COIMARES

ANNUAL REPORT
2021

Milan, Porta Nuova


AXA

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Company

COIMA RES is a real estate investment trust (REIT) which owns a portfolio mainly consisting of office properties in Milan

642 million Euro
VALUE OF THE REAL ESTATE PORTFOLIO

92 % IN MILAN

88 % OFFICES

146,000 SQUARE METERS

Data on a pro-quota basis

LETTER FROM THE CEO

Dear Shareholders, Investors, Tenants and Partners,

the year 2021 represent the sixth year of activity of COIMA RES and has seen the management concentrated in the disciplined development of own activities to the aim to obtain also this year results in line with the forecast.

In particular, we have continued to pursue our strategy consistently, carrying to completion the disposal of mature assets and beginning the construction site of the first of three plans of repositioning already in portfolio that will see us engaged in the process of valorization in the course of the next three years.

In addition, we have finalized an agreement for the acquisition of an office complex in Via Pirelli, 32 in the district of Porta Nuova adjacent to the operation of urban regeneration Porta Nuova Gioia and the building of Via Gioia, 22 selected by the jury of the Mipim Awards among the best tertiary buildings in the world.

Despite the continuing complex health and macroeconomic environment created by the COVID-19 pandemic, COIMA RES reported positive operating and financial results in 2021, maintaining a prudential debt level (Net LTV of 30.5% on a consolidated basis), maintaining a significant level of liquidity (equal to Euro 90.6 million on a consolidated basis) and confirming a dividend per share in line with that of previous years (equal to Euro 0.30 per share).

During the year, we continued with our asset management actions to offer our shareholders exposure to a quality real estate portfolio mainly consisting of directional real estate located in Milan. Today, the office component of our portfolio is 88% and the component located in Milan is 92%. In addition, in recent years we have consolidated our position in the Milan district of Porta Nuova where at the moment it is located over 60% of the portfolio of COIMA RES being able to benefit from the development program of the neighborhood managed by COIMA SGR that includes the private public partnership in the management of the park and public spaces, the development of the digital infrastructure and the launch of decarbonization plans aligned with the parameters of the Paris Agreement on all buildings managed. The portfolio of conductors of COIMA RES consists mainly of multinational companies of medium-large size and reputational standing, this feature has allowed us to collect substantially all the rents this year.

The cornerstone of our strategy is sustainability, a factor that allows us to position our offer better than the characteristics of demand by the conductors, reduce the risk profile of COIMA RES and minimize the long-term environmental impact of our buildings. All new projects have targets of substantial contribution to climate change mitigation according to the European taxonomy framework for eco-sustainable economic activities (EU 2020/852) for the construction of new buildings.

About 66% of our portfolio of office buildings consists of newly built or recently renovated buildings certified according to the LEED protocol. A further 26% is composed of properties that will be updated and renovated in the coming years in order to improve their energy performance and maximize their attractiveness for conductors.

In line with its strategy and as previously mentioned, COIMA RES has decided to acquire an office complex in Via Pirelli, 32, Milan. The closing of the transaction is expected by the end of Q1 2022. The acquisition will be financed mainly with the resources coming from the disposal of Sarca, finalized in August 2021 to a premium pair to 36% regarding the purchase price. The value created by the management with the sale of the property Sarca has allowed to invest in a property in Porta Nuova that will benefit both the development of the neighborhood, which is consolidating as the main urban campus post Covid with the expansion of the program of Porta Nuova Gioia, both of the redevelopment plan that provides for the construction of a new building for office use.

The project will promote environmental and social sustainability features such as:

- *LEED C&S certification in the design and construction phase*
- *C&S WELL certification of the property*
- *zero building "fossil fuel"*
- *Renewable energy >65% of annual requirements*
- *energy performance certificate "A" and "nzeb" classification*
- *"Carbon value at Risk" of the property <0%*

As part of our sustainability activities, we remind you that in 2020 COIMA started the process to obtain the LEED for Communities and WELL Community certifications for the entire Porta Nuova district in Milan, making it the first district redevelopment project in the world that aspires to obtain this double certification. These two complementary certifications will analyze the social, environmental and economic aspects of the development of Porta Nuova documenting the commitment to the community in the creation of a district through the activation of public spaces, the creation of an innovative and replicable urban economic model and the development of tools for communicating with the community.

COIMA RES has also continued its path of improving transparency and dialogue with the market, in particular by receiving for the fifth consecutive year the Gold Award from EPRA for financial reporting and sustainability and by approving and publishing the engagement policy as required by the new Corporate Governance Code. In addition, the website www.coimares.com has improved, for the third consecutive year, its ranking in the Webranking research conducted by Comprend and Lundquist that evaluates the transparency of corporate communication of listed companies: today COIMA RES is positioned at n. 16 on a panorama of 122 Italian listed companies participating in the research.

As for the offices of the future, we confirm what we already predicted last year that the forseeable increase in the adoption of the practice of remote work in Italy and Milan will affect the tenants' demand for office space both from a qualitative and quantitative point of view. The aggregate demand for office spaces will decrease marginally, but at the same time tenants will be more attentive to the quality of the spaces they lease: this will support the demand for office spaces and properties with advanced features in respect to environmental sustainability and that put people at the center, encouraging collaboration and creativity, acting as real productivity tools for companies.

In particular, we confirm, also on the basis of the evidence of 2021 in terms of absorption of office spaces, that the polarization between neighborhoods will consolidate and accelerate further, and that qualified neighborhoods (i.e. districts highly connected to the public transport network, equipped with availability of services, wellness options and the presence of quality public spaces, and characterized by a good degree of diversification in terms of use) will continue to meet a strong interest from office tenants.

In this perspective, we believe that Porta Nuova can be consolidated as an ideal model of the post Covid city campus and the portfolio of COIMA RES as a complementary piece to a unique and non-replicable urban mosaic.

The current economic and market context is not without challenges: COIMA RES is ready to transform these challenges into opportunities with the aim of generating value for its tenants, for its shareholders and in a broader sense for the communities of the areas in which we operate.

Best regards,

Manfredi Catella
Founder and Chief Executive Officer, COIMA RES

Milan, COIMA Headquarters

COMPANY PROFILE

COIMA RES S.p.A. SIIQ ("**COIMA RES**", or the "**Company**") is a Real Estate Investment Trust ("**REIT**"). COIMA RES was founded in 2015 by Manfredi Catella, jointly with COIMA REM S.r.l. (**COIMA REM**) and COIMA SGR S.p.A. ("**COIMA SGR**") and was subsequently listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana in 2016.

COIMA RES currently owns a quality real estate portfolio mainly concentrated in the office segment in Milan.

COIMA RES is led by Manfredi Catella, as Founder and CEO, and is managed by a team of six professionals employed by the Company, including: Fulvio Di Gilio (Chief Financial Officer), Yuri D'Agostino (Investment Director), Giulia Salami (Investor Relations Director), Emiliano Mancuso (Planning & Control Senior Manager) and Carlotta Ciuffardi (Finance & Control Manager).

Within the organizational structure there are also some professionals who cover the areas of internal audit, compliance and risk management. These areas have been entrusted to leading consulting companies specialized in the relevant areas of expertise and devote a number equal to about 10 resources.

The COIMA RES Board of Directors is composed of 9 members (6 of which are independent). The Board is responsible for the ordinary and extraordinary management of COIMA RES.

COIMA RES avails itself of the support of COIMA SGR for investment and asset management activities, under the responsibility of key managers Gabriele Bonfiglioli (Head of Investments) and Matteo Ravà (Head of Asset Management), and COIMA REM for property, facility and development management activities.

COIMA SGR provides the Company with other ancillary support services such as HR, marketing and secretarial services.

COIMA SGR and COIMA REM are companies of COIMA Group, controlled by the Catella family.

COIMA SGR, created in 2007 as Hines Italia SGR S.p.A. and renamed COIMA SGR in 2015 to correspond with the change of control that saw the Catella family buying out the Hines group, is today one of the main independent companies in the management of real estate assets in Italy.

COIMA REM, active in the real estate market since 1974, carries out property, facility and development management activities, mainly on projects promoted by COIMA SGR but also for third party clients.

THE REIT FRAMEWORK

The Real Estate Investment Trust ("**REIT**") framework was initially introduced and regulated in Italy by the 2007 budget law. The framework was subsequently integrated and modified in November 2014.

The framework offers the possibility of adopting, in the presence of certain requirements set by the law, a taxation system in which the profit deriving from the property leasing business and the profit from the disposal of properties are exempt from taxation (so-called "**exempt activity**").

The main requirements and obligations of the special tax regime guaranteed to REITs can be summarized as follows:

Subjective requirements	◦ ***Company incorporated in the form of a joint stock company*** ◦ ***Residence in the territory of the Italian state*** ◦ ***The shares are traded on regulated markets***
Statutory requirements	◦ ***Investment rules*** ◦ ***Limits on the concentration of risks on investments and counterparties*** ◦ ***Maximum leverage limit, at individual and group level***
Shareholding structure requirements	◦ ***No shareholder must have more than 60% of the voting rights*** ◦ ***Free float greater than 25%***
Objective requirements	◦ ***The properties owned represent at least 80% of the total assets*** ◦ ***Revenues from leasing of owned properties represent at least 80% of total revenues***
Distribution requirements	◦ ***Requibuting at least 70% of the net profit (determined as per the separate accounts) deriving from the leasing activity and from equity investments*** ◦ ***Requirement of distributing, within 2 years following the realisation, of 50% of the capital gains realised on disposal of properties and of investments in SIIQ, SIINQ and qualified real estate funds***

In the course of 2021, there was a major change in the regulatory framework in question because the legislator reduced the constraints to opt for the SIINQ (Unlisted Real Estate Investment Company) scheme, reducing the percentage of ownership, 95% to 50%, by a SIIQ in order to access the special tax regime. This new feature will make it possible to use the tool to propose joint ventures more easily than the previous legislative formulation.

INVESTMENT CASE

1
FOCUSSED REAL ESTATE PORTFOLIO
Euro 642 million portfolio (pro-quota), 88% offices, 92% in Milan, 59% in Porta Nuova

2
SOLID AND DIVERSIFIED TENANT BASE
12 of the 15 main tenants are multinational corporations

3
STABLE CASH FLOW DERIVING FROM LEASING AGREEMENTS
74% of the portfolio leased on the back of long-term contracts

4
VALUE CREATION THROUGH REFURBISHMENT PROJECTS
26% of the porfolio to be repositioned in the short-medium term

5
SUSTAINABLE FINANCIAL STRUCTURE
Net LTV equal to 30.5%, Euro 90.6 million of liquidity available (on a consolidated basis)

6
SOLID CORPORATE GOVERNANCE
6 of 9 board members are independent, gender parity amongst non-executives

7
SUSTAINABILITY AS A CORNERSTONE OF THE INVESTMENT STRATEGY
66% of the portfolio is LEED certified, Porta Nuova certification in progress

8
LIQUID AND TRANSPARENT INVESTMENT INSTRUMENT
Shares traded on Borsa Italiana, EPRA Gold Standards in reporting

Milan, COIMA Headquarters

STRATEGY AND BUSINESS MODEL

The strategy of COIMA RES aims to create value in the medium to long term through the active management of the real estate portfolio. Sustainability is one of the cornerstones of our strategy, and this allows us to best position our offering with respect to the tenants' demand, contributing to reducing the risk profile and minimizing the long term environmental impact of our buildings.

Caio Massimo Capuano
Chairman, COIMA RES

Strategy

COIMA RES' objective is to create value for its shareholders in the medium to long term, within the context of the parameters established by the Real Estate Investment Trust (REIT) framework.

This objective is pursued through the execution of a clear strategy that envisages the active management of a quality real estate portfolio capable of satisfying the present and future demand from tenants.

In particular, COIMA RES has chosen to focus its portfolio mainly on office properties located in Milan. This choice allows COIMA RES to make the most of the skills of COIMA SGR and COIMA REM, which have both built a remarkable track record in the development and management of office properties in Milan in recent years. This choice also exposes COIMA RES to the largest, most liquid and most transparent segment in the Italian real estate landscape, features that have remained intact even in the difficult context of the COVID-19 pandemic.

In an environment in which corporates are proving to be increasingly demanding in their choices of office spaces, also aligning them with their sustainability policies, the investment strategy of COIMA RES favors office properties that are well integrated with the urban fabric, able to reach, immediately or through refurbishment projects, high environmental performances that can put people at the center, fostering collaboration and creativity and acting as real business productivity tools.

Business model

The business model supporting COIMA RES' strategy envisages:

- A rigorous capital allocation process when executing investments
- The active management of the real estate portfolio, aimed at optimizing cash flows and possibly repositioning and upgrading some of the properties in the portfolio (in order to improve their environmental performance, their integration with the urban fabric and, in general, their attractiveness on the market)
- The rotation of the portfolio assets over time, aimed at crystallizing performance and free up capital for new investments

A cornerstone of the business model of COIMA RES is the support received by COIMA SGR and COIMA REM for the acquisition and disposal of properties, the management of the tenant base, the operational management of the assets and the management of the assets' refurbishment processes.

OVERVIEW OF ACTIVITIES

The effect of the COVID-19 pandemic continued to be felt globally in the year 2021. The restrictive measures in force in 2021 have been reduced compared to the year 2020 thanks to the massive spread of the vaccine. COIMA RES and the other companies of the COIMA platform have remained fully operational, alternating remote work with work in presence always in strict compliance with the protocols introduced in 2020 and in line with the specific innovations introduced by the government, for example the green pass.

One of the priorities of COIMA RES was the management and protection of its tenants, the renewal of the lease agreements expiring, the delivery of the Corso Como Place project to the tenants and the disposal of the mature properties in line with its strategy.

In the course of 2021, PwC release the space in Monte Rosa, giving the possibility to the Society to activate the first of the development projects in pipeline that will allow to the management to extract value from the real estate with an intervention of massive requalification focused on achieving the best sustainable performance, as will be further detailed in the chapter on sustainability.

The Company also completed a refinancing with the aim of extending the average duration of its debt and obtaining additional loan to partially finance the significant investment in capex expected in the coming years on Monte Rosa, Tocqueville and Deruta properties.

JANUARY	FINALISATION OF THE SALE OF A BANK BRANCH FOR EURO 4.3 MILLION
JANUARY	DELIVERY TO THE TENANTS OF DEVELOPMENT PROJECTS CORSO COMO PLACE
FEBRUARY	EXTENSION OF MICROSOFT FINANCING FOR THREE YEARS WITH MARGIN REDUCTION AND POSSIBILITY OF ADDITIONAL LOAN FOR EURO 27.5 MILLION
MARCH	RELEASE OF PWC SPACES IN MONTE ROSA AND SIMULTANEOUS ACTIVATION OF CONSTRUCTION SITE
APRIL	SHAREHOLDER'S MEETING
APRIL	ESTABLISHMENT OF THE NEW BOARD OF DIRECTORS
APRIL	FINAL DIVIDEND PAYMENT 2020 EQUAL TO EURO 0.20 PER SHARE
AUGUST	SALE OF SARCA PROPERTY FOR EURO 82.5 MILLION WITH A PREMIUM OF 36% ON THE PURCHASE PRICE
SEPTEMBER	INAUGURATION OF CORSO COMO PLACE BY ACCENTURE
NOVEMBER	INTERIM DIVIDEND PAYMENT 2021 EQUAL TO EURO 0.10 PER SHARE
DECEMBER	RENEWAL OF SHAREHOLDERS' AGREEMENTS FOR A FURTHER THREE YEARS
DECEMBER	GREEN REFINANCING FOR EURO 120 MILLION OVER FIVE YEARS WITH ADDITIONAL LOAN FOR EURO 45 MILLION TO FINANCE THE CAPEX PLAN

Key data

41.2 *Euro million*
GROSS RENTS

460.5 *Euro million (12,75 Euro per share)*
EPRA NET TANGIBLE ASSETS

36.7 *Euro million*
NET OPERATING INCOME

10.8 *Euro million (0,30 Euro per share)*
DIVIDEND[1]

23.1 *Euro million*
NET PROFIT

5.4%
RETURN ON EQUITY

15.0 *Euro million (0,42 Euro per share)*
EPRA EARNINGS

4.5%
EPRA NET INITIAL YIELD

35.9 *Euro million (0,99 Euro per share)*
FFO

13.2%
EPRA VACANCY RATE

20.1 *Euro million (0,56 Euro per share)*
RECURRING FFO

4.0 *years*
WALT

641.8 *Euro million*
PORTFOLIO VALUE
(pro-quota basis)

66%
PORTFOLIO
LEED CERTIFIED

212.8 *Euro million*
NET FINANCIAL POSITION

40 *kgCO_2e/mq per year*
CARBON INTENSITY

30.5%
NET LOAN TO VALUE

186 *kWh/mq per year*
ENERGY INTENSITY

1 Subject to shareholders' approval

MAIN DATA		2021	2020	2019	2018
Income statement					
Gross Rents	Euro million	41.2	44.4	37.3	36.3
Net Operating Income (NOI)	Euro million	36.7	40.3	33.4	32.3
EBITDA	Euro million	44.3	31.5	23.5	25.0
Net Profit	Euro million	23.1	15.6	32.0	46.3
EPRA Earnings	Euro million	15.0	17.5	14.0	15.1
Recurring FFO	Euro million	20.1	24.2	17.6	17.7
EPRA Earnings per share	Euro	0.42	0.49	0.39	0.42
Recurring FFO per share	Euro	0.56	0.67	0,49	0.49
Balance sheet					
IFRS Net Asset Value	Euro million	458.7	445.5	440.1	418.7
EPRA Net Tangible Assets	Euro million	460.5	448.3	443.7	421.6*
IFRS Net Asset Value per share	Euro	12.70	12.34	12.19	11.63
EPRA Net Tangible Assets per share	Euro	12.75	12.42	12.29	11.71*
Cash flow					
Capex (pro-quota)	Euro million	6.5	9.5	9.8	5.1
Acquisitions (pro-quota)	Euro million	-	-	138.2	103.7
Disposals (pro-quota)	Euro million	52.7	7.8	131.2	79.7
Dividend (fiscal year)	Euro million	10.8	10.8	10.8	10.8
Dividend per share (fiscal year)	Euro million	0.30	0.30	0.30	0.30
Performance indicator					
Return on Equity	%	5.4%	3.5%	7.6%	11.8%
Indebtness					
Gross debt	Euro million	301.8	339.0	358.1	291.3
Cash	Euro million	90.6	48.7	42.7	82.2
Net debt	Euro million	212.8	291.4	315.4	209.1
Net Loan to Value (LTV)	%	30.5%	38.3%	38.8%	33.5%
Interest Cover Ratio (ICR)	x	3.5x	4.1x	3.4x	4.0x
Average "all in" cost of debt	%	2.03%	1.98%	2.01%	2.03%
Average debt maturity	years	1.7	2.4	3.4	4.4
Real estate portfolio					
Number of assets in the portfolio	-	66	67	72	77
Value of the portfolio (consolidated)	Euro million	687.1	758.1	767.7	623.5
Value of the portfolio (pro-quota)	Euro million	641.8	688.3	688.4	654.4
Commercial surface (pro-quota)	square meters	146,000	151,000	165,000	172,000
WALT	years	4.0	4.3	5.3	6.2
EPRA Net Initial Yield	%	4.5%	5.1%	4.6%	5.2%
EPRA Topped-up Net Initial Yield	%	5.2%	5.3%	5.3%	5.3%
EPRA Vacancy Rate	%	13.2%	2.5%	2.0%	4.6%

** EPRA NAV*

THE REAL ESTATE PORFOLIO

The year 2021 saw the delivery to Accenture and Bending Spoons owners of the Corso Como Place building, the sale of a mature building such as Sarca and the completion of the sale of a Banking subsidiary, in line with the strategy of COIMA RES aimed at focusing on quality office buildings in qualified districts of Milan.

Matteo Ravà
Head of Asset Management, COIMA SGR

COIMA RES owns a portfolio of properties worth Euro 641.8 million (value of real estate on a pro-rata basis), characterized by a net initial property return of 4.5% (EPRA Net Initial Yield) and "topped-up" initial net return of 5.2% (EPRA Topped-up Net Initial Yield).

Geographically, 92% of COIMA RES' portfolio is concentrated in Milan (59% in the district of Milan Porta Nuova and 33% in other districts in Milan), 3% in Lombardy (ex-Milan) and 5% in other regions of Northern and Central Italy.

From an end use point of view, the COIMA RES portfolio is focused for 88% on the office segment (also including the Pavilion asset), for 4% on the hotel segment and for 8% on the bank branches segment.

The properties are held both directly and through subsidiaries and funds. In particular, COIMA RES deploys joint venture structures in order to access also medium to large size projects managed by the COIMA platform with minority interests.

COIMA RES' portfolio is characterized by a low vacancy rate (EPRA Vacancy Rate) equal to 13.2% which focuses mainly on three bank branches and a marginal portion of the Monte Rosa property.

The COIMA RES office buildings in Milan are situated in various districts of the city. The main sub-group is represented by the buildings located in the Porta Nuova district, where 5 properties are situated (Gioiaotto, Corso Como Place, Pavilion, Tocqueville and Microsoft) which make up approximately 59%

of COIMA RES' portfolio. The other 3 office buildings are situated in secondary districts, in particular the Lorenteggio district as regards the Vodafone complex, the Lambrate district as regards the Deruta property and the City Life district with regard to Monte Rosa.

All COIMA RES office buildings in Milan are well connected to the public transport system and to the Milan subway network.

The COIMA RES portfolio is characterized by assets with different profiles, in particular:

- properties leased with medium-long term contracts already in the stabilized phase, where the rental growth is mainly linked to inflation or contractual step-ups and / or achieved on the back of re-letting of space (where new lease agreements can be stipulated at premium level compared to previous leases)

- properties characterized by lease agreements with short residual duration, where, upon expiry of the existing lease contracts, renovation works are expected to be carried out and where at the back of these processes it is possible to reasonably assume the stipulation of lease agreements at higher levels compared to the previous ones

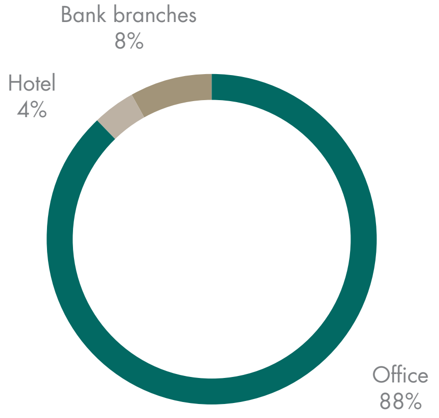
- vacant properties, where a refurbishment plan is being implemented (or being delivered to the tenants on the back of refurbishment plans already finalized)

In a market environment in which tenants are proving to be increasingly demanding as far as their real estate choices are concerned, the investment strategy of COIMA RES favors properties capable of achieving, immediately or through renovation, high energy and environmental performances, also proven by obtaining the highest certification standards (for example, the LEED protocol).

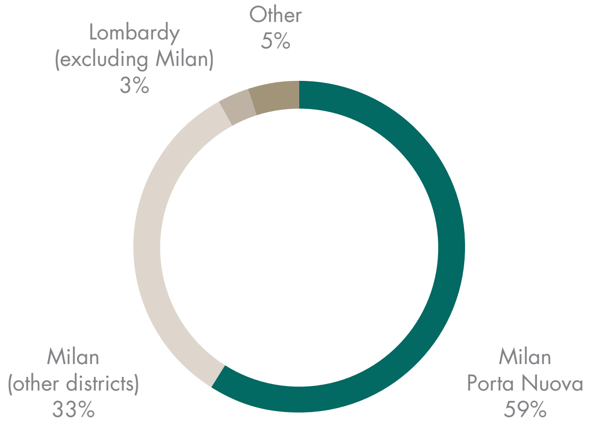
Overview of the real estate portfolio

(breakdown of the real estate portfolio by Gross Asset Value on a pro-quota basis as of December 31st, 2021)

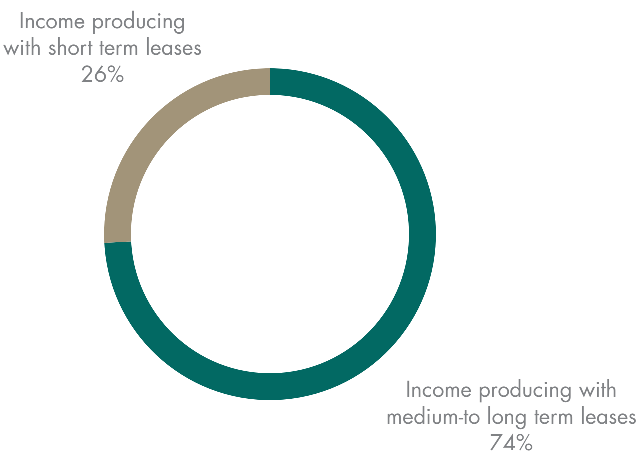
END USE



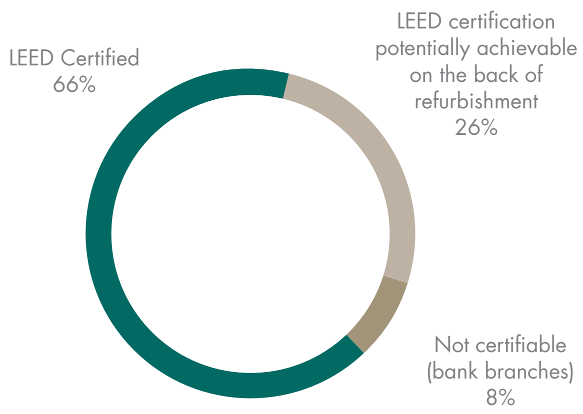
GEOGRAPHY



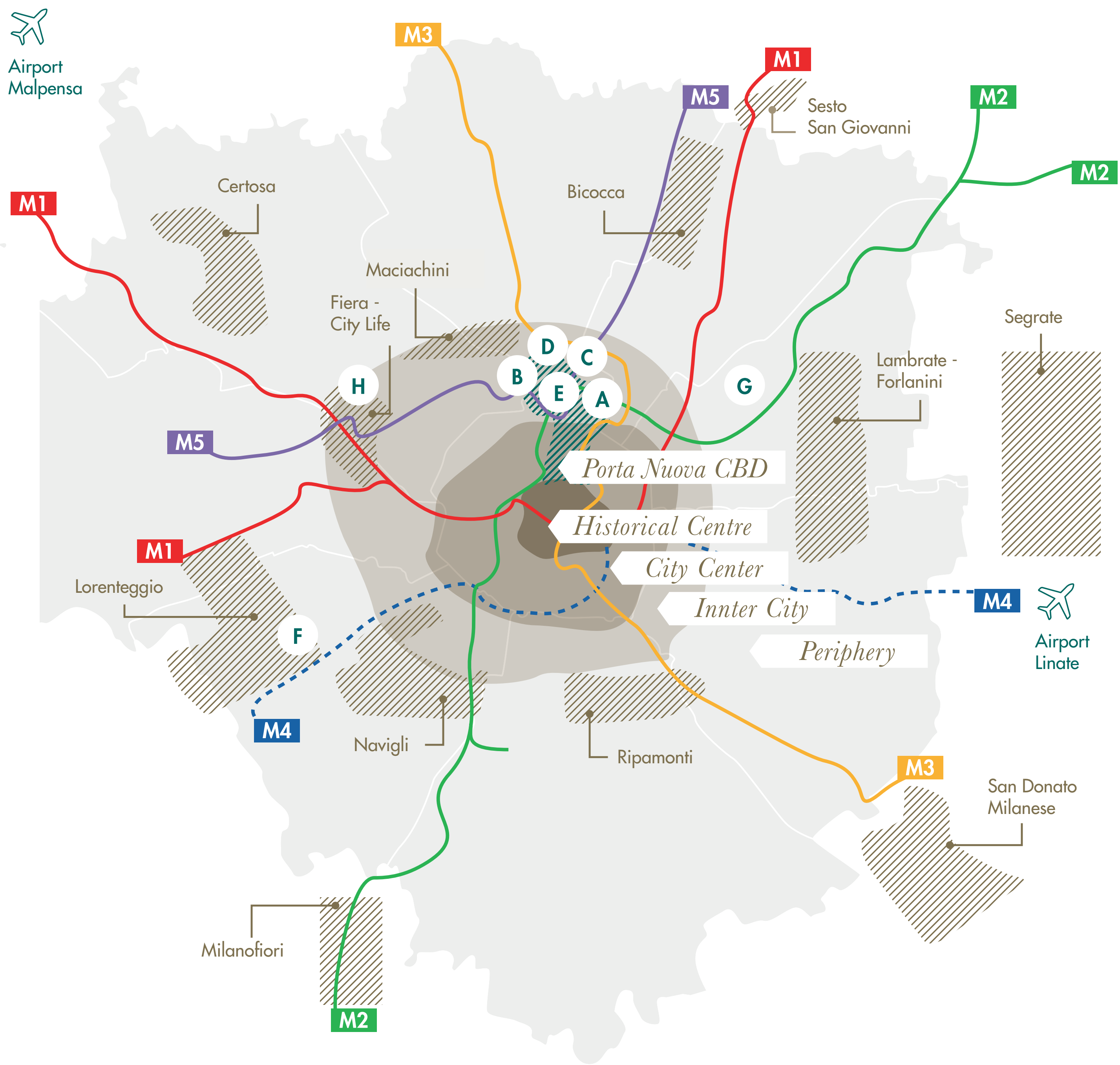
PROFILE



CERTIFICATIONS



Location of Milan office assets



Porta Nuova

A GIOIAOTTO

B CORSO COMO PLACE

C PAVILION

D TOCQUEVILLE

E MICROSOFT

Other districts

F VODAFONE

G DERUTA

H MONTE ROSA

Milan, Microsoft, façade

Main metrics of the real estate portfolio

	Office assets in Milan Porta Nuova				
	Microsoft	**Corso Como Place**	**Gioiaotto**	**Pavilion**	**Tocqueville**
Location	Milan Porta Nuova	Milan Porta Nuova	Milan Porta Nuova	Milan Porta Nuova	Milan Porta Nuova
Address	Viale Pasubio 21	Via Privata Nino Bonnet 6/a & 10	Viale Melchiorre Gioia 6/8	Piazza Gae Aulenti 10	Via Alessio di Tocqueville 13
End use	Office	Office	Office, Hotel	Office, Events Centre	Office
Commercial surface (sqm)	10,773	23,574	14,545	3,576	9,604
Strategy	Core	Core	Core	Core	Core + / Value-add
Construction year	2016	Years '50-'60	Years '60	2014	1969
Year of last refurbishment	-	2020	2014	-	2003
Ownership (pro-quota)	84%	36%	88%	100%	100%
Gross Asset Value (100%)	**€102.1m**	**€237.0m**	**€84.3m**	**€74.0m**	**€61.5m**
Gross Asset Value (pro-quota)	**€85.3m**	**€84.6m**	**€74.3m**	**€74.0m**	**€61.5m**
Main tenants	Microsoft	Accenture, Bending Spoons, Mooney	QBE, Angelini Beauty, NH Hotel	IBM	Sisal
WALT (years)	2.5	8.1	4.0	6.1	0.5
Occupancy rate	zero	5%	zero	zero	zero
EPRA Net Initial Yield	3.9%	n.m	4.3%	4.5%	7.5%
EPRA Topped-up Net Initial Yield	4.1%	4.0%	4.9%	4.5%	7.5%
LEED certification	✓	✓	✓	✓	-
Architect	Herzog & de Meuron	PLP	Park Associati	Michele De Lucchi	n.s.

