of the value of the net assets recognized for the acquiree. This choice is made on a case-by-case basis.

Any contingent consideration provided for in the acquisition agreement is measured at its acquisition-date fair value and included in the value of the consideration transferred in the business combination for the purpose of determining goodwill. Subsequent changes in fair value that qualify as adjustments arising during the measurement period are included in goodwill retrospectively. Such changes that can qualify as adjustments occurring during the measurement period are caused by additional information on facts and circumstances that existed on the date of acquisition and were obtained during the measurement period (not to exceed one year from the business combination).

When business combinations are achieved in stages, the interest previously held by the Group is remeasured at fair value as of the date control is acquired, and any resulting gain or loss is recognized in the income statement. Any amounts deriving from the previously held interest and reported in other comprehensive income or losses are reclassified to profit or loss as if the interest had been sold.

If the initial values of a business combination are incomplete at the end of the financial period in which it occurred, in the consolidated financial statements the Group uses provisional amounts for those elements that cannot be measured in full. The provisional amounts are adjusted during the measurement period to take account of new information on facts and circumstances existing on the acquisition date which, if known, would have affected the acquisition-date value of the assets and liabilities recognized.

Business combinations occurring before 1 January 2010 are reported according to the previous version of IFRS 3.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the acquirer's individual cash generating units or to the groups of cash generating units that are expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities are assigned to those units or groups of units. Each unit or group of units to which goodwill is so allocated:

> Represents the lowest level within the Group at which the goodwill is monitored for internal management purposes;

> Is not larger than a segment based on either the primary or secondary reporting format determined in accordance with IFRS 8 - Segment Reporting;

> When goodwill is part of a cash generating unit or group of cash generating units and the Group disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal. The goodwill transferred under these circumstances is measured on the basis of the relative values of the operation disposed of and the portion of the cash generating unit retained.

If the disposal concerns a subsidiary, the difference between the sale price and net assets plus accumulated translation differences and goodwill is recognized in profit or loss.

After first-time recognition, goodwill is decreased by accumulated impairment losses, determined as described below.

The recoverable amount of goodwill is determined each year, or more frequently in the case of events or changes in circumstances that may indicate impairment. Impairment is identified through tests based on the ability of each cash generating unit to produce cash flows suitable for recovering the portion of goodwill that has been allocated to it, following the procedures specified in the section on intangible assets. If the amount recoverable by the cash generating unit is lower than the carrying value attributed, then an impairment loss is recognized. Impairment losses on goodwill cannot be reversed in subsequent years. In the absence of trigger events, goodwill impairment tests are normally conducted once a year at 31 December.

4.6.2.5 // Investment property and assets under construction

Investment property is real estate held in order to earn rent while appreciating in value over time.

Investment property is initially recognized at cost, including transaction expenses (as well as borrowing costs, where applicable), and is subsequently measured at fair value with changes reported in the income statement.

Any work on the properties is added to their carrying value only if it is likely to produce future economic benefits and if the cost can be reliably determined. Other maintenance and repair costs are recognized in the income statement when incurred.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this expenditure.

The market value of properties includes the value of their plant and machinery, as well as goodwill acquired.

Investment property is derecognized on disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses from the withdrawal or disposal of investment property are recognized to profit or loss in the period in which the withdrawal or disposal takes place. The property portfolio is valued twice a year with assistance from independent experts, who have recognized professional qualifications and up-to-date knowledge of the properties' rental situation and characteristics.

Assets under construction, consisting of deposits and advance payments, are measured at cost. For land and accessory works on which investment property will be developed, once the building permits are obtained and/or the urban planning agreements signed, and once the procedure for obtaining administrative permits is completed and construction is underway, fair value can be reliably determined, and the fair value method is therefore used. Until that time, the asset is recognized at cost, which is compared with recoverable amount at each reporting date in order to determine any loss in value. When construction or development of an investment property is completed, it is restated to "investment property".

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The fair value of investment property in accordance with IFRS 13 must reflect, among other things, rental income from current leases and other reasonable and supportable assumptions that market participants would use when pricing the asset under current market conditions.

As stated in paragraph 27 of IFRS 13, a fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use of a non-financial asset takes into account the use of the asset that is physically possible, legally permissible and financially feasible. Specifically:

> A use that is physically possible takes into account the physical characteristics of the asset that market participants would take into account when pricing it (e.g. the location or size of a property);

> A use that is legally permissible takes into account any legal restrictions on the use of the asset that market participants would take into account when pricing the asset (e.g. the zoning regulations applicable to a property);

> A use that is financially feasible takes into account whether a use of the asset that is physically possible and legally permissible generates adequate income or cash flows (taking into account the costs of converting the asset to that use) to produce an investment return that market participants would require from an investment in that asset put to that use.

Highest and best use is determined from the perspective of market participants. An entity's current use of a non-financial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximize the value of the asset.

The Company has not capitalized any financial charges.

4.6.2.6 // Right of use assets

The Group holds operating leases for two malls at the Centro Nova and Fonti del Corallo shopping centers which are in turn leased to third parties.

In accordance with IFRS 16, upon signing a new operating lease of a significant amount and with a duration of more than one year, the Group recognizes a right-of-use asset of the same amount as the lease liability. The right-of-use asset is accounted for under property, plant and equipment ("investment property") and subject to independent appraisal to determine its fair value. At the end of each reporting period, the change in fair value is reported separately in the income statement as "change in fair value".

To determine the fair value of every asset held under operating leases, the independent experts discount to present value the cash flows expected in the years covered by the lease. Unlike traditional real estate appraisals, the terminal value at the end of the explicit period is not considered.

The Group takes the exemption permitted by IFRS 16:5 (a) for short-term leases. Likewise, the Group opts for the exemption permitted by IFRS 16:5 (b) with respect to leases for which the underlying asset qualifies as low value. For these contracts, the lease instalments continue to be recognized in profit or loss on a straight-line basis over the lease term.

4.6.2.7 // Plant, machinery and equipment

Plant, machinery and equipment that are owned by IGD and are not attributable to investment property are recognized at cost, less commercial discounts and rebates, considering directly attributable expenses as well as an initial estimate of the cost of dismantling and removing the asset and restoring the site where it was located. Costs incurred after purchase are capitalized only if they increase the future economic benefits expected of

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4.6 NOTES TO THE FINANCIAL STATEMENTS

the asset. All other costs (including financial expenses directly attributable to the purchase, construction or production of the asset) are recognized to profit or loss when incurred. The capitalized charge is recognized to profit and loss throughout the useful life of the tangible asset by means of depreciation. Depreciation is calculated on a straight-line basis over the asset's estimated useful life, as follows:

Category	Rate
Wiring, sprinkler system, compressed air	**10%**
HVAC system	**15%**
Fittings	**20%**
Computer to manage plants	**20%**
Special communication system - telephone	**25%**
Special plant	**25%**
Alarm / Security system	**30%**
Sundry equipment	**15%**
Office furnishing	**12%**
Cash registers and EPD machines	**20%**
Personal computers and machines	**25%**

An asset is subject to impairment testing whenever events or changes in circumstances indicate that its carrying value cannot be fully recovered. If the carrying value exceeds the recoverable amount, the asset is written down to reflect the impairment. An asset's recoverable value is the higher of its net sale value or value in use.

In measuring value in use, the discount rate used should be the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate sufficiently independent cash flows, the value is determined in relation to the cash generating unit to which the asset belongs. Impairment losses are charged to the income statement as depreciation, amortization and impairment costs. Impairment is reversed if the reasons cease to apply.

When an asset is sold or when its use is no longer expected to produce future economic benefits, it is derecognized and any loss or gain (calculated as the difference between the sale value and carrying value) is taken to profit or loss the year the asset is eliminated.

4.6.2.8 // Equity investments

For information on the accounting treatment of equity investments, see section 4.6.2.2 b - Consolidation methods.

4.6.2.9 // Financial assets

The Group classifies financial assets on the basis of the business model used to manage them and the characteristics of the contractual cash flows. Depending on these conditions, financial assets are then measured at:

- Amortized cost;
- Fair value through other comprehensive income;
- Fair value through profit or loss.

Management makes an irrevocable classification upon first-time recognition of the assets.

4.6.2.10 // Other non-current assets

Other non-current assets consist of deferred tax assets, financial assets relating to derivatives, and miscellaneous.

Receivables and other financial assets other than derivatives, to be held until maturity, are recognized at cost which corresponds to the fair value of the initial consideration paid plus transaction costs. The initial value recognized is subsequently adjusted to take account of the reimbursement of principal, any impairment losses, and amortization of the difference between the redemption value and the initial carrying value. Amortization is charged at the effective interest rate, corresponding to the rate which, upon first-time recognition, makes the present value of projected cash flows equal to the initial carrying amount (amortised cost method).

4.6.2.11 // Inventory

Inventory is measured at the lower of cost and market value (which corresponds to fair value net of selling costs). The cost of inventory includes all purchase, transformation and other costs incurred to bring the inventory to its present location and condition. Given the nature of the Group's inventory, the specific cost method is used.

4.6.2.12 // Trade and other receivables

Receivables are initially recognized at amortised cost, which coincides with face value, and are subsequently reduced for any impairment. For trade receivables, an impairment provision is made when there is an objective indication (e.g. the likelihood of insolvency or significant financial problems for the debtor) that the Company will not be able to recover all amounts due under the original terms and conditions. The carrying amount of the receivable is reduced by means of a separate provision. Impaired receivables are written off when they are found to be irrecoverable.

Commercial discounts on periods for which the revenue has already accrued are accounted for as forgiveness on the basis of IFRS 9, provided that no further contractual changes are negotiated with the customer. In these cases the receivable is reversed in the amount of the discount granted, with immediate effect on the income statement under "other operating costs," where losses on receivables are recognized.

4.6.2.13 // Cash and cash equivalents

Cash and cash equivalents are recognized, depending on their nature, at face value or amortised cost. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, with an original maturity of no more than three months.

4.6.2.14 // Financial receivables and other current financial assets

These consist mainly of financial assets held to maturity. Because under the Group's standard business model they are held for the purpose of collecting contractual cash flows, they are initially measured at cost, and subsequently at amortised cost. The initial valuation is at cost and the subsequent at amortised cost. Their value is reduced in consideration of expected losses, using information available without unreasonable effort or expense, that includes past events and current and prospective data. Such impairment losses are recognized in the income statement, as are any impairment reversals.

Assets and liabilities held for sale are those whose value will be recovered principally through sale as opposed to use. This category applies when the sale is considered to be highly likely, and the assets and liabilities are available for sale immediately in their present condition. Such assets are recognized at the lower of cost and fair value net of costs to sell.

Any liabilities relating to business divisions held for sale are accounted for separately under liabilities associated with assets held for sale.

Any impairment losses recognized via application of this policy are recognized in the income statement, both in the case of write-down for alignment with fair value and in that of gains and losses stemming from subsequent changes in fair value.

4.6.2.15 // Financial liabilities

Financial liabilities consist of borrowings, trade payables and other payables.

They are initially recognized at cost, corresponding to fair value including transaction costs; subsequently, they are carried at amortised cost which corresponds to their initial value, net of principal reimbursed, and adjusted upward or downward for the amortization of any differences between initial value and value at maturity (using the effective interest method). If payment estimates are revised, with the exception of lease liabilities, the adjustment is recognized in the income statement.

Lease liabilities as of the start date of the lease are calculated as the present value of payments due, discounted to present value using the implied interest rate or, where this cannot be easily determined, the marginal financing rate. The payments included in the computation of lease liabilities are: (a) fixed payments; b) variable payments linked to an index or rate; (c) amounts expected to be paid to guarantee the remaining balance; (d) the exercise price of any purchase option, if the duration of the lease takes this into account; and e) any penalties for termination of the lease, if the duration takes this into account.

After the start date, lease liabilities are adjusted for: (a) financial charges recognized in the income statement; b) payments made to the lessor; and (c) any new assessments or changes in the lease agreement or revised assumptions regarding payments due.

4.6.2.16 // Provisions for risks and charges

General provisions cover liabilities of a definite nature that are certain or likely to arise, but whose amount or timing were unknown at the close of the year. Provisions are recognized when they cover a present obligation (legal or constructive) that stems from a past event, if settlement of the obligation will likely involve an outflow in an amount that can be reliably estimated. These provisions cover the best estimate of the amount the company would pay to settle the obligation or transfer it to third parties at the close of the financial period. If the effect is significant, provisions are determined by discounting projected cash flows at a pre-tax rate that reflects current market assessments of the time value of money. When cash flows are discounted, the increase in the provision due to the passing of time is recorded as a financial charge.

4.6.2.17 // Employee benefits

Employee severance indemnities, which are mandatory for Italian companies pursuant to Law 297/1982 (*trattamento di fine rapporto* or *TFR*), qualify as defined benefit plans and are based, among other factors, on employees' working lives and on the compensation they receive during a pre-determined period of service. The liability for a defined benefit plan, net of any assets servicing the plan, is determined on the basis of actuarial assumptions and is recognized on an accrual's basis consistently with the amount of service required to receive the benefits; the liability is measured by independent actuaries. Gains and losses arising from the actuarial calculation are taken to a specific reserve in the statement of comprehensive income under "other comprehensive income." The Group does not offer compensation in the form of share-based payments, as employees do not render services in exchange for shares or options on shares. In addition, the Group does not offer employee incentive plans in the form of share participation instruments.

4.6.2.18 // Revenue

Revenue is recognized to the extent the Group is likely to enjoy the economic benefits and the amount can be reliably determined. It is shown at the market value of the consideration received, net of discounts, rebates and taxes. The following recognition criteria must always be satisfied before revenue is posted to the income statement.

> Rent and business lease revenue

Rental income and business lease revenue from the Group's freehold and leasehold properties is recorded on an accruals basis, according to the rental and leasing contracts in force. Variable rent is recognized in the income statement when the event or circumstance triggering a payment comes to pass.

> Service income

Service income is recorded with reference to the state of completion of the transaction and only when the outcome of the service can be reliably estimated.

> Revenue from property sales

Revenue from property sales is recognized in profit or loss upon transfer of ownership or, for lease-to-own agreements, when the property is delivered.

4.6.2.19 // Costs

Costs are recognized on an accruals' basis.

4.6.2.20 // Interest

Interest income and expense is recorded on an accruals basis with reference to the net value of the financial assets and liabilities concerned, using the effective interest rate.

4.6.2.21 // Income taxes

a) Current taxes

Current tax liabilities for the present and previous years are measured as the amount expected to be paid to the tax authorities. The tax rates and laws used to calculate that amount are those that have been enacted or substantively enacted by the balance sheet date. Other taxes not related to income, such as those on property and capital, are booked to operating expenses.

In calculating taxes for the year, the Company took into due account the IAS rules introduced by Law 244 of 24 December 2007, in particular the reinforced principle of derivation established by Art. 83 of the Italian Consolidated Income Tax Code. According to that principle, entities that have adopted the international accounting standards should follow the IAS criteria for qualification, temporal allocation, and classification in the financial statements even if they depart from Italian GAAP.

For IRES (corporate income tax) purposes, the Company consolidates taxation in Italy with its main subsidiaries.

b) Deferred taxes

Deferred taxes are calculated on temporary differences existing at the reporting date between the value of assets and liabilities for tax purposes and the value reported in the statement of financial position.

Deferred tax liabilities are recognized on all taxable temporary differences, except when they derive from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, except when the deferred tax asset associated with deductible temporary differences derives from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). The carrying value of a deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognized deferred tax assets are also reviewed at each balance sheet date and are recognized to the extent that it becomes probable that sufficient taxable profit will be available. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on current tax rates and those in effect or substantively in effect by the balance sheet date, and considering the manner in which the temporary differences are expected to reverse. Income taxes relating to items that are credited or charged directly to equity are also charged or credited directly to equity and not to profit or loss.

4.6.2.22 // Earnings/(loss) per share

As requested by IAS 33 (par. 66), the income statement presents the basic and diluted earnings/(loss) per share for profit or loss from continuing operations attributable to the equity holders of IGD SIIQ S.p.A. The information is provided on the basis of consolidated figures only, as provided for by IAS 33.

Basic earnings/(loss) per share is calculated by dividing profit or loss attributable to ordinary equity holders of IGD SIIQ S.p.A. by the weighted average number of shares outstanding during the period.

Diluted earnings/(loss) per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent by the weighted average number of shares outstanding, in accordance with paragraphs 19 and 26, plus the weighted average number of shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares. Dilutive potential ordinary shares shall be deemed to have been converted into ordinary shares at the beginning of the period or, if later, the date of the issue of the potential ordinary shares.

4.6.2.23 // Derecognition of financial assets and financial liabilities

a) Financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when:

> The rights to receive cash flows from the asset have expired;

> The Group still has the right to receive cash flows from the asset, but has a contractual obligation to pay these immediately and in full to a third party;

> The Group has transferred the right to receive cash flows from the asset and (a) has transferred substantially all risks and rewards of ownership of the financial asset or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Group has transferred the right to receive cash flows from an asset and has neither transferred nor retained substantially all of the risks and rewards or has not lost control of the asset, then the asset is recognized to the extent of the Group's continuing involvement. Continuing involvement, which takes the form of a guarantee on the transferred asset, is recognized at the lower of the initial carrying value of the asset and the maximum amount that the Group could be required to pay.

b) Financial liabilities

A financial liability is derecognized when the underlying obligation is expired, cancelled or discharged. Where there has been an exchange between an existing borrower and lender of debt instruments with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, with any differences between carrying values recognized in profit or loss.

4.6.2.24 // Translation of foreign currency items

IGD's functional and reporting currency is the euro. Transactions in foreign currencies are initially translated at the exchange rate in force on the transaction date. Assets and liabilities in foreign currencies are translated at the exchange rate in force on the last day of the year and the related exchange gains and losses are recognized in the income statement. Any net gain that arises flows into a reserve that cannot be distributed until the gain is realised.

4.6.2.25 // Derivative financial instruments

The Group holds derivative financial instruments for the purpose of hedging its exposure to the risk of interest rate changes affecting specific recognized liabilities. In accor-

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dance with IFRS 9, derivative financial instruments used for hedging qualify for hedge accounting only if:

a) At the inception of the hedge there is formal designation and documentation of the hedging relationship;

b) The hedge is expected to be highly effective;

c) The effectiveness of the hedge can be reliably measured;

d) The hedge is highly effective throughout the financial reporting periods for which it was designated.

All derivative financial instruments are measured at fair value. When the financial instruments qualify for hedge accounting, the following rules apply:

Cash flow hedge - If a financial instrument is designated as a hedge against exposure to variations in the cash flows of a recognized asset or liability or a forecast transaction that is highly probable, the effective portion of the gain or loss from remeasuring the instrument at fair value is recognized in a separate equity reserve. The cumulative gain or loss is reversed from the equity reserve and transferred to profit or loss the same year that the effects of the hedged transaction are recognized in profit or loss. The ineffective portion of the gain or loss on the hedging instrument is recognized in profit or loss. If a hedging instrument is closed but the hedged transaction has not yet taken place, the cumulative gains and losses remain in the equity reserve and are restated to profit or loss when the transaction is realized or when a loss in value occurs. If the transaction is no longer expected to occur, the unrealized gains or losses still recognized in the equity reserve are immediately reclassified to profit or loss.

If hedge accounting does not apply, the gains or losses arising from measurement at fair value of the derivative financial instrument are recognized directly to profit or loss.

4.6.2.26 // Parent company SIIQ status

A company with SIIQ (Società di Investimento Immobiliare Quotata) status, applicable to the parent company since 1 January 2008, can exclude rental income and the equivalent for the purposes of IRES (corporate income tax) and IRAP (regional business tax) (see also section 2.8 of the Directors' report to Gruppo IGD's consolidated financial statements).

At 31 December 2024, as at the end of previous years, IGD satisfied both the "asset test" and the "profit test" required to retain SIIQ status.

In accordance with the SIIQ rules, the company does maintain marginal operations other than property rental and the equivalent ("taxable operations").

Therefore, income from taxable operations has been subject to the standard rules of computation, while the SIIQ rules have been followed for income from exempt operations.

To determine the results of separate operations, subject to different accounting and tax treatment in accordance with paragraph 121 of Law 296/06, IGD SIIQ S.p.A. has kept separate accounts for exempt rental operations and taxable marginal operations.

Income from exempt operations therefore include revenue and costs typical of the property rental business, as well as those typical of operations considered to be equivalent.

Likewise, revenue and costs stemming from the company's remaining activities have been allocated to taxable operations.

Due to changes to the SIIQ rules introduced by Law 164 of 11 November 2014 ("Conversion into law, with amendments, of Decree 133 of 12 September 2014"), capital gains and losses on rental properties (whether realised or implicit in fair value measurements) are also included in exempt operations.

In accordance with paragraph 121 of Law 296/06 and with the clarifications contained in Agenzia delle Entrate (Italian Revenue Agency) Circular 8/E of 7 February 2008, general, administrative and financial costs that cannot be directly attributed to exempt or taxable operations or allocated on the basis of objective parameters have been split according to the ratio of exempt revenue/income/dividends to total revenue/income/dividends.

As for properties (owned or held on the basis of other rights in rem) forming part of rental package deals, the accurate and objective determination of the portion of fees pertaining to the real estate component has been ensured by making the exempt/taxable allocation on the basis of an expert appraisal to quantify the fair value of fees at each property that pertain to rent.

Likewise, the costs common to package deals as a whole (such as shopping center promotion and advertising costs) have been allocated to exempt and taxable operations in the same proportions used for rent. In this specific case, such a policy was thought to be more reliable and objective than an allocation based on the company's total revenue. Since these costs relate directly to the package deals and not to IGD's operations as a whole, their correlation with contractual fees is immediate and objective.

4.6.3 // Use of estimates

The preparation of the consolidated financial statements and notes in accordance with IFRS requires Management to follow accounting policies and methods that in some cases depend on difficult subjective quantifications and estimates based on past experience, and assumptions that are considered reasonable and realistic on a case-by-case basis. These affect the carrying values of assets and liabilities and disclosures of contingent assets and liabilities as of the reporting date. Estimates and assumptions are reviewed on a regular basis and any changes are reflected immediately in profit or loss. It is important to notice that assumptions on future performance are typically affected by a significant degree of uncertainty. Because assumptions about future performance are highly uncertain, actual results may differ from those forecast and may require sizable adjustments that cannot presently be foreseen or estimated.

The critical valuation processes and key assumptions used by management in the process of applying IFRS that may significantly impact the amounts presented in the consolidated financial statements or that may in the future lead to material differences with respect to the carrying amount of assets and liabilities are summarised below.

> Investment property and inventory

The real estate portfolio is appraised twice a year, at 30 June and 31 December, by independent external firms selected on the basis of the following criteria: *(i)* recognized European-level qualifications, *(ii)* specialised expertise in the retail segment, and *(iii)* reputability and independence. The selection of the independent appraisers is by resolution of the Board of Directors.

In line with recommendations from the supervisory authorities and the various industry best practices, the company has long followed a specific procedure that governs the rules for selecting independent appraisers and handling the information flows used in the process of assessing the properties' fair value.

To appraise the real estate portfolio at 31 December 2024, the following independent firms were selected: (i) CBRE Valuation S.p.A., (ii) Kroll Advisory S.p.A., (iii) Cushman & Wakefield LLP, and (iv) Jones Lang LaSalle S.p.A. Given their specialised expertise in the retail segment, IGD believes that the findings and assumptions used by the independent appraisers are representative of the market.

The properties in the portfolio are appraised individually, using for each one the appraisal techniques specified below in accordance with IFRS 13.

According to IFRS 13, an entity shall use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value is measured on the basis of observable transactions in an active market, and is adjusted, if necessary, to take account of the specific characteristics of the individual real estate investment. If that information is not available, to determine the fair value of an investment property, the company uses the discounted cash flow method (over a variable period of time depending on the duration of outstanding leases) relating to the future net rental income from the property. At the end of that period, it is assumed that the property will be sold at a value obtained by capitalizing the final year's rental income at an applicable market rate of return for similar investments.

The appraisal methods used, as specified in the individual certificates, are as follows:

> For malls and retail parks, offices, hypermarkets and supermarkets: discounted cash flow (DCF) method based on net rental income for the next n years. According to this method, at the end of the given period it is assumed that the property will be sold at a value obtained by capitalizing the final year's net rental income at an applicable market rate of return for similar investments;

> For construction in progress (extensions and new constructions): transformation method, based on the discounting of future rental income for the property net of construction costs through to completion and other expenses.

With the DCF method, the market value of an investment property is the sum of the present values of the net cash flows it will generate for a number of years depending on the duration of the outstanding contracts. During the period, when the contracts expire, the rent used to compute revenue is replaced with the estimated rental value (ERV) determined by the appraiser, taking account of the contractual rent received, so that in the final year of the DCF revenue consists entirely of ERV. At the end of the period, it is assumed that the property will be sold at a value obtained by capitalizing the final year's rental income at an applicable market rate (gross cap out rate) for

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similar investments.

With the transformation method, the market value of a property in the planning or construction phase is calculated by discounting the future income from renting the property, net of construction and other costs to be incurred, for a number of years depending on the duration of plans. At the end of the period, it is assumed that the property will be sold at a value obtained by capitalizing the final year's rental income at an applicable market rate (gross cap out rate) for similar investments.

In both methods based on the discounting of future income, the key elements are:

1) The amount of net cash flow:

a) For finished properties: rent received less property costs;

b) For construction in progress: estimated future rent less construction costs and property costs.

2) The distribution of cash flows over time:

a) For finished properties: generally even distribution over time;

b) For construction in progress: construction costs come before future rental income.

3) The discount rate;

4) The gross cap out rate.

In appraising the different types of properties in the real estate portfolio, the independent experts base their considerations primarily on:

1) Information received from IGD SIIQ, as follows:

(i) For finished properties: data on the rental status of each unit in each shopping center, as specified in the Company's internal procedure; property taxes; insurance and operating costs for the shopping centers; and any likely incremental costs;

(ii) For construction in progress: the start and end dates of the work, the status of building permits and authorizations, remaining costs, the state of progress, the ribbon-cutting date and projected rentals;

2) Assumptions used by the independent appraisers, such as inflation, discount rates, cap out rates and ERVs, determined through their own professional judgment upon careful observation of the market. The following are taken into account when determining the capitalization and discounting rates used to value individual properties:

> The type of tenant currently occupying the property or responsible for complying with rental obligations and the possible future occupants of vacant properties, as well as the market's general perception of their creditworthiness;

> The division of responsibilities for insurance and maintenance between the lessor and the lessee;

> The remaining economic life of the property.

The information provided by IGD to the independent appraisers and the latters' assumptions and appraisal methods are approved by the head of Real Estate Development and Management, who is responsible for organizing and coordinating the appraisal and for monitoring and verifying results before they are incorporated into the financial statements. The entire process is governed in detail by IGD SIIQ's internal procedure.

Disclosures on the fair value hierarchy are provided below in accordance with IFRS 13. The fair value hierarchy classifies into three levels the inputs to valuation techniques used to measure fair value. It gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). Specifically:

> Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

> Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs include the following:

(a) Quoted prices for similar assets or liabilities in active markets;

(b) Quoted prices for identical or similar assets or liabilities in markets that are not active;

(c) Inputs other than quoted prices that are observable for the asset or liability, for example:

(i) Interest rates and yield curves observable at commonly quoted intervals;

(ii) Implied volatilities; and

(iii) Credit spreads;

(d) Market-corroborated inputs.

> Level 3 inputs are unobservable inputs for the asset or liability.

The IGD Group real estate portfolio has been measured according to Level 3 fair value models as the inputs directly and indirectly unobservable in the market, used in the valuation models, are greater than the observable inputs.

The following table shows Gruppo IGD's investment property by type, measured at fair value at 31 December 2023. It does not include construction in progress (Porto Grande expansion, listed with assets under construction), which is measured at the lower of cost and appraised market value as opposed to fair value.

The unobservable inputs used to appraise the real estate portfolio (Level 3 of the fair value hierarchy) are as follows:

> Discount rate;

> Gross cap out rate;

> Annual rent per square meter.

The unobservable inputs that IGD SIIQ considers most meaningful are the discount rate and the gross cap out rate, as the sensitivity analysis has shown that any change in those values would have a significant impact on fair value.

The following table shows the ranges of unobservable inputs at 31 December 2024:

FAIR VALUE MEASUREMENTS 12/31/2024 Amount in € thousands	Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)	Significant inputs observable in the market (Level 2)	Significant inputs not observable in the market (Level 3)
Real Estate Investments in Italy			
Shopping malls and retail parks	0	0	1,354,314
Hypermarkets and supermarkets	0	0	183,604
Other	0	0	14,985
Total Real Estate Investments in Italy	0	0	1,552,902
Real Estate Investments in Romania			
Shopping malls	0	0	105,740
Office Building	0	0	2,900
Total Real Estate Investments in Romania	0	0	108,640
Real Estate Investment IGD Group	0	0	1,661,542
Rights of use (IFRS 16)			
Rights of use (IFRS 16)	0	0	10,292
Total rights of use (IFRS 16)	0	0	10,292
Assets held for sale			
Assets held for sale	0	0	8,520
Total assets held for sale	0	0	8,520
Total Real Estate Investments Gruppo IGD valued at Fair Value	0	0	1,680,354

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Porfolio	Appraisal method	Discount rate 12/31/2024		Gross Cap Out 12/31/2024		Yearly rent €/smq 12/31/2024	
		min	max	min	max	min	max
Total Malls / RP	Income based (DCF)	**7.00%**	**12,.0%**	**6.68%**	**14.23%**	**6**	**522**
Total Hyper / Supermkts	Income based (DCF)	**6.59%**	**8.13%**	**6.68%**	**7.62%**	**94**	**195**
Total Winmarkt	Income based (DCF)	**8.50%**	**10.60%**	**7.18%**	**26.57%**	**36**	**214**

Porfolio	Appraisal method	Discount rate 12/31/2023		Gross Cap Out 12/31/2023		Yearly rent €/smq 12/31/2023	
		min	max	min	max	min	max
Total Malls / RP	Income-based (DCF)	**7.05%**	**11.90%**	**6.69%**	**12.37%**	**8**	**533**
Total Hyper / Supermkts	Income-based (DCF)	**6.00%**	**8.30%**	**6.59%**	**12.26%**	**86**	**220**
Totale Winmarkt	Income-based (DCF)	**6.30%**	**10.50%**	**7.31%**	**23.22%**	**44**	**213**

The discount rates increased for all property classes due to the higher inflation rate used in the DCFs and estimated by the appraisal firms.

The Group conducts periodic sensitivity analyses on its properties to monitor the impact that changes ("shocks") in the most important unobservable inputs (discount rate and/or gross cap out rate), as a result of macroeconomic trends, would have on the value of its portfolio.

Rate shocks of +/-0.5% are tested individually and jointly to determine how they increase/decrease the value of the real estate portfolio by asset class. The sensitivity analysis at 31 December 2024 is reported below.

Sensitivity analysis at 31 December 2024

Asset class	Hypermarkets and supermarkets	Malls and retail parks	Other	Investment property Romania	Total
Market value at 12/31/2024 + 0,5 discount rate	**(6,114)**	**(47,652)**	**(591)**	**(4,220)**	**(58,577)**
Market value at 12/31/2024 - 0,5 discount rate	**6,348**	**49,857**	**579**	**4,280**	**61,064**
Market value atl 12/31/2024 + 0,5 Gross cap out	**(7,348)**	**(43,051)**	**(363)**	**(3,680)**	**(54,442)**
Market value at 12/31/2024 - 0,5 Gross cap out	**8,486**	**49,391**	**359**	**3,810**	**62,046**
Market value at 12/31/2024 + 0,5 discount rate + 0,5 Gross cap out	**(9,034)**	**(88,498)**	**(906)**	**(7,550)**	**(105,988)**
Market value at 12/31/2024 - 0,5 discount rate - 0,5 Gross cap out	**10,750**	**101,823**	**988**	**8,660**	**122,221**
Market value at 12/31/2024 + 0,5 discount rate - 0,5 Gross cap out	**(2,084)**	**(495)**	**(214)**	**(450)**	**(3,243)**
Market value at 12/31/2024 - 0,5 discount rate + 0,5 Gross cap out	**3,255**	**4,692**	**226**	**440**	**8.613**

Regarding the sensitivity of fair value measurements to changes in the main unobservable inputs, fair value would go down for increases in the discount rate and gross cap out rate.

Other variables that could reduce fair value are:

> An increase in operating costs and/or taxes;

> A decrease in rent or in estimated rental value for vacant space;

> An increase in estimated extraordinary charges.

Conversely, fair value would go up if these variables changed in the opposite direction.

> Recoverable amount of goodwill

The recoverable amount of goodwill is determined each year, or more frequently in the case of events or changes in circumstances that may indicate impairment. Impairment is identified through tests based on the ability of each cash generating unit to produce cash flows suitable for recovering the portion of goodwill that has been allocated to it, following the procedures specified in the section on intangible assets. See note 13 ("Goodwill") for further information.

> Recoverable amount of equity investments

On the basis of the fund regulations, the recoverable amount of IGD's investment in the "Fondo Juice" real estate investment fund is strictly correlated with fair value and with the sale value of the property investments managed.

> Recoverability of deferred tax assets

The Group has deferred tax assets on deductible temporary differences and theoretical tax benefits for losses carried forward. In estimating recoverable value, the Group considered the results of the business plan in keeping with those used for impairment testing.

> Fair value of derivative instruments

The fair value of interest rate swaps for which no active market exists is determined according to market-based quantitative techniques, i.e. accredited pricing models based on parameters taken as of the individual measurement dates, also with support from external consultants. This method therefore reflects a prioritization of the input data consistent with level 2 of the fair value hierarchy defined by IFRS 13: although quoted prices in active markets (level 1) are not available for these instruments, it is possible to base measurements on data observable either directly or indirectly in the market.

> Variable revenue

Variable revenue at 31 December is determined on the basis of annual earnings reports from the individual tenants, if available, and otherwise on the basis of monthly reports.

> Provision for doubtful accounts

The provision for doubtful accounts reflects estimated losses on receivables. Management closely monitors the quality of the receivables portfolio and the current and prospective conditions of the economy and IGD's markets. Estimates and assumptions are reviewed on a regular basis and any changes are reflected in the income statement of the pertinent year.

> Contingent liabilities

The Group recognizes a liability for pending disputes and legal actions when it believes that a financial outlay is likely and when the amount of the resulting losses can be reasonably estimated. If a financial outlay becomes possible but its amount cannot be determined, this is reported in the notes to the financial statements. The Group is involved in lawsuits and tax disputes concerning difficult, complex issues that present varying degrees of uncertainty, including with regard to the facts and circumstances of each case, matters of jurisdiction, and different applicable laws. Therefore, it is difficult to reach an accurate prediction of any outlays resulting from these disputes, and the provisions set aside for such matters may vary according to future developments.

The Group monitors the status of such litigation and consults with its attorneys and with experts in law and taxation.

4.6.4 // Segment reporting

IFRS 8 defines an operating segment as a component of an entity *(i)* that engages in business activities from which it may earn revenues and incur expenses, *(ii)* whose operating results are reviewed regularly by the entity's chief operating decision maker, and *(iii)* for which discrete financial information is available. Given the nature of its activities, the Group has three main operating segments: core business properties, services, and trading. For a more in-depth description of the core real estate and services segments, see section 2.1.1. Information on the trading segment is provided in the Directors' Report with reference to the Porta a Mare project. These segments also represent the highest levels of performance analysis by Group management.

In accordance with IFRS 8, the income statement and the statement of financial position are broken down below by

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4.6 NOTES TO THE FINANCIAL STATEME

operating segment, followed by a geographical breakdown of revenue from freehold properties.

Income Statement	Core Business Properties		Services		"Porta a Mare" Project		Unshared		Total	
	31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23
Total revenues and operating income	134,755	142,370	8,218	7,673	2,276	6.245	0	0	145,249	156,288
Change in work in progress inventories	0	0	0	0	(1,184)	(4,937)	0	0	(1,184)	(4,937)
Direct costs (a)	(21,057)	(22,785)	(6,469)	(5,720)	(1,340)	(1,799)	0	0	(28,866)	(30,304)
G&A expenses (b)	0	0	0	0	0	0	(13,489)	(13,385)	(13,489)	(13,385)
Total operating costs (a)+(b)	(21,057)	(22,785)	(6,469)	(5,720)	(1,340)	(1,799)	(13,489)	(13,385)	(42,355)	(43,689)
(Depreciation and provisions)	(3,313)	(1,946)	(35)	(8)	0	0	0	0	(3,348)	(1,954)
(Impairment) / Reversals on work in progress inventory	114	(409)	0	0	(846)	(333)	0	0	(732)	(742)
Change in fair value - increases / (decreases)	(31,141)	(132,772)	0	0		(5,250)	0	0	(31,141)	(138,022)
Total depreciation, provisions, impairment and change in fair value	(34,340)	(135,127)	(35)	(8)	(846)	(5,583)	0	0	(35,221)	(140,718)
OPERATING RESULT	79,358	(15,542)	1,714	1,945	(1,094)	(6,074)	(13,489)	(13,385)	66,489	35,549

Balance Sheet	Core Business Properties		Services		"Porta a Mare" Project		Unshared		Total	
	31-dic-24	31-dic-23	31-dic-24	31-dic-23	31-dic-24	31-dic-23	31-dic-24	31-dic-23	31-dic-24	31-dic-23
Investment property	1,671,834	1,959,053	0	0	0	0	0	0	1,671,834	1,959,053
Assets under construction	2,484	2,364	0	0	0	0	0	0	2,484	2,364
Intangible assets	5,641	5,641	1,262	1,007	0	0	578	1,012	7,481	7,660
Other tangible assets	2,168	2,553	71	31	0	0	6,798	6,790	9,037	9,374
Non current assets held for sale	8,520	0	0	0	0	0	0	0	8,520	0
Sundry receivables and other non current assets	0	0	0	0	0	0	140	112	140	112
Equity investments	105,983	25,693	0	0	0	0	22	22	106,005	25,715
NWC	(16,386)	(17,397)	1,275	1,145	20,484	20,062	(962)	0	4,411	3,810
Funds	(6,210)	(7,583)	(1,601)	(1,602)	(48)	(50)	(2,786)	0	(10,645)	(9,235)
Sundry payables and other non current liabilities	(5,681)	(13,561)	0	0	(4,039)	(4,039)	(1,103)	0	(10,823)	(17,600)
Net deferred tax (assets)/ liabilities	(13,059)	(13,651)	0	0	2,559	2,561	397	0	(10,103)	(11,090)
Net (assets) liabilities for derivative instruments	0	0	0	0	0	0	(1,594)	(1,205)	(1,594)	(1,205)
Net invested capital	1,755,294	1,943,112	1,007	1,844	18,956	18,534	1,490	6,731	1,776,747	1,968,958

Revenues from freehold properties	North		Center - South - Islands		Abroad		Total	
	31-dic-24	31-dic-23	31-dic-24	31-dic-23	31-dic-24	31-dic-23	31-dic-24	31-dic-23
Lease and rental income	65,001	74,287	44,863	44,416	10,152	10,045	120,016	128,748
One-off revenues	18	10	0	0	0	0	18	10
Temporary revenues	2,459	2,564	1,372	1,392	0	0	3,831	3,956
Other rental income	143	146	1,305	281	23	34	1,471	461
Total	67,621	77,007	47,540	46,089	10,175	10,079	125,336	133,175

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4.6 NOTES TO THE FINANCIAL STATEME

4.6.5 // Notes to the consolidated financial statements

> NOTE 1) REVENUE AND OTHER INCOME

	Note	12/31/2024	12/31/2023	Change
Revenue	1	134,755	142,370	(7,615)
Revenues from third parties		117,661	116,560	1,101
Revenues from related parties		17,094	25,810	(8,716)
Other revenue	2.1	8,218	8,090	128
Other revenues from third parties		4,194	4,528	(334)
Other revenues from related parties		4,024	3,562	462
Revenues from property sales	2.2	2,276	6,245	(3,969)
Operating revenues		145,249	156,705	(11,456)

At 31 December 2024, Gruppo IGD achieved total revenues of €145,249 thousand, including Euro 2,276 thousand in trading revenues for the sale of 4 residential units and 5 garages in the Officine Storiche residential sub-area.

The decrease compared to the previous financial year, equal to Euro 11,456 thousand, is due to the effects of the contribution to the Food real estate fund of 8 hypermarkets, 3 supermarkets and 2 shopping malls and to lower trading revenues only partially offset by the increase in Revenues from third parties and Other revenues. See the notes below for details.

> NOTE 1.1) REVENUE

	Note	12/31/2024	12/31/2023	Change
Freehold hypermarkets - Rents and business leases from related parties	a.1	15,443	23,865	(8,422)
Freehold hypermarkets - Rents and business leases from third parties	a.2	1,620	2,047	(427)
Freehold supermarkets – Rents and business leases from related parties	a.3	102	317	(215)
Freehold supermarkets – Rents and business leases from third parties	a.3	73	235	(162)
TOTAL HYPERMARKETS / SUPERMARKETS	a	17,238	26,464	(9,226)
Freehold malls, offices and city center	b.1	103,406	102,493	913
Rents		20,590	20,126	464
To related parties		526	506	20
To third parties		20,064	19,620	444
Business leases		82,816	82,367	449
To related parties		709	776	(67)
To third parties		82,107	81,591	516
Leasehold malls	b.2	8,900	8,693	207
Rents		502	486	16
To related parties		36	35	1
To third parties		466	451	15
Business leases		8,398	8,207	191
To related parties		204	202	2
To third parties		8,194	8,005	189
Other contracts and temporary rents	b.3	5,211	4,720	491
Other contracts and temporary rents		5,137	4,611	526
Other contracts and temporary rents - related parties		74	109	(35)
TOTAL MALLS	b	117,517	115,906	1,611
GRAND TOTAL	a+b	134,755	142,370	(7,615)
of which related parties		17,094	25,810	(8,716)
of which third parties		117,661	116,560	1,101

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Revenue from malls increased by €1,611 thousand, while revenue from hypermarkets and supermarkets was down by €9,226 thousand.

Third-party rent and business lease revenue from freehold malls, offices, and city center properties rose by €1,611 thousand as a result of new openings and the ISTAT adjustment for inflation, only partially compensated by the effect of the transfer of 2 malls to the Food fund. Third-party rent and business lease revenue from freehold malls, offices, and city center properties rose by €47 thousand as a result of new openings and the ISTAT adjustment for inflation.

Revenue from freehold hypermarkets and supermarkets rent decreased by €9,226 thousand on the previous year, due mainly for the transfer to the Food fund of 8 hypermarkets and 3 supermarkets.

Variable lease revenue amounts to roughly 1.73% of the Group's total revenue.

Except for Coop Alleanza 3.0, the Group does not earn more than 10% of its revenue from a single client. For information on transactions with Coop Alleanza 3.0, see Note 39.

Further details on revenue performance can be found in Section 2.2.1 Income statement review of the Directors' Report.

> NOTE 2.1) OTHER INCOME

	12/31/2024	12/31/2023	Change
Out-of-period income/ charges	45	422	(377)
Facility management revenues	3,114	3,088	26
Portfolio and rent management revenues	519	632	(113)
Pilotage and construction revenues	310	255	55
Marketing revenues	154	141	13
Other income	52	1	51
Other revenues from third parties	4,194	4,528	(334)
Revenues for Management of Centers vs Related Parties	3,374	3,306	68
Pilotage and construction revenues from related parties	0	67	(67)
Marketing revenues vs related parties	124	0	124
Portfolio and rent management revenues from related parties	526	8	518
Other income from related party	0	181	(181)
Other revenues from related parties	4,024	3,562	462
Other revenue	8,218	8,090	128

Other income increased by €128 thousand on the previous year, thanks primarily to revenue from portfolio management and marketing revenue. During the financial year, the subsidiary IGD Service S.r.l. established a new division called "third parties" to implement property and facility management services for third parties, using know-how developed over the years with the management of the Group's freehold malls.

Other income from third parties dropped €334 thousand as a result of a decrease of €377 thousand in contingent assets, only partially offset by an increase in marketing and portfolio management revenue. In 2023 contingent assets mainly consisted in a refund received following a positive ruling by the appellate court on a lawsuit regarding former employees of a tenant who had leased retail space from the Group at Conè shopping center.

Other income from related parties increased by Euro 462 thousand mainly due to revenues from property management and marketing generated in 2024 towards the Food Fund and the subsidiary of the Food SPV fund.

> NOTE 2.2) INCOME FROM THE SALE OF TRADING PROPERTIES

Revenues from the sale of properties in 2024, referring to the Porta a Mare project and amounting to €2,276 thousand refer to 4 residential units and 5 parking spaces in Officine Storiche. At 31 December 2023, 13 residential units, 12 enclosed garage units and 2 parking spaces had been sold.

As of 31 December 2024, 34 deeds of sale had been signed and 2 binding proposals received, with a deed scheduled for the first half of 2025 over a total of 42 residential units, for the Officine Storiche sub-area.

> NOTE 3) SERVICE COSTS

	12/31/2024	12/31/2023	Change
Service costs from third parties	15,672	16,720	(1,048)
Paid rents	293	266	27
Utilities	163	161	2
Promotional and advertising expenses	138	129	9
Centers management espenses for vacancies	2,890	4,052	(1,162)
Centers management expenses for ceiling to tenants' costs	2,881	2,671	210
Facility management administration costs	738	855	(117)
Insurances	1,183	1,144	39
Professional fees	322	163	159
Directors' and statutory auditors's fees	1,026	948	78
External auditing fees	263	239	24
Investor relations, Consob, Monte Titoli costs	492	488	4
Shopping center pilotage and construction costs	17	19	(2)
Consulting	1,421	1,280	141
Real Estate appraisals fees	425	658	(233)
Maintenance and repair expenses	207	174	33
Co-marketing expenses	187	906	(719)
Out-of-period (income) / charges	(19)	(35)	16
Other costs of service	3,045	2,602	443
Costs for services to related parties	3,904	4,328	(424)

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4.6 NOTES TO THE FINANCIAL STATEME

	12/31/2024	12/31/2023	Change
Promotional and advertising expenses	5	3	2
Pilotage and construction costs	24	0	24
Service	63	151	(88)
Centers management expenses for vacancies	1,377	1,275	102
Related party center management expenses for ceiling to tenant costs	1,313	1,334	(21)
Insurances	46	4	42
Directors' and statutory auditors' fees	131	38	93
Consulting	16	0	16
Maintenance and repair expenses	1	0	1
Co-marketing expenses	928	1,523	(595)
Service costs	19,576	21,048	(1,472)

Service costs were down €1,472 thousand compared to the previous year. The decrease in costs for third-party services, amounting to € 1,048 thousand, is mainly due to the decrease in shopping centre management costs for vacant units and co-marketing costs including in relation to the sale to the Food Fund already described above.

Related party service costs decreased by €424 thousand, primarily as a result of the decrease in co-marketing and IT service costs.

> NOTE 4) COST OF LABOR

	12/31/2024	12/31/2023	Change
Wages and salaries	8,343	8,195	148
Social security	2,219	2,105	114
Severance pay	531	464	67
Other costs	228	285	(57)
Cost of labour	11,321	11,049	272

The item “cost of labour” shows a slight increase compared to the previous financial year.

The workforce is broken down by category below:

	12/31/2024	12/31/2023
Executives	6	5
Middle managers	27	28
Junior managers	73	70
Clerks	63	66
Total	169	169

> NOTE 5) OTHER OPERATING COSTS

	12/31/2024	12/31/2023	Change
IMU / TASI / Property tax	7,491	8,270	(779)
Other taxes	99	104	(5)
Contract registrations	404	439	(35)
Out-of-period income / changes	77	111	(34)
Membership fees	102	117	(15)
Losses on receivables	791	325	466
Fuel and tolls	313	296	17
Other costs	147	294	(147)
Other operating costs	9,424	9,956	(532)

Other operating costs decreased compared to the previous financial year mainly due to a decrease in IMU (municipal property tax) charges following the sale to the Food Fund of a property portfolio consisting of 8 hypermarkets, 3 supermarkets and 2 shopping malls, only partially offset by the increase in losses on receivables.

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4.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 6) CHANGE IN WORK IN PROGRESS INVENTORY AND REALISATION COSTS

	12/31/2024	12/31/2023	Change
Construction costs of the period	**898**	**768**	**130**
Change in inventories for disposal	**(2,082)**	**(5,705)**	**3,623**
Change in inventory	**(1,184)**	**(4,937)**	**3,753**

The change in work in progress inventory relating to the land, buildings, and urban infrastructure works of the multifunctional complex in Livorno was negative by €1,184 thousand at 31 December 2024, and refers to work carried out during the year for the implementation of the Officine sub-area residential complex and works concerning the Molo, Lips and Arsenale sub-areas for €898 thousand net of the sales of residential units (for further details please see Note 22).

> NOTE 7) DEPRECIATION, AMORTIZATION, PROVISIONS AND CHANGE IN FAIR VALUE

	12/31/2024	12/31/2023	Change
Amortization of intangible assets	**(521)**	**(381)**	**(140)**
Amortization of tangible assets	**(812)**	**(755)**	**(57)**
Provisions for risks	**(2,015)**	**(1,235)**	**(780)**
Depreciations, amortization and provision	**(3,348)**	**(2,371)**	**(977)**
Provisions for doubtful accounts	**(1,136)**	**(440)**	**(696)**
(Impairment losses) / Reversals on work in progress and inventories	**(732)**	**(742)**	**10**
Change in fair value	**(31,141)**	**(138,022)**	**106,881**
Depreciation, amortization, provisions, impairment and change in fair value	**(36,357)**	**(141,575)**	**105,218**

Amortization of intangible assets increased by €140 thousand mainly due to the amortization of costs related to the implementation of the integrated accounting, management and treasury system and the personnel management software.

Depreciation of tangible fixed assets increased following investments in the previous year for the purchase of equipment at the new mixed-use complex of Officine Storiche.

