

PRESS RELEASE

STRATEGIC GUIDELINES OF THE NEW 2025-2027 BUSINESS PLAN

The new 2025-2027 Business Plan will primarily focus on:

- **Increase portfolio profitability by leveraging innovation**
- **Generate additional value through our 'Services for Third Parties' Business Unit, with the aim of becoming a key player in the retail market**
- **Invest to keep assets modern and attractive, improve their environmental sustainability, their technological and digital profile**
- **Enhance our financial maturities profile and match it more consistently with cash flows, consolidate our capital structure, also through targeted disposals and asset rotation**
- **Return to dividend distribution**

The overall strategic goal being to create the conditions to become one of the leading active players in the European retail real estate market.

Bologna, 4 July 2024 - IGD - Immobiliare Grande Distribuzione SIIQ S.p.A. ("IGD" or the "Company") presents the guidelines of the new 2025-2027 Business Plan.

"I'm very pleased to announce that just a few months after my appointment - with the support of the entire Board of Directors – I can introduce the strategic guidelines that represent the pillars of our new 2025-2027 Business Plan, that will be fully disclosed by year end. The new organizational structure that was introduced a few weeks ago will allow us to implement IGD's new strategies effectively", stated **Roberto Zoia, IGD's Chief Executive Officer**. "In the last 3 years, the shopping center industry, and more specifically IGD's portfolio, have proven their resilience and strength by successfully overcoming the difficult times of the pandemic and regaining momentum. We now want to speed up our pace leveraging innovation to further improve our core business, and base our financial management on a virtuous process, also by reshaping our maturities profile. We will continue to work with great focus on our tenants' needs, their customers' needs and the needs of all of our stakeholders adopting IGD's integrated eco-system approach".

A NEW VALUE PROPOSITION FROM IGD

IGD aims to expand and enrich the landlord-tenant relationship with a view to innovation, going beyond the mere contractual approach of space renting. IGD is going to offer a true **'Shopping Center Ecosystem'**, **making not only sales areas available to tenants, but also providing high value-added property services, digital and communication tools, partnerships and collaborative marketing initiatives, all with a long-term and ESG-compliant vision.**

This new approach will make it possible for the Group's shopping centers to unfold their full potential. Shopping centers have evolved from places only devoted to the purchase of products to attractive destinations where shopping can be combined with a vast range of services (from wellness centers to medical clinics, from banking and postal services to EV charging), with entertainment (events, movies, thematic exhibitions ...) and with an innovative food and beverage experience ranging from fast food to trendy restaurants; making the shopping center - more and more - into a place where visitors can enjoy an all-around experience.

This path started with the redefinition of the internal organizational structure. This new structure will allow the Company to be more effective in the execution of the new Business Plan.

Along with the new organizational structure, a "asset by asset" approach was defined which will guide the work in the coming years in relation to:

- enhancement of the portfolio in order to develop the best opportunities for increasing the Net Operating Income
- contractualization of partnerships (spaces and services) with tenants in order to create synergies
- property, ESG and digital investment strategies
- constant operating performance monitoring in order to be more responsive in the actions to be taken
- active and decisive presence in the regions where the assets are located

A new Services Business Unit was also created to manage third-party assets. IGD has been providing this type of service for years but now we want to strengthen it significantly.

The Company intends to position itself in the retail market as a key player for both asset management and other advanced services, with the vision of a property company that aims to maintain assets as functional and flexible as possible in order to preserve their value over time and extend their life cycle.

INCREASINGLY ATTRACTIVE, INNOVATIVE AND ENVIRONMENTALLY SUSTAINABLE ASSETS THANKS TO A TARGETED INVESTMENT PIPELINE

The investment pipeline in the 2025-2027 Business Plan will have 3 main objectives:

- **Maintain a modern and appealing portfolio** - for both visitors and tenants - in order to reach commercial targets
- **Support the transformation of shopping centers into innovative ecosystems**, also through investments in technology and digital
- **Reduce the portfolio's carbon footprint**, with actions aimed at reducing energy consumption and emissions

The Company will follow guidelines that are based on a strict 'asset by asset' approach, consistent with the properties' main characteristics, envisaging possible changes in the planned interventions based on the results achieved; the total cash-out will be lower than the €80 million budgeted in the 2022-2024 Plan, also in view of the near completion of the Porta a Mare project in Livorno.

DIGITALIZATION AND INNOVATION AT THE SERVICE OF RETAILERS AND SHOPPERS

Strengthening and improving the quality of the relationship with visitors is key to increasing the appeal of shopping centers; digital tools, along with commercial and technological innovation, will play a crucial role to achieve that.