	Office assets in Milan (other districts)				**Total**
	Vodafone	**Monte Rosa**	**Deruta**	**Deutsche Bank branches**	
	Milan Lorenteggio	Milan CityLife	Milan Lambrate	Various	
	Via Lorenteggio 240	Viale Monte Rosa 93	Via Deruta 19	n.a.	
	Office	Office	Office	Bank branches	
	42,039	19,539	26,012	26,776	
	Core	Core + / Value-add	Core + / Value-add	Core	
	2012	Years 1940's 1950's 1960's	2007	-	
	-	1997	-	-	
	50%	100%	100%	100%	
	€206.3m	**€62.6m**	**€41.8m**	**€54.5m**	
	€103.2m	**€62.6m**	**€41.8m**	**€54.5m**	**€641.8m**
	Vodafone	Techint	BNP Paribas	Deutsche Bank	
	5.1	4.8	0.4	5.2	4.0
	zero	71%	zero	6%	13.2%
	6.3%	1.9%	7.9%	5.8%	4.5%
	6.3%	1.9%	7.9%	6.6%	5.2%
	✓	-	-	-	
	Gantes & Marini	n.m	n.m	n.m	

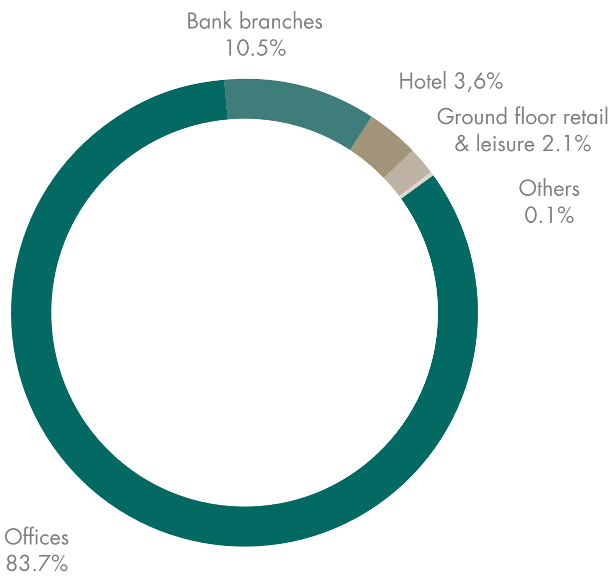
Overview of the portfolio of tenants

COIMA RES' portfolio of tenants is mostly made of mid to large-sized multinational corporations: the ten most significant tenants, representing 89% of the rent roll as of December 31st, 2021 (on a pro-quota basis), include Vodafone, Deutsche Bank, Microsoft, BNP Paribas, IBM, Sisal, Accenture, Techint, NH Hotels and Bernoni Grant Thorton.

The attractive level of diversification within the COIMA RES tenant portfolio follows the sale of a 50% stake in the property let to Vodafone, completed in June 2019, as well as the progressive disposal of several bank branches over the last five years, which have reduced the exposure to the two main COIMA RES tenants. The COIMA RES tenant base has been further enriched in recent years through the acquisition of the Microsoft headquarters and the location of the spaces at Accenture.

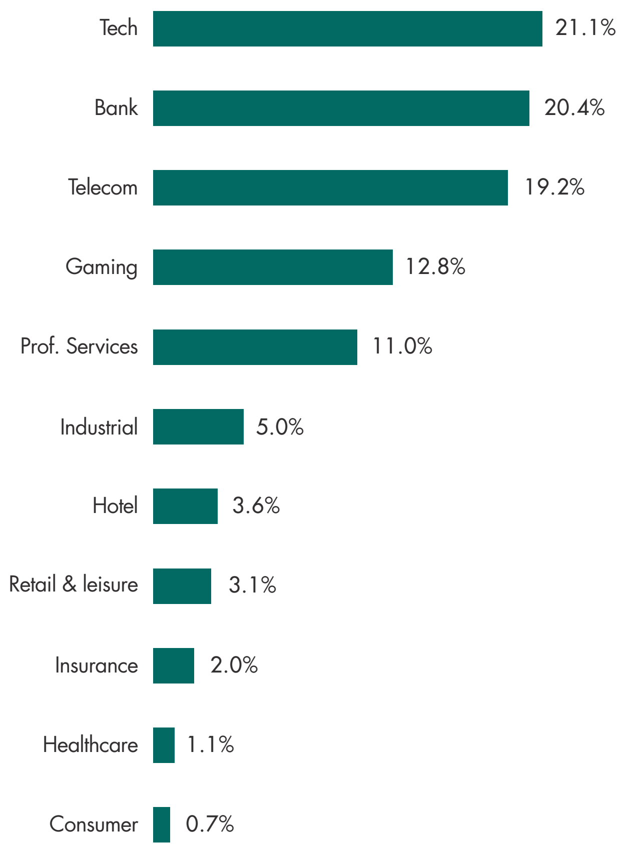
BREAKDOWN OF IN PLACE ANNUALISED RENTS (ON A PRO-QUOTA BASIS) BY END USE

Data as of December 31st, 2021



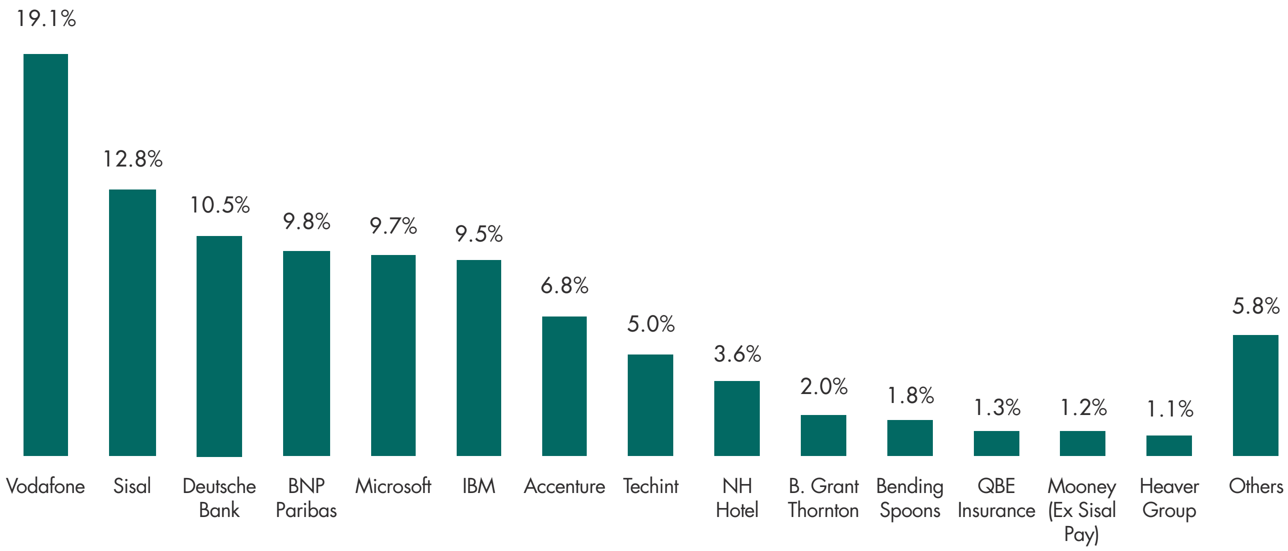
BREAKDOWN OF IN PLACE ANNUALISED RENT (ON A PRO-QUOTA BASIS) BY SECTOR

Data as of December 31st, 2021



MAIN TENANTS (ON THE BASIS OF PRO-QUOTA IN PLACE ANNUALISED RENTS)

Data as of December 31st, 2021



Milan, Vodafone Village

Description of assets

MICROSOFT

The Microsoft headquarters is a recently built property that is LEED Gold certified and designed by the international architecture firm Herzog & de Meuron. Its construction was completed in 2016 and it is the Italian headquarters of global technology company, Microsoft. The property is situated in the district of Porta Nuova, near the Monumentale and Garibaldi metro stations.

GIOIAOTTO

Built in the 1970s and renovated in 2014, Gioiaotto was the first LEED Platinum certified building in Milan. Approx. 50% of the building is let to a variety of office tenants, while the remaining 50% is let to NH Hotel. The hotel space was subject to light refurbishment works in 2018, aimed at upgrading the interiors of the hotel to reach the NH Collection level.

PAVILION

The LEED Gold certified mixed-use building was designed by Michele De Lucchi and built in 2014. Strategically located in the heart of Porta Nuova between Piazza Gae Aulenti and the park “Biblioteca degli Alberi” (the third largest park in the centre of Milan), the property is currently let to IBM as a space for innovation and meeting with its stakeholders. The unique technical characteristics of the Pavilion and its 360° visibility offers a high degree of flexibility in terms of end uses.

1. Milan, Microsoft

2. Milan, Gioiaotto

3. Milan, Pavilion

1. Milan, Tocqueville
2. Milan, Corso Como Place

TOCQUEVILLE

A 10-storey building in the Milan Porta Nuova area located between the Microsoft and UniCredit headquarters and opposite the Corso Como Place project. The building was initially built in 1969 and the last renovation dates 2003. The main tenant of the property is Sisal, the second largest gaming company and the largest payment service provider in Italy, which occupies 89% of the space. At lease expiry, there is the potential for extensive refurbishment to redevelop the building to improve passing rent.

This will also improve the area in line with the renovation of the Corso Como Place complex.

CORSO COMO PLACE

A complex located in Milan Porta Nuova between the UniCredit and Microsoft headquarters that is well connected to the public transport network through a high-speed railway station (Garibaldi station) and two metro lines (MM2 and MM5). The complex originally comprised of two independent buildings that were constructed in the 1950's and 1960's: a high-rise building (Building A) and a low- rise building (Building B).

Between 2017 and 2020, Building A was completely redeveloped, and a new complex (Building C) was constructed. The Corso Como Place project is characterized by the use of various "next generation" technologies in terms of sustainability and innovation, with the implementation of Smart Building infrastructure, the application of international sustainability certifications such as LEED and WELL and with extensive use of renewable energy sources. The project also creates a new public space in front of Tocqueville and will lead to the upgrade of the road and pavement that connects with Corso Como.

The project was completed in 2020 and delivered to tenants in early 2021. The official inauguration by Accenture took place in September 2021.

Core portion

Building A
100% LET TO ACCENTURE

Building C
80% LET TO BENDING SPOONS

Building B
70% LET TO MOONEY

VODAFONE COMPLEX

A complex consisting of three buildings and fully let to Vodafone on the basis of a long-term contract (expiring in January 2027). Located in the Lorenteggio district, the area will benefit from the completion of the MM4 metro line (expected by 2023) that will connect the district directly to Linate airport.

The complex represents an important example of excellence in construction quality and sustainability, as demonstrated by the LEED certification. The complex was purchased by COIMA RES during the first phase of the post IPO investment program, with the aim of obtaining long-term cash flow and a medium-high return on invested capital (EPRA Net Initial Yield greater than 6%).

In 2019 with the desired view to diversify the base of tenants and properties in the portfolio, COIMA RES sold a 50% stake in the Vodafone complex to a primary South Korean investor, monetising part of the initial investment. COIMA RES continues to consolidate the Vodafone complex in its accounts thanks to the governance agreed with the Korean investor who acts as financial partner, leaving COIMA RES with primary control over decision making.

MONTE ROSA

A complex consisting of four properties that were built between 1942 and 1961 and which underwent intense renovation in 1997.

The Monte Rosa complex is situated in a semi-central business district in Milan: the proximity to the recent development of CityLife and the excellent connection to public transport with two subway lines (MM1 and MM5) make the property particularly interesting. The main tenant of the complex is Techint (contract expiring in 2026) which occupies almost half of the entire complex while the remaining part of the complex was released by PwC in the first quarter of 2021. On the part released by PwC, a redevelopment and repositioning project is underway, in line with the strategy envisaged during the acquisition of the property.

1

2

1. Milan, Vodafone Village

2. Milan, Monte Rosa

DERUTA

The Deruta complex was built in 2007 and is situated in the north-east part of Milan, an area that is well connected to the public transport network and the highway system, offering excellent accessibility through the MM2 metro (Udine station at 5 minutes walking distance), railway stations (Lambrate Station 0.6 km, Central Station 2.7 km), the motorway network (East ring road 1.2 km), and Linate airport (just a 10-minute drive away).

The property was purchased by COIMA RES during the first phase of the post IPO investment program with the aim of obtaining cash flow and a medium-high return on invested capital (EPRA Net Initial Yield close to 8%). There is the potential to refurbish the building in a scenario whereby the current tenant would decide not to renew the lease, allowing to reposition the asset and creating a more energy-efficient building.

BANK BRANCHES

A portfolio consisting of 58 bank branches located in the north and centre of Italy. As of December 31st, 2021, 54 branches are leased to Deutsche Bank on a long-term basis, three minor branches are vacant and one branch in Turin that was previously vacant was let to an operator in the wellness sector in 2019.

Portfolio contributed (in exchange for shares of COIMA RES) by Qatar Holding LLC during the IPO with the intention of creating a stable and long- term cash flow for COIMA RES. The initial portfolio consisted of 96 branches distributed throughout Italy.

In the last four years, a meaningful disposal plan has been implemented which saw the sale of a total of 38 branches for an aggregate value of Euro 66.3 million, equal to approximately 48% of the initial portfolio which saw the weight of the banking branch portfolio decrease below 10% of the total portfolio of COIMA RES. The strategy for the residual portfolio envisages further disposals in the medium term.

1. Milan, Deruta

2. Rome, Deutsche Bank Portfolio

ACTIVE PORTFOLIO MANAGEMENT

Disposals

In 2021, COIMA RES continued to reduce its exposure to non-strategic and mature assets and to reduce the concentration of its portfolio of assets and tenants.

BANK BRANCHES

COIMA RES has completed the sale of 1 bank subsidiary for a value of Euro 4.3 million. This sale concerns the portfolio of 11 bank branches whose sale was announced in November 2019 for a total value of Euro 23.5 million.

SARCA

On August 5th, 2021, the sale of the Sarca property for a value of Euro 82.5 million to a leading international investor was completed. The sale price corresponds to EPRA Topped-up Net Initial Yield at June 30th, 2021 equal to 4.6%, and a premium of 36% compared to the purchase price. COIMA RES acquired the Sarca property in 2019 at a value of Euro 60.7 million (EPRA Topped-up Net Initial Yield of 5.9%) and the sale price implies an Unlevered IRR equal to 24% (Levered IRR of 39%).

Development projectst

CORSO COMO PLACE

The project was completed in the fourth quarter of 2020, substantially in line with the overall budget, and was delivered to Accenture and Bending Spoons in January 2021.

MONTE ROSA

The release by PwC of the Monte Rosa property will allow to undertake a restructuring and value creation project in the medium term that will lead to a substantial improvement in the quality of the property and a potential significant increase in the rent compared to the previous rent. Further details on the restructuring plan of the Monte Rosa property will be published in the coming months. In addition to the Monte Rosa property, further renovation plans are planned for the period 2022-2024. Through these restructuring projects, the aim is to achieve significant growth in rents once the works have been completed and the spaces relocated and a marked improvement in the sustainability profile of the Company's portfolio.


Milan, Gioiaotto, façade

Main leasing agreements

MICROSOFT

On April 6th, 2021, a new lease agreement was signed for retail space in the Microsoft building (about 400 square meters), previously occupied by Microsoft. The contract provides for a duration of nine years (with eight months of loan) with an annual rent for the first two years equal to Euro 200 thousand and equal to Euro 280 thousand for the following years.

SARCA

In June 2021, COIMA RES, before the sale of the property, signed a binding offer with an energy supply company for about 700 square meters of office space. The space was occupied by Signify who exercised the break-option with the release of the spaces in October 2021. The binding offer provides for the signing of a contract that has a duration of six years at a fee about 23% higher than the current one.

CORSO COMO PLACE

In April 2021, COIMA RES signed a new lease agreement with Mooney (formerly Sisal Pay) for approximately 3,250 sqm of office space. The new contract has a duration of six years and the rent is higher than the rent provided for under the previous lease.

TOCQUEVILLE

In May 2021, COIMA RES signed an amending agreement to the lease agreement with Sisal to extend the term by a further three months, postponing the new contractual deadline to March 31st, 2022. The fee to be applied in the extension period is expected to increase by 50% compared to the current one.

ITALY: REAL ESTATE SECTOR

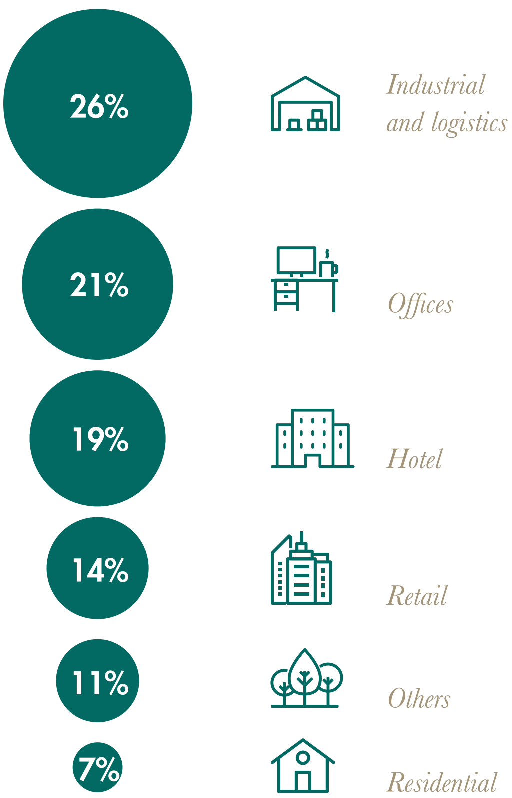
The real estate market in Italy experienced a 14% contraction in the overall investment volumes in 2021, reaching a total value of Euro 10.4 billion. The industrial and logistics real estate segment saw greater activity unlike the previous years in which the office segments were the most transacted. The City of Milan continues to attract the highest share of investments, accounting for 33% of total investment volumes.

ITALIAN REAL ESTATE INVESTMENT VOLUMES IN 2021

Euro **10.4** *billion*

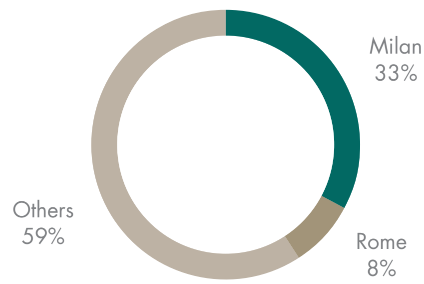
+14% vs 2020
-16% vs 2019
+18% vs 2018

INVESTMENT VOLUMES BY ASSET TYPE

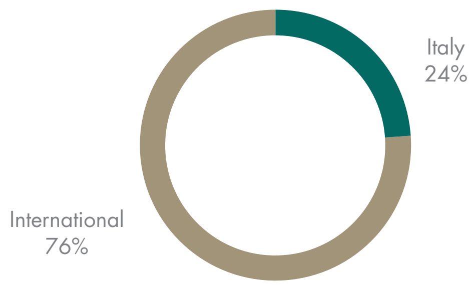


Source: CBRE, JLL

INVESTMENT VOLUMES BY CITY



INVESTMENT VOLUMES BY INVESTOR ORIGIN



MILAN: OFFICE MARKET

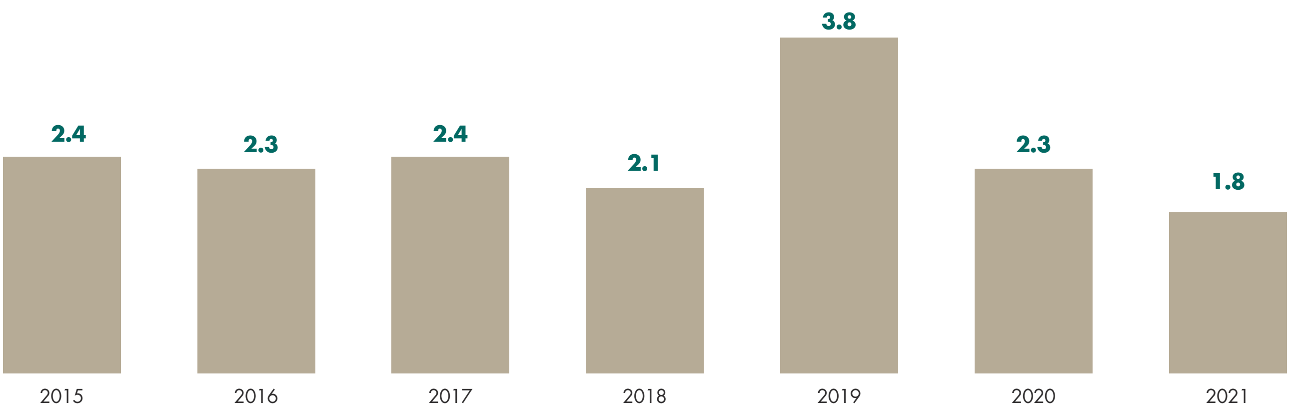
The investment market for office property in Milan was relatively penalized in 2021 by the scarcity of product that left unexpressed both the demand of core investors for prime and stabilized assets, both that of opportunistic investors for properties in secondary areas and/or value add. ESG issues will be increasingly relevant in investor acquisition strategies. The rental market has been more active in 2021 than in 2020 and in line with the average of the last 5 years, with companies that continue to prefer areas with a consolidated management vocation and excellent accessibility.

Gabriele Bonfiglioli
Head of Investments, COIMA SGR

Milan offices: investment market

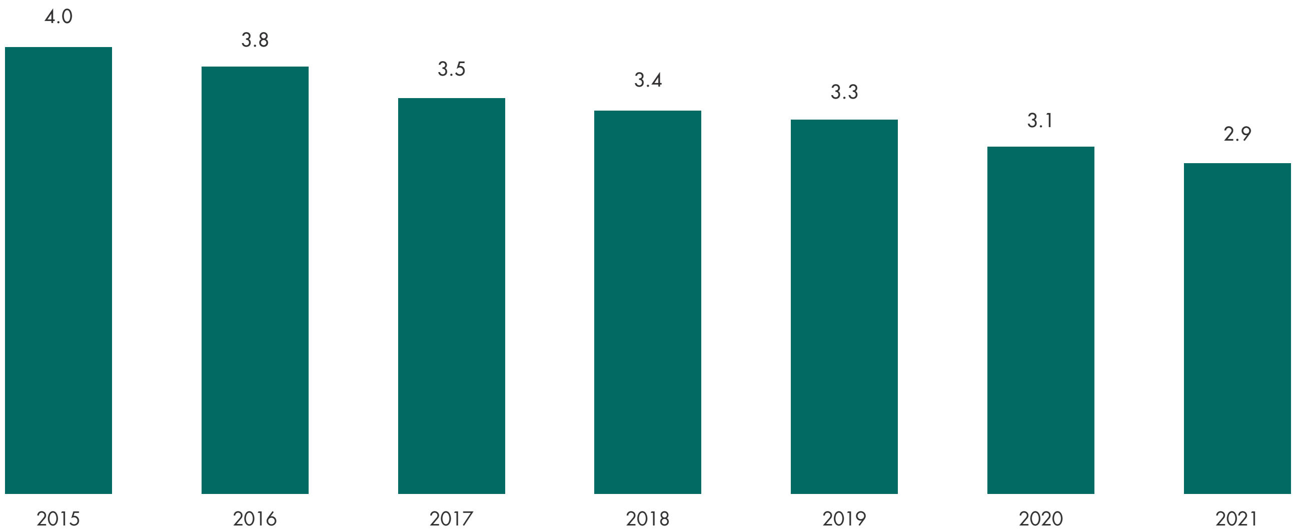
The investment market for Milan offices has recorded volumes for Euro 1.8 billion in 2021, a level down by 32% decline compared to the volumes registered in 2020. Valuations of "prime" office properties in Milan saw a further increase, with a 20 bps compression of prime yield in 2021.

MILAN OFFICES: INVESTMENT VOLUMES (EURO BILLION)



Source: CBRE

MILAN OFFICES: PRIME NET YIELD EVOLUTION (%)

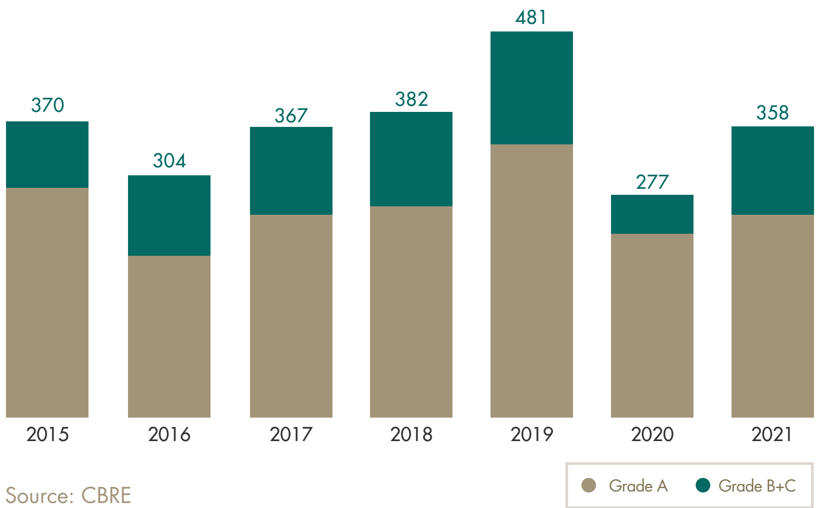


Source: CBRE

Milan offices: leasing market

The Milan office leasing market recorded a take up of 358,000 square meters in 2021, a level up 29% compared to 2020. In line with previous years, demand from tenants remains predominantly oriented towards the rental of grade real estate A. The level of fees for the various districts of Milan has grown in the most resilient districts such as Porta Nuova and the historic center of Milan.

MILAN OFFICES: CORPORATES TAKE UP (THOUSANDS OF SQM)



Source: CBRE

MILAN OFFICES: HEADLINE RENTS BY DISTRICTS (€/SQM)

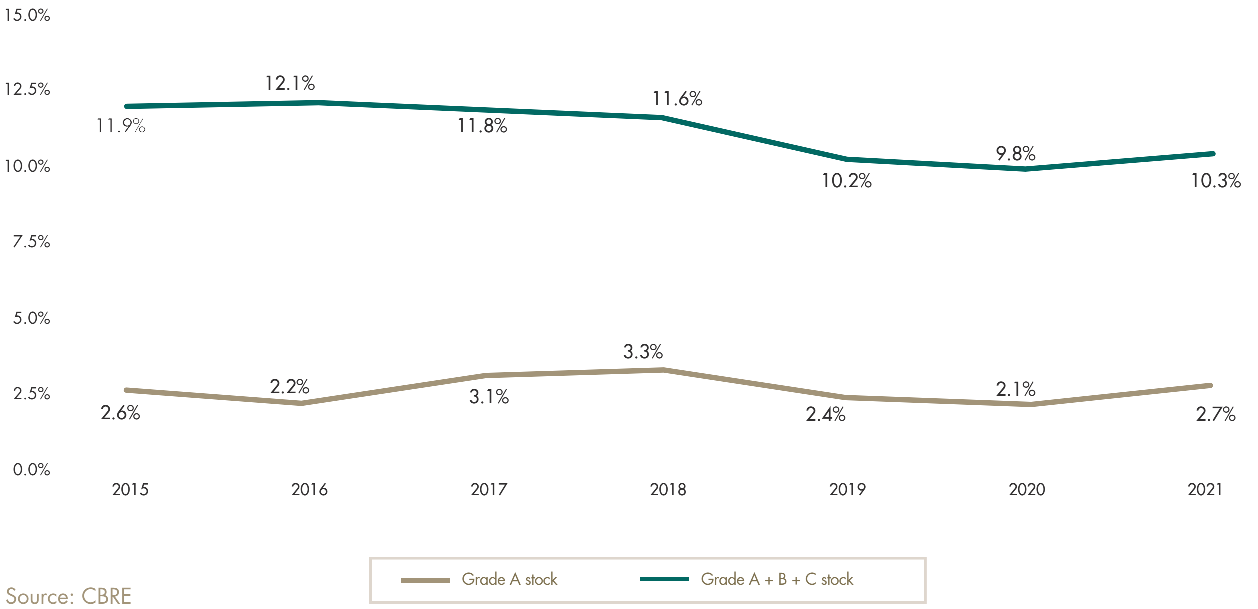
DISTRICT	RENTAL LEVEL (DEC-21)	TREND IN 2021
Historical Centre	€620/sqm	Growing
Porta Nuova / CBD	€620/sqm	Growing
Centre	€500/sqm	Stable
CityLife	€420/sqm	Stable
Scalo Porta Romana	€350/sqm	Stable
Periphery	€280/sqm	Stable
Bicocca	€270/sqm	Growing
Milanofiori	€240/sqm	Stable
San Donato Milanese	€210/sqm	Stable
Hinterland	€210/sqm	Stable
Sesto San Giovanni	€200/sqm	Stable

Source: CBRE

Milan offices: vacancy rate

The vacancy rate in the office segment in Milan is equal to 10.3% at December 31st, 2021, an increase of 50 basis points compared to December 31st, 2020. A similar trend is also observed in relation to the vacancy rate for Grade A properties, where the vacancy represents about 2.7% of the total office stock in Milan (an increase of 60 basis points compared to December 31st, 2020).

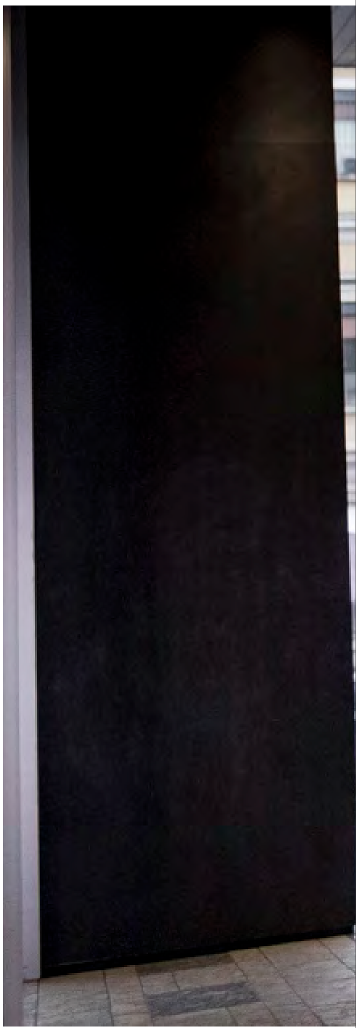
VACANCY RATE BY GRADE (%)



Source: CBRE

02

Management



SENIOR MANAGEMENT

Manfredi Catella

Graduated in Economics and Business from the Università Cattolica del Sacro Cuore, with a Masters in Regional Planning and Real Estate from the Politecnico di Torino, Manfredi Catella is currently the Founder and CEO of COIMA RES, the majority shareholder and CEO of COIMA SGR and Chairman of COIMA REM., a real estate company founded in 1974, controlled by the Catella family. He was responsible for the Hines activities in Italy and gained experience at JP Morgan in Milan, Caisse Centrale des Banques Populaires in Paris, Heitman in Chicago and HSBC in Paris. Chairman of the Riccardo Catella Foundation, member of the Advisory Board of the Bocconi University and Assolombarda, Manfredi Catella is a financial analyst and member of the Association of Journalists, as well as the author of numerous articles and documents on real estate and land redevelopment.

Gabriele Bonfiglioli

Graduated in Business Administration from the University of Rome, he studied real estate finance at the University of Amsterdam, UVA. Gabriele Bonfiglioli is currently Key Manager of COIMA RES, responsible for the investment management activities, and Managing Director of COIMA SGR in charge of the Investment Management division. He previously worked in the SGR of Beni Stabili where he collaborated on the launch of the first Italian contribution and collection mixed fund for international investors. Until 2014, he was a member of the Hines Group global Investment and Performance committee.