Other provisions were made to cover the likely charges arising from the estimated outcome of three IMU disputes regarding La Torre, shopping center in Palermo (€75 thousand), the Esp shopping center in Ravenna (€53 thousand) and the Tiburtino shopping center in Guidonia (€500 thousand). During the year, €112 thousand were set aside in relation to works at Centro Lame and Clodì shopping centres, sold in 2024, the cost of which is to be borne by IGD, and €1,300 million in relation to works at the “Winmarkt Somes” shopping centre in Cluj, which is to be sold in February 2025, the cost of which is to be borne by Win Magazin SA.

Net provisions for doubtful debts as of 31 December 2024 amount to €1,136 thousand, an increase compared to €440 thousand as of 31 December 2023. Net provisions in Italy amount to €1,117 thousand and consist of gross provisions for €2,150 thousand and use of provisions in income statement of €1,033 thousand euros. During 2024, provisions concerning new positions pending litigation amounted to €1,774 thousand, while the increase in provisions following the invoicing of the period on prior-years impaired positions for €376 thousand euros.

"(Impairment losses)/reversals on work in progress and inventory" (negative by €732 thousand) includes impairment (€846 thousand) in the residential Officine, Molo, Lips and Arsenale sub-areas based on the results of appraisals at 31 December 2024 on investments by independent experts only partially compensated by the revaluation (€114 thousand), on the Porto Grande development project (commented in Note 17), listed with assets under construction, to bring the carrying amount into line with the lower of cost and market value as stated in the appraisal of 31 December 2024;

The change in fair value (negative by €31,141 thousand) can be broken down as follows:

> An impairment loss of €6,702 thousand on right-of-use assets from application of IFRS 16, including increases for the year;

> An impairment loss of €17,476 thousand for extraordinary maintenance on the freehold and leasehold properties of Gruppo IGD’s Italian companies;

> An impairment loss of €1,048 thousand for extraordinary maintenance on freehold properties of the Romanian subsidiary Win Magazin SA;

> An impairment loss of €1,055 thousand for the adjustment to fair value of the investment property of Gruppo IGD’s Italian companies, based on independent appraisals as of 31 December 2024;

> An impairment loss of €4,860 thousand for the adjustment to fair value of the freehold investment property of the Romanian subsidiary Win Magazin SA, based on the findings of independent appraisals as of 31 December 2024 on such investments by independent experts.

> NOTE 8) INCOME/(LOSS) FROM EQUITY INVESTMENTS AND ASSET DISPOSALS

	12/31/2024	12/31/2023	Change
Result of Property Contribution to the Food Fund	**(4,689)**	**0**	**(4,689)**
Result of Deconsolidation of the Food Fund	**(24,411)**	**0**	**(24,411)**
Capital Losses on Asset Disposal	**(38)**	**0**	**(38)**
Result of Investment Management	**(12)**	**(50)**	**38**
Result of Investment Management and Property Disposal	**(29,150)**	**(50)**	**(29,100)**

As further described in para. 2.5 “Significant events of the period” in the Directors’ report, on 23 April 2024 IGD signed the final contract for the execution of the preliminary agreement disclosed to the market on 23 February, with Sixth Street and subsidiaries of Starwood Capital and Prelios SGR S.p.A.

The operation consisted of the sale by IGD of a real estate portfolio of 8 hypermarkets, 3 supermarkets and 2 shopping malls.

The transaction was carried out through a closed-end real estate investment fund (an Italian REIF) called Food Fund managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. The difference between the carrying amount of the properties and the contribution value of €258 million was negative by €4.7 million.

Subsequent to the contribution, IGD sold 60% of the fund units (class A shares with preferred returns) to a Luxembourg vehicle (50% Sixth Street and 50% Starwood Capital) for a consideration of €155 million, and maintaining the ownership of the remaining 40% (class B shares with subordinated returns). The investment retained in the Food fund (which became an associate investment following the sale of 60% of the units) was recorded at its fair value on the date of loss of control using the discounted cash flow method. This assessment resulted in a write-down of €24.4 million.

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> NOTE 9) FINANCIAL INCOME AND CHARGES

	12/31/2024	12/31/2023	Change
Bank interest income	**334**	**55**	**279**
Other interets income and equivalents	**50**	**458**	**(408)**
Exchange rate (losses)/ gains	**3**	**1**	**2**
Financial income from third parties	**387**	**514**	**(127)**
Interest income from related parties	**5**	**0**	**5**
Financial income from related parties	**5**	**0**	**5**
Financial Income	**392**	**514**	**(122)**

Financial income overall decreased compared to the previous financial year by €122 thousand, mainly due to the negative variation by €408 thousand in interest and other income, only partially offset by the increase in bank interest income by €279 thousand.

	12/31/2024	12/31/2023	Change
Interest expenses on security deposits	**165**	**521**	**(356)**
Interest expenses to related party	**0**	**0**	**0**
Financial charges from related parties	**165**	**521**	**(356)**
Interest expenses to banks	**99**	**37**	**62**
Amortized mortgage loan costs	**35,284**	**28,234**	**7,050**
Loans amortized costs	**3,151**	**2,140**	**1,011**
IRS spread	**(2,228)**	**(2,645)**	**417**
Bond financial charges	**18,512**	**11,807**	**6,705**
Bond amortized costs	**9,828**	**6,075**	**3,753**
Financial charges on leasing	**103**	**112**	**(9)**
IFRS16 Financial charges	**1,342**	**1,522**	**(180)**
Other interests and charges	**1,271**	**1,368**	**(97)**
Financial charges from third parties	**67,362**	**48,650**	**18,712**
Financial charges	**67,197**	**48,129**	**19,068**

Financial charges increased by €19,068 thousand.

Related party financial charges decreased due to the drop of the legal interest rate on security deposits and the transfer to the Food fund of a part of cautionary deposits for the sold properties.

Financial charges from third parties rose by €18,712 thousand, mostly as a result of:

> Higher interest on loans due to a new €250 million loan taken out in May 2023;

> Higher financial charges on bonds reflecting the issue of a new €400 million bond and a partial exchange for bond notes reaching maturity in November 2024, taken out in November 2023;

> The increase in the amortised cost of the bond loans and the impact following the partial reimbursement operation described in par. 2.5 "Events of the period" in the Directors' report.

At 31 December 2024, the average cost of debt (without considering recurring and non-recurring transaction costs) was 6.04%, up from 3.86% at 31 December 2023, while the effective average cost of debt went from 4.71% to 7.55% at 31 December 2023.

> NOTE 10) INCOME TAXES

	12/31/2024	12/31/2023	Change
Current taxes	**1,137**	**1,161**	**(24)**
Deferred tax liabilities / (tax assets)	**(911)**	**(1,179)**	**268**
Out-of-period income / charges - Provisions	**62**	**(13)**	**75**
Income taxes	**288**	**(31)**	**319**

The overall current and deferred tax effect is negative by €288 thousand at 31 December 2024, an increase of €319 thousand compared to the figure at 31 December 2023.

Current taxes are in line with the same period of the previous financial year.

The change in deferred taxes for the same period of the previous year (€268 thousand) is mainly due to: *(i)* adjustments reflecting the change in fair value of the investment property held by the non-SIIQ subsidiary Win Magazin S.A., and *(ii)* the effects of applying international accounting standard IFRS 16 to the lease agreement for the mall at Centro Nova shopping center.

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4.6 NOTES TO THE FINANCIAL STATEME

Reconciliation of income taxes applicable to pre-tax profit	12/31/2024	12/31/2023
Pre-tax profit	**(29,796)**	**(65,097)**
Theorical tax charges (rate 24%)	**0**	**0**
Profit resulting in the income statement	**(29,796)**	**(65,097)**
Increases:		
IMU-Property tax	**6,910**	**7,986**
Negative fair value	**31,141**	**128,006**
Impairment on work in progress and inventories	**732**	**742**
Tax capital gains on Juice fund contribution	**0**	**0**
Other increases	**20,646**	**52,610**
Decreases:		
Change in tax-exempt income	**10,986**	**(41,799)**
Deductible depreciation	**(367)**	**(324)**
Other changes	**(28,761)**	**(19,584)**
Tax Income	**11,491**	**62,540**
Use of past losses	**1,627**	**0**
Use of ACE benefit	**765**	**2.,20**
Tax Income net of losses and ACE benefit	**9,099**	**59,620**
Lower current taxes reported directly in net equity	**0**	**0**
Current taxes for the year	**878**	**878**
Income from tax consolidation	**0**	**0**
Current IRES for the year (a)	**878**	**878**
Difference between value and cost of production	**100,072**	**99,997**
Theorical IRAP (3.9%)	**3,903**	**3,900**
Difference between value and cost of production	**100,072**	**99,997**
Changes:		
Increases	**9,228**	**9,795**
Decreases	**(13,462)**	**(12,984)**
Change in tax-exempt income	**(83,544)**	**(90,864)**
Other deductions	**(6,707)**	**(6,190)**
Taxable IRAP Income	**5,587**	**(246)**
Lower IRAP taxes reported directly in net equity	**0**	**0**
Current IRAP for the year (b)	**259**	**283**
Total current taxes (a+b)	**1,137**	**1,161**

Current taxes (IRES) for 2024 were generated by the Romanian subsidiaries which reported positive taxable income.

Size-wise, because it is controlled by Coop Alleanza (the "ultimate parent entity" or UPE), the Group is affected by the new Pillar Two Model Rules. With support from its consultants, the UPE has used provisional 2024 data to determine the scope of application and the potential impact of the new rules on the jurisdictions falling within the scope of consolidation, including through use of the transitional safe harbours applicable to the three-year transitional period 2024-2026 as allowed by the OECD guidelines. On the basis of those analyses, the new rules are not expected to have an impact on the Company or the Group, since the safe harbour – routine profit test is fully applicable.

> NOTE 11) EARNINGS/(LOSS) PER SHARE

As requested by IAS 33 (par. 66), the income statement presents the basic and diluted earnings/(loss) per share for profit or loss from continuing operations attributable to the ordinary equity holders of the group parent. The calculations have been made considering the effects of treasury shares held during the year. The information is provided on the basis of consolidated figures only under IAS 33.

	12/31/2024	12/31/2023
Net profit (loss) attributable to IGD SIIQ S.p.A. shareholders	**(30,084)**	**(81,732)**
Diluted net profit (loss) attributable to IGD SIIQ S.p.A. shareholders	**(30,084)**	**(81,732)**
Weighted average number of ordinary shares for purposes of basic earnings per share	**110,341,903**	**110,341,903**
Weighted average number of ordinary shares of purposes of diluted earnings per share	**110,341,903**	**110,341,903**
Basic earnings (loss) per share	**(0.273)**	**(0.741)**
Diluted earnings (loss) per share	**(0.273)**	**(0.741)**

> NOTE 12) INTANGIBLE ASSETS WITH FINITE USEFUL LIVES

	01/01/2023	Increase	Decrease	Depreciation	12/31/2023
Intangible assets with finite useful lives	**796**	**597**	**0**	**(381)**	**1,012**

	01/01/2024	Increase	Decrease	Depreciation	12/31/2024
Intangible assets with finite useful lives	**1.012**	**342**	**0**	**(521)**	**833**

Intangible assets with finite useful lives consist of expenses incurred for the design and registration of company trademarks and for business software. Trademarks are amortised over ten years and software over three years. During the year there were no impairment losses or reversals on intangible assets. The increases for the year mainly relate to implementation costs for the integrated accounting, management, and treasury system and the new HR management software.

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4.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 13) GOODWILL

	01/01/2023	Increase	Value reduction	Change in scope/extraordinary transaction	12/31/2023
Goodwill	**7,085**	**0**	**(437)**	**0**	**6,648**

	01/01/2024	Increase	Decrease	Change in scope/extraordinary transaction	12/31/2024
Goodwill	**6,648**	**0**	**(12)**	**12**	**6,648**

Goodwill remains the same as the previous year. Following the first consolidation of the newly established Alliance SIINQ S.r.l., there emerged a difference on consolidation for €12 thousand allocated to goodwill, completely written down as of 31 December 2024.

Goodwill has been allocated to the individual cash generating units (CGUs).

For each goodwill amount in the financial statements, the Group has indicated the pertinent CGU, distinguishing between:

i. goodwill from the purchase of companies with investment property;

ii. goodwill from the purchase of business units.

The first category consists of goodwill from the purchase of Win Magazin S.A., while the second is made up of goodwill from the purchase of the business units Winmarkt Management S.r.l., Centro Nova, San Donà, Darsena, Service, and Fonti del Corallo.

Below is the breakdown of goodwill by CGU at the end of 2024 and 2023:

Goodwill	12/31/2024	12/31/2023
Win Magazin S.A.	**3,972**	**3,972**
Winmarkt Management s.r.l.	**1**	**1**
Darsena	**123**	**123**
Fonti del Corallo	**1,000**	**1,000**
Centro Nova	**546**	**546**
Service	**1,006**	**1,006**
Goodwill	**6,648**	**6,648**

Goodwill for Win Magazin refers to the purchase price allocation of the difference between the price paid and the fair value of the assets and liabilities acquired with Win Magazin S.A. The recoverability of the goodwill allocated to this CGU has been analysed on the basis of the property appraisals by CBRE Valuation S.p.A. and Kroll Advisory S.p.A. in accordance with the criteria described earlier in these notes ("use of estimates"). Specifically, this goodwill covers the possibility to sell properties owned by the subsidiary (through the equity investment) without incurring taxes. Therefore, recoverability derives from the tax savings that could be achieved from the investment's sale and is measured on the basis of the deferred tax provision covering the higher book value of the property with respect to the tax-deductible amount.

The results of the impairment test are summarized below:

Impairment Test result	Recoverable Amount	Carrying Amount	Cover/ (Impairment)
Winmagazin S.A.	**14,787**	**3,972**	**10,815**

The impairment tests showed that the goodwill recognized for Win Magazin S.A. is recoverable and therefore no adjustments to that amount are necessary.

Goodwill relating to the CGUs: Goodwill for the CGUs Fonti del Corallo, Centro Nova, Darsena, Service, and Winmarkt Management S.r.l. pertains to business management for properties owned by the Group and third parties, as well as services (facility management) provided at shopping centers owned by the Group and by third parties.

Specifically, for goodwill relating to the business units Fonti del Corallo, Centro Nova, and Darsena, the recoverable amount has been inferred from similar market transactions. For goodwill on Fonti del Corallo, value in use was adjusted to the amount stated in the contract with BNP Paribas for the sale of the retail licenses for the mall, to be finalised in 2026 when the current lease expires.

The results of impairment tests are summarised below:

Impairment Test result	Recoverable Amount	Carrying Amount	Cover / (Impairment)
Centro Nova	**1,739**	**546**	**1,193**
Darsena	**442**	**123**	**319**
Fonti del Corallo	**1,000**	**1,000**	**0**

The impairment tests showed that the goodwill recognized in the financial statements is recoverable and therefore no adjustments are necessary.

For the "Service" CGU, the value in use method was used to assess recoverability. The recoverable amount (enterprise value) was calculated by summing the unlevered free cash flows discounted to present value for the explicit forecast period and the present value of the terminal value calculated after the last year of the explicit period.

At 31 December 2024, Unlevered Free Cash Flows were calculated based on the data of the 2025-2027 business plan approved by the Board of Directors on 20 November 2024. Future cash flows were determined based on figures for 2025-2027. In particular, the gross operating margin was considered, after deducting taxes and planned investments.

For periods beyond the third year, the Group calculates the terminal value using the perpetuity method, i.e. on the basis of cash flows from operating activities assuming continuity beyond the explicit period.

The main assumptions used to calculate value in use are set out below:

> Discount rate (WACC, weighted average cost of capital invested) of 6.94% (6.80% at 31 December 2023);

> Estimated future cash flows: cash flows were used as reference as described above;

> Perpetuity growth rate (g) of 2%, unchanged since 31 December 2023.

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Impairment Test result	Recoverable Amount	Carrying Amount	Cover / (Impairment)
Service	21,533	1,012	20,521

The impairment test showed that the goodwill recognized in the financial statements is recoverable and therefore no adjustments are necessary. Goodwill for Winmarkt Management S.r.l. was not tested for impairment as the amount is immaterial.

Because the Group's stock market capitalization is lower than consolidated net equity, the directors also arranged for a second-level impairment test even though equity is essentially in line with fair value, considering expert appraisals of the entire property portfolio.

The method used to assess the recoverability of net invested capital is value in use, determined on the basis of unlevered free cash flow. The recoverable amount (enterprise value) was calculated by summing the unlevered free cash flows discounted to present value for the explicit forecast period and the present value of the terminal value calculated after the last year of the explicit period. For further information on the method of calculating recoverable amount, see above with regard to the recoverability of goodwill for the "Service" CGU. The data contained in the 2025-2027 Industrial Plan approved by the Board of Directors on 20 November 2024 were used to calculate the Unlevered Free Cash Flows. Future cash flows were determined based on figures for 2025-2027. In particular, the gross operating margin was considered, after deducting taxes and planned investments.

The main assumptions used to calculate value in use are set out below:

> Discount rate (WACC, weighted average cost of capital invested) of 6.94% (6.80% at 31 December 2023);

> Estimated future cash flows: cash flows were used as reference as described above;

> Perpetuity growth rate (g) of 2%, unchanged since 31 December 2023.

The outcome of the impairment test is summarised below:

Impairment Test result	Recoverable Amount	Carrying Amount	Cover/ (Impairment)
IGD Group - II Level Test	1,810,830	1,776,747	34,083

The test found no evidence of impairment.

In accordance with section 1.2.3. of the Organismo Italiano di Valutazione (OIV) document "Impairment testing on goodwill in financial and real crisis situations," which states that "management must assess the reasonableness of the difference between the recoverable amount and the stock exchange price, in light of all elements that may help explain such a difference," the main factors identified are reported below:

> Management view and assumptions vs. broker consensus;

> Inputs used to calculate value in use, in terms of cash flows, discount rates, and any key variables;

> Different horizons (the market has an investment horizon, hence short-term);

> Other valuation methods (value in use and fair value);

> Liquidity of the shares;

> Excessive market reaction to news or information.

Finally, the Group ran sensitivity analyses to measure the impact that changes in the most significant unobservable inputs (WACC, growth rate, and cash flows), due to changes in the macroeconomic scenario, would have on the outcome of the second level impairment tests. An additional 0.1% increase in WACC, an equal reduction in the growth rate, or a €3 million drop in cash flows in both the explicit period and terminal value would reduce the existing coverage to zero.

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4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 14) INVESTMENT PROPERTY

As required by IAS 40, the following table reconciles the opening and closing value of investment property, with increases, decreases, and changes in fair value shown separately.

	01/01/2023	Increase	Decrease	Revaluation	Devaluation	Reclassification	12/31/2023
Investment property	2,016,097	11,877	0	21,216	(145,679)	38,556	1,942,066
Right-of-use IFRS16	25,233	62	0	0	(8,309)	0	16,987
Investment property	2,041,330	11,939	0	21,216	(153,988)	38,556	1,959,053

	01/01/2024	Increase	Decrease	Revaluation	Devaluation	Reclassification	12/31/2024
Investment property	1,942,066	18,575	(266,140)	15,676	(40,115)	(8,520)	1,661,542
Right-of-use IFRS16	16,987	7	0	0	(6,702)	0	10,292
Investment property	1,959,053	18,582	(266,140)	15,676	(46,817)	(8,520)	1,671,834

The decrease in the financial year, compared to 31 December 2023, of the item Investment Property is determined by the following factors:

> Contribution to the FOOD real estate fund: contribution of 8 hypermarkets, 3 supermarkets and 2 shopping malls, whose carrying value in IGD SIIQ was equal to €262,505 thousand.

> Expropriation of an area used as a parking lot: during the second half of 2024, the expropriation of a portion of land used as a parking lot for Le Porte di Napoli shopping center in favour of Rete Ferroviaria Italiana, for an amount of €3,603 thousand;

> Sale of a parcel including a dock and an unfinished building: in October 2024, a dock parcel, including an unfinished building to be used for service facilities, at Officine Storiche di Livorno, was sold to Porta a Mare S.p.A., for a consideration of €32 thousand;

> Reclassification of assets held for sale: on 14 February 2025, the subsidiary Win Magazin S.A. signed an agreement for the sale of "Winmarkt Somes", in Cluj, to a Romanian private investor. As of 31 December 2024, the fair value of the property, equal to €8,520 thousand, was reclassified among assets held for sale;

> Extraordinary maintenance works: continuation of works for a total value of €18,582 thousand, mainly relating to the following works:

> Restyling of the Leonardo shopping center;

> Fit-out at the mixed-use complex of Officine Storiche, the Darsena City and Porto Grande shopping malls;

> Waterproofing and securing of roofs at the Città delle Stelle shopping center;

> Revamping at ESP and Le Maioliche shopping centers.

> Fair value adjustments: Specifically, investment property was revalued at €18,575 thousand and written down by €40,115 thousand for a net negative impact of €24,439 thousand;

> Impairment of right-of-use assets: reduction in the value of rights of use for the shopping malls of Centro Nova and Fonti del Corallo, based on valuations carried out by an independent expert, for a total amount of €6,702 thousand.

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4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 15) BUILDINGS

	01/01/2023	Increase	Decrease	Amortization	12/31/2023
Historical cost	10,201	38	0	0	10,239
Depreciation fund	(3,203)	0	0	(246)	(3,449)
Net book value	6,998	38	0	(246)	6,790

	01/01/2024	Increase	Decrease	Amortization	12/31/2023
Historical cost	10,239	21	0	0	10,260
Depreciation fund	(3,449)	0	0	(248)	(3,697)
Net book value	6,790	21	0	(248)	6,563

This item refers to the purchase of the ground floor and first floor of the building that houses the head office. The change consists mostly of depreciation for the year.

> NOTE 16) PLANT AND MACHINERY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS

	01/01/2023	Increase	Decrease	Amortization	12/31/2023
Historical cost	3,254	51	0	0	3,305
Depreciation fund	(3,168)	0	0	(27)	(3,195)
Plant and machinery	86	51	0	(27)	110
Historical cost	7,846	616	0	0	8,462
Depreciation fund	(5,506)	0	0	(482)	(5,988)
Equipment and other goods	2,340	616	0	(482)	2,474

	01/01/2024	Increase	Decrease	Amortization	12/31/2024
Historical cost	3,305	10	0	0	3,315
Depreciation fund	(3,195)	0	0	(34)	(3,229)
Plant and machinery	110	10	0	(34)	86
Historical cost	8,462	444	0	0	8,906
Depreciation fund	(5,988)	0	0	(530)	(6,518)
Equipment and other goods	2,474	444	0	(530)	2,388

The changes in plant and machinery and equipment are mainly attributable to the depreciation of the financial year, only partially offset by the increases for the purchase of commercial and IT equipment.

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4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 17) ASSETS UNDER CONSTRUCTION

	01/01/2023	Increase	Decreaase	(Impairment)/ Reversals	Change in Fair Value	Reclassification	12/31/2023
Assets under construction	**36,638**	**9,941**	**0**	**(409)**	**(5,250)**	**(38,556)**	**2,364**
Advance payments	**24**	**0**	**(24)**	**0**	**0**	**0**	**0**
Assets under construction and advance payments	**36,662**	**9,941**	**(24)**	**(409)**	**(5,250)**	**(38,556)**	**2,364**

	01/01/2024	Increase	Decreaase	(Impairment)/ Reversals	Change in Fair Value	Reclassification	12/31/2024
Assets under construction	**2,364**	**0**	**0**	**114**	**0**	**0**	**2,478**
Advance payments	**0**	**6**	**0**	**0**	**0**	**0**	**6**
Assets under construction and advance payments	**2,364**	**6**	**0**	**114**	**0**	**0**	**2,484**

At 31 December 2024, assets under construction consisted mainly of:

- Land at Porto Grande for the construction of midsize stores, recognized at fair value in the amount of €2.2 million;
- Costs for restyling in progress at Gran Rondò shopping center in Crema.

The change for the year in assets under construction and advances refers to:

- The write-down of the Porto Grande expansion by €114 thousand;
- Net increase in advance payments of €6 thousand.

> NOTE 18) DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities have been offset in accordance with paragraph 74 of IAS 12, given that: *(i)* the company is entitled to offset current tax assets and liabilities and *(ii)* the deferred tax assets and liabilities are associated with income taxes charged by the same tax jurisdiction. Net deferred tax assets reflect the deferred tax assets and liabilities of the Italian companies, while the deferred tax liabilities shown in the statement of financial position concern the Romanian subsidiary.

	12/31/2024	12/31/2023	Change
Investment property Romania	**14,787**	**15,559**	**(772)**
Net deferred tax assets Italian companies	**4,685**	**4,469**	**216**

Deferred tax assets and deferred tax liabilities for the Italian companies are shown in detail below:

	12/31/2024	12/31/2023	Change
Taxed funds	**388**	**483**	**(95)**
Impairment loss on inventories	**2,559**	**2,559**	**0**
Impairment loss on equity investment and financial receivables	**289**	**289**	**0**
Loss from tax consolidation	**741**	**741**	**0**
IRS transictions	**397**	**327**	**70**
IFRS 16	**2,338**	**2,330**	**8**
Total deferred tax assets	**6,712**	**6,729**	**(17)**

	12/31/2024	12/31/2023	Change
Investment property	**(2,015)**	**(2,235)**	**220**
IRS transactions	**0**	**0**	**0**
Other effects	**(12)**	**(25)**	**13**
Total deferred tax liabilities	**(2,027)**	**(2,260)**	**233**

Deferred tax assets mainly originate from:

- Taxed provisions, such as the provision for doubtful accounts and the bonus provision;
- The effect of writing down inventories to market value;
- The recognition of deferred tax assets on mortgage hedging instruments (IRS);
- The application of IFRS 16;
- Tax losses carried forward.

The change for the year in deferred tax assets is explained by the increased taxation of mortgage hedging instruments (IRS) due to the increase in their negative fair value and the changes due to the application of IFRS 16.

Deferred tax liabilities refer mainly to the difference between the market value of investment property held by IGD Service and its value for tax purposes.

Given the likelihood of future taxable income for the Group in the short to medium term, as corroborated by taxable income earned in recent years, prior-year losses are expected to be used, so the deferred tax assets are likely to be recovered. For this reason, the credit for deferred tax assets is deemed to be recoverable.

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4.6 NOTES TO THE FINANCIAL STATEME

At 31 December 2024, the balance of deferred tax assets of €6,712 thousand and deferred tax liabilities of €2,027 thousand was €4,685 thousand for Italian companies.

	12/31/2024	12/31/2023	Change
Deferred tax assets	6,712	6,729	(17)
Deferred tax liabilities	(2,027)	(2,260)	233
Total net Deferred tax assets	4,685	4,469	216

Deferred tax liabilities refer to the investment property of the Romanian company Win Magazin S.A. They cannot be offset against the net deferred tax assets described above because the two balances pertain to different tax jurisdictions.

	12/31/2024	12/31/2023	Change
Investment property Romania	14,787	15,559	(772)
Total Deferred tax liabilities	14,787	15,559	(772)

Movements in deferred tax assets and liabilities are presented below.

	12/31/2023	2024 Income Statement effect	Net equity effect	Currency change	12/31/2024
Net Deferred tax assets Italy	4,469	151	65	0	4,685
Total net Deferred tax assets	4,469	151	65	0	4.,85

	12/31/2023	2024 Income Statement effect	Net equity effect	Currency change	12/31/2024
Deferred tax liabilities Romania	(15,559)	760	0	11	(14,788)
Total deferred tax liabilities	(15,559)	760	0	11	(14,788)
Total effect of the year		911	65	11	

> NOTE 19) SUNDRY RECEIVABLES AND OTHER NON-CURRENT ASSETS

	12/31/2024	12/31/2023	Change
Security deposits	118	102	16
Due to other	22	10	12
Sundry receivables and other non-current assets	140	112	28

The item "Sundry receivables and other non-current assets" is slightly up compared to the figure recorded at 31 December 2023, mainly due to the increase in receivables for security deposits.

> NOTE 20) EQUITY INVESTMENTS

	01/01/2024	Increase	Decrease	Revaluations/ (Write-downs)	12/31/2024
Cons. propr. del compendio com. del Commendone (GR)	6	0	0	0	6
Consorzio prop. Fonti del Corallo	7	0	0	0	7
Consorzio I Bricchi	4	0	0	0	4
Consorzio Punta di Ferro	6	0	0	0	6
Equity investment in subsidiaries	23	0	0	0	23
Millennium Center	4	0	0	0	4
Juice Fund	25,666	0	0	0	25,666
FOOD Fund	0	259,701	(155,000)	(24,411)	80,290
SPV Fund	0	10	(10)	0	-
Equity investments in associates	25,670	259,711	(155,010)	(24,411)	105,960
Equity investments in other companies	22	0	0	0	22
Equity investments	25,715	259,711	(155,010)	(24,411)	106,005

On 23 April 2024, the final contract in execution of the preliminary agreement disclosed to the market on 23 February 2024 was signed with Sixth Street and subsidiaries of Starwood Capital and Prelios SGR S.p.A..

The operation consisted in a sale by IGD of a real estate portfolio for a total value of €258 million.

The portfolio comprises 8 hypermarkets (in Chioggia, Porto d'Ascoli, Roma, Rimini, Conegliano, Ascoli Piceno and 2 in Bologna), 3 supermarkets (in Civita Castellana, Ravenna and Rome) and 2 shopping malls (in Bologna and Chioggia).

The transaction was carried out through a closed-end real estate investment fund (an Italian REIF) called Food Fund managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. Subsequent to the contribution, IGD sold 60% of the fund units (class A shares with preferred returns) to a Luxembourg vehicle (50% held by Sixth Street and 50% by Starwood Capital) for a consideration of €155 million, and maintaining the ownership of the remaining 40% (class B shares with subordinated returns).

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The proceeds of the transaction shall be used by IGD to:

> Partially redeem the "€310,006,000 Fixed Rate Step-up Notes due 17 May 2027" issued on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from €310 million to €220 million;

> A partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for a maximum amount of €62.5 million;

> Make a partial early repayment of the €215 million green unsecured loan signed in August 2022, for €0.71 million.

IGD Service also signed a contract with Prelios SGR to continue managing the project, property & facility management activities across the entire portfolio with a view to further enhancing the portfolio over the next few years and selling it on the market at the best possible conditions.

The fund was established by resolution approved by the Board of Directors of the management company on 22 February 2024, by which the related regulations were also approved.

The correct accounting treatment of the equity investment in the Food fund was established by identifying significant activities and the nature of the rights of the parties, whether substantial or protective, taking into account the targets, governance structure and decision-making processes as set out in the fund regulations and considering the reference legislation. Finally, the economic variability to which the parties are exposed on account of the exercise of their decision-making power was analysed.

Accordingly, the investment maintained in the Food fund (which became an associate investment following the sale of 60% of the shares, i.e. the Class A shares with preferred return) was recorded at its fair value on the date of loss of control (as required by IFRS 10.25.b) using the discounted cash flow method.

The main assumptions used to calculate value in use are set out below:

> The discount rate (WACC - weighted average cost of capital) was 6.88%;

> Criteria for estimating future financial flows: the financial flows as represented in the business plan adopted by the fund's shareholders during the underwriting phase on 23 February 2024 were taken as reference.

The outcome of the impairment test is summarised below:

	Fair Value	Carring Amount (*)	Cover Impairment
Food Fund stake	**80,290**	**104,701**	**(24,411)**
Total	**80,290**	**104,701**	**(24,411)**

(*) Including additional costs directly attributed to the operation

Finally, based on the assessments made and on the assumption that IGD's powers are limited and aimed primarily at protecting its investment, the accounting for the participation in the Food fund in the consolidated financial statements was carried out using the equity method between associates, as required by IAS 28.10.

The Juice Fund, in which the Company has a 40% stake, was formed in 2021 through the transfer of five hypermarkets and one supermarket by IGD, who wished to maximise the value of its property portfolio. The Fund is valued using the equity method and its valuation at 31 December 2024 was in line with the previous year.

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4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 21) NON-CURRENT FINANCIAL ASSETS

	12/31/2024	12/31/2023	Change
Non-current financial assets	**176**	**174**	**2**

These consist of the interest-free loan granted to Iniziative Bologna Nord S.r.l (in liquidation) in the amount of approximately €176 thousand, net of a €430 thousand impairment. In light of up-to-date information on the company's liquidation process, the Group believes that the remaining balance of the loan will be recovered.

> NOTE 22) WORK IN PROGRESS INVENTORY

	01/01/2024	Increase	Decrease	Revalutations/ (Write-downs)	12/31/2024
"Porta a Mare" Project	**23,970**	**898**	**(2,082)**	**(846)**	**21,940**
Advances	**57**	**0**	**(8)**	**0**	**49**
Work in progress inventory and advances	**24,027**	**898**	**(2,090)**	**(846)**	**21,989**

Inventory for work in progress related to land, buildings (completed and under construction) and urban infrastructure works at the multifunctional complex in Livorno underwent: *(i)* an increase for work on the Officine Storiche residential section, Molo, Lips and Arsenale totalling €898 thousand; *(ii)* a decrease for the sale of 4 residential units and 5 enclosed garage unit and 5 parking spaces in the Officine section, for a total of approx. €2,082 thousand; *(iii)* a write-down to adjust a carrying amount to the lower of cost and appraised market value (€846 thousand) and *(iv)* a reduction of advance payments received for €8 thousand.

> NOTE 23) TRADE AND OTHER RECEIVABLES

	12/31/2024	12/31/2023	Change
Trade and other receivables	21,733	26,012	(4,279)
Provision for doubtful accounts	(11,191)	(16,336)	5,145
Trade and other receivables	10,542	9,676	866

Net trade receivables increased compared to the previous financial year by €866 thousand mainly due to the positive variation in invoices and credit notes to be issued in Italy and Romania for higher variable revenues and lower discounts for approximately €1.2 million only partially offset by the reduction in net receivables for invoices issued for approximately €0.3 million.

Gross trade receivables are broken down below by due date:

	Balance due	Expired 0-30 days	Expired 31-60 days	Expired 61-90 days	Expired 91-120 days	Expired 121-180 days	Expired >180 days	Total receivables
Gross trade receivables	4,942	1,222	435	2,382	820	1,232	10,699	21,733
Gross trade receivables	4,942	1,222	435	2,382	820	1,232	10,699	21,733

Receivables are shown net of the provision for doubtful accounts, which reflects positions not considered to be fully recoverable.

Net provisions for doubtful accounts (performing, non-performing, in-dispute and proceedings) came to €1,136 thousand in 2024. Provisions for the year were calculated based on the problems encountered with individual receivables recognized at 31 December 2024 and estimated based on all available information.

The use of €6,281 thousand concerns receivables under litigation/proceedings identified in previous years, which were fully written off during the period.

Movements in the provision for doubtful accounts are reported below:

	12/31/2024	12/31/2023	Change
Provision for Doubtful account at the beginning of the period	16,336	17,988	(1,652)
Foreign exchange effect	0	(3)	3
Reverse	(6,281)	(2,132)	(4,149)
Provision	1,136	440	696
Other movements	0	43	(43)
Provision for Doubtful account at the end of the period	11,191	16,336	(5,145)

The following table shows receivables by geographical area:

	12/31/2024	12/31/2023	Change
Receivables Italy	20,416	24,761	(4,345)
Provision for doubtful accounts	(10,878)	(15,957)	5,079
Net receivables Italy	9,538	8,804	734
Receivables Romania	1,318	1,251	67
Provision for doubtful accounts	(313)	(379)	66
Net receivables Romania	1,005	872	133
Total Net Receivables	10,543	9,676	867

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4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 24) RELATED PARTY TRADE AND OTHER RECEIVABLES

	12/31/2024	12/31/2023	Change
Coop Alleanza 3.0	**67**	**149**	**(82)**
Librerie Coop s.p.a.	**7**	**26**	**(19)**
Alleanza Luce e Gas	**0**	**32**	**(32)**
Unicoop Tirreno s.c.a.r.l.	**2**	**45**	**(43)**
Cons. propr. del compendio com. del Commendone (GR)	**2**	**7**	**(5)**
Consorzio Coné	**2**	**3**	**(1)**
Consorzio Clodì	**2**	**3**	**(1)**
Consorzio Crema (Gran Rondò)	**2**	**2**	**0**
Consorzio I Bricchi	**2**	**227**	**(225)**
Consorzio Katané	**35**	**3**	**32**
Consorzio Lame	**2**	**2**	**0**
Consorzio Leonardo	**2**	**2**	**0**
Consorzio La Torre	**2**	**7**	**(5)**
Consorzio Porta a Mare	**31**	**10**	**21**
Consorzio Sarca	**2**	**2**	**0**
Consorzio Punta di Ferro	**2**	**2**	**0**
Millennium Center	**6**	**14**	**(8)**
Consorzio Proprietari Centro Luna	**0**	**0**	**0**
Consorzio Esp	**0**	**0**	**0**
Fondo Juice	**0**	**46**	**(46)**
Consorzio La Favorita	**3**	**22**	**(19)**
Consorzio Le Porte di Napoli	**319**	**423**	**(104)**
Consorzio Casilino	**41**	**38**	**3**
Consorzio del centro commerciale Nuova Darsena	**0**	**3**	**(3)**
Fondo FOOD	**274**	**0**	**274**
Food SPV	**3**	**0**	**3**
Related party trade and other receivables	**808**	**1,066**	**(258)**

Reference can be made to Note 38 for details.

> NOTE 25) OTHER CURRENT ASSETS

	12/31/2024	12/31/2023	Change
Tax credits			
VAT credits	**256**	**2,558**	**(2,302)**
IRES credits	**544**	**470**	**74**
IRAP credits	**156**	**434**	**(278)**
Due from others			
Insurance credits	**0**	**69**	**(69)**
Accrued income and prepayments	**1,310**	**2,143**	**(833)**
Deferred costs	**125**	**1,849**	**(1,724)**
Other costs of services	**498**	**811**	**(313)**
Other current assets	**2,889**	**8,334**	**(5,445)**

Other current assets decreased €5,445 thousand compared to the previous year, mainly as a result of the reduction in prepaid expenses, VAT credit and suspended costs following completion of the restoration works of the Lungo Savio shopping center in Cesena, the costs of which were almost entirely covered by the insurance reimbursement collected during 2023 and 2024.

> NOTE 26) CASH AND CASH EQUIVALENTS

	12/31/2024	12/31/2023	Change
Cash and cash equivalents	**4,712**	**6,046**	**(1,334)**
Cash on hand	**29**	**23**	**6**
Cash and cash equivalents	**4,741**	**6,069**	**(1,328)**

Cash and cash equivalents at 31 December 2024 consisted mainly of current account balances at banks. Compared to the previous financial year, the entry decreased by €1,328 thousand, due to the cash generated in the year net of investments made and repayments of instalments due on some loans. The statement of cash flows provides a clearer understanding of how this item changed during the period.

> NOTA 27) ASSETS HELD FOR SALE

	12/31/2024	12/31/2023	Change
Assets held for sales	**8,520**	**0**	**8,520**
Assets held for sales	**8,520**	**0**	**8,520**

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4.6 NOTES TO THE FINANCIAL STATEME

On 14 February 2025, the subsidiary Win Magazin S.A. signed a final contract with a Romanian private investor for the sale of the "Winmarkt Somes" shopping center, located in Cluj (GLA 7,873 sqm and key tenants Carrefour, DM, Pepco and Dr. Max), for a total consideration of approximately €8.3 million, in line with the book value. As of 31 December 2024, the property subject to sale was reclassified from property investments to assets held for sale.

> NOTE 28) NET EQUITY

	12/31/2024	12/31/2023	Change
Share capital	650,000	650,000	0
Other reserves	380,388	453,079	(72,691)
Legal reserve	130,000	130,000	0
Translation reserve	(6,323)	(6,322)	(1)
FTA IFRS 16 reserve	1,886	1,886	0
Recalculation of defined benefit plans	379	349	30
Cash flow hedge reserve	(1,254)	(1,031)	(223)
Fair value reserve	187,407	212,586	(25,179)
Recalculation of defined benefit plans subsidiaries	256	238	18
IPO reserve	38,992	53,584	(14,592)
Other available reserve	29,045	61,789	(32,744)
Net profit (loss) of the year	(60,115)	(102,546)	42,431
Group profit (loss) carried forward	(30,031)	(20,814)	(9,217)
Group profit	(30,084)	(81,732)	51,648
Total Group net equity	970,273	1,000,533	(30,260)
Capital and reserves of non-controlling interests	0	0	0
Net Equity	970,273	1,000,533	(30,260)

Consolidated net equity at 31 December 2024 amounted to €970,273, a decrease of €30,260 for the year, broken down as follows:

> Negative adjustment of the reserve pertaining to existing derivatives accounted for using the cash flow hedge method (€223 thousand);

> Movements in the reserve for the translation of foreign currency financial statements, for a negative one thousand euros;

> Positive adjustment of the reserve for the recalculation of defined benefit plans (€30 thousand for the parent company and €18 thousand for a subsidiary);

> The Group's share of net loss for the year, which is €30,084 thousand.

> RECONCILIATION BETWEEN THE PARENT COMPANY SEPARATE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS

RECONCILIATION BETWEEN PARENT COMPANY SEPARATE FINANCIAL STATEMENTS AND CONSOLIDATION FINANCIAL STATEMENTS

	Net Result		Net Equity	
	Group	Non-controlling interest	Group	Non-controlling interest
BALANCES SHOWN IN THE PARENT'S FINANCIAL STATEMENTS	(26,921)	0	1,022,456	0
Net equity and net result of consolidatedcompanies	1,365	0	172,086	0
Reversal of dividends	(4,500)	0	0	0
Carrying value of consolidated equity investments	0	0	(226,844)	0
Recalculation of defined benefit plans effect - subsidiaries	(28)	0	30	0
Adjustments on capital gains from assets disposal - subsidiaries	0	0	(1,436)	0
Allocation of differences to the assets of consolidated companies				
- Goodwill from consolidated Winmagazine SA	0	0	3,973	0
- Goodwill from consolidated Winmarkt Management SRL	0	0	1	0
- Goodwill from consolidated RGD Ferrara	0	0	7	0
BALANCES SHOWN IN THE CONSOLIDATED FINANCIAL STATEMENTS	(30,084)	0	970,273	0

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 29) NON-CURRENT FINANCIAL LIABILITIES

This item includes the non-current portion of floating-rate loans from banks, bonds, and amounts due to other lenders, as detailed below:

	Duration	12/31/2024	12/31/2023	Change
Debt for loans		**450,566**	**556,521**	**(105,955)**
01 Unipol Sarca	04/10/2007 -04/06/2027	44,467	47,451	(2,984)
10 Mediocredito Faenza IGD	10/05/2009 - 06/30/2029	3,229	4.177	(948)
17 Carige Palermo IGD (Iper)	07/12/2011 - 06/30/2027	2,886	4,756	(1,870)
15 CentroBanca Coné (Galleria)	12/22/2010 - 12/31/2025	0	12,501	(12,501)
Mps - SACE 2020	10/16/2020 - 09/30/2026	6,628	15,450	(8,822)
BNL 215 Milioni	08/04/2022 - 08/01/2027	212,912	213,041	(129)
Mps - SACE 2022	12/15/2022 - 09/30/2028	13,972	18,977	(5,005)
Mutuo Intesa 250 Milioni	05/15/2023 - 08/09/2028	166,472	240,168	(73,696)
Debt for bonds		**283,761**	**365,284**	**(81,523)**
Bond 400 Milioni	11/28/2019 - 05/17/2027	59,434	57,966	1,468
Bond 310 Milioni	11/17/2023 - 05/17/2027	224,327	307,318	(82,991)
Debts due to other source of finance		**7,276**	**15,492**	**(8,216)**
Sardaleasing per sede Bologna	04/30/2009 - 04/30/2027	1,347	1,752	(405)
Pass IFRS 16 Livorno	01/01/2019 - 03/31/2026	580	4,008	(3,428)
Pass IFRS 16 Nova	01/01/2019 - 02/28/2027	5,349	9,732	(4.383)
Non current financial liabilities		**741,603**	**937,297**	**(195,694)**
Total financial liabilities vs related parties		**0**	**0**	**0**

The following table shows movements in non-current financial liabilities:

Non current financial liabilities	12/31/2023	Repayments/ Renegotiations	Amortized cost	Reclassifications	12/31/2024
Payables due to loans	556,521	(63,236)	3,151	(45,869)	450,566
Payables due to bonds	365,284	(91,351)	9,828	0	283,761
Payables due to IFRS16	13,740	0	0	(7,811)	5,929
Payables due to other sources of finance	1,752	0	0	(406)	1,347
Total	**937,297**	**(154,587)**	**12,979**	**(54,086)**	**741,604**

> Mortgage loans

Debts for mortgages over 12 months decreased by €105,955 thousand compared to 31 December 2023. More in detail, this change is attributable to:

> A partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for a maximum amount equal to €62.5 million;

> A partial early repayment of the €215 million green unsecured loan signed in August 2022, for €0.71 million;

> The reclassification to current financial liabilities of the principal falling due in the next 12 months.

> Due to other sources of finance and for IFRS 16

This item covers the non-current portion of liabilities arising from:

> The lease for HQ premises;

> The use of IFRS 16 to account for the leases on the malls at Fonti del Corallo and Nova shopping centers.

> Bonds

The variation in bonds during the year is due to the partial redemption of the €310,006,000 Fixed Rate Step-up Notes due 17 May 2027 and issued on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from € 310 million to €220 million and amortization under amortised cost criteria of outstanding loans' accessory charges.

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

Debts due to bond	Non current portion 12/31/2023	Current portion 12/31/2023	Bond issue/ Repayment	Ancillary costs amortization at 12/31/2024	Financial charges at 12/31/2024	Non current Portion 12/31/2024	Current Portion 12/31/2024	Nominal interest rate	Actual interest rate
Bond 400 ML	**61,285**					**61,285**			
Ancillary costs	**(3,319)**			**1,468**		**(1,851)**			
Coupon rate 12/31/23		**283**			**(283)**		**0**		
Paid interest					**1,486**				
Coupon rate 12/31/24					**2,261**		**2,261**		
Total Bond 400 ML	**57,966**	**756**	**0**	**1,468**	**3,464**	**59,434**	**2,261**	**7.000%**	**8.50%**
Bond 310 ML	**328,606**		**(91,351)**			**237,255**			
Ancillary costs	**(21,288)**			**8,360**		**(12,928)**			
Coupon rate 12/31/23		**2,036**			**(2,036)**		**0**		
Paid interest					**8,495**				
Coupon rate 12/31/24					**8,589**		**8,589**		
Total Bond 310 ML	**307,318**	**0**	**(91,351)**	**8,360**	**15,048**	**224,327**	**8,589**	**7.000%**	**8.50%**
Total bonds	**365,284**	**756**	**(91,351)**	**9,828**	**18,512**	**283,761**	**10,850**		
Total financial charges				**9,828**	**18,512**				

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

> COVENANTS

The following table presents covenants on outstanding loans. All of the covenants were satisfied at 31 December 2023.

Name	Guarantees given	Type of product	End date	Financial "covenant"	Indicator i)	Indicator ii)	Indicator iii)	Indicator iv)	Indicator v)	Note
Bper Banca	Sarca shopping mall	Secured loan	**04/06/2027**	Certified consolidated financial statements: ratio of net debt (including derivative assets and liabilities) to net equity must not exceed 2.3	**0.82**					Loan repaid on 02/11/2025
Banca Intesa Sanpaolo	Le Maioliche Shopping Center (hypermarket)	Secured loan	**06/30/2029**	IGD Siiq SpA Financial Statements: ratio of external net financial debts to equity + intercompany loan must not exceed 2.70	**0.84**					Loan repaid on 02/11/2025
Banca Intesa Sanpaolo	Conè Shopping Center (Mall)	Secured loan	**12/31/2025**	Consolidated Financial Statement: ratio of net debt (including derivative assets and liabilities) to net equity must not exceed 2	**0.82**					Loan repaid on 02/11/2025
Bper Banca	La Torre Shopping Center (Hypermarket)	Secured loan	**06/30/2027**							Loan repaid on 02/11/2025
Secured loan in pool	Punta di Ferro Shopping Mall Tiburtino Shopping Center (mall) Porto Grande Shopping Center (mall) Centro Luna Shopping Mall Gran Rondò Shopping Mall Galleria e Retail Park Mondovicino Città delle Stelle Shopping Center (mall)	Secured loan in pool	**05/09/2028**	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > = 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset equal or under 45%; iv) Ratio of unencumbered asset to Unsecured debt (net of cash and cash equivalents) > or equal to 1.25 - [excluding IFRS16 accounting standard effect]; v) Loan To Value ratio for mortgaged property must not exceed 50%	**43.22%**	**2.28**	**13.76%**	**2.03**	**44.22%**	
New Fixed Rate Step-Up Notes, 05/17/2027	Unsecured	Bond	**05/17/2027**	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset equal or under 45%; iv) Ratio of unencumbered asset to Unsecured debt (net of cash and cash equivalents) > 1.25 - [excluding IFRS16 accounting standard effect]	**43.22%**	**2.28**	**13.76%**	**2.03**		Bond fully repaid 03/04/2025
Fixed Rate Step-Up Notes, 05/17/2027	Unsecured	Bond	**05/17/2027**	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset under 45%; iv) Ratio of Unencumbered Asset to Unsecured Debt (net of cash and cashequivalents)>1.25-[excludingeffectof IFRS16accounting standard]	**43.22%**	**2.28**	**13.76%**	**2.03**		Bond fully repaid 03/04/2025
Unsecured loan in pool	Unsecured	Unsecured loan inpool	**06/30/2027**	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset under 45%; iv)Ratio of Unencumbered Asset to Unsecured Debt (net of cash and cashequivalents)>1.25-[excludingeffectof IFRS16accounting standard]	**43.22%**	**2.28**	**13.76%**	**2.03**		Loan repaid on 02/11/2025
Loan MPS Garanzia Italia	Unsecured	Unsecured loan	**09/30/2026**	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 65%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.5; iii) Ratio of Secured Debt to Total Asset - Intangible Asset under 50Ratio of Unencumbered Asset to Unsecured Debt (net of cash and cashequivalents)>1.00-[excludingeffectof IFRS16accounting standard]	**43.22%**	**2.28**	**13.76%**	**2.03**		Loan repaid on 02/11/2025
Loan MPS Garanzia Italia 2022	Unsecured	Unsecured loan	**09/30/2028**							

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4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 30) PROVISION FOR EMPLOYEE SEVERANCE INDEMNITIES

Movements in the provisions for employee severance indemnities (TFR) are shown below:

	01/01/2024	Current (profit)/loss	Utilization	Provisions	IAS19 Financial charges	12/31/2024
Provisions for employee severance indemnities	**2,863**	**(54)**	**(262)**	**258**	**84**	**2,889**

	01/01/2023	Current (profit)/loss	Utilization	Provisions	IAS19 Financial charges	12/31/2023
Provisions for employee severance indemnities	**2,756**	**97**	**(328)**	**242**	**96**	**2,863**

The following charts show the demographic and financial assumptions used:

The provisions for employees severance indemnities (TFR) are classified as a defined benefit plan. In accordance with paragraph 83 of IAS 19, the annual discount rate used to calculate the present value of the liability is based on the iBoxx Corporate AA index with duration 10+ as of the measurement date.