Enhancing the Group's Customer Relationship Management (CRM) system produces a twofold benefit: improving visitor knowledge and personalizing contacts with end customers as much as possible in order to increase loyalty, promote the drive-to-store process, provide the tenants with a cutting-edge communication tool and, lastly, increase the average ticket. The latest development in that respect is the **launch of the first IGD mobile app**, the project was recently launched in two pilot shopping centers but will be expanded to include other assets in 2024 and 2025. This tool, which allows for capillary distribution, personalization and real time direct, updated contacts, will be enriched with benefits, like coupons and tenant offers, available only to members.

The Company is also developing a dedicated app for tenants which will make communication quicker and more direct, simplify data exchange and increase partnership opportunities including tailer-made co-marketing initiatives.

CONSOLIDATION OF CAPITAL STRUCTURE AND RESHAPING OF FINANCIAL MATURITIES

The Plan will also include a strategy for **disposals and asset rotation**, with disposals potentially amounting to **a total cash-in of € 100 - 120 million**.

The Company intends to continue with the disposals outlined in the 2022-2024 Business Plan (sale of real estate portfolio in April 2024) by now targeting the Romanian portfolio and 3 plots of land still to be developed which are part of the Porta a Mare Project in Livorno.

Regarding the Romanian portfolio, IGD adopted a new strategy based on a clustering of the assets by technical features, size and regional positioning in order to make it easier to identify potential investors:

- a premium asset, by size and value, with an international profile
- a portfolio of 6 medium-sized assets, located in the most important regional cities with attractive local catchment areas
- a portfolio of 7 minor assets centrally located in secondary Romanian cities, which will appeal mainly to professional domestic investors or private investors/family offices
- an office building

As for the Porta a Mare project, in addition to finalizing the sale of all the residential units (out of a total of 115 apartments built, only 7 units remain to be sold in the Officine Storiche area), IGD intends to sell three plots of land in the Molo Mediceo, Lips and Arsenale sections which have mixed residential, tourist-hotel, services and nautical- related business use.

The disposals will be aimed primarily at reducing debt but, subject to the strengthening of the financial structure and any value-enhancing investment opportunities that might materialize, the Group intends to look into an asset rotation strategy in order to maintain its size and ability to generate cash flow.

The Company has already started bank/investor consultations for a possible **early refinancing the next maturities (mainly in 2027)** to have **repayments better spread out over time** and less concentrated, as well as **more consistent with the expected cash flows**.

In order to achieve these goals, several options are being considered including, starting with the traditional banking instruments such as amortizing mortgage loans, as the Company can rely on a currently available large portfolio of unencumbered assets.

IGD will also work to **maintain an investment grade rating**, which will allow the Group to take advantage of the best refinancing opportunities that might materialize over the next few years, at a lower cost.

The Business Plan presentation is available at www.gruppoigd.it, in the Investor Relations section
(<http://www.gruppoigd.it/investor-relations/presentazioni/>)

IGD will present the strategic guidelines of the Business Plan 2025-2027 during a **conference call**
which will be held on **4 July 2024 at 2.30pm (CEST)**.

The presentation will be published on the company's website (<https://www.gruppoigd.it/investor-relations/presentations/>)

In order to participate, please dial the following number: **+39 02 8020927**

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

Immobiliare Grande Distribuzione SIIQ S.p.A. è uno dei principali player in Italia nel settore immobiliare retail: sviluppa e gestisce centri Immobiliare Grande Distribuzione SIIQ S.p.A. is one of the main players in Italy's retail real estate market: it develops and manages shopping centers throughout the country and has a significant presence in Romanian retail distribution. Listed on the Star Segment of the Italian Stock Exchange, IGD was the first SIIQ (Società di Investimento Immobiliare Quotata or real estate investment trust) in Italy. IGD has a real estate portfolio valued at circa €1.7 billion (proforma as at 31 December 2023, after the disposal of a real estate portfolio finalized on 23 April 2024) comprised of, in Italy, 8 hypermarkets and supermarkets, 25 shopping malls and retail parks, 1 plot of land for development, 1 property held for trading and 6 other real estate properties. Following the acquisition of the company Winmark Magazine SA in 2008 14 shopping centers and an office building, found in 13 different Romanian cities, were added to the portfolio. An extensive domestic presence, a solid financial structure, the ability to plan, monitor and manage all phases of a center's life cycle, leadership in the retail real estate sector: these qualities summarize IGD's strong points.

www.gruppoigd.it

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The press release is available on the website www.gruppoigd.it, in the Media section, and on the website www.imagebuilding.it, in the Press Room section.

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