Fulvio Di Gilio

Graduated in Economics from the University of Naples "Federico II", Fulvio Di Gilio is the CFO of COIMA RES. He performed a similar role at Hines Italia SGR (which later became COIMA SGR) for five years, gaining considerable experience in the real estate sector. He began his career at PriceWaterhouseCoopers (PwC), going on to become Senior Manager at the GFSI Group of Deloitte & Touche. During his career, he has carried out consulting activities in due diligence, extraordinary transactions such as mergers, acquisitions, securitisations and IPO processes, as well as special projects for the financial statements of listed companies looking to transition international accounting principles. He currently chairs the Intermediaries and Supervised Companies Committee of Assoimmobiliare.

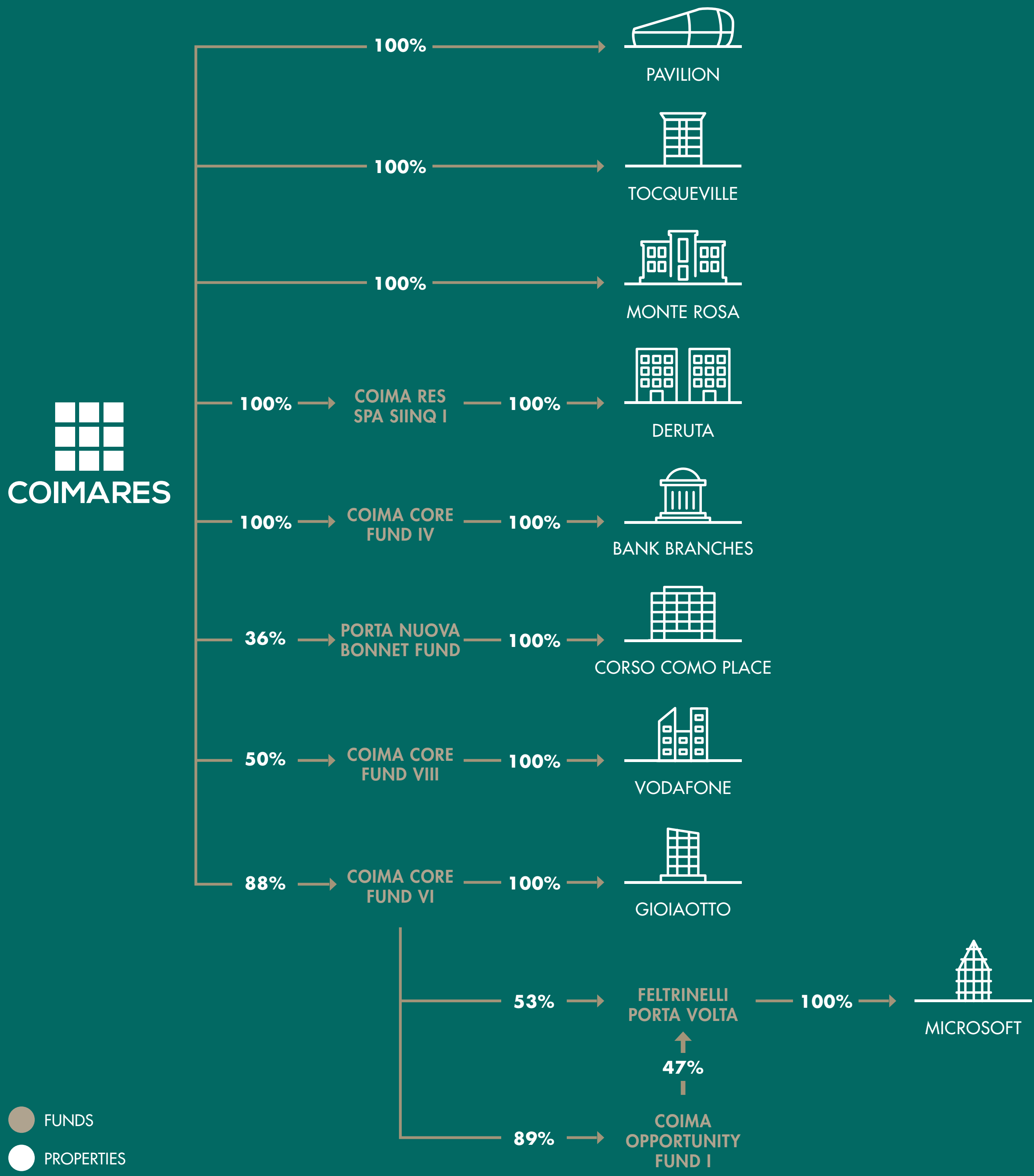
Matteo Ravà

Graduated in Economics and Social Sciences from the Bocconi University, Matteo Ravà achieved a Master in Corporate Finance from the Bocconi University School of Management. Matteo Ravà is Key Manager of COIMA RES, responsible for the asset management activities, and Managing Director of COIMA SGR in charge of the Asset Management division. Ravà has gained over five years of experience in corporate finance at leading consultancy firms, including Ernst & Young and Deloitte & Touche, carrying out valuation and advisory activities in extraordinary merger and acquisition transactions and IPOs.

CORPORATE STRUCTURE

COIMA RES is a Real Estate Investment Trust. COIMA RES was founded in 2015 by Manfredi Catella, jointly with COIMA REM S.r.l. and COIMA SGR S.p.A., and was subsequently listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana in 2016. COIMA RES currently owns a quality real estate portfolio mainly concentrated on the office segment in Milan.


Milan, COIMA Headquarters, Board of Directors


COIMARES
100%
PAVILION
100%
TOCQUEVILLE
100%
MONTE ROSA
100%
COIMA RES SPA SIINQ I
100%
DERUTA
100%
COIMA CORE FUND IV
100%
BANK BRANCHES
36%
PORTA NUOVA BONNET FUND
100%
CORSO COMO PLACE
50%
COIMA CORE FUND VIII
100%
VODAFONE
88%
COIMA CORE FUND VI
100%
GIOIAOTTO
53%
FELTRINELLI PORTA VOLTA
100%
MICROSOFT
47%
89%
COIMA OPPORTUNITY FUND I
FUNDS
PROPERTIES

MANAGEMENT OF ACTIVITIES

COIMA RES is led by Manfredi Catella, as Founder and CEO, and is managed by a team of six professionals employed by the Company, amongst which are: Fulvio Di Gilio (Chief Financial Officer), Yuri D'Agostino (Investment Director), Giulia Salami (Investor Relations Director), Emiliano Mancuso (Planning & Control Senior Manager) and Carlotta Ciuffardi (Finance & Control Manager).

COIMA RES' Board of Directors is comprised of 9 members (6 of which are independent and 2 non-executive). The Board is responsible for the ordinary and extraordinary management of COIMA RES.

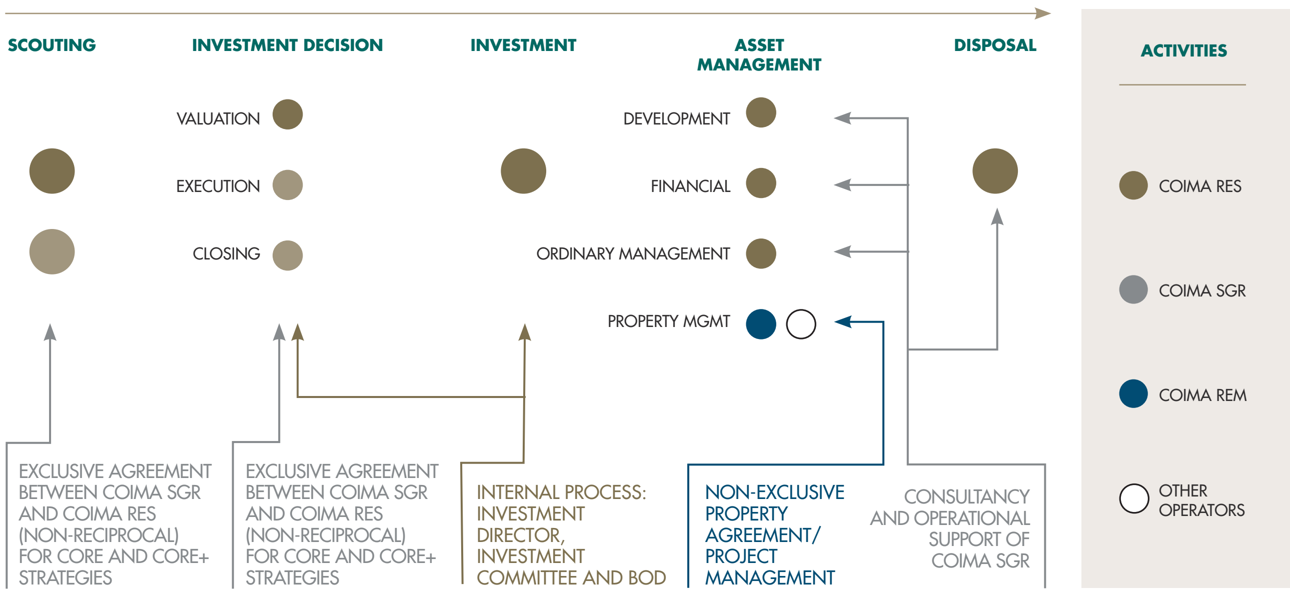
COIMA RES avails itself of the support of COIMA SGR for investment and asset management activities, under the responsibility of key managers Gabriele Bonfiglioli (Head of Investments) and Matteo Ravà (Head of Asset Management), and COIMA REM for property, facility and development management activities.

COIMA SGR and COIMA REM are companies of COIMA Group, controlled by the Catella family.

COIMA SGR was created in 2007 as Hines Italia SGR and renamed COIMA SGR in 2015. At the same time as the change of control that saw the Catella family buying out the Hines group, is today one of the main independent companies in the management of real estate assets in Italy.

COIMA REM, active in the real estate market since 1974, carries out property, facility and development management activities, mainly on projects promoted by COIMA SGR, but also for third party clients.

Real estate investment operational phases



The relationship between the Company and COIMA SGR is governed by an asset management contract signed in 2015 and renewed in the year 2020. The economic conditions are summarized in the table below.

MANAGEMENT FEE		PERFORMANCE FEE
NAV	FEE	• Calculated annually • Equal to 40% of the lower amount out of:
(EURO BILLION)	(BASIS POINTS)	
NAV < 1	80	(i) the sum of 10% of the Total Return Outperformance in the case of a Total Return in excess of 8% and 20% of the Total Return Outperformance in the event of a Total Return in excess of 10%;
1 < NAV < 1.5	60	
NAV > 1.5	50	
In addition, from the fourth year of the agreement, subject to the circumstances in which: 1 Manfredi Catella is confirmed as the CEO of the Company; 2 the CEO is the controlling shareholder of the SGR; The fixed annual remuneration of the CEO, paid by COIMA RES, will be deducted from the management fee paid to COIMA SGR.		(ii) 20% of the excess of the NAV per share at the end of the Accounting Period in relation to a minimum High Watermark defined level.

COIMA REM remuneration

ANNUAL CONSIDERATION FORPROPERTY & FACILITY MANAGEMENT SERVICES	CONSIDERATION FOR PROPERTY DEVELOPMENT & PROJECT MANAGEMENT SERVICES
1 leased properties: 1.0-1.5% of the annual rental of the properties,	**4.5%** OF THE TOTAL COST OF THE REDEVELOPMENT/ DEVELOPMENT PROJECT FOR THE PROPERTY.
2 properties or areas not leased: €2.25 for each m² managed, €0.50 for each m² managed relating to areas used as storage or parking, and	
3 shared areas and facilities managed: equal to the sum of the cost of the staff of the property manager managing the shared facilities and areas and the general overheads of the property manager, plus 15% of this sum.	

INVESTOR RELATIONS

During 2021 we maintained a constant level of engagement with the financial community, although the interactions with analysts and investors were mostly carried out in a virtual format. We continued to focus on the quality of the financial information and on transparency, further increasing the positioning of COIMA RES in the Webranking research conducted by Comprend and Lundquist which evaluates the transparency of corporate communication of listed companies and publishing the engagement policy.

Market context

The year 2021 was still characterized by the spread of the pandemic by COVID-19 but the restrictive measures introduced by the various governments were less invasive also and especially thanks to the spread of vaccines and the introduction of the green pass. One of the main drivers that accompanied the stock markets during 2021, along with the uncertainty dictated by the variants of the COVID-19, was certainly inflation, back on the scene, with a sudden rise that surprised everyone. However, 2021 was a positive year for the Stock Exchange, even if the same cannot be said for the bond asset, which closed one of its worst years.

The real estate stocks have had a good performance even if uncertainties still remain on the future of the offices from some operators and this has penalized the recovery, still leaving many stocks to trade at significantly lower levels than pre-crisis averages.

The 2021 was also marked by the return of inflation, which, in a scenario of interest rates still under control, is a positive element for the sector but also for the shortage of raw materials and the consequent increase in construction costs.

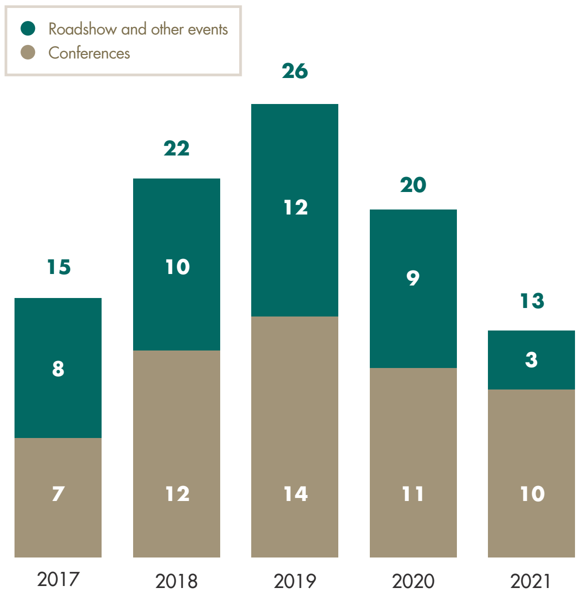
However, a climate of confidence seems to continue to prevail in the financial market despite rampant inflation, a shortage of raw materials and high commodity prices.

Milan, Gioiaotto, interior

Overview of the Investor Relations activity

In 2021, the investor relations activity took place mainly remotely. Both brokers and investors have quickly adapted to the circumstances, transforming conferences and roadshows into virtual formats and, despite these new ways of engaging, the dialogue with investors has remained very strong, both domestically and internationally.

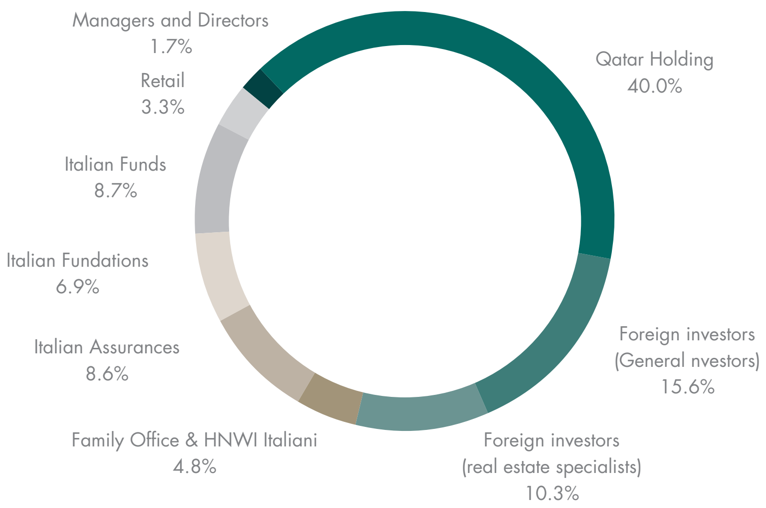
These circumstances and the resignation of the Investor Relator have led to a marginal decrease in investor relations activity in terms of the number of events in which the Company has participated compared to the years precedent. During the month of January 2022, a new Investor Relations Director was identified that will allow the Company to return to the standard levels of previous years.



Coverage by financial analysts

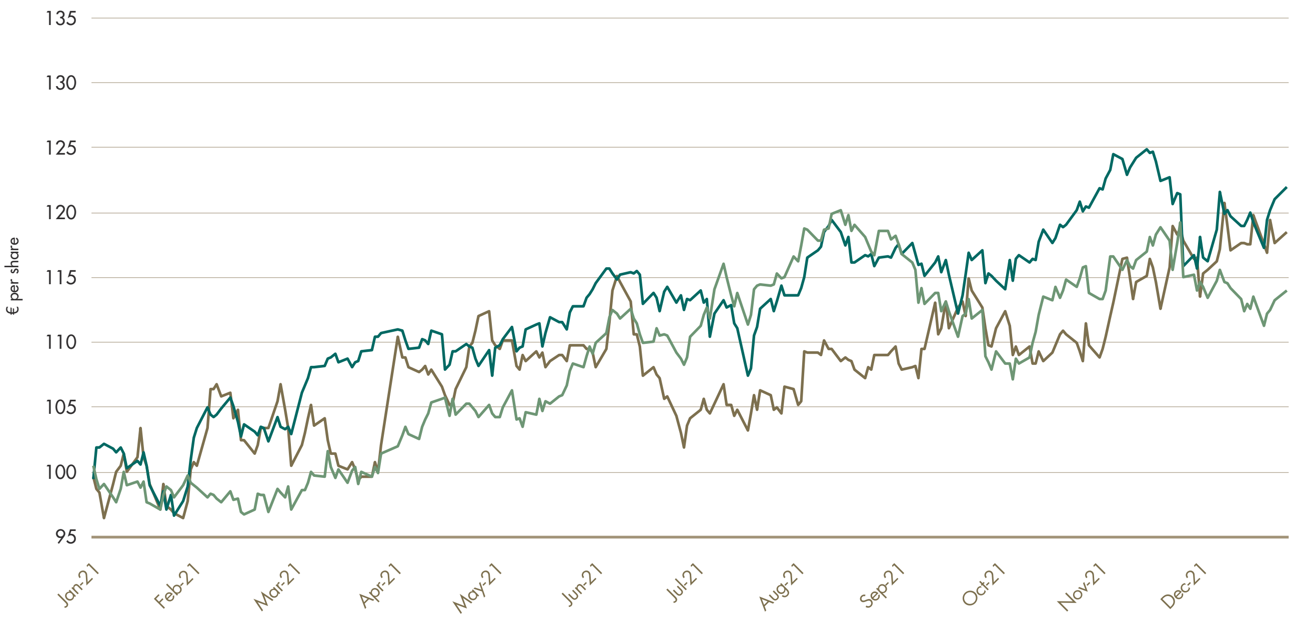
BROKER	RECOMMENDATION (as of December 31st, 2021)	PRICE TARGET (as of December 31st, 2021)
Banca IMI	Buy	Euro 9.60
Citi	Sell	Euro 4.60
Equita SIM	Buy	Euro 8.10
Kempen	Buy	Euro 8.80
Mediobanca	Buy	Euro 8.50
AVERAGE		**Euro 7.92**

Estimate of COIMA RES' shareholder base



Source: COIMA RES elaboration based on November 2021 interim dividend payment data

COIMA RES' share price in 2021 vs main reference indices



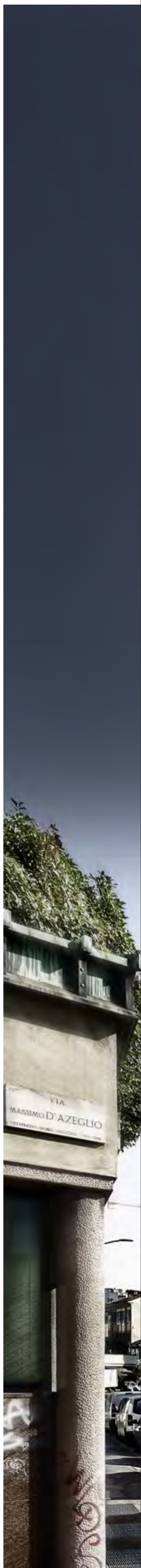
PERFORMANCE IN 2021

COIMA RES	+20.5%
FTSE MIB (Index)	+22.5%
EPRA Developed Europe (Index)	+16.1%

Source: Bloomberg

03

Governance

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INTRODUCTION BY THE CHAIRMAN

As Chairman, I am responsible for ensuring that the Board of Directors operates in the best way possible and always in favour of all shareholders of COIMA RES.

The COVID-19 pandemic continued to impact on the operational activities of the Company which, however, remained always operational, working from home and from office. The Company has adapted promptly by activating all of the necessary protocols and safeguard procedures in order to ensure continuity in all operational activities, preserving the health of all people working for COIMA RES.

The Company is always seeking constant input of its processes in order to continuously adapt them to international best practices and to the recommendations of the Corporate Governance Committee. For year 2021, we will conduct the process of evaluating the work of the Board of Directors in line with the best practices at the international level that require a three-year assessment.

On April 22nd, 2021, the Shareholders' Meeting appointed the new Board of Directors, confirming the approach already adopted by the Company over the last few years, i.e. nine members of which seven independent and one non-executive with adequate and diversified skills, also by increasing the level of competence in the area of sustainability. The non-executive members of the Board of Directors are now perfectly balanced in terms of gender diversity. As known, the Board of Directors will remain in office for one year, giving the shareholders the opportunity to constantly express their appreciation on the work of the Directors.

The activities of the Board of Directors are assisted by the relentless work of the committees aimed at monitoring risks, the reliability of the internal control system and the correct management of all transactions potentially in conflict of interest or concluded with related parties.

Essential to the proper functioning of the Board of Directors are also the Internal Audit and Compliance and Risk Management functions as well as the Supervisory Body. Risks are managed in a structured way, both thanks to the committees, but also thanks to the corporate culture which is focsed on the monitoring and daily management of investments and assets in order to generate adequate returns for our investors that are sustainable in the long term.

The principles that guide the Company's governance are: independence, entrepreneurship, integrity, excellence and sustainability. For us, it is of paramount importance to operate with a suitable Corporate Governance to provide external evidence of transparency in order to consolidate the trust of our present and future shareholders.

All internal processes are staffed with care, diligence and continuously monitored in order to manage COIMA RES' activities in an appropriate and transparent manner, especially towards the rest of the COIMA platform.

COIMA RES is, since 2016, a member of EPRA, the European Public Real Estate Association, an association created to promote, develop and represent the European real estate sector and establish best practices of the sector regarding reporting and financial reporting. We are pleased that EPRA has awarded COIMA RES, for the fifth consecutive time, with two "Gold Award" both the 2020 Financial Statements and the Sustainability Report 2020. We continue working to guarantee this level of transparency to our shareholders by promptly adapting to the new EPRA recommendations in terms of disclosure. The new EPRA Reccomendations in terms of disclosures have alredy been implemented and part of the information set that we deliver to shareholders and investors to allow an adequate and informed process of assessing the management's work.

Caio Massimo Capuano
Chairman
of the Board of Directors,
COIMA RES

MEMBERS OF THE BOARD OF DIRECTORS

Caio Massimo Capuano

September 9th, 1954

Degree in electrical engineering at the La Sapienza University of Rome. He started his career at Xerox followed by IBM.
1986-1997: Senior Partner of McKinsey & Company in the Banking and Financial Institutions, ICT sectors.
1998-2010: Chief Executive Officer and Director of the Italian Stock Exchange. Since October 2007, Deputy CEO of the London Stock Exchange Group. When at Borsa Italiana he has held numerous positions (Cassa di Compensazione e Garanzia, Monte Titoli, MTS) and has been a member of various committees of national interest set up by the relevant departments. He has promoted two versions of the Corporate Governance Code for the corporate governance of listed companies and has worked in various international bodies including President of the World Federation of Exchanges and President of the Federation of European Stock Exchanges (FESE).
2011-2013: CEO of Centrobanca, Corporate & Investment Bank of the UBI Group.
2013-2020: Chairman of IW Bank.
2020-2021: Chairman of Pramerica SGR.

Manfredi Catella

August 18th, 1968

Degree in Economics and Commerce at the Università Cattolica del Sacro Cuore. Master in regional planning and real estate at the Politecnico di Torino. Founding member and CEO of COIMA RES, majority shareholder and CEO of COIMA SGR and President of COIMA REM, real estate company founded in 1974, controlled by the Catella family.
He was Country Head and head of Italian assets for the Hines Group and worked at JP Morgan in Milan, Caisse Centrale des Banques Populaires in Paris, France, Heitman in Chicago, USA and HSBC in Paris.
Chairman of the Riccardo Catella Foundation, member of the Advisory Board of the Bocconi University and Assolombarda, Manfredi Catella is a financial analyst and member of the Association of Journalists, as well as the author of numerous articles and documents on real estate and land redevelopment.

Feras Abdulaziz Al-Naama

August 6th, 1991

Degree in Economics B.S. at the University of Oregon (Eugene - USA). He attended postgraduate courses at HEC Paris in Qatar and Carnegie Mellon University in Qatar.
From January 2014 to September 2016, he worked at Qatar Holding LLC as an analyst (corporate analyst) and a member of the capital markets team.
Since September 2016 he has worked for Qatar Investment Authority as a member of the capital markets team, focusing on equity, equity derivatives, real estate financing, FX, Fixed Income, Commodities and interest rate transactions.

Luciano Gabriel

August 15th, 1953

He is currently Chairman of the Board of Directors of PSP Swiss Property AG, a commercial real estate company operating in Switzerland and listed on the Zurich Stock Exchange (SIX Swiss Exchange), with assets under management of over CHF 7 billion. He held the position of Chief Executive Officer of PSP Swiss Property from 2007 to March 2017, and as Chief Financial Officer of PSP Swiss Property from 2002 to 2007. From 1998 to 2002 he was Head of the Corporate Finance and Treasury Department of Zurich Financial Services. From 1984 to 1998 he held various positions in the areas of corporate finance, risk management, international banking services to companies and commercial development at the Union Bank of Switzerland. He was President of EPRA (European Public Real Estate Association), the European association of major listed companies operating in the real estate sector for the period 2016-2017.

Olivier Elamine

October 9th, 1972

Founder and CEO of alstria office REIT AG, a real estate company operating in Germany, focused on the office sector and listed on the Frankfurt Stock Exchange, with assets under management of over Euro 4 billion.
In the past, Olivier Elamine was one of the founders of NATIXIS Capital Partners, director of the Investment Banking team at CDC IXIS (focusing mainly on the real estate sector), and a consultant at Ernst & Young (focusing on the real estate segment).

Alessandra Stabilini

November 5th, 1970

Degree in Law at the University of Milan. Master of Laws (LL.M) at the Law School of the University of Chicago, Chicago (USA). Ph.D. in Business Law at Bocconi University. Enrolled in the Register of Lawyers of Milan since 2001. Researcher of commercial law at the Faculty of Law of the University of Milan since 2004, with confirmation ofin the role in 2007. From 2011 to 2017, Adjunct Professor and holder of the course of International Corporate Governance (up to the 2015-2016 academic year), then the Corporate Interest course, Corporate Social Responsibility, and Financial Reporting (from the 2016/2017 academic year). Equity partner of Nctm Studio Legale Associato since 2015 (from 2011 to 2015 Of Counsel, former Collaborator). Areas of activity: company law, with particular reference to listed companies, financial market law, banking governance and regulation and banking crises. Vice-President of NED Community. She holds positions as independent director and statutory auditor in various companies, listed and unlisted. She holds and has held positions in crisis procedures of financial intermediaries for the appointment of the Bank of Italy.

Ariela Caglio

January 20th, 1973

Ariela Caglio graduated with honours in Business Administration from the Bocconi University, where she obtained a PhD in Business Administration and Management in 2001. She is Associate Professor of Management Accounting and Performance Measurement and Director of the Bocconi ESSEC Double Degree at the Bocconi University, as well as Senior Professor and Liaison Officer of the SDA Bocconi School of Management.
She gained over fifteen years' experience in areas such as business planning and budgeting, cost accounting, measurement and performance management and integrated reporting. She has also been a visiting professor at prestigious international institutions, such as the London School of Economics and Political Science (LSE) and the University of Manchester.
Ariela Caglio has published her contributions in important national and international magazines. She is a member of several Editorial Board and of the Standing Scientific Committee of the European Accounting Association (EAA) as well as Deputy Chair of the European Accounting Association (EAA) 2018 Congress. She participated in the Ready4-Board Women project and sits on the Board of Esprinet S.p.A. as an Independent Director.

Antonella Centra

September 20th, 1969

Graduated in law, summa cum laude, at the Sapienza University of Rome, Antonella Centra attended her master's degree in EU law at the College of Europe of Bruges. She always collaborated, both as general counsel (or deputy general counsel as far as regards Wind) who as a member of the board of administration, with important national companies e international, such as Gucci and Bottega Veneta – Kering Group, Wind Telecomunicazioni and Coca-Cola. In by virtue of her specific skills, since 2015, in addition to the role of general counsel and manager of compliance of the Gucci Group Group, she has been invested with the responsibility of EVP Sustainability Director and Head of Institutional Affairs. In these roles, helped define the sustainability strategy at 10 years of the Kering Group to make it in the various Gucci Business Units for sustainability was a pillar of Gucci's corporate culture. Antonella Centra, therefore, has a solid experience in in relation to any management issue social responsibility issues business and sustainability, combined with a thorough knowledge and familiarity in relation to any profile of relations and institutional affairs. Antonella Centra, in addition to her roles within the Kering Group, is now invested with official roles in main institutional bodies and associations.

Paola Bruno

February 23rd, 1967

Degree cum laude in Political Science and International Economics at Sapienza University of Rome and Master in Real Estate and Finance at SDA Bocconi School of Management in Milan. Executive with over 25 years of experience in London and Milan: investment banker, top manager in the banking sector, CFO, Managing Partner in a private equity fund, founder and CEO of the consulting firm Augmented Finance Ltd, non-executive director and commission chair / member of listed companies (FTSE Italia and AIM UK).

GOVERNANCE

Control and Risk Committee

This committee assists and supports the Board of Directors by ensuring adequate preliminary activities in evaluations and decisions relating to the Company's Internal Control and Risk Management System and those relating to the approval of periodic financial reports. It carries out all the tasks assigned by the Corporate Governance Code. It also acts as a committee for related parties in relation to transactions with related parties of greater importance and expresses a binding opinion towards the Board of Directors.

Remuneration Committee

It makes proposals on the remuneration of directors and senior management and any stock option plans and share allocation plans for executive directors and senior management. The Board of Directors has the final decision on the remuneration plan. It also assists the Board of Directors in preparing the succession policy for the CEO.

Investment Committee

It has a support function for investment and disinvestment decisions by the Board of Directors. All transactions must be submitted to the Investment Committee. Both employees of the Company and third parties belonging to COIMA SGR can participate in the meetings to discuss specific issues, and all participants must be in possession of high specialization in financial and real estate matters. The final decision in terms of investments and disposals is the responsibility of the Board of Directors.