Demographic Assumptions	Employees
Probability of death	ISTAT (Italian National Statistics Institute) 2022
Probability of long-term disability	INPS (Italian Social Security Institute) statistics by age and gender
Probability of retirement	100% achievement of retirement age under mandatory general insurance
Probability of resignation	**2%**
Probability of receiving TFR advance at beginning of the year (provisioned at 70%)	**1%**

Additional information:

> Sensitivity analysis, showing the impact in absolute terms of each reasonably possible change in actuarial hypotheses at the close of the year;

> Amount of contribution for the following year;

> Average financial duration of the liability for defined benefit plans;

> Estimated payouts.

Financial Assumptions	2023
Cost of living increase	**2.00%**
Discount rate	**3.38%**
Increase in total compensation	Executives **2.5%**; White collar/Middle managers **1.0%**; Blue collar: **1.0%**
Increase in the provisions for employees severance indemnities (TFR)	**3.000%**

> SENSITIVITY ANALYSIS OF MAIN VARIABLES ON TFR AT 31 DECEMBER 2024

(Data in Euro/000)

Inflation rate +0,25% - Provision for employee severance indemnities:	**2,700**
Inflation rate -0,25% - Provision for employee severance indemnities:	**2,861**
Discount rate +0,25% - Provision for employee severance indemnities:	**2,839**
Discount rate -0,25% - Provision for employee severance indemnities:	**2,719**
Turnover rate +1 - Provision for employee severance indemnities:	**2,795**
Turnover rate -1 - Provision for employee severance indemnities:	**2,776**

Service Cost for future year	**261**
Duration of the plan	**16**

Estimated payments year 1	**112**
Estimated payments year 2	**216**
Estimated payments year 3	**122**
Estimated payments year 4	**131**
Estimated payments year 5	**225**

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 31) PROVISIONS FOR RISKS AND CHARGES

	01/01/2024	Utilization	Provision	Reclassification	12/31/2024
Provision for taxation	2,585	(44)	628	31	3,200
Consolidated Fund risks and future charges	2,397	0	1,387	(31)	3,753
Bonus provisions	1,390	(1,131)	544	0	803
Provisions for risks and future charges	6,372	(1,175)	2,559	0	7,756

> Provision for taxation

At 31 December 2024 these provisions mostly concerned pending local property tax (IMU)/cadastral disputes over the shopping centers La Torre in Palermo (mall + hypermarket), Le Maioliche in Faenza (mall), Esp in Ravenna (mall + hypermarket), and Guidonia (mall + hypermarket). The principal complaints against IGD SIIQ S.p.A. relate to: *(i)* the zoning classification of the shopping center itself (C/1 or D/8), *(ii)* the classification and valuation of the individual commercial units within the shopping center, *(iii)* the classification of the common areas of the shopping center, and *(iv)* the classification of the parking areas.

The Company is challenging the assessments received from the Italian Revenue Agency and/or tax collection agencies and has decided to pay IMU (municipal property tax) based on the originally declared (pre-assessment) cadastral rent, while allocating provisions to cover the risks of these complaints, except in the case of Guidonia for which it was not possible to suspend payment of the new assessments.

Most of the increase for the year consists of an additional allocation against pending IMU/ICI (municipal property tax) disputes, which mainly concern new classifications and cadastral rent calculations for the shopping centers in Palermo, Ravenna, and Guidonia.

> Bonus provisions

Bonus provisions cover the variable compensation that will be paid to employees in 2025 based on the Group's 2024 estimated results. The utilization refers to the payment made in the first half of 2024.

These provisions also include a long-term portion for upper management, paid every three years. During 2024, this fund was released for €107 thousand as the allocation made in previous financial years is considered to be excessive compared to the forecast of achieving the objectives set at the beginning of the plan.

> Other general provisions

These cover the risks arising from pending litigation and probable future expenses for €3,753 thousand. The principal changes during the year were as follows:

> A net allocation of €112 thousand for earthquake proofing to be carried out, at IGD's expense, to be carried out at the Lame and Clodì shopping centers sold in 2024.

> Allocation of €1,300 million in relation to works, the cost of which is to be borne by Win Magazin SA, at the "Winmarkt Somes" shopping centre in Cluj, sold in February 2025.

On 25 October 2024, Dr. Claudio Albertini served IGD SIIQ with a writ of summons, at the Civil Court of Bologna, seeking recognition of a total of €750 thousand in connection with the termination of his mandate as Chief Executive Officer of the Company. The first hearing is scheduled for 6 March 2025.

The first hearing is scheduled for 6 March 2025. Although the Company's stance is firmly to challenge the claim, in compliance with the accounting principles regarding pending disputes, this amount is completely covered by the provisions for risks and charges in place as of 31 December 2024.

> NOTE 32) SUNDRY PAYABLES AND OTHER NON-CURRENT LIABILITIES

	12/31/2024	12/31/2023	Change
Commitments to the Municipality of Livorno	4,039	4,039	0
Advances Due Beyond the Fiscal Year	800	800	0
Extension fees BNL	313	313	0
INTESA Financing Fees	305	408	(103)
SACE Guaranteed Debts	212	533	(321)
Debts under SIINQ Entry Tax Regime	273	516	(243)
Other liabilities	416	531	(115)
Sundry payables and other non-current liabilities	6,358	7,140	(782)

Commitments to the City of Livorno concern the additional secondary urban infrastructure works as provided for by contract (€587 thousand) and works to be delivered to Porta a Mare S.p.A. (€3,452 thousand).

Advances due beyond one year refer to the advance from BNP Paribas under the agreement for the sale of the commercial licenses of the Fonti del Corallo mall, which will be finalised in 2026 when the current rental contract expires.

During the year, sundry payables and other non-current liabilities underwent the following changes:

> A decrease of INTESA loan fees due to the reclassification to current liabilities of the €103 thousand fees that the Company will have to pay to Intesa San Paolo in 2025 in relation to the loan obtained in 2023.

> A decrease of €321 thousand due to the reclassification to current liabilities of the fees payable to SACE in 2025 for the following loans: *(i)* 5-year loan of €36,300 thousand obtained in 2020 and the *(ii)* 6-year loan of €20,946 thousand obtained in 2022.

> A decrease of €243 thousand in SIINQ entry tax payable, covering the non-current portion of the tax due for the adoption of SIINQ status by IGD Management, which took this option during the previous year. The SIINQ entry tax is paid in five annual instalments starting in 2022.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
4.6 NOTES TO THE FINANCIAL STATEMENTS

Related party payables are shown below:

	12/31/2024	12/31/2023	Change
Coop Alleanza 3.0	4,410	9,912	(5,502)
Librerie Coop S.p.a.	0	19	(19)
Alleanza Luce e Gas	55	55	0
Unicoop Tirreno s.c.a.r.l.	0	25	(25)
Distribuzione Centro Sud S.r.l.	0	450	(450)
Related parties sundry payables and other non-current liabilities	4,465	10,459	(5,994)

Security deposits refer to sums received for the leasing of hypermarkets and malls. Security deposits pay interest at the rates provided for by law. The change in the semester is mainly attributable to the return of security deposits relating to the lease and rental contracts of business units connected to the properties transferred to the Food Fund.

See Note 39 for additional information.

> NOTE 33) CURRENT FINANCIAL LIABILITIES

	Duration	12/31/2024	12/31/2023	Change
Payables due to banks		2,756	0	2,756
MPS payable accounts		1,694	0	1,694
BNL - Hot money	12/27/2024 - 01/21/2025	1,062	0	1,062
Payables due to mortgages		47,960	27,173	20,787
01 Unipol Sarca	04/10/2007 - 04/06/2027	3,427	3,551	(124)
10 Mediocredito Faenza IGD	10/05/2009 - 06/30/2029	933	935	(2)
17 Carige Palermo IGD (Hypermarket)	07/12/2011 - 06/30/2027	1,871	1,831	40
15 CentroBanca Cone (Mall)	12/22/2010 - 12/31/2025	12,540	2,645	9,895
Mps sace 36,3 ML	10/16/2020 - 09/30/2026	9,075	10,384	(1,309)
Mps sace 20,9 ML	12/13/2022 - 06/27/2028	5,237	0	5,237
BNP 215 ML Loan	08/04/2022 - 08/01/2027	0	83	(83)
Intesa 250 ML Loan	05/15/2023 - 08/09/2028	14,877	7,744	7,133
Payables due to other source of finance		8,222	7,879	343
Leasing Igd HQ	04/30/2009 - 04/30/2027	411	393	18
IFRS 16 Livorno liabilities	01/01/2019 - 03/31/2026	3,428	3,288	140
FRS 16 Nova liabilities	01/01/2019 - 02/28/2027	4,383	4,198	185
Paybles due to bonds		10,850	2,319	8,531
Bond 400 ML	11/28/2019 - 05/17/2027	2,261	283	1,978
Bond 310 ML	11/17/2023 - 05/17/2027	8,589	2,036	6,553
Current financial liabilities		69,788	37,371	32,417
Total current financial liabilities vs related party		0	0	0

Movements in current financial liabilities are shown in the table below:

Current financial liabilities	12/31/2023	Increases	Repayments	Interest Accrual	Reclassifications	12/31/2024
Payables due to banks	0	2,756	0	0	0	2,756
Payables due to loans	27,173	0	(27,173)	2,091	45,869	47,960
Paybles due to bonds	2,319	0	0	8,531	0	10,850
Payables due to IFRS 16	7,486	0	(7,486)	0	7,811	7,811
Payables due to other sources of finance	393	0	(393)	6	406	411
Total	37,371	2,756	(35,052)	10,628	54,086	69,789

Current financial liabilities include the current portion of lease payments on the new head office, the current portion of liabilities stemming from the adoption of IFRS 16, the current portion of outstanding mortgage loans and bonds (including interest accrued), and short-term bank borrowings.

The principal changes in current financial liabilities relate to:

- > The repayment of ultra-short-term borrowings (€1,000,000);
- > The use of uncommitted credit lines for €1,694 thousand;
- > The payment of the principal instalments due in the financial year on mortgages already in existence at the end of the previous financial year and to the corresponding reclassification of the instalments due in the following financial year from non-current financial liabilities.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
4.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 34) NET DEBT

The table below shows net debt at 31 December 2024 and 31 December 2023, on the basis of ESMA guidelines. At neither date does it include derivatives held for hedging purposes, which by nature do not constitute monetary values.

See the "Statement of financial position and financial review" section of the Directors' Report for additional comments.

(In thousands of Euros)	12/31/2024	12/31/2023	Change
Cash and cash equivalents	**(4,741)**	**(6,069)**	**1,328**
LIQUIDITY	**(4,741)**	**(6,069)**	**1,328**
Current financial liabilities	**2,756**	**0**	**2,756**
Mortgage loans - current portion	**47,960**	**27,173**	**20,787**
Leasing - current portion	**8,222**	**7,879**	**343**
Bonds loans - current portion	**10,850**	**2,319**	**8,531**
CURRENT DEBT	**69,788**	**37,371**	**32,417**
CURRENT NET DEBT	**65,047**	**31,302**	**33,745**
Non-current financial assets	**(176)**	**(174)**	**(2)**
Leasing non-current portion	**7,276**	**15,492**	**(8,216)**
Non-current financial liabilities	**450,566**	**556,521**	**(105,955)**
Bond loans	**283,761**	**365,284**	**(81,523)**
NON-CURRENT NET DEBT	**741,427**	**937,123**	**(195,696)**
NET DEBT	**806,474**	**968,425**	**(161,951)**

Net debt at 31 December 2024 improved compared to 31 December 2023 by approximately Euro 162 million, due to the sale of the stake in the FOOD real estate fund, the decrease in debt resulting from the application of IFRS 16 from the cash generated in the year net of investments made and the repayments of the instalments due on some mortgages.

As illustrated in more detail in paragraph 2.5 of the Directors' Report with the proceeds from the sale of the stake in the FOOD real estate fund, during the second quarter of 2024, IGD:

> Partially redeemed the "€310,006,000 Fixed Rate Step-up Notes due 17 May 2027" issued on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from €310 million to €220 million;

> A partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for maximum amount equal to €62.5 million;

> A partial early repayment of the €215 million green unsecured loan signed in August 2022, for €0.71 million.

The gearing ratio is the ratio of Net Financial Position to net equity, including non-controlling interests, net of cash flow hedge reserves. The ratio improved during the year, from 0.97 at 31 December 2023 to 0.83 at 31 December 2024.

Uncommitted credit facilities amount to €79.6 million, €29.6 million from banks and €50 million from the holding company, Coop Alleanza 3.0, and are used by €2.7 million at 31 December 2024.

Committed revolving credit facilities with banks, unutilised at 31 December, amount to €60 million.

As in previous years, net debt does not include other non-current liabilities described in Note 32, consisting mainly of security deposits received from third parties and related parties for the rental of hypermarkets and malls, guarantee deposits, extension fees payable, and tax liabilities, given the lack of a significant implicit or explicit financial component. In addition, as in previous years, it does not include assets and liabilities for derivative financial instruments which amounted to €2,155 thousand and €3,749 thousand, respectively.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
4.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 35) TRADE AND OTHER PAYABLES

	12/31/2024	12/31/2023	Change
Debts to suppliers within the financial year	**13,731**	**22,405**	**(8,674)**
Trade and other payables	**13,731**	**22,405**	**(8,674)**

Payables to suppliers and related parties show a decrease of €8,674 due to a different payment schedule compared to the previous year and to less works carried out in the last quarter of the year compared to 2023.

> NOTE 36) RELATED PARTY TRADE AND OTHER PAYABLES

	12/31/2024	12/31/2023	Change
Coop Alleanza 3.0	**484**	**759**	**(275)**
Alleanza Luce e Gas	**0**	**3**	**(3)**
Cons. propr. del compendio com. del Commendone (GR)	**9**	**44**	**(35)**
Consorzio prop. Fonti del Corallo	**175**	**26**	**149**
Consorzio Coné	**9**	**144**	**(135)**
Consorzio Clodi	**0**	**104**	**(104)**
Consorzio Crema (Gran Rondò)	**119**	**102**	**17**
Consorzio I Bricchi	**29**	**0**	**29**
Consorzio Katané	**46**	**4**	**42**
Consorzio Lame	**15**	**143**	**(128)**
Consorzio Leonardo	**6**	**72**	**(66)**
Consorzio La Torre	**15**	**15**	**0**
Consorzio Porta a Mare	**65**	**0**	**65**
Consorzio Sarca	**129**	**307**	**(178)**
Distribuzione Centro Sud s.r.l.	**0**	**23**	**(23)**
Consorzio Punta di Ferro	**1**	**105**	**(104)**
Millennium Center	**20**	**100**	**(80)**
Fondo Juice	**14**	**14**	**0**
Consorzio La Favorita	**108**	**102**	**6**
Consorzio Le Porte di Napoli	**33**	**17**	**16**
Consorzio Casilino	**118**	**119**	**(1)**
Related parties trade and other payables	**1,395**	**2,203**	**(808)**

The decrease in related party payables (€808 thousand) reflects the higher amounts due to the holding company, Coop Alleanza 3.0 and reduction of payables to consortia for use of credits in compensation.

See Note 39 for additional information.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 37) CURRENT TAX LIABILITIES

	12/31/2024	12/31/2023	Change
Due to tax authorities for withholdings	**747**	**709**	**38**
Irap	**0**	**33**	**(33)**
Ires	**196**	**230**	**(34)**
VAT	**165**	**123**	**42**
Other taxes	**80**	**0**	**80**
Substitute tax	**273**	**258**	**15**
Current tax liabilities	**1,461**	**1,353**	**108**

The item shows a slight increase mainly for the positive variation of withholdings and other tax debt, compared to the previous financial year.

> NOTE 38) OTHER CURRENT LIABILITIES

	12/31/2024	12/31/2023	Change
Social security	**430**	**337**	**93**
Accrued liabilities and deferred income	**2,813**	**1,294**	**1,519**
Insurance	**8**	**8**	**0**
Due to employees	**1,248**	**1,016**	**232**
Security deposits	**8,983**	**8,915**	**68**
Unclaimed dividends	**1**	**1**	**0**
Advances received due within the year	**10**	**30**	**(20)**
Amounts due to director for emoluments	**71**	**168**	**(97)**
INTESA Financing Fees	**102**	**0**	**102**
SACE Guaranteed Debts	**756**	**436**	**320**
Extension fees BNL	**312**	**312**	**0**
Other liabilities	**496**	**815**	**(319)**
Other liabilities	**15,230**	**13,332**	**1,898**

These consist mainly of security deposits received from tenants.

The increase, equal to €1,898 thousand, is mainly related to the change in the item accrued liabilities and deferred income.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

> NOTA 39) RELATED PARTY DISCLOSURES

Below is the information required by paragraph 18 of IAS 24.

	Receivables and other current assets	Financial receivables	Current payables and other liabilities	Non-current payables and other liabilities	Financial payables	Sundry receivables and other non-current	Fixed assets - Increases	Fixed assets - Decreases
Coop Alleanza 3.0	67	0	484	4,410	0	0	45	0
Librerie Coop s.p.a.	7	0	0	0	0	0	14	0
Alleanza Luce e Gas	0	0	0	55	0	0	0	0
Unicoop Tirreno s.c.a.r.l.	2	0	0	0	0	0	0	0
Cons. propr. del compendio com. del Commendone (GR)	2	0	9	0	0	0	68	0
Consorzio prop. Fonti del Corallo	0	0	175	0	0	0	197	0
Consorzio Coné	2	0	9	0	0	0	96	0
Consorzio Clodi	2	0	0	0	0	0	11	0
Consorzio Crema (Gran Rondò)	2	0	119	0	0	0	262	0
Consorzio I Bricchi	2	0	29	0	0	0	2	0
Consorzio Katané	35	0	46	0	0	0	323	0
Consorzio Lame	2	0	15	0	0	0	4	0
Consorzio Leonardo	2	0	6	0	0	0	139	0
Consorzio La Torre	2	0	15	0	0	0	250	0
Consorzio Porta a Mare	31	0	65	0	0	0	58	0
Consorzio Sarca	2	0	129	0	0	0	660	0
Distribuzione Centro Sud s.r.l.	0	0	0	0	0	0	15	0
Consorzio Punta di Ferro	2	0	1	0	0	0	34	0
Millennium Center	6	0	20	0	0	0	231	0
Fondo Juice	0	0	14	0	0	0	0	0
Consorzio La Favorita	3	0	108	0	0	0	11	0
Consorzio Le Porte di Napoli	319	0	33	0	0	0	237	0
Consorzio Casilino	41	0	118	0	0	0	260	0
Fondo FOOD	274	0	0	0	0	0	0	262,505
Alliance SIINQ S.r.l.	3	0	0	0	0	0	0	218
Total	808	0	1,395	4,465	0	0	2,917	262,723
Total Balance Sheet	36,228	176	30,356	10,823	811,391	140		
Total Increase/ Decrease of the Year							19,396	266,140
Incidence %	2.23%	0.00%	4.60%	41.25%	0.00%	0.00%		

	Operating revenues	Financial Income	Total operating costs	Financial charges
Coop Alleanza 3.0	15,069	0	554	165
Librerie Coop s.p.a.	909	0	23	0
Unicoop Tirreno s.c.a.r.l.	704	0	70	0
Fondo Food	303	0		0
Consorzio Le Porte di Napoli	296	5	4	0
Alleanza Luce e Gas	250	0	36	0
Consorzio Katané	245	0	6	0
Consorzio Esp	243	0	475	0
Consorzio La Torre	237	0	1	0
Consorzio Leonardo	233	0	174	0
Consorzio Lame	215	0	34	0
Consorzio Sarca	208	0	483	0
Food SPV	205	0		0
Consorzio Le Maioliche	203	0	448	0
Consorzio Coné	198	0	246	0
Consorzio Porta a Mare	196	0	790	0
Consorzio Punta di Ferro	194	0	(16)	0
Consorzio Casilino	189	0	4	0
Consorzio dei Proprietari Maremà	175	0	57	0
Consorzio dei Proprietari Centro Luna	165	0	13	0
Consorzio La Favorita	154	0	33	0
Fondo Juice	139	0	0	0
Consorzio I Bricchi	136	0	476	0
Consorzio dei Proprietari Fonti del Corallo	0	0	(178)	0
Millennium Center	117	0	19	0
Consorzio Gran Rondò	71	0	125	0
Consorzio Clodì	65	0	26	0
Total	21,118	5	3,904	165
Total Balance Sheet	145,249	392	41,219	67,527
Incidence %	14.54%	1.28%	9.47%	0.24%

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4.6 NOTES TO THE FINANCIAL STATEMENTS

The Group has financial and economic relationships with its controlling company, Coop Alleanza 3.0 Soc. Coop.; with other companies in the Coop Alleanza 3.0 Group (Librerie Coop S.p.A. and Alleanza Luce e Gas S.r.l.); with Unicoop Tirreno Soc. Coop.

Related party transactions are conducted at arm's length and are recognized at face value.

Transactions with Coop Alleanza 3.0 Soc. Coop. and its subsidiaries

Transactions with the controlling company Coop Alleanza 3.0. Soc. Coop. refer to:

> The rental of investment property to Coop Alleanza for use as hypermarkets and supermarkets; rental income at 31 December 2024, including for retail premises, amounted to €15.1 million;

> The provision of IT services in outsourcing by Coop Alleanza 3.0. Soc. Coop., soon to come to an end following the insourcing of the IT structure;

> Security deposits received on leases.

Transactions with Librerie Coop S.p.A. concern receivables and income for the business lease of properties inside shopping centers and the leasing of the third floor of the building that houses IGD's head office. For the year at 31 December 2024, the Group received €909 thousand under this arrangement.

Transactions with Alleanza Luce e Gas S.r.l. refer to the rental of part of the second floor of the building where IGD has its head office. At 31 December 2024, the Group received €250 thousand under this arrangement.

Transactions with Unicoop Tirreno Soc. Coop.

Transactions with Unicoop Tirreno Soc. Coop. consist of:

> Security deposits received on leases;

> Receivables and income for the leasing of properties used as hypermarkets. At 31 December 2024, the Company received €0.7 million under these arrangements.

Transactions with other Group companies

Transactions with the direct and indirect subsidiaries Igd Service S.r.l., Porta Medicea S.r.l., Arco Campus S.r.l. and Win Magazin S.A. concern the following: *(i)* administrative, technical and financial services provided by IGD; *(ii)* loans granted to the subsidiaries Arco Campus S.r.l. and Igd Service S.r.l. and financial receivables/payables with the subsidiaries Igd Service S.r.l. and Win Magazin S.A. through the pooled account; *(iii)* the tax consolidation agreement with Igd Service S.r.l. and Porta Medicea S.r.l.

Transactions with consortiums concern receivables and income for facility management services at shopping centers; the costs incurred refer to service charges for vacant units and extraordinary maintenance work on properties.

> NOTE 40) MANAGEMENT OF FINANCIAL RISK

In the course of business, the Group is exposed to various financial risks. To map and assess its risks, IGD SIIQ S.p.A. has developed an integrated risk management model based on the international Enterprise Risk Management standards (see section 2.12 of the Directors' Report). The Board of Directors reviews and agrees on policies to manage these risks.

> Market risk

Market risk is the potential for changes in exchange rates, interest rates or prices to negatively affect the value of assets, liabilities or cash flows.

> Interest rate risk

The main risk factor is the volatility of interest rates and the effect this has on borrowing and on the investment of liquid funds. The Group finances its operations through short-term borrowings, long-term secured and unsecured loans charging adjustable interest, and fixed-interest bonds, so it determines its risk of increased financial charges if interest rates go up or if it refinances debt at higher rates.

The Finance department monitors interest rate risk constantly, in coordination with top management, including through analysis and measurement tools developed within the Group's enterprise risk management program. It also monitors trends in the main economic and financial indicators that may affect the Group's performance. The interest rate risk hedging policy involved the implementation of "IRS-Interest Rate Swap" type contracts and, taking into account the interest rate curve, also other forms of hedging such as "Cap" and "Collar", which allowed the Group to hedge approximately 77.64% of its exposure to interest rate fluctuations connected to medium-long term financing including bond loans. The Finance department analyses and measures interest rate and liquidity risk while constantly evaluating the best means of implementation of the risk management model and conducts routine scouting activities to find opportunities to reduce the cost of debt with banks and/or the capital markets.

See Note 41 for quantitative information on derivatives.

The following table presents the sensitivity analysis of interest rate risk, showing the impact on equity and profit/loss, as required by IFRS 7.

The sensitivity analysis was conducted in consideration of the financial statement items that generate interest at floating rates or that are exposed to fair value changes, assuming parallel increases or decreases in the interest rate curves of each currency.

INTEREST RATE RISK

Interest rate risk - Exposure and sensitivity analysis	Benchmark	Income statement				Net equity			
		Shock up		Shock down		Shock up		Shock down	
		31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23
Interests bearing assets	Euribor	0	61	0	0	0	0	0	0
Hot Money	Euribor	0	0	0	0	0	0	0	0
Financial liabilities at variable rate	Euribor	(4,093)	(4,897)	4,084	4,873	0	0	0	0
Derivative instruments									
Cash Flow		1,592	2,347	(3,781)	(1,867)	0	0	0	0
Fair Value		0	0	0	0	2,159	4,730	(5,928)	(6,482)
Total		(2,501)	(1,411)	303	1,674	6,753	11,808	(6,482)	1,060

The assumptions underlying the sensitivity analysis are as follows:

> Medium- and long-term mortgage loans were analyzed according to exposure at the reporting date;

> Ultra-short-term borrowings and deposits were analyzed according to exposure at the end of the year;

> The initial shift in the interest rate curve was assumed to be +100/-100 basis points (+100/-10 bp at 31 December 2023);

> In determining changes associated with floating-rate financial instruments, it was assumed that no interest rates have already been set;

> The values affecting equity have been calculated as the difference between the fair values calculated with the shock-modified curve and the fair values of derivatives at the balance sheet date;

> The analysis assumes that all other risk variables remain constant.

> For the sake of comparison, the same measurement was conducted on the current and the previous year.

The method used to analyze and determine significant variables did not change since the previous year.

> Foreign exchange risk

The Group is exposed to foreign exchange risk for its operations in Romania. Fluctuations in the value of the RON could lead to the write-down of portfolio properties or to the unsustainability of contractual obligations for local tenants, in the case of rent denominated in euros but collected in the local currency. At the moment, IGD mitigates this risk through constant efforts to optimize the merchandising mix and tenant mix and by supporting the value of the real estate portfolio, in part by making improvements. Weekly meetings are held to coordinate and monitor the credit situation of individual malls and tenants, to determine if any action is needed. On a monthly basis, the Company checks the amount of rent as a percentage of the tenant's revenue. Commercial policies are determined with care and with special regard for local consumption styles and market demands. To that end, the Group employs a team of specialised professionals to seek the right trade-off between the expertise acquired at the corporate level and knowledge of the local context.

> Price risk

The Group is exposed to the risk of changes in the rent charged on leasehold properties. The domestic and international real estate market is cyclical in nature and influenced by several macroeconomic variables, relating for example to general economic conditions, interest rates, inflation, tax laws, market liquidity, and the presence of other profitable investments.

> Credit risk

Credit risk takes the form of customer insolvency and difficulty collecting payments. To mitigate these risks, tenants go through a pre-contractual selection process, based on financial standing and earnings prospects.

Reviews of potential customers are performed also with the help of external specialists and aim to identify any risk factors for the company. Monthly analyses investigate the level of risk associated with each tenant and monitor their solvency.

All customers are asked for bank guarantees and/or security deposits to guarantee fulfilment of their commitments. Throughout the life of the contract, Group companies monitor compliance on an ongoing basis and follow internal credit management procedures in the event any problems arise; when the business relationship is secure, measures to assist the tenant may be taken. The Group constantly monitors its credit positions and uses an ad hoc program to assess each tenant's track record, risk level and solvency, an analysis that is formally conducted every quarter but monitored on a daily basis to stay abreast of the actions taken or needed to collect receivables.

The maximum credit risk on the Group's other financial assets, including cash and cash equivalents and certain derivative instruments, is the carrying value of these assets in the event of the counterparty's insolvency. The maximum exposure is presented gross of any mitigation through the use of various kinds of hedge.

The table below presents the maximum exposure to credit risk for balance sheet components, divided into categories, including derivatives with a positive fair value.

Where financial instruments are measured at fair value, the amounts shown represent current credit risk, but not the maximum exposure to credit risk that could arise in the future due to changes in fair value.

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4.6 NOTES TO THE FINANCIAL STATEME

Maximum exposure to credit risk	2024	2023
Receivables and Loans		
Sundry receivables and other assets	**140**	**112**
Trade and other receivables	**10,542**	**9,676**
Trade and other receivables vs related parties	**808**	**1,066**
Other assets	**1,933**	**4,872**
Cash equivalents	**4,712**	**6,069**
Financial receivables and other financial assets	**176**	**174**
Total	**18,311**	**21,969**

> Liquidity risk

This refers to problems with liquidity management, insufficient resources to finance the business, and difficulty keeping up with loans or obtaining new credit. Liquidity is monitored through cash flow planning, and risk is mitigated by the Group's extensive credit lines (committed and uncommitted). See the directors' report for information on the coverage of upcoming financial maturities.

The Finance department uses a financial forecasting tool to monitor expected cash flows over a one-quarter rolling horizon and makes sure there is enough liquidity to operate the business, while establishing the proper ratio of bank debt to capital market debt.

Most long-term loans and outstanding bonds involve covenants; this aspect is monitored constantly by the chief financial officer, who also coordinates with management to gauge the likelihood of violating the covenants as a result of the strategic, operational, compliance and financial risks mapped, using the enterprise risk management system.

Financial commitments are covered by funds confirmed by the banks, and unutilised credit facilities are available.

Liquidity risk is managed prudently to avoid incurring excessive costs in the case of unforeseen events, which could have a further negative impact on market reputation and financial viability.

Maturities are broken down below on the basis of undiscounted cash flows; the amounts shown take account of the first date on which payment can be requested.

The assumptions underlying the maturity analysis are as follows:

> For the future cash flows of long-term floating-rate payables, the forward rate curve at 31 December has been used;

> For the future cash flows of the fixed-rate bonds, the contractual flows have been used;

> For derivatives, the analysis includes those representing assets at 31 December, for which both outflows and inflows are shown, as their purpose is to hedge financial liabilities. At the balance sheet date, all derivatives had a negative fair value;

> Amounts include cash flows from both the interest and the principal component.

The method used to analyse and determine significant variables did not change since the previous year.

LIQUIDITY RISK

Maturity analysis at 31 December 2024	On sight	< 3 months	3 - 6 months	6 months - 1 year	1 - 2 years	2 - 5 years	> 5 years	Total
Liabilities								
Non derivative financial instruments								
Loans	1,184	13,303	16,566	40,810	54,442	442,945	0	569,249
Leasing	40	79	116	231	460	941	0	1,867
IFRS 16	0	1,953	1,953	3,906	4,574	774	0	13,160
Bonds	0	0	17,461	0	20,087	318,040	0	355,587
Short-term credit lines	0	1,000	0	0	0	0	0	1,000
Total	1,224	16,334	36,096	44,946	79,563	762,700	0	940,863
Derivative financial instruments								
Derivative on rate risk	(314)	209	67	584	864	31	0	1,441
Total	(314)	209	67	584	864	31	0	1,441
Exposure at 31 December 2024	909	16,543	36,163	45,531	80,426	762,732	0	942,304

LIQUIDITY RISK

Maturity analysis at 31 December 2023	On sight	< 3 months	3 - 6 months	6 months - 1 year	1 - 2 years	2 - 5 years	> 5 years	Total
Liabilities								
Non derivative financial instruments								
Mortgage	1,340	9,430	15,576	24,972	65,620	588,292	943	706,173
Leasing	42	84	125	241	464	1,401	0	2,357
IFRS 16	0	1,872	1,872	3,744	7,811	5,928	0	21,227
Bond	0	0	10,115	0	23,118	447,661	0	480,894
Short-term credit lines	0	0	0	0	0	0	0	0
Total	1,382	11,386	27,688	28,957	97,013	1,043,282	943	1,210,651
Derivative financial instruments								
Derivative on rate risk	(452)	(246)	(360)	(687)	1,228	1,559	0	1,042
Total	(452)	(246)	(360)	(687)	1,228	1,559	0	1,042
Exposure at 31 December 2023	930	11,140	27,328	28,270	98,241	1,044,841	943	1,211,693

In the first six months of 2024, IGD made a partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for maximum amount equal to €62.5 million and an early refund of the €215 million green unsecured loan obtained in August 2022, for €0.71 million Euro.

Uncommitted credit facilities granted to the Group amount to €79.6 million, €29.6 million from banks and €50 million from the holding company, Coop Alleanza 3.0, and are used by €2.7 million at 31 December 2024.

> Capital management

The primary objective of the Group's capital management is to make sure it maintains a solid credit rating and sufficient capital indicators to support the business and maximize shareholder value. This is pursued by:

> Keeping the net debt/equity ratio at 1x or below over the medium term. The ratio was 0.97x at 31 December 2023 and decreased to 0.83x at the end of 2024;

> Keeping the loan-to-value ratio (net of leasing instalments due for the purchase of company premises) under 50%. It is 44.4% at year-end 2024, compared to 48.02% at the end of 2023.

> NOTE 41) DERIVATIVE INSTRUMENTS

Gruppo IGD has engaged in derivative contracts for the use of interest rate swaps and considering also cap and collar hedges in the interest rate curve. The fair value of derivatives for which no active market exists is determined with assistance from specialised firms according to market-based quantitative techniques, i.e. accredited pricing models based on parameters taken as of the individual measurement dates. This method therefore reflects a prioritization of the input data consistent with level 2 of the fair value hierarchy defined by IFRS 13: although quoted prices in active markets (level 1) are not available for these instruments, it is possible to base measurements on data observable either directly or indirectly in the market.

Fair Value - Hierarchy	12/31/2024	12/31/2023	Change	Level
Derivative assets	2,155	2,649	(494)	2
Derivative liabilities	(3.,49)	(3,854)	105	2
IRS net effect	(1,593)	(1,205)	(388)	

Contracts in detail	IRS 35_67 Intesa Sanpaolo 2.429%	IRS 35_81 BPM 2.427%	IRS 35_84 Intesa Sanpaolo 2.429%	IRS 327_325 BNL 0,5925%	IRS 327_326 Bintesa 0.5925%
Initial nominal amount	23,430,000	14,058,000	9,372,000	34,625,000	34,625,000
Nominal amout as of 12.31.2024	6,270,000	3,762,000	2,508,000	23,750,000	23,750,000
Inception date	12/30/2011	12/31/2011	12/30/2011	07/06/2017	07/06/2017
Maturity	12/31/2025	12/31/2025	12/31/2025	04/06/2027	04/06/2027
Irs frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	2.429%	2.427%	2.429%	0.5925%	0.5925%

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Contracts in detail	IRS 263_270 partial coverage 130 mln - MPS Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_269 partial coverage 130 mln - Unicredit Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_268 partial coverage 130 mln - BPER Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_266 partial coverage 130 mln - BMP Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_265 partial coverage 130 mln - BNL Gruppo BNP Paribas Euribor 3m + 0.215% Floor 2.365% Cap 3.715%
Initial nominal amount	**28,260,870**	**22,608,696**	**5,652,174**	**14,130,435**	**2,826,087**
Nominal amout as of 12.31.2024	**27,201,087**	**21,760,870**	**5,440,217**	**13,600,543**	**2,720,109**
Inception date	**05/15/2023**	**05/15/2023**	**05/15/2023**	**05/15/2023**	**05/15/2023**
Maturity	**05/10/2027**	**05/10/2027**	**05/10/2027**	**05/10/2027**	**05/10/2027**
Irs frequency	Quartely	Quartely	Quartely	Quartely	Quartely
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	Euribor 3m +0.215% Floor 2.365% Cap 3.715%	Euribor 3m +0.215% Floor 2.365% Cap 3.715%	Euribor 3m +0.215% Floor 2.365% Cap 3.715%	Euribor 3m +0.215% Floor 2.365% Cap 3.715%	Euribor 3m +0.215% Floor 2.365% Cap 3.715%

Contracts in detail	IRS 263_264 partial coverage 130 mln - DeutscheBank Euribor 3m +0.215% Floor 2.365% Cap 3.715%	IRS 152_209 partial coverage 215 mln - BNL 3.18%	IRS 152_210 partial coverage 215 mln - MPS 3.18%	IRS 152_211 partial coverage 215 mln - Intesa Sanpaolo 3.18%	IRS 152_212 partial coverage 215 mln - DB 3.18%	IRS 152_213 partial coverage 215 mln - BPM 3.18%
Initial nominal amount	**22,608,696**	**18,428,571**	**18,428,571**	**18,428,571**	**4,095,240**	**12,285,714**
Nominal amout as of 12.31.2024	**21,760,870**	**18,428,571**	**18,428,571**	**18,428,571**	**4,095,240**	**12,285,714**
Inception date	**05/15/2023**	**12/30/2022**	**12/30/2022**	**12/30/2022**	**12/30/2022**	**12/30/2022**
Maturity	**05/10/2027**	**08/02/2026**	**08/02/2026**	**08/03/2026**	**08/03/2026**	**08/02/2026**
Irs frequency	Quartely	Quartely	Quartely	Quartely	Quartely	Quartely
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	Euribor 3m +0.215% Floor 2.365% Cap 3.715%	3.18%	3.18%	3.18%	3.18%	3.18%

Contracts in detail	IRS 152_260 partial coveragee 215 mln - MPS Euribor 3m +0.34% Floor 1.84%| Cap 3.84%	IRS 152_258 partial coverage 215 mln - Deutsche Bank Euribor 3m +0.34% Floor 1.84% Cap 3.84%	IRS 152_256 partial coverage 215 mln - BNL Gruppo BNP Paribas Euribor 3m +0.34% Floor 1.84%| Cap 3.84%	IRS 152_254 partial coverage 215 mln - BPM Euribor 3m +0.34% Floor 1.84% Cap 3.84%	IRS 152_251 partial coverage 215 mln - Intesa Euribor 3m +0.34% Floor 1.84% Cap 3.84%	IRS 332_267 partial coverage 120 mln - Intesa Sanpaolo Euribor 3m + 0.215% Floor 2.365% Cap 3.715%
Initial nominal amount	**18,428,571**	**4,095,240**	**18,428,571**	**12,285,714**	**18,428,571**	**33,913,043**
Nominal amout as of 12.31.2024	**18,428,571**	**4,095,240**	**18,428,571**	**12,285,714**	**18,428,571**	**32,641,304**
Inception date	**03/31/2023**	**03/31/2023**	**03/31/2023**	**03/31/2023**	**03/31/2023**	**05/15/2023**
Maturity	**08/03/2026**	**08/02/2026**	**08/02/2026**	**08/02/2026**	**08/03/2026**	**05/10/2027**
Irs frequency	Quartely	Quartely	Quartely	Quartely	Quartely	Quartely
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	Euribor 3m +0.34% Floor 1.84% Cap 3.84%	Euribor 3m +0.34% Floor 1.84% Cap 3.84%	Euribor 3m +0.34% Floor 1.84% Cap 3.84%	Euribor 3m +0.34% Floor 1.84% Cap 3.84%	Euribor 3m +0.34% Floor 1.84% Cap 3.84%	Euribor 3m +0.215% Floor 2.365% Cap 3.715%

> NOTE 42) POST-BALANCE SHEET EVENTS

On 11 February 2025, IGD signed a secured facility agreement for €615 million with a pool of leading national and international lenders which include, as Mandated Lead Arrangers, Intesa Sanpaolo S.p.A. - IMI CIB division, acting as global coordinator, green loan coordinator and facility agent, Banca Monte dei Paschi di Siena S.p.A., Banco BPM S.p.A., BNL BNP Paribas, BPER, Cassa depositi e prestiti, Deutsche Bank S.p.A. and Unicredit S.p.A..

This floating-rate borrowing includes three facility structures:

> Facility A - €285 million euros, 5-year term

> Facility B - €315 million euros, 7-year term

> Facility C - €15 million, up to 3 years, revolving

The facility is classified as green based on the Company's "Green Financing Framework" and an amount at least equivalent to facilities A and B will be allocated to finance and/or refinance, all or part of the "Eligible Green Projects", referred to in the Company's "Green Financing Framework", developed in accordance with the Green Bond Principles (ICMA), and the Green Loan Principles (LMA). The proceeds will be used to partially refinance existing debt (including four secured bilateral loans on as many assets, two unsecured loans for a total of €298 million) and redeem the current outstanding bonds "*€310,006,000 Fixed Rate Step-Up Notes due 17th May 2027*" (currently outstanding for €220,006,000) and Bond "*€57,816,000 Fixed Rate Step-Up Notes due 17th May 2027, formerly the €400,000,000 2.125 percent Fixed Rate Notes due 28th November 2024*" (currently outstanding for €57,816,000) above par, equal to approximately €288 million.

The facility obtained will allow the company to eliminate the concentration of financial maturities (currently amounting to over €570 million in 2027), which will be rescheduled and spread out over the following years, with the first significant requirements starting in 2028 (approximately €167 million), followed by approximately €277 million on both 31 December 2029 and 31 December 2031. To date, therefore, the average debt maturity has increased to approximately 5 years compared to 2.9 years on 30 September 2024.

On 14 February 2025, the subsidiary Win Magazin S.A. signed a final contract with a Romanian private investor for the sale of the "Winmarkt Somes" shopping center, located in Cluj (GLA 7,873 sqm and key tenants Carrefour, DM, Pepco and Dr. Max), for a total consideration of approximately €8.3 million, in line with the book value. Win Magazin SA will bear the costs of technical adaptation works.

On 4 March 2025, IGD SIIQ completed the early repayment of the two outstanding bonds:

> Bond "*€310,006,000 Fixed Rate Step-Up Notes due 17th May 2027*" (currently outstanding for €220,006,000);

> Bond "*€57,816,000 Fixed Rate Step-Up Notes due 17th May 2027, formerly €400,000,000 2.125 percent. Fixed Rate Notes due 28th November 2024*" (currently outstanding for €57,816,000).

The total reimbursement, relating to the nominal debt and including the premium above par established by contract, amounted to approximately €288 million. This operation was possible by drawdown of Facility A of the new credit facility signed on 11 February 2025, as described above.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

> NOTE 43) TAX LITIGATION

On 23 December 2015 the regional tax authorities of Emilia Romagna served IGD SIIQ S.p.A. with two assessments arguing that €240,625.00 in costs incurred in 2010 had been unduly deducted for IRES and IRAP purposes and that the corresponding €48,125.00 in VAT had been unduly credited against VAT payable. The assessments resulted from a notification that the provincial tax authorities of Ravenna had received from the Sicilian regional office, which began by stating that the Sicilian authorities had served Coop Sicilia S.p.A. (head office in San Giovanni La Punta in the province of Catania) with an assessment based on the disallowance of costs incurred for services that were deemed to lack sufficient documentation. On that basis, the Sicilian regional office recommended that the Ravenna provincial authorities disallow the portion of those costs that Coop Sicilia had charged to IGD SIIQ S.p.A. under a contract between the two companies. After reviewing the papers and looking into the matter carefully, IGD's advisors concluded that the assessments are unfounded and filed settlement requests for both with the Italian Revenue Agency, Emilia Romagna regional office.

During the subsequent debate phase, the company presented its arguments against the assessments to the Emilia Romagna authorities, who decided to consider IGD's arguments regarding IRES and IRAP but to uphold the complaint regarding VAT. Nevertheless, as the deadline approached for contesting the two assessments and no reversal notice had been received from the regional authorities, the company decided to prevent them from becoming final and on 6 June 2016 filed a formal appeal against each with the Provincial Tax Commission of Bologna.

On 30 November 2016 the Emilia Romagna regional authorities annulled the IRES assessment in full, while the IRAP/VAT assessment was annulled for the IRAP portion only and the VAT violation was confirmed.

In session on 25 January 2017, the Provincial Tax Commission of Bologna sided with IGD: with decision no. 253/17 filed on 28 February 2017 it definitively cleared the IRES and IRAP assessments, and with decision no. 254/14 (also filed on 28 February 2017) it accepted IGD's arguments concerning VAT and annulled that assessment as well, a ruling that became final on 14 June 2018.

For both proceedings, the Commission ordered the Italian Revenue Agency to reimburse IGD's legal expenses in the amount of €6,000.00 total.

On 29 September 2017 the Italian Revenue Agency, Emilia Romagna regional headquarters appealed the VAT decision (254/17) and on 28 November IGD filed its counterarguments against that appeal.

On 9 January 2020, the Italian Revenue Agency, Emilia Romagna regional headquarters filed a statement of defense to rebut the Company's counterarguments.

With a decision filed on 23 November 2020, the Regional Tax Commission of Emilia Romagna confirmed the lower commission's ruling, rejected the regional authorities' appeal, and ordered the regional authorities to pay the costs of both levels of justice in the amount of €7,000.00 (reimbursed in the first half of 2021).

In May 2021 the Emilia Romagna regional authorities filed an appeal with the Court of Cassation and IGD SIIQ S.p.A. filed its response.

> NOTE 44) IFRS 7 - "FINANCIAL INSTRUMENTS: DISCLOSURES"

Financial instruments are initially measured at fair value, and are subsequently measured depending on their classification, in accordance with IFRS 9.

For this purpose, financial assets are split into four categories:

> Financial assets measured at fair value through profit and loss: at 31 December 2024 the Group had no financial instruments in this category;

> Held to maturity investments: the Group has no financial instruments belonging to this category;

> Loans and receivables: in this category the Group has trade, financial and other receivables, and cash and deposits. They mature within 12 months and are therefore carried at amortised cost (net of any impairment);

> Available for sale financial assets: the Group has no financial instruments belonging to this category.

There are only two categories of financial liability:

> Financial liabilities measured at fair value through profit and loss. At 31 December 2024 the Group had no financial instruments in this category;

> Financial liabilities measured at amortised cost.

> Classification in the statement of financial position

The Group's financial instruments are included in the statement of financial position as follows.

The item "Other non-current assets" covers sundry receivables and other non-current assets.

The item "Current assets" includes trade receivables, other current receivables, and cash and cash equivalents. "Cash and cash equivalents" include bank and post office deposits and cash and valuables on hand. The other assets consist of investments outstanding at the balance sheet date.

The item "Non-current liabilities" includes mortgage loans from banks, bond loans, derivatives, sundry payables and security deposits.

The item "Current liabilities" covers short-term payables to banks, the current portion of medium/long-term loans, trade payables and other current payables.