MEMBERS AND ATTENDANCE		BOARD OF DIRECTORS	INVESTMENTS COMMITTEE	REMUNERATION COMMITTEE	CONTROL AND RISK COMMITTEE
Massimo Capuano	*Chairman* NON-EXECUTIVE	**12/12**	-	**2/2**	-
Feras Abdulaziz Al Naama	*Vice Chairman* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**12/12**	**5/9**[1]	-	-
Manfredi Catella	*Chief Executive Officer* EXECUTIVE	**12/12**	**9/28**	-	-
Olivier Elamine	*Director* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**12/12**	-	**2/2**	-
Luciano Gabriel	*Director* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**11/12**	**28/28**	-	**10/10**
Alessandra Stabilini	*Director* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**11/12**	-	**2/2**	**10/10**
Ariela Caglio	*Director* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**12/12**	**18/19**[2]	-	-
Antonella Centra	*Director* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**12/12**	-	-	-
Paola Bruno	*Director* NON-EXECUTIVE, INDEPENDENT CODE SELF-DISCIPLINE TUF	**11/12**	-	-	**10/10**

1 In charge until April 22nd, 2021
2 In charge from April 22nd, 2021

BOARD OF STATUTORY AUDITORS (IN CHARGE UNTIL 31/12/2023)

ROLE MEMBERS	COMPONENTI
Chairman	Massimo Laconca
Standing Auditor	Milena Livio
Standing Auditor	Marco Lori
Alternate Auditor	Emilio Aguzzi De Villeneuve
Alternate Auditor	Maria Stella Brena
Alternate Auditor	Maria Catalano

INDEPENDENT AUDITORS
(in charge until 31/12/2024)

EY

The Board of Directors activity focuses on the business and its strategy, giving the required attention to all corporate governance matters and in particular for this year, to the adjustment of the processes and procedures on the new Corporate Governance Code.

2021	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
STRATEGY AND EXECUTION												
Business plan/budget	✓											
Investment/divestment		✓			✓	✓	✓		✓	✓	✓	
Letting transaction												
Financing					✓	✓	✓		✓			✓
Market analysis		✓			✓						✓	
RISKS												
Analysis of internal control system and risk management		✓					✓					
Risk monitoring					✓						✓	
GOVERNANCE												
Analysis of periodic reporting		✓			✓		✓				✓	
Committees reporting		✓					✓					
Others	✓	✓	✓	✓	✓	✓				✓	✓	
EVALUATION												
Board of Directors evaluation				✓								✓
Conflict of interest/ related parties					✓	✓	✓					✓

INVESTMENT COMMITTEE REPORT

The Investment Committee consists of three Directors: two of whom are independent, the head of the Asset Management function, the head of the Investment Management function and a Real Estate expert, external to the Company. In addition, the risk manager supports the Investment Committee with technical support functions. The members of the Investment Committee are: Luciano Gabriel as Chairman, Manfredi Catella, Ariela Caglio, Michel Vauclair, Gabriele Bonfiglioli and Matteo Ravà.

The Company deemed it appropriate and necessary to appoint Gabriele Bonfiglioli and Matteo Ravà to the Investment Committee, who were partially seconded to the Company under the asset management agreement with COIMA SGR. Their roles are coordinators of the market, investment management and the asset management areas respectively, and to maintain in the Investment Committee the collaboration of Michel Vauclair, a former independent director of the Company and member of the Investment Committee.

The Investment Committee is a consultative body with the function of supporting investment and divestment decisions by the Company's Board of Directors, which has the ultimate decision-making power.

The Investment Committee carries out planning and execution of real estate management and investment decisions by defining the proposals relating to the following matters as a result of an analysis process. In particular:

examines any investment or disinvestment that the Company intends to execute

examines opportunities in the pipeline and approves spending budgets for the due diligence phase

monitor the progress of the analyses undertaken on the opportunities under consideration (pipeline) and assess whether to proceed with the submission of non-binding offers

assesses in advance, by subsequent resolution of the Board of Directors, the following transactions:

- *new financing agreements or amendments to existing financing agreements*
- *derivatives to hedge the interest rate risk on loans or assets and other liabilities held by the Company*

assesses lease contracts covering areas of more than 4,000 square meters of commercial areas or more than 25% of the NRA (net rentable area) of a single building

In the event of a positive outcome, the investment or divestment proposal, supported by the technical and financial documentation collected and/or prepared during the preliminary phase, is submitted to the Board of Directors for evaluation and resolution. In the event of a favorable resolution by the Board of Directors, the transaction is carried out.

In addition, the Investment Committee examines the risk reports prepared by the Risk Manager, reporting the identified criticalities to the Board of Directors and, if necessary, formulating proposals regarding investment and risk management policies.

The meetings of the Investment Committee are also attended by the Chief Financial Officer and the Investor Relations Director. It is also possible to have employees of the Company and third parties belonging to COIMA SGR, all of whom are highly specialized in financial and real estate matters attend meetings on specific issues.

During 2021, the Investment Committee played a very active and intense role not only in terms of examining investment and divestment proposals but also in balancing the quality of the portfolio and the simultaneous reduction of risk, and creation of real estate value through repositioning of real estate with particular reference to Monterosa 93, Tocqueville and Deruta. During 2021, and in line with the Company's strategies, the Committee expressed its support for the sale of the Sarca property, a mature income property, which allowed an important return to the Company and to create additional available resources compared to the initial investment. With regard to investment opportunities, the Committee has focused, as mentioned above, its attention on the investment of the Company's resources on real estate already in the portfolio but always with an eye to any opportunities on the market. In particular, in the last quarter of the year, the Committee expressed a positive opinion on the acquisition of the property located in Milan in via Pirelli 32. This acquisition will be finalized during the first quarter of 2022.

Finally, the Investment Committee carefully monitored the processes of relocation of some spaces and in general the situation of the conductors and risks on the existing portfolio.

Luciano Gabriel
Chairman of the Investment Committee, COIMA RES

Milan, Corso Como Place, interior

REMUNERATION COMMITTEE REPORT

The Remuneration Committee is composed of the Chairman of the Company Massimo Capuano, Olivier Elamine and myself as Chairwoman.

The main activities of the Committee concern:

- *assist the Board of Directors in the elaboration of the remuneration policy;*
- *submit proposals or deliver opinions on the remuneration of executive directors and other directors holding particular positions and on the setting of performance targets related to the variable component of that remuneration;*
- *monitor the concrete application of the remuneration policy and verify, in particular, the effective achievement of performance targets;*
- *periodically assess the overall adequacy and consistency of the remuneration policy of directors and top management; and*
- *assists the Board of Directors in the investigation for the preparation of a succession plan of the executive directors.*

The Committee reports to the Company's Shareholders on its conduct when exercising its functions.

During 2021, the Committee focused its activities on updating the remuneration policy, always taking into account the alignment of management's interests with those of shareholders. Also, during the year, the Committee focused its attention on the innovations introduced by the new Corporate Governance Code, adapting its procedures and processes. As part of these activities, some internal benchmarking studies were carried out on the remuneration of the Chairman of the Board of Directors as well as on the remuneration of the Independent Directors and the members of the Board of Statutory Auditors in order to assess activities carried out by these entities are in line with the remuneration paid by other companies comparable to COIMA RES in terms of size and complexity.

Finally, the Committee assessed the performance and achievement of the objectives of the Chief Financial Officer. Finally, the Committee analysed the impact of the application of the new Corporate Governance Code on its activities. The Committee did not use the budget entrusted by the Board of Directors, equal to Euro 20,000.

Alessandra Stabilini
Chairwoman of the Remuneration Committee, COIMA RES

REMUNERATION POLICY

The Remuneration Policy aims to establish guidelines for the determination of the remuneration of the members of the Board of Directors of the Company and Executives with strategic responsibilities (the "**Recipients**"). As of today, the policy does not apply to the Chief Executive Officer as holder of specific agreements made before the IPO and better detailed in the "Report of remuneration Policy and remuneration paid".

The remuneration of the Recipients, in general and except as indicated below, is divided between a fixed and a variable component, suitably balanced in relation to the Company's strategic objectives and risk management policy, also taking into account the business sector in which it operates, and the features of the business model adopted.

The policy adopted has the primary purpose of ensuring that the Company has a compensation system that is adequate and consistent with the Company's expected performance in the medium to long term. In particular, the Company's Remuneration Policy is aimed at attracting, retaining, and motivating personnel, and is consistent with the objectives outlined in the corporate strategy through:

- *A correct balance between variable and fixed component*
- *An adequate link between remuneration and individual performance*
- *A performance evaluation system consistent with the defined risk profile*

To this end, the Policy:

- *Is aimed at increasing transparency in terms of remuneration and the responsibility of the Recipients in the management of the Company*
- *Has the purpose of encouraging the Recipients to achieve the Company's objectives without encouraging the undertaking of inadequate risks*
- *Provides that the remuneration attributed to the Recipients is proportionate to the role covered, the delegated responsibilities and the skills and abilities demonstrated*
- *Guarantees the alignment of the interests of the Recipients with those of the Company, with the primary objective of creating value for the Company's shareholders in the medium-long term*
- *Is aimed at attracting, motivating and retaining people with the professional qualities required in order to successfully manage the Company*

Provides that for directors who have been granted management powers or who perform, even if only de facto functions relating to the management of the Company, as well as for managers with strategic responsibilities, a significant part of their remuneration is linked to their performance

Defines a system of economic and non-economic criteria on which to base the achievement of the objectives to which the attribution of part of the remuneration is linked

Establishes that the remuneration of non-executive directors shall be commensurate with the commitment required of each, also in consideration of their possible participation in one or more committees

The Company reserves the right to evaluate the adoption of further forms of medium-long term incentives which, together with those already adopted, could ensure the convergence of interests between all the Recipients and the Company's performance in the medium-long term.

Compensation for the year 2021

(EURO)	ROLE	FIXED COMPENSATION	COMPENSATION RELATED TO COMMITTEES	VARIABLE COMPENSATION	NON MONETARY BENEFITS	OTHER EMOLUMENTS	TOTAL COMPENSATION	FAIR VALUE OF EQUITY COMPENSATION	TERMINATION INDEMNITY
MEMBERS OF THE BOARD OF DIRECTORS									
Massimo Capuano	Chairman	150,000					**150,000**		
Feras Abdulaziz Al Naama	Vice-Chairman	30,000	2,500				**32,500**		
Manfredi Catella	Chief Executive Officer	100,000	10,000				**110,000**	**591,274**	
Olivier Elamine	Director	30,000	10,000				**40,000**		
Luciano Gabriel	Director	30,000	10,000				**40,000**		
Alessandra Stabilini	Director	31,171	10,390				**41,562**		
Ariela Caglio	Director	30,000	7,500				**37,500**		
Antonella Centra	Director	30,000					**30,000**		
Paola Bruno	Director	30,000	10,000				**40,000**		
BOARD OF STATUTORY AUDITORS									
Massimo Laconca	Chairman	46,800					**46,800**		
Milena Livio	Auditor	31,200					**31,200**		
Marco Lori	Auditor	31,200				9,360	**40,560**		
EXECUTIVES									
N. 1 executive		154,055		95,238	8,018		**257,311**		
OTHER COMPENSATION									
Matteo Ravà	Key Managers	50,000					**50,000**	**147,863**	
Gabriele Bonfiglioli	Key Managers	50,000					**50,000**	**147,863**	

It should be noted that Manfredi Catella, founder and CEO of COIMA RES, has expressed his willingness to waive until 1 January 2025, the same fees due for the position of CEO, in line with the conduct held by the IPO to date. This waiver is based on certain conditions which, as of today, are satisfied. For further information on the remuneration of the Chief Executive Officer, please refer to the "Report on the remuneration policy and the remuneration paid" and to paragraph 6 of the notes to the financial statements.

CONTROL & RISK AND RELATED PARTIES COMMITTEE REPORT

As Chairwoman, I believe that the Control and Risks Committee has carried out its duties in terms of evaluation of the adequacy of the control systems and in terms of management of risks in their evolution and implementation. The Board of Directors has identified in the Control and Risks Committee, made up of non-executive and independent directors, the competent committee pursuant to the Related Party Procedure and has attributed to the Control and Risks Committee the role and responsibilities that, pursuant to the Related Parties Policy, belong to the committees constituted, in whole or in majority, by independent directors.

The Control and Risks Committee is composed of three non-executive and independent directors, namely the undersigned as Chairwoman, Luciano Gabriel and Paola Bruno.

The role envisaged by version of the Corporate Governance code applicable at the date of this report, for the committee it is sensitive and provides in particular for:

*Assistance and support to the Board of Directors, ensuring the latter an adequate preliminary activity in evaluations and decisions relating to the Company's Internal Control and Risk Management System (hereinafter "**SCIGR**"), and in those relating to the approval of periodic financial reports;*

Expresses its opinion to the Board of Directors with regard to:

- *Define the guidelines of the internal control and risk management system in line with the Company's strategies and in the evaluation, at least annually, the adequacy of the same system in relation to the characteristics of the undertaking and the risk profile taken, as well as its effectiveness*
- *The appointment, dismissal and, consistent with company policies, the definition of the remuneration of the person responsible for the Internal Audit function and the assessment of the adequacy of the resources allocated to the latter for the performance of its tasks. If the Board of Directors decides to entrust the function of Internal Audit, as a whole or for operational segments, to an entity outside the Company, the Committee supports the Board in assessing that it has adequate professional requirements, independence and organization as well as assessing the appropriateness of the rationale for such a choice in the corporate governance report*
- *Upon approval, at least annually, of the work plan prepared by the Head of the Internal Audit Function, after consulting the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System*

- *To the assessment of the appropriateness of taking measures to ensure the effectiveness and impartiality of judgment of the other business functions involved in the controls (such as risk management and the control of legal risk and non-compliance) and the verification of the adequacy of the skills and resources allocated to them*
- *To the attribution to the Board of Statutory Auditors or to a specially constituted body of the supervisory functions pursuant to art. 6, paragraph 1, lett. b) of Legislative Decree No. 231/2001*
- *To the evaluation, after consulting the Board of Statutory Auditors, of the results presented by the statutory auditor in any letter of suggestions and in the additional report addressed to the Board of Statutory Auditors*
- *The description, within the Corporate Governance Report, of the main characteristics of the SCIGR and the methods of coordination between the subjects involved, expressing its assessment on the adequacy of the same*

The Control and Risks Committee in assisting the Board of Directors:

- *Evaluates, together with the manager in charge of preparing the corporate accounting documents and after consulting the statutory auditor and the Board of Statutory Auditors, the correct use of the accounting principles and, in the case of groups, their homogeneity for the purposes of preparing the consolidated financial statements*
- *Assess the suitability of periodic, financial and non-financial information to properly represent the Company's business model, strategies, the impact of its activity and performance, in coordination with the committee provided for in Recommendation 1, lett. A) of the Corporate Governance Code, where established*
- *Examine the content of the non-financial periodic information relevant to the internal control and risk management system*
- *Expresses opinions on specific aspects relating to the identification of the main business risks and support the assessment and decision of the Board of Directors relating the management of risks arising from prejudicial actions of which the latter has become aware*
- *Examines the periodic reports concerning the assessment of the internal control and risk management system and those of particular importance prepared by the Internal Audit function*
- *Monitors the autonomy, adequacy, effectiveness and efficiency of the Internal Audit function*
- *May ask the Internal Audit function to carry out checks on specific operational areas, giving simultaneous communication to the Chairman of the Board of Statutory Auditors*
- *Reports to the Board, at least every six months, in conjunction with the approval of the annual and half-yearly financial report on the activity carried out, as well as on the adequacy of the internal control and risk management system*

Furthermore, upon requested by the Board of Directors, it expresses a prior opinion on the transactions between the Company and related parties, as defined by International Accounting Standards (IAS) no. 24.

During 2021, the Committee has:

- *Evaluated the adaptation of processes and procedures to the new Corporate Governance Code*
- *Regulated the Committee's Rules adapted to the new Corporate Governance Code*
- *Evaluated transactions and contracts with related parties*
- *Evaluated the periodic review of the contractual conditions with COIMA REM S.r.l. and expressed its favorable opinion pursuant to the Related Party Procedure*
- *Periodically examined the risk monitoring report*
- *Periodically evaluated the adequacy of the internal control and risk management system*
- *Evaluated the periodic financial reports and the separate and consolidated financial statements*
- *Evaluation of the evolution of the organizational structure*
- *Periodically evaluated the activities carried out by the control functions*
- *Assessment of the activities of the supervisory body*
- *Reviewed the update of the Company's manual of procedures*
- *Evaluated, together with the manager responsible for preparing the corporate accounting documents and after consulting the statutory auditor and the board of statutory auditors, the correct use of the accounting principles and, in the case of groups, their homogeneity for the purposes of preparing the consolidated financial statements*

The Control and Risk Committee reported on the work of the Control and Risk Committee at the first useful meeting of the Board of Directors.

The Control and Risks Committee, in its capacity as Related Parties Committee, examined the transactions with related parties carried out by the Company, noting the Company's interest in carrying out the transaction, as well as the convenience and substantial correctness of the conditions of the transaction, including the help of opinions from external consultants.

The Committee, which met ten times during 2021, always set itself with the aim of favoring a broad and in-depth investigation in favor of the Board of Directors in the interest of the Company and its shareholders.

During 2021, the Committee has deployed Euro 6 thousand in its role as Related Party Committee whilst it has not used its budget as attributed by the Board of Directors.

Alessandra Stabilini
Chairwoman of the Control and Risk Committee, COIMA RES

HOW WE MANAGE RISKS

PHASES OF THE RISK MANAGEMENT PROCESS	IDENTIFICATION	EVALUATION AND QUANTIFICATION
	Risk Management Function Internal Audit Function Director in charge of the internal control and risk management system Managers responsible for operational functions	Risk function Management Managers responsible for operational functions Control and Risks Committee

Arranged bodies

CONTROL AND RISKS COMMITTEE

The Control and Risks Committee is a body with advisory and propositional functions towards the Board of Directors on issues relating to the assessment, orientation and adjustment of the internal control and risk management system. In this context, the Committee:

- *Supports the Board of Directors in defining guidelines for the internal control and risk management system*
- *Expresses opinions on specific aspects related to the identification of the main business risks*
- *Examines the work plans of the Control Functions as well as the related periodic reports, formulating any observations and proposals to the Board of Directors on the same and expresses its opinion on the adequacy of the Company*
- *Carries out coordination and liaison activities between the various control functions*
- *Examines the periodic reporting of the control functions that are of particular importance in terms of the risks of the Company's typical business and its normal operations*
- *It may require the Heads of the Control Functions to carry out checks and analyses on specific areas and/ or themes*

MONITORING	MITIGATION ACTIONS	REPORTING
Risk Management function Director in charge of the internal control system and risk management Control and Risks Committee	Managers responsible for operational functions	Control and Risks Committee Director in charge of the internal control and risk management system Board of Directors

RISK MANAGEMENT FUNCTION

The Risk Management Function exercises its activities to:

- *Develops and proposes to the Board the methodologies for measuring the risks to which the Company is exposed*
- *Monitor the application of measures taken to address weaknesses in the risk management system*
- *Periodically monitors the Company's business and operational risks*
- *Review investment/disinvestment transactions.*

The Risk Management Function prepares a map of the risks to which the Company is or could be exposed to and continuously assesses the possible emergence of new risks considering all relevant elements of the reference context and the business, such as:

- *The lines of development and corporate objectives, the market context, possible changes in the Company's business and/or new opportunities*
- *Expected evolution of the balance sheet and income statement aggregates*
- *Information on the development of investments and other "company specific" information (e.g. organizational structure, internal regulations, etc.)*

The Company's risk map is periodically updated and submitted for approval by the Control and Risks Committee and, subsequently, by the Board of Directors.

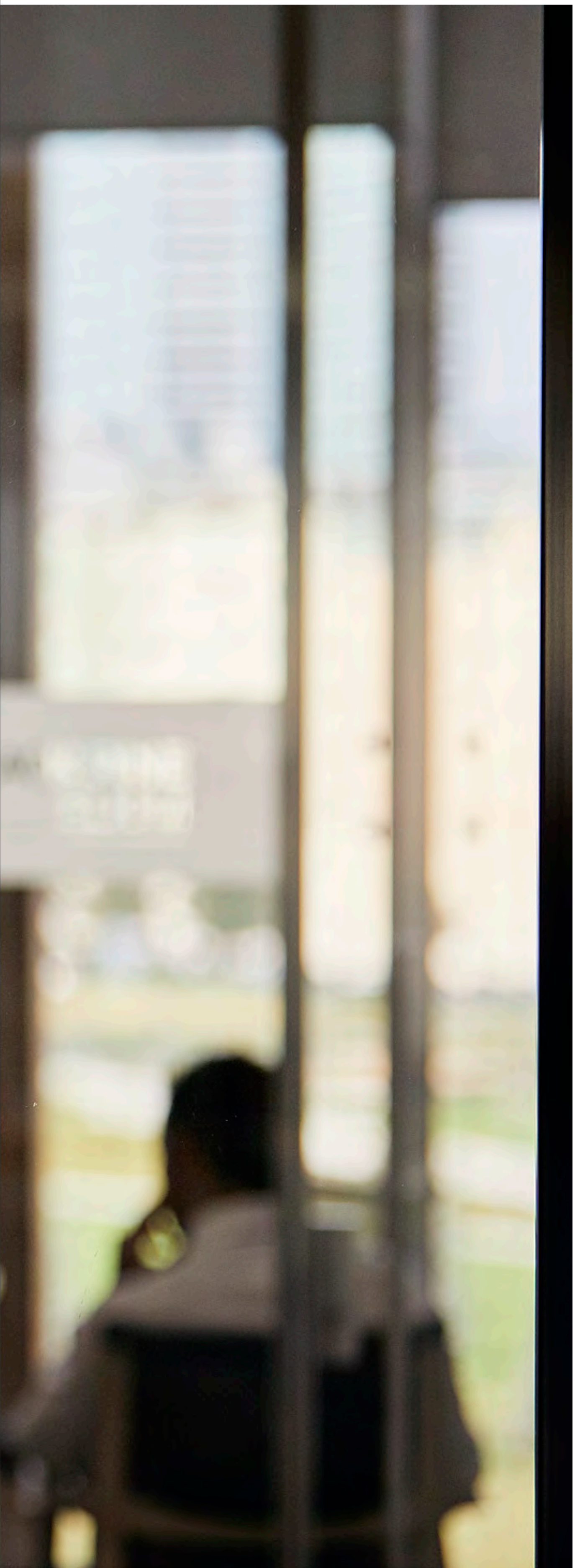
The structure of the Company's risk map is inspired by the best practices within the financial sector, although not directly applicable to COIMA RES. The risks exposed in the map also take into account the investment strategy adopted by the Company and its REIT status, from which constraints on the nature of revenues and assets arise.

The Risk Manager is independent, both functionally and hierarchically, from the operating units and reports directly to the Board of Directors.

RISKS	COIMA RES MITIGATION
Risk of losses The risk of losses is related to the fluctuation in the prices of properties in the portfolio or in rental values resulting from adverse changes of macroeconomic variables, the local and international political context, the property market, and/or the specific characteristics of the properties owned by the Company and/or structural changes in tenant habits. This risk also includes the effects resulting from properties in the portfolio that are vacant (vacancy risk) and potential losses associated with investment in "value-add" projects, in particular relating to restructuring or refurbishment works of certain real estate assets.	The Company's investment strategy is focused on quality assets (real estate or fund units) in large urban areas, specifically in Milan, which have demonstrated high income features and good resilience during negative market cycles, partly due to a less volatile level of demand compared with smaller assets located in secondary cities. Regarding vacancy risk, the Company deals with long-term rental agreements with adequate protection clauses. Tenant-specific asset management initiatives are designed in order to understand the situation and needs of each tenant, and to identify and address potential problems proactively. In consideration of the health emergency resulting from the spread of the Covid-19 virus, the Company carefully assesses and monitors the impacts on property values by conducting targeted stress tests, with particular reference to the most exposed hotel and retail assets, which however constitute a very limited portion of the Company's portfolio. Based on the results of the analyses, also taking into account assessments of the possible evolutions of the use of spaces as a result of the use of the so-called "Smart-working", the Company adapts, where appropriate, the management and enhancement strategies of the properties to contain the impacts and mitigate the risk.
Credit and counterparty risk The risk of losses deriving from the default of counterparties due to the deterioration of their creditworthiness up to the extreme case of default, with reference to: - tenants; - counterparties in real estate development operations (builder, manager); - counterparties in real estate transactions.	During the on-boarding phase, the Company analyses and continuously monitors the risks of non-compliance of tenants and other significant counterparties (e.g. solvency and creditworthiness analyses, analysis of the financial situation, references, prejudicial and negative information, etc.), also resorting to external databases. In this regard, the Company's investment strategy favours reputable and well-capitalized counterparties and those belonging to large international groups. Taking into account the aforementioned high profile of tenants and the limited volume of rents from tourist-accommodation and retail assets most exposed to the impacts of the Covid-19 emergency (6% of the total), the credit risk is contained and, in any case subject to careful analysis and monitoring. This is in order to prepare, where necessary, timely actions to protect and mitigate the risk of default, taking into account the existing contractual safeguards.
Concentration risk The risk resulting from properties leased to individual counterparties or groups of legally connected counterparties, counterparties from the same economic sector or which carry out the same activity or are located in the same geographical area.	The Company analyses and monitors this risk regularly and has also defined the limits in its Articles of Association with regard to concentration of individual properties/tenants. The Company's strategy involves increasing the number of tenants and the number of industrial sectors in which our tenants are active, in order to mitigate the risks associated with excessive concentration.
Interest rate risk The risk related to adverse changes in the rate curve that change the current value of assets, liabilities and their net value (ALM), and cash flows (assets and liabilities) based on changes in interest expense (assets and liabilities).	The Company purchases hedging instruments or otherwise contractually fixes an adequate amount of its floating rate exposure in order to reduce the impact of adverse changes in interest rates.
Liquidity risk The risk of not being able to meet one's payment obligations due to: - the inability to obtain funds in the market and generate adequate operating cash flows (funding liquidity risk); - the inability to monetise one's assets (market liquidity risk).	The Company continuously monitors the level of its liquidity based on detailed cash-flow analyses and projections as well as through cash flow and ALM risk management activities, utilizing among other tools scenario analyses and stress tests. From the perspective of optimizing the financial and capital structure, the Company's objective is to maintain a stabilized leverage of less than 40% (LTV) in the medium term. As part of the impact analysis of the Covid-19 emergency, the Company conducts stress tests to assess full compliance with financial covenants, and the ability to meet current financial commitments and those deriving from the planned capex plans. On the basis of the results of the sensitivity analysis, the Company prepares, where appropriate, optimization and strengthening interventions of the financial structure.

RISKS	COIMA RES MITIGATION
Other financial risks Other financial risks not associated with real estate assets such as, for example, counterparty risks and/or other market risks on any financial instruments in the portfolio.	The strategy currently adopted by the Company involves a limited investment in assets other than real estate assets except for treasury bills and instruments needed to hedge interest rate risk; this also takes into account statutory restrictions related to the REIT status to which we are subject. Exposure to any financial risks, not connected with real estate assets, is subject to periodic monitoring and is also mitigated through our use of reputable and well-capitalized banking counterparties.
Operating risk The risk of suffering losses resulting from the inadequacy or malfunction of procedures, and internal systems or external events. This risk includes the risk of outsourcing, i.e. the operating losses arising from the performance of the outsourced activities.	Operating risks are addressed by adopting adequate internal procedures and the structuring of the internal control system on three levels: - Level One: Scheduled checks carried out by the business units and staff functions; - Level Two: Checks carried out by the Legal, Compliance and Risk Management functions; - Level Three: Checks carried out by the internal audit function based on the Audit Plan. In order to contain the operational impacts of the Covid-19 emergency, the Company has prepared timely interventions to ensure the safety of personnel and workplaces, prepare the carrying out of activities in smart-working mode and raise awareness among staff on the adoption of safety measures and social distancing even outside the workplace. These interventions are aimed at limiting the risk of contagion without compromising the efficiency and effectiveness of the activities since the entry into force of the first restrictive containment measures (March 2020). Accurate protocols to prevent the risk of contagion were introduced in the buildings managed by the Company and in the work sites, in full compliance and in compliance with current legislation, and interventions to implement the requests of the tenants and adapt, where appropriate and permitted, the policies property insurance.
Legal and compliance risk The risk of changes in performance due to changes in the legislative framework or violations of the regulations to which the Company is subject.	The Company continuously monitors the risk of non-compliance with current legislation and compliance requirements. Our compliance checks include asset and profit tests to ensure that legal requirements, necessary to maintain the REIT status are met now and, in the future, as indicated in the Articles of Association.
Reputational risk The current or future risk of a fall in profits or capital, resulting from a negative perception of the Company's image by customers, counterparties, shareholders, investors, internal resources or the Regulatory Authorities. These risks also refer to potential value losses for shareholders deriving from inadequate management and control of environmental, social and governance standards (so-called "ESG factors") connected to the activities carried out by the Company.	Reputational risk, like operating risk, is mitigated by adopting an adequate organizational and control structure, consistent with international best-practices. We also mitigate reputational risk by putting in place stringent and specific procedures such as supervising external communication, overseeing interaction with stakeholders (e.g. governmental authorities) and monitoring contact with investors (e.g. complaint management). The Company pays particular attention to full and continuous compliance with the ESG Standards and considers sustainability as an integral part of its business by aiming to create a quality real estate asset, with sustainable long-term growth, preferring properties with potential for appreciation in the time. In this context, during 2017, the Company contributed to the creation of a "Think Tank" in collaboration with 5 of the most important listed real estate companies operating in Europe, whose activities are concentrated on the discussion of issues related to sustainability and innovation. The environmental performance of the asset portfolio, and the social and governance performance of the Company are subject to stable monitoring and adequate disclosure to stakeholders.
Strategic risk Pure risk and business risk; this consists of the current or prospective risk of a fall in profits or capital, resulting from changes in the operating environment or from incorrect corporate decisions, inadequate implementation of decisions, poor reaction to changes in the competitive environment, customer behaviour or technological developments.	In addition to a comprehensive strategic planning and evaluation process for analysis of investments, strategic risk is mitigated by the high level of experience and professionalism of Company management, with regard to the real estate market, operational/financial management, and internal controls. To support the strategic planning process, the Company uses, among other things, market analysis to monitor the evolution of the demand for office space and identify the factors affecting its performance. This also in consideration of the effects of the use of smart-working as a consequence of the pandemic in progress.
Rischio di sostenibilità Alla luce delle novità introdotte dal Regolamento delegato (UE) 2021/1255, che modifica il Regolamento delegato (UE) 231/2013 e della crescente attenzione da parte degli investitori ai temi legati agli aspetti ESG (Environment, Social and Governance), è diventato necessario tenere conto anche dei rischi legati alla sostenibilità degli investimenti in termini ambientali, sociali e di governance.	Sustainability risks are assessed both by the Risk Management function and by the "Sustainable Innovation Committee" or SIC. The SIC is a committee operating within the COIMA platform with the aim of promoting, managing and guiding the integration of best practices of sustainability and innovation in all business areas.

Milan, COIMA Headquarters, interior



The Risk Management Model

The RM Function adopts a risk analysis methodology that allows the risk profile of each asset directly and indirectly owned ("ARA Model") and of the Company as a whole ("SIIQ Model") to be analyzed, monitored and measured on a half-yearly basis. The risk analysis models adopted allow to identify, through the quantitative elaboration of a Risk Rating, a risk class and to monitor its evolution over time. The methodology adopted is mainly quantitative and is based on the analysis of six risk factors[1] (Market Risk, Credit Risk, Liquidity Risk, Counterparty Risk, Sustainability Risk and Operational Risk) and a specific risk of a residual and qualitative nature.

The Risk Assessment activity conducted at June 30th 2021 through the SIIQ Model (then at the Company level) revealed a risk equal to "Medium-Low"[2] with a *score* of 4.2.

1 Starting from the RIsk Assessment activity at December 31st, 2021, which will be conducted in May 2022, the Sustainability Risk will also be considered, in the light of the innovations introduced by th Delegated Regulation (EU) 2021/1255, amending the Delegated Regulation (EU) 231/2013. The ARA Model will consider the Environmental and Social factors (related to the environmental and social), while the SIIQ Model will also take into account the Governance factor.

2 The risk classes of the adopted models are 7, "very low", "low", "medium-low", "medium", "medium-high", "high" and "very-high".

04

Sustainability


COIMA


accenture

MARKET CONTEXT

Real estate has been identified by the EU Taxonomy as one of the sectors capable of enabling the transition to a sustainable development model and an economic system no longer dependent on fossil fuels.
As also highlighted by the National Strategy for the Circular Economy drafted by the Ministry of Ecological Transition in September 2021, real estate construction and management is responsible for 50% of material extraction and 35% of waste in the EU, as well as 36% of greenhouse gas emissions. Aware of its impacts and driven by the regulatory changes introduced by the Green Deal, which aims to create a virtuous circle between investment demand and sustainability, the sector has embarked on a phase of profound evolution centred on the implementation of environmental and social sustainability policies and practices.

At EU level, historic steps are being taken to steer the path towards the decarbonisation of the economic system, starting with the 2050 climate neutrality target and, among others, reducing social inequalities and promoting equal opportunities.
From a regulatory point of view, there are two main pillars: the EU Taxonomy (EU Regulation 2020/852) and the Sustainable Finance Disclosure Regulation (EU Regulation 2019/2088).
On the one hand, the EU Taxonomy offers a classification system aimed at providing investors with a clear framework for economic activities that, by meeting CO_2 criteria, can be considered truly sustainable - including the entire real estate value chain. Approved in 2020, the EU Taxonomy and climate change adaptation and mitigation will fully enter into force on January 1st, 2022.
During 2022, the European Commission will complete the taxonomy architecture with the publication of the remaining delegated acts relating to the objectives of sustainable use and protection of water and marine resources, transition to a circular economy, prevention and control of pollution, and protection and restoration of biodiversity and ecosystems.
On the other hand, the Implementing Regulation 2019/2088 of the European Parliament and of the Council ("SFDR") became operational in March 2021 which introduces the requirement for greater information transparency within the financial markets on the environmental and social impact of the investment products involved. The focus of the legislation is to broaden and standardize the information provided to investors on financial products, providing rules for the classification of financial products according to types and metrics that allow to evaluate their ESG impacts.
At the same time, the multiple trends of change, some of them amplified by the Covid-19 pandemic, make the demand of the end users of the real estate product increasingly complex and advanced. This consolidates the flexible way of working and increases the number of virtual and physical connections between cities, which are becoming closer and closer to each other.

The point of attention is no longer the individual building, but the city itself as an ecosystem integrating public sphere, infrastructure, physical and digital connectivity.

Along these lines, the PNRR (National Recovery and Resilience Plan) prepared by Italy to relaunch its economy after the Covid-19 pandemic, aimed at enabling and guiding the country's green and digital development, allocates resources totalling more than 54 billion euros to urban regeneration, considering the six missions defined by the Plan: it is therefore a systemic intervention that acts as a driving force for a profound change in the cities we live in.

Overall, the effort to respond and adapt to regulatory, economic and social changes has ushered in a moment of transformation that has begun everywhere, but in cities like Milan it is even more evident, promoting a virtuous circle that encourages all market players - from investors to developers, from managers to users - to research and implement sustainable solutions that adapt and respond to the interests of the community.

Milan, Porta Nuova

STAKEHOLDERS AND MATERIALITY

COIMA's ambition is not only to be part of, but to lead the transition, interpreting at best the trends of change and the issues that represent them.
COIMA RES's business model continues to evolve in order to proactively respond to the main market dynamics, always taking sustainability as the key to understanding how to do business, through the all-round integration of environmental, social and governance (ESG) aspects.

From this perspective, the materiality matrix represents a snapshot of the most relevant sustainability issues relevant issues for stakeholders and for the impacts as regards the impacts generated by COIMA's activities.
Updating the matrix is therefore a fundamental step in maintaining a clear vision of the priority areas within which to develop sustainability strategies and actions, with a view to both opportunities and risk management. developing sustainability strategies and actions, with a view to both opportunities and risk management.

Also this year, the evolution of the reference scenario has guided COIMA in the updating of material issues: the update stems from a sectoral, regulatory and market analysis, in line with the priorities identified by COIMA and its stakeholders.

As anticipated, there has been an acceleration of action to combat climate change, together with the consolidation phenomena related to the Covid-19 pandemic, including the spread of remote working mode the acceleration in the use of digital technologies, the change in ways of living the city and the spaces.

In the course of 2021 the material themes were standardised at COIMA platform level. These are themes to which the company has dedicated reflection and in-depth analysis, discussing and comparing notes with its with its reference stakeholders. From this reflection with respect to the material issues reported in the Sustainability Section 2020, two new environmental issues were introduced environmental issues, such as "Protection and preservation of ecosystems" and "Resource efficiency and circularity and circularity", as well as a new social theme, "Development and enhancement of human capital".

Finally, there was a desire to focus not only on asset quality but also on the quality of assets, but also on the involvement of tenants and the local community: for this reason the theme "Quality of urban life" has been renamed and given the and connotation of "Inclusive and sustainable communities".

COIMA stakeholders' map

A DAY OF DISCUSSION AND DEBATE: THE TENTH EDITION OF THE COIMA REAL ESTATE FORUM

With the 2021 edition, the annual appointment of COIMA Real Estate Forum has turned ten: it is a moment of confrontation organized by COIMA platform, to reflect together with financial, institutional and industry stakeholders on the status and prospects of the Italian real estate market.

This year the debate was even more focused on the most topical issues affecting the sector: sustainable urban regeneration, the National Recovery and Resilience Plan, real estate as a driver of the Italian economic recovery, opportunities, challenges and best practices in sustainable real estate investments.

The Forum was attended by over 500 streaming operators, representing approximately 60 leading Italian and international institutional investors from Asia, America, Canada, the Middle East, Europe and Italy.

The material topics of the COIMA platform

MATERIAL TOPICS 2021	PERCEPTION OF THE TOPIC	COIMA'S ANSWERS
ENERGY EFFICIENCY AND DECARBONISATION	Institutions are placing the decarbonisation of the system at the heart of sustainable development policies. Substantial financial resources are being mobilised around this pillar, as well as the interest of investors who are more sensitive to a proper appreciation of climate risk.	COIMA adopts an investment strategy that privileges quality properties, which meet the highest environmental standards, or which have a potential for enhancement through redevelopment, with particular reference to the reduction of energy consumption and consequent CO_2 emissions.
PROTECTION AND PRESERVATION OF ECOSYSTEMS	The global commitment to reducing pressure on the environmental system also embraces, first and foremost, the protection of eco-systems and the specific biodiversity that characterises each of them.	COIMA pays particular attention, along the entire value chain, from the design to the management of the buildings, to preserving the urban eco-systems in which the buildings are embedded, protecting their biodiversity and specific features. Moreover, wherever possible, it integrates biophilic design principles and the promotion of green spaces into the buildings themselves.
RESOURCE EFFICIENCY AND CIRCULARITY	The real estate sector is one of the main users of raw materials and the main contributor to waste generation. The relevance of this issue underlines the obvious inefficiency of the production chain when based on a linear economy model.	COIMA integrates in its development process an economic circularity approach from the design phase (design for disassembly) to the construction of the buildings (reuse and recycling of materials).
HEALTH, SAFETY AND WELL-BEING OF PEOPLE	The pandemic brought health and mental and physical wellbeing to the fore as fundamental conditions for the full expression of all economic and social activities.	COIMA considers these aspects at all stages of its value chain. COIMA has continued to provide support to its tenants to manage the various phases of the health emergency, in order to ensure safe access to the buildings, with particular attention to the case where they are rented to several tenants.

MATERIAL TOPICS 2021	PERCEPTION OF THE TOPIC	COIMA'S ANSWERS
DEVELOPMENT AND ENHANCEMENT OF HUMAN CAPITAL	Human capital is the main resource that guarantees the level of quality, innovation and competitiveness in the market. A stimulating working environment, where people's merit is recognised and valued, is the starting point for the company's development and success.	COIMA has always been committed to enhancing the value of its employees and their integration into the corporate organisational culture, promoting and supporting their diversity, skills and interests.
INCLUSIVE AND SUSTAINABLE COMMUNITIES	The way in which buildings are designed and integrated into the urban fabric, resulting in new centres of aggregation and even development, has a direct impact on how inhabitants live, work and use the services offered by the city.	COIMA works to promote and implement development projects characterised by an integrated vision, with the aim of impacting on the regeneration of the urban fabric, creating and enabling inclusive communities that can improve the quality of life of those who live in and use them.
INNOVATION	Innovation is the condition underlying the ability to attract and retain tenants and to develop real estate products that can maintain their value over time.	COIMA has integrated skills and processes processes aimed at developing innovative and quality products. It periodically verifies the satisfaction and needs of its tenants and is committed to actively participating in national and international discussion forums and international comparison forums to anticipate future trends in the sector.
TRANSPARENCY AND GOVERNANCE	The market and investors demand guarantees of transparency in corporate management and reporting and increasing participation in decision-making processes.	COIMA applies best practices in corporate governance and reports annually on its ESG performance, according to the most widespread industry standards and being a forerunner in implementing the latest ESG guidelines and regulations.

INTEGRATING SUSTAINABILITY INTO THE BUSINESS MODEL

Innovation and sustainability have always distinguished the way the entire COIMA platform operates, representing the essential identity factors with which it intends to maintain leadership and competitiveness on the market.

The first cornerstone and inalienable condition of COIMA's approach to sustainability is conduct in accordance with ethics and standards, and the balancing of legitimate interests with stakeholder expectations. For this reason, COIMA has adopted a Code of Ethics, which applies to all the companies in the platform, and which sets out the highest principles, commitments and responsibilities that employees and collaborators are required to observe in the conduct of their activities. Furthermore, COIMA RES maintains a corporate governance system that is in line with the requirements of Italian listed companies and with international best practices, as well as an organisation, control and risk management model that is appropriate to the profile of the company's activities. In the context of good governance practices and adherence to the Corporate Governance Code, COIMA RES carried out the triennial self-assessment process during 2021.

COIMA RES sustainability strategy is integrated into the business model through an agenda established by senior management and the Company's Board of Directors, which outlines specific objectives and actions to achieve them. The objectives are updated annually on the basis of the results achieved and the evolution of the external and internal context.

The COIMA RES agenda contributes to the broader development strategy of the COIMA platform. Coordination of sustainability action at platform level is promoted and monitored by the Sustainable Innovation Committee (SIC), which became in April 2021 a committee of a technical advisory nature established by the Board of Directors of COIMA SGR. The SIC is currently composed of three members, from the various entities of the COIMA platform, and meets monthly in two meetings, the first internal and the second one involving the whole management.

Sustainability agenda 2020-2023

During 2021, COIMA RES revisited its sustainability objectives in detail with the aim of making them more specific and concrete. The table below shows the objectives that COIMA RES intends to pursue in the three years to come, as well as the state of completion of the objectives reported for 2020.

During the year an important milestone was reached with the implementation of the decarbonisation plan. At the same time, COIMA RES continued its efforts in relation to tenant involvement and the development of buildings in compliance with LEED and WELL certifications.

With regard to building certifications, no new construction sites were launched during the year; however, the construction phase started on Monterosa at the beginning of 2022 following the release of space. This phase is also expected to start on Deruta and Tocqueville as soon as the spaces are released.

ESG	AREA	OBJECTIVE	TIMEFRAME	COMMENTS	PROGRESS
E	**Portfolio decarbonisation**	Reducing emissions and portfolio consumption	**2021**	Analysis of the environmental performance of buildings, technical and economic assessment of possible areas of improvement in relation to EU decarbonisation targets.	Completed
			2021-22	Defining the decarbonisation plan for the portfolio.	Completed
			From 2022	Monitoring and reporting on the results obtained.	To be started
	Buildings' certification	Application of sustainability certifications in portfolio properties.	**Timing linked to the actual renovation process of the buildings**	Application of LEED and WELL sustainability certifications in buildings undergoing redevelopment or new construction.	Ongoing
S	**Stakeholder involvement**	Reducing consumption and emissions	**2021-2022**	Meetings with key tenants of the properties to analyse the ESG performance of the properties and identify potential interventions to reduce environmental impacts	Ongoing
		Investor Relations	**2023**	Increase engagement with investors on ESG issues through seminars and events	To be started
		Local community engagement	**2023**	Development of partnerships and initiatives to involve local communities where the company operates through its investments	To be started
G	**Transparency in governance**	Annual Report, sustainability and Corporate Governance Report	**September 2022**	Maintain EPRA's Gold Award for financial and sustainability reporting for the year 2021	Ongoing
			2023	Application of TCFD recommendations in annual reporting	To be started
			2024	Development of the COIMA RES Integrated Report	To be started
		ESG Financing	**Timeframe linked to funding needs**	Development of sustainable financing aligned to the European Taxonomy	Ongoing
		ESG Risk integration	**2022**	Integration of ESG risks into COIMA RES' traditional risk universe	Ongoing

SUSTAINABILITY OF BUILDINGS

Creating environmental and social value with investments

COIMA RES's investment choices favour properties capable of achieving immediately high energy and environmental performance, thanks to their design and construction characteristics, or subsequently, through targeted renovation work, also proven by obtaining certifications based on internationally recognised standards, first among which is LEED certification. From a 'social' point of view "on the other hand, COIMA RES' commitment is expressed in the RES commitment is to create spaces that prioritise health and safety health and safety, the healthiness of the environment, the well-being healthiness, well-being and services offered to the employees' tenants occupying the buildings. As with environmental performance, these standards are recognised by certifications at international level, including the WELL certification.

Already in the due diligence phase, the sustainability characteristics, including any opportunities for enhancement, are verified and assessed through the application of the "Sustainability Acquisition Checklist" and the COIMA Charter (an ESG investment assessment system that evaluates possible areas of improvement by defining a numerical rating of the "as-is" starting condition and the "target" scenario).

To date, about 66%[1] of the property portfolio is made up of newly constructed or recently refurbished buildings certified according to the various LEED protocol levels. This percentage includes the Corso Como Place project which, together with the Pavilion building, is a candidate for LEED & WELL For Community certification. Most of the steps to achieve LEED certification were taken in 2021, although formally it will be achieved in 2022. A further 26% of the value of the portfolio will be certified after redevelopment works that will be carried out in the coming years. In particular, in addition to LEED certification, two buildings are WELL pre-certified and a further two are WiredScore pre-certified, underlining not only the high environmental performance of COIMA RES properties, but also their social and innovation performance.

The remaining 8% are buildings that do not qualify for this type of certification (bank branches).

Decarbonisation strategies and pathways

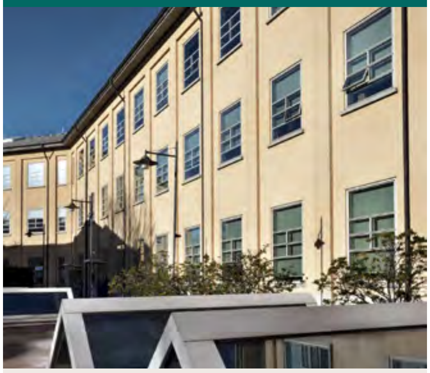
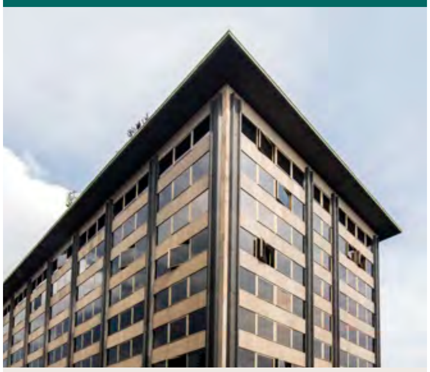
In the environmental sphere, COIMA's strategic objective is to reduce the carbon footprint of its portfolio, in line with the decarbonisation objectives set by scenarios developed at European level.
Starting from an in-depth study of the emissions of its properties and the projections to 2050 of their performance in relation to the Paris objectives, COIMA RES has structured an organic plan, built by comparing the effectiveness and efficiency of different decarbonisation strategies.

1 The percentage of certified properties in the portfolio is calculated on the GAV as of 31.12.2021.

The analysis was developed considering two scenarios:

- ***the "do nothing" scenario***, *which projects constant 2019 consumption into the future[1], without considering any type of efficiency improvement, redevelopment or change in the consistency of the buildings.*
- ***the "stabilized" scenario***, *which incorporates the investments and disinvestments currently planned. In this case, the acquisition of the Gioia 22 building, the sale of Sarca 235 and the investments in the redevelopment of the buildings in Corso Como Place, Monte Rosa, Tocqueville and Deruta planned for the next few years were taken into account.*

The study made it possible to estimate and analyse the emissions profile that the portfolio will undergo thanks to the contribution of the investments currently planned.

Monte Rosa	Tocqueville	Deruta
		
CURRENT BUILDING OPERATIONAL EMISSIONS **49** $kgCO_2e/m^2/yr$	CURRENT BUILDING OPERATIONAL EMISSIONS **103** $kgCO_2e/m^2/yr$	CURRENT BUILDING OPERATIONAL EMISSIONS **101** $kgCO_2e/m^2/yr$
TARGET OPERATIONAL EMISSIONS AFTER UPGRADING **40** $kgCO_2e/m^2/yr$	TARGET OPERATIONAL EMISSIONS AFTER UPGRADING **25** $kgCO_2e/m^2/yr$	TARGET OPERATIONAL EMISSIONS AFTER UPGRADING **40** $kgCO_2e/m^2/yr$
REDUCTION **-22%**	REDUCTION **-76%**	REDUCTION **-60%**

1 The constant consumption projection was based on consumption in 2019, the last year of "normal" operation before the impact of COVID-19 on the operating profile of the buildings.

Considering the current investments that foresee an expansion in terms of area of COIMA RES' portfolio of about 26%, the portfolio will see a reduction in emission intensity of about 29%, with a total net reduction of about 7%.

	PORTFOLIO @ 2019	STABILIZED @ 2025-26	CHANGE
TOTAL PORTFOLIO AREA [m^2 GBA][2]	**170,000** m^2	**215,000** m^2	**+26%**
PORTFOLIO CARBON INTENSITY	**70.5** $kgCO_2/m^2/yr$	**49.8** $kgCO_2/m^2/yr$	**-29%**
TOTAL PORTFOLIO CARBON EMISSION	**11,700** tCO_2/yr	**10,900** tCO_2/yr	**-7%**

2 Rounded area values calculated according to IPMS2 (International Property Management Standard).

PROPERTIES CURRENTLY IN THE PORTFOLIO AND CERTIFIED

VODAFONE COMPLEX

Certification:
LEED Silver

GIOIAOTTO

Certification:
LEED Platinum

A NEW FINANCING ALIGNED TO THE EU TAXONOMY

This year COIMA RES entered into a new financing agreement with Crédit Agricole Corporate and Investment Bank (Agent), BNP Paribas, ING Bank and UniCredit: the transaction, concluded in December, amounts to a total of €165 million, aimed at refinancing the real estate portfolio (for an amount of €120 million), and granting a new line to support the capex plans for the Monterosa, Tocqueville and Deruta properties (for an amount of €45 million). This is the first financing finalised by COIMA RES that integrates as a characterising factor the alignment with the European Taxonomy of sustainable economic activities and one of the first in Italy, and this has been possible thanks to the high quality of design and sustainability of the Company's portfolio.

The sustainability objectives established, in terms of energy efficiency and containment of emissions, have made it possible to obtain favourable financing conditions, significantly below current market levels, with a further reduction in the cost of financing expected upon completion of the requalification and marketing activities.

PAVILION

Certification:
LEED Gold

MICROSOFT

Certification:
LEED Gold

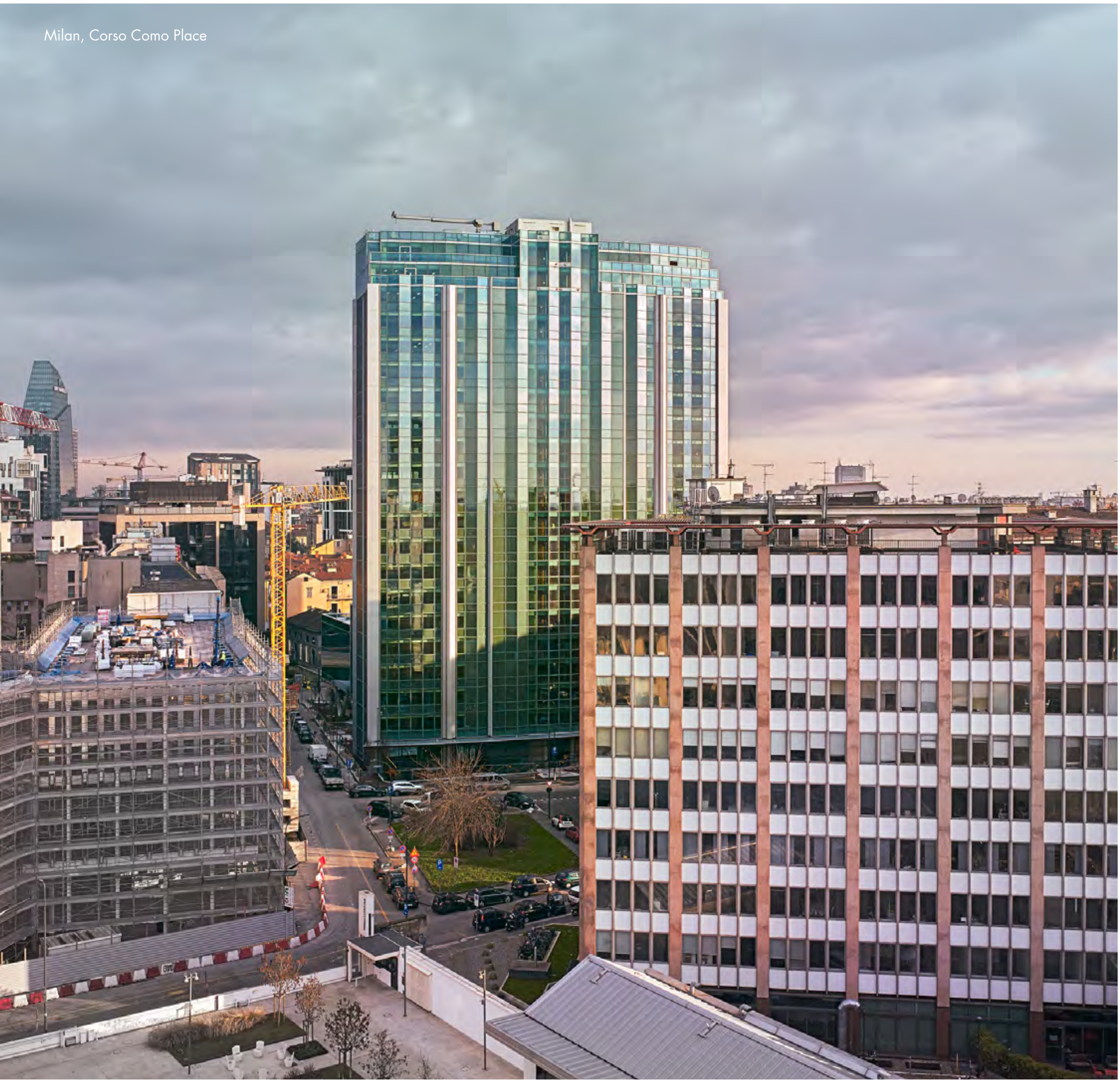
CORSO COMO PLACE

Certification:
LEED Gold, WELL Gold, Cradle to Cradle, Nearly Zero Energy Building, WiredScore

Real Estate property value creation

For the properties in its portfolio, COIMA operates through redevelopment interventions that are developed around three fundamental pillars energy efficiency and decarbonisation, resilient and flexible spaces, and occupant health and well-being.

A clear example of this holistic approach is Corso Como Place.


Milan, Corso Como Place

CASE STUDY

THE VALORISATION OF A PROPERTY: THE CASE OF CORSO COMO PLACE

Corso Como Place is a real estate complex located in the epicenter of the urban evolution of Porta Nuova, between Piazza Gae Aulenti, Fondazione Feltrinelli and Corso Como. The complex saw the complete regeneration of the former Unilever tower building, and the ongoing construction of a new building of over 4,000 square meters that will host commercial and tertiary functions - the Podium. The surrounding public space, which serves as a link with the pedestrian area, has also been completely redeveloped for a better use of the entire area.

Corso Como Place is the first office complex in Milan to obtain, in February 2022, the WELL Building Certificate, a standard that assesses how buildings positively affect the health of the people who live in them, based on the criteria of psychophysical wellbeing, comfort, movement and quality of light, food, water and air. The buildings are equipped with smart building systems through the widespread use of Internet of Things (IoT) technologies: thanks to the integration of sensors and data management and analysis systems, Corso Como Place is in fact an intelligent architecture that actively supports the processes of work and use of spaces, ready to respond to the evolving needs of the occupants.

The buildings are in line with the Nearly Zero Energy Building standard, thanks to high energy performance and minimisation of emissions: 65% of the buildings are powered by renewable sources, with over 1,000 integrated photovoltaic modules.

The design, organisational, technological and material choices also guarantee LEED Gold certification in the development phase. Finally, the entire complex was designed according to the Cradle to Cradle protocol, which introduces circular economy criteria in the choice of materials and implementation of processes.

Through dynamic simulation tools of the building's energy performance, it was possible to evaluate the positioning of the buildings in relation to the decarbonisation objectives of the European Union. Thanks to the sustainability measures that have been integrated into the buildings from the earliest design stage, the results of the simulations show emissions that are around 50% lower than the current limit defined by the European Union.

36.1 *and* **46.1** *$kgCO_2e/m^2/year$*

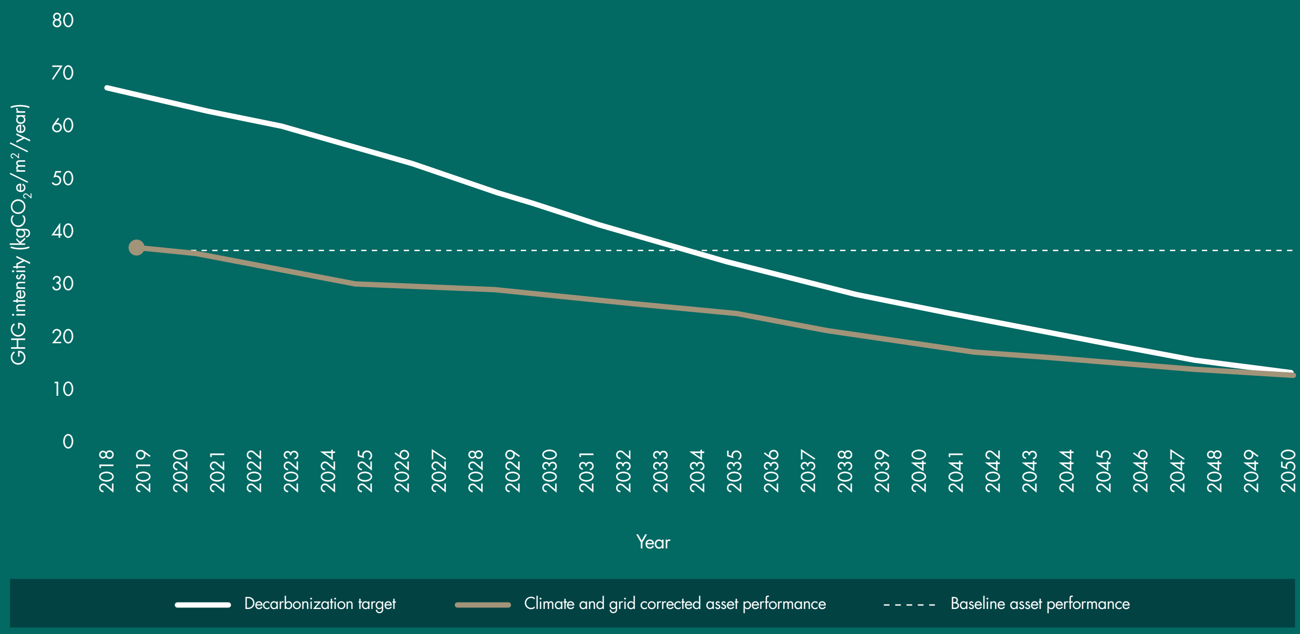
ESTIMATED CARBON INTENSITY OF BUILDING A AND BUILDING C RESPECTIVELY (2019)

65.2 *$kgCO_2e/m^2/year$*

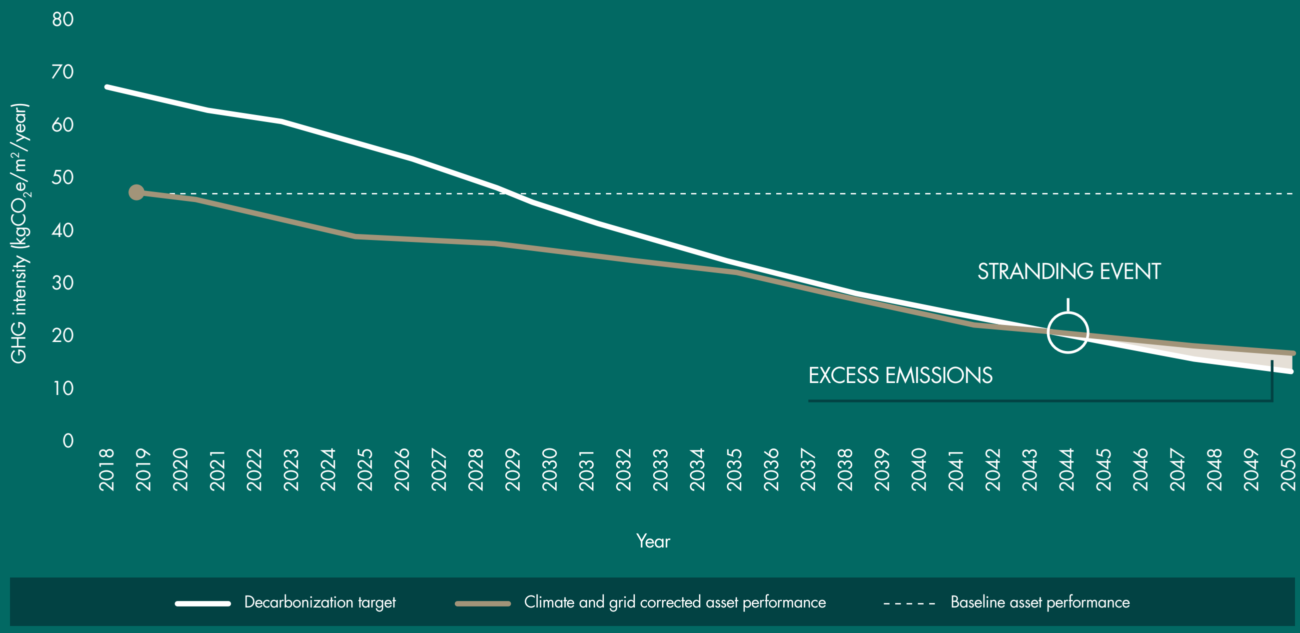
CARBON INTENSITY LIMIT 2021

Milan, Corso Como Place

STRANDING DIAGRAM 2°C – BUILDING A



STRANDING DIAGRAM 2°C – BUILDING C



Milan, Sarca

CASE STUDY – SARCA DISPOSAL

COIMA RES completed the sale of the office building at 235 Viale Sarca in Milan, in the Bicocca district, earning €82.5 million. The building was purchased from a leading local investor and secured a 36% premium over the 2019 acquisition price. Numbers that clearly show the financial return associated with managing a building with high performance in terms of sustainability. Sarca 235, in particular, had been entirely renovated in 2017 along the design lines of the Alessandro Scandurra architecture studio, and is LEED Platinum certified.

The property, with a size of 17,661 sqm, is currently fully leased to several international tenants, including Philips and Signify, and is characterised by an average remaining lease term of approximately 5 years.