The items in the statement of financial position are classified below according to the categories required by IFRS 9 at 31 December 2024 and 31 December 2023:

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
4.6 NOTES TO THE FINANCIAL STATEMENTS

	CARRYING VALUE				CARRYING VALUE						
Figures as of 31 december 2024	Financial assets/ liabilities designated at fair value	Financial assets/ liabilities measured at fair value held for trading	Receivables and loans	Financial assets held to maturity	Financial assets available for sale	Financial liabilities measured at amortized costs	Hedging derivatives	Total	of which current	of which non current	Fair Value
ASSETS											
Other non current assets											
Derivative assets	0	0	2,155	0	0	0	0	2,155	0	2,155	2,155
Sundry receivables and other non current assets	0	0	140	0	0	0	0	140	0	140	140
Equity investments	0	0	106,005	0	0	0	0	106,005	0	106,005	106,005
Non current financial assets	0	0	176	0	0	0	0	176	0	176	176
Current assets											
Trade and other receivables	0	0	10,542	0	0	0	0	10,542	10,542	0	10,542
Trade and other receivables vs related party	0	0	808	0	0	0	0	808	808	0	808
Other current assets	0	0	1,933	0	0	0	0	1,933	1,933	0	1,933
Cash and cash equivalents	0	0	4,741	0	0	0	0	4,741	4,741	0	4,741
TOTAL FINANCIAL ASSETS	0	0	126,500	0	0	0	0	126,500	18,024	108,476	126,500
LIABILITIES											
FINANCIAL LIABILITIES											
Derivative liabilities	0	0	0	0	0	0	3,749	3,749	0	3,749	3,749
Payables due to bank	0	0	0	0	0	2,756	0	2,756	2,756	0	2,756
Leasing	0	0	0	0	0	1,758	0	1,758	411	1,347	1,644
Bond	0	0	0	0	0	294,611	0	294,611	10,850	283,761	289,742
Payables due to other source of finance	0	0	0	0	0	13,740	0	13,740	7,811	5,929	13,740
Loans	0	0	0	0	0	498,526	0	498,526	47,960	450,566	501,515
Non current liabilities											
Sundry payables and other non current liabilities	0	0	0	0	0	6,085	0	6,085	0	6,085	6,085
Sundry pyables and other n current liabilities vs related party	0	0	0	0	0	4,465	0	4,465	0	4,465	4,465
Current liabilities											
Trade and other payables	0	0	0	0	0	13,731	0	13,731	13,731	0	13,731
Trade and other payables vs related party	0	0	0	0	0	1,395	0	1,395	1,395	0	1,395
Other current liabilities	0	0	0	0	0	15,230	0	15,230	15,230	0	15,230
TOTAL FINANCIAL LIABILITIES	0	0	0	0	0	852,297	3,749	856,046	100,144	755,902	854,052

IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.6 NOTES TO THE FINANCIAL STATEME

	CARRYING VALUE							CARRYING VALUE			
Figures as of 31 december 2023	Financial assets/ liabilities designated at fair value	Financial assets/ liabilities measured at fair value held for negotiation	Receivables and loans	Financial assets held to maturity	Financial assets available for sale	Financial liabilities measured at amortized costs	Hedging derivatives	Total	of which current	of which non current	Fair Value
ASSETS											
Other non current assets											
Derivative assets	0	0	2,649	0	0	0		2,649	0	2,649	2,649
Sundry receivables and other non current assets	0	0	112	0	0	0	0	112	0	112	112
Equity investments	0	0	25,715	0	0	0	0	25,715	0	25,715	25,715
Non current financial assets	0	0	174	0	0	0	0	174	0	174	174
Current assets											
Trade and other receivables	0	0	9,676	0	0	0	0	9,676	9,676	0	9.,76
Trade and other receivables vs related party	0	0	1,066	0	0	0	0	1,066	1,066	0	1,066
Other current assets	0	0	8,334	0	0	0	0	8,334	8,334	0	8,334
Cash and cash equivalents	0	0	6,069	0	0	0	0	6,069	6,069	0	6,069
TOTAL FINANCIAL ASSETS	0	0	53,795	0	0	0	0	53,795	25,145	28,650	53,795
LIABILITIES											
FINANCIAL LIABILITIES											
Derivative liabilities	0	0	0	0	0	0	3,854	3,854	0	3,854	3,854
Due to banks	0	0	0	0	0	0	0	0	0	0	0
Leasing	0	0	0	0	0	2,145	0	2,145	393	1,752	1,973
Bond	0	0	0	0	0	367,603	0	367,603	2,319	365,284	369,134
Due to other sources of finance	0	0	0	0	0	21,226	0	21,226	7,486	13,740	21,226
Mortage loans	0	0	0	0	0	583,694	0	583,694	27,173	556,521	583,082
Non current liabilities											
Sundry payables and other non current liabilities	0	0	0	0	0	6,936	0	6,936	0	6,936	6,936
Related party sundry payables and other non current liabilities	0	0	0	0	0	10,460	0	10,460	0	10,460	10,460
Current liabilities											
Trade and other payables	0	0	0	0	0	22,405	0	22,405	22,405	0	22,405
Related party trade and other payables	0	0	0	0	0	2,203	0	2,203	2,203	0	2,203
Other current liabilities	0	0	0	0	0	13,020	0	13,020	13,020	0	13,020
TOTAL FINANCIAL LIABILITIES	0	0	0	0	0	1,029,692	3,854	1,033,546	74,999	958,547	1,034,293

For each financial instrument, both carrying value and fair value are indicated. The two values coincide for most instruments, as their maturity is short term. They differ for long-term instruments, such as mortgage loans, leasing instalments and bonds. To calculate the fair value of liabilities measured at amortised cost, the Group has discounted future cash flows to present value using a risk-free (zero coupon) curve estimated at 31 December, as reported by Bloomberg. The calculation takes account of the credit spread that banks would currently grant to IGD. The fair value of interest rate swaps for which no active market exists is determined according to market-based quantitative techniques, i.e. accredited pricing models based on parameters taken as of the individual measurement dates. This method therefore reflects a prioritization of the input data consistent with level 2 of the fair value hierarchy defined by IFRS 13: although quoted prices in active markets (level 1) are not available for these instruments, it is possible to base measurements on data observable either directly or indirectly in the market. The fair value of financial liabilities was calculated using the credit spread that banks would grant to IGD SIIQ S.p.A. as of the measurement date. At 31 December 2023 the estimated credit spread was 5.7% (6% the previous year).

> Collateral

Below is a list of financial assets pledged as collateral for contingent liabilities.

Collateral given	Carrying value	
	2024	2022
Security deposits		
Sundry receivables and other assets	**140**	**112**

The following table shows the impairment of trade receivables:

Impairment	Impairment of trade receivables	
	2024	2023
Opening balance	**16,336**	**17,988**
Translation effect	**0**	**(3)**
Allocation for individual writedowns	**1,136**	**440**
Utilizations	**(6,281)**	**(2,132)**
Other movements	**0**	**43**
Total	**11,191**	**16,336**

> Gains and losses from financial instruments

The table below reports the gains and losses from financial instruments held. These derive from the impairment of trade receivables and hedge derivatives.

For hedge derivatives, the table shows the amount of the differentials paid and collected. The effects of fair value changes of derivatives held by the Group parent, charged to the cash flow hedge reserve under equity (net of the tax effects), came to a negative €223 thousand and €5,861 thousand respectively.

INCOME AND LOSS FROM FINANCIAL INSTRUMENTS

Income statement as of 12/31/2024	Carrying value						
	Financial assets/ liabilities measured at fair value	Financial assets/ liabilities measured at fair value held for negotiations	Receivables and loans	Financial assets held to maturity	Financial assets available for sale	Financial liabilities measured at amortized costs	Hedge derivatives
	31-Dec-24						
Net profit (loss)							
Financial assets/ liabilities	**0**	**0**	**0**	**0**	**0**	**0**	**2,228**
Trade and other receivables	**0**	**0**	**(1,136)**	**0**	**0**	**0**	**0**
Total	**0**	**0**	**(1,136)**	**0**	**0**	**0**	**2,228**

INCOME AND LOSS FROM FINANCIAL INSTRUMENTS

Income statement as of 12/31/2023	Carrying value						
	Financial assets/ liabilities measured at fair value	Financial assets/ liabilities measured at fair value held for negotiations	Receivables and loans	Financial assets held to maturity	Financial assets available for sale	Financial liabilities measured at amortized costs	Hedge derivatives
	31-Dec-23						
Net profit (loss)							
Financial assets/ liabilities	**0**	**0**	**0**	**0**	**0**	**0**	**2,645**
Trade and other receivables	**0**	**0**	**(440)**	**0**	**0**	**0**	**0**
Total	**0**	**0**	**(440)**	**0**	**0**	**0**	**2,645**

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The next table shows income and charges from financial assets and liabilities not measured at fair value:

Interest income	2024	2023
Interest income of financial assets not measured at fair value		
Deposits	**387**	**513**
Related party receivables	**5**	**0**

Interest expenses	2024	2023
Interest expenses of financial liabilities not measured at fair value		
Security deposits	**165**	**521**
Sundry payables and other liabilities	**1,271**	**1,405**
Financial liabilities		
Loans	**38,435**	**30,374**
Leasing	**103**	**112**
IFRS 16	**1,342**	**1,522**
Bonds	**28,340**	**17,882**
Short-term loans	**99**	**0**

4.7 // Management and coordination

The Company is a subsidiary of Coop Alleanza 3.0 Soc. Coop. of Villanova di Castenaso (province of Bologna) and is under the management and coordination of the latter.

Pursuant to Art. 2497 bis (4) of the Italian Civil Code, key figures from the latest approved financial statements of Coop Alleanza 3.0 Soc. Coop. are presented below:

Financial statements COOP Alleanza 3.0 BALANCE SHEET (ex art. 2424 C.C.)	year 2023	year 2022
ASSETS		
A) Subscribed capital unpaid	**0**	**0**
B) Fixed assets	**3,902,972,568**	**3,923,329,875**
C) Current assets	**2,327,630,565**	**2,645,162,383**
D) Accrued income and pre-payments	**15,794,579**	**22,231,813**
Total assets	**6,246,397,712**	**6,590,724,071**
LIABILITIES		
A) Net equity	**1,586,205,490**	**1,578,532,064**
B) General provisions	**92,317,848**	**108,000,745**
C) Provision for employees serverance indemnities	**89,218,261**	**112,521,934**
D) Payables	**4,475,076,058**	**4,788,472,856**
E) Accrued income and prepayments	**3,580,055**	**3,196,472**
Total liabilities and net equity	**6,246,397,712**	**6,590,724,071**
MEMORANDUM ACCOUNT		
INCOME STATEMENT (ex art. 2425 C.C.)		
A) Value of production	**4,372,943,458**	**4,253,093,352**
B) Costs of production	**(4,414,350,379)**	**(4,400,819,938)**
C) Financial income and charges	**93,308,198**	**95,345,438**
D) Adjustments to financial asset value	**(16,956,121)**	**(59,719,113)**
E) Extraordinary income and charges		
Income taxes for the period	**(14,932,297)**	**(4,454,492)**
Profit (loss) for the period	**20,012,859**	**(116,554,753)**

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4.8 // List of significant equity investments

Below is a full list of significant equity investments held by IGD SIIQ S.p.A. at 31 December 2024.

Name	Registered office	Country	Share Capital	Currency	% of consolidated Group interest	Held by	% of share capital held	Activities
Parent company								
IGD SIIQ S.p.A.	Bologna via trattati comunitari Europei 1957 - 2007	Italy	**650,000,000.00**	Euro				Shopping center management
Subsidiaries fully consolidated								
IGD Service S.r.l.	Bologna via trattati comunitari Europei 1957 - 2007	Italy	**60,000,000.00**	Euro	**100%**	IGD SIIQ S.p.A.	**100.00%**	Shopping center management and services
Porta Medicea S.r.l.	Bologna via trattati comunitari Europei 1957 - 2007	Italy	**15,112,273.00**	Euro	**100%**	IGD Service S.r.l.	**100.00%**	Construction and marketing company
Alliance SIINQ S.r.l.	Bologna via trattati comunitari Europei 1957 - 2007	Italy	**50,000.00**	Euro	**100%**	IGD SIIQ S.p.A.	**100.00%**	Shopping center management
Win Magazin S.A.	Bucarest	Romania	**113,715.30**	Lei	**100%**	IGD Service S.r.l. 99,9% IGD SIIQ S.p.A. 0,1%	**100.00%**	Shopping center management
Winmarkt Management S.r.l.	Bucarest	Romania	**1,001,000**	Lei	**100%**	Win Magazin S.A.	**100.00%**	Agency and facility management services
Arco Campus S.r.l.	Bologna via dell'Arcoveggio n.49/2	Italy	**1,500,000.00**	Euro	**99.98%**	IGD SIIQ S.p.A.	**99.98%**	Asset management, sport facilities and equipments management, constructions, sale and rent of properties to be used for commercial activities
Associated companies consolidated at net equity								
Juice Fund	Milano via San Paolo 7	Italy	**64,165,000.00**	Euro	**40%***	IGD SIIQ S.p.A.	**40%**	Hypermarket/ supermarkets property
FOOD Fund	Milano via San Paolo 7	Italy	**258,000,000.00**	Euro	**40%****	IGD SIIQ S.p.A.	**40%**	Hypermarkets/ Supermarkets/ Shopping malls property

(*): IGD SIIQ holds 25,224 class B shares equal to 40% of the fund capital.
(**): IGD SIIQ holds 5.162 class B shares equal to 40% of the fund capital.

4.9 // Information pursuant to Art. 149 *duodecies* of Consob's Issuers' Regulations

The following chart, prepared in accordance with Art. 149 duodecies of Consob's regulations for issuers, shows the fees pertaining to 2023 for external auditing and for services other than auditing rendered by the accounting firm or by entities in its network.

(Amount in thousand of Euro)	Service provider	Recipient	Fees in 2024
Auditing	Deloitte & Touche S.p.A.	IGD SIIQ S.p.A.	**152**
	Deloitte & Touche S.p.A.	Subsidiaries: - IGD Service S.r.l. - Porta Medicea S.r.l.	**27**
	Deloitte Audit S.R.L.	Romanian subsidiaries	**34**
Sustainability report auditing	Deloitte & Touche S.p.A.	IGD SIIQ S.p.A.	**22**
Gap analysis between current sustainability reporting and new CSRD disclosure requirements	Deloitte & Touche S.p.A.	IGD SIIQ S.p.A.	**28**
Other assets	Deloitte Tax Srl	Win Magazin S.A.	**7**
Total			**270**

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4.10 // Certification of the consolidated financial statements

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS
PURSUANT TO ART. 81-TER OF THE CONSOB REGULATION ADOPTED WITH RESOLUTION 11971 OF 14 MAY 1999, AS AMENDED

1. We, the undersigned, Roberto Zoia, as Chief Executive Officer and Marcello Melloni, as financial reporting officer of IGD SIIQ S.p.A., hereby declare, including in accordance with Art. 154-*bis* (3) and (4) of Legislative Decree 58/98:
   - the adequacy of in relation to the characteristics of the business; and
   - the company's due compliance with the administrative and accounting procedures for the preparation of the consolidated financial statements during the year 2024.

2. We also confirm that:

2.1. the consolidated financial statements:

a) have been prepared in accordance with the applicable International Accounting Standards recognized by the European Union pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of 19 July 2002;

b) correspond to the ledgers and accounting entries;

c) provide fair and truthful disclosure of the financial status and performance of the issuer and the companies included in the consolidation;

2.2 the directors' report contains a reliable analysis of the performance, results, and current situation of the issuer and the companies in the consolidation, along with a description of the main risks and uncertainties to which they are exposed.

Bologna, 6 March 2025

Chief Executive Officer	Financial Reporting Officer
Roberto Zoia	*Marcello Melloni*

4.11 // External Auditors' Report

Deloitte.

Deloitte & Touche S.p.A.
Piazza Malpighi, 4/2
40123 Bologna
Italia

Tel: +39 051 65811
Fax: +39 051 230874
www.deloitte.it

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of
Immobiliare Grande Distribuzione SIIQ S.p.A.**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Immobiliare Grande Distribuzione SIIQ S.p.A. and its subsidiaries (the "Group" or "IGD Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Immobiliare Grande Distribuzione SIIQ S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
4.11 EXTERNAL AUDITORS' REPORT

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These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of the investment properties, of the investment properties under construction and of the work in progress inventory

Description of the key audit matter

As of December 31, 2024 Investment properties, investment properties under construction and work in progress inventory are equal to Euro 1,696 million (of which Euro 2.5 million relating to assets under construction and Euro 22 million related to work in progress inventory), representing 91.5% of total assets.

The total real estate portfolio, held by the Group also through two associated companies valued according to the equity method with a carrying amount of Euro 106 million, includes investment property and property under construction.

Investment properties are measured at fair value in accordance with the IAS 40 adopted by the European Union and assets under construction and work in progress inventory are valued at cost less impairment losses, or at fair value if it can be reliably determined, taking into account the procedure for obtaining administrative permits and the start of construction.

The process of valuing the Group's real estate portfolio, carried out by the Directors on the basis of appraisals by independent experts (the "Appraisers"), is based on a complex series of estimates, and derives from variables and assumptions relating to future performance that are impacted by future economic and market conditions that are hard to predict.

In particular, the assumptions used by the Directors in valuing their real estate portfolio mainly relate to the following variables: (i) the expected cash flows of each investment property and their distribution over time; (ii) inflation rates, capitalization rates of net income at the end of the valuation period and discount rates of cash flows related to each investment property. As a result of these appraisals, the Group's real estate portfolio was subject to net writedowns of Euro 31.1 million.

In view of the significance of the Group's real estate portfolio, the complexity and subjectivity of the valuation process carried out by the Directors, made even more uncertain by the current macroeconomic environment, we considered the valuation of the real estate portfolio to be a key matter of the audit of the Group's financial statements as at December 31, 2024.

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Notes 7, 14, 17 and 22 and paragraphs "Summary of accounting policies" and "use of estimates" of the consolidated financial statements provide information on the real estate portfolio and the assumptions underlying its valuations.

Audit procedures performed

During our audit, we carried out, the following procedures, among others:

- understanding and assessing the methodologies and procedures laid down by the Group to verify the independence and competence of the independent Appraisers engaged to determine the fair value of investment properties and assets under construction, as well as the procedures governing the selection and rotation of the Appraisers and the exchange of information between the Group's managers responsible for managing the real estate assets and the Appraisers;
- compliance tests on the controls put in place by the Group over the processes and procedures mentioned above for the verification of the fair value models prepared by the Appraisers, and of the results deriving from such models;
- assessment of the expertise, skills and objectivity of the Appraisers involved by the Directors, by reviewing their professional qualifications;
- analysis, with the support of our specialists with specific valuation skills, of the adequacy of the valuation methods used and the reasonableness of the main assumptions reflected in these valuation models (discounted cash flow method), by reading and analysing the appraisals prepared by the independent experts and by holding discussions with the Group's management and with the independent experts;
- verification on a sample basis of the data communicated by the Group's management to the independent experts for the preparation of the appraisals;
- comparison on a sample basis, also involving our specialists with specific valuation skills, of inflation rates, discount rates, capitalization rates and market fees used to prepare the valuations, with external sources;
- verification on a sample basis of the mathematical accuracy of the valuation models prepared by independent external valuation companies and of the sensitivity analysis prepared by the Group;

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IIGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024
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- review of the information provided by the Group in the notes to the consolidated financial statements relating to the method used to determine fair value, to estimate the input data, to assess the results of the valuations and carry out the sensitivity analysis of fair value;
- analysis of any subsequent events to the reporting date which might prove useful for the valuation of the Group's real estate portfolio.

Accounting treatment of the sale of certain real estate investments

Description of the key audit matter

On 23 April 2024, the Company sold a real estate portfolio consisting of 8 hypermarkets, 3 supermarkets and 2 shopping malls (the "Portfolio").

The sale was carried out through: i) the preliminary contribution of the Portfolio, whose fair value was approximately Euro 258 million, to a closed-end real estate investment fund under Italian law called Fondo Food represented by 60% of class A shares with a preferential yield and 40% of class B units with a yield subordinated to the reimbursement of the class A units; ii) the subsequent sale, for an amount of approximately Euro 155 million, of the class A shares of the Fondo Food to a Luxembourg vehicle held by operators in the sector, while retaining 40% of the class B shares.

Following an analysis that took into particular consideration the governance of the Fondo Food and the different rights pertaining to the class A and class B shares, the Company concluded that the investment in the Fondo Food consisting of 40% of the class B shares should be classified as an associated company, according to the international accounting standard IAS 28 adopted by the European Union.

Following the loss of control of the net assets subject to disposal, the Company adopted the following accounting treatment in the financial statements:

i) derecognition of the assets associated with the Portfolio being sold;

ii) recognition of the 40% interest in the Fondo Food at its fair value on the date of loss of control.

The transaction resulted in the recognition in the Company's financial statements of a negative charge to the income statement of approximately Euro 29.1 million.

In consideration of the significant impact of the transaction in question on the Company's assets and income statement and the complexity of the analysis of the accounting treatment, we considered that this transaction represents a key matter of the audit of the Group's financial statements as 31 December 2024.

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Notes 8, 14 and 20 provide information on the transaction and its accounting effects.

Audit procedures performed

As part of our audit checks, we carried out the following procedures, among other things:

- obtaining and critically analysing the contractual documents relating to the transaction, interviews with the Company's management as well as reading the minutes of the Board of Directors, with the involvement of Deloitte network experts in the interpretation and application of international accounting standards;
- understanding the analysis carried out by the Company regarding the derecognition of the net assets subject to disposal and the qualification of the 40% investment in the class B shares of the Fondo Food as an associated company pursuant to the international accounting standard IAS 28 adopted by the European Union;
- verification of the reasonableness of the accounting estimate made by the Company of the fair value of the class B shares of the Fondo Food at the date of loss of control of the net assets sold, in accordance with the international financial reporting standard IFRS 13 adopted by the European Union, also by involving valuation experts of the Deloitte network;
- verification of the fairness of the accounting records relating to the elimination of the net assets sold and recognition at fair value at the date of loss of control of the investment in the Fondo Food under investments in associated companies;
- verification of the disclosures made by the Company regarding the transaction and its accounting treatment.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Immobiliare Grande Distribuzione SIIQ S.p.A. has appointed us on April 14, 2022 as auditors of the Company for the years from December 31, 2022 to December 31, 2030.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Immobiliare Grande Distribuzione SIIQ S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the consolidated financial statements, to be included in the annual financial report.

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IGD GROUP: CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2
4.11 EXTERNAL AUDITORS' REP

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We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2024 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Some of the information contained in the notes to the consolidated financial statements, when extracted from the XHTML format in an XBRL instance, due to certain technical limitations may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter (e) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Immobiliare Grande Distribuzione SIIQ S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of IGD Group as at December 31, 2024, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98, with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of IGD Group as at December 31, 2024 and are prepared in accordance with the law.

In addition, in our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

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With reference to the statement referred to in art. 14, paragraph 2 sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Francesco Masetti
Partner

Bologna, Italy
March 21, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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// 5. IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024

DETAILED INDEX

5.1 // Income statement

(In Euros)	Note	12/31/2024 (A)	12/31/2023 (B)	Change (A) - (B)
Revenue	1	115,845,970	123,784,253	(7,938,283)
Revenues from third parties		87,402,570	86,863,036	539,534
Revenues from related parties		28,443,400	36,921,217	(8,477,817)
Other revenue	2	1,140,095	1,432,819	(292,724)
Other revenues from third parties		811,069	988,849	(177,780)
Other revenues from related parties		329,026	443,970	(114,944)
Operating revenues		116,986,065	125,217,072	(8,231,007)
Service costs	3	(14,924,495)	(15,819,274)	894,779
Service costs from third parties		(11,651,190)	(12,074,047)	422,857
Service costs from related parties		(3,273,305)	(3,745,227)	471,922
Cost of labour	4	(6,297,132)	(6,391,522)	94,390
Other operating costs	5	(8,249,357)	(8,702,712)	453,355
Total operating costs		(29,470,984)	(30,913,508)	1,442,524
Depreciations, amortization and provisions		(1,949,969)	(2,061,444)	111,475
(Impairment losses) / Reversals on work in progress and inventories		113,850	(408,942)	522,792
Provisions for doubtful accounts		(1,116,850)	(322,419)	(794,431)
Change in fair value		(19,235,035)	(119,634,516)	100,399,481
Depreciation, amortization, provisions, impairment and change in fair value	6	(22,188,004)	(122,427,321)	100,239,317
EBIT		65,327,077	(28,123,757)	93,450,834
Income / (loss) from equity investments and asset disposal	7	(29,263,433)	(44,921)	(29,218,512)
Financial Income		4,133,263	4,356,829	(223,566)
Financial income from third parties		338,789	378,243	(39,454)
Financial income from related parties		3,794,474	3,978,586	(184,112)
Financial charges		(66,797,388)	(48,417,783)	(18,379,605)
Financial charges from third parties		(66,536,036)	(47,704,449)	(18,831,587)
Financial charges from related parties		(261,352)	(713,334)	451,982
Net financial income (expense)	8	(62,664,125)	(44,060,954)	(18,603,171)
Pre-tax profit / (loss)		(26,600,481)	(72,229,632)	45,629,151
Income taxes	9	(320,467)	(285,226)	(35,241)
Net profit / (loss) for the period		(26,920,948)	(72,514,858)	45,593,910

5.2 // Statement of comprehensive income

(Amount in Euro)	12/31/2024	12/31/2023
Net result of the year	(26,920,948)	(72,514,858)
Other component of comprehensive income statement that will not be reclassified to profit/loss of the year, net of tax effect		
Recalculation of defined benefit plans	32,689	(64,989)
Tax effect	(817)	1,203
Total component of comprehensive income statement that will not be reclassified to profit/loss of the year	31,872	(63,786)
Other component of comprehensive income statement that will be reclassified to profit/loss of the year		
Hedge derivative financial instruments	(293,679)	(7,711,926)
Tax effect of hedge derivative financial instruments	70,483	1,850,862
Total component of comprehensive income statement that will be reclassified to profit/loss of the year	(223,196)	(5,861,064)
Total comprehensive profit / (loss) for the period	(27,112,273)	(78,439,708)

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.3 STATEMENT OF FINANCIAL POSIT

5.3 // Statement of financial position

(In Euros)	Note	12/31/2024 (A)	12/31/2023 (B)	Change (A) - (B)
NON CURRENT ASSETS:				
Intangible assets				
Intangible assets with finite lives	10	571,183	774,270	(203,087)
Goodwill	11	1,000,000	1,000,000	0
		1,571,183	1,774,270	(203,087)
Property, plant, and equipment				
Investment property	12	1,541,072,931	1,810,740,779	(269,667,848)
Buildings	13	6,563,145	6,790,721	(227,576)
Plant and machinery	14	86,707	110,133	(23,426)
Equipment and other goods	14	2,033,158	2,134,540	(101,382)
Assets under construction and advance payments	15	2,401,840	2,287,990	113,850
		1,552,157,781	1,822,064,163	(269,906,382)
Other non-current assets				
Deferred tax assets	16	1,670,704	1,593,188	77,516
Sundry receivables and other non-current assets	17	109,962	82,610	27,352
Equity investments	18	222,485,827	142,084,552	80,401,275
Derivative assets		2,155,181	2,649,950	(494,769)
		226,421,674	146,410,300	80,011,374
TOTAL NON-CURRENT ASSETS (A)		1,780,150,638	1,970,248,733	(190,098,095)
Current assets:				
Trade and other receivables	20	7,497,667	6,752,075	745,592
Related party trade and other receivables	21	1,827,061	1,774,714	52,347
Other current assets	22	1,859,350	6,919,707	(5,060,357)
Related parties other current assets	23	1,199,208	806,903	392,305
Financial receivables and other current financial assets	24	75,946,551	79,708,129	(3,761,578)
Cash and cash equivalents	25	2,288,918	3,141,373	(852,455)
TOTAL CURRENT ASSETS (B)		90,618,754	99,102,901	(8,484,147)
TOTAL ASSETS (A+B)		1,870,769,392	2,069,351,634	(198,582,242)

(In Euros)	Note	12/31/2024 (A)	12/31/2023 (B)	Change (A) - (B)
NET EQUITY				
Share capital		650,000,000	650,000,000	0
Other reserves		399,376,114	472,082,296	(72,706,182)
Group profit (loss) carried forward		1,034	1,034	0
Net profit (loss) of the year		(26,920,948)	(72,514,858)	45,593,910
NET EQUITY		1,022,456,200	1,049,568,472	(27,112,272)
TOTAL NET EQUITY (D)	26	1,022,456,200	1,049,568,472	(27,112,272)
Non current liabilities:				
Derivatives - liabilities	41	3,748,514	3,854,789	(106,275)
Non-current financial liabilities	27	736,253,144	927,566,202	(191,313,058)
Provisions for employee severance indemnities	28	1,483,316	1,582,292	(98,976)
Provision for risks and future charges	29	5,481,821	5,255,530	226,291
Sundry payables and other liabilities	30	1,914,146	2,892,017	(665,371)
Related parties sundry payables and other non-current liabilities	30	8,315,277	14,310,436	(5,995,159)
TOTAL NON-CURRENT LIABILITIES (E)		757,196,218	955,148,766	(197,952,548)
Current Liabilities:				
Current financial liabilities	31	65,406,109	33,172,964	32,233,145
Related parties financial liabilities	31	0	0	0
Trade and other payables	33	10,014,104	16,769,378	(6,755,274)
Related parties trade and other payables	34	1,296,766	2,338,610	(1,041,844)
Current tax liabilities	35	906,667	729,197	177,470
Other current liabilities	36	12,521,765	11,044,809	1,476,956
Related parties other current liabilities	37	971,563	579,438	392,125
TOTAL CURRENT LIABILITIES (F)		91,116,975	64,634,396	26,482,579
TOTAL LIABILITIES (H=E+F)		848,313,192	1,019,783,162	(171,469,970)
TOTAL NET EQUITY AND LIABILITIES (D+H)		1,870,769,392	2,069,351,634	(198,582,242)

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.4 STATEMENT OF CHANGES IN EQ

5.4 // Statement of changes in equity

(Amount in Euro)	Share capital	Sahre premium reserve	Other reserves	Profit (loss) from previous years	Profit (loss) for the year	Net equity
Balance at 01/01/2024	**650.000.000**	**0**	**472.082.296**	**1.034**	**(72.514.858)**	**1.049.568.472**
Profit / (loss) of the year	**0**	**0**	**0**	**0**	**(26.920.948)**	**(26.920.948)**
Cash flow hedge derivative assessment	**0**	**0**	**(223.196)**	**0**	**0**	**(223.196)**
Other comprehensive profit (loss)	**0**	**0**	**31.872**	**0**	**0**	**31.872**
Total comprehensive profit (loss)	**0**	**0**	**(191.324)**	**0**	**(26.920.948)**	**(27.112.272)**
Cover of 2023 loss						
Dividends paid	**0**	**0**	**0**	**0**	**0**	**0**
Reclassification of fair value reserve	**0**	**0**	**0**		**0**	**0**
Cover of 2023 loss	**0**	**0**	**(72.514.858)**	**0**	**72.514.858**	**0**
Balance at 12/31/2024	**650.000.000**	**0**	**399.376.114**	**1.034**	**(26.920.948)**	**1.022.456.200**

(Amount in Euro)	Share capital	Sahre premium reserve	Other reserves	Profit (loss) from previous years	Profit (loss) for the year	Net equity
Balance at 01/01/2023	**650,000,000**	**0**	**476,320,920**	**19,695,070**	**(5,027,926)**	**1,140,988,063**
Profit / (loss) of the year	**0**	**0**	**0**	**0**	**(72,514,858)**	**(72,514,858)**
Cash flow hedge derivative assessment	**0**	**0**	**(5,861,064)**	**0**	**0**	**(5,861,064)**
Other comprehensive profit (loss)	**0**	**0**	**(63,786)**	**0**	**0**	**(63,786)**
Total comprehensive profit (loss)	**0**	**0**	**(5,924,849)**	**0**	**(72,514,858)**	**(78,439,707)**
Surplus IGD Management merger	**0**	**0**	**20,122,686**	**0**	**0**	**20,122,686**
Cover of 2022 loss						
Dividends paid	**0**	**0**	**(16,843,038)**	**(16,259,531)**	**0**	**(33,102,570)**
Reclassification of fair value reserve	**0**	**0**	**0**		**0**	**0**
Cover of 2022 loss	**0**	**0**	**(1,593,422)**	**(3,434,504)**	**5,027,926**	**0**
Balance at 12/31/2023	**650,000,000**	**0**	**472,082,296**	**1,034**	**(72,514,858)**	**1,049,568,472**

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.5 CASH FLOWS STATEM

5.5 // Cash flow statement

(In thousands of Euros)	Nota	12/31/2024	12/31/2023
CASH FLOW FROM OPERATING ACTIVITIES:			
Profit (loss) of the year		(26,921)	(72,515)
Adjustments to reconcile net profit with cash flow generated (absorbed) by operating activities			
Taxes of the year	9	320	286
Financial charges/ (income)	8	62,661	44,061
Depreciation and amortization	6	1,950	2,061
Writedown of receivables	6	1,117	322
(Impairment losses) / reversal on work in progress	6	(114)	409
Changes in fair value - (increases) / decreases	6	19,235	119,635
Gains / losses from disposal - equity investments	7	29,263	45
Changes in provisions for employees and end of mandate treatment		557	1,019
CASH FLOW FROM OPERATING ACTIVITIES:		88,068	95,323
Financial charge paid		(41,311)	(32,302)
Provisions for employees, end of mandate treatment		(1,136)	(691)
Income tax		0	(81)
CASH FLOW FROM OPERATING ACTIVITIES NET OF TAX:		45,621	62,249
Change in inventory		0	
Change in trade receivables		(1,915)	3,113
Net change in other assets		4,635	(5,049)
Change in trade payables		(7,797)	3,562
Net change in other liabilities		(5,208)	(192)
CASH FLOW FROM OPERATING ACTIVITIES (A)		35,336	63,683
(Investments) in intangibile assets	10	(229)	(377)
Disposals of intangible assets		0	0
(Investments) in tangible assets		(16,351)	(26,517)
Disposals of tangible assets		3,595	0
(Investments) in equity interests		(10)	0
Impact of Food transaction		153,165	0

(In thousands of Euros)		12/31/2024	12/31/2023
CASH FLOW FROM INVESTING ACTIVITIES (B)		140,170	(26,894)
Change in non-current financial assets		3,761	13,437
Capital increase net of costs		5	5
Collected dividends	25	0	(33,103)
Distribution of dividends		(3,865)	(3,791)
Rents paid for financial leases		15,756	256,000
Collections for new loans and other financing activities		(192,015)	(289,625)
Loans repayments and other financing activities		(176,358)	(57,077)
NET INCREASE (DECREASE) IN CASH BALANCE (A+B+C)		(852)	(20,288)
CASH BALANCE AT BEGINNING OF THE PERIOD	31	3,141	21,044
CASH BALANCE IGD MANAGEMENT		0	2,385
CASH BALANCE AT END OF THE PERIOD	31	2,289	3,141

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.6 NOTES TO THE FINANCIAL STATEME

5.6 // Notes to the financial statements

5.6.1 // General information

The separate financial statements of Immobiliare Grande Distribuzione SIIQ S.p.A. for the year ended 31 December 2024 were approved and authorised for publication by the Board of Directors on 6 March 2025.

IGD SIIQ S.p.A. is a subsidiary and is under the management and coordination of Coop Alleanza 3.0 Soc. Coop.

5.6.2 // Summary of accounting standards

5.6.2.1 // Basis of preparation

> Statement of compliance with International Accounting Standards

The separate financial statements for 2024 have been prepared in accordance with the IFRS (International Financial Reporting Standards) issued by the IASB (International Accounting Standards Board) and approved by the European Union, and with instructions issued in compliance with Art. 9 of Italian Legislative Decree 38/2005. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), including those previously issued by the Standing Interpretations Committee (SIC), that as of the reporting date had been endorsed following the procedure specified in Regulation (EC) 1606/2002. The IFRS have been applied consistently to all reporting periods presented.

The Directors have assessed the applicability of the business continuity assumption in the preparation of the financial statements, concluding that such assumption is appropriate as there are no doubts about the business continuity, considering the actions taken in 2024 described in the corporate events paragraph.

> Reporting formats

The items in the statement of financial position have been classified as current or non-current, and those in the income statement by type.

The statement of comprehensive income shows the net profit or loss along with income and charges that by express requirement of IFRS are recognized directly in equity.

The statement of changes in equity presents comprehensive income and charges, transactions with shareholders and other changes in net equity.

The statement of cash flows is prepared using the indirect method, adjusting the profit for non-cash items.

> Presentation of the notes to the financial statements

To facilitate comprehension, all amounts below are expressed in thousands of euros unless otherwise specified.

> Changes in accounting standards

a) IFRS accounting standards, amendments and interpretations applied from 1 January 2024

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Company as from 1 January 2024:

> On 23 January 2020, IASB published "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on 31 October 2022 "Amendments to IAS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants." These amendments clarify how to classify payables and other liabilities as current or non-current. They also improve the required disclosures when an entity's right to defer the settlement of a liability for at least twelve months is subject to compliance with certain parameters (i.e. covenants). The adoption of these amendments has not affected the Company's separate financial statements;

> On 22 September 2022, IASB published "Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback." The amendments require the seller-lessee to measure the lease liability arising from a sale & leaseback transaction in a way that does not recognize a gain or loss relating to the retained right of use. The adoption of these amendments has not affected the Company's separate financial statements;

> On 25 May 2023 the IASB published "Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements." The document requires disclosures on reverse factoring agreements that allow users of financial statements to assess how supplier finance arrangements affect an entity's liabilities and cash flows and to understand the effect of supplier finance arrangements on the entity's exposure to liquidity risk. The adoption of these amendments has not affected the Company's separate financial statements.

b) IFRS and IFRIC accounting standards, amendments, and interpretations endorsed by the European Union but not yet mandatorily applicable and not adopted in advance by the Group as of 31 December 2024

The following IFRS accounting standards, amendments and interpretations have been endorsed by the European Union but are not yet mandatorily applicable and were not adopted in advance by the Company as of 31 December 2024:

> On 15 August 2023, IASB published "Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability." The amendments require an entity to use a consistent method to assess whether a currency can be exchanged for another, and if it cannot, how to determine the exchange rate to be used and what disclosures to make in the notes to the financial statements. They are effective from 1 January 2025, but early adoption is permitted. The Directors do not expect the adoption of this amendment to have a significant impact on the Group's consolidated financial statements.

C) IFRS accounting policies, amendments and interpretations not yet endorsed by the European Union as of 31 December 2024

As of the reporting date, the EU authorities had not yet finished the endorsement process necessary for the adoption of the following amendments and standards.

> On 30 May 2024 the IASB published "Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7." The document clarifies some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting of financial assets whose returns depend on the achievement of ESG objectives (i.e. green bonds). The amendments, in particular, aim to:

- > Clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;
- > Determine that the liabilities settlement date through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognized before delivering cash at the settlement date if certain specified conditions are met.

With these amendments, the IASB has also introduced additional disclosure requirements specifically regarding investments in equity instruments recognized at FVOCI.

The changes will be applied to financial statements for the year beginning on 1 January 2026 and to subsequent financial statements. The Directors do not expect the adoption of this amendment to have a significant impact on the Company's separate financial statements.

> On 18 July 2024, IASB published "Annual Improvements Volume 11." The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are as follows:

- > IFRS 1 First-time Adoption of International Financial Reporting Standards;
- > IFRS 7 Financial Instruments: disclosures and related guidance on the implementation of IFRS 7;
- > IFRS 9 Financial Instruments;
- > IFRS 10 Consolidated Financial Statements; and
- > IAS 7 Statement of Cash Flows.

The changes will be applied from 1 January 2026, but early adoption is permitted. The Directors do not expect the adoption of these amendments to have a significant impact on the Company's separate financial statements.

> On 9 April 2024, IASB published the new IFRS 18 Presentation and Disclosure in Financial Statements that will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the format for the presentation of financial statements and the income statement in particular. Specifically, the new standard requires to:

- > Classify revenue and costs into three new categories (operating, investing and financing), in addition to the tax and discontinued operations categories which are already included in the income statement;
- > Present two new subtotals, operating profit and earnings before interest and taxes (i.e. EBIT).

The new standard also:

- > Requires more information on the performance indicators defined by management;
- > Introduces new criteria for the aggregation and

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.6 NOTES TO THE FINANCIAL STATEME

disaggregation of information; and,

> Introduces some changes to the cash flow statement, including the requirement to use operating profit as the starting point for the presentation of the cash flow statement prepared using the indirect method and the elimination of some classification options for some currently existing items (such as interest paid, interest received, dividends paid and dividends received).

The new standard will be effective from 1 January 2027, but early adoption is permitted. The Directors are currently evaluating the possible effects of the introduction of this new principle on the Company's separate financial statements.

5.6.2.2 // Intangible assets

Intangible assets are recognized at cost when they are identifiable and controllable, and it is likely that use of the asset will generate future economic benefits and when its cost can be reliably determined. Intangible assets acquired through business combinations are recognized at the market value defined as of the acquisition date, if that value can be reliably determined.

After their initial recognition, intangible assets are carried at cost. The useful life of intangible assets can be either finite or indefinite. Intangible assets with indefinite useful lives are not amortized but are subject to impairment testing each year, or more frequently, whenever there is any indication of impairment. All intangible assets are subject to impairment testing on an annual basis to assess whether there is an impairment loss. If the recoverable value of an intangible asset is less than its book value, the latter is reduced to its recoverable value. This reduction constitutes an impairment loss, which is immediately posted to the income statement. An asset's recoverable value is the higher of its net sale value or value in use. Value in use is the present value of expected cash flows generated by the asset. In order to assess losses in value, assets are aggregated to the lowest cash generating unit, i.e. the lowest level for which independent cash flows can be separately identified. In the case of an indicator implying recovery of the value lost, the asset's recoverable value is re-determined, and the book value is increased to that new value. However, the increase in book value can never exceed the net book value that the asset would have had if no impairment had occurred.

5.6.2.3 // Investment property and assets under construction

Investment property is real estate held in order to earn rent while appreciating in value over time.

Investment property is initially recognized at cost, including transaction expenses (as well as borrowing costs, where applicable), and is subsequently measured at fair value with changes reported in the income statement.

Any work on the properties is added to their carrying value only if it is likely to produce future economic benefits and if the cost can be reliably determined. Other maintenance and repair costs are recognized in the income statement when incurred.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this expenditure.

The market value of properties includes the value of their plant and machinery, as well as goodwill acquired.

Investment property is derecognized on disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains or losses from the withdrawal or disposal of investment property are recognized to profit or loss in the period in which the withdrawal or disposal takes place. The property portfolio's value is measured twice a year with assistance from independent experts, who have recognized professional qualifications and up-to-date knowledge of the properties' rental situation and characteristics.

Assets under construction, consisting of deposits and advance payments, are measured at cost. For land and accessory works on which investment property will be developed, once the building permits are obtained and/or the urban planning agreements signed, and once the procedure for obtaining administrative permits is completed and construction is underway, their fair value can be reliably determined, and the fair value method is therefore used. Until that time, the asset is recognized at cost, which is compared with the recoverable amount at each reporting date in order to determine any loss in value. When construction or development of an investment property is completed, it is restated to "investment property."

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The fair value of investment property in accordance with IFRS 13 must reflect, among other things, rental income from current leases and other reasonable and supportable assumptions that market participants would use when pricing the asset under current market conditions.

As stated in paragraph 27 of IFRS 13, the fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The highest and best use of a non-financial asset takes into account the use of the asset that is physically possible, legally permissible and financially feasible. Specifically:

> A use that is physically possible takes into account the physical characteristics of the asset that market participants would take into account when pricing the asset (e.g. the location or size of a property);

> A use that is legally permissible takes into account any legal restrictions on the use of the asset that market participants would take into account when pricing the asset (e.g. the zoning and urban planning regulations applicable to a property);

> A use that is financially feasible takes into account whether a use of the asset that is physically possible and legally permissible generates adequate income or cash flows (taking into account the costs of converting the asset to that use) to produce an investment return that market participants would require from an investment in that asset put to that use.

Highest and best use is determined from the perspective of market participants. An entity's current use of a non-financial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset.

The Company has not capitalized any financial charges.

5.6.2.4 // Right of use assets

The Company holds an operating lease for a mall inside the Fonti del Corallo shopping center which is in turn leased to third parties.

In accordance with IFRS 16, upon signing a new operating lease of a significant amount and with a duration of more than one year, the Company recognizes a right-of-use asset of the same amount as the lease liability. The right-of-use asset is recognized as a tangible asset under "investment property" and subject to independent appraisal to determine its fair value. At the end of each reporting period, the change in fair value is reported separately in the income statement under "Change in fair value."

To determine the fair value of every asset held under operating leases, the independent experts discount to present value the cash flows expected in the years covered by the lease. Unlike traditional real estate appraisals, the terminal value at the end of the explicit period is not considered.

The Company takes the exemption permitted by IFRS 16:5 (a) for short-term leases. Likewise, the Company has opted for the exemption permitted by IFRS 16:5 (b) with respect to leases for which the underlying asset qualifies as low (i.e. not significant) value. For these contracts, the lease instalments continue to be recognized in profit or loss on a straight-line basis over the lease term.

5.6.2.5 // Plant, machinery and equipment

Plant, machinery and equipment that are owned by IGD and are not attributable to investment property are recognized at cost, less commercial discounts and rebates, considering directly attributable expenses as well as an initial estimate of the cost of dismantling and removing the asset and restoring the site where it was located. Costs incurred after purchase are capitalized only if they increase the future economic benefits expected of the asset. All other costs (including financial expenses directly attributable to the purchase, construction or production of the asset) are recognized to profit or loss when incurred. The capitalized charge is recognized to profit and loss throughout the useful life of the tangible asset by means of depreciation. Depreciation is calculated on a straight-line basis over the asset's estimated useful life, as follows:

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5.6 NOTES TO THE FINANCIAL STATEME

Category	Rate
Wiring, sprinkler system, compressed air	**10%**
HAVC system	**15%**
Fittings	**20%**
Computer to manage plants	**20%**
Special communication - telephone system	**25%**
Special plant	**25%**
Alarm / Security system	**30%**
Sundry equipment	**15%**
Office furnishing	**12%**
Cash registers and EPD machines	**20%**
Personal computers and networking accessories	**25%**

An asset is subject to impairment testing whenever events or changes in circumstances indicate that its carrying value cannot be fully recovered. If this is the case, and the carrying value exceeds the recoverable amount, the asset is written down to reflect the impairment. An asset's recoverable value is the higher of its net sale value or value in use.

In measuring value in use, the discount rate used should be the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate sufficiently independent cash flows, the realisable value is determined in relation to the cash generating unit to which the asset belongs. Impairment losses are charged to the income statement as depreciation, amortization and impairment costs. Impairment is reversed if its causes cease to apply.

When an asset is sold or when its use is no longer expected to produce future economic benefits, it is derecognized and any loss or gain (calculated as the difference between the sale value and carrying value) is taken to profit or loss the year the asset is derecognized.

5.6.2.6 // Equity investments

Equity investments in subsidiaries are recognized at cost less any impairment. The positive difference, at the time of the acquisition, between the purchase cost and the Company's share of the investee's net equity at present values is therefore included in the carrying value of the investment.

Should the Company's share of the investee's losses exceed the carrying value of the investment, the investment is written off, and the Company's share of further losses is recognized as a liability provision if the Company is liable for this.

Equity investments in joint ventures and associates are accounted for using the equity method. As such, the investment is initially carried at cost, which is then adjusted upward or downward to reflect changes in the net equity of the investee after purchase. If an investment is classified as a joint venture or associate due to loss of control, it is initially recognized at fair value, which is then adjusted upward or downward to reflect changes in investee's net equity after the date control was lost. The adjustments to the value of the investment are taken to the income statement in proportion to the Company's share of profit or loss, taking into account any impact of preference shares or quotas held by third parties.

5.6.2.7 // Financial assets

The Group classifies financial assets on the basis of the business model used to manage them and the characteristics of the contractual cash flows. Depending on these conditions, financial assets are then measured at:

> Amortized cost;

> Fair value through other comprehensive income;

> Fair value through profit or loss.

Management makes an irrevocable classification upon first-time recognition of the assets.

5.6.2.8 // Other non-current assets

Other non-current assets consist of deferred tax assets, financial assets relating to derivatives, and miscellaneous. Receivables and other financial assets other than derivatives, to be held until maturity, are recognized at cost, which corresponds to the fair value of the initial consideration paid plus transaction costs. The initial value recognized is subsequently adjusted to take account of the reimbursement of principal, any impairment losses, and amortization of the difference between the redemption value and the initial carrying value. Amortization is charged at the effective interest rate, corresponding to the rate which, upon first-time recognition, makes the present value of projected cash flows equal to the initial carrying amount (amortized cost method).

5.6.2.9 // Trade and other receivables

Receivables are recognized at amortized cost, which coincides with face value, and are subsequently reduced for any impairment. For trade receivables, an impairment provision is made when there is an objective indication (e.g. the likelihood of insolvency or significant financial problems for the debtor) that the Company will not be able to recover all amounts due under the original terms and conditions. The carrying amount of the receivable is reduced by means of a separate provision. Impaired receivables are written off when they are found to be irrecoverable.

Commercial discounts on periods for which the revenue has already accrued are accounted on the basis of IFRS 9, provided that no further changes are negotiated with the customer. In these cases, the receivable is reversed in the amount of the discount granted, with immediate effect on the income statement.

5.6.2.10 // Cash and cash equivalents

Cash and cash equivalents are recognized, depending on their nature, at face value or amortized cost.

Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, with an original maturity (i.e. at the time of purchase) of no more than three months.

5.6.2.11 // Financial receivables and other current financial assets

These consist mainly of financial assets held to maturity. Because under the Company's standard business model they are held for the purpose of collecting contractual cash flows, they are measured at amortized cost. They are initially measured at cost, and subsequently at amortized cost. Their value is reduced in consideration of expected losses, using information available without unreasonable effort or expense including past events and current and prospective data. Such impairment losses are recognized in the income statement, as are any impairment reversals.

Assets and liabilities held for sale are those whose value will be recovered principally through sale as opposed to use. This category applies when the sale is considered to be highly likely, and the assets and liabilities are available for sale immediately in their present condition. Such assets are recognized at the lower of cost and fair value net of costs to sell.

Any liabilities relating to business divisions held for sale are accounted for separately, under liabilities associated with assets held for sale.

Any impairment losses recognized via application of this policy are recognized in the income statement, both in the case of write-down for alignment with fair value and in that of gains and losses stemming from subsequent changes in fair value.

5.6.2.12 // Financial liabilities

Financial liabilities consist of borrowings, trade payables and other payables.

They are initially recognized at cost, corresponding to fair value including transaction costs; subsequently, they are carried at amortized cost which corresponds to their initial value, net of principal reimbursed, and adjusted upward or downward for the amortization of any differences between initial value and value at maturity (using the effective interest method). If payment estimates are revised, with the exception of lease liabilities, the adjustment is recognized in the income statement.

Lease liabilities as of the start date of the lease are calculated as the present value of payments due, discounted to present value using the implied interest rate of the lease or, where this cannot be easily determined, the marginal financing rate. The payments included in the computation of lease liabilities are: (a) fixed payments; b) variable payments linked to an index or rate; (c) amounts expected to be paid to guarantee the remaining balance; (d) the exercise price of any purchase option, if the duration of the lease takes this into account; and e) any penalties for termination of the lease, if the duration takes this into account.

After the start date, lease liabilities are adjusted for: (a) financial charges accrued and recognized in the income statement; b) payments made to the lessor; and (c) any new assessments or changes in the lease agreement or revised assumptions regarding payments due.