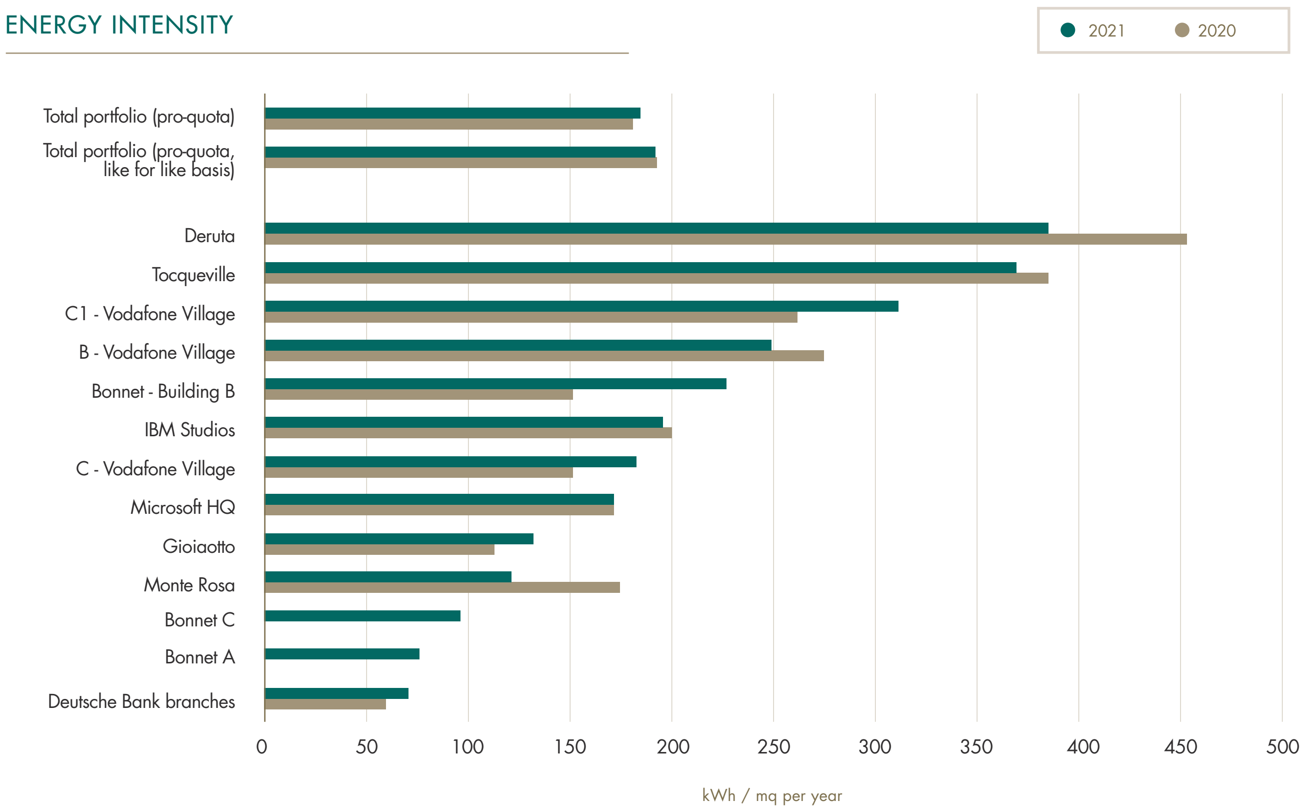
The sale of the Sarca property is in line with COIMA RES' strategy of portfolio rotation (particularly with regard to mature, non-core and non-strategic properties) aimed at crystallising performance and freeing up capital for new investments, both in terms of property acquisitions on the market and in terms of restructuring properties already in the portfolio.

The environmental performance of buildings

With regard to greenhouse gas emissions, 24% of these are attributable to the property (Scope 1 and 2), while the remaining 76% are directly attributable to the tenants (Scope 3). COIMA RES has limited control over the latter portion of emissions: it is therefore clear that the reduction of the carbon footprint also involves the tenants themselves, in order to rationalise energy consumption and encourage the purchase of energy from renewable sources. This is an awareness that COIMA RES has already taken on board and on which it is concentrating its efforts, starting with the involvement of tenants in the collection and sharing of energy consumption data, necessary to obtain a complete overview of property emissions: also for this year, the estimate of data not received is limited to 8% of total emissions.

Overview of the energy and GHG intensity of the COIMA RES portfolio

ENERGY INTENSITY



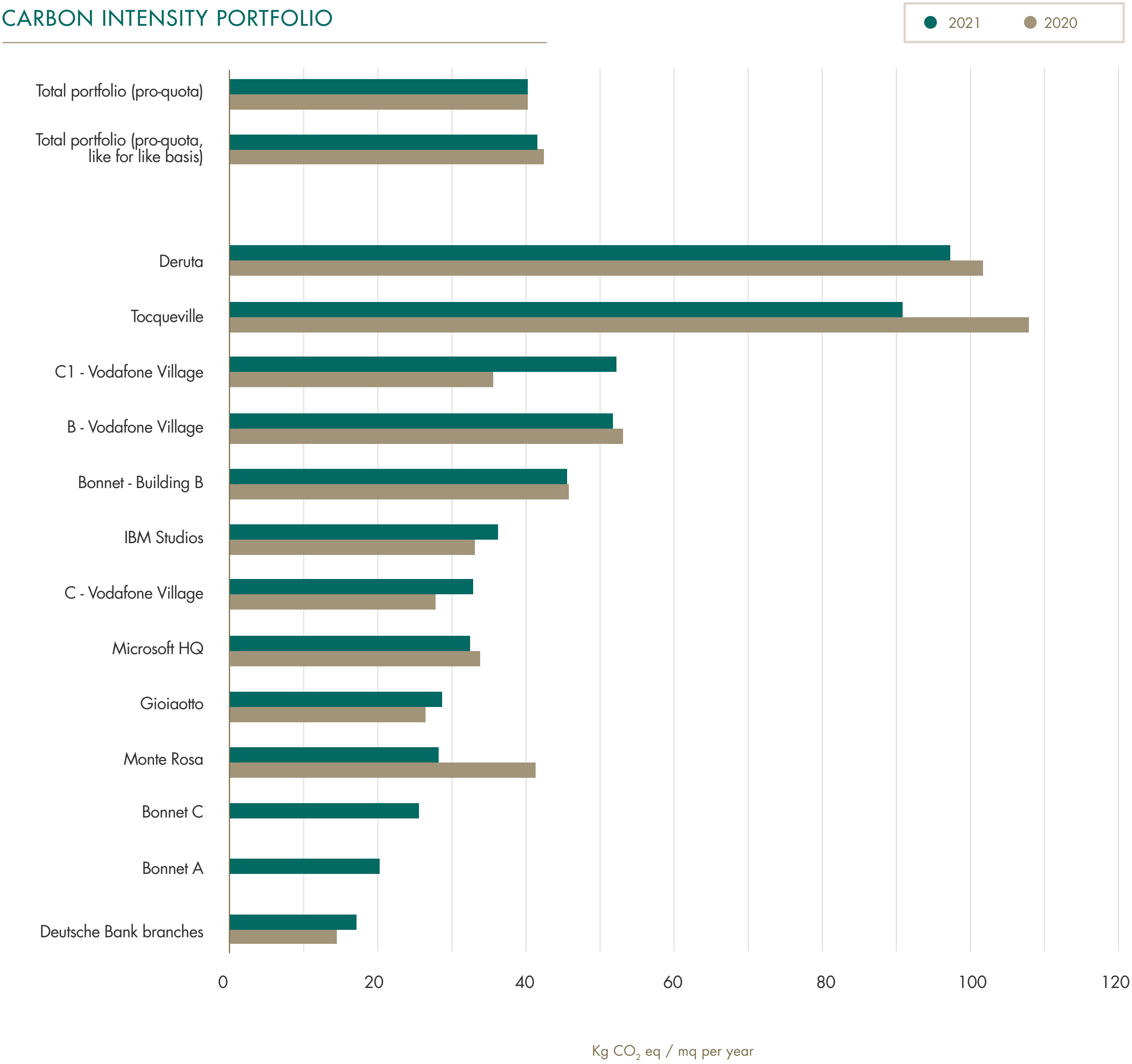
The portfolio's energy mix is mainly associated with electricity consumption (72% in 2021), more than half of which, 65% of the total, comes from certified renewable sources.

The Like for Like figure, which compares the same portfolio to the previous year, shows a 9% decrease in electricity consumption. In interpreting the figure, it should be borne in mind that 2021 was also a year marked by abnormal office and retail operations, still due to extensive use of *smart-working* and travel restrictions, albeit without prolonged restrictive measures as in 2020. In fact, much of the decrease in consumption is attributable to tenants' habits, a sign of their increased sensitivity to environmental issues and greater efficiency and planning in the management of their spaces.

Reinforcing this interpretation, we note that thermal consumption linked to district heating and cooling has increased by 7% compared to 2020, although it is limited to 5% of the portfolio's energy mix.

The remaining 23% of the portfolio's energy mix is associated with the use of fossil fuels, mainly natural gas, for which there is a 2% like for like reduction. This trend is influenced by specific cases relating to buildings that use fossil fuels for heating: the release of some spaces in view of forthcoming renovation works has led to an increase in the occupancy of other buildings.

CARBON INTENSITY PORTFOLIO

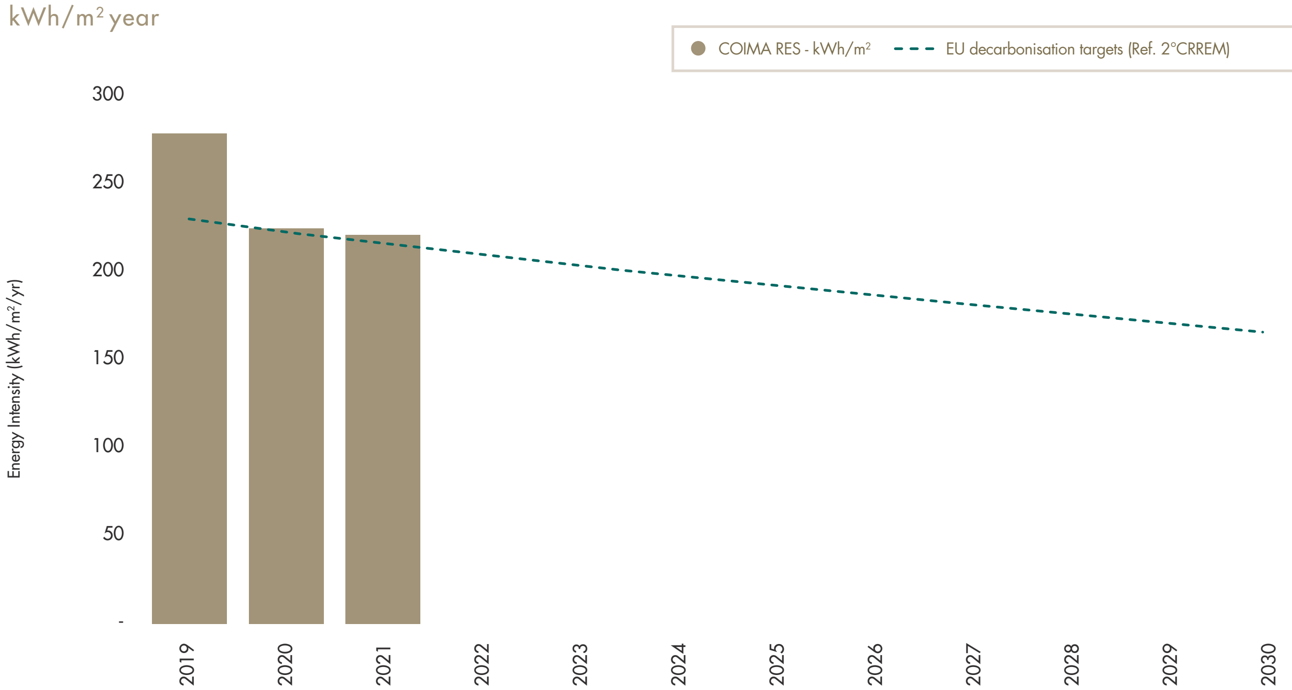


Milan, Pavilion

OFFICE

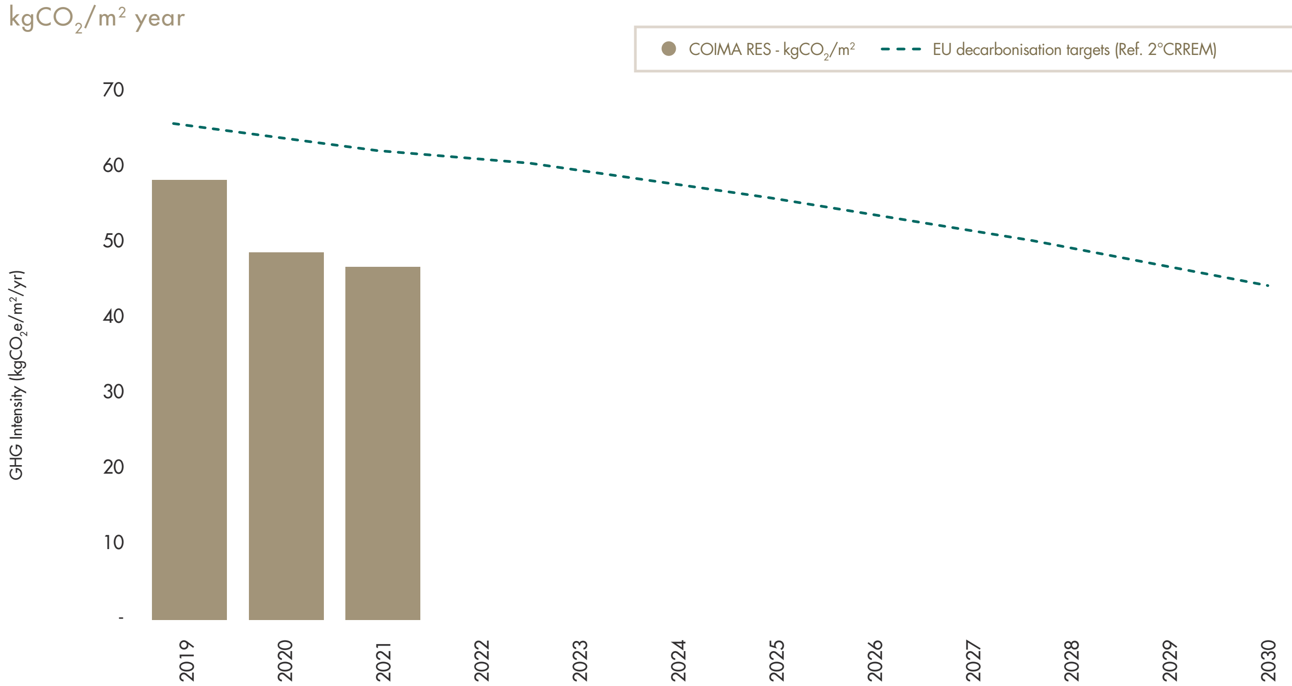
ENERGY INTENSITY PORTFOLIO VS. EU DECARBONISATION TARGETS

kWh/m² year



PORTFOLIO CARBON INTENSITY VS. EU DECARBONISATION TARGETS

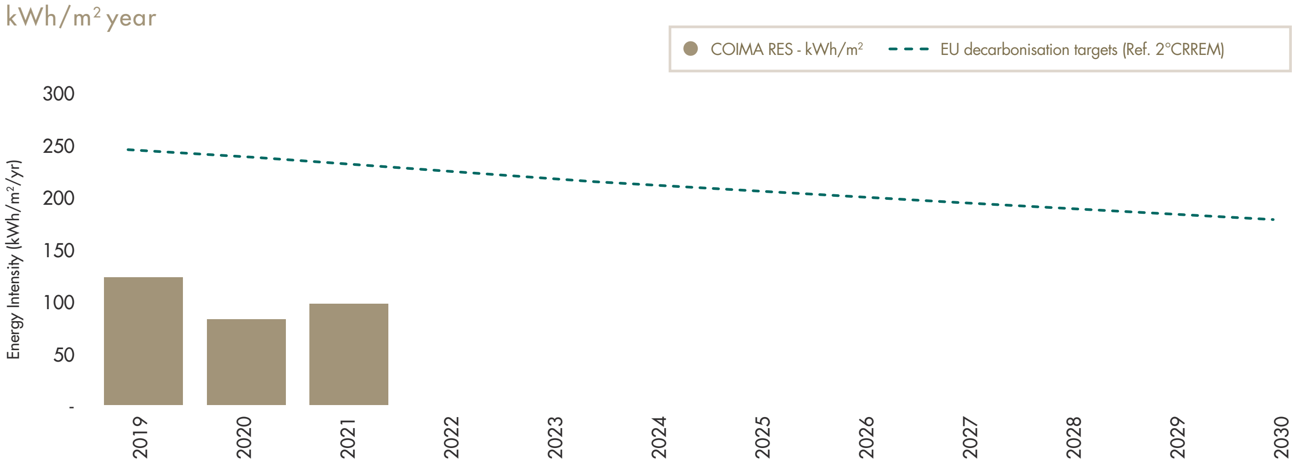
$kgCO_2/m^2$ year



RETAIL (INCL. DEUTSCHE BANK BRANCHES)

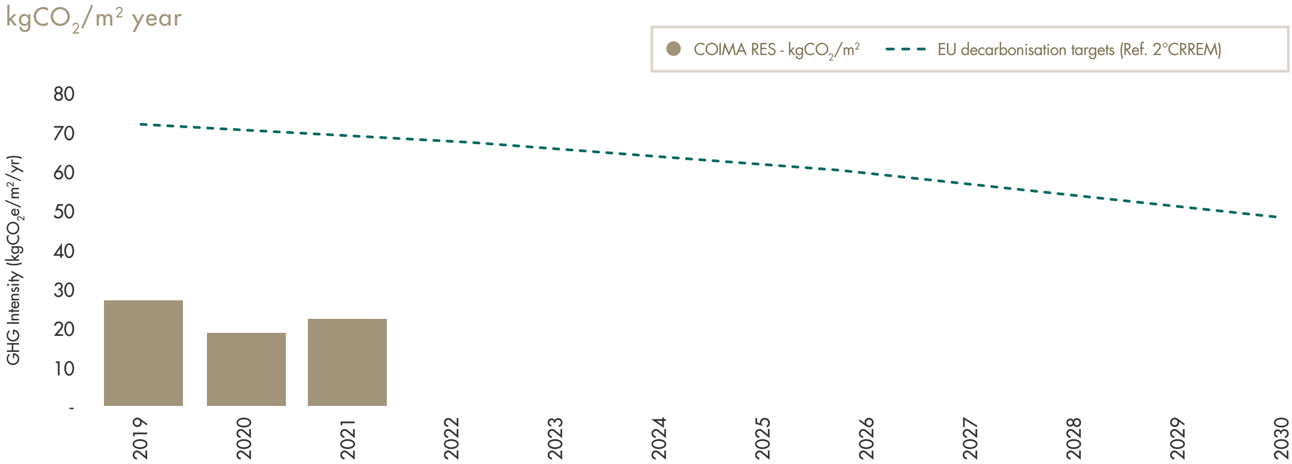
ENERGY INTENSITY PORTFOLIO VS. EU DECARBONISATION TARGETS

kWh/m² year



CARBON INTENSITY PORTFOLIO VS. EU DECARBONISATION TARGETS

$kgCO_2/m^2$ year

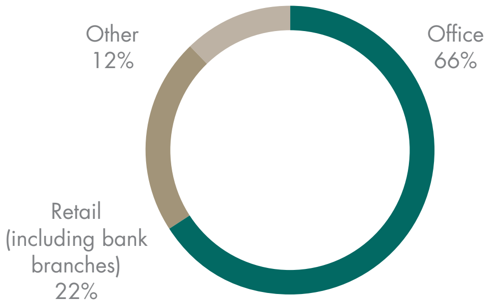


Energy and carbon intensity are lower than in the pre-pandemic period, especially for the office sector, while retail has rebounded slightly. Therefore, 2019 still remains the reference year as buildings are fully operational. Looking ahead, the environmental performances will be determined by the implementation of technical and management improvements and solutions, which together define the portfolio's decarbonisation plan.

The best-performing buildings also benefit from strategies that exclude the use of fossil fuels in favour of other fossil fuels in favour of other solutions such as the use of heat pumps. The planned decommissioning of thermal systems will lead to the optimisation of consumption and therefore of emissions, also taking into account decarbonisation plans. the decarbonisation plans of the national electricity grid.

PORTFOLIO COMPOSITION

% of m²



PORTFOLIO ENERGY MIX

% on total CO_2 emissions

100%

PERCENTAGE OF DATA COVERAGE

(percentage of CO_2 emissions for Scope 1 and 2)

92%

PERCENTAGE OF DATA COVERAGE

(percentage of CO_2 emissions for Scope 3[1])

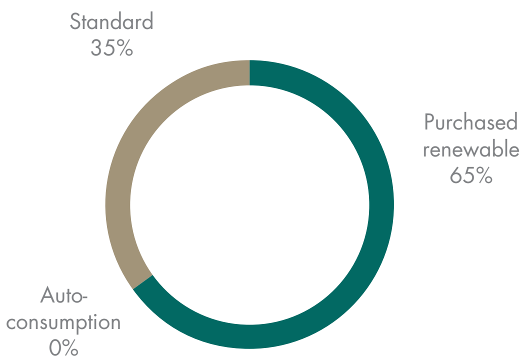
8%

PERCENTAGE OF DATA ESTIMATED

(percentage of total CO_2 emissions)

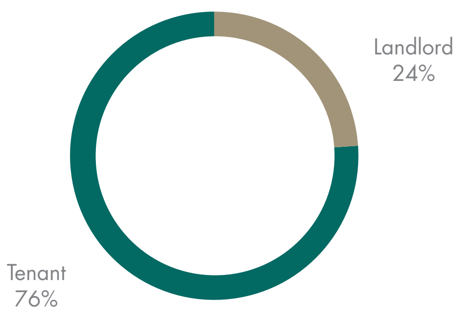
PRODUCTION / PURCHASE OF ELECTRICITY

% by total amount of energy



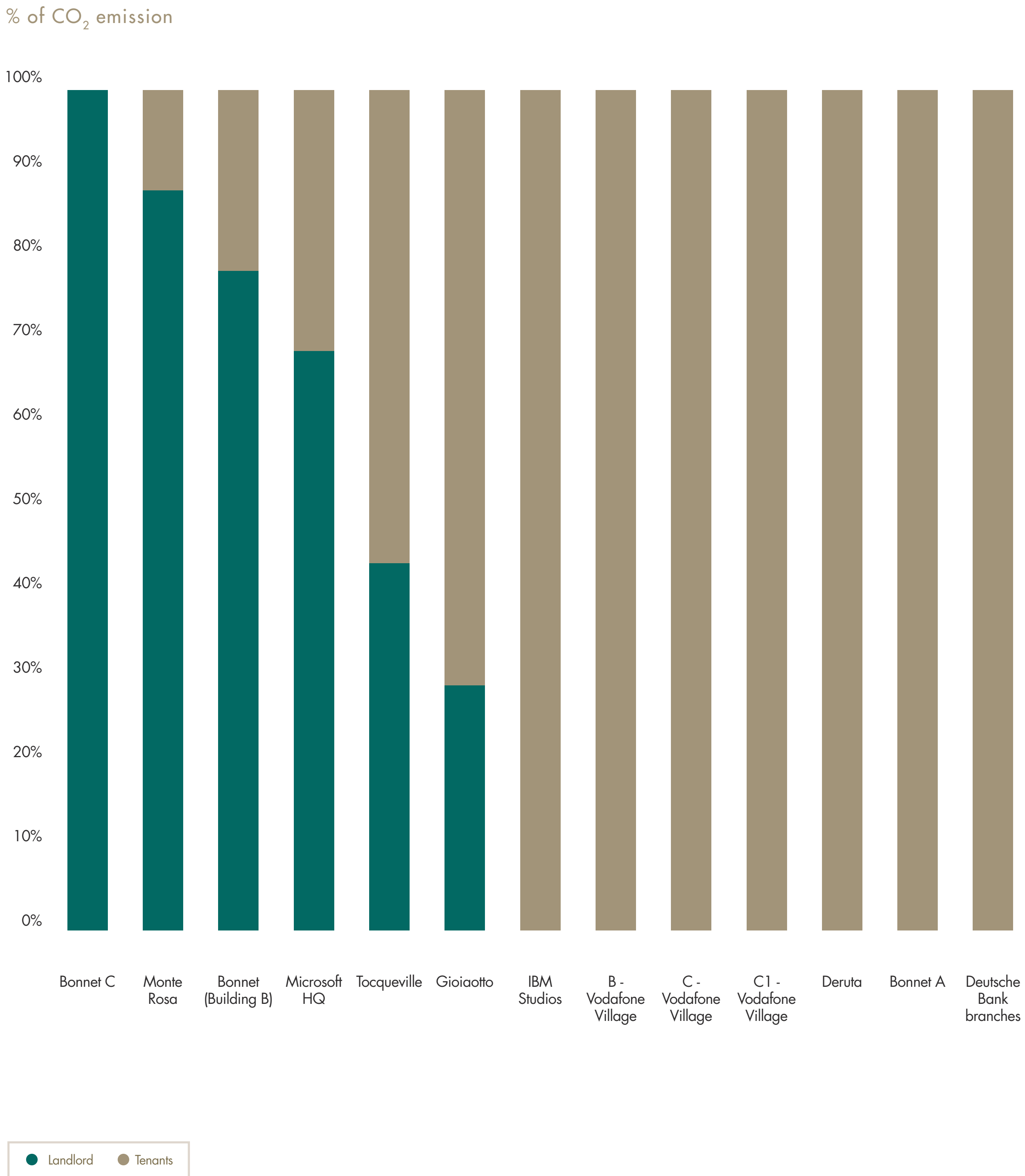
CARBON EMISSIONS BY COMPETENCES LANDLORD VS. TENANTS

% of CO_2 emission



1 CO_2 EMISSIONS DO NOT CONSIDER EMISSIONS RELATED TO THE DEVELOPMENT PHASE, BUT ONLY OPERATIONAL BUILDINGS.

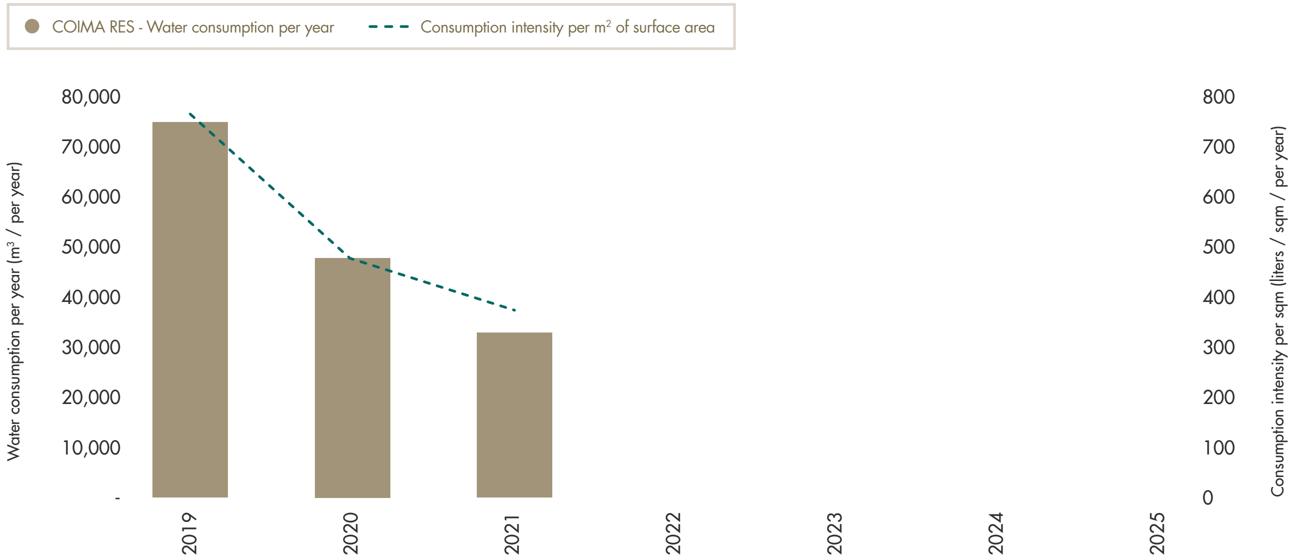
PORTFOLIO CARBON EMISSIONS BY BUILDING[2]
LANDLORD VS. TENANTS



2 The basis for calculating the individual property graphs makes additional assumptions to those in the EPRA tables.

OFFICE

TOTAL POTABLE WATER CONSUMPTION (m^3/year) VS. WATER CONSUMPTION INTENSITY (lt/m^2 per year)

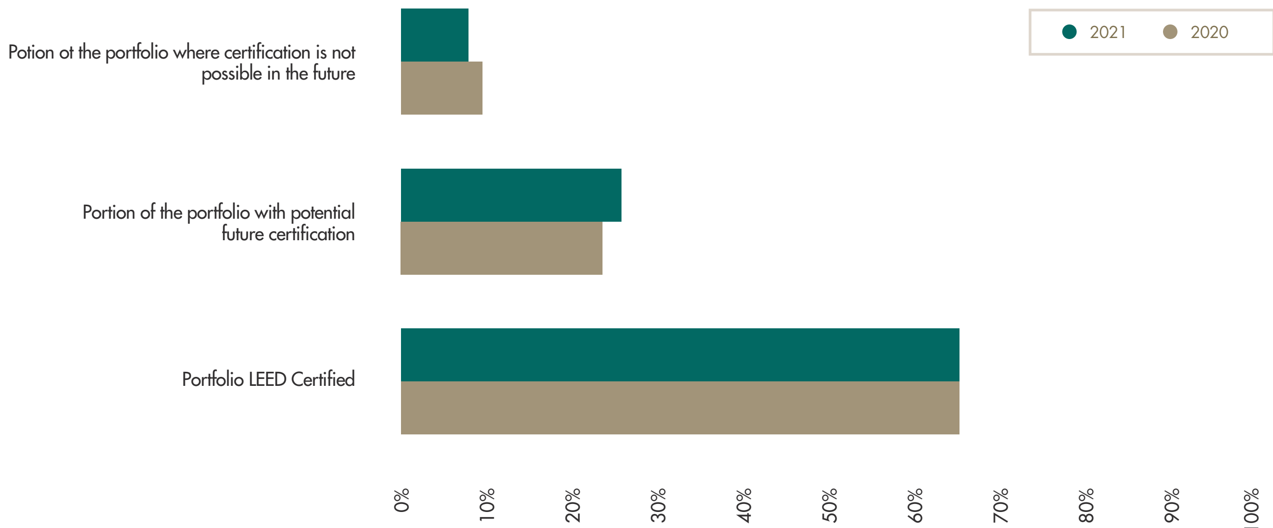


With regard to the consumption of environmental resources, the consumption of drinking water has been further reduced compared to 2020, an indication of the actual occupation of the buildings in terms of the number of people.

In general, COIMA RES prefers properties that have already obtained energy or environmental certifications (e.g. LEED), or buildings that have all the characteristics to reach that level through targeted redevelopment.