5.6.2.13 // Provisions for risks and charges

Provisions for risks and charges cover liabilities of a definite nature that are certain or likely to arise, but whose amount or timing were unknown at the end of the reporting period. Provisions are recognized when they cover a present obligation (legal or constructive) that stems from

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a past event, if settlement of the obligation will likely involve an outflow in an amount that can be reliably estimated.

The provision covers the best estimate of the amount the company would pay to settle the obligation or transfer it to third parties at the end of the reporting period. If the effect is significant, provisions are determined by discounting projected cash flows at a pre-tax rate that reflects current market assessments of the time value of money. When cash flows are discounted, the increase in the provision due to the passing of time is recognized as a financial charge.

5.6.2.14 // Employee benefits

Employee termination indemnities, which are mandatory for Italian companies pursuant to Law 297/1982 (*trattamento di fine rapporto* or TFR), qualify as defined benefit plans and are based, among other factors, on employees' working lives and on the compensation they receive during a pre-determined period of service. The liability for a defined benefit plan, net of any assets servicing the plan, is determined on the basis of actuarial assumptions and is recognized on an accrual's basis consistently with the amount of service required to receive the benefits; the liability is measured by independent actuaries. Gains and losses arising from the actuarial calculation are taken to the statement of comprehensive income under other comprehensive income. The Company does not offer compensation in the form of share-based payments, as employees do not render services in exchange for shares or options on shares. In addition, the Company does not offer employee incentive plans in the form of share participation instruments.

5.6.2.15 // Revenue

Revenue is recognized to the extent the Company is likely to enjoy economic benefits, and the amount can be reliably determined. It is measured at the market value of the consideration received, net of discounts, rebates and taxes. The following recognition criteria must always be satisfied before revenue is recognized in the income statement:

> Rental income and business unit lease revenue

Rental income and business unit lease revenue from the Company's freehold and leasehold properties is recorded on an accrual's basis, according to the rental and leasing contracts in force. Variable rent is recognized in the income statement when the event or circumstance triggering a payment comes to pass.

> Service income

Service income is recognized in the income statement with reference to the state of completion of the transaction and only when the outcome of the service can be reliably estimated.

5.6.2.16 // Dividends

Dividends are recognized when the Company is entitled to their receipt.

5.6.2.17 // Costs

Costs are recognized on an accrual's basis.

5.6.2.18 // Financial income and charges

Interest income and expense is recognized on an accruals basis with reference to the net value of the financial assets and liabilities concerned, using the effective interest rate.

5.6.2.19 // Income taxes

a) Current taxes

Current tax liabilities for the current and previous years are measured as the amount expected to be paid to the tax authorities. The tax rates and regulations used to calculate that amount are those that have been enacted or substantively enacted by the end of the reporting period.

Other taxes not related to income, such as those on property and capital, are booked to operating expenses. In calculating taxes for the year, the Company took into due account the IAS rules introduced by Law 244 of 24 December 2007, in particular the reinforced principle of derivation established by Art. 83 of TUIR (Testo unico delle imposte sui redditi, the Italian Consolidated Income Tax Code). According to that principle, entities that have adopted the international accounting standards should follow the IAS criteria for qualification, temporal allocation, and classification in the financial statements even if they depart from the provisions of TUIR.

For IRES (imposta sul reddito delle società, corporate income tax) purposes, the Company consolidates taxation in Italy with its main subsidiaries.

b) Deferred taxes

Deferred taxes are calculated on temporary differences existing at the reporting date between the value of assets and liabilities for tax purposes and the value reported in the statement of financial position.

Deferred tax liabilities are recognized on all taxable temporary differences, except when they derive from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, except when the deferred tax asset associated with the deductible temporary differences derives from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

The carrying value of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognized deferred tax assets are also reviewed at the end of the reporting period and are recognized to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on current tax rates and those in effect or substantively in effect by the end of each reporting, and considering the manner in which the temporary differences are expected to be reversed.

Income taxes relating to items that are credited or charged directly to equity are also charged or credited directly to equity and not to profit or loss.

5.6.2.20 // Derecognition of financial assets and financial liabilities

a) Financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when:

> The rights to receive cash flows from the asset have expired;

> The Company still has the right to receive cash flows from the asset, but has a contractual obligation to pay these immediately and in full to a third party;

> The Company has transferred the right to receive cash flows from the asset and (a) has transferred substantially all risks and rewards of ownership of the financial asset or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset;

> If the Company has transferred the right to receive cash flows from an asset and has neither transferred nor retained substantially all of the risks and rewards or has not lost control of the asset, then the asset is recognized to the extent of the Company's continuing involvement. Continuing involvement, which takes the form of a guarantee on the transferred asset, is recognized at the lower of the initial carrying value of the asset and the maximum amount that the Company could be required to pay.

b) Financial liabilities

A financial liability is derecognized when the underlying obligation is expired, cancelled or discharged.

Where a financial liability is exchanged for another one with the same lender but with substantially different terms, or there has been a substantial modification of the terms of an existing financial liability, this transaction is accounted for as the derecognition of the original financial liability and the recognition of a new financial liability, with any differences between carrying values recognized in profit or loss.

5.6.2.21 // Translation of foreign currency items

IGD SIIQ S.p.A.'s functional and reporting currency is the euro. Transactions in foreign currencies are initially translated at the exchange rate in force on the transaction date. Assets and liabilities in foreign currencies are translated at the exchange rate in force on the last day of the reporting period and the related exchange gains and losses are duly recognized in the income statement. Any net gain that arises flows into a reserve that cannot be distributed until the gain is realised.

5.6.2.22 // Derivative financial instruments

The Company holds derivative financial instruments for the purpose of hedging its exposure to the risk of interest rate changes affecting specific recognized liabilities.

In accordance with IFRS 9, derivative financial instruments used for hedging qualify for hedge accounting only if:

a. At the inception of the hedge there is formal designation and documentation of the hedging relationship;

b. The hedge is expected to be highly effective;

c. The effectiveness of the hedge can be reliably measured;

d. The hedge is highly effective throughout the financial reporting periods for which it was designated.

All derivative financial instruments are measured at fair value. When the derivative financial instruments qualify for hedge accounting, the following rules apply:

Fair value hedge

If a derivative financial instrument is designated as a hedge against changes in the fair value of an asset or liability attributable to a particular risk, the gain or loss arising from subsequent fair value accounting of the hedge is recognized in profit or loss. The part of the gain or loss from remeasuring the hedged item at fair value that is attributable to the hedged risk shall adjust the carrying amount of the hedged item and be recognized in profit or loss.

If hedge accounting does not apply, the gains or losses arising from measurement at fair value of the derivative financial instrument are recognized directly to profit or loss.

5.6.2.23 // SIIQ status

A company with SIIQ (Società di Investimento Immobiliare Quotata) status, applicable to the Company since 1 January 2008, can exclude rental income and income from equivalent activities for the purposes of IRES and IRAP (imposta regionale sulle attività produttive, regional business tax) (see also section 2.8 of the Directors' Report).

At 31 December 2024, as at the end of previous years, IGD SIIQ satisfied both the "asset test" and the "profit test" required to retain SIIQ status.

In accordance with the SIIQ rules, the Company does maintain marginal operations other than property rental and equivalent activities ("taxable operations").

Therefore, income from taxable operations has been subject to the standard rules of corporate income computation, while the SIIQ rules have been followed for income from exempt operations.

To determine the results of separate operations, subject to different accounting and tax treatment in accordance with paragraph 121 of Law 296/2006, IGD SIIQ S.p.A. has kept separate accounts for exempt rental and equivalent activities and taxable marginal activities.

Income from exempt operations therefore includes revenue and costs typical of the property rental business, as well as those typical of operations considered to be equivalent.

Likewise, revenue and costs stemming from the Company's remaining activities have been allocated to taxable operations.

Due to changes to the SIIQ rules introduced by Law 164 of 11 November 2014 ("Conversion into law, with amendments, of Decree 133 of 12 September 2014"), capital gains and losses on rental properties (whether realised or implicit in fair value measurements) are also included in exempt operations.

In accordance with paragraph 121 of Law 296 of 27 December 2006 and with the clarifications contained in Agenzia delle Entrate (the Italian Revenue Agency) Circular 8/E of 7 February 2008, general, administrative and financial costs that cannot be directly attributed to exempt or taxable operations or allocated on the basis of objective parameters have been split according to the ratio of exempt revenue/income/dividends to total revenue/income/dividends.

As for properties (owned or held on the basis of other rights in rem) forming part of rental package deals, the accurate and objective determination of the portion of fees pertaining to the real estate component has been ensured by making the exempt/taxable allocation on the basis of an expert appraisal to quantify the fair value of fees at each property that pertain to rent.

Likewise, the costs common to package deals as a whole (such as shopping center promotion and advertising costs) have been allocated to exempt and taxable operations in the same proportions used for rent. In this specific case, such a policy was deemed to be more reliable and objective than an allocation based on the Company's total revenue. Since these costs relate directly to the package deals and not to IGD SIIQ S.p.A.'s operations as a whole, their correlation with contractual fees is immediate and objective.

The tables below show the breakdown of profit into exempt and taxable income, as well as the calculations made to verify satisfaction of the asset test and profit test of the property rental and equivalent activities (also see Section 2.8 of the Directors' Report):

Income statement of taxable and exempt income (Amount in Euro)	12/31/2024	12/31/2024	12/31/2024
	Total	Exempt income	Taxable income
Total revenues and operating income	116,986,065	108,501,498	8,484,567
Total operating costs	(29,470,984)	(27,571,132)	(1,899,852)
Amortization and provisions	(1,949,969)	(1,737,186)	(212,783)
Provisions on doubtful account	(1,116,850)	(1,011,006)	(105,844)
(Impairment) / Reversals of work in progress and inventories	113,850	113,850	0
Change in fair value - increases / (decreases)	(19,235,035)	(16,633,248)	(2,601,787)
OPERATING RESULT	65,327,077	61,662,776	3,664,301
Equity investment result	(29,263,433)	(29,186,804)	(76,629)
Financial income	4,133,263	299	4,132,964
Financial charges	(66,797,388)	(59,483,836)	(7,313,552)
Financial management result	(62,664,125)	(59,483,537)	(3,180,588)
PRE-TAX PROFIT	(26,600,481)	(27,007,565)	407,084
Income taxes for the period	(320,467)	0	(320,467)
NET PROFIT FOR THE PERIOD	(26,920,948)	(27,007,565)	86,617

Assessment of economic requirement (Amounts in Euro)	12/31/2024
Income from rental activities (exempt income)	108,501,498
Capital gains	0
Total **(A)**	108,501,498
Positive Components	121,119,328
Capital gains	0
Total **(B)**	121,119,328
Income ratio **(A/B)**	89.58%

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Assessment of capital requirement (Amount in Euro/000)		12/31/2024
Rental properties		**1,538,546**
Assets under construction		**2,402**
Stakes in closed real estate funds		**105,956**
Total rental properties, assets under construction and stakes in SIINQ	A	**1,646,904**
TOTAL ASSETS	B	**1,870,769**
Items excluded from the ratio:	C	**(97,949)**
Cash on hands		**(2,289)**
Group companies loans		**(75,947)**
Trade receivables		**(9,325)**
IGD SIIQ HQ		**(6,563)**
Derivative assets		**(2,155)**
Deferred tax assets		**(1,670)**
Total adjusted assets **B-C=D**	D	**1,772,820**
FINANCIAL RATIO **A/D**		**92.90%**

5.6.3 // Use of estimates

The preparation of the separate financial statements and notes in accordance with IFRS requires the Directors to follow accounting policies and methods that in some cases depend on difficult and subjective quantifications and estimates based on past experience and assumptions that are considered reasonable and realistic on a case-by-case basis. These affect the carrying values of assets and liabilities and disclosures of contingent assets and liabilities as of the reporting date. Estimates and assumptions are reviewed on a regular basis and any changes are reflected immediately in profit or loss. Because assumptions about future performance are highly uncertain, actual results may differ from those forecast and may require material adjustments that cannot presently be foreseen or estimated.

The critical valuation processes and key assumptions used by the Company in the process of applying IFRS that may significantly impact the amounts presented in the financial statements and that may in the future lead to material differences with respect to the carrying amount of assets and liabilities are summarised below.

> Investment property

The real estate portfolio is appraised twice a year, on 30 June and 31 December, by an independent external firm selected on the basis of the following criteria: *(i)* recognized European-level qualifications, *(ii)* specialised expertise in the retail segment, and *(iii)* reputability and independence. Independent appraisers are appointed by resolution of the Board of Directors.

In line with recommendations from the supervisory authorities and the various industry best practices, the Company has long followed a specific procedure that governs the rules for selecting independent appraisers and handling the information flows used in the process of appraising the properties' fair value.

To appraise the real estate portfolio at 31 December 2024, the following independent firms were selected: *(i)* CBRE Valuation S.p.A., *(ii)* KROLL Advisory S.p.A., *(iii)* Cushman & Wakefield LLP, and (iv) Jones Lang LaSalle S.p.A. Given their specialised expertise in the retail segment, the Company believes that the findings and assumptions used by the independent appraisers are representative of the reference market.

The properties in the portfolio are appraised individually, using for each one the appraisal techniques specified below in accordance with IFRS 13.

According to IFRS 13, an entity should use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Fair value is measured on the basis of observable transactions in an active market, and is adjusted, if necessary, to take account of the specific characteristics of the individual real estate investment. If that information is not available, to determine the fair value of an investment property, the Company uses the discounted cash flow method (over a variable period of time depending on the duration of outstanding leases) relating to the future net rental income from the property. At the end of that period, it is assumed that the property will be sold at a value obtained by capitalizing the final year's rental income at an applicable market rate of return for similar investments.

The appraisal methods used, as specified in the individual appraisal reports, are as follows:

> For malls and retail parks, offices, hypermarkets and supermarkets: discounted cash flow (DCF) method based on net rental income for the next n years. According to this method, at the end of the given period it is assumed that the property will be sold at a value obtained by capitalizing the final year's net rental income at an applicable market rate of return for similar investments;

> For construction in progress (extensions and new constructions): transformation method, based on the discounting of future rental income for the property net of construction costs through to completion and other expenses.

With the DCF method, the market value of an investment property is the sum of the present values of the net cash flows it will generate for a number of years depending on the duration of the outstanding contracts. During the period, when the contracts expire, the rent used to compute revenue is replaced with the estimated rental value (ERV) determined by the appraiser, taking account of the contractual rent received, so that in the final year of the DCF revenue consists entirely of ERV. At the end of the period, it is assumed that the property will be sold at a value obtained by capitalizing the final year's rental income at an applicable market rate (gross cap out rate) for

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similar investments.

With the transformation method, the market value of a property in the planning or construction phase is calculated by discounting the future income from renting the property, net of construction and other costs to be incurred, for a number of years depending on the duration of the project. At the end of the period, it is assumed that the property will be sold at a value obtained by capitalizing the final year's rental income at an applicable market rate (gross cap out rate) for similar investments.

In both methods, based on the discounting of future income, the key elements are:

1) The amount of net cash flow:

a. For finished properties: rent received less property costs;

b. For construction in progress: estimated future rent less construction costs and property costs.

2) The distribution of cash flows over time:

a. For finished income-generating properties: the distribution over time is generally even;

b. For construction in progress: construction costs come before future rental income.

3) The discount rate;

4) The gross cap out rate.

In appraising the different types of properties in the real estate portfolio, the independent appraisers base their considerations primarily on:

1) Information received from IGD SIIQ, as follows:

(i) For finished properties: data on the rental status of each unit in each shopping center, as specified in the Company's internal procedure; property taxes; insurance and operating costs for the shopping centers; and any likely incremental costs;

(ii) For construction in progress: the start and end dates of the work, the status of building permits and authorisations, remaining costs, the state of progress, the ribbon-cutting date and projected rentals;

2) Assumptions used by the independent appraisers, such as inflation, discount rates, cap out rates and ERVs, determined through their own professional judgment upon careful observation of the market. The following are taken into account when determining the capitalization and discounting rates used to value individual properties:

> The type of tenant currently occupying the property or responsible for complying with rental obligations and the possible future occupants of vacant properties, as well as the market's general perception of their creditworthiness;

> The division of responsibilities for insurance and maintenance between the lessor and the lessee;

> The remaining economic life of the property.

The information provided by the Company to the independent appraisers and the latter's' assumptions and appraisal methods are approved by the Head of Real Estate Development and Management, who is responsible for organizing and coordinating the appraisal and for monitoring and verifying results before they are incorporated into the financial statements. The entire process is governed in detail by IGD SIIQ's internal procedure.

Disclosures on the fair value hierarchy are provided below in accordance with IFRS 13. The fair value hierarchy classifies into three levels the inputs to valuation techniques used to measure fair value. It gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). Specifically:

> Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

> Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs include the following:

(a) Quoted prices for similar assets or liabilities in active markets;

(b) Quoted prices for identical or similar assets or liabilities in markets that are not active;

(c) Inputs other than quoted prices that are observable for the asset or liability, for example:

i) Interest rates and yield curves observable at commonly quoted intervals;
ii) Implied volatility; and
iii) Credit spreads;

(d) Market-corroborated inputs.

> Level 3 inputs are unobservable inputs for the asset or liability.

Gruppo IGD's real estate portfolio has been measured according to Level 3 fair value models as the inputs directly and indirectly unobservable in the market, used in the valuation models, are greater than the observable inputs.

The following table shows Gruppo IGD's investment property by type, measured at fair value at 31 December 2023. It does not include construction in progress (Porto Grande expansion, listed with assets under construction), which is measured at the lower of cost and appraised market value as opposed to fair value.

FAIR VALUE MEASUREMENTS 12/31/2024 Amount in thousands of euro	Quoted prices (unadjusted) in active market for identical assets or liabilities (level 1)	Significant inputs observable on the market (level 2)	Significant inputs not observable on the market (level 3)
Investment properties:			
Shopping malls and retail parks	0	0	**1,343,515**
Hypermarkets and supermarkets	0	0	**183,630**
Other	0	0	**11,402**
Total investment properties	0	0	**1,538,546**
Right to use (IFRS 16)			
Right to use (IFRS 16)	0	0	**2,527**
Total rights to use (IFRS 16)	0	0	**2,527**
Total IGD investment properties measured at Fair Value	0	0	**1,541,073**

See section 4.6.3 ("Use of estimates") for further information.

> Recoverable amount of goodwill

The recoverable amount of goodwill is determined each year, or more frequently in the case of events or changes in circumstances that may indicate impairment. Impairment is identified through tests based on the ability of each cash generating unit to produce cash flows suitable for recovering the portion of goodwill that has been allocated to it, following the procedures specified in the section on tangible assets.

> Recoverable amount of equity investments

On the basis of the fund regulations, the recoverable amount of IGD's investment in the Juice and Food funds is strictly connected to the fair value and sale value of the property investments managed.

> Recoverability of deferred tax assets

The Company has deferred tax assets on deductible temporary differences and theoretical tax benefits for losses carried forward. In estimating recoverable value, the Company considered the results of the business plan consistently with those used for impairment testing.

> Fair value of derivative instruments

The fair value of interest rate swaps for which no active market exists is determined according to market-based

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quantitative techniques, i.e. accredited pricing models based on parameters taken as of the individual measurement dates, also with support from external consultants. This method therefore reflects a materiality of the input data consistent with Level 2 of the fair value hierarchy defined by IFRS 13: although quoted prices in active markets (Level 1) are not available for these instruments, it is possible to base measurements on data observable either directly or indirectly in the market.

> Variable revenue

Variable revenue at 31 December is determined on the basis of annual earnings reports from the individual tenants, if available, and otherwise on the basis of monthly reports.

> Provision for doubtful accounts

The provision for doubtful accounts reflects losses on receivables estimated by the management. The management closely monitors the quality of the receivables' portfolio and the current and prospective conditions of the economy and reference markets. Estimates and assumptions are reviewed on a regular basis and any changes are reflected in the income statement of the relevant year.

> Contingent liabilities

The Company recognizes a liability for pending disputes and legal actions when it believes that a financial outlay is likely and when the amount of the resulting losses can be reasonably estimated. If a financial outlay becomes possible but its amount cannot be determined, this is reported in the notes to the financial statements. The Company is involved in legal actions and tax disputes concerning difficult and complex issues that present varying degrees of uncertainty, including with regard to the facts and circumstances of each case, matters of jurisdiction, and different applicable laws. It is therefore difficult to reach an accurate prediction of any outlays resulting from these disputes, and the provisions set aside for such matters may vary according to future developments.

The Company monitors the status of such disputes and consults with its attorneys and with experts in law and taxation.

5.6.4 // Notes to the separate Financial Statements

	Note	12/31/2024	12/31/2023	Change
Revenue	1	115,846	123,784	(7,938)
Revenues from third parties		87,403	86,863	540
Revenues from related parties		28,443	36,921	(8,478)
Other revenue	2.1	1,140	1,433	(293)
Other revenues from third parties		811	989	(178)
Other revenues from related parties		329	444	(115)
Revenues from property sales		116,986	125,217	(8,231)

At 31 December 2024, IGD achieved total revenues of €116,986 thousand. The decrease compared to the previous financial year, equal to €8,231 thousand, is due to the effects of the contribution to the Food Fund real estate fund of 8 hypermarkets, 3 supermarkets and 2 shopping malls. See the notes below for details.

> NOTE 1) REVENUE

		12/31/2024	12/31/2023	Change
Freehold hypermarkets - Rents and business leases from related parties	a.1	15,444	23,865	(8,421)
Freehold hypermarkets - Rents and business leases from third parties	a.2	1,620	2,047	(427)
Freehold supermarkets - Rents and business leases from related parties		101	317	(216)
Freehold supermarkets - Rents and business leases from third parties	a.3	73	235	(162)
TOTAL HYPERMARKETS/SUPERMARKETS	a	17,238	26,464	(9,226)
Freehold malls, offices and city center	b.1	91,869	90,785	1,084
Rents		18,665	17,691	974
To related parties		12,097	11,810	287
To third parties		6,568	5,881	687
Business leases		73,204	73,094	110
To related parties		709	776	(67)
To third parties		72,495	72,318	177
Leasehold malls	b.2	2,929	3,088	(159)
Rents		196	233	(37)
To related parties		36	35	1
To third parties		160	198	(38)
Business leases		2,733	2,855	(122)
To related parties		56	61	(5)
To third parties		2,677	2,794	(117)
Other contracts and temporary rents	b.3	3,810	3,447	363
Other contracts and temporary rents		3,810	3,390	420
Other contracts and temporary rents - related parties		0	57	(57)
TOTAL MALLS	b	98,608	97,320	1,288
GRAND TOTAL	a+b	115,846	123,784	(7,938)
of which related parties		28,443	36,921	(8,478)
of which third parties		87,403	86,863	540

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Revenue from malls increased by €1,288 thousand, while revenue from hypermarkets and supermarkets was down by €9,226 thousand.

Third-party rent and business lease revenue from freehold malls, offices, and city center properties rose by €1,129 thousand and related-party rent and business lease revenue from freehold malls, offices, and city center properties rose by €159 thousand as a result of new openings and the ISTAT adjustment for inflation, which was only partly offset by the contribution of 2 malls to the Food real estate fund.

Revenue from freehold hypermarkets and supermarkets rent decreased by €9,226 thousand compared to the previous year, due mainly for the transfer to the Food Fund of 8 hypermarkets and 3 supermarkets.

Variable contract revenue amounts to roughly 1.8% of IGD's total revenue.

Except for Coop Alleanza 3.0, IGD does not earn more than 10% of its revenue from a single client. For information on transactions with Coop Alleanza 3.0, see Note 37. Further details of trends in revenue can be found in Section 2.2.1 (Income statement review) of the Directors' Report.

> NOTE 2) OTHER INCOME

	12/31/2024	12/31/2023	Change
Out-of-period income/charges	44	416	(372)
Portfolio and rent management revenues	310	188	122
Pilotage and construction revenues	276	244	32
Marketing revenues	129	141	(12)
Other income	52	0	52
Other revenues from third parties	811	989	(178)
Pilotage and construction revenues from Related Parties	2	67	(65)
Revenues from Asset Management Mandate and Lease Management vs Related Parties	139	8	131
Administrative services from Related Parties	188	188	0
Other income from Related Party	0	181	(181)
Other revenues from Related Parties	329	444	(115)
Other revenue	1,140	1,433	(293)

Other income decreased by a total of €293 thousand with respect to the previous year. Other income from third parties was down €178 thousand mainly due to a decrease in contingent assets for €372 thousand, only partly offset by the increase in marketing and portfolio management revenue. In 2023 contingent assets mainly consisted of a refund following a positive ruling by the appellate court on a lawsuit regarding former employees of a tenant that had leased retail space from the Group at Conè shopping center.

> NOTE 3) SERVICE COSTS

	12/31/2024	12/31/2023	Change
Service costs from third parties	11,651	12,074	(423)
Paid rents	131	101	30
Utilities	137	134	3
Promotional and advertising expenses	187	74	113
Centers management expenses for vacancies	1,796	2,204	(408)
Centers management expenses for ceiling to tenants' costs	2,471	2,311	160
Insurances	1,094	1,064	30
Professional fees	203	130	73
Directors' and statutory auditors' fees	945	881	64
External auditing fees	202	182	20
Investor relations, Consob, Monte Titoli costs	492	488	4
Shopping center pilotage and construction costs	41	14	27
Consulting	1,080	1,066	14
Real estate appraisals fees	319	552	(233)
Maintenance and repair expenses	161	142	19
Co-marketing expenses	187	827	(640)
Out-of-period income/charges	(19)	76	(95)
Other costs of services	2,224	1,828	396
Service costs from related parties	3,273	3,745	(472)
Paid rents	5	2	3
Shopping center pilotage and construction costs	24	0	24
Service	63	152	(89)
Centers management expenses for vacancies	1.156	1,114	42
Centers management expenses for ceiling to tenants' costs	905	912	(7)
Co-marketing expenses	928	1,523	(595)
Insurances	46	4	42
Directors' and statutory auditors' fees	131	38	93
Other costs of services	15	0	15
Service costs	14,924	15,819	(895)

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5.6 NOTES TO THE FINANCIAL STATEME

Service costs decreased by €895 thousand compared to the previous year. Most of the decrease in service costs from third parties (€423 thousand) is explained by lower facility management expenses due to unlet space and co-marketing costs.

Related party service costs decreased by €472 thousand, primarily as a result of the decrease in co-marketing costs and IT services.

The following table provides details of Directors' and statutory auditors' fees for their work at the Company. The fees indicated refer to compensation for 2024.

Committees	Office	Dates in office	End of term	Fees
Board of Directors				
Antonio Rizzi	Chairman Director Director	**04/18/24-12/31/24** **04/18/24-12/31/24** **01/01/24-04/18/24**	FY2026 Approval FY2026 Approval	**133,934** **32,148** **5,956**
Edy Gambetti	Vice Chairman Director Director	**04/18/24-12/31/24** **04/18/24-12/31/24** **01/01/24-04/18/24**	FY2026 Approval FY2026 Approval	**28,197** **32,148** **5,956**
Rossella Saoncella	Chairman Director	**01/01/24-04/18/24** **01/01/24-04/18/24**		**22,336** **5,956**
Stefano Dall'Ara	Vice Chairman Director	**01/01/24-04/18/24** **01/01/24-04/18/24**		**7,445** **5,956**
Roberto Zoia	Chief Executive Officer Director	**04/18/24-12/31/24** **04/18/24-12/31/24**	FY2026 Approval FY2026 Approval	**77,541** **32,148**
Claudio Albertini	Chief Executive Officer Director	**01/01/24-04/18/24** **01/01/24-04/18/24**		**89,344** **5,956**
Laura Ceccotti	Director	**04/18/24-12/31/24**	FY2026 Approval	**32,148**
Antonio Cerulli	Director	**04/18/24-12/31/24**	FY2026 Approval	**31,148**
Antonello Cestelli	Director	**04/18/24-12/31/24**	FY2026 Approval	**32,148**
Simonetta Ciocchi	Director	**04/18/24-12/31/24**	FY2026 Approval	**32,148**
Daniela Delfrate	Director	**04/18/24-12/31/24**	FY2026 Approval	**32,148**
Francesca Mencuccini	Director	**04/18/24-12/31/24**	FY2026 Approval	**30,148**
Mirella Pellegrini	Director	**04/18/24-12/31/24**	FY2026 Approval	**32,148**
Alessia Savino	Director Director	**04/18/24-12/31/24** **01/01/24-04/18/24**	FY2026 Approval	**31,148** **5,956**
Timothy Guy Michele Santini	Director	**01/01/24-04/18/24**		**5,956**
Silvia Benzi	Director	**01/01/24-04/18/24**		**5,956**
Rosa Cipriotti	Director	**01/01/24-04/18/24**		**5,956**
Rossella Schiavini	Director	**01/01/24-04/18/24**		**5,956**
Gery Xavier Didier Robert Ambroix	Director	**01/01/24-04/18/24**		**5,956**

Committees	Office	Dates in office	End of term	Fees
Board of statutory auditors				
Iacopo Lisi	Chairman	**04/18/24-12/31/24**	FY2026 Approval	**21,148**
Barbara Idranti	Standing Auditor	**04/18/24-12/31/24**	FY2026 Approval	**14,098**
Massimo Scarafuggi	Standing Auditor Standing Auditor	**04/18/24-12/31/24** **01/01/24-04/18/24**	FY2026 Approval	**14,098** **5,956**
Gian Marco Committeri	Chairman	**01/01/24-04/18/24**		**8,934**
Daniela Preite	Standing Auditor	**01/01/24-04/18/24**		**5,956**

Committees	Office	Dates in office	End of term	Fees
Control and risk committee				
Simonetta Ciocchi	Director (Chairman)	**04/18/24-12/31/24**	FY2026 Approval	**21,148**
Daniela Delfrate	Director	**04/18/24-12/31/24**	FY2026 Approval	**14,098**
Mirella Pellegrini	Director	**04/18/24-12/31/24**	FY2026 Approval	**14,098**
Rossella Schiavini	Director (Chairman)	**01/01/24-04/18/24**		**3,574**
Rosa Cipriotti	Director	**01/01/24-04/18/24**		**2,383**
Antonio Rizzi	Director	**01/01/24-04/18/24**		**2,383**
Compliance Committee				
Giuseppe Carnesecchi	External (Chairman)	**04/18/24-12/31/24**	FY2026 Approval	**8,459**
Alessandra De Martino	External	**04/18/24-12/31/24** **01/01/24-04/18/24**	FY2026 Approval	**5,639** **2,383**
Paolo Maestri	External	**04/18/24-12/31/24** **01/01/24-04/18/24**	FY2026 Approval	**5,639** **2,383**
Gilberto Coffari	External (Chairman)	**01/01/24-04/18/24**		**3,574**
Nominations and Compensation Committee				
Mirella Pellegrini	Director (Chairman)	**04/18/24-12/31/24**	FY2026 Approval	**17,623**
Simonetta Ciocchi	Director	**04/18/24-12/31/24**	FY2026 Approval	**10,574**
Daniela Delfrate	Director	**04/18/24-12/31/24**	FY2026 Approval	**10,574**
Timothy Guy Michele Santini	Director (Chairman)	**01/01/24-04/18/24**		**3,000**
Silvia Benzi	Director	**01/01/24-04/18/24**		**3,000**
Rossella Schiavini	Director	**01/01/24-04/18/24**		**3,000**
Related party committee				
Antonio Rizzi	Director (Chairman)	**04/18/24-12/31/24**	FY2026 Approval	**21,148**
Simonetta Ciocchi	Director	**04/18/24-12/31/24**	FY2026 Approval	**14,098**
Daniela Delfrate	Director	**04/18/24-12/31/24**	FY2026 Approval	**14,098**
Silvia Benzi	Director	**01/01/24-04/18/24**		**0**
Antonio Rizzi	Director	**01/01/24-04/18/24**		**0**
Gery Xavier Didier Robert Ambroix	Director	**01/01/24-04/18/24**		**0**

For further details, see the Remuneration Report prepared in accordance with the law.

> NOTE 4) COST OF LABOR

The cost of labor is detailed below:

	12/31/2024	12/31/2023	Change
Wages and salaries	**4,586**	**4.549**	**37**
Social security	**1,308**	**1.339**	**(31)**
Severance pay	**284**	**282**	**2**
Other costs of services	**119**	**222**	**(103)**
Cost of labour	**6,297**	**6.392**	**(95)**

The cost of labour decreased by €95 thousand mainly due to lower provisions for performance bonuses.

Severance indemnities include contributions to supplementary funds in the amount of €123 thousand.

The workforce is broken down by category below:

	12/31/2024	12/31/2023
Executives	**6**	**5**
Middle managers	**13**	**14**
Junior managers	**29**	**28**
Clerks	**30**	**30**
Total	**78**	**77**

> NOTE 5) OTHER OPERATING COSTS

	12/31/2024	12/31/2023	Change
IMU / TASI / Property Tax	**6,716**	**7,462**	**(746)**
Other taxes	**90**	**84**	**6**
Contract registrations	**279**	**291**	**(12)**
Out-of-period income/charges	**77**	**97**	**(20)**
Membership fees	**102**	**117**	**(15)**
Losses on receivables	**708**	**294**	**414**
Fuel and tolls	**172**	**163**	**9**
Other costs of services	**105**	**195**	**(90)**
Other operating costs	**8,249**	**8,703**	**(454)**

Other operating costs decreased compared to the previous financial year mainly due to the reduction in IMU (municipal property tax) following the sale to the Food Fund of a property portfolio consisting of 8 hypermarkets, 3 supermarkets and 2 shopping malls, only partially offset by the increase in losses on receivables.

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.6 NOTES TO THE FINANCIAL STATEME

> NOTE 6) DEPRECIATION, AMORTIZATION, PROVISIONS AND CHANGE IN FAIR VALUE

	12/31/2024	12/31/2023	Change
Amortization of intangible assets	**(432)**	**(367)**	**(65)**
Amortization of tangible assets	**(778)**	**(711)**	**(67)**
Provisions for risks	**(740)**	**(983)**	**243**
Depreciations, amortization and provisions	**(1,950)**	**(2,061)**	**111**
Provisions for doubtful accounts	**(1.117)**	**(322)**	**(795)**
(Impairment losses)/Reversals on work in progress and inventories	**114**	**(409)**	**523**
Change in fair value	**(19,235)**	**(119,635)**	**100,400**
Depreciation, amortization, provisions, impairment and change in fair value	**(22,188)**	**(122,427)**	**100,239**

Amortization of intangible assets increased €66 thousand mainly for the amortization of the integrated accounting, management and treasury system and of the new HR management software.

Depreciation of tangible assets increased following investments for equipment purchased during the previous year at the new Officine Storiche mixed-use complex.

Other provisions were made to cover the likely charges arising from three IMU-related disputes regarding La Torre shopping center in Palermo (€75 thousand), Esp shopping center in Ravenna (€53 thousand) and Tiburtino shopping center in Guidonia (€500 thousand). In addition, €112 thousand were allocated to provisions during the year for IGD's share of works to be carried out at Centro Lame and Clodì shopping centers, sold in 2024.

As of 31 December 2024, net allocations for doubtful accounts totalled €1,117 thousand, increasing from €322 as of 31 December 2023.

(Impairment losses)/reversals on work in progress and inventories (+€114 thousand) include the reversal of the loss on the Porto Grande expansion, listed under assets under construction, to realign the accounting value to the lower of market cost and market value as per appraisal dated 31 December 2024.

Fair value changes, amounting to -€19,235 thousand, were made up as follows:

> An impairment loss of €2,602 thousand on right-of-use assets from application of IFRS 16, including increases for the year;

> An impairment loss of €15,962 thousand for extraordinary maintenance on the freehold and leasehold properties;

> An impairment loss of €671 thousand for the adjustment to fair value of the investment property of Gruppo IGD's Italian companies, based on independent appraisals as of 31 December 2024.

> NOTE 7) INCOME/(LOSS) FROM EQUITY INVESTMENTS AND ASSET DISPOSALS

	12/31/2024	12/31/2023	Change
Result of Property Contribution to the Food Fund	**(4,689)**	**0**	**(4,689)**
Result of Deconsolidation of the Food Fund	**(24,411)**	**0**	**(24,411)**
Capital Losses on Asset Disposal	**(82)**	**0**	**(82)**
Result of Investment Management	**(81)**	**(50)**	**(31)**
Result of Investment Management and Property Disposal	**(29,263)**	**(50)**	**(29,213)**

As further described in paragraph 2.5 "Significant events of the period" of the Directors' Report, on 23 April 2024, the final contract, as part of the performance of the preliminary agreement disclosed to the market on 23 February 2024, was signed with Sixth Street and subsidiaries of Starwood Capital and Prelios SGR S.p.A..

The transaction concerned the sale by IGD of a property portfolio of 8 hypermarkets, 3 supermarkets and 2 shopping malls.

It was carried out through a closed-end real estate investment fund (an Italian REIF), named "Food Fund", managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. The difference between the carrying value of the properties and the transfer value of €258 million was negative by €4.7 million.

Subsequent to the contribution, IGD sold 60% of the fund units (class A shares with preferred returns) to a Luxembourg vehicle (owned 50% by Sixth Street and 50% by Starwood Capital) for a consideration of €155 million, and retained the ownership of the remaining 40% (class B shares with subordinated returns). The participation retained in the Food Fund (which became a connection following the sale of 60% of the units) was recognized at its fair value on the date of loss of control using the discounted cash flow method. This measurement resulted in a write-down of €24.4 million.

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 8) FINANCIAL INCOME AND CHARGES

	12/31/2024	12/31/2023	Change
Bank interest income	312	20	292
Other interests income and equivalents	26	311	(285)
Exchange rate (losses)/gains	2	47	(45)
Foreign Exchange Gains	4	0	4
Financial income from third parties	342	378	(36)
Interest income from related parties	3,794	3,979	(185)
Financial income from related parties	3,794	3,979	(185)
Financial Income	4,136	4,357	(221)

Financial income was €221 thousand lower than the previous year. The decrease in financial income from third parties is mainly due to a negative variation in late payment interest of €285 thousand and contingent assets of €45 thousand, only partially offset by an increase in bank interest income of €292 thousand.

Financial income from related parties consists of interest, charged at going market rates, on loans granted to subsidiaries.

	12/31/2024	12/31/2023	Change
Interest expenses on security deposits	261	713	(452)
Financial charges from related parties	261	713	(452)
Interest expenses to banks	99	37	62
Amortized mortgage loan costs	35,284	28,234	7,050
Loans amortized costs	3.151	2.140	1.011
IRS spread	(2,228)	(2,645)	417
Bond financial charges	18,512	11,807	6,705
Bond amortized costs	9,828	6,075	3,753
Financial charges on leasing	103	112	(9)
IFRS16 Financial charges	578	641	(63)
Other interests and charges	1,209	1,303	(94)
Financial charges from third parties	66,536	47,704	18,832
Financial charges	66,797	48,417	18,380

Financial charges increased by €18,380 thousand.

Related party transactions' charges were lower due to the decrease of security deposits following contribution of 8 hypermarkets, 3 supermarkets and 2 malls to the real estate fund Food Fund.

Financial charges from third parties rose by €18,832 thousand, mostly as a result of:

- > Higher interest on loans due to the new €250 million loan taken out in May 2023;
- > Higher financial charges on bonds reflecting the issue of a new €400 million bond and the partial exchange for the bond notes reaching maturity in November 2024, which was completed in November 2023;
- > The increase in the amortized cost of the bonds and the impact following the partial reimbursement operation described in section 2.5 "Significant events of the period" of the Directors' Report.

> NOTE 9) INCOME TAXES

	12/31/2024	12/31/2023	Change
Current taxes	255	279	(24)
Deferred tax assets	4	8	(4)
Out-of-period income/charges - Provisions	61	(1)	62
Income taxes	320	286	34

The overall tax effect was negative by €320 thousand.

The IRES charge was zero as a result of the tax consolidation process.

IRAP current taxes increased by €255 thousand compared with the previous year.

See Note 16 for movements in deferred tax assets and liabilities.

Below is the tax rate reconciliation for the Company at 31 December 2024.

Reconciliation of income taxes applicable to profit before taxes	12/31/2024	12/31/2023
Pre-tax profit (loss)	(26,600)	(72,515)
Theoretical tax charges (rate 24%)	0	0
Profit (loss) resulting in the income statement	(26,600)	(72,515)
Increases:		
IMU - Property tax	6,716	7,769
Negative fair value	34,911	137,619
Impairment on assets under construction	(114)	409
Impairment losses	724	3,286
IFRS 16	3,179	3,612
Other increases	1,002	425
Decreases:		
Change in tax-exempt income	10,986	(41,799)
Depreciations	(5)	0
Positive fair value	(15,676)	(20,956)
IMU - Property tax (IRES deductible portion)	(6,644)	(7,445)
IFRS 16	(3,865)	(3,912)
Financial use of provision for doubtful accounts	(2,450)	(2,987)
Other decreases	(1,399)	(595)

Reconciliation of income taxes applicable to profit before taxes	12/31/2024	12/31/2023
Taxable Income	765	2,911
Use of ACE Benefit	765	2,911
Tax income net of losses	0	0
Lower current taxes recognized directly in net equity	0	0
Current taxes for the year	0	0
Income from tax consolidation	0	0
IRAP tax credit	0	0
Total current taxes for the year	0	0
Difference between value and cost of production	93,212	100,651
Theoretical IRAP charge (3.9%)	3,635	3,925
Difference between value and cost of production	93,212	100,651
Changes:		
Increases	8,194	8,537
Decreases	(4,711)	(5,123)
Changes in tax-exempt income	(83,544)	(90,864)
Other deductions	(6,616)	(6,098)
IRAP Taxable Income	6,534	7,103
Lower IRAP taxes recognized directly in net equity	0	0
Current IRAP for the year	255	278

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> NOTE 10) INTANGIBLE ASSETS WITH FINITE USEFUL LIVES

	01/01/2023	Increase	Decrease	Amortization	12/31/2023
Intangible assets with finite useful lives	**765**	**377**	**0**	**(368)**	**774**

	01/01/2024	Increase	Decrease	Amortization	12/31/2024
Intangible assets with finite useful lives	**774**	**229**	**0**	**(432)**	**571**

Intangible assets with finite useful lives consist of expenses incurred for the design and registration of company trademarks and business software. Trademarks are amortized over ten years and software over three years. During the year there were no impairment losses or reversals on intangible assets. The increases for the year mainly relate to the implementation costs for the integrated accounting, management, and treasury system and the new HR management software.

> NOTE 11) GOODWILL

	01/01/2023	Increase	Decrease	Amortization	12/31/2023
Goodwill	**1,000**	**0**	**0**	**0**	**1,000**

	01/01/2024	Increase	Decrease	Amortization	12/31/2024
Goodwill	**1,000**	**0**	**0**	**0**	**1,000**

Goodwill has been attributed to the individual cash generating units (CGUs).
Below is the breakdown of goodwill by CGU at the end of 2024 and 2023:

Goodwill	12/31/2024	12/31/2023
Fonti del Corallo	**1,000**	**1,000**
Goodwill	**1,000**	**1,000**

Goodwill for the CGU Fonti del Corallo pertains to the management of the business units for the property not owned by the Company. The recoverable amount was inferred from the purchase and sale contract with the building's owner, to be finalised in 2026. For goodwill on the CGU Fonti del Corallo, value in use was adjusted to the amount stated in the contract with BNP Paribas for the sale of the retail licenses for the mall, to be finalised in 2026 when the current lease expires.

> NOTE 12) INVESTMENT PROPERTY

As required by IAS 40, the following table reconciles the opening and closing value of investment property, with increases, decreases, and changes in fair value shown separately.

	01/01/2023	Merger	Increase	Acquisitions	Decrease	Revaluation	Impairment	Reclassification from assets under construction	12/31/2023
Investment property	**1,733,650**	**139,606**	**10,464**	**32,100**	**0**	**20,956**	**(137,620)**	**6,456**	**1,805,612**
Right-of-use IFRS16	**8,100**	**0**	**0**	**0**	**0**	**0**	**(2,971)**	**0**	**5,129**
Investment property	**1,741,750**	**139,606**	**10,464**	**32,100**	**0**	**20,956**	**(140,591)**	**6,456**	**1,810,741**

	01/01/2024	Merger	Increase	Acquisitions	Decrease	Revaluation	Impairment	Reclassification from assets under construction	12/31/2024
Investment property	**1,805,612**	**0**	**15,926**	**0**	**(266,359)**	**15,676**	**(32,309)**	**0**	**1,538,546**
Right-of-use IFRS16	**5,129**	**0**	**0**	**0**	**0**	**0**	**(2,602)**	**0**	**2,527**
Investment property	**1,810,741**	**0**	**15,926**	**0**	**(266,359)**	**15,676**	**(34,911)**	**0**	**1,541,073**

The changes in investment property since 31 December 2023 are related to the following factors:

> Contribution to the Food Fund real estate fund: contribution of 8 hypermarkets, 3 supermarkets and 2 shopping malls, whose carrying value in IGD SIIQ was equal to €262,505 thousand;

> Expropriation of an area used as a parking lot: the expropriation, during the second half of 2024, of a portion of land used as a parking lot for the Le Porte di Napoli shopping center in favour of Rete Ferroviaria Italiana, for an amount of €3,603 thousand;

> Sale of a parcel including a dock and an unfinished building: in October 2024, a parcel including a dock and an unfinished building to be used for service facilities at Officine Storiche in Livorno, was sold to Porta a Mare S.p.A., for a consideration of €32 thousand;

> Transfer to the company Alliance SIINQ S.r.l.: transfer of the shop located in via Aquileia in Ravenna to the fully owned subsidiary Alliance SIINQ S.r.l. whose carrying value in IGD SIIQ was equal to €219 thousand;

> Extraordinary maintenance works: continuation of works for a total value of €15,962 thousand, mainly relating to the following:

> Restyling of the Leonardo shopping center;

> Fit-out at the mixed-use complex of Officine Storiche and the Darsena City and Porto Grande shopping malls;

> Waterproofing and securing of roofs at the Città delle Stelle shopping center;

> Revamping at the ESP and Le Maioliche shopping centers.

> Fair value adjustments: investment property was revalued by €15,676 thousand and written down by €34,911 thousand, for a net negative impact of €16,633 thousand;

> Impairment of right-of-use assets: reduction in the value of right-of-use assets relating to the Centro Nova and Fonti del Corallo shopping malls, based on appraisals carried out by an independent expert, for a total amount of €2,602 thousand.

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> NOTE 13) BUILDINGS

	01/01/2023	Increase	Decrease	Amortization	12/31/2023
Historical cost	**10,202**	**38**	**0**	**0**	**10,240**
Depreciation fund	**(3,203)**	**0**	**0**	**(246)**	**(3,449)**
Net book value	**6,999**	**38**	**0**	**(246)**	**6,791**

	01/01/2024	Increase	Decrease	Amortization	12/31/2024
Historical cost	**10,240**	**21**	**0**	**0**	**10.261**
Depreciation fund	**(3,449)**	**0**	**0**	**(248)**	**(3,697)**
Net book value	**6,791**	**21**	**0**	**(248)**	**6,564**

This item refers to the acquisition, through a financial lease agreement, of the ground floor and first floor of the building that houses the head office. The change consists mostly of ongoing depreciation.

> NOTE 14) PLANT AND MACHINERY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS

	01/01/2023	Merger	Increase	Decrease	Amortization	12/31/2023
Historical cost	**356**	**0**	**51**	**0**	**0**	**407**
Depreciation fund	**(270)**	**0**	**0**	**0**	**(27)**	**(297)**
Plant and machinery	**86**	**0**	**51**	**0**	**(27)**	**110**
Historical cost	**4,948**	**1,072**	**637**	**0**	**0**	**6,657**
Depreciation fund	**(3,299)**	**(785)**	**0**	**0**	**(438)**	**(4,522)**
Equipment and other goods	**1,649**	**287**	**637**	**0**	**(438)**	**2,135**

	01/01/2024	Merger	Increase	Decrease	Amortization	12/31/2024
Historical cost	**407**	**0**	**3**	**0**	**0**	**410**
Depreciation fund	**(297)**	**0**	**0**	**0**	**(27)**	**(324)**
Plant and machinery	**110**	**0**	**3**	**0**	**(27)**	**86**
Historical cost	**6,657**	**0**	**401**	**0**	**0**	**7,058**
Depreciation fund	**(4,522)**	**0**	**0**	**0**	**(503)**	**(5,025)**
Equipment and other goods	**2,135**	**0**	**401**	**0**	**(503)**	**2,033**

The changes in plant and machinery and equipment are mainly attributable to depreciation for the financial year, only partially offset by increases for the purchase of commercial and IT equipment.

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5.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 15) ASSETS UNDER CONSTRUCTION

	01/01/2023	Increase	Decrease	(Impairment losses)/ Reversals	Reclassification to investment properties	12/31/2023
Assets under construction	**3.471**	**5.682**	**0**	**(409)**	**(6.456)**	**2.288**
Advance payments	**22.455**	**(22.455)**	**0**	**0**	**0**	**0**
Assets under construction and advance payments	**25.926**	**(16.773)**	**0**	**(409)**	**(6.456)**	**2.288**

	01/01/2024	Increase	Decrease	(Impairment losses)/ Reversals	Reclassification to investment properties	12/31/2024
Assets under construction	**2.288**	**0**	**0**	**114**	**0**	**2.402**
Advance payments	**0**	**0**	**0**	**0**	**0**	**0**
Assets under construction and advance payments	**2.288**	**0**	**0**	**114**	**0**	**2.402**

At 31 December 2024, assets under construction consisted mainly of:

> Land at Porto Grande for the construction of midsize stores, recognized at fair value in the amount of €2.2 million;
> Costs for restyling in progress at Gran Rondò shopping center in Crema.

The increase in fixed assets in progress compared to the previous financial year is due exclusively to the revaluation of the Porto Grande Expansion project.

See section 2.6 on the real estate portfolio for further details.

> NOTE 16) DEFERRED TAX ASSETS

	12/31/2024	12/31/2023	Change
Deferred tax assets	**1,670**	**1,593**	**77**
Deferred tax liabilities	**0**	**0**	**0**
Net deferred tax assets	**1,670**	**1,593**	**77**

Deferred tax assets and liabilities have been offset in accordance with paragraph 74 of IAS 12, given that: *(i)* the Company is entitled to offset current tax assets and liabilities and *(ii)* the deferred tax assets and liabilities are associated with income taxes charged by the same tax jurisdiction. Therefore, net deferred tax assets reflect deferred tax assets and liabilities.

Deferred tax assets are shown in detail below:

	12/31/2024	12/31/2023	Change
Taxed provisions	**172**	**174**	**(2)**
IAS 19	**(3)**	**(12)**	**9**
Financial derivatives	**397**	**327**	**70**
Loss from tax consolidation	**741**	**741**	**0**
IFRS 16 Livorno	**363**	**363**	**0**
Deferred tax assets	**1,670**	**1,593**	**77**

Deferred tax assets mainly originate from:

> Taxed provisions, such as the provision for doubtful accounts and the bonus provision;

> The recognition of deferred tax assets on mortgage hedging instruments (IRS);

> Tax losses carried forward.

The changes during the year mostly refer to:

> The reversal of deferred tax assets on mortgage hedging instruments (IRS) due to the increase in their positive fair value;

> The reversal of deferred tax assets due to the partial use of prior losses, given the outcome of the tax consolidation process for the year.

Given the likelihood of future taxable income for the Group in the short to medium term, as corroborated by taxable income earned in recent years, prior-year losses are expected to be used. For this reason, the credit for deferred tax assets is deemed to be recoverable.

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5.6 NOTES TO THE FINANCIAL STATEMENTS

Deferred Taxes	Balance as of 12/31/2023		Increases	Decreases	Increases	Decreases	Balance as of 12/31/2024	
	Temporary Difference	Deferred Taxes	Temporary Difference		Deferred taxes		Temporary Difference	Deferred Taxes
Fund for employees severance indemnities - Ias 19*	(44)	(11)	33	0	9	0	(11)	(2)
Provision for doubtful account	1.214	149	110	101	25	29	1,223	145
Variable salary	1,375	23	0	0	2	0	1,375	25
Loss from tax consolidation	3,088	741	0	0	0	0	3,088	741
IRS transactions*	1,211	328	259	0	70	0	1,470	398
IFRS 16 Livorno	1,513	363	0	0	0	0	1,513	363
Total	8,357	1,593	402	101	106	29	8,658	1,670

(*): Effect charged or credited direct to equity.

> NOTE 17) SUNDRY RECEIVABLES AND OTHER NON-CURRENT ASSETS

	12/31/2024	12/31/2023	Change
Security Deposits	110	83	27
Sundry receivables and other non-current	110	83	27

Security deposits increased compared with the previous year.

> NOTE 18) EQUITY INVESTMENTS

Equity investments are detailed in the table below:

	01/01/2024	Increase	Decrease	Revaluations/ (Write-downs)	Variation area/extraord. operations	12/31/2024
Arco Campus S.r.l.	1,441	0	0	0	0	1,441
Win Magazin S.A.	186	0	0	(81)	0	105
IGD Service S.r.l.	114,744	0	0	0	0	114,744
Cons. propr. del compendio com. del Commendone (GR)	6	0	0	0	0	6
Consorzio Proprietari Fonti del Corallo	7	0	0	0	0	7
Consorzio I Bricchi	4	0	0	0	0	4
Consorzio Punta di Ferro	6	0	0	0	0	6
Alliance SIINQ S.r.l.	0	0	0	0	192	192
Equity investment in subsidiaries	116,394	0	0	(81)	192	116,505
Millennium Center	4	0	0	0	0	4
Fondo Juice	25,666	0	0	0	0	25,666
Fondo FOOD	0	0	(155,000)	(24,411)	259,701	80,290
Food SPV	0	0	(10)	0	10	0
Equity investments in associates	25,670	0	(155,010)	(24,411)	259,711	105,960
Equity investments in other companies	22	0	0	0	0	22
Equity investments	142,086	0	(155,010)	(24,492)	259,903	222,487

On 23 April 2024, the final contract, as part of the performance of the preliminary agreement disclosed to the market on 23 February 2024, was signed with Sixth Street and subsidiaries of Starwood Capital and Prelios SGR S.p.A.

The transaction concerned the sale by IGD of a real estate portfolio for a total value of €258 million.

The portfolio comprises 8 hypermarkets (in Chioggia, Porto d'Ascoli, Roma, Rimini, Conegliano, Ascoli Piceno and 2 in Bologna), 3 supermarkets (in Civita Castellana, Ravenna and Rome) and 2 shopping malls (in Bologna and Chioggia).

It was carried out through a closed-end real estate investment fund (an Italian REIF), named "Food Fund", managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. Subsequent to the contribution, IGD sold 60% of the fund units (class A shares with preferred returns) to a Luxembourg vehicle (owned 50% by Sixth Street and 50% by Starwood Capital) for a consideration of €155 million, and retained the ownership of the remaining 40% (class B shares with subordinated returns).

The proceeds of the transaction shall be used by IGD to:

> Partially redeem the "€310,006,000 Fixed Rate Step-up Notes due 17 May 2027" issued on 17 November 2023, on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from €310 million

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.6 NOTES TO THE FINANCIAL STATEMENTS

to €220 million;

> Partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for a maximum amount equal to €62.5 million;

> A partial early repayment of the €215 million green unsecured loan signed in August 2022, for €0.71 million.

IGD Service also signed a contract with Prelios SGR to continue managing the project, property & facility management activities across the entire portfolio with a view to further enhancing the portfolio over the next few years and selling it on the market at the best possible conditions.

The fund was established by resolution approved by the Board of Directors of the management company on 22 February 2024, by which the related regulations were also approved.

The correct accounting treatment of the equity investment in the Food Fund was established by identifying significant activities and the nature of the rights of the parties, whether substantial or protective, taking into account the targets, governance structure and decision-making processes as set out in the fund regulations and considering the reference legislation. Finally, the economic variability to which the parties are exposed on account of the exercise of their decision-making power was analysed.

Accordingly, the investment retained in the Food Fund (which became an associate investment following the sale of 60% of the shares, i.e. the Class A shares with preferred return) was recognized at its fair value on the date of loss of control (as required by IFRS 10.25.b) using the discounted cash flow method.

The main assumptions used to calculate the value in use are set out below:

> The discount rate (WACC - weighted average cost of capital) was 6.88%;

> Criteria for estimating future financial flows: the financial flows as represented in the business plan adopted by the fund's shareholders during the underwriting phase on 23 February 2024 were taken as reference.

The outcome of the impairment test is summarised below:

	Fair Value	Carrying Amount (*)	Cover Impairment
Food Fund equity investment	**80,290**	**104,701**	**(24,411)**
Total	**80,290**	**104,701**	**(24,411)**

(*) Including additional costs directly attributed to the transaction.

Finally, based on the assessments made and on the assumption that IGD's powers are limited and aimed primarily at protecting its investment, the accounting for the investment in the Food Fund in the consolidated financial statements was carried out using the equity method between associates, as required by IAS 28.10.

On 20 December 2024, IGD SIIQ S.p.A. established the 100%-owned company Alliance SIINQ S.r.l. and transferred the store located in via Aquileia in Ravenna to it. The share capital of Alliance SIINQ S.r.l. is equal to €50 thousand. On 30 December 2024, Alliance SIINQ S.r.l. exercised the option to access the special SIINQ regime from the tax period starting on 1 January 2025.

The Juice Fund, which is 40% owned by the Company, was formed in 2021 with a view to enhance the real estate portfolio, by transferring 5 hypermarkets and 1 supermarket for €140 million and the corresponding debt of €77 million and by the subsequent sale to Corallo Lux Holdco S.a.r.l. The Fund has a duration of 10 years and is managed by Savills Investment Management SGR S.p.A. (the Management Company). The fund's value was measured using the equity method and its valuation at 31 December 2024 was in line with the previous year. For further information, see the "List of equity investments".

For investments in subsidiaries deemed to be significant, the carrying value was compared with the recoverable amount, calculated as equity value, or the sum of unlevered free cash flows discounted to present value for the explicit forecast period, the present value of the terminal value calculated after the last year of the explicit period, net debt as of the measurement date, and the subsidiaries' fair value.

The recoverable amount was calculated using the data contained in the 2025-2027 Industrial Plan approved by the Board of Directors on 20 November 2024.

Revenue was projected based on the typical and stable characteristics of the subsidiaries' businesses, mainly consisting of long-term rental contracts, and considering the most recent inflation levels. Costs were projected on the basis of past performance and forward-looking assumptions based on all available information.

Future cash flows were determined based on figures for 2025-2027. In particular, the gross operating margin was considered, after deducting taxes and planned investments.
For periods beyond the third year, the Company calculates the terminal value using the perpetuity method, i.e. on the basis of cash flows from operating activities assuming continuity beyond the explicit period.

The main assumptions used to calculate the value in use are set out below:
> Discount rate (WACC) of 6.94% (6.80% at 31 December 2024);

> Future cash flows estimated as described above;

> Perpetuity growth rate (g) of 2%, unchanged since 31 December 2023.

The results of impairment tests are summarised below:

Impairment Test Result	Equity Value pro quota	Carrying Amount	Cover / (Impairment)
IGD Service S.r.l.	**115,497**	**114,744**	**753**
Arco Campus S.r.l.	**2,629**	**1,441**	**1,188**

The test found no evidence of impairment, although, given the additional write-down of the real estate assets of IGD Service's subsidiaries, the coverage has decreased since the previous year. The Company ran sensitivity analyses to measure the impact that changes in the most significant unobservable inputs (WACC and/or growth rate), due to changes in the macroeconomic environment, would have on the outcome of the impairment tests of equity investments held by IGD SIIQ.

For the investment in IGD Service S.r.l., an additional 0.1% increase in WACC or a 0.1% decrease in the growth rate would reduce the existing coverage to zero.

Finally, for the investment in Arco Campus S.r.l., a 1.5% increase in WACC or 1.8% decrease in the growth rate would reduce the existing coverage to zero.

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5.6 NOTES TO THE FINANCIAL STATEMENTS

> NOTE 19) TRADE AND OTHER RECEIVABLES

	12/31/2024	12/31/2023	Change
Trade and other receivables	**16,564**	**20,019**	**(3,455)**
Provision for doubtful accounts	**(9,067)**	**(13,266)**	**4,199**
Trade and other receivables	**7,497**	**6,753**	**744**

Net trade receivables increased compared to the previous financial year by €744 thousand mainly due to the positive variation in invoices and credit notes to be issued for higher variable revenues and lower discounts only partially offset by the reduction in net receivables for invoices issued.

Gross trade receivables are broken down below by due date:

	Balance due to expire	Expired 0-30 days	Expired 31-60 days	Expired 61-90 days	Expired 91-120 days	Expired 121-180 days	Expired over 180 days	Total receivables
Gross Trade Receivables	**3,125**	**929**	**336**	**1,834**	**798**	**1,029**	**8,513**	**16,564**
Gross Trade Receivables	**3,125**	**929**	**336**	**1,834**	**798**	**1,029**	**8,513**	**16,564**

Receivables are shown net of the provision for doubtful accounts, which reflects positions not considered to be fully recoverable.

As of 31 December 2024, net allocations for performing receivables and receivables under legal action and insolvency proceedings amount to €1,117 thousand. Provisions for the year were calculated based on the problems encountered with individual receivables recognized at 31 December 2024 and estimated based on all available information.

The use of €5,317 thousand from the provisions concerns receivables under legal action/insolvency proceedings identified in previous years that were fully written off during the period.

Movements in the provision for doubtful accounts are reported below:

	12/31/2024	12/31/2023	Change
Provision for doubtful accounts at the beginning of the financial year	**13,267**	**14,635**	**(1,368)**
Use	**(5,317)**	**(1,734)**	**(3,583)**
Net provision	**1,117**	**322**	**795**
Other movements	**0**	**44**	**(44)**
Provision for doubtful accounts at the end of the financial year	**9,067**	**13,267**	**(4,200)**

Receivables are written down based on an analysis of each tenant's position.

> NOTE 20) RELATED PARTY TRADE AND OTHER RECEIVABLES

	12/31/2024	12/31/2023	Change
Coop Alleanza 3.0	**67**	**139**	**(72)**
Librerie Coop S.p.a.	**7**	**26**	**(19)**
Alleanza Luce e Gas	**0**	**32**	**(32)**
Unicoop Tirreno S.c.a.r.l.	**2**	**45**	**(43)**
Cons. propr. del compendio com. del Commendone (GR)	**2**	**0**	**2**
Consorzio Cone'	**2**	**2**	**0**
Consorzio Clodì	**2**	**2**	**0**
Consorzio Crema (Gran Rondò)	**2**	**2**	**0**
Consorzio I Bricchi	**2**	**227**	**(225)**
Consorzio Katanè	**2**	**2**	**0**
Consorzio Lame	**2**	**2**	**0**
Consorzio Leonardo	**2**	**2**	**0**
Consorzio La Torre	**2**	**0**	**2**
Consorzio Porta a Mare	**0**	**15**	**(15)**
Consorzio Sarca	**2**	**2**	**0**
Distribuzione Centro Sud s.r.l.	**0**	**0**	**0**
Consorzio Punta di Ferro	**2**	**2**	**0**
Millennium Center	**6**	**14**	**(8)**
Consorzio Esp	**0**	**0**	**0**
Fondo Juice	**0**	**46**	**(46)**
Consorzio La Favorita	**3**	**3**	**0**
Consorzio Le Porte di Napoli	**11**	**41**	**(30)**
Consorzio Casilino	**3**	**3**	**0**
Arco Campus S.r.l.	**23**	**117**	**(94)**
Consorzio del centro commerciale Nuova Darsena	**0**	**3**	**(3)**
Fondo FOOD	**42**	**0**	**42**
Food SPV	**3**	**0**	**3**
Porta Medicea S.r.l.	**61**	**39**	**22**
IGD Service S.r.l.	**1,577**	**1,007**	**570**
Related party trade and other receivables	**1,827**	**1,773**	**54**

See Note 37 for comments.

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5.6 NOTES TO THE FINANCIAL STATEME

> NOTE 21) OTHER CURRENT ASSETS

	12/31/2024	12/31/2023	Change
Tax credits			
VAT credits	0	2,106	(2,106)
IRES credits	545	454	91
IRAP credits	105	362	(257)
Due from others			
Insurance credits	0	69	(69)
Accrued income and prepayments	854	1,882	(1,028)
Deferred costs	124	1,848	(1,724)
Other costs of services	231	198	33
Other current assets	1,859	6,919	(5,060)

Other current assets decreased by €5,060 thousand compared to the previous year, mainly as a result of lower prepaid expenses, VAT credit and suspended costs following completion of the restoration works of the Lungo Savio shopping center in Cesena, the costs of which were almost entirely covered by the insurance reimbursement collected by the end of 2023 and 2024.

> NOTE 22) OTHER CURRENT ASSETS - RELATED PARTIES

	12/31/2024	12/31/2023	Change
Receivables from tax consolidation			
IGD Service S.r.l.	1,199	808	391
Receivables from tax consolidation	1,199	808	391

At 31 December 2023 the tax consolidation credit referred to the amount due to the Company from the subsidiary IGD Service S.r.l., which contributed positive taxable income to the tax consolidation arrangement.

> NOTE 23) FINANCIAL RECEIVABLES AND OTHER CURRENT FINANCIAL ASSETS

	12/31/2024	12/31/2023	Change
Towards subsidiaries	75,947	79,708	(3,761)
Financial receivables and other current financial assets from related parties	75,947	79,708	(3,761)

Receivables from other related parties consist of loans granted to the subsidiaries IGD Service S.r.l. and Arco Campus S.r.l., plus interest charged at the 3-month Euribor plus 125 basis points. Details of the major outstanding loans are provided below:

> €15 million loan originally granted to IGD Management SIINQ S.p.A. and transferred to the subsidiary IGD Service S.r.l. as part of the Group reorganization and streamlining carried out in 2021. No movements during the year;

> Loan originally granted to IGD Management SIINQ S.p.A. and transferred to the subsidiary IGD Service S.r.l. as part of the Group reorganization and streamlining carried out in 2021. At 31 December 2023 the outstanding balance for this loan was €44,879 thousand. The subsidiary made payments in the amount of €8.8 million during the year. At 31 December 2024 the outstanding balance for this loan was €36,079 thousand;

> Loan granted to Arco Campus S.r.l.: €2,062 thousand. During the year, the subsidiary made repayments in the amount of €200 million.

There are also receivables arising from the use of Group treasury accounts, due from:

> IGD Service S.r.l. for €22,709 thousand;
> Porta Medicea S.r.l. for €97 thousand.

> NOTE 24) CASH AND CASH EQUIVALENTS

	12/31/2024	12/31/2023	Change
Cash and cash equivalents	2,280	3,129	(849)
Cash on hand	9	13	(4)
Cash and cash equivalents	2,289	3,142	(853)

Cash and cash equivalents at 31 December 2024 consisted mainly of current account balances at banks. This item decreased by €853 thousand compared to the previous year.

The statement of cash flows provides a clearer understanding of how this item changed during the period.

> NOTE 25) NET EQUITY

	12/31/2024	12/31/2023	Change
Share capital	**650,000**	**650,000**	**0**
Other reserves	**399,376**	**472,082**	**(72,706)**
Legal reserve	**130,000**	**130,000**	**0**
Merger surplus reserve	**16,256**	**20,122**	**(3,866)**
FTA IFRS 9 reserve	**(1,450)**	**(1,450)**	**0**
Recalculation of defined benefit plans	**380**	**349**	**31**
Cash flow hedge reserve	**(1,255)**	**(1,032)**	**(223)**
Fair value reserve	**187,407**	**212,586**	**(25,179)**
Other available reserves (resulting from capital reduction)	**38,992**	**53,584**	**(14,592)**
Other available reserves	**29,046**	**57,923**	**(28,877)**
Net profit (loss) of the year	**(26,920)**	**(72,514)**	**45,594**
Group profit (loss) carried forward	**1**	**1**	**0**
Group profit	**(26,921)**	**(72,515)**	**45,594**
Net equity	**1,022,456**	**1,049,568**	**(27,112)**

During the year, the following resolutions of the Annual General Meeting of 18 April 2024 were implemented: *(i)* coverage of the net loss of €72,514,857.76 recognized as of 31 December 2023 using the available reserves for €57,922,821.3 and the capital reduction reserve for €14,592,036.46 and *(ii)* reclassification of the fair value reserve by €25,179,494.12, following partial changes to the distributable income pursuant to Art. 6 of Legislative Decree no. 38 of 28 February 2005, increasing the available reserve by the same amount. Consequently, the fair value reserve, relative to the fair value of the real estate assets, changed from €212,585,853.75 to €187,406,359.63.

Other movements in net equity were the result of:

> The adjustment of the cash flow hedge reserves relating to outstanding contracts by a negative amount of €223 thousand;

> The adjustment of the reserve for the recalculation of defined benefit plans for a positive amount of €32 thousand;

> Recognition of the loss for the year in the amount of €26,921 thousand.

Pursuant to Civil Code Art. 2427, paragraph 7 bis, the components of net equity are shown along with their origin and their eligibility for use and distribution.

The fair value reserve incorporates the revaluation reserve pursuant to Law 266/2005, for €150,411,622 net of the substitute tax of €20,510,676.

Item/Description	Amount	Eligibility for use	Available amount	Distributable amount	Summary of the uses made in the past three years	
					due to negative reserve coverage	due to other reasons
Capital	**650,000**					
Capital reserves:						
Available reserve (deriving from capital reduction)	**38,992**	A, B, C	**38,992**	**38,992**		
Total capital reserves	**38,992**		**38,992**	**38,992**		
Profit reserves:						
Legal reserve*	**130,000**	B				
Fair value reserve	**187,407**	B				
Revaluation law decree n. 104/2020 (surplus from IGD Management merger)	**16,256**	A, B	**16,256**	**16,256**		
FTA IFRS 16 reserve	**(1,450)**	A, B, C **	**(1,450)**	**(1,450)**		
Cash Flow Hedge reserve	**(1,255)**	---				
Recalculation of defined benefit plans	**380**	---				
Distributable reserves	**29,046**	A, B, C	**29,046**	**29,046**		
New profit/loss	**1**	A, B, C	**1**	**1**		
Total profit reserve	**360,385**		**43,853**	**43,853**		
Total reserve	**399,377**		**82,845**	**82,845**		

LEGENDA

A For capital increase
B For loss coverage
C For SHAREHOLDER distribution

** Legal reserve contains capital for €117,758 k*

*** Negative reserves reduce the positive available reserves*

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5.6 NOTES TO THE FINANCIAL STATEME

> NOTE 26) NON-CURRENT FINANCIAL LIABILITIES

This item includes the non-current portion of floating-rate loans from banks, bonds, and amounts due to other lenders, as detailed below:

	Duration	12/31/2024	12/31/2023	Change
Debts for loans		**450,566**	**556,521**	**(105,955)**
01 Unipol Sarca	**04/10/2007 - 04/062027**	**44,467**	**47,451**	**(2,984)**
10 Mediocredito Faenza IGD	**10/05/2009 - 06/30/2029**	**3,229**	**4,177**	**(948)**
17 Carige Palermo IGD (Iper)	**07/12/2011 - 06/30/2027**	**2,886**	**4,756**	**(1,870)**
15 CentroBanca Cone (Galleria)	**12/22/2010 - 12/31/2025**	**0**	**12,501**	**(12,501)**
Mps - SACE 2020	**10/16/2020 - 09/30/2026**	**6,628**	**15,450**	**(8,822)**
BNL 215 Million	**08/04/2022 - 08/01/2027**	**212,912**	**213,041**	**(129)**
Mps - SACE 2022	**12/15/2022 - 06/30/2028**	**13,972**	**18,977**	**(5,005)**
Mutuo Intesa 250 Million	**05/15/2023 - 08/09/2028**	**166,472**	**240,168**	**(73,696)**
Debts for bonds		**283,761**	**365,284**	**(81,523)**
Bond 400 Milioni	**11/28/2019 - 05/17/2027**	**59,434**	**57,966**	**1,468**
Bondi 310 Milioni	**11/17/2023 - 05/17/2027**	**224,327**	**307,318**	**(82,991)**
Debts due to other sources of finance		**1,927**	**5,760**	**(3,833)**
Sardaleasing for Bologna HQ	**04/30/2009 - 04/30/2027**	**1,347**	**1,752**	**(405)**
IFRS 16 Livorno liability	**01/01/2019 - 03/31/2026**	**580**	**4,008**	**(3,428)**
Non current financial liabilities		**736,254**	**927,565**	**(191,311)**
Non current financial liabilities vs related party		**0**	**0**	**0**

Movements during the year are shown below:

Mpm current financial liabilities	12/31/2023	Increases	Repayments / Renegotiation	Amortized cost	Reclassification	12/31/2024
Debts for loans	**556,521**	**0**	**(63,236)**	**3,151**	**(45,869)**	**450,566**
Debts for bonds	**365,284**	**0**	**(91,351)**	**9,828**	**0**	**283,761**
Debts for IFRS16	**4,008**	**0**	**0**	**0**	**(3,428)**	**580**
Debts due to other sources of finance	**1,752**	**0**	**0**	**0**	**(406)**	**1,347**
Total	**927,565**	**0**	**(154,587)**	**12,979**	**(49,703)**	**736,255**

> Mortgage loans

Debts for mortgages over 12 months decreased by €105,955 thousand compared to 31 December 2023. More in detail, this change is attributable to:

> A partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the perimeter of the sale to the Food Fund and, therefore, for an overall amount equal to €62.5 million;

> A partial early repayment of the €215 million green unsecured loan signed in August 2022, for €0.71 million;

> The reclassification to current financial liabilities of the principal falling due in the next 12 months.

> Due to other sources of finance and for IFRS 16

This item covers the non-current portion of liabilities arising from:

> The lease for HQ premises;

> The use of IFRS 16 to account for the leases on the malls at Fonti del Corallo shopping center.

> Bonds

The variation in bonds during the year is due to the partial redemption of the €310,006,000 Fixed Rate Step-up Notes due 17 May 2027 and issued on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from €310 million to €220 million and amortization under amortized cost criteria of outstanding loans' accessory charges.

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Details of outstanding bonds are presented in the table below:

	Non current portion	Current portion				Non current portion	Current portion		
Debts due to bond	12/31/2023	12/31/2023	Bond issue/ repayment	Ancillary costs amortization as of 12/31/2024	Financial charges as of 12/31/20	12/31/2024	12/31/2024	Nominal interest rate	Actual interest rate
Bond 400 ML	**61,285**					**61,285**			
Ancillary costs	**(3,319)**			**1,468**		**(1,851)**			
Coupon rate 12.31.23		**283**			**(283)**		**0**		
Paid interests					**1,486**				
Coupon rate 12.31.24					**2,261**		**2,261**		
Total Bond 400 ML	**57,966**	**756**	**0**	**1,468**	**3,464**	**59,434**	**2,261**	**7.000%**	**8.50%**
Bond 310 ML	**328,606**		**(91,351)**			**237,255**			
Ancillary costs	**(21,288)**			**8,360**		**(12,928)**			
Coupon rate 12.31.23		**2,036**			**(2,036)**		**0**		
Paid interests					**8,495**				
Coupon rate 12.31.24					**8,589**		**8,589**		
Totale Bond 310 ML	**307,318**	**0**	**(91,351)**	**8,360**	**15,048**	**224,327**	**8,589**	**7.000%**	**8.50%**
Total bonds	**365,284**	**756**	**(91,351)**	**9,828**	**18,512**	**283,761**	**10,850**		
Total financial charges				**9,828**	**18,512**				

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> COVENANTS

The following table presents covenants on outstanding loans. All of the covenants were satisfied as of 31 December 2024.

Name	Guarantees given	Type of product	End date	Financial "covenant"	Indicator i)	Indicator ii)	Indicator iii)	Indicator iv)	Indicator v)	Note
Bper Banca	Sarca shopping mall	Secured loan	04/06/2027	Certified consolidated financial statements: ratio of net debt (including derivative assets and liabilities) to net equity must not exceed 2.3	**0.82**					Loan repaid on 02/11/2025
Banca Intesa Sanpaolo	Le Maioliche Shopping Center (hypermarket)	Secured loan	06/30/2029	IGD Siiq SpA Financial Statements: ratio of external net financial debts to equity + intercompany loan must not exceed 2.70	**0.84**					Loan repaid on 02/11/2025
Banca Intesa Sanpaolo	Conè Shopping Center (Mall)	Secured loan	12/31/2025	Consolidated Financial Statement: ratio of net debt (including derivative assets and liabilities) to net equity must not exceed 2	**0.82**					Loan repaid on 02/11/2025
Bper Banca	La Torre Shopping Center (Hypermarket)	Secured loan	06/30/2027							Loan repaid on 02/11/2025
Secured loan in pool	Punta di Ferro Shopping Mall Tiburtino Shopping Center (mall) Porto Grande Shopping Center (mall) Centro Luna Shopping Mall Gran Rondò Shopping Mall Galleria e Retail Park Mondovicino Città delle Stelle Shopping Center (mall)	Secured loan in pool	05/09/2028	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > = 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset equal or under 45%; iv) Ratio of unencumbered asset to Unsecured debt (net of cash and cash equivalents) > or equal to 1.25 - [excluding IFRS16 accounting standard effect]; v) Loan To Value ratio for mortgaged property must not exceed 50%	**43.22%**	**2.28**	**13.76%**	**2.03**	**44.22%**	
New Fixed Rate Step-Up Notes, 05/17/2027	unsecured	Bond	05/17/2027	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset equal or under 45%; iv) Ratio of unencumbered asset to Unsecured debt (net of cash and cash equivalents) > 1.25 - [excluding IFRS16 accounting standard effect]	**43.22%**	**2.28**	**13.76%**	**2.03**		Bond fully repaid 03/04/2025
Fixed Rate Step-Up Notes, 05/17/2027	unsecured	Bond	05/17/2027	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset under 45%; iv) Ratio of Unencumbered Asset to Unsecured Debt (net of cash and cash equivalents) > 1.25 - [excluding effect of IFRS16 accounting standard]	**43.22%**	**2.28**	**13.76%**	**2.03**		Bond fully repaid 03/04/2025
Unsecured loan in pool	unsecured	Unsecured loan in pool	06/30/2027	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 60%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.7; iii) Ratio of Secured Debt to Total Asset - Intangible Asset under 45%; iv) Ratio of Unencumbered Asset to Unsecured Debt (net of cash and cash equivalents) > 1.25 - [excluding effect of IFRS16 accounting standard]	**43.22%**	**2.28**	**13.76%**	**2.03**		Loan repaid on 02/11/2025
Loan MPS Garanzia Italia	unsecured	Unsecured loan	09/30/2026	i) RatioTotal Asset - Intangible Asset to Total Debt (excluding derivative liabilities and net of cash and cash equivalents) under 65%; ii) Interest Cover Ratio (recurring items on cash basis) > 1.5; iii) Ratio of Secured Debt to Total Asset - Intangible Asset under 50Ratio of Unencumbered Asset to Unsecured Debt (net of cash and cash equivalents) > 1.00 - [excluding effect of IFRS16 accounting standard]	**43.22%**	**2.28**	**13.76%**	**2.03**		Loan repaid on 02/11/2025
Loan MPS Garanzia Italia 2022	unsecured	Unsecured loan	09/30/2028							

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> NOTE 27) PROVISION FOR EMPLOYEE SEVERANCE INDEMNITIES

Movements in the provision for employee severance indemnities are shown below:

	01/01/2024	Actuarial (Gain)/ Losses	Use	Provision	Financial charges IAS 19	12/31/2024
Provisions for employee severance indemnities	**1,582**	**(33)**	**(262)**	**150**	**46**	**1,483**

	01/01/2023	Actuarial (Gain)/ Losses	Use	Provision	Financial charges IAS 19	12/31/2023
Provisions for employee severance indemnities	**1,544**	**64**	**(219)**	**139**	**54**	**1,582**

The following charts show the demographic and financial assumptions used:

The employees severance indemnity reserve is classified as a defined benefit plan. In accordance with paragraph 83 of IAS 19, the annual discount rate used to calculate the present value of the liability is based on the iBoxx Corporate A index with duration 10+ as of the measurement date. The use of a discount rate based on iBoxx Corporate AA 10+ would not have made a significant difference.

Demographic Assumptions	Employees
Probability of death	ISTAT (the Italian National Statistics Institute) 2022
Probability of long-term disability	INPS (Italian Social Security Institute) statistics by age and gender
Probability of retirement	100% achievement of retirement age under mandatory general insurance
Probability of resignation	**2%**
Probability of receiving TFR advance at beginning of the year (provisioned at 70%)	**1%**

Additional information

> Sensitivity analysis for each significant actuarial assumption at the end of the reporting period, showing the impact in absolute terms of each reasonably possible change in actuarial assumptions at such date;

> Amount of contribution for the following year;

> Average financial duration of the liability for defined benefit plans;

> Estimated payouts.

Financial Assumptions	2024
Cost of living increase	**2.00%**
Discount rate	**3.38%**
Increase in total compensation	Executives **2.5%**; White collar/Middle managers **1.0%**; Blue collar **1.0%**
Increase in severance indemnity provision	**3.000%**

> SENSITIVITY ANALYSIS OF MAIN VARIABLES ON TFR AT 31 DECEMBER 2024

Inflation rate +0.25% - Provision for employees severance indemnities	**1,443.00**
Inflation rate -0.25% - Provision for employees severance indemnities	**1,526.00**
Discount rate +0.25% - Provision for employees severance indemnities	**1,514.00**
Discount rate -0.25% - Provision for employees severance indemnities	**1,453.00**
Turnover rate +1 - Provision for employees severance indemnities	**1,492.00**
Turnover rate -1 - Provision for employees severance indemnities	**1,473.00**

Yearly service Cost pro future	**146.00**
Plan duration	**16.30**

Estimated payments, year 1	**61.00**
Estimated payments, year 2	**120.00**
Estimated payments, year 3	**65.00**
Estimated payments, year 4	**70.00**
Estimated payments, year 5	**160.00**

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> NOTE 28) PROVISIONS FOR RISKS AND CHARGES

	01/01/2024	Use	Provision	Reclassification	12/31/2024
Provision for taxation	**2,587**	**(44)**	**628**	**29**	**3,200**
Consolidated Fund risks and future charges	**1,648**	**0**	**110**	**(29)**	**1,729**
Bonus provisions	**1,020**	**(874)**	**407**	**0**	**553**
Provisions for risks and future charges	**5,255**	**(918)**	**1,145**	**0**	**5,482**

> Provision for taxation

At 31 December 2024 these provisions mostly concerned IMU-related and cadastral disputes over the shopping centers La Torre in Palermo (mall + hypermarket), Le Maioliche in Faenza (mall), Esp in Ravenna (mall + hypermarket), and Guidonia (mall + hypermarket). The principal complaints against IGD SIIQ S.p.A. relate to: *(i)* the zoning classification of the shopping center itself (C/1 or D/8), *(ii)* the classification and valuation of the individual commercial units within the shopping center, *(iii)* the classification of the common areas of the shopping center, and *(iv)* the classification of the parking areas.

The Company is contesting the assessments received from the Italian Revenue Agency and/or its collection agencies and has decided to pay IMU based on the originally declared (pre-assessment) cadastral rent, while allocating provisions to cover the risks of these complaints, except in the case of Guidonia for which it was not possible to suspend payment of the new assessments.

Most of the increase for the year consists of an additional allocation against pending IMU/ICI-related disputes, which mainly concern new classifications and cadastral rent calculations for the shopping centers in Palermo, Ravenna, and Guidonia.

> Bonus provision

Bonus provisions cover the variable compensation that will be paid to employees in 2025 based on the Group's 2024 estimated results. The utilisation refers to the payment made in the first half of 2024.

These provisions also include a long-term portion for upper management, paid every three years. During 2024, this fund was released for €107 thousand as the allocation made in previous financial years is considered to be excessive compared to the forecast of achieving the objectives set at the beginning of the plan.

> Other general provisions

These cover the risks arising from pending litigation and likely future expenses for €1,729 thousand. The main changes in this provision during the year concerned the allocation of €112 thousand for works, at IGD's expense, to be carried out at the Centro Lame and Clodì shopping centers sold in 2024.

On 25 October 2024, Dr. Claudio Albertini served IGD SIIQ with a writ of summons, at the Civil Court of Bologna, seeking payment of a total of €750 thousand in connection with the termination of his mandate as Chief Executive Officer of the Company.

The first hearing is scheduled for 6 March 2025. Although the Company's stance is firmly to challenge the claim, in compliance with the accounting principles regarding pending disputes, this amount is completely covered by the provisions for risks and charges in place as of 31 December 2024.

> NOTE 29) SUNDRY PAYABLES AND OTHER NON-CURRENT LIABILITIES

	12/31/2024	12/31/2023	Change
Debts under SIINQ Entry Tax Regime	**273**	**516**	**(243)**
Advances Due Beyond the Fiscal Year	**800**	**800**	**0**
Extension fees BNL	**313**	**313**	**0**
INTESA Financing Fees	**305**	**408**	**(103)**
SACE Guaranteed Debts	**212**	**533**	**(321)**
Other liabilities	**11**	**10**	**1**
Sundry payables and other non-current liabilities	**1,914**	**2,580**	**(666)**

Advances due beyond one year refer to the advance from BNP Paribas under the agreement for the sale of the commercial licenses related to the Fonti del Corallo mall, which will be finalised in 2026 when the current rental contract expires.

During the year, sundry payables and other non-current liabilities underwent the following changes:

> A decrease in the "INTESA loan fees" item due to the reclassification to current liabilities of the €103 thousand fees that the Company will have to pay to Intesa San Paolo in 2025 in relation to the loan obtained in 2023;

> A decrease of €321 thousand due to the reclassification to current liabilities of the portion of the fees payable to SACE in 2025 as consideration for the guarantees backing the *(i)* 5-year loan of €36,300 thousand obtained in 2020 and the *(ii)* 6-year loan of €20,946 thousand obtained in 2022;

> A decrease of €243 thousand in SIINQ entry tax payable, covering the non-current portion of the tax due for the adoption of SIINQ status by IGD Management, which exercised this option during the previous year. The SIINQ entry tax is paid in five annual instalments starting in 2022.

Below are the details of related party payables:

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	12/31/2024	12/31/2023	Change
Coop Alleanza 3.0	4,410	9,912	(5,501)
Librerie Coop s.p.a.	0	19	(19)
Alleanza Luce e Gas	55	55	0
Unicoop Tirreno s.c.a.r.l.	0	25	(25)
IGD Service S.r.l.	3,850	3,850	0
Distribuzione Centro Sud s.r.l.	0	450	(450)
Related parties sundry payables and other non-current liabilities	8,315	14,311	(5,996)

Security deposits refer to sums received for the leasing of hypermarkets and malls. Security deposits pay interest at the rates provided for by law. The change over six months is mainly attributable to the return of security deposits relating to the lease and rental contracts for business units connected to the properties transferred to the Food Fund.

Security deposits pay interest at the rates provided for by law.

See Note 38 for additional information.

> NOTE 30) CURRENT FINANCIAL LIABILITIES

	Duration	12/31/2024	12/31/2023	Change
Total debts for banks		2,756	0	2,756
MPS c/c passivo		1,694	0	1,694
BNL - Hot money	12/27/2024 - 01/21/2025	1,062	0	1,062
Total debts for bonds		47,960	27,173	20,787
01 Unipol Sarca	04/10/2007 - 04/06/2027	3,427	3,551	(124)
10 Mediocredito Faenza IGD	10/05/2009 - 06/30/2029	933	935	(2)
17 Carige Palermo IGD (Hypermarket)	07/12/2011 - 06/30/2027	1,871	1,831	40
15 CentroBanca Cone (Mall)	12/22/2010 - 12/31/2025	12,540	2,645	9,895
Mps sace 36,3 ML	10/16/2020 - 09/30/2026	9,075	10,384	(1,309)
Mps sace 20,9 ML	12/13/2022 - 06/27/2028	5,237	0	5,237
BNP 215 ML loan	08/04/2022 - 08/01/2027	0	83	(83)
Intesa 250 ML loan	05/15/2023 - 08/09/2028	14,877	7,744	7,133
Total debts due to other sources of finance		3,839	3,681	158
Leasing Igd HQ	04/30/2009 - 04/30/2027	411	393	18
FRS 16 Livorno liability	01/01/2019 - 03/31/2026	3,428	3,288	140
Total debts for bonds		10,850	2,319	8,531
Bond 400 ML	11/28/2019 - 05/17/2027	2,261	283	1,978
Bond 310 ML	11/17/2023 - 05/17/2027	8,589	2,036	6,553
Current financial liabilities		65,405	33,173	32,232
Total current financial liabilities vs related party		0	0	0

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Movements in current financial liabilities are as follows:

Current financial liabilities	12/31/2023	Increases	Repayments	Accrued interests	Reclassification	12/31/2024
Debts for banks	0	15,756	(13,000)	0	0	2.756
Debts for loans	27,173	0	(27,173)	2,091	45,869	47,960
Debts for bonds	2,319	0	0	8,531	0	10,850
Debts for IFRS16	3,287	0	(3,287)	0	3,428	3,428
Debts due to other sources of finance	393	0	(393)	6	406	411
Total	33,172	15,756	(43,853)	10,628	49,703	65,405

Current financial liabilities include the current portion of lease payments on the new head office, the current portion of liabilities stemming from the adoption of IFRS 16, the current portion of outstanding mortgage loans and bonds (including interest accrued), and short-term bank borrowings.

The principal changes in current financial liabilities relate to:

> A new ultra-short-term loan ("hot money") taken out amounting to €1,000,000;

> The use of uncommitted credit lines for €1,694 thousand;

> The payment of the principal instalments due in the financial year on mortgages already in existence at the end of the previous financial year and to the corresponding reclassification of the instalments due in the following financial year from non-current financial liabilities.

> NOTE 31) NET DEBT

The table below presents net debt at 31 December 2024 and 31 December 2023. At neither date does it include derivatives held for hedging purposes, which by nature do not constitute monetary assets or liabilities.

	12/31/2024	12/31/2023	Change
Cash and cash equivalents	(2,289)	(3,142)	853
Financial receivables and other current financial assets vs. related parties	(75,947)	(62,141)	(13,806)
LIQUIDITY	(78,236)	(65,283)	(12,953)
Current financial liabilities vs. related parties	0	(17,567)	17,567
Current financial liabilities	2,756	0	2,756
Mortgage loans - current portion	47,960	27,173	20,787
Leasing - current portion	3,839	3,680	159
Bond loans - current portion	10,850	2,319	8,531
CURRENT DEBT	65,405	15,605	49,800
CURRENT NET DEBT	(12,831)	(49,678)	36,847
Leasing - non-current portion	1,927	5,760	(3,833)
Non-current financial liabilities	450,566	556,522	(105,956)
Bond loans	283,761	365,284	(81,523)
NON-CURRENT NET DEBT	736,254	927,566	(191,312)
Net debt	723,423	877,888	(154,465)

Net debt at 31 December 2024 increased compared to 31 December 2023 by approximately €154.5 million, due to the sale of the stake in the Food Fund real estate fund, the decrease in debt resulting from the application of IFRS 16 from the cash generated in the year net of investments made and the repayments of the instalments due on some mortgages.

As illustrated in detail in paragraph 2.5 of the Directors' Report, using the proceeds from the sale of the stake in the Food Fund real estate fund, during the second quarter of 2024, IGD:

> Partially redeemed the "€310,006,000 Fixed Rate Step-up Notes due 17 May 2027" issued on 17 November 2023, for an amount equal to €90 million, reducing the outstanding nominal value from €310 million to €220 million;

> Partially repaid the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the sale perimeter and, therefore, for an overall amount equal to €62.5 million;

> Partially repaid the €215 million green unsecured loan signed in August 2022, for €0.71 million.

As in previous years, net debt does not include non-current liabilities described in Note 31, consisting of payables for contractual commitments, security deposits received from third parties and related parties for the rental of hypermarkets and malls, guarantee deposits, extension

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fees payable, and tax liabilities, given the lack of a significant implicit or explicit financial component. In addition, as in previous years, it does not include assets and liabilities for derivative financial instruments which amounted to €2,155 thousand and €3,749 thousand, respectively.

> NOTE 32) TRADE AND OTHER PAYABLES

	12/31/2024	12/31/2023	Change
Debts to suppliers within the financial year	**10,014**	**16,770**	**(6,756)**
Trade payables and other debts	**10,014**	**16,770**	**(6,756)**

Payables to suppliers show a decrease of €8,674 thousand mainly due to a different payment schedule compared to the previous year and to less works carried out in the last quarter of the year compared to 2023.

> NOTE 33) RELATED PARTY TRADE AND OTHER PAYABLES

	12/31/2024	12/31/2023	Change
Coop Alleanza 3.0	**484**	**754**	**(270)**
Alleanza Luce e Gas	**0**	**3**	**(3)**
Cons. propr. del compendio com. del Commendone (GR)	**9**	**44**	**(35)**
Consorzio prop. Fonti del Corallo	**103**	**26**	**77**
Consorzio Coné	**9**	**144**	**(135)**
Consorzio Clodì	**0**	**104**	**(104)**
Consorzio Crema (Gran Rondò)	**119**	**102**	**17**
Consorzio I Bricchi	**27**	**0**	**27**
Consorzio Katané	**45**	**4**	**41**
Consorzio Lame	**14**	**143**	**(129)**
Consorzio Leonardo	**6**	**72**	**(66)**
Consorzio La Torre	**14**	**15**	**(1)**
Consorzio Porta a Mare	**38**	**0**	**38**
Consorzio Sarca	**117**	**290**	**(173)**
Distribuzione Centro Sud s.r.l.	**0**	**23**	**(23)**
IGD Service S.r.l.	**115**	**205**	**(90)**
Porta Medicea S.r.l.	**0**	**46**	**(46)**
Consorzio Punta di Ferro	**1**	**105**	**(105)**
Millennium Center	**20**	**100**	**(79)**
Fondo Juice	**14**	**14**	**0**
Consorzio La Favorita	**12**	**6**	**6**
Consorzio Le Porte di Napoli	**31**	**17**	**14**
Consorzio Casilino	**118**	**119**	**(1)**
Related parties trade and other payables	**1,296**	**2,336**	**(1,040)**

The decrease in debts to related parties amounts to €1,040 thousand and is mainly due to a different payment schedule.

See Note 37 for details.

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> NOTE 34) TAX LIABILITIES

	12/31/2024	12/31/2023	Change
IRPEF / regional and municipal surcharges	**488**	**480**	**8**
Val liabilities	**70**	**0**	**70**
Other tax liabilities	**76**	**(10)**	**86**
Debts for substitute tax	**273**	**258**	**15**
Tax liabilities	**907**	**728**	**179**

This item covers the amount due for IRPEF and regional and municipal surtaxes that was paid in January 2025, and for the SIINQ entry tax of €273 thousand (current portion) resulting from the merger of the subsidiary IGD Management SIINQ S.p.A. during the previous financial year.

> NOTE 35) OTHER CURRENT LIABILITIES

	12/31/2024	12/31/2023	Change
Social security and insurance debts	**258**	**230**	**28**
Accruals and deferrals	**2,483**	**1,154**	**1,329**
Insurance debts	**8**	**8**	**0**
Debts to employees for current salaries	**620**	**487**	**133**
Security deposits	**7,429**	**7,435**	**(6)**
Debts to shareholders for dividends	**2**	**1**	**1**
Debts to directors for remuneration	**71**	**168**	**(97)**
INTESA Financing Fees	**102**	**0**	**102**
SACE Guaranteed Debts	**756**	**436**	**320**
Extension fees BNL	**312**	**312**	**0**
Other liabilities	**481**	**814**	**(333)**
Other liabilities	**12,522**	**11,045**	**1,477**

These consist mainly of security deposits received from commercial tenants.

The increase, equal to €1,477 thousand, is mainly related to the change in the item accrued expenses and deferred income.

> NOTE 36) RELATED PARTY OTHER CURRENT LIABILITIES

	12/31/2024	12/31/2023	Change
Debts from tax consolidation			
Porta Medicea S.r.l.	**981**	**579**	**402**
Other liabilities to related parties	**981**	**579**	**402**

The increase concerns the tax consolidation and refers to the subsidiary Porta Medicea S.r.l., which brought a greater tax loss to the consolidation during the year raising the liability for the Company.

> NOTE 37) RELATED PARTY DISCLOSURES

Below is the information required by paragraph 18 of IAS 24.

	Receivables and other current assets	Financial Receivables	Current Payables and Other Liabilities	Non-Current Payables and Other Liabilities	Financial Payables	Sundry Receivables and Other Noncurrent Assets	Fixed Assets - Increases	Fixed Assets - Decreases
Coop Alleanza 3.0	**67**	**0**	**484**	**4,410**	**0**	**0**	**60**	**0**
Librerie Coop S.p.a.	**7**	**0**	**0**	**0**	**0**	**0**	**14**	**0**
Alleanza Luce e Gas	**0**	**0**	**0**	**55**	**0**	**0**	**0**	**0**
Unicoop Tirreno S.c.a.r.l.	**2**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cons. propr. del compendio com. del Commendone (GR)	**2**	**0**	**9**	**0**	**0**	**0**	**68**	**0**
Consorzio prop. Fonti del Corallo	**0**	**0**	**103**	**0**	**0**	**0**	**197**	**0**
Consorzio Coné	**2**	**0**	**9**	**0**	**0**	**0**	**96**	**0**
Consorzio Clodì	**2**	**0**	**0**	**0**	**0**	**0**	**11**	**0**
Consorzio Crema (Gran Rondò)	**2**	**0**	**119**	**0**	**0**	**0**	**262**	**0**
Consorzio I Bricchi	**2**	**0**	**27**	**0**	**0**	**0**	**2**	**0**
Consorzio Katané	**2**	**0**	**45**	**0**	**0**	**0**	**323**	**0**
Consorzio Lame	**2**	**0**	**14**	**0**	**0**	**0**	**4**	**0**
Consorzio Leonardo	**2**	**0**	**6**	**0**	**0**	**0**	**139**	**0**
Consorzio La Torre	**2**	**0**	**14**	**0**	**0**	**0**	**250**	**0**
Consorzio Porta a Mare	**0**	**0**	**38**	**0**	**0**	**0**	**58**	**0**
Consorzio Sarca	**2**	**0**	**117**	**0**	**0**	**0**	**660**	**0**
Consorzio Punta di Ferro	**2**	**0**	**1**	**0**	**0**	**0**	**34**	**0**
Millennium Center	**6**	**0**	**20**	**0**	**0**	**0**	**231**	**0**
Fondo Juice	**0**	**0**	**14**	**0**	**0**	**0**	**0**	**0**
Consorzio La Favorita	**3**	**0**	**12**	**0**	**0**	**0**	**11**	**0**
Consorzio Le Porte di Napoli	**11**	**0**	**31**	**0**	**0**	**0**	**237**	**0**
Consorzio Casilino	**3**	**0**	**118**	**0**	**0**	**0**	**260**	**0**
Fondo FOOD	**42**	**0**	**0**	**0**	**0**	**0**	**0**	**262,505**
Food SPV	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Porta Medicea S.r.l.	**39**	**22**	**0**	**0**	**0**	**0**	**0**	**0**
IGD Service S.r.l.	**0**	**1,577**	**115**	**3,850**	**0**	**0**	**0**	**0**
Alliance SIINQ S.r.l	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**218**
Arco Campus S.r.l.	**0**	**23**	**0**	**0**	**0**	**0**	**0**	**0**
Total	**205**	**1,622**	**1,296**	**8,315**	**0**	**0**	**2,932**	**262,723**
Total Balance Sheet	**12,382**	**75,947**	**24,813**	**10,229**	**801,660**	**110**		
Total Increase/ Decrease of the Year							**16,351**	**266,359**
Incidence %	**1.66%**	**2.14%**	**5.22%**	**81.29%**	**0.00%**	**0.00%**		

	Operating revenues	Financial Income	Total operating costs	Financial charges
Coop Alleanza 3.0	15,048	0	555	165
Igd Service	11,665	3,669	(85)	96
Librerie Coop	765	0	23	0
Unicoop Tirreno	703	0	70	0
Alleanza Luce e Gas	250	0	36	0
Juice	138	0	0	0
Porta Medicea	65	22	0	0
Consorzio Porta a Mare	49	0	0	0
Consorzio Le Porte di Napoli	39	0	0	0
Consorzio dei proprietari Centro Luna	38	0	0	0
Consorzio Punta di Ferro	9	0	0	0
Arco Compus	0	103	0	0
Consorzio Katané	1	0	6	0
Consorzio Esp	1	0	0	0
Consorzio La Torre	1	0	0	0
Consorzio I Bricchi	0	0	534	0
Consorzio dei proprietari Centro Luna	0	0	3	0
Consorzio La Favorita	0	0	50	0
Consorzio Le Porte di Napoli	0	0	17	0
Consorzio Casilino	0	0	484	0
Consorzio Punta di Ferro	0	0	448	0
Porta Medicea	0	0	0	0
Cons. propr. del compendio com. del Commendone (GR)	0	0	57	0
Consorzio dei proprietari Fonti del Corallo	0	0	(178)	0
Consorzio Conè	0	0	246	0
Consorzio Clodì	0	0	26	0
Consorzio Gran Rondò	0	0	2	0
Consorzio Lame	0	0	34	0
Consorzio Leonardo	0	0	174	0
Consorzio La Torre	0	0	1	0
Consorzio Porta a Mare	0	0	768	0
Consorzio Sarca	0	0	2	0
Total	28,772	3,794	3,273	261
Total Balance Sheet	116,986	4,133	29,471	66,797
Incidence %	24.59%	91.80%	11.11%	0.39%

The Company has financial and economic relationships with its holding company, Coop Alleanza 3.0 Soc. Coop.; with other companies in the Coop Alleanza 3.0 Group (Librerie Coop S.p.A. and Alleanza Luce e Gas S.r.l.); and with Unicoop Tirreno Soc. Coop.