PORTFOLIO LEED CERTIFICATION

% of portfolio value



Quality of space for new ways of working

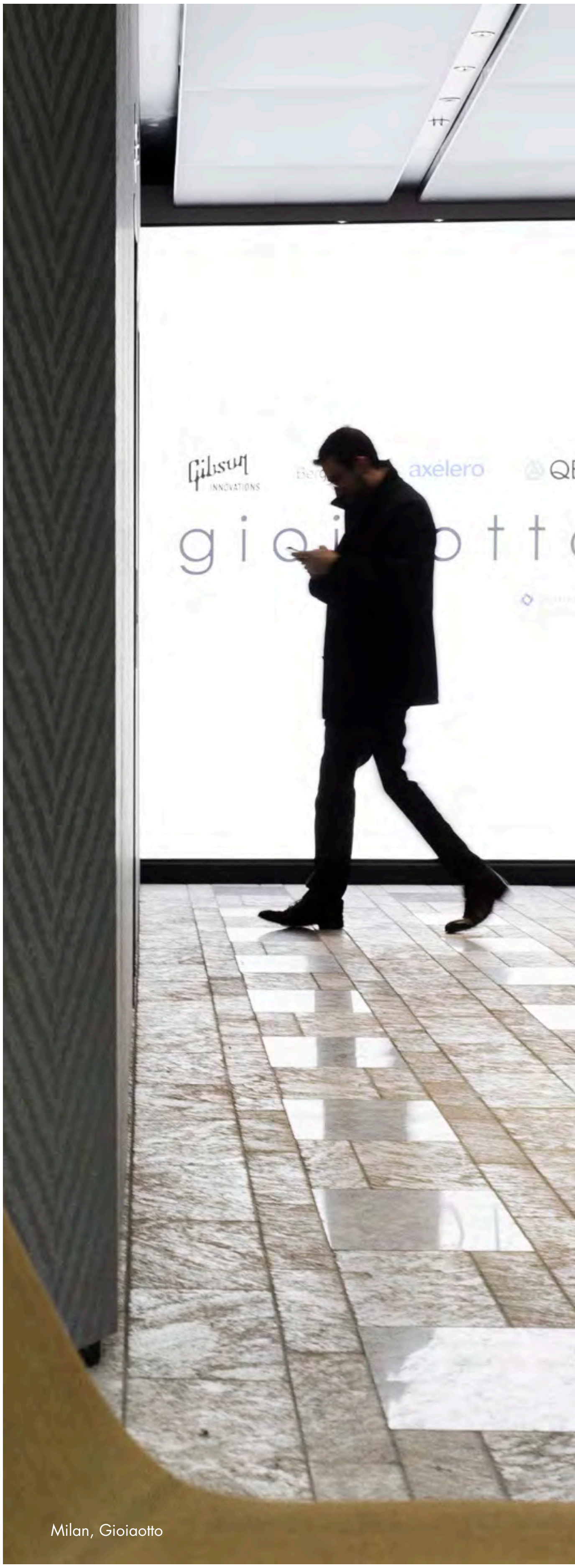
One of the strategic directions on which COIMA focuses to create value is the offer of quality spaces, which meet the satisfaction of all those who live in them, and in which high performance, sustainability and well-being are combined. To do this, COIMA always keeps a close eye on the evolution of tenant demand, with the aim of anticipating new needs and requirements and responding to them effectively.

On this basis, and in view of the changes in working methods brought about by the Covid-19 pandemic, COIMA has decided to listen to the opinions of the tenants themselves, in order to identify and anticipate the prospects for the future of office space, the asset class undergoing the most profound transformation.

In February 2021 the main results of the survey administered to a group of medium-large companies, of Italian and foreign origin and with a significant presence of offices based in Italy and in particular in Milan, were published. These results follow the release of the first report “The Future of Offices”, published in October 2020, which anticipated the first preliminary considerations on the evolution of workspaces.

The results of the survey indicate significant changes in the future function of offices: offices will retain their centrality, but within them the dimension of interaction will play a primary role. Spaces will have to be rethought to encourage and maximise the creative exchange of ideas that was previously present to a lesser extent. The architectural connotations of offices will need to evolve to maximise employee engagement and productivity, stimulating their creative potential, and to enhance the relationship between space and experience, strengthening their characteristics in terms of accessibility, sustainability and user well-being.

Consequently, it will be essential that companies, investors, developers and architects increasingly work in synergy to achieve these goals and keep pace with evolving demand.



Milan, Gioiaotto

HUMAN RESOURCES DEVELOPMENT

COIMA RES directly oversees the key functions of financial management, investment, investor relations, planning and management control, thanks to five professionals directly employed by the company at December 31st, 2021. Most of COIMA RES's employees have a high level of seniority in relation to the necessary skills that the company's environment requires, and a new analyst was introduced in 2021 to support the team. In addition to the hiring of this new employee in November, the workforce underwent further changes in 2021, with the resignation of two employees, still in the second half of the year: these flows directly reflect the underlying dynamics of the labour market, which is characterised by high volatility, also due to the pandemic situation.

In the areas of Asset & Investment Management and Property & Development Management, COIMA RES makes use of the skills of resources belonging to the platform, through long-term contracts entered into with COIMA SGR and COIMA REM respectively, thus managing to create internal synergies.

In the first half of the year, in compliance with current regulations related to health emergencies, COIMA people continued to work remotely. From June onwards, COIMA RES employees were able to return permanently to their headquarters, with the guarantee of maintaining proper interpersonal distances. COIMA has however consolidated the practice of working remotely, going so far as to approve a dedicated set of regulations, which is an important innovation for a working method that is particularly appreciated by employees due to the greater flexibility it allows.

Throughout the pandemic period, COIMA RES has always tried to maintain team cohesion, and whenever possible there has been no shortage of opportunities to socialise and meet, which has been particularly appreciated by new employees who have joined the company during the period of social distancing. For all the platform's employees, the "Insieme" event was organised in September 2021, when the opportunity arose to gather in BAM's park for a picnic outdoors and in safety. It was not only a meeting point for newcomers but also an opportunity for training thanks to the testimony of a world-renowned architect.

A questionnaire was then administered to all employees with the aim of listening to their opinion on COIMA's management of health, safety and welfare issues: the survey showed clear positive feedback, testifying to COIMA's ability to take care of its people, even in the most difficult moments of the pandemic. The questionnaire also served to define and launch the new programme of internal social events.

COIMA has taken care of the involvement and strengthening of relations also by intervening on some aspects of the process: this year, in particular, the structure of the Annual Review, a moment dedicated to the evaluation of the professional results achieved, has been modified and integrated with a new component, the Extended Feedback. The new method now allows people to be evaluated also by colleagues with whom they have collaborated in a more significant way, and not only by their direct managers. The initiative represents a cultural evolution and an enrichment of the process, aimed at enhancing different points of view and a greater awareness of how one's work is perceived in the company in a broader sense. The Review process was not only extended, but also made more detailed: more targeted questions from direct superiors were integrated for the mid-year feedback. In addition, the training also included several courses of various kinds, ranging from more operational topics, related to the use of the data management platform and updates on reporting principles, to topics related to the development of soft skills.

In 2021, the Knowledge Sharing Program, which provides training sessions on the most topical issues in the sector, continued to be used.


Milan, BAM Milano, "Insieme" event

Knowledge Sharing Program 2021

Topic	Speakers	Date
Workshop Update on Trends in Architecture	Arch. Nicola Leonardi	July 2021
Workshop Update on Trends in Architecture	Arch. Nicola Leonardi	November 2021

INCLUSIVE AND SUSTAINABLE COMMUNITIES

The work of the Riccardo Catella Foundation

The Riccardo Catella Foundation, established in 2005 and currently chaired by Manfredi Catella, is a non-profit organisation which, by adopting the principles and values of the COIMA platform, is committed to spreading sustainable practices in the design and development of the territory. Its activities contribute to strengthening relations with stakeholders and building deep ties with the

ENGAGING THE COMMUNITY AROUND THE CLIMATE CHANGE DEBATE

The COIMA platform has contributed to the reflections related to the preparation of COP-26 in Glasgow, through the activation and awareness of the community itself.

COIMA has firstly supported through sponsorship the initiative Italy Goes Green, an event launched by Officine Italia, Vodafone Italia S.p.A. and Politecnico di Milano, with the collaboration of ASviS and ANCI. The event was part of "All4Climate - Italy 2021", a programme of events promoted by the Ministry for Ecological Transition on the occasion of Pre-COP26, which this year was held in September in Milan.

Italy Goes Green involved young people in a collaborative reflection on the right questions to ask to face the challenge of ecological transition. Fifty young people participated in the event, which was divided into ten thematic tables, of which COIMA coordinated the one dedicated to urban regeneration. Ten "transformative" questions, able to contribute to find new solutions for the fight against climate change, came out from the tables and were delivered to the Italian delegation for the COP26 in Glasgow.

And that's not all: BAM, as part of the "All4Climate - Italy 2021" programme, organised "BAM 4 Climate" on the first Saturday of October, a day of talks, debates and participatory moments aimed at stimulating the younger generations to define concrete actions to fight climate change.

community, with the aim of actively supporting economic and social development and the enjoyment of culture.

The Foundation is responsible for designing, managing and disseminating projects to enhance public spaces and green areas, aimed at activating the community and contributing to improving the quality of urban life.

In the more than fifteen years since its creation, the Foundation has developed a wide range of civic-cultural programmes dedicated to environmental sustainability, social inclusion and the regeneration of pedestrian spaces, investing over two million euros.

Moreover, since July 2019, thanks to an innovative public-private partnership with the Municipality of Milan, the BAM (Biblioteca degli Alberi Milano) project has been launched, thanks to which the Foundation has become responsible for the management, security, maintenance and cultural programme of the Porta Nuova public park. In 2021, the Foundation launched a design competition to provide BAM with temporary and sustainable buildings, which will be dedicated to services for citizens.

The Riccardo Catella Foundation is led by a Board of Directors, assisted by a Scientific Committee with specialist expertise.

The projects carried out can be viewed on the Foundation's website at https://www.fondazionericcardocatella.org/

BAM - Biblioteca degli Alberi Milano

EPRA TABLES

ENVIRONMENTAL PERFORMANCE OF THE COIMA RES PORTFOLIO

INDICATORI	EPRA	UNITS OF MEASUREMENT	OFFICES				
			2020[4]	COVER	2021	COVER	CHANGE
Total electricity consumption	Elec-Abs	Annual MWh - tenant	10,120	100%	8,626	100%	-15%
		Annual MWh - landlord	3,629	100%	2,743	100%	-24%
		Annual MWh - totals	13,749	100%	11,369	100%	-17%
		% from renewable sources	72%	71%	70%	68%	n.a.
Total electricity consumption: Like-for-like	Elec-LFL	Annual MWh - tenant	9,555	100%	8,176	100%	-14%
		Annual MWh - landlord	2,946	100%	2,743	100%	-7%
		Annual MWh	12,501	100%	10,918	100%	-13%
Energy consumption from district heating and cooling	DH&C-Abs	Annual MWh	3,692	100%	3,881	100%	5%
		% from renewable sources	0		0		0%
Energy consumption from district heating and cooling: Like for like	DH&C-LFL	MWh	3,692	100%	3,881	100%	5%
Total fuel energy consumption	Fuels-Abs	Annual MWh	5,046	100%	4,716	100%	-7%
		% from renewable sources	0%	100%	0%	100%	0%
Total fuel energy consumption: Like-for-like	Fuels-LFL	Annual MWh	4,834	100%	4,716	100%	-2%
Energy intensity of buildings [1]	Energy-Int	KWh/m^2	225	98%	222	97%	n.a.
Direct greenhouse gas emissions (total) Scope 1 [2]	GHG-Dir-Abs	tCO_2e	438	100%	470	100%	7%
Indirect greenhouse gas emissions (total) Scope 2 [2]	GHG-Indir-Abs	tCO_2e (location based)	913	100%	722	100%	-21%
Other indirect greenhouse gas emissions - Scope 3	GHG-Indir-Abs	tCO_2e	3,501	100%	3,021	100%	-14%
Intensity of greenhouse gas emissions from buildings[1]	GHG-Int	tCO_2e/m^2	0.049	98%	0.047	97%	n.a.
Total water consumption	Water-Abs	m^3	47,962	100%	33,156	100%	-31%
Idric consumption: Like-for-like	Water-LFL	m^3	45,147	100%	32,673	100%	-28%
Intensity of water consumption in buildings [1]	Water-Int	m^3/m^2	0.48	100%	0.37	100%	-23%
Total waste produced [3]	Waste-Abs	ton	1,349	100%	1,217	100%	-10%
		% recycled	61%		63%		0%
Total product waste: Like-for-Like	Waste-LFL	ton	1,022	100%	1,137	97%	0%
		% recycled	63%		63%		0%
Type and number of properties certified	Cert-Tot	% of sqm of portfolio	59%	100%	55%	100%	-8%

Notes: The reporting area at 31 December 2021 and Like-for-Like 2020-2021 is specified in the methodological note. In both cases, the perimeter of each building and the related data have been re-weighted according to the relevant ownership percentages. It is also specified that the Like-for-Like boundary does not consider the occupancy rate of the buildings, although it does take into account any changes in the ownership percentage of the buildings.
Consumption data (except for waste) have been provided by the respective Property Managers and include those for which they directly purchase electricity and natural gas or manage water. Electricity consumption for which the tenants are directly responsible is also reported. The reference area of consumption is considered gross, i.e. including common areas and car parks, as COIMA RES is responsible for consumption in these areas.
Coverage: The level of coverage - expressed as a percentage - is given by the ratio between the square metres covered by the indicator and the total square metres owned by the portfolio. In particular, the coverage represented by Offices, Retail and Other is calculated in relation to the corresponding square metres of the different types of assets considered. The information relating to the certification of properties has been calculated with respect to the total square metres of properties in the portfolio as at 31 December 2021.
Estimates made: Estimates had to be made for information related to waste generated. In addition, electricity consumption relative to certain tenants was estimated for Gioiaotto, Corso Como Place, Tocqueville and one month of Vodafone Village. Production from photovoltaics at the Pavilion was also estimated. Drinking water has been estimated for a few months for the Gioiaotto and Deruta properties. Landlord electricity consumption at the Pavilion refers to electricity consumption for the extraction of groundwater for the building's air conditioning.
Estimation criteria: As regards data estimation, the calculation was based on a series of assumptions. If 1-2 months data are missing (Nov-Dec), they are estimated equal to the last available

	RETAIL					OTHER					PORTFOLIO					ESTIMATE
	2020[4]	COVER	2021	COVER	CHANGE	2020[4]	COVER	2021	COVER	CHANGE	2020[4]	COVER	2021	COVER	CHANGE	
	1,737	59%	1,669	69%	n.a.	1,423	87%	1,591	93%	n.a.	13,281	88%	11,886	92%	n.a.	10%
	85	100%	96	100%	12%	0	100%	293	100%	n.a.	3,714	100%	3,132	100%	-16%	
	1,823	59%	1,765	69%	n.a.	1,423	88%	1,884	94%	n.a.	16,995	89%	15,018	92%	n.a.	
	16%	4%	15%	5%	n.a.	27%	88%	84%	94%	n.a.	62%	56%	65%	57%	n.a.	
	1,697	69%	1,669	69%	-2%	1,423	93%	1,591	93%	12%	12,675	91%	11,436	91%	-10%	11%
	85	100%	96	100%	12%	-	-	0	-	n.a.	3,032	100%	2,838	100%	-6%	
	1,783	69%	1,765	69%	-1%	1,423	93%	1,591	93%	12%	15,707	92%	14,274	92%	-9%	
	305	100%	387	100%	27%	0	100%	0	100%	0%	3,997	100%	4,268	100%	7%	0%
	0		0		0%	0		0		0%	0%		0		0%	
	305	100%	387	100%	27%	n.a.	100%	n.a.	100%	0%	3,997	100%	4,268	100%	7%	0%
	795	100%	799	100%	1%	240	100%	454	100%	89%	6,081	100%	5,970	100%	n.a.	10%
	0%	100%	0%	100%	0%	0%	100%	0%	100%	0%	0%	100%	0%	100%	0%	
	774	63%	799	100%	3%	473	100%	454	100%	-4%	3,216	51%	5,970	100%	-2%	10%
	83	69%	97	79%	n.a.	123	88%	148	94%	n.a.	182	85%	186	87%	n.a.	8%
	18	100%	24	100%	37%	0	100%	0	100%	0%	455	100%	494	100%	8%	8%
	17	100%	25	100%	52%	49	100%	77	100%	57%	978	100%	825	100%	-16%	
	614	79%	603	69%	n.a.	417	97%	510	93%	n.a.	4,532	93%	4,134	92%	n.a.	
	0.018	69%	0.022	79%	n.a.	0.03	88%	0.037	94%	n.a.	0.040	85%	0.040	87%	n.a.	
	35,590	73%	32,814	74%	n.a.	13,213	100%	13,215	100%	0%	96,765	96%	79,185	96%	n.a.	38%
	34,076	74%	32,814	74%	-4%	13213	100%	13,211	100%	0%	92437	96%	78,699	96%	-15%	39%
	1.98	73%	1.93	74%	n.a.	1.11	100%	0.89	100%	-20%	0.75	96%	0.65	96%	n.a.	38%
	77	18%	70	18%	-9%	n.a.	n.a.	n.a.	n.a.	n.a.	1,425	71%	1,287	70%	-10%	100%
	59%		60%		0%	n.a.		n.a.		n.a.	61%		63%		0%	
	70	18%	70	18%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	1,206	52%	1,207	70%	0%	100%
	60%		60%		0%	n.a.		n.a.		n.a.	63%		63%		0%	
	6%	100%	7%	100%	17%	88%	100%	75%	100%	-14%	47%	100%	47%	100%	-5%	0%

month; if 3 or more months are missing, the average monthly consumption is extended to the missing months; if the whole year of the tenant is missing, but historical data are available, the data of the known year (previous year) is taken, and if possible it is re-proportioned according to the multi-year trend of consumption of known tenants. Finally, in the case of multi-tenant buildings, if the tenant data is completely missing, the weighted average kWh/sqm of the known tenant data is calculated (sum tenant consumption/sum tenant sq m): this coefficient is then multiplied by the sq m of the tenant being estimated.

n.a. = not applicable

1. Energy intensity, carbon intensity and water intensity were calculated using impact data (energy consumption, total emissions and water consumption) as the numerator and the area of relative square metres of property as the denominator. Efficiency indicators were calculated separately by building type (office, retail and other) and also for the entire portfolio.

2. The CO_2 conversion factors are respectively taken from the "Ministerial Table of National Standard Parameters for Monitoring and Reporting of Greenhouse Gases" (updated 2019) as regards Scope I emissions, and from the table "Emission factors electricity production and consumption_2020" published by ISPRA as regards Scope II emissions.

3. COIMA RES does not monitor the delivery of waste, the disposal of which is managed directly by the reference municipalities. The average coefficients (kc and kd) provided by the Municipalities of Rome and Milan were used for the calculation, as well as the respective average percentages of differentiated waste collection obtained from ISPRA's Waste Register.

4. The data relating to energy consumption and Scope 1 and Scope 3 CO_2 emissions attributable to the use of natural gas have been restated with respect to the 2020 Sustainability Section of Coima Res as more up-to-date data has been collected and is representative of the company's operations as a whole.

EPRA TABLE

COIMA RES' SOCIAL AND GOVERNANCE PERFORMANCE

INDICATORS	EPRA CODE	AREA	UNIT OF MEASURE	2020	2021	COVERAGE	NOTES
Gender diversity	Diversity-Emp	COIMA RES	% of employees	Men - 67%	Men - 60%	100%	
				Women - 33%	Women - 40%		
			% of women in government bodies	44%	44%		
Wage differential [1]	Diversity-Pay	COIMA RES	%	n.a.	n.a.	100%	
Training and development	Emp-Training	COIMA RES	average hours	13	9.6	100%	Average hours per employee
Performance appraisals	Emp-Dev	COIMA RES	% of employees	100%	100%	100%	
New recruits	Emp-Turnover	COIMA RES	Number	1	1	100%	
			%	17%	20%		
Turnover			Number	0	2	100%	
			%	0%	40%		
Frequency rate of accidents	H&S-Emp	Corporate operations	No for hours worked	0	0	100%	
Average lost days		Corporate operations	No for hours worked	0	0		
Absenteeism		Corporate operations	dd per employee	6	6.2		
Fatalities		Corporate operations	Number	0	0		
H&S Impact Assessments [2]	H&S-Asset	Office portfolio	% of assets in portfolio	100%	100%	100%	
		Retail portfolio		n.a.	n.a.		
		Other portfolio		n.a.	n.a.		
Number of irregularities [3]	H&S-Comp	Office portfolio	Total number	0	0	100%	
		Retail portfolio		n.a.	n.a.		
		Other portfolio		n.a.	n.a.		
Community involvement	Comty-Eng	Office portfolio	% of assets	0%	0%	100%	
		Retail portfolio		0%	0%		
		Other portfolio		0%	0%		
Composition of the Board	Gov-Board	Corporate operations	Number of executive members	1	1	100%	
			Number of independent members	7	6		
			Average term of office in years[4]	1	1		
			Independent / non-executive board members with environmental responsibilities	5	5		
Appointment and selection of the highest governing body	Gov-Select	Corporate operations	See note	(5)	(5)	100%	
Conflict of interest	Gov-Col	Corporate operations	See note	(6)	(6)	100%	

Notes: 1. COIMA RES now has five employees with different roles and tasks. The wage differential is therefore not significant. **2.** COIMA RES has a direct responsibility for health and safety for office buildings (Microsoft, Sarca, Gioiaotto, Monte Rosa, Tocqueville and Corso Como Place Building B). Compared to these, an H&S evaluation was carried out by the H&S referent of COIMA RES. With regard to the other buildings in the portfolio, these are not considered within this reporting metric as the responsibility for health and safety lies entirely with the conductor. **3.** Non-conformities found during the H&D evaluation of buildings were considered unregulated. **4.** In relation to the mandate, note that the Board of Directors was elected in April 2021. **5.** The prerequisites that guided COIMA RES in the definition and consolidation of governance were: integrity and independence, transparency, compliance with the rules, corporate sustainability and control structure. For COIMA RES, it is essential to work with adequate governance to convey to the outside world a message of maximum transparency useful to obtain the total confidence of present and future shareholders. The members of the Management Board were selected on the basis of the following criteria: - majority of independents (6 out of 9), two non-executives and one executive; completeness and complementarity of professional skills (at least 30%) of the positions reserved for the least represented gender. In addition, the Company has determined that the maximum number of director or mayoral positions in other listed companies may not exceed the threshold of 6. Therefore, it is understood that, also due to the commitment required, regarding the position of CHIEF EXECUTIVE OFFICER, the same cannot be assumed by a person with the same position in another company listed on a regulated market. **6.** The Company has adopted a procedure (which is available to the public) to describe how to deal with any transactions with related parties. In particular, each Director communicates to the Company any role or interest he has in other activities. This information is public and reported in the corporate governance report, published annually on the COIMA RES website. As required by law, COIMA RES has established a Related Parties Committee (hereafter the "Committee") composed exclusively of independent directors. The Committee issues a binding opinion to the Board of Directors in the event of transactions with related parties of major relevance. The Committee assesses coima res' interest in completing the transaction, as well as the convenience and substantive correctness of the conditions applied.

EPRA TABLE

COIMA RES HEADQUARTER

INDICATORS	EPRA	UNITS OF MEASUREMENT	2020	COVER	2021	COVER	CHANGE
Total electricity consumption [1]	Elec-Abs	kWh	5,675	100%	5,437	100%	-4%
		% from renewable sources	100%		0%		-100%
Energy consumption from district heating and cooling	DH&C-Abs	kWh	n.a.	100%	n.a.	100%	n.a.
		% from renewable sources	n.a.		n.a.		n.a.
Total fuel consumption	Fuels-Abs	kWh	0	100%	0	100%	0%
		% from renewable sources	0%		0%		0%
Energy intensity of buildings	Energy-Int	KWh/m^2	31	100%	30	100%	-4%
Direct greenhouse gas emissions (total) Scope 1	GHG-Dir-Abs	tCO2e	0	100%	0	100%	n.a.
Indirect greenhouse gas emissions (total) Scope 2	GHG-Indir-Abs	tCO_2e (market based)	1.49	100%	1.43	100%	-4%
Intensity of greenhouse gas emissions from buildings	GHG-Int	tCO_2e/m^2	0.01	100%	0.01	100%	-20%
Total water consumption [2]	Water-Abs	m^3	24	100%	66	100%	178%
Water consumption intensity of buildings	Water-Int	m^3/person	4.0	100%	13.2	100%	233%
Total waste produced [3]	Waste-Abs	ton	2.47	100%	2.47	100%	0%
		% recycled	62.7%		62.7%		0%
Type and number of properties certified	Cert-Tot	% of sqm of portfolio	100%	100%	100%	100%	0%

Notes: 1. The energy consumption data do not include the consumption of the common parts of the building.
2. Water consumption has been estimated assuming an average consumption of 60 litres/day per person for 220 working days. In 2020, 6 employees were considered and an average annual occupancy of 30% was also considered due to Covid-19. In 2021, 5 employees with full occupancy were considered.
3. COIMA RES does not monitor the delivery of waste, whose disposal is directly managed by the Municipality of Milan. The average coefficients (kc and kd) provided by the Municipality and the average percentage of differentiated waste collection were used for the calculation.

GRI DISCLOSURE

The contents in the Sustainability Section and also discussed in other sections of the Financial Report refer to the following GRI Disclosures. Unless otherwise specified, these disclosures have been used in their entirety.

DESCRIPTION	REFERENCE	NOTES
Universal Standards		
GRI 102 – General disclosure (2016)		
Organisational profile		
102-1 Name of the organization	Cover	
102-2 Activities, brands, products and services	Company profile - p.10	
102-3 Location of headquarters	Third cover	
102-4 Location of operations	Company profile - p.10	
102-5 Ownership and legal form	Company profile - p.10 Investor relations - p.53	
102-6 Markets served	Real estate porfolio - pp.21-15	
102-7 Scale of the organisation	Company profile - p.10	
102-8 Information on employees and other workers	By 12.31.2021 COIMA RES has 5 employees framed in the CCNL Commerce for employees of companies in the tertiary, distribution and services sectors. The gender breakdown among employees is 60% men and 40% women. 100% of the employees have a full time and permanent contract.	The indicator shows the total number
102-9 Supply chain	Management of activities - pp.48-49	
102-10 Significant changes to the organization and its supply chain	No significant chenges during 2021 compared to 2020	
102-13 Membership of associations	COIMA RES is a member of European Public Real Estate Association (EPRA)	
Strategy		
102-14 Statement from senior decision-maker	Letter from the CEO - pp.6-8	
102-15 Key impacts, risks and opportunities	How we manage risks - pp.70-75 Stakeholders and materiality - pp.82-83	
Ethics and integrity		
102-16 Values, principles, standards and norms of behaviour	Integrating sustainability into the business model - p.84	
102-17 Mechanisms for advice and concerns about ethic	COIMA RES has adopted a whistleblowing procedure in 2019, for more information please refer to the corporate governance report	
Governance		
102-18 Governance structure	Governance - pagg.60-61 Integrating sustainability into the business model - pag.84	

DESCRIPTION	REFERENCE	NOTES
Stakeholder engagement		
102-40 List of stakeholder groups	Stakeholders and materiality - p.81	
102-41 Collective bargaining agreements	By 12.31.2021 COIMA RES has 5 employees framed in the CCNL Commerce for employees of companies in the tertiary, distribution and services sectors	
102-43 Approach to stakeholder engagement	Stakeholders and materiality - p.80	
Reporting practice		
102-45 Entities included in the consolidated financial statements	Methodological note - pp.116-117	
102-46 Defining report content and topic Boundaries	Methodological note - pp.116-117	
102-47 List of material topics	Stakeholders and materiality - pp.80-83	
102-48 Restatements of information	Methodological note - pp.116-117	
102-49 Changes in reporting	Stakeholders and materiality - pp.80-83	
102-50 Reporting period	Methodological note - pp.116-117	
102-51 Date of most recent report	Annual Report 2020	
102-52 Reporting cycle	Annual	
102-53 Contact points for questions regarding the report	Third cover	
102-54 Claims of reporting in accordance with the GRI Standards	Methodological note - pp.116	
102-55 GRI content index	GRI disclosure - pp.112-115	
102-56 External assurance	Audit Firm Report - pp.119-121	
Topic - specific standards		
Material topic: Transparency and governance		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	P.73; pag.84; pp.113-115	
103-3 Evaluation of the management approach	Pp.82-83; p.73	
GRI 205 – Anti corruption (2016)		
205-3 Confirmed incidents of corruption and actions taken	During 2021 there were no confirmed cases of corruption	
GRI 206 – Anti competitive behaviour (2016)		
206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	During 2021, there were no confirmed cases of infringement of competition rules and no actions were taken in this respect	
GRI 418 – Customer privacy (2016)		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2021, there were no complaints about breaches of privacy laws or losses of sensitive data.	
GRI 419 – Socioeconomic compliance (2016)		
419-1 Non-compliance with laws and regulations in the social and economic area	No cases of non-compliance with socio-economic regulations were detected during 2021	

DESCRIPTION	REFERENCE	NOTES
Material topic: Energy efficiency and decarbonisation		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	Pp. 86-89; pp. 95-102	
103-3 Evaluation of the management approach	Pp.82-83; pp. 86-89; pp. 95-101	
GRI 302 – Energy (2016)		
302-1 Energy consumption within the organisation	EPRA Table - pp.108-109	Consumption under letter "c" of the indicator is reported. Natural gas consumption is reported in m^3
302-2 Energy consumption outside of the organization	EPRA Table - pp.108-109	
302-3 Energy intensity	EPRA Table - pp.108-109	The indicator considers all sources of consumed energy
GRI 305 – Emissions (2016)		
305-1 Direct (Scope 1) GHG emissions	EPRA Table - pp.108-109	
305-2 Energy indirect (Scope 2) GHG emissions	EPRA Table - pp.108-109	
305-3 Other indirect emissions (Scope 3)	EPRA Table - pp.108-109	
Material topic: Resource efficiency and circularity		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	P.102	
GRI 303 – Water and effluents (2018)		
303-1 Interactions with water as a shared resource	EPRA Table - pp.108-109	The indicator is covered for point "a". Water consumption in EPRA table
303-3 Water withdrawal	EPRA Table - pp.108-109	Consumption in m^3 refers exclusively to third party water (aqueduct). No withdrawals were made from water-stressed areas.
GRI 306 – Waste (2020)		
306-1 Waste generation and significant waste-related impacts	EPRA Table - pp.108-109	
306-2 Management of significant waste-related impacts	EPRA Table - pp.108-109	The indicator is covered for point "b" and "c".
306-3 Waste generated	EPRA Table - pp.108-109	The waste generated is reported in tons. No hazardous waste was produced in the reporting year. Waste sent for recycling is expressed as a percentage. The indicator is covered for point "b".
Material topic: Protection and preservation of ecosystems		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	P.86	
GRI 307 – Environmental compliance (2016)		
307-1 Non-compliance with environmental laws and regulations	No cases of environmental non-compliance occurred during 2021	

DESCRIPTION	REFERENCE	NOTES
Material topic: Development and enhancement of human capital		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	Pp.104-105	
103-3 Evaluation of the management approach	Pp.82-83; pp.104-105	
GRI 401 – Employment (2016)		
401-1 New employee hires and employee turnover	During 2021, a male white collar under 30 was hired. There were two exits, a male 41 years old senior manager and a male white collar under 30.	The indicator shows the total number and the rate of recruitment and turnover
GRI 404 – Training and education (2016)		
404-1 Average hours of training per year per employee	EPRA Table - p.110	The indicator shows the total values
GRI 405 – Diversity and equal opportunity (2016)		
405-1 Diversity of governance bodies and employees	EPRA Table - p.110	The indicator is covered in absolute terms for letter "a" and "b" point 1.
GRI 406 – Non-discrimination (2016)		
406-1 Incidents of discrimination and corrective actions taken	No incidents of discriminatory behaviour were reported in 2021.	
Material topic: Health, safety and welfare of people		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	Pp.104-105	
103-3 Evaluation of the management approach	Pp.82-83; pp.104-105	
GRI 403 - Occupational health and safety (2018)		
403-9 Work-related injuries	EPRA Table - p.110	The indicator is covered for "a" (points 1 to 4) and "e". Injury frequency rate.
403-10 Work-related ill health	No cases of occupational illnesses were reported during 2021	The indicator is covered for the letter "a".
Material topic: Inclusive and sustainable communities		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	Pp.106-107	
103-3 Evaluation of the management approach	Pp.82-83; pp.106-107	
Material topic: Innovation		
103-1 Explanation of the material topic and its Boundary	Pp.82-83; p.117	
103-2 The management approach and its components	P.86; pp.90-91; p.103	
103-3 Evaluation of the management approach	Pp.82-83; p. 86; pp.90-91; p.103	

METHODOLOGICAL NOTE

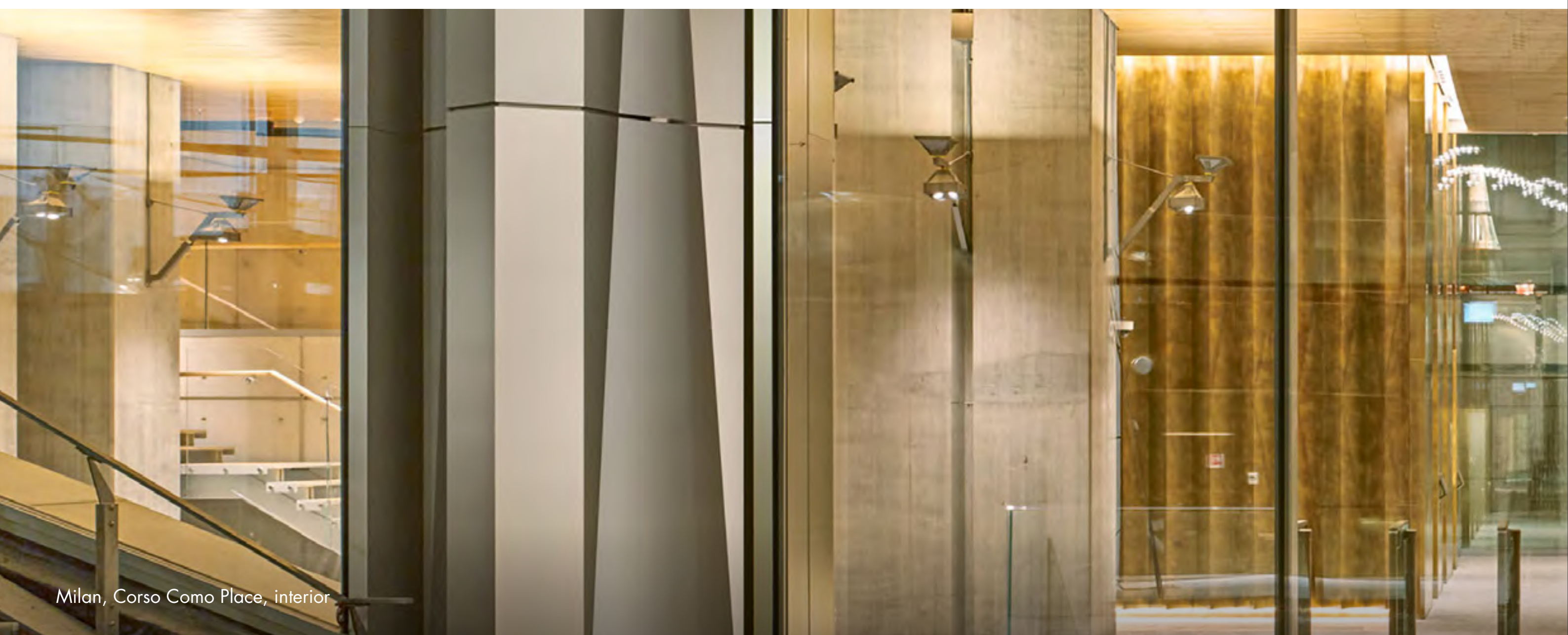
This Sustainability Section attached to the Annual Financial Report of COIMA RES is prepared in accordance with the European Public Real Estate Association's Sustainability Best Practice Reporting guidelines (EPRA sBPR) - updated September 2017. The content of the Section has also been prepared by drawing inspiration from the GRI - Global Reporting Initiative - Sustainability Reporting Standards, published by the Global Reporting Initiative in 2016 and updated in 2018. The same have been applied according to the "GRI - Referenced" solution.