Related party transactions are conducted at arm's length and are measured at face value.

Transactions with Coop Alleanza 3.0 Soc. Coop. and its subsidiaries

The transactions with the holding company Coop Alleanza 3.0. Soc. Coop. refer to:

> The ongoing rental of real estate assets for use as hypermarkets and supermarkets; at 31 December 2024, rental income from leases, including retail leases, amounted to €15.0 million;

> The provision of IT services by Coop Alleanza 3.0. Soc. Coop..

The transactions with Librerie Coop S.p.A. concern receivables and income for the business lease of properties inside shopping centers and the leasing of the third floor of the building that houses IGD's head office. For the year, the Company received €765 thousand under these lease agreements.

Transactions with Alleanza Luce e Gas S.r.l. refer to the rental of part of the second floor of the building where IGD has its head office. At 31 December 2024, the Company received €250 thousand, under this lease, and also has payables for security deposits on leases.

Transactions with Unicoop Tirreno Soc. Coop.

The transactions with Unicoop Tirreno Soc. Coop. consist of:

> Security deposits received on leases;

> Receivables and income for the leasing of properties used as hypermarkets. For the year, the Company received €703 million under these agreements.

Transactions with other Group companies

The transactions with the direct and indirect subsidiaries IGD Service S.r.l., Porta Medicea S.r.l., Arco Campus S.r.l. and Win Magazin S.A. concern the following: *(i)* administrative, technical and financial services provided by the controlling company; *(ii)* loans granted to the subsidiaries Arco Campus S.r.l. and IGD Service S.r.l. and financial payables/receivables with the subsidiary IGD Service S.r.l. for use of the pooled accounts; *(iii)* the tax consolidation agreement with IGD Service S.r.l. and Porta Medicea S.r.l..

The transactions with consortiums concern receivables and income for facility management services at shopping centers; the costs incurred refer to service charges for vacant units and extraordinary maintenance work on properties.

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> NOTE 38) MANAGEMENT OF FINANCIAL RISK

In the course of business, the Company is exposed to various financial risks. To map and assess its risks, IGD SIIQ S.P.A. has developed an integrated risk management model based on the international Enterprise Risk Management standards (see section 2.12 of the Directors' Report). The Board of Directors reviews and agrees on policies to manage these risks.

> Market risk

Market risk is the potential for changes in exchange rates, interest rates or prices to negatively affect the value of assets, liabilities or expected cash flows.

> Interest rate risk

The main risk factor is the volatility of interest rates and its effect on the financing of operations and on the investment of liquid funds. The Company finances its operations through short-term borrowings, medium- and long-term floating-rate secured and unsecured loans, and fixed-rate bonds, so it determines its risk of increased financial charges if interest rates go up or if it refinances debt at higher rates.

The Finance department monitors interest rate risk constantly, in coordination with top management, including through risk analysis and measurement tools developed within the Group's enterprise risk management program. It also monitors trends in the main economic and financial indicators that may affect the Group's performance. The risk hedging policy involved entering into IRS (interest rate swap) agreements and, taking the yield curve into account, other forms of hedging like caps and collars, which allowed the Group to hedge about 77.64% of its exposure to interest rate changes related to medium/long-term loans, including bonds. The Finance department analyses and measures the interest rate and liquidity risks while constantly evaluating the best means of implementation of the risk management model and conducts routine scouting activities to find opportunities to reduce the cost of debt through the bank and/or capital market.

See Note 39 for quantitative information on derivatives.

The following table presents the sensitivity analysis of interest rate risk, showing the impact on equity and profit/loss, as required by IFRS 7.

The sensitivity analysis was conducted in consideration of the financial statement items that generate interest at floating rates or that are exposed to fair value changes, assuming parallel increases or decreases in the interest rate curves of each currency.

INTEREST RATE RISK

Interest rate risk - Exposure and sensitivity analysis	Benchmark	Income statement				Net equity			
		Shock up		Shock down		Shock up		Shock down	
		31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23	31-dec-24	31-dec-23
Interest bearing assets	Euribor	0	61	0	0	0	0	0	0
Hot money	Euribor	0	0	0	0	0	0	0	0
Financial liabilities at a variable rate	Euribor	(4,093)	(4,897)	4,084	4,873	0	0	0	0
Derivative instruments									
Cash Flow		1,592	2,347	(3,781)	(1,867)	0	0	0	0
Fair Value		0	0	0	0	2,159	4,730	(5,928)	(6,482)
Total		(2,501)	(2,489)	303	3,006	6,753	4,730	(6,482)	(6,482)

The assumptions underlying the sensitivity analysis are as follows:

> Medium- and long-term mortgage loans were analysed according to exposure at the end of the reporting period;

> Ultra-short-term borrowings ("hot money") and deposits were analysed according to exposure at the end of the reporting period;

> The initial shift in the interest rate curve was assumed to be +100/-100 basis points (+100/-10 as of 31 December 2023);

> In determining changes associated with floating-rate financial instruments, it was assumed that no interest rates have already been set;

> The values affecting equity have been calculated as the difference between the fair values calculated with the shock-modified curve and the fair values of derivatives at the end of the reporting periods;

> The analysis assumes that all other risk variables remain constant;

> For the sake of comparison, the same method of measurement was used for the current and the previous year. The method used to analyse and determine significant variables did not change since the previous year.

> Foreign exchange risk

The Company uses the euro as its accounting currency for all purchases and sales.

> Price risk

The Company is exposed to the risk of changes in the rent charged on leasehold properties. The domestic and international real estate market is cyclical in nature and influenced by several macroeconomic variables, relating for example to general economic conditions, interest rates, inflation, tax laws, market liquidity, and the presence of other profitable investments.

> Credit risk

Credit risk takes the form of customer insolvency and difficulty collecting payments. To mitigate these risks, tenants go through a pre-contractual selection process, based on financial standing and earnings prospects.

Reviews of potential customers are performed also with the help of external specialists and aim to identify any risk factors for the Company. Monthly analyses investigate the level of risk associated with each tenant and monitor their solvency.

All customers are asked for bank guarantees and/or security deposits to guarantee fulfilment of their commitments. Throughout the life of the contract, the Company monitors compliance on an ongoing basis, and follows internal credit management procedures in the event any anomalies arise; when the business relationship is secure, measures to assist the tenant may be taken. The Group constantly monitors its credit positions and uses an ad hoc program to assess each tenant's track record, risk level and solvency, an analysis that is formally conducted every quarter but monitored on a daily basis to stay abre-

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ast of the actions taken or needed to collect receivables.

The maximum credit risk on the Company's other financial assets, including cash and cash equivalents and certain derivative instruments, is the carrying value of these assets in the event of the counterparty's insolvency. The maximum exposure is presented gross of any mitigation through the use of various kinds of hedging instruments.

The table below presents the maximum exposure to credit risk for balance sheet components, divided into categories, including derivatives with a positive fair value.

Where financial instruments are measured at fair value, the amounts shown represent current credit risk, but not the maximum exposure to credit risk that could arise in the future due to changes in fair value.

Maximum exposure to credit risk	2024	2023
Receivables and loans		
Sundry receivables and other assets	110	83
Trade and other receivables	7,498	6,752
Related party trade and other receivables	1,827	1,775
Other assets	1,209	3,997
Cash equivalents	2,280	3,141
Financial receivables and other financial assets	75,947	79,708
Total	88,871	95,456

> Liquidity risk

This refers to problems with liquidity management, insufficient resources to finance the business, and difficulty keeping up with loans or obtaining new credit. Liquidity is monitored through cash flow planning, and risk is mitigated by the Company's extensive credit lines (committed and uncommitted).

The Finance department uses a financial forecasting tool to monitor expected cash flows over a one-quarter rolling horizon and makes sure there is enough liquidity to operate the business, while establishing the proper ratio of bank debt to capital market debt.

Most medium- and long-term loans and outstanding bonds involve covenants; this aspect is monitored constantly by the chief financial officer, who also coordinates with management to gauge the likelihood of violations of the covenants as a result of the strategic, operational, compliance and financial risks mapped, using the enterprise risk management system.

Financial commitments are covered by funds confirmed by the banks, and unutilised credit facilities are available.

Liquidity risk is managed prudently to avoid incurring excessive costs in the event of unforeseen events, which could have a further negative impact on market reputation and financial viability.

Maturities are broken down below on the basis of undiscounted cash flows; the amounts shown take account of the first date on which payment can be requested.

The assumptions underlying the maturity analysis are as follows:

> For the future cash flows of medium- and long-term floating-rate payables, the forward rate curve at 31 December has been used;

> For the future cash flows of the fixed-rate bonds, the contractual flows have been used;

> For derivatives, the analysis includes those representing assets at 31 December, for which both outflows and inflows are shown, as their purpose is to hedge financial liabilities.

> Amounts include cash flows from both the interest and the principal component.

The method used to analyse and determine significant variables did not change since the previous year.

LIQUIDITY RISK

Maturity analysis at 31 December 2024	On sight	< 3 months	3 -6 months	6 months - 1 year	1 - 2 years	2 - 5 years	> 5 years	Total
LIABILITIES								
NON DERIVATIVE FINANCIAL INSTRUMENTS								
Mortgages	1,184	13,303	16,566	40,810	54,442	442,945	0	569,249
Leasing	40	79	116	231	460	941	0	1,867
IFRS16	0	822	822	1,644	580	0	0	3,868
Bonds	0	0	17,461	0	20,087	318,040	0	355,587
Short term credit lines	0	1,000	0	0	0	0	0	1,000
Payables vs related party	0	0	0	0	0	0	0	0
Total	1.224	15,203	34,965	42,684	75,569	761,926	0	931,571
DERIVATIVE FINANCIAL INSTRUMENTS								
Derivative on rate risk	(314)	209	67	584	864	31	0	1,441
Total	(314)	209	67	584	864	31	0	1,441
Exposure at 31 December 2024	909	15,412	35,032	43,269	76,432	761,958	0	933,012

LIQUIDITY RISK

Maturity analysis at 31 December 2023	On sight	< 3 months	3 -6 months	6 months - 1 year	1 - 2 years	2 - 5 years	> 5 years	Total
LIABILITIES								
NON DERIVATIVE FINANCIAL INSTRUMENTS								
Mortgages	1,340	9,430	15,576	24,972	65,620	588,292	943	706,173
Leasing	42	84	125	241	464	1,401	0	2.357
IFRS16	0	822	822	1,644	3,427	580	0	7.295
Bond	0	0	10,115	0	23,118	447,661	0	480,894
Short-term credit lines	0	0	0	0	0	0	0	0
Payables vs related parties	0	0	0	0	0	0	0	0
Total	1,382	10,336	26,638	26,857	92,629	1,037,934	943	1,196,719
DERIVATIVE FINANCIAL INSTRUMENTS								
Derivative on rate risk	(452)	(246)	(360)	(687)	1,228	1,559	0	1,042
Total	(452)	(246)	(360)	(687)	1,228	1,559	0	1,042
Exposure at 31 December 2023	930	10,090	26,278	26,170	93,857	1,039,493	943	1,197,761

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In the first half of 2024, IGD made a partial early repayment of the €250 million green secured loan signed in May 2023, for an amount equal to the ALA (allocated loan amount) of each mortgage property included in the perimeter of the sale to the Food Fund and, therefore, for an overall amount equal to €62.5 million and an early repayment of the €215 million green unsecured loan obtained in August 2022 for €0.71 million.

As of 31 December 2024, uncommitted credit facilities granted to the Group amount to €79.6 million, of which €29.6 million from banks and €50 million from the holding company, Coop Alleanza 3.0, and are used for €2.7 million at 31 December 2024.

> NOTE 39) STRUMENTI DERIVATI

The Company has engaged in derivative contracts for the use of interest rate swaps and, taking the yield curve into account, other forms of hedging like caps and collars. The fair value of derivatives for which no active market exists is determined with assistance from specialised firms according to market-based quantitative techniques, i.e. accredited pricing models based on parameters taken as of the individual measurement dates. This method therefore reflects a materiality of the input data consistent with Level 2 of the fair value hierarchy defined by IFRS 13: although quoted prices in active markets (Level 1) are not available for these instruments, it is possible to base measurements on data observable either directly or indirectly in the market.

Fair Value - Hierarchy	12/31/2024	12/31/2023	Change	Level
Derivative assets	**2,155**	**2,649**	**(494)**	**2**
Derivative liabilities	**(3,749)**	**(3,854)**	**105**	**2**
IRS net effect	**(1,593)**	**(1,205)**	**(388)**	

The contracts are detailed below:

Contracs in detail	IRS 35_67 Intesa Sanpaolo 2.429%	IRS 35_81 BPM 2.427%	IRS 35_84 Intesa Sanpaolo 2.429%	IRS 327_325 BNL 0,5925%	IRS 327_326 Bintesa 0.5925%
Initial nominal amount	**23,430,000**	**14,058,000**	**9,372,000**	**34,625,000**	**34,625,000**
Nominal amout as of 12.31.2024	**6,270,000**	**3,762,000**	**2,508,000**	**23,750,000**	**23,750,000**
Inception date	**12/30/2011**	**12/31/2011**	**12/30/2011**	**07/06/2017**	**07/06/2017**
Maturity	**12/31/2025**	**12/31/2025**	**12/31/2025**	**04/06/2027**	**04/06/2027**
Irs frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	**2.429%**	**2.427%**	**2.429%**	**0.5925%**	**0.5925%**

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Contracs in detail	IRS 263_270 partial coverage 130 mln - MPS Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_269 partial coverage 130 mln - Unicredit Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_268 partial coverage 130 mln - BPER Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_266 partial coverage 130 mln - BMP Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 263_265 partial coverage 130 mln - BNL Gruppo BNP Paribas Euribor 3m + 0.215% Floor 2.365% Cap 3.715%
Initial nominal amount	**28,260,870**	**22,608,696**	**5,652,174**	**14,130,435**	**2,826,087**
Nominal amout as of 12.31.2024	**27,201,087**	**21,760,870**	**5,440,217**	**13,600,543**	**2,720,109**
Inception date	**05/15/2023**	**05/15/2023**	**05/15/2023**	**05/15/2023**	**05/15/2023**
Maturity	**05/10/2027**	**05/10/2027**	**05/10/2027**	**05/10/2027**	**05/10/2027**
Irs frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%

Contracs in detail	IRS 263_264 partial coverage 130 mln - Deutsche Bank Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	IRS 152_209 copertura parziale 215 mln - BNL 3.18%	IRS 152_210 copertura parziale 215 mln - MPS 3.18%	IRS 152_211 copertura parziale 215 mln - Intesa Sanpaolo 3.18%	IRS 152_212 copertura parziale 215 mln - DB 3.18%	IRS 152_213 copertura parziale 215 mln - BPM 3.18%
Initial nominal amount	**22,608,696**	**18,428,571**	**18,428,571**	**18,428,571**	**4,095,240**	**12,285,714**
Nominal amout as of 12.31.2024	**21,760,870**	**18,428,571**	**18,428,571**	**18,428,571**	**4,095,240**	**12,285,714**
Inception date	**05/15/2023**	**12/30/2022**	**12/30/2022**	**12/30/2022**	**12/30/2022**	**12/30/2022**
Maturity	**05/10/2027**	**08/02/2026**	**08/02/2026**	**08/03/2026**	**08/03/2026**	**08/02/2026**
Irs frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%	**3.18%**	**3.18%**	**3.18%**	**3.18%**	**3.18%**

Contracs in detail	IRS 152_260 copertura parziale 215 mln - MPS Euribor 3m + 0,34% Floor 1,84% Cap 3,84%	IRS 152_258 copertura parziale 215 mln - Deutsche Bank Euribor 3m + 0,34% Floor 1,84% Cap 3,84%	IRS 152_256 copertura parziale 215 mln - BNL Gruppo BNP Paribas Euribor 3m + 0,34% Floor 1,84% Cap 3,84%	IRS 152_254 copertura parziale 215 mln - BPM Euribor 3m + 0,34% Floor 1,84% Cap 3,84%	IRS 152_251 copertura parziale 215 mln - Intesa Euribor 3m + 0,34% Floor 1,84% Cap 3,84%	IRS 332_267 copertura parziale 120 mln - Intesa Sanpaolo Euribor 3m + 0,215% | Floor 2,365% | Cap 3,715%
Initial nominal amount	**18,428,571**	**4,095,240**	**18,428,571**	**12,285,714**	**18,428,571**	**33,913,043**
Nominal amout as of 12.31.2024	**18,428,571**	**4,095,240**	**18,428,571**	**12,285,714**	**18,428,571**	**32,641,304**
Inception date	**03/31/2023**	**03/31/2023**	**03/31/2023**	**03/31/2023**	**03/31/2023**	**05/15/2023**
Maturity	**08/03/2026**	**08/02/2026**	**08/02/2026**	**08/02/2026**	**08/03/2026**	**05/10/2027**
Irs frequency	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
Bank rate	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months	Euribor 3 months
Customer rate	Euribor 3m + 0.34% Floor 1.84% Cap 3.84%	Euribor 3m + 0.34% Floor 1.84% Cap 3.84%	Euribor 3m + 0.34% Floor 1.84% Cap 3.84%	Euribor 3m + 0.34% Floor 1.84% Cap 3.84%	Euribor 3m + 0.34% Floor 1.84% Cap 3.84%	Euribor 3m + 0.215% Floor 2.365% Cap 3.715%

> NOTE 40) POST-BALANCE SHEET EVENTS

On 11 February 2025, IGD signed a secured facility agreement for €615 million with a pool of leading national and international lenders which include, as Mandated Lead Arrangers, Intesa Sanpaolo S.p.A. - IMI CIB division, acting as global coordinator, green loan coordinator and facility agent, Banca Monte dei Paschi di Siena S.p.A., Banco BPM S.p.A., BNL BNP Paribas, BPER, Cassa Depositi e Prestiti, Deutsche Bank S.p.A. and Unicredit S.p.A.

This floating rate borrowing includes three facility structures:

> Facility A - €285 million, 5-year term;

> Facility B - €315 million, 7-year term;

> Facility C - €15 million revolving, up to 3 years.

The facility is classified as green based on the Company's "Green Financing Framework" and an amount at least equivalent to the net proceeds of facilities A and B will be allocated to finance and/or refinance all or part of the "Eligible Green Projects", referred to in the Company's Green Financing Framework, developed in accordance with the Green Bond Principles (ICMA) and the Green Loan Principles (LMA). The proceeds will be used to partially refinance existing debt (including four secured bilateral loans on as many assets and two unsecured loans for a total of €298 million) and redeem the current outstanding bonds (*"€310,006,000 Fixed Rate Step-Up Notes due 17th May 2027"*, currently outstanding for €220,006,000, and *"€57,816,000 Fixed Rate Step-Up Notes due 17th May 2027, formerly the €400,000,000 2.125 percent Fixed Rate Notes due 28th November 2024"*, currently outstanding for €57,816,000, for a total amount above par of approximately €288 million.

The facility obtained will allow the Company to eliminate the concentration of financial maturities in 2027, currently amounting to over €570 million, which will be rescheduled and spread out over the following years, with the first significant requirements starting in 2028 (approximately €167 million), followed by approximately €277 million on both 31 December 2029 and 31 December 2031. To date, therefore, the average debt maturity has increased to approximately 5 years compared to 2.9 years on 30 September 2024.

On 14 February 2025, the subsidiary Win Magazin S.A. signed a final contract with a Romanian private investor for the sale of the "Winmarkt Somes" shopping center, located in Cluj (GLA 7,873 sqm and key tenants Carrefour, DM, Pepco and Dr. Max), for a total consideration of approximately €8.3 million, in line with the book value. Win Magazin SA will bear the costs of technical adaptation works.

On 4 March 2025, IGD SIIQ completed the early repayment of the two outstanding bonds:

> "*€310,006,000 Fixed Rate Step-Up Notes due 17th May 2027*", currently outstanding for €220,006,000;

> "*€57,816,000 Fixed Rate Step-Up Notes due 17th May 2027, formerly the €400,000,000 2.125 per cent. Fixed Rate Notes due 28th November 2024*", currently outstanding for €57,816,000.

The total reimbursement, relating to the nominal debt and including the premium above par established by contract, amounted to approximately €288 million. This operation was made possible by the drawdown of facility A of the new financing signed on 11 February 2025, as described above.

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.6 NOTES TO THE FINANCIAL STATEME

> NOTE 41) TAX LITIGATION

On 23 December 2015 the Emilia Romagna regional headquarters of the Italian Revenue Agency served IGD SIIQ S.p.A. with two assessments arguing that €240,625.00 in costs incurred in 2010 had been unduly deducted for IRES and IRAP purposes and that the corresponding €48,125.00 in VAT had been unduly credited against VAT payable. The assessments resulted from a notification that the Ravenna provincial headquarters of the Italian Revenue Agency had received from the Sicilian regional headquarters, which began by stating that the Sicilian authorities had served Coop Sicilia S.p.A. (having its head office in San Giovanni La Punta in the province of Catania) with an assessment based on the disallowance of costs incurred for services that were deemed to lack sufficient documentation. On that basis, the Sicilian office recommended that the Ravenna office disallow the portion of those costs that Coop Sicilia had charged to IGD SIIQ S.p.A. under a contract between the two companies. After reviewing the papers and looking into the matter carefully, the Company, with the support of its advisors, concluded that the assessments are unfounded and filed settlement requests for both with the Emilia Romagna regional headquarters of the Italian Revenue Agency.

During the subsequent debate phase, the Company presented its arguments against the assessments to the Emilia Romagna regional headquarters of the Italian Revenue Agency, who decided to consider IGD's arguments regarding IRES and IRAP but to uphold the complaint regarding VAT. Nevertheless, as the deadline approached for contesting the two assessments and no reversal notice had been received from the Emilia Romagna regional headquarters of the Italian Revenue Agency, the Company decided to prevent them from becoming final and on 6 June 2016 filed a formal appeal against each with the Provincial Tax Commission of Bologna.

On 30 November 2016 the Emilia Romagna regional headquarters of the Italian Revenue Agency annulled the IRES assessment in full, while the IRAP/VAT assessment was annulled for the IRAP portion only and the VAT violation was confirmed.

In session on 25 January 2017, the Provincial Tax Commission of Bologna sided with the Company: with decision no. 253/17 filed on 28 February 2017 it finally cleared the IRES and IRAP assessments, and with decision no. 254/17 (also filed on 28 February 2017) it accepted IGD's arguments concerning VAT and annulled that assessment as well, a ruling that became final on 14 June 2018.

For both proceedings, the Commission ordered the Italian Revenue Agency to reimburse IGD's legal expenses in the amount of €6,000.00 total.

On 29 September 2017 the Emilia Romagna regional headquarters of the Italian Revenue Agency appealed the VAT decision (254/17) and on 28 November 2017 the Company filed its counterarguments against that appeal.

On 9 January 2020, the Emilia Romagna regional headquarters of the Italian Revenue Agency filed a statement of defense to rebut the Company's counterarguments.

With a decision filed on 23 November 2020, the Regional Tax Commission of Emilia Romagna confirmed the lower commission's ruling, rejected the regional authorities' appeal, and ordered the regional authorities to pay the costs of both levels of justice in the amount of €7,000.00 (reimbursed in the first half of 2021).

In May 2021 the Emilia Romagna regional headquarters of the Italian Revenue Agency filed an appeal with the Court of Cassation and the Company filed its response.

See Note 28 for information on other tax litigation.

> NOTE 42) IFRS 7 - "FINANCIAL INSTRUMENTS: DISCLOSURES"

Financial instruments are initially measured at fair value, and are subsequently measured depending on their classification, in accordance with IFRS 9.

For this purpose, financial assets are split into four categories:

> Financial assets measured at fair value through profit and loss: at 31 December 2024 the Company had no financial instruments in this category;

> Loans and receivables: in this category the Company has trade, financial and other receivables, and cash and deposits. They mature within 12 months and are therefore carried at face value (net of any impairment), which coincides with amortized cost;

> Financial assets available for sale: the Company has no financial instruments in this category.
There are only two categories of financial liability:

> Financial liabilities measured at fair value through profit and loss. At 31 December 2024 the Company had no financial instruments in this category;

> Financial liabilities measured at amortized cost.

> Classification in the statement of financial position

The Company's financial instruments are included in the statement of financial position as follows.

The item "Other non-current assets" covers sundry receivables and other non-current assets, including derivative instruments.

The item "Current assets" includes trade receivables, other current receivables, and cash and cash equivalents. "Cash and cash equivalents" include bank and post office deposits and cash and valuables on hand. Other assets consist of investments outstanding at the end of the reporting period. The item "Non-current liabilities" includes mortgage loans from banks, bond loans, derivatives, other payables and security deposits. The item "Current liabilities" covers short-term payables to banks, the current portion of medium/long-term loans, trade payables and other current payables. The items in the statement of financial position are classified below according to the categories required by IFRS 9 at 31 December 2024 and 31 December 2023:

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.6 NOTES TO THE FINANCIAL STATEME

	CARRYING VALUE				CARRYING VALUE						
Figures as of 31 December 2024	Financial assets/ liabilities disegnated at fair value	Financial assets/ liabilities measured at fair value held for negotiations	Receivables and loans	Financial assets held to maturity	Financial assets available for sale	Financial liabilities at amortized costs	Hedging derivatives	Total	of which current	of which non-current	Fair Value
ASSETS											
Other non current assets											
Derivative assets	0	0	2,155	0	0	0	0	2,155	0	2,155	2,155
Sundry receivables and other non current assets	0	0	110	0	0	0	0	110	0	110	110
Equity Investments	0	0	222,486	0	0	0	0	222,486	0	222,486	222,486
Non current financial assets	0	0	0	0	0	0	0	0	0	0	0
Current assets											
Trade and other receivables	0	0	7,498	0	0	0	0	7,498	7,498	0	7,498
Trade and other receivables vs related party	0	0	1,827	0	0	0	0	1,827	1,827	0	1,827
Other current assets	0	0	1,209	0	0	0	0	1,209	1,209	0	1,209
Financial receivables and other current financial assets vs related party	0	0	75,947	0	0	0	0	75,947	75,947	0	75,947
Cash and cash equivalents	0	0	2,289	0	0	0	0	2,289	2,289	0	2,289
TOTAL FINANCIAL ASSETS	0	0	313,521	0	0	0	0	313,521	88,770	224,751	313,521
LIABILITIES											
Financial liabilities											
Derivative liabilities	0	0	0	0	0	0	3,749	3,749	0	3,749	3,749
Payables due to bank	0	0	0	0	0	2,756	0	2,756	2,756	0	2,756
Leasing	0	0	0	0	0	1,758	0	1,758	411	1,347	1,973
Bond	0	0	0	0	0	294,611	0	294,611	10,850	283,761	369,134
Payables due to other source of finance	0	0	0	0	0	4,008	0	4,008	3,428	580	4,008
Loans	0	0	0	0	0	498,526	0	498,526	47,960	450,566	583,082
Non current liabilities											
Sundry payables and other non current liabilities	0	0	0	0	0	1,641	0	1,641	0	1,641	1,641
Sundry pyables and other n current liabilities vs related party	0	0	0	0	0	8,315	0	8,315	0	8,315	8,315
Current liabilities											
Trade and other payables	0	0	0	0	0	10,014	0	10,014	10,014	0	10,014
Trade and other payables vs related party	0	0	0	0	0	1,926	0	1,926	1,926	0	1,926
Other current liabilities	0	0	0	0	0	12,522	0	12,522	12,522	0	12,522
TOTAL FINANCIAL LIABILITIES	0	0	0	0	0	836,077	3,749	839,826	89,867	749,959	999,120

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.6 NOTES TO THE FINANCIAL STATEMENTS

	CARRYING VALUE				CARRYING VALUE						
Data as at 31 December 2023 ASSETS	Financial assets/ liabilities disegnated at fair value	Financial assets/ liabilities measured at fair value held for negotiations	Receivables and loans	Financial assets held to maturity	Financial assets available for sale	Financial liabilities at amortized costs	Hedging derivatives	Total	of which current	of which non-current	Fair Value
Other non current assets											
Derivative assets	0	0	2,649	0	0	0		2,649	0	2,649	2,649
Sundry receivables and other non current assets	0	0	83	0	0	0	0	83	0	83	83
Equity investments	0	0	142,085	0	0	0	0	142,085	0	142,085	142,085
Non current financial assets	0	0	174	0	0	0	0	174	0	174	174
Current assets											
Trade and other receivables	0	0	6,752	0	0	0	0	6,752	6,752	0	6,752
Trade and other receivables vs related parties	0	0	1,775	0	0	0	0	1,775	1,775	0	1,775
Other current assets	0	0	3,997	0	0	0	0	3,997	3,997	0	3,997
Financial receivables and other current financial assets vs related party	0	0	79,708	0	0	0	0	79,708	79,708	0	79,708
Cash and cash equivalents	0	0	2,650	0	0	0	0	2,650	2,650	0	2,650
TOTAL FINANCIAL ASSETS	0	0	239,873	0	0	0	0	239,873	94,882	144,991	239,873
LIABILITIES											
Financial liabilities											
Derivative liabilities	0	0	0	0	0	0	3,854	3,854	0	3,854	3,854
Leasing	0	0	0	0	0	2,145	0	2,145	393	1,752	1,973
Bond	0	0	0	0	0	367,603	0	367,603	2,319	365,284	369,134
Due to other sources of finance	0	0	0	0	0	7,295	0	7,295	3,287	4,008	7,295
Mortgages	0	0	0	0	0	583,694	0	583,694	27,173	556,521	583,082
Non current liabilities											
Sundry payables and other non current liabilities	0	0	0	0	0	810	0	810	0	810	810
Sundry pyables and other n current liabilities vs related party	0	0	0	0	0	14,311	0	14,311	0	14,311	14,311
Current liabilities											
Trade and other payables	0	0	0	0	0	16,769	0	16,769	16,769	0	16,769
Trade and other payables vs related parties	0	0	0	0	0	2,339	0	2,339	2,339	0	2,339
Other current liabilities	0	0	0	0	0	10,300	0	10,300	10,300	0	10,300
TOTAL FINANCIAL LIABILITIES	0	0	0	0	0	1,005,266	3,854	1,009,120	62,580	946,540	1,009,867

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.6 NOTES TO THE FINANCIAL STATEMENTS

For each financial instrument, both carrying value and fair value are indicated. The two values coincide for most instruments, as their maturity is short term. They differ for long-term instruments, such as mortgage loans, leasing instalments and bonds. To calculate the fair value of liabilities measured at amortized cost, the Group has discounted future cash flows to present value using a risk-free (zero coupon) curve estimated at 31 December, as reported by Bloomberg. The calculation takes account of the credit spread that banks would currently grant to the Company. The fair value of interest rate swaps for which no active market exists is determined according to market-based quantitative techniques, i.e. accredited pricing models based on parameters taken as of the individual measurement dates. This method therefore reflects a materiality of the input data consistent with Level 2 of the fair value hierarchy defined by IFRS 13: although quoted prices in active markets (Level 1) are not available for these instruments, it is possible to base measurements on data observable either directly or indirectly in the market. The fair value of financial liabilities was calculated using the credit spread that banks would grant to the Company as of the measurement date. At 31 December 2024 the estimated credit spread was 5.7% (6% the previous year).

> Collateral

Below is a list of financial assets pledged as collateral for contingent liabilities.

Collateral given	Carrying value 2024	Carrying value 2023
Security deposits		
Sundry receivables and other assets	110	83

The following table shows the impairment of trade receivables:

Impairment	Impairment of trade receivables 2024	Impairment of trade receivables 2023
Opening balance	13,267	14,635
Exchange effect	1,117	322
Allocation of individual writedowns	(5,317)	(1,734)
Other movements	0	44
Total	9,067	13,267

> Gains and losses from financial instruments

The table below reports the gains and losses from financial instruments held. These derive from securities trading, the impairment of trade receivables, and hedging derivatives.

For hedging derivatives, the table shows the amount of the differentials paid and collected. The effects of fair value changes of derivatives, charged to the cash flow hedge reserve under equity (net of the tax effects), were negative for €223 thousand in 2024 and €5,861 thousand in 2023.

INCOME AND LOSS FROM FINANCIAL INSTRUMENTS

Income statement as of 12/31/2024	Carrying value: Financial assets /liabilities measured at fair value	Financialassets / liabilities measured at fair value held for negotiations	Receivables and loans	Financial assets held to maturity	Financial assets availble for sale	Financial liabilities measured at amortized costs	Hedge derivatives
	31-Dec-24						
Net profit (loss)							
Financial assets / liabilities	0	0	0	0	0	0	2,228
Trade and other receivables	0	0	(1,117)	0	0	0	0
Total	0	0	(1,117)	0	0	0	2,228

INCOME AND LOSS FROM FINANCIAL INSTRUMENTS

Income statement as of 12/31/2023	Carrying value: Financial assets /liabilities measured at fair value	Financialassets / liabilities measured at fair value held for negotiations	Receivables and loans	Financial assets held to maturity	Financial assets availble for sale	Financial liabilities measured at amortized costs	Hedge derivatives
	31-dec-23						
Net profit (loss)							
Financial assets / liabilities	0	0	0	0	0	0	2,645
Trade and other receivables	0	0	(322)	0	0	0	0
Total	0	0	(322)	0	0	0	2,645

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The next table shows income and charges from financial assets and liabilities not measured at fair value:

Interest income	2024	2023
Interest income of financial assets not measured at fair value		
Deposits	**342**	**378**
Receivables vs Related parties	**3,794**	**3,979**

Interest expenses	2024	2023
Interest expenses on financial assets not measured at fair value		
Security deposits	**261**	**713**
Sundry payables and other liabilities	**1,209**	**1,303**
Payables vs related parties	**0**	**0**
Financial liabilities		
Loans	**38,435**	**30,374**
Leasing	**103**	**112**
IFRS 16	**578**	**641**
Bond	**28,340**	**17,882**
Short-term loans	**99**	**37**

5.7 // Proposal for approval of the financial statements and distribution of dividends

Shareholders,

we submit to your approval the financial statements of IGD SIIQ S.p.A. for the financial year ended 31 December 2024 showing a net loss of €26,920,946.65. Subject to the approval of the financial statements for year ended 31 December 2024 and of the Report of the Board of Directors, the Board of Directors proposes as follows:

1. to reclassify the Fair Value Reserve by €35,396,655.89, following partial changes to the distributable income pursuant to Art. 6 of Legislative Decree n. 38 of 28 February 2005, increasing other available profit reserves by the same amount, which consists of exempt operations for €22,339,315.27 and pre-SIIQ operations for €13,057,340.62. Accordingly, the Fair Value reserve, consisting of the valuation of the real estate portfolio at fair value, would go from €187,406,359.63 to €152,009,703.73.
2. to fully cover the net loss at 31 December 2024, amounting to €26,920,946.65 through the available reserves (from capital reduction), which are sufficiently large;
3. to allocate part of the increase of other available reserve from exempt operations, released as a result of the disposal of 8 hypermarkets, 3 supermarkets and 2 shopping malls during 2024, to a dividend distribution of €11,034,190.30.

   Please note that the above dividend will be paid to each outstanding ordinary share at the ex-dividend date, excluding any treasury shares held at that date.

   The total dividend payable, calculated on IGD's 110,341,903 outstanding ordinary shares, amounts to €11,034,190.30 to be taken from other available reserves from exempt operations, available as a result of the disposals carried out during the year.

   Overall, distributed earnings from exempt operations amounted to €11,034,190.30 or €0.10 per share.
4. to give the Chairman and the Chief Executive Officer, even separately, the power to ascertain in due time, depending on the final number of remunerated shares, the exact amount of the dividend to be distributed."

Bologna, [6 March] 2025

THE CHAIRMAN

ANTONIO RIZZI

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5.8 // Management and coordination

The Company is a subsidiary of Coop Alleanza 3.0 Soc. Coop. of Villanova di Castenaso (province of Bologna) and is under the management and coordination of the latter.

Pursuant to Art. 2497 bis (4) of the Italian Civil Code, key figures from the latest approved financial statements of Coop Alleanza 3.0 Soc. Coop. are presented below:

COOP Alleanza 3.0 FINANCIAL STATEMENTS SUMMARY BALANCE SHEET (ex art. 2424 C.C.)	Year 2023	Year 2022
ASSETS		
A) Subscribed capital unpaid	**0**	**0**
B) Fixed assets	**3,902,972,568**	**3,923,329,875**
C) Current assets	**2,327,630,565**	**2,645,162,383**
D) Accrued income and prepayments	**15,794,579**	**22,231,813**
Total assets	**6,246,397,712**	**6,590,724,071**
LIABILITIES		
A) Net equity	**1,586,205,490**	**1,578,532,064**
B) General provisions	**92,317,848**	**108,000,745**
C) Provisions for employees severance indemnities	**89,218,261**	**112,521,934**
D) Payables	**4,475,076,058**	**4,788,472,856**
E) Accrued income and prepayments	**3,580,055**	**3,196,472**
Total liabilities and net equity	**6,246,397,712**	**6,590,724,071**
MEMORANDUM ACCOUNT		
INCOME STATEMENT (ex art. 2425 C.C.)		
A) Value of production	**4,372,943,458**	**4,253,093,352**
B) Costs of production	**(4,414,350,379)**	**(4,400,819,938)**
C) Financial income and charges	**93,308,198**	**95,345,438**
D) Adjustment to financial assets value	**(16,956,121)**	**(59,719,113)**
E) Extraordinary income and charges		
Income taxes for the period	**(14,932,297)**	**(4,454,492)**
Profit (Loss) for the year	**20,012,859**	**(116,554,753)**

5.9 // Information pursuant to Art. 149 *duodecies* of Consob's regulations for issuers

The following chart, prepared in accordance with Art. 149 duodecies of Consob's Issuers' Regulations, shows the fees pertaining to 2024 for external auditing and for services other than auditing rendered by the independent auditors or by entities in its network.

(Amounts in thousands of Euro)	Service provider	Recipient	Fees in 2024
Auditing	Deloitte & Touche S.p.a.	IGD SIIQ S.p.A.	**152**
Sustainability report auditing	Deloitte & Touche S.p.a.	IGD SIIQ S.p.A.	**22**
Gap analysis between current sustainability reporting and new CSRD disclosure requirements	Deloitte & Touche S.p.a.	IGD SIIQ S.p.A.	**28**
Total			**202**

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5.10 // Certification of the separate financial statements

CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS

PURSUANT TO ART. 81 TER OF THE CONSOB REGULATION ADOPTED WITH RESOLUTION 11971 OF 14 MAY 1999, AS AMENDED

1. We, the undersigned, Roberto Zoia as chief executive officer and Marcello Melloni as financial reporting officer of IGD SIIQ S.p.A., hereby declare, including in accordance with Art. 154-*bis* (3) and (4) of Legislative Decree 58/98:
    - the adequacy of in relation to the characteristics of the business; and
    - the company's due compliance with the administrative and accounting procedures for the preparation of the separate financial statements during the year 2024.

2. We also confirm that:

2.1. the separate financial statements:

a) have been prepared in accordance with the applicable International Accounting Standards recognized by the European Union pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of 19 July 2002;

b) correspond to the ledgers and accounting entries;

c) provide fair and truthful disclosure of the financial status and performance of the issuer;

2.2 the directors' report contains a reliable analysis of the performance, results, and current situation of the issuer, along with a description of the main risks and uncertainties to which it is exposed.

Bologna, 6 March 2025

Roberto Zoia	*Marcello Melloni*
Chief Executive Officer	Financial Reporting Officer

5.11 // Attachments

CERTIFICATION PURSUANT TO ART. 16 OF CONSOB MARKET REGULATIONS (CONSOB RESOLUTION N. 20249/2017)

IN ACCORDANCE WITH ART. 2.6.2 OF THE REGULATIONS FOR MARKETS ORGANIZED AND MANAGED BY BORSA ITALIANA S.P.A.

Pursuant to Article 2.6.2 of the Regulations for Markets Organized and Managed by Borsa Italiana S.p.A., it is hereby declared that Immobiliare Grande Distribuzione SIIQ S.p.A., under the management and control of Coop Alleanza 3.0 S.c.a.r.l., meets the listing conditions stated in Art. 16 of Consob Market Regulations, adopted with Consob Resolution 20249 of 28 February 2017.

6 March 2025

For the Board of the Directors

The Chairman of the Board of Directors

Antonio Rizzi

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.11 ATTACHMENTS

> LIST OF EQUITY INVESTMENTS

Name	Registered office	Country	Share capital	Net result (€)	Net equity (€)	% held	Control	Carrying value	Total assets	Total liabilities	Value of production
IGD Service S.r.l.	Bologna, via Trattati Comunitari Europei 1957 - 2007	Italy	**60,000,000 (euro)**	**(2,244,918)**	**52,867,636**	**100%**	IGD SIIQ S.p.A.	**114,743,673**	**134,579,457**	**81,711,821**	**27,497,813**
Arco Campus S.r.l.	Bologna, via dell'Arcoveggio 49/2	Italy	**1,500,000 (euro)**	**(10,635)**	**1,592,216**	**99.98%**	IGD SIIQ S.p.A.	**1,506,779**	**3,691,150**	**2,098,934**	**259,875**
Consorzio I Bricchi (*)	Isola D'Asti (Loc. Molini), via Prato Boschiero	Italy	**6,000 (euro)**	**0**	**5,998**	**72%**	IGD SIIQ S.p.A.	**4,334**	**162,898**	**156,900**	**624,668**
Consorzio proprietari C.C. Leonardo (****)	Imola (Bologna), via Amendola 129	Italy	**0 (euro)**	**0**	**0**	**52%**	IGD SIIQ S.p.A.	**0**	**661,462**	**661,462**	**1,906,880**
Consorzio proprietari C.C. Fonti del Corallo (*)	Livorno, via Gino Garziani 6	Italy	**10,000 (euro)**	**0**	**12,400**	**68%**	IGD SIIQ S.p.A.	**6,800**	**20,870**	**8,470**	**4,648**
Consorzio proprietari del Compendio commerciale del Commendone (****)	Grosseto, via Equador	Italy	**10,000 (euro)**	**0**	**10,000**	**52.60%**	IGD SIIQ S.p.A.	**6,040**	**468,445**	**458,445**	**1,668,070**
Consorzio Puntadiferro (****)	Forlì, piazzale della Cooperazione 4	Italy	**10,000 (euro)**	**0**	**10,000**	**62%**	IGD SIIQ S.p.A.	**6,234**	**545,505**	**535,505**	**2,419,293**
Fondo Juice (**)	Milano, via San Paolo 7	Italy	**64,165,000 (euro)**	**4,143,482**	**64,165,000**	**40%***	IGD SIIQ S.p.A.	**25,666,000**	**139,690,000[4]**	**67,760,000[5]**	**10,525,216**
Fondo Food (**)	Milano, via Valtellina 15/17	Italy	**258,000,000 (euro)**	**(*****)**	**258,000,000**	**40%***	IGD SIIQ S.p.A.	**80,290,063**	**264,490,000**	**(*****)**	**(*****)**
Alliance SIINQ S.r.l	Bologna, via Trattati Comunitari Europei 1957 - 2007	Italy	**50,000 (euro)**	**29,223**	**209,223**	**100%***	IGD SIIQ S.p.A.	**192,480**	**206,411**	**7,188**	**411**

(*) Figures refer to the financial statements of the year ended 31 December 2023.
(**) As described in Note 18 above IGD SIIQ holds 25,224 class B shares equal to 40% of the fund capital.
(***) As described in Note 18 above IGD SIIQ holds 5,162 class B shares equal to 40% of the fund capital.
(****) Figures refer to the financial statements of the year ended 31 December 2024.
(*****) Figures not yet available.

[4] Value of real estate investments held by Fondo Juice
[5] Value of bank debt

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.12 EXTERNAL AUDITORS' REPORT

5.12 // External Auditors' Report

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Deloitte & Touche S.p.A.
Piazza Malpighi, 4/2
40123 Bologna
Italia

Tel: +39 051 65811
Fax: +39 051 230874
www.deloitte.it

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of
Immobiliare Grande Distribuzione SIIQ S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Immobiliare Grande Distribuzione SIIQ S.p.A. (the "Company"), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2024 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

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These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of the investment properties and investment properties under construction

Description of the key audit matter	As of December 31, 2024 Investment properties and investment properties under construction are equal to Euro 1,543 million (of which Euro 2.4 million relating to assets under construction), representing 82.5% of total assets. The total real estate portfolio, held by the Company also through two associated companies valued according to the equity method with a carrying amount of Euro 106 million, includes investment property and property under construction. Investment properties are measured at fair value in accordance with the IAS 40 adopted by the European Union and assets under construction are valued at cost less impairment losses, or at fair value if it can be reliably determined, taking into account the procedure for obtaining administrative permits and the start of construction. The process of valuing the Company's real estate portfolio, carried out by the Directors on the basis of appraisals by independent experts (the "Appraisers"), is based on a complex series of estimates, and derives from variables and assumptions relating to future performance that are impacted by future economic and market conditions that are hard to predict. In particular, the assumptions used by the Directors in valuing their real estate portfolio mainly relate to the following variables: (i) the expected cash flows of each investment property and their distribution over time; (ii) inflation rates, capitalization rates of net income at the end of the valuation period and discount rates of cash flows related to each investment property. As a result of these appraisals, the Company's real estate portfolio was subject to net writedowns of Euro 19.2 million. In view of the significance of the Company's real estate portfolio, the complexity and subjectivity of the valuation process carried out by the Directors, made even more uncertain by the current macroeconomic environment, we considered the valuation of the real estate portfolio to be a key matter of the audit of the Company's financial statements at December 31, 2024. Notes 6, 12 and 15 and paragraphs "Summary of accounting policies" and "use of estimates" of the financial statements provide information on the real estate portfolio and the assumptions underlying its valuations.

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.12 EXTERNAL AUDITORS' REP

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Audit procedures performed

During our audit, we carried out the following procedures, among others:

- understanding and assessing the methodologies and procedures laid down by the Company to verify the independence and competence of the independent Appraisers engaged to determine the fair value of investment properties and assets under construction, as well as the procedures governing the selection and rotation of the Appraisers and the exchange of information between the Company's managers responsible for managing the real estate assets and the Appraisers;
- compliance tests on the controls put in place by the Company over the processes and procedures mentioned above for the verification of the fair value models prepared by the Appraisers, and of the results deriving from such models;
- assessment of the expertise, skills and objectivity of the Appraisers involved by the Directors, by reviewing their professional qualifications;
- analysis, with the support of our specialists with specific valuation skills, of the adequacy of the valuation methods used and the reasonableness of the main assumptions reflected in these valuation models (discounted cash flow method), by reading and analysing the appraisals prepared by the independent experts and by holding discussions with the Company's management and with the independent experts;
- verification on a sample basis of the data communicated by the Company's management to the independent experts for the preparation of the appraisals;
- comparison on a sample basis, also involving our specialists with specific valuation skills, of inflation rates, discount rates, capitalization rates and market fees used to prepare the valuations, with external sources;
- verification on a sample basis of the mathematical accuracy of the valuation models prepared by independent external valuation companies and of the sensitivity analysis prepared by the Company;
- review of the information provided by the Company in the notes to the financial statements relating to the method used to determine fair value, to estimate the input data, to assess the results of the valuations and carry out the sensitivity analysis of fair value;

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- analysis of any subsequent events to the reporting date which might prove useful for the valuation of the Company's real estate portfolio.

Accounting treatment of the sale of certain real estate investments

Description of the key audit matter

On April 23, 2024, the Company sold a real estate portfolio consisting of 8 hypermarkets, 3 supermarkets and 2 shopping malls (the "Portfolio").

The sale was carried out through: i) the preliminary contribution of the Portfolio, whose fair value was approximately Euro 258 million, to a closed-end real estate investment fund under Italian law called Fondo Food represented by 60% of class A shares with a preferential yield and 40% of class B units with a yield subordinated to the reimbursement of the class A units; ii) the subsequent sale, for an amount of approximately Euro 155 million, of the class A shares of the Fondo Food to a Luxembourg vehicle held by operators in the sector, while retaining 40% of the class B shares.

Following an analysis that took into particular consideration the governance of the Fondo Food and the different rights pertaining to the class A and class B shares, the Company concluded that the investment in the Fondo Food consisting of 40% of the class B shares should be classified as an associated company, according to the international accounting standard IAS 28 adopted by the European Union.

Following the loss of control of the net assets subject to disposal, the Company adopted the following accounting treatment in the financial statements:

i) derecognition of the assets associated with the Portfolio being sold;

ii) recognition of the 40% interest in the Fondo Food at its fair value on the date of loss of control.

The transaction resulted in the recognition in the Company's financial statements of a negative charge to the income statement of approximately Euro 29.1 million.

In consideration of the significant impact of the transaction in question on the Company's assets and income statement and the complexity of the analysis of the accounting treatment, we considered that this transaction represents a key matter of the audit of the Company's financial statements as December 31, 2024.

Notes 7, 12 and 18 provide information on the transaction and its accounting effects.

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.12 EXTERNAL AUDITORS' REP

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Audit procedures performed

As part of our audit checks, we carried out the following procedures, among other things:

- Obtaining and critically analysing the contractual documents relating to the transaction, interviews with the Company's management as well as reading the minutes of the Board of Directors, with the involvement of Deloitte network experts in the interpretation and application of international accounting standards;
- understanding the analysis carried out by the Company regarding the derecognition of the net assets subject to disposal and the qualification of the 40% investment in the class B shares of the Fondo Food as an associated company pursuant to the international accounting standard IAS 28 adopted by the European Union;
- verification of the reasonableness of the accounting estimate made by the Company of the fair value of the class B shares of the Fondo Food at the date of loss of control of the net assets sold, in accordance with the international financial reporting standard IFRS 13 adopted by the European Union, also by involving valuation experts of the Deloitte network;
- verification of the fairness of the accounting records relating to the elimination of the net assets sold and recognition at fair value at the date of loss of control of the investment in the Fondo Food under investments in associated companies;
- verification of the disclosures made by the Company regarding the transaction and its accounting treatment.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or for the termination of the operations or have no realistic alternative to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.12 EXTERNAL AUDITORS' REPORT

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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Immobiliare Grande Distribuzione SIIQ S.p.A. has appointed us on April 14, 2022 as auditors of the Company for the years from December 31, 2022 to December 31, 2030.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Immobiliare Grande Distribuzione SIIQ S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the financial statements, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Delegated Regulation.

In our opinion, the financial statements have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

Opinion s and statement pursuant to art. 14, paragraph 2 (e), sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Immobiliare Grande Distribuzione SIIQ S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of Immobiliare Grande Distribuzione SIIQ S.p.A. as at December 31, 2024, including their consistency with the related financial statements and their compliance with the law.

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We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the above-mentioned report on operations and the specific information contained in the report on corporate governance and ownership structure are consistent with the financial statements of Immobiliare Grande Distribuzione SIIQ S.p.A. as at December 31, 2024 and are prepared in accordance with the law.

In addition, in our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 sub-paragraph e-ter, of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Francesco Masetti
Partner

Bologna, Italy
March 21, 2025

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024
5.13 BOARD OF STATUTORY AUDITORS' REPORT

5.13 // Board of Statutory Auditors' Report

IMMOBILIARE GRANDE DISTRIBUZIONE

SOCIETÀ DI INVESTIMENTO IMMOBILIARE QUOTATA S.P.A.

Registered Office Via Trattati Comunitari Europei 1957-2007 n.13 BOLOGNA
REA 458582 Companies Register no. 00397420399
Share capital: €650,000.00 fully paid-in
Company subject to the management and control of Coop Alleanza 3.0 Soc. Coop.

Statutory auditors' report to the Annual General Meeting of IGD Immobiliare Grande Distribuzione Società di Investimento Immobiliare Quotata (SIIQ) S.p.A. pursuant to Art. 153 of Legislative Decree 58/1998 and Art. 2429 of the Italian Civil Code

* * * *

2024 Annual Report

* * * *

Shareholders,

Pursuant to Art. 153 of Legislative Decree 58/1998 (the Consolidated Finance Act) and Art. 2429 of the Italian Civil Code, the Board of Statutory Auditors is required to report to the shareholders on the board's supervisory activities during the year and on any findings of omission or inappropriate conduct.

The Board of Statutory Auditors is also called upon to comment on and put forward proposals concerning the financial statements, their approval, and the agenda for the Annual General Meeting.

First of all, note should be taken that the Board of Statutory Auditors, in its current composition, was appointed by the Annual General Meeting of April 18, 2024, and its mandate will end with the approval of the Financial Statements as at 31 December 2026.

During the year, the Board of Statutory Auditors carried out its duties in accordance with the Italian Civil Code, Legislative Decrees 58/1998 and 39/2010, the articles of association, and any special applicable legislation, in compliance with the provisions of the supervisory authorities (*Commissione Nazionale per le Società e la Borsa*- CONSOB, the Italian Stock Exchange supervisory authority), while also taking into account the recommendations of the Italian National Council of Certified Public Accountants and Accounting Experts.

Through the date on which this report was prepared, we have continued with the control and supervisory activities assigned to us by law in compliance with the instructions issued by CONSOB on the subject of corporate control.

During the year, the Board of Statutory Auditors gathered the information necessary to fulfil its duties through *ad-hoc* meetings as well as direct contact with in-house personnel and by

attending the meetings of the Board of Directors and the Board's Committees.

Members of the Board of Statutory Auditors also attended the meetings of various committees, most notably the Control and Risk Committee, the Nominations and Compensation Committee, and the Related Party Transactions Committee, and exchanged information with the external auditor, Deloitte & Touche S.p.A. (hereinafter also referred to as "Deloitte" or the "External Auditors"), the Internal Audit division, the Financial Reporting Officer and the Supervisory Board for the purposes of Legislative Decree 231/2001.

The Board of Statutory Auditors notes that the separate and consolidated financial statements for the year ended 31 December 2024 were prepared in accordance with the IAS/IFRS (International Accounting Standards and International Financial Reporting Standards) issued by the International Accounting Standards Board (IASB), as endorsed by the European Commission and currently applicable. When necessary, reference was made to the guidelines issued by IASB (International Accounting Standards Board) or IFRIC (International Financial Reporting Interpretations Committee (IFRIC), and the documents prepared by OIC, (Italian Accounting Board).

In consideration of the above premises, we provide below the information called for in Consob Bulletin no. 1025664 of 6 April 2001.

In drafting this report, we have followed the format and numbering specified in the CONSOB bulletin mentioned above.

In the Report, any reference to the controls carried out during the 2024 financial year includes, unless explicitly excluded, only the period following the appointment.

I. DESCRIPTION OF TRANSACTIONS WITH A MAJOR IMPACT ON THE BALANCE SHEET, INCOME STATEMENT AND FINANCIAL POSITION

The most relevant corporate events in 2024 are summarized below:

On 23 February 2024 the Board of Directors examined and approved the draft separate and consolidated financial statements at 31 December 2023.

On 18 March 2024 the Board of Directors examined and approved, as proposed by the Nominations and Compensation Committee, the Report on remuneration and compensation pursuant to Art. 123-ter of the Consolidated Finance Act (TUF).

On 18 April 2024, the Annual General Meeting of the Shareholders of IGD SIIQ S.p.A. approved IGD's 2023 Financial Statements and also appointed the new members of the Board of Directors for the three-year period 2024-2026, until the approval of the financial statements at 31 December 2026, and the new members of the Board of Statutory Auditors.

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.13 BOARD OF STATUTORY AUDITORS' REP

On 23 April 2024, the final contract with Sixth Street and subsidiaries of Starwood Capital and Prelios SGR S.p.A. was signed, in execution of the preliminary agreement disclosed to the market the previous 23 February.

The operation consisted in the sale by IGD of a real estate portfolio for a total value of €258 million.

The portfolio comprised 8 hypermarkets (in Chioggia, Porto d'Ascoli, Roma, Rimini, Conegliano, Ascoli Piceno and 2 in Bologna), 3 supermarkets (in Civita Castellana, Ravenna and Rome) and 2 shopping malls (in Bologna and Chioggia).

The transaction was carried out through a closed-end real estate investment fund (an Italian REIF) called "Food Fund" managed by Prelios SGR S.p.A., the asset manager of Prelios Group, into which IGD contributed the properties. Following the contribution, IGD sold 60% of the Fund's units (class A shares with preferred returns) to a Luxembourg vehicle (held 50% by Sixth Street and 50% by Starwood Capital) for a consideration of €155 million, while maintaining the ownership of the remaining 40% (class B shares with subordinated returns).

Significant events after 31 December 2024

In detail, on 11 February 2025, IGD finalised a green secured facility agreement for 615 million euros with a pool of leading national and international financial institutions.

Using the facility proceeds, the Company fully repaid existing bonds, thus removing any obstructions to the distribution of dividends, while partially refinancing the remaining financial debt.

The operation has improved the medium-term financial balance by eliminating previous concentration of maturities and improving the distribution of payments over time.

The Parent Company's performance and financial position can be summarized as follows.

The financial statements at 31 December 2024, submitted to the shareholders for approval, show a net loss of €26,921 thousand, considerably less than the loss for the previous year (€72,515 thousand).

Total revenues and operating income amounted to €117 million, decreasing €8.2 million, or 6.6%, compared to the previous financial year, as a result of the contribution to the Food Fund already detailed above.

Operating costs (including overheads) showed a decrease of 1.4 million compared to the previous year, maintaining essentially the same impact on revenues as the previous year.

The operating result is positive by €65.3 million, a significant increase on the previous year, mainly as a result of the lower impairment of real estate assets compared to 2023, which was approximately 100 million higher.

The result in the management of equity investments and property sales shows a loss of €29.3 million, mainly due to the first entry of the investment in the Food Fund.

The balance of financial management at 31 December 2024 was negative by €62.7 million, increasing €18.6 million compared to prior financial year.

The Net Financial Position, negative by €806.5, improved compared to 2023 by approximately €154.5 million, primarily due to the contribution to the Food Fund and the subsequent sale of 60% of the shares.

In 2024 the Board of Statutory Auditors received information about the main economic, financial and asset transactions carried out by the Company and the subsidiaries, by attending board of directors' meetings and meetings with the top management, the Internal Audit department and the External Auditors.

To the extent of our knowledge, these transactions were not manifestly imprudent or hazardous, did not outline any potential conflict of interest nor violate shareholder resolutions, and are not such as to compromise the company's financial soundness.

The Directors' Report that you have received provides ample and exhaustive information about the most relevant corporate events occurred during the period ended 31 December 2024. The Board of Statutory Auditors acknowledges the content of the Directors' Report and has no particular observations to make in this regard.

The Board of Statutory Auditors also acknowledges that at the reporting date of 31 December 2024, IGD SIIQ S.p.A. still complied with the subjective, statutory, and objective requirements called for under the special SIIQ or *società d'investimento immobiliare quotate* (REIT or real estate investment trust) system introduced by Art. 1 of Law 296 of 27 December 2006 – the 2007 Budget Law – as well as Art. 3 of Italian Ministerial Decree no. 174 of 7 September 2007. During the financial year just ended (2024), the Company did not resolve any dividend distribution.

II. III. UNUSUAL AND/OR ATYPICAL TRANSACTIONS, INCLUDING INTERCOMPANY AND RELATED PARTY TRANSACTIONS; EVALUATION OF THE INFORMATION PROVIDED BY THE DIRECTORS REGARDING ATYPICAL AND/OR UNUSUAL TRANSACTIONS, INCLUDING INTERCOMPANY AND RELATED PARTY TRANSACTIONS

Based on the Directors' Report and the information provided by the Board of Directors or received from the Chief Executive Officer or the corporate management team, the Board of Statutory Auditors finds that no unusual or atypical transactions were carried out with group companies, third parties or related parties.

IGD SIIQ S.P.A. SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2
5.13 BOARD OF STATUTORY AUDITORS' REP

In keeping with the recommendations of the Corporate Governance Code, with particular reference to price sensitive information pursuant to Art. 114(1) of the Consolidated Finance Act (TUF) and in line with the enactment of EU Regulation 596/2014 ("MAR"), the company adopted a Policy for the Management, Handling and Public Disclosure of Confidential and Price Sensitive Information and the Registry of Insiders.

IV. COMMENTS AND PROPOSALS ON ANY FINDINGS IN THE EXTERNAL AUDITORS' REPORTS AND THE ADDITIONAL REPORT

During the Annual General Meeting held on 14 April 2022, Deloitte & Touche S.p.A. was appointed to conduct the statutory audit of the accounts for the period 2022 – 2030, based on the Board of Statutory Auditors' detailed proposal and technical-economic analyses in accordance with the law.

The consolidated and separate financial statements at 31 December 2024 were audited by Deloitte & Touche S.p.A. whose reports, prepared pursuant to Art. 14 of Legislative Decree 39 of 27 January 2010 and Art. 10 of EU Regulation 537/2014, were issued on 21 March 2025.

With regard to the opinions and certifications, in their audit report on the financial statements, the external auditors:

- confirmed that the separate and consolidated financial statements of IGD SIIQ S.p.A. and the IGD Group give a true and fair view of the company's financial position, performance and cash flows for the year ended 31 December 2024, in accordance with the IFRS endorsed by the European Union, as well as the provisions passed in implementation of Art. 9 of Legislative Decree 38/2005;
- issued an unqualified consistency opinion on the Directors' Report referring to the separate and consolidated financial statements at 31 December 2024 and specific information contained in the report on corporate governance and ownership structure drafted pursuant to Art. 123-bis (4) TUF, prepared in accordance with the law;
- stated, pursuant to Art. 14(2)(e) of Legislative Decree 39/2010, based on the knowledge and understanding of the business acquired during the audit, that it has nothing to report in this regard.
- issued an unqualified opinion on to the compliance of the draft separate and consolidated financial statements included in the Annual Report with EU regulation 2019/815, supplementing EC Directive 2004/109.

On 21 March 2025 the External Auditors presented their supplementary report to the Board of Statutory Auditors in accordance with Art. 11 of EU Regulation 537/2014, stating that they had found no deficiencies in the internal control system relating to the financial reporting process

worthy of being pointed out to the heads of governance.

In the supplementary Report, the External Auditors informed the Board of Statutory Auditors that no situations compromising independence had emerged, as required under Art. 6 of EU Regulation 537/2014.

V. REPORTS MADE AND ACTION TAKEN UNDER ARTICLE 2408 OF THE ITALIAN CIVIL CODE

In 2024 and up to the time of writing, the Board of Statutory Auditors received no reports of inappropriate conduct pursuant to Art. 2408 of the Italian Civil Code from the shareholders, hence no actions were taken in this regard.

VI. COMPLAINTS RECEIVED AND ACTION TAKEN

In 2024 and up to the time of writing, the Board of Statutory Auditors received no complaints from shareholders and/or third parties, nor is it aware that the company received any reports or complaints from shareholders and/or third parties, hence no action required to be taken.

VII. ADDITIONAL ASSIGNMENTS GRANTED TO THE EXTERNAL AUDITORS AND THEIR COSTS

Deloitte & Touche S.p.A. was appointed to conduct the independent statutory audit on the separate and consolidated financial statements and issue a consistency opinion on the Directors' Report and the information presented in the Report on Corporate Governance and Ownership Structure pursuant to paragraph 1 letters c, d, f, l, m and paragraph 2 letter b of Art. 123 bis of Italian Legislative Decree 58/1998. The cost of these services in 2024 was €152 thousand. The external auditors and/or other entities belonging to the same group also received (i) €22 thousand for auditing the Corporate Sustainability Report; (ii) €28 thousand for conducting the Gap Analysis of current sustainability reporting compared to the new disclosure requirements under the CSRD. The financial audit of the Romanian subsidiaries (Win Magazin S.A. and Winmarkt Management S.r.l.) was performed by Deloitte Audit S.r.l., who received fees of €34 thousand for these services. Tax assistance was also provided to such subsidiaries for a total of €7 thousand.

The External Auditors were also required to conduct the statutory audit of the following subsidiaries: (i) IGD Service S.r.l. and (ii) Porta Medicea S.r.l.. Their total fees came to €27 thousand.

The Board of Statutory Auditors acknowledges that the Directors, in compliance with Art. 149 *duodecies* of the Issuers' Regulations, disclosed the entire amount paid in 2024 to Deloitte &

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Touche S.p.A. and/or other entities belonging to the same group for both audit and other services. That amount was €270 thousand.

VIII. OTHER ASSIGNMENTS GRANTED TO COMPANIES AFFILIATED WITH THE EXTERNAL AUDITORS AND THEIR COSTS

The Board of Statutory Auditors is not aware of any assignments made in 2024 to companies connected to the financial audit company Deloitte & Touche S.p.A. on a continuous basis.

IX. OPINIONS ISSUED BY THE BOARD OF STATUTORY AUDITORS IN 2024 AS REQUIRED BY LAW

In 2024 the Board of Statutory Auditors issued opinions as required by the law, the Articles of Association or CONSOB regulations. Our opinions and key observations include:

- Opinion on the additional compensation granted for the positions of Chairman, Vice Chairman and Chief Executive Officer;
- Opinion concerning the appointment of the Supervisory Board for the purposes of Legislative Decree 231/2001;
- Opinion issued on 18 June 2024 in relation to the appointment of the Financial Reporting Officer, namely Dott. Marcello Melloni, with effect from 1 October 2024.
- Opinion concerning the maintenance of the independence requirement of the external auditor (Deloitte) in light of the services performed on behalf of the company for the Gap Analysis of the current sustainability reporting compared with the new disclosure requirements set by the CSRD, and on the limited tax assistance service provided by Deloitte Romania to the Romanian subsidiaries (Win Magazin S.A. and Winmarkt Management S.r.l.).
- Opinion concerning the approval of the "Report on Remuneration and Compensation" regarding the Company's Board of Directors, the Board of Statutory Auditors, the Chief Executive Officer and the Key Management Personnel of the Company.
- Opinion concerning the achievement of the performance targets involving changes in the short- and long-term variable compensation of the Chief Executive Officer and Key Management Personnel.
- Opinion concerning the renewal of the Risk Management Unit.
- Meeting for the approval of the proposal to renew the appointment of the Head of Internal Audit for the performance of assessments regarding the suitability of the internal control

and risk management system and the work plan prepared by the aforementioned function for the year 2025.

X. FREQUENCY AND NUMBER OF MEETINGS HELD BY THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS

Typically, the Board of Directors meets according to the financial calendar disclosed to the market in compliance with stock exchange regulations. The Board also meets as needed and when deemed appropriate to examine specific topics which could impact the company's operations. During 2024, following the renewal of the corporate bodies, the Board of Directors met 11 times. The Board of Directors may from time to time invite company executives to attend the Board meetings in order to provide in-depth information about the items on the agenda. The Board of Directors may also invite external consultants to attend when deemed appropriate and/or necessary in order to provide specialized information and/or instructions.

The current composition of the Board of Directors complies with the current laws on gender balance (Law 160/2019, also called "Budget Law", which amended Articles 147-*ter*, paragraph 1-*ter*, and 148, paragraph 1-*bis*, of the Consolidated Finance Act (TUF) introduced by Law 120/2011).

As in the prior year, the Board of Directors hired Egon Zehnder International S.p.A. to perform a Board Review in order to assess the size, composition and operation of the Board of Directors and its committees.

The results of the review were presented during the Board of Directors meeting held on 6 February 2025 and are discussed in the Report on Corporate Governance and Ownership Structure.

The Board of Statutory Auditors met 7 (seven) times.

The Board of Statutory Auditors also attended the meetings of the Board of Directors and: i) the meetings of the Control and Risk Committee; and (ii) the meetings of the Nominations and Compensation Committee and of (iii) the Related Parties Committee. The Board of Statutory Auditors also encouraged and attended meetings with the company's top management, the External Auditors, the Internal Audit department, and the control bodies of subsidiaries or affiliates.

Pursuant to Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors also has a function of providing coordination and direction to the Internal Control and Audit Committee. In accordance with the provisions of Art. 7 of the Corporate Governance Code

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(edition of July 2018), the company has included operating methods in its own governance rules to improve the coordination between control functions. These include, but are not limited to, a requirement for all of the control functions to meet at least once a year to discuss the issues they have faced during the period. It should be noted that a meeting was held for 30 July with reference to financial year2024. Subsequently, a new meeting was held on 4 March 2025.

XI. OBSERVATIONS REGARDING COMPLIANCE WITH THE PRINCIPLES OF CORRECT ADMINISTRATION, WITH THE LAW AND WITH THE CORPORATE ARTICLES OF ASSOCIATION

It is the opinion of this Board of Statutory Auditors that the company is run competently and in accordance with the law and the company's by-laws. The structure of powers and delegated authorities is deemed appropriate to the company's size and operations and adequately described in the Directors' Report. We have nothing to report regarding the directors' activity.
Within the limits of our responsibilities, we verified compliance with the principles of correct administration through direct inspections, information received from department heads, meetings with the Financial Reporting Officer, Internal Audit, the Control and Risk Committee, and the Nominations and Compensation Committee, and information exchanged with the External Auditors. More specifically, the Board of Statutory Auditors attended the Board of Directors' meetings in order to verify that the resolutions approved by the directors were in compliance with the law and the company's articles of association and were supported by appropriate opinions and studies generated internally or, when necessary, by professionals and/or external experts, particularly with regard to the economic and financial feasibility of the transactions and their compatibility with the company's best interests.
The financial reporting officer regularly attended our meetings, by right or by invitation, in order to explain and participate in the discussion of the agenda items. Other key management personnel also attended the meetings based on the specific topics on the agenda.
In accordance with CONSOB Notice 1/21 of 16 February 2021, the Board of Statutory Auditors paid particular attention to Company's planning activities, taking into account the possible impact that the pandemic could have on targets and business risks.

XII. COMMENTS ON THE ORGANIZATIONAL STRUCTURE

To the extent of its responsibility, the Board of Statutory Auditors verified and monitored the adequacy and proper functioning of the company's organizational structure.
The organizational structure appears to be adequate and to meet the company's needs, and we have no comments nor findings to report in this regard.

We did not find any particular deficiencies, critical areas or situations worth mentioning in this report with respect to the functioning of the corporate bodies, divisions, systems and procedures, having acknowledged the improvements made to render the organizational structure more efficient.
The organization and services, both internal and outsourced, were found to be adequate and to comply in a timely and efficient manner, with the requirements of laws and regulations, to ensure a correct, effective and efficient management of operations.
On the part of the Statutory Auditors there are no problem areas and/or significant findings to report concerning the company's organizational structure. We found no deficiencies, i.e. situations to report relating to the effective functioning of corporate bodies, divisions, systems and procedures.

XIII. COMMENTS ON THE ADEQUACY OF THE INTERNAL CONTROL SYSTEM

The Board of Statutory Auditors evaluated and verified the adequacy of the company's internal control system, including through periodic meetings with (i) the financial reporting officer, (ii) Internal Audit, (iii) the Control and Risk Committee, (iv) the Supervisory Board pursuant to Legislative Decree 231/2001, (v) the head external auditor, and (vi) the director in charge of the internal control and risk management system, (vii) the Anti-Corruption Division appointed relating to ISO37001certification, as well as through documentation provided by the company and discussions with top management. We found no significant shortcomings in this regard.
Internal audit was outsourced to a company specialized in this area, which periodically reported to the Board of Statutory Auditors, the Control and Risk Committee, and the Supervisory Board on its actions and progress, mentioning specific operational needs wherever necessary and recommending the most appropriate means of implementing the Work Plan.
The Head of Internal Audit carried out its duties in cooperation with the Enterprise Risk Management (ERM) process, ensuring that reports are provided to the Director in charge of the internal control and risk management system, the Control and Risk Committee, and, as required, the Board of Directors. In 2024, the audit of the controls called for in Risk Control Matrix 262 was carried out on behalf of the financial reporting officer by Internal Audit, which is outsourced to Mario Galiano, senior partner of Grant Thornton Consultants S.r.l. The yearly report prepared by the Financial Reporting Officer confirms that all the processes, risks and controls of all the in-scope companies of the IGD Group (Italy and Romania) have been mapped.
The Control and Risk Committee and the Supervisory Board pursuant to Legislative Decree 231/2001 made their reports available during the year.

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Based on the controls carried out and the information obtained during periodic meetings with the Control and Risk Committee, Internal Audit, the External Auditors, the Financial Reporting Officer, the Director in charge of the internal control and risk management system, and the Supervisory Board created as part of the Organizational Model pursuant to Legislative Decree 231/01, we found that the internal control system is reliable and timely, and adequately meets the needs of the company and its operations.

Data and documentation related to the proposed agendas of the meetings of the Board of Directors and the various committees was provided ahead of time in the most efficient and discrete way possible.

Based on the assessments made during our supervisory activities and on the work done by the Control and Risk Committee, at the end of 2024 the Board of Statutory Auditors had nothing of concern to report and found the overall internal control system to be adequate. In our opinion the internal control system does not present significant deficiencies. Without prejudice to ongoing reviews of and improvements to organizational systems and methods, it was found to be reliable, effective and efficient.

XIV. COMMENTS ON THE ADMINISTRATIVE-ACCOUNTING SYSTEM AND ITS ABILITY TO PROVIDE A FAIR REPRESENTATION OF PERFORMANCE

The Board of Statutory Auditors evaluated and verified that the administrative-accounting system is adequate and can fairly represent performance, by gathering information from company divisions, direct inspection of company documentation, and examination of the reports provided by the external auditors Deloitte & Touche S.p.A. and by Internal Audit.

The administrative-accounting system was found to be adequate and to meet the company's needs in 2024, in terms of both dedicated resources and professional expertise.

The External Auditors tested the accounting and administrative procedures and found these to be reliable. They also noted that the accounting records of operations were correct, and the books were properly kept. Deloitte & Touche S.p.A. confirmed the thoroughness of the financial information provided, as well as the accounting standards used to prepare the consolidated and separate financial statements and had no particular comments in this regard. The firm also validated the completeness and accuracy of the Directors' Report to the financial statements.

Though the statutory auditors are not specifically responsible for financial audit duties under Art. 2409 *bis* of the Italian Civil Code, as these are audited by the External Auditors, we found on the basis of information received and inspections made pursuant to Civil Code Articles 2403 et seq that as a whole, the administrative-accounting system is adequate and reliable and that

results of operations are accurately and promptly recorded.

The Board of Statutory Auditors has nothing to report concerning the adequacy of the administrative-accounting system and its ability to provide a fair representation of performance.

The Chief Executive Officer and the Financial Reporting Officer certified without reservation the accounting information contained in the separate and consolidated financial statements at 31 December 2024, as well as the information found in the Directors' Report on performance and operating results, as well as the description of the risks and uncertainties to which the company is exposed, providing the required certification under Art. 81-ter of CONSOB Regulation no. 11971 of 14 May 1999 as subsequently amended.

XV. COMMENTS ON THE ADEQUACY OF INFORMATION PROVIDED TO SUBSIDIARIES UNDER ART. 114 OF LEGISLATIVE DECREE 58/1998 - DIRECTION AND COORDINATION ACTIVITIES

The Board of Statutory Auditors verified that the information provided by the company to its subsidiaries pursuant Art. 114 of Legislative Decree 58/98 was adequate and found that the disclosure requirements provided for by law had been satisfied.

With regard to close functional and operational ties and the presence of key IGD SIIQ S.p.A. personnel at the subsidiaries, the company guarantees a correct and adequate flow of information supported by suitable documentation and accounting records regarding the management of investees.

We have nothing to report on the adequacy of the instructions given to subsidiaries in order to acquire the information necessary for prompt compliance with the reporting obligations set by law.

The company is, therefore, fully able to comply with the law as concerns the reporting of significant events and production of the consolidated financial statements.

The Company is capable of exercising the management and coordination of its subsidiaries as expressly required by law.

The Board of Statutory Auditors acknowledges that IGD SIIQ S.p.A. is subject to the management and coordination of shareholder Coop Alleanza 3.0 Soc. Coop.

XVI. COMMENTS ON MEETINGS HELD WITH THE EXTERNAL AUDITORS

The Board of Statutory Auditors, through direct inspections and information obtained from the external auditors Deloitte & Touche S.p.A., verified compliance with all current laws and regulations regarding the preparation and drawing up of the separate and consolidated financial statements and the accompanying Directors' Report.

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The statutory auditors met with the External Auditors responsible for both the accounting controls under Art. 2409 bis of the Italian Civil Code and the audit of the consolidated and separate financial statements, exchanging information as required under Art. 150 of Legislative Decree 58 dated 24 February 1998.

With Deloitte & Touche S.p.A. attention was paid, in particular, to the application of the accounting standards both already implemented and to the most effective way to recognize the significant economic and financial items in the financial statements. Nothing that needed to be reported pursuant to Art. 155(2) of Legislative Decree 58 of 24 February 1998 emerged during these periodic meetings.

During these meetings the External Auditors found no irregularities, problem areas or omissions in the company's accounts worthy of reporting to the Board of Directors or the Board of Statutory Auditors. On these occasions we informed the External Auditors of the Board of Statutory Auditors' activities and of the relevant and significant corporate events of which we are aware.

XVII. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Since its shares were admitted for trading (11 February 2005), the company has followed its own Corporate Governance regulations in order to comply with the standards and recommendations included in the Corporate Governance Code prepared by Borsa Italiana's Committee for Corporate Governance of Listed Companies in order to regulate compliance with laws and regulations and the composition, responsibilities and role of the corporate bodies in charge of company management. Over the years, the company has changed its governance rules in order to comply with the latest version of the Corporate Governance Code.

In accordance with the code's recommendations, the Board of Directors set up various board committees with advisory and consultative functions, namely: the Control and Risk Committee, the Nominations and Compensation Committee, and the Committee for Related Party Transactions, the latter of which is mandatory under CONSOB regulations for the regulation of related party transactions. On 18 April 2024, the Board set up a new 'Strategic Steering Committee' with no executive functions. This committee - to which the functions previously held by the 'Sustainability Committee' have also been attributed - has an advisory role in formulating possible strategic guidelines for the Company's management, including for the preparation of its business plan.

As the Company is subject to the management and coordination of shareholder Coop Alleanza 3.0 Soc. Coop. based on Art. 2497 of the Italian Civil Code, it is subject to the provisions of Art. 16(1) of CONSOB's Market Regulations, based on which the committees recommended

in the codes of conduct relating to corporate governance promoted by market regulators should comprise solely independent directors.

The members of the above-mentioned committees were appointed during the Board of Directors' meeting held on 18 April 2024 after shareholders appointed the new Board of Directors held the same day.

In particular, no Presidency Committee was established. The following Committees have been established:

Nomination and Compensation Committee It consists of three non-executive independent directors: Mirella Pellegrini (Chair), Simonetta Ciocchi, Daniela Delfrate. In 2024 the committee met three times.

The Control and Risk Committee consists of three non-executive independent directors, precisely Directors Simonetta Ciocchi (Chair), Daniela Delfrate and Mirella Pellegrini. In 2024 the Committee met 8 times, as dictated by the company's needs.

The Committee for Related Party Transactions was formed in order to comply with Art. 2391 bis of the Italian Civil Code and Art. 4 of CONSOB's Regulations for Related Party Transactions and is currently comprised of three non-executive independent directors: Antonio Rizzi (chair), Simonetta Ciocchi, and Daniela Delfrate.

In 2024 the Committee met 2 times.

The chairman of the Board of Statutory Auditors, and/or other statutory auditors, attended all the committee's meetings.

The Strategic Steering Committee is chaired by Chairman Antonio Rizzi, and is composed of Vice-Chairman Edy Gambetti, Chief Executive Officer and Managing Director Roberto Zoia, and Directors Antonello Cestelli and Antonio Cerulli.

In 2024 the committee met three times.

The company has deemed it useful to describe the methods used to coordinate control activities, as described below.

The Chair of the Control and Risk Committee and the Chair of the Board of Statutory Auditors (also in his capacity as Internal Control and Audit Committee) meet at regular intervals as established by the latter and at least once a year, at the request of the Chair of the Board of Statutory Auditors, to compare the results of their respective control activities and to evaluate the planning and possible coordination of their respective activities. The chairman of the Board of Statutory Auditors coordinates the work of the statutory auditors and has a pivotal role as reference for all the other corporate bodies involved in control systems.

Other parties may be invited to attend the meetings which, in addition to periodically, may be called anytime there is a specific need and may include, in addition to the respective committees

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and bodies, including not as a group, the Chief Executive Officer (Director in Charge of the Internal Control and Risk Management System), the Head of Internal Audit, the Financial Reporting Officer, the external audit firm, the Chairman of the Supervisory Board pursuant to Legislative Decree 231/2001, as well as Compliance.

As mentioned above, two meetings of all the control bodies were convened in 2024, and one on 4 March 2025.

The company has also formed a Supervisory Board pursuant to Legislative Decree 231/2001. This is currently consisting of three members, namely Giuseppe Carnesecchi (Chair), Paolo Maestri and Alessandra De Martino, members. In 2024 it met 6 (five) times, in line with the needs already pointed out. It relied on the support of Internal Audit to carry out its audit operations.

In conclusion, after verifying its operation during the year, the Board of Statutory Auditors expresses a positive opinion of the company's corporate governance system.

XVIII. CLOSING REMARKS

Shareholders,

We conclude this report by confirming that all of the corporate bodies, the heads of the administrative and operating departments, Internal Audit, and the external auditors Deloitte & Touche S.p.A. cooperated with us fully during our supervisory activities.

We have found no omissions, inappropriate conduct, imprudent transactions, or irregularities worthy of mention; thus, there are no circumstances discovered during our work that require reporting to the supervisory authorities or disclosure in this report.

We have no comments to make in this regard.

As for the Annual General Meeting convened on 16 April 2025 at 10:30 a.m., in first call and, if necessary, on 17 April 2025, in second call at the same time and place, the Board of Statutory Auditors notes that, pursuant to Art. 106(7) of Legislative Decree n. 18 of 17 March 2020, converted with amendments by Law n. 27 of 24 April 2020, subsequently amended and extended by Law Decree n. 202 of 27 December 2024, converted in Law n. 15 of 21 February 2025 (the "Decree"), as per Art. 135-undecies of Legislative Decree n. 58/98 those entitled to attend the Shareholders' Meeting may do so only through the Company's designated representative, Computershare S.p.A., with registered offices in via Lorenzo Mascheroni n. 19 – 20145 Milan (the "Appointed Representative").

The Directors' Report also contains information about the compensation policy and the remuneration paid to the directors, statutory auditors, and managers with strategic responsibilities, as well as information on the shares of the company held by them. With regard

to that document we have no findings to report.

* * * *

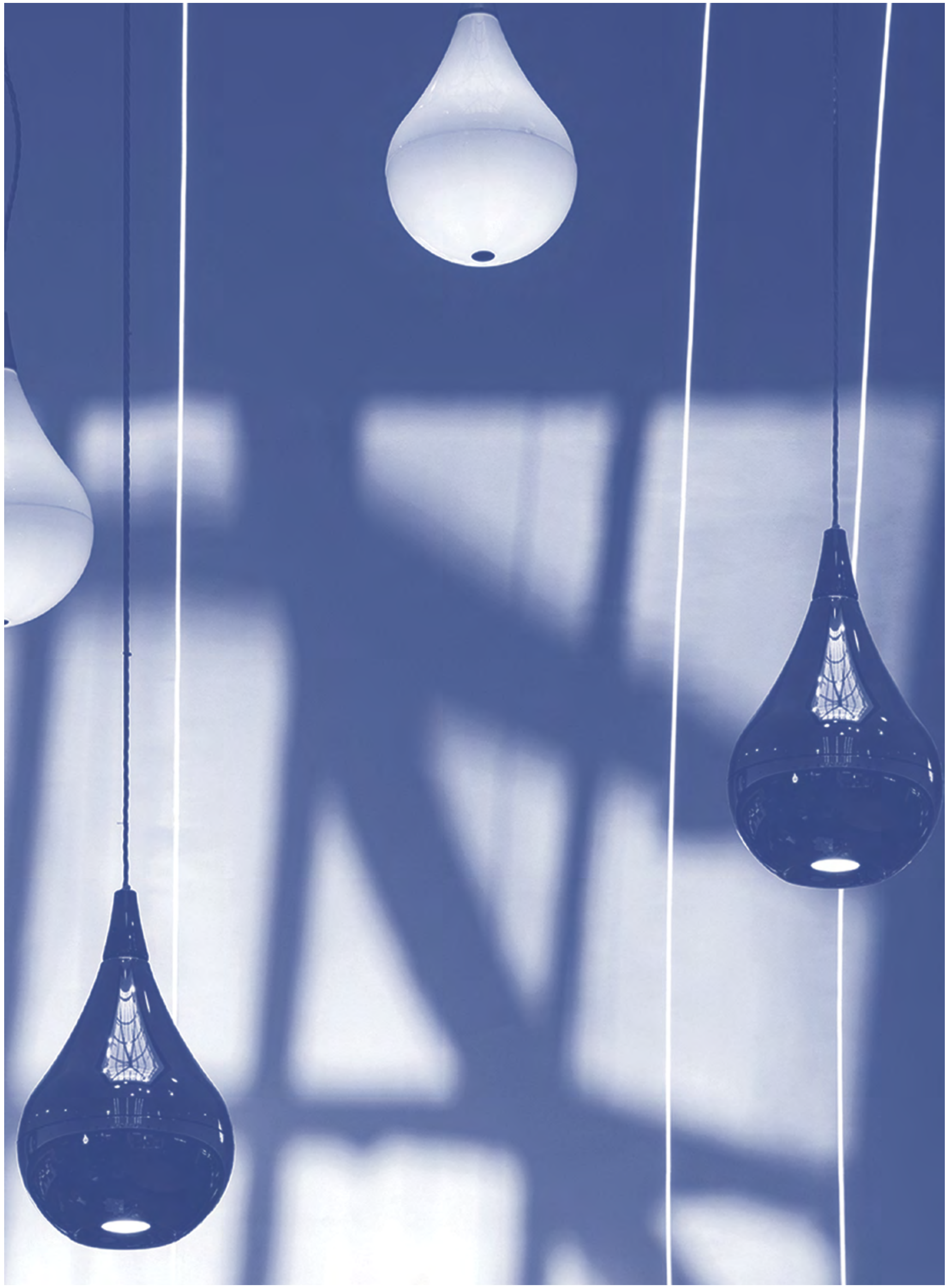
Shareholders,

In concluding this report, we would like to express our sincerest thanks to all those who assisted us in our work, and all of you for the trust shown in confiding in us.

Bologna, 21 March 2025

The Board of Statutory Auditors

Iacopo Lisi   Barbara Idranti   Massimo Scarafuggi



6

// GLOSSARY

// AGENCY MANAGEMENT

Activities carried out for the identification of the Tenant Mix and for the negotiation of rental contracts for the shops located inside the galleries.

// SHOPPING CENTER

Property consisting of a hypermarket and a mall, with shared infrastructure and service areas, within a covered, heated and air-conditioned area.

// AVERAGE COST OF DEBT

The average cost of debt, without considering (recurring and non-recurring) ancillary costs of financing incurred by the Company to borrow capital. The calculation takes into account the ratio between the passive interests accrued in the reference period (on short-term loans, mortgages, unsecured loans, IRS differentials, bonds and financial charges on leasing) and the average nominal value of the long-term and short-term loans recorded at each quarterly closing and at the beginning of the financial year.

// ACTUAL AVERAGE COST OF DEBT

The average cost of debt, considering (recurring and non-recurring) ancillary costs of financing incurred by the Company to borrow capital. The calculation takes into account the ratio between the passive interests accrued in the reference period (on short-term loans, mortgages, unsecured loans, IRS differentials, bonds and financial charges on leasing) and the average nominal value of the long-term and short-term loans recorded at each quarterly closing and at the beginning of the financial year.

// DIRECT COSTS

Costs directly attributable to the shopping centers.

// DEVELOPMENT PIPELINE

Program of investments in development.

// DIVIDEND YIELD

The dividend yield, or dividend-price ratio, is the ratio between the last annual dividend per share paid to shareholders or announced and the closing price of a common share for a year.

// EBIT (OPERATING PROFIT)

EBIT, or Earnings before Interest and Taxes, differs from EBITDA in that it includes information on amortization, depreciation, changes in the fair value of properties held and provisions for risk.

// EBITDA (OVERALL AND CORE BUSINESS)

EBITDA, or Earnings before Interest, Taxes, Depreciation & Amortization, is the most significant measure of the Company's operating performance as it indicates earnings before interest payable, taxes, income/(loss) from equity investments, non-recurring transactions, amortization, depreciation, provisions, as well as impairment and fair value adjustments. Core business EBITDA refers to the core business included in the consolidated income statement, which does not include the results posted by the "Porta a Mare Project".

// EBITDA MARGIN (OVERALL AND CORE BUSINESS)

This indicator is calculated by dividing EBITDA by operating income.

// EPRA

European Public Real Estate Association.

// EPRA COST RATIOS

Ratios aimed at providing a consistent comparison base for a company's main structural and operating costs calculated by expressing operating costs and general overhead, net of management fees and a limited number of other items that are not considered to be part of the Company's core business, as a percentage of gross rental income. There are two EPRA Cost Ratios, one which includes and one which excludes direct vacancy costs.

// EPRA EARNINGS

It is a measure of the Group's operating performance net of fair value adjustments, gains and losses from the sale of investment property and a limited number of other items that are not considered to be part of the Group's core business.

// EPRA NET INITIAL YIELD (NIY)

EPRA NIY is a performance index which is calculated as the annualised rental income based on the cash rents at the end of the reporting period (including one-off and variable income), less non-recoverable property operating expenses, divided by the gross market value of real estate assets, net of development property.

// EPRA "TOPPED-UP" NIY

The EPRA topped-up NIY is a performance index obtained by making an adjustment to the EPRA NIY with annualised and full-term rental income (including one-off and variable income), i.e. excluding unexpired lease incentives such as discounted rent periods and step rents.

// EPRA LOAN TO VALUE

It is a performance measure which shows the ratio of the net financial position (which includes financial debt for the headquarters lease and the balance between payables and receivables) to the market value of real estate assets. The calculation takes into account the net financial position and assets of the companies in which the Group has a significant interest.

// EPRA VACANCY RATE

The portfolio's vacancy rate calculated as the ratio between the estimated market rental value (ERV) of the vacant premises and the ERV for the whole portfolio. Given the different characteristics of the portfolio and the Italian market with respect to the Romanian one, the vacancy rate was calculated separately by asset class and for the two countries.

// EARNINGS PER SHARE (EPS)

Net profit divided by the average number of shares outstanding in the year.

// ESTIMATED RENTAL VALUE (ERV)

The estimated value of rent at market rates for leasable space, according to an independent appraisal based on similar properties in comparable areas.

// FACILITY MANAGEMENT

Supply of specialised services to shopping centers such as security, cleaning and routine maintenance.

// FFO (CORE BUSINESS)

FFO (Funds From Operations) is a performance index widely used in real estate analysis (SIIQ and REITS).

Core business FFO defines the flows generated by the Group's recurring and core business and includes EBITDA, net financial expense, equity investments/extraordinary operations and current taxes. These items are adjusted by non-recurring items.

// FINANCIAL OCCUPANCY

Calculated as the floor area rented at market rates as a percentage of the market rent of the total GLA.

// GEARING

The gearing ratio reflects the total debt to total equity ratio, including non-controlling interests, and net of the cash flow hedge reserve. It measures the financial leverage, which demonstrates the degree to which a company's operations are funded by own funds versus borrowings, and facilitates sector benchmark analysis.

// GROSS EXIT CAP RATE

The terminal value of the gross revenue (rents, temporary and variable) calculated as a percentage of the exit value.

// GROSS INITIAL YIELD

The gross initial yield of an investment calculated as the annualised rental income used in the first year as part of the DCF (Discounted Cash Flow) model expressed as a percentage of the property's fair value.

// MALL

Property comprised of multiple stores plus the common spaces between them.

// GROSS LEASABLE AREA (GLA)

The total floor area designed for tenant occupancy.

// HEDGING

The total amount of mortgage loans hedged with interest rate swaps and bonds divided by the total amount of mortgage loans and bonds.

// INTEREST COVER RATIO (ICR)

Measure of the number of times EBITDA covers net interest payable on debt. It is an indicator of the solvency and debt capacity of the company. It is calculated by dividing EBITDA by the net financial expense.

// HYPERMARKET

Property with a sales floor in excess of 2,500 sqm, used for the retail sale of food and non-food products.

// INTEREST RATE SWAP (IRS)

Financial instrument whereby two parties agree to exchange a certain interest rate stream on a pre-established date. Used to convert floating rate debt into fixed rate debt.

// LIKE-FOR-LIKE PORTFOLIO

Real estate assets held in the portfolio for the entire year and the entire prior year.

// LOAN TO VALUE (LTV)

Ratio between the net financial position (not including the lease for IGD's headquarters) and the market value of real estate assets.

// MALL / SHOPPING MALL

Common space shared by the tenants of the shopping center. Usually called a "galleria" in Italian.

// GROSS MARGIN

Margin expressed as revenue minus direct costs.

// MIDSIZE STORE

A property with a sales floor area of 250 to 2,500 sqm used for the retail sale of non-food consumer goods.

// STORE

Property for the retail sale of non-food consumer goods.

// NET ASSET VALUE METRICS

The main performance indicators that provide stakeholders with information about the fair value of the Company's assets and liabilities.

// NET REINSTATEMENT VALUE (NRV)

This scenario is intended to represent the value of net assets over the long term. It represents the repurchase value of the Company, assuming the Company does not sell properties, and is calculated based on the equity attributable to the Group (as shown in the IFRS financial statements), excluding the fair value of hedging derivatives and deferred taxes on the properties' appraised market values and hedging derivatives.

// NET TANGIBLE ASSETS (NTA)

The underlying assumption is that the Company buys and sells properties, which impacts on its deferred tax liability. It represents a scenario in which a few properties could be sold. Unlike NRV, the goodwill and the intangible assets included in the financial statements are not part of the equity attributable to the Group.

// NET DISPOSAL VALUE (NDV)

It represents the stakeholders' value under a company disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. In this disposal scenario, goodwill is excluded from the Group's portion of equity, while the fair value of debt is included.

// NET ASSET VALUE (NAV) AND TRIPLE NET ASSET VALUE (NNNAV)

The equity pertaining to the Group, calculated based on EPRA indications, which call for a few adjustments.

Certain items are excluded from the NAV calculation for lack of relevance in a business model with a long-term view like the Group's. NNNAV provides more relevant information about the fair value of assets and liabilities. In particular, NAV is adjusted to take into account the fair value of *(i)* hedges, *(ii)* debt and *(iii)* deferred taxes.

It represents the equity pertaining to the Group, including in the calculation the fair value of the main assets and liabilities that are not included in the EPRA NAV, namely *(i)* hedges, *(ii)* debt and *(iii)* deferred taxes.

// OVER-RENTED

Space that is leased for an amount higher than its ERV.

// REAL ESTATE ASSETS

The Group's freehold properties.

// REAL ESTATE PORTFOLIO

The portfolio of freehold and leasehold properties rented out and managed by Gruppo IGD.

// NET DEBT / NET FINANCIAL POSITION

Net debt/net financial position is a financial structure indicator and consists of long-term debt, short-term debt and the current portion of long-term debt included in "Non-current and current financial liabilities (to third parties and related parties)", net of "Cash and cash equivalents", "Non-current financial assets" and "Financial receivables and other current financial assets (from third parties and related parties)".

// PRE-LET

Lease agreement signed by a tenant before the development of the property has been completed.

// REIT

Real Estate Investment Trust. Comparable to a SIIQ in Italy.

// INITIAL YIELD

The annualised rental income from a property as a percentage of its valuation at the time of purchase.

// RETAIL PARK

Group of three or more complexes with a combined area of more than 4,500 sqm and shared parking.

// REVERSIONARY POTENTIAL YIELD

The net annualised rent that a property would generate if it were fully let at going market rates, as a percentage of the property's value.

// LIKE FOR LIKE REVENUE

Revenue from rental activities of the assets held in the portfolio for the entire year and the entire prior year. They are separately calculated for Italy and Romania portfolios and do not include:

> Revenue from assets that have been acquired, sold or subject to remodelling and therefore they have not generated any income in the period;

> Unrealised revenue from instrumental vacancy due to different reasons (i.e. works carried out to create new layouts);

> Exceptional and one-off revenue which would make the comparison less reliable.

// SIIQ

Società di Investimento Immobiliare Quotata. Real estate investment model comparable to a REIT. SIIQ rules allow income tax exemptions for listed public companies whose "prevalent" activity is the rental of properties and equivalent activities, provided they meet a series of earnings and balance sheet requirements.

// SUPERMARKET

A property with a sales floor area of 250 to 2,500 sqm used for the retail sale of food and non-food products.

// GROSS LEASABLE AREA

The total floor area designed for tenant occupancy including outside walls.

// GENERAL EXPENSES/OVERHEAD

Undivided costs, not attributable to individual shopping centers, i.e. corporate costs.

// OCCUPANCY RATE

Gross let surface area as a percentage of the properties' total surface area.

// TENANT MIX

Set of store operators and brands within a mall.

// UNDER-RENTED

Space that is leased for an amount lower than its ERV.

// WEIGHTED AVERAGE COST OF CAPITAL (WACC)

The weighted average cost of debt and notional risk capital, used to calculate the expected return on investments.


BLUESPIRIT GIOIELLI
OVS
CASSE FAI DA TE

IGD SIIQ

info@gruppoigd.it
+39 051 509111

Via Trattati Comunitari Europei
1957-2007, n. 13 40127 Bologna

www.gruppoigd.it