The contents of the Sustainability Report were drafted following the reporting principles referred to in the Guidelines applied and using the so-called materiality principle to identify the main issues to be covered in the document.

Reporting process

The data and information contained in the Sustainability Section refer to the financial year ending December 31st, 2021.

The information was collected from the main corporate functions and the various Property Managers and consolidated by COIMA REM. In comparing the data and indicators, and in particular those of environmental performance, it is necessary to take into account the reduced operation of the offices as a result of the extensive use of remote working during the year due to the Coronavirus pandemic.



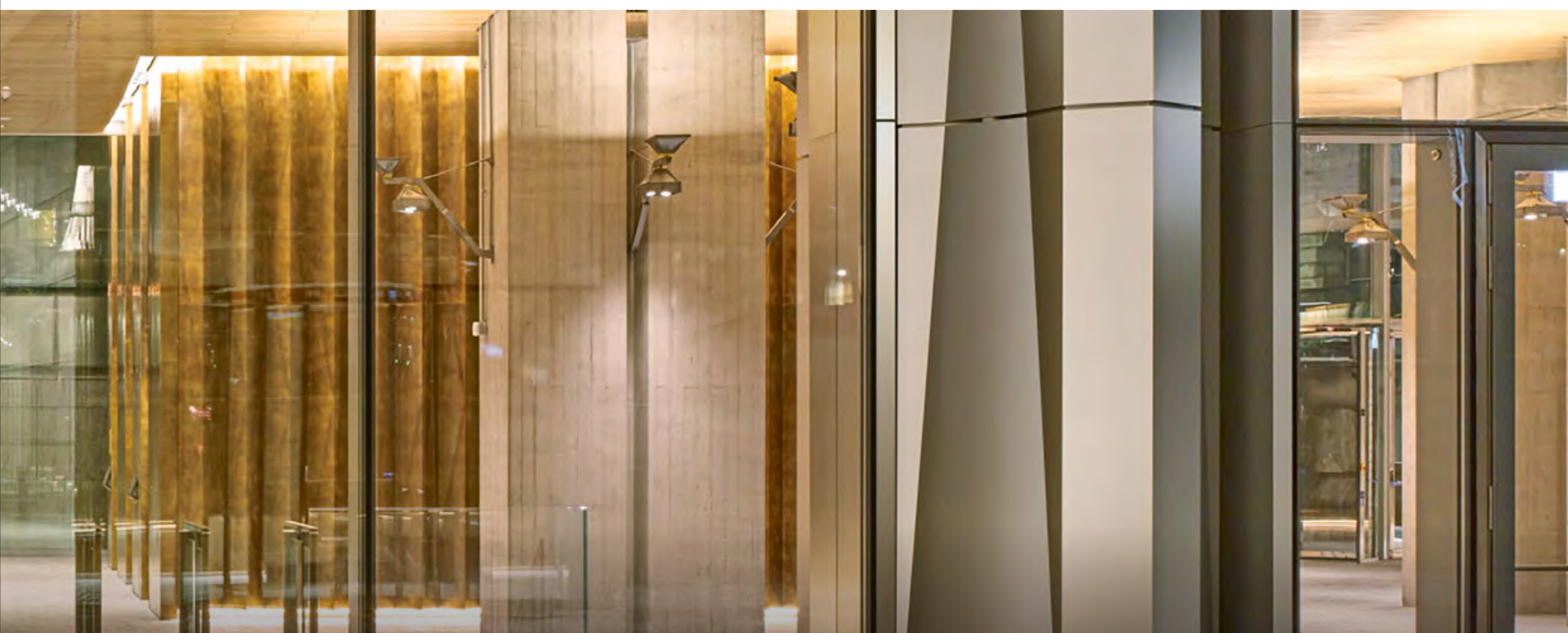
Milan, Corso Como Place, interior

Reporting perimeter

The perimeter of sustainability performance reported in this Sustainability Section includes all properties included in the COIMA RES Portfolio as at December 31st, 2021, as better specified in the table below:

Portfolio	Share of ownership as of 31.12.2021	Quota "Like-for-Like" 2020-2021
Deutsche Bank branches	100%	100%
Vodafone Complex	50%	50%
Gioiaotto	88.17%	88.17%
Corso Como Place Complex	35.71%	35.71%
Deruta	100%	100%
Monte Rosa	100%	100%
Toqueville	100%	100%
Pavilion	100%	100%
Microsoft	83.51%	83.51%

The total area included in the reporting perimeter at December 31st, 2021 and in the 2020-2021 "Like-for-Like" perimeter is 136,077 square metres and 127,178 square metres respectively.
The "Like-for-Like" perimeter includes the properties present in the reporting perimeter for the entire current and previous financial year. Furthermore, as mentioned in the EPRA Table related to COIMA RES portfolio environmental performance, the data relating to energy consumption and Scope 1 and Scope 3 CO_2 emissions attributable to the use of natural gas have been restated with respect to the 2020 Sustainability Section of COIMA RES, as more up-to-date data has been collected and is representative of the company's operations as a whole. In accordance with the EPRA sBPR guidelines, environmental data have also been reported for the Company's headquarters located in Milan at Piazza Gae Aulenti, 12.



Milan, COIMA Headquarters

AUDIT FIRM REPORT

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20123 Milano

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Independent auditors' report on data and information included in the Annual Report 2021 and referenced in the paragraph "GRI Information"
(Translation from the original Italian text)

To the Board of Directors of
Coima Res S.p.A. SIIQ

We have been appointed to perform a limited assurance engagement on the data and information included in the "Annual Report 2021" of Coima Res S.p.A. SIIQ (hereinafter "the Company") referenced in the paragraph "GRI information" for the year ended on December 31, 2021 (hereinafter "Sustainability Section").

Responsibilities of the Directors for the Sustainability Section

The Directors of Coima Res S.p.A. SIIQ are responsible for the preparation of the Sustainability Section in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative ("GRI Standards"), as described in the paragraph "Methodological Note" of the Sustainability Section.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Section that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining Coima Res S.p.A. SIIQ's commitments regarding the sustainability performance as well as for the identification of the stakeholders and of the significant matters to report.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.525.000,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 00434000584 - numero R.E.A. di Milano 606158 - P.IVA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 13 - IV Serie Speciale del 17/2/1998
Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

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Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Section with the requirements of the GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Section is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Section were based on our professional judgment and included inquiries, primarily with the Company's personnel responsible for the preparation of the information included in the Sustainability Section, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process relating to the definition of material aspects included in the Sustainability Section, with reference to the criteria applied to identify priorities for the different stakeholders' categories and to the internal validation of the process outcomes;
2. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Section.

   In particular, we have conducted interviews and discussions with the management of Coima Res S.p.A. SIIQ and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the department responsible for the preparation of the Sustainability Section.

   Furthermore, for significant information, considering the Company's activities and characteristics:

   - at Company level
     a) with reference to the qualitative information included in the Sustainability Section, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
     b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
   - for the office in Milan, which we selected on the basis of its activities, its contribution to the performance indicators and its location, we have carried out meetings during which we have had discussions with management and have obtained evidences, on a sample basis, regarding the appropriate application of the procedures and calculation methods used to determine the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Section of Coima Res S.p.A. SIIQ for the year ended on December 31, 2021 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph "Methodological Note" of the Sustainability Section.

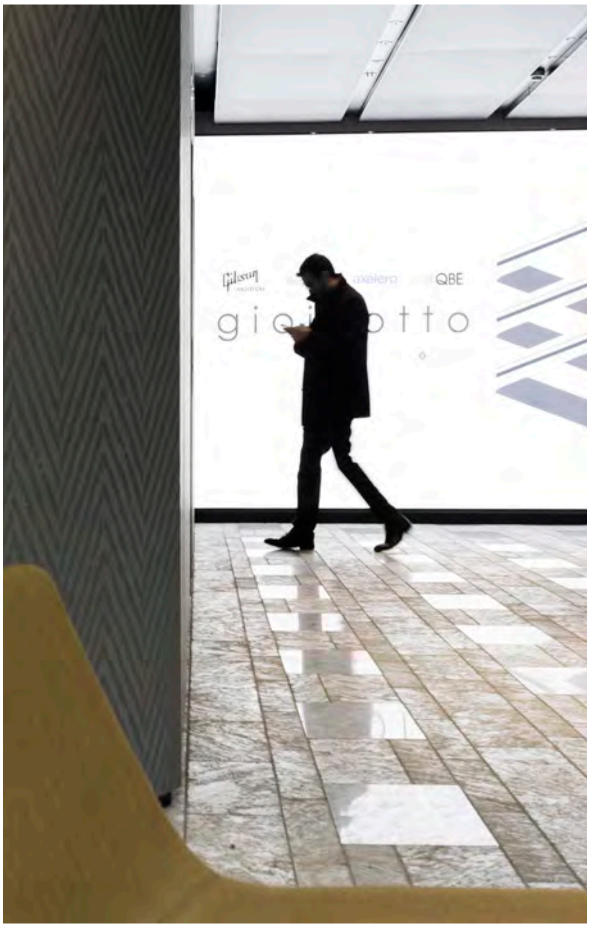
Milano, March 29, 2022

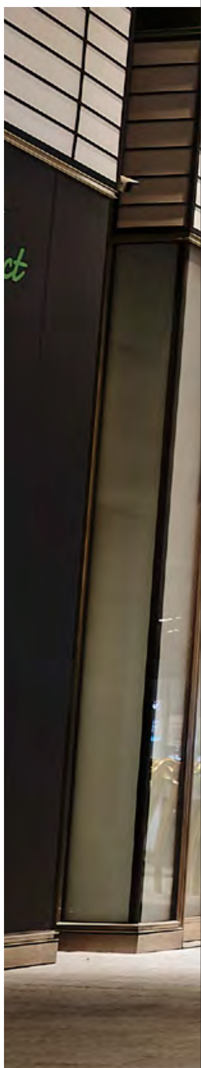
EY S.p.A.
Signed by: Aldo Alberto Amorese
(Auditor)

This report has been translated into the English language solely for the convenience of international readers

05

Financial Review






Regione
Lombardia
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THE STAGE

CFO REPORT

In 2021, COIMA RES operated by extracting value from mature real estate to create the resources needed to make new investments both in the portfolio and in the market, creating the conditions for immediate performance and sustainable future performance.

Fulvio Di Gilio
Chief Financial Officer, COIMA RES

The Company has focused on investment activities aimed at improving portfolio quality, reducing risks and maintaining a profitability which is satisfactory to the shareholders. During 2021, COIMA RES finalized, during the year, the sale of the Sarca property at a premium of 36% compared to the purchase price of 2019. The result obtained will allow the Company to invest in its portfolio and/or seize any market opportunities.

Asset management activities have further contributed to improving the quality of the portfolio.

The activities briefly described have yielded the following results.

(Million Euro)	2021	2020
Gross rents	41.2	44.4
Net real estate operating costs	(4.5)	(4.1)
NOI	36.7	40.3
Other revenues	16.7	(0.1)
G&A costs	(8.6)	(8.4)
Other costs	(0.1)	(0.0)
Non-recurring overheads	(0.4)	(0.3)
EBITDA	44.3	31.5
Net value adjustments	(1.2)	(1.8)
Fair value adjustment	(11.3)	(11.0)
EBIT	31.7	18.7
Financial income	0.0	1.2
Other income and expenses	6.5	8.3
Financial charges	(7.8)	(7.8)
Non-recurring financial charges	(0.5)	(0.5)
Result before taxes	29.8	19.9
Taxes	0.0	0.0
Result after taxes	29.8	19.9
Minority interests	(6.8)	(4.3)
Group result	23.1	15.6
EPRA adjustments[1]	(8.1)	1.9
EPRA Earnings	15.0	17.5
EPRA Earnings per share	0.42	0.49
FFO	35.9	24.5
FFO adjustments[2]	(15.8)	(0.3)
FFO recurring	20.1	24.2
FFO recurring per share	0.56	0.67

1 It mainly includes property revaluations and gains from the sale of properties.

2 It mainly includes non-recurring costs.

Results achieved in the year ended December 31st, 2021

The year 2021 closed with a Group net profit of Euro 23.1 million, an increase of Euro 7.5 million compared to December 31st, 2020.

Net Operating Income (hereinafter also "NOI") amounts to Euro 36.7 million and represents 89% of rental income.

NOI includes the rentals accrued on the Deutsche Bank portfolio, the rentals accrued on the Vodafone property complex, the rentals accrued on Gioiaotto, the rentals accrued on the property located in Milan, via Deruta 19, the rentals accrued on the property located in Milan, via Monte Rosa 93, the rents accrued on the property located in Milan, via de Tocqueville 13, the rents accrued on the Pavilion, the rents accrued on the property located in Viale Sarca (until the date of the disposals) and the rents accrued on the property located in Viale Pasubio.

Net real estate operating costs mainly relate to property ownership taxes, property management costs and operating and maintenance expenses attributable to COIMA RES.

G&A costs include management fees, expenses for employees, corporate governance and control functions as well as consultancy, audit, IT, marketing, communication and other costs.

G&A recurring costs are increasing by 3% due to the promotion accrued on the sale of the property Sarca that will be paid only by third parties, while non-recurring costs are increasing by 7.2% due to consultancy related to the sale of the property Sarca.

The change in the fair value of the portfolio (pro-quota) owned, negative for Euro 4.4 million, is down by Euro 3.0 million compared to December 31st, 2020, mainly due to the valuation of a wholesale sale of the Deutsche Bank branch portfolio for Euro 12.0 million. If only the office component of the portfolio were considered, the valuations would be positive for Euro 7.2 million.

The change in the value of the portfolio, based on the reports of the Independent Experts CBRE Valuation S.p.A., Praxi, REAG and Axia.RE, is attributable for Euro 2.6 million to Deruta, for Euro 4.7 million to the Vodafone complex, for Euro 2.3 million to Gioiaotto, for Euro 0.2 million to Monte Rosa, for Euro 1.3 million to the Pavilion, for Euro 2.3 million to the Microsoft and for Euro 1.4 million to Tocqueville.

In addition, it should be noted that the Corso Como Place project has obtained an overall revaluation of Euro 16.1 million, of which Euro 5.8 million pertains to the Company.

The portfolio's value changes are mainly driven by the Independent Experts' revisiting of the inflation curve and the market dynamics as well as the implementation in the models of the development projects envisaged by the Company.

Financial expenses relate to loans outstanding at the date of these consolidated financial statements, remunerated at an all-in cost of approximately 2%, including hedging costs. Recurring financial expenses are substantially in line with the previous year.

Non-recurring financial expenses are also in line with the previous year and refer to the acceleration of the amortized cost in anticipation of the repayment, in January 2022, of some financing lines held by the parent company.

Earnings per share amounts to Euro 0.64 and is calculated based on IFRS accounting principles, taking into account the average number of shares outstanding during the period. The EPRA Earnings, reduced by the effect of the posts subject to estimate, is equal to Euro 15.0 million (Euro 0.42 per share). The applicant FFO stands at Euro 20.1 million (Euro 0.56 per share).

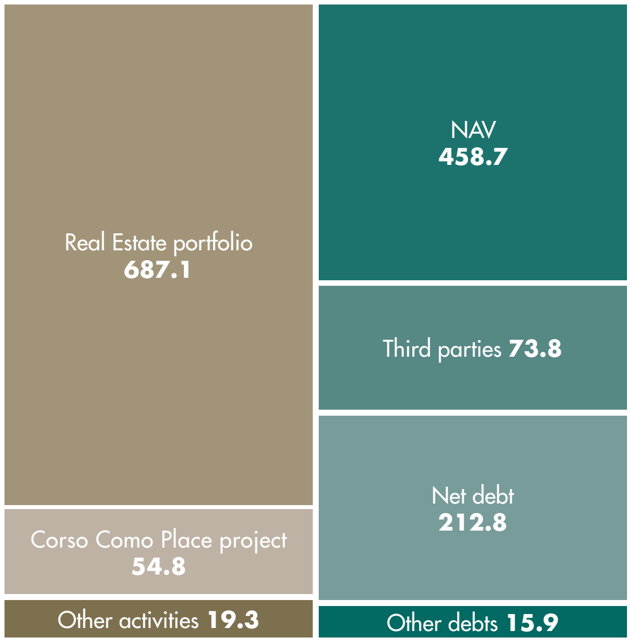
Property investment, amounting to Euro 687.1 million at December 31st, 2021, were down by Euro 71.0 million due to the sale of the Sarca property for Euro 62.1 million, value adjustments for Euro 11.8 million and capex for Euro 2.9 million.

Investments in associates have increased to Euro 9.2 million and mainly include the investment in the Porta Nuova Bonnet Fund amounting to Euro 54.8 million and the investment in Co-Investment 2SCS, 33% owned by MHREC Sàrl, for Euro 1.5 million. The increase is mainly due to the recall of commitments and the result for the period of the Porta Nuova Bonnet Fund.

The value of the interest rate caps is increasing compared to December 31st, 2020, as a result of the change in fair value and the signing of a new hedging agreement relating to Microsoft financing. The Company, in consideration of the positive outcome of the effectiveness tests, has accounted for these instruments in accordance with the Hedge Accounting principle.

The non-current financial receivables amount to Euro 1.4 million and mainly concern claims against the purchaser of the Sarca property

BALANCE SHEET AS AT DECEMBER 31ST, 2021 (€/MILLION)



following some guarantees issued.

Current trade receivables amount to Euro 13.9 million and are up by Euro 0.2 million, compared to December 31st, 2020, mainly due to lower recivables against tenants of Euro 4.9 million, lower accruals and other receivables by Euro 0.1 million and more other assets for Euro 5.2 million. The other assets are almost entirely attributable to credit notes to be received by COIMA SGR in order to sterilize the promotion accrued on the sale of the property Sarca.

Cash holdings increased by Euro 42.0 million mainly due to the net realization of the sale of the Sarca property.

The decrease in non-current assets held for sale, amounting to Euro 4.3 million, refers to the execution of sales of the Deutsche Bank branches in January 2021.

The Company's consolidated net financial indebtedness amounted to Euro 212.8 million at December 31st, 2021, decreasing of Euro 82 million due to the effect of repayments made during 2021 relating to the Deruta property and the Sarca property following the sale.

As of today, the net LTV is 30.5% and the Company's target is to have a structural level of leverage below 40%.

Payables to non-current lenders refer to the debt arising from the application of the new international standard IFRS 16 on leases. In particular, the amount due to the owners of properties leased by the Group for the number of years for which the property is expected to be used is recorded.

Derivative financial instruments are decreasing of Euro 0.9 million due to the change in their fair value. The value as at December 31st, 2021, amounts to Euro 0.8 million and was recognised in accordance with Hedge Accounting principles.

Trade payables and other non-current payables are decreasing of Euro 0.1 million mainly due to the change in the fair value of the financial instrument issued by the Company and acquired by management.

The provisions for risks and charges include the present value amounting to Euro 0.5 million and is of a long-term benefit provided to the Chief Executive Officer and the provision relating to certain guarantees granted to the purchaser in the context of the sale of the Sarca property, amounting to Euro 2.4 million.

Current bank borrowings include the financing relating to the Gioiaotto property expiring on March 31st, 2022, and the use of the RCF financing, amounting to Euro 5 million, repaid during January 2022.

Trade and other current payables decreased by Euro 2.0 million due to lower deferred income for an amount equal to Euro 2.9 million, as a result of lower anticipated invoices compared to the same period of the previous year. The other changes concern the lower debts to promissory purchasers, amounting to Euro 1.3 million, following the sale of the Deutsche Bank branch net of increased debts to suppliers of Euro 0.2 million and higher other debts, for an amount of Euro 3.0 million, related to the provision of the promote fee recognized to COIMA SGR following the sale of the property Sarca.

The Group's shareholders' equity amounts to Euro 458.7 million, an increase of Euro 13.3 million compared to December 31st, 2020, due to profits accrued for Euro 23.1 million and distribution of dividends and interim dividends for a total of Euro 10.8 million and other changes for Euro 1.0 million. The NAV per share of Euro 12.70 shows an increase of 3.0% during 2021.

THE COMPANY HAS THE FOLLOWING LOANS IN PLACE:

(THOUSANDS OF EURO)	December 31st 2021	Maturity	Rate	% hedging
Deutsche Bank branches	30,805	July 16th, 2023	Eur 3M + 180 bps	100%
Monte Rosa, Tocqueville	40,990	July 16th, 2023	Eur 3M + 160 bps	100%
Pavilion	27,000	October 31st, 2023	Eur 6M + 150 bps	80%
Gioiaotto	48,024	March 31st, 2022	Eur 3M + 150 bps	80%
Vodafone	126,678	June 27th, 2024	Eur 3M + 180 bps	80%
Microsoft	21,810	December 21st, 2023	Eur 6M + 190 bps	75%

Dividend policy

COIMA RES intends to offer its shareholders a stable and sustainable dividend that is balanced with the needs deriving from the restructuring activities on some properties in the portfolio and with any requirements for the acquisition of new properties.

During 2021, the Company distributed a dividend per share of Euro 20 cents, as the balance of Euro 10 cents on interim dividend distributed in November 2020, based on the result of 2020 and an interim dividend per share of Euro 10 cents of the net result for 2021.

The Company is applying a pay-out ratio in line with the minimum required by the REIT regulations, maintaining the resources necessary to invest and to implement asset management activities aimed at improving the performance of the properties in the portfolio.

The Board of Directors of COIMA RES resolved to distribute to the shareholders a dividend for the year 2021 equal to Euro 0.30 per share (Euro 10,831,967.40), in line with the dividend for the year 2020, of which Euro 0.10 per share already paid as a down payment in November 2021.

EPRA - performance indicators

The table below summarises the EPRA indicators of COIMA RES at December 31st, 2021:

EPRA Metrics	Definitions	31/12/2021 (Euro thousands - %)	€ per share	31/12/2020 (Euro thousands - %)	€ per share
EPRA Earnings	Recurring profits from typical operating activities.	14,996	0.42	17,549	0.49
EPRA Cost Ratio (including vacancy investment costs)	Ratio of the Company's recurring operating costs to recurring fees (including vacancy investment costs).	33.2%		30.5%	
EPRA Cost Ratio (excluding vacancy investment costs)	Ratio of the Company's recurring operating costs to recurring fees (excluding vacancy investment costs).	31.7%		28.2%	
EPRA Net Reinstatement Value (NRV)	Calculated assuming that the Company never sells assets and aims to represent the value required to rebuild the entity.	481,243	13.33	466,878	12.93
EPRA Net Tangible Assets (NTA)	Calculated assuming entities buy and sell assets, thus crystallizing certain levels of unavoidable deferred taxes.	460,514	12.75	448,295	12.42
EPRA Net Disposal Value (NDV)	It represents the shareholder value in a disposal scenario, where deferred taxes, financial instruments and some other adjustments are calculated to the full extent of their liability, less any resulting taxes.	456,150	12.63	442,839	12.26
EPRA Net Initial Yield	Calculated as the ratio between the initial net rent and the gross market value of the property.	4.5%		5.1%	
EPRA Topped-up Net Initial Yield	Calculated as the ratio of the stabilised net rent to the gross market value of the property.	5.2%		5.3%	
EPRA Vacancy Rate	Ratio of the market value of the vacant spaces to the overall market value of the portfolio.	13.2%		2.5%	

For more information on EPRA performance indicators and related reconciliations with financial statements, please refer to the dedicated sections.

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31ST, 2021

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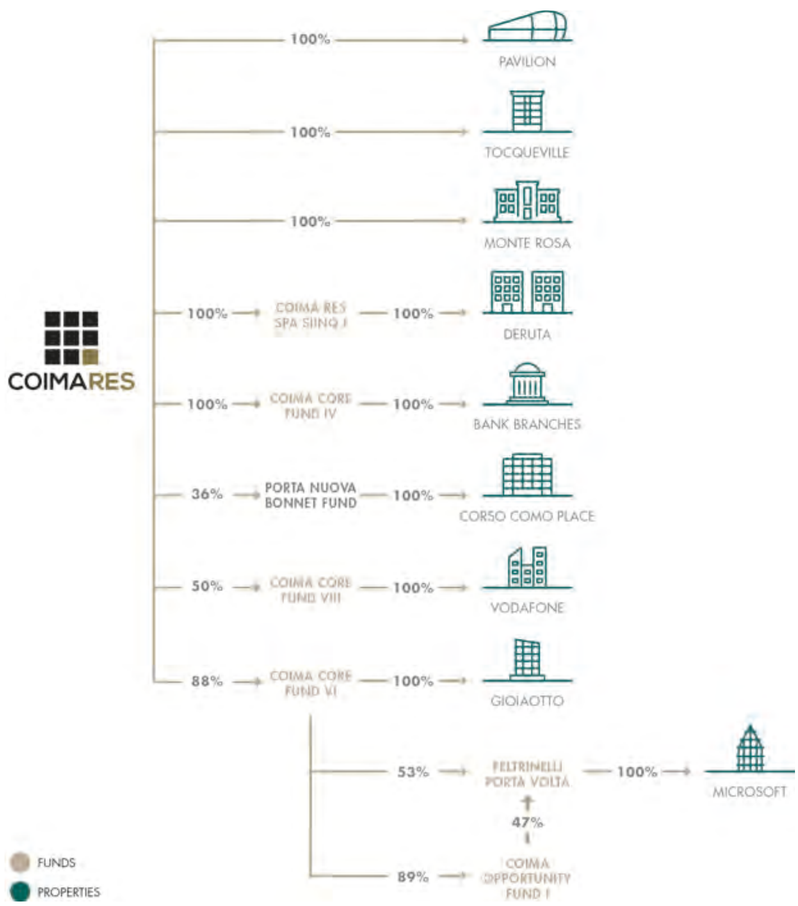
OTHER COMPANY INFORMATION

COIMA RES S.p.A. SIIQ (following also the "**Company**" or "**COIMA RES**"), with legal incorporation in Milan (Italy), Piazza Gae Aulenti 12, with Tax Code, Register of Company and VAT No. 09126500967 is a real estate investment company listed on the Italian Stock Exchange.

COIMA RES manages real estate transactions, primarily focused on commercial properties, aimed at generating rental income from national and international tenants. The company operates with the beneficial tax status granted to SIIQs (Società di Investimento Immobiliare Quotate) which is similar to a Real Estate Investment Trust (REIT) in other jurisdictions. The strategy of COIMA RES is focused on the development and active management of a real estate portfolio of quality and high sustainability content that is able to meet the current and future demand from the tenants. Currently, COIMA RES owns and manages a real estate portfolio mainly focused on the office segment in Milan. COIMA RES aims to offer its shareholders a balanced risk-return profile characterised by a stable and sustainable dividend flow and the potential for real estate appreciation over time.

CORPORATE STRUCTURE

Established by Manfredi Catella in agreement with COIMA REM S.r.l., COIMA SGR S.p.A. and with Qatar Holding LLC as primary sponsor of the venture, since May 2016 COIMA RES is a company with shares listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A..



GOVERNANCE

Board of Directors [1]

Caio Massimo Capuano	Chairman, not executive Director
Feras Abdulaziz Al-Naama	Vice Chairman, Independent Director
Manfredi Catella	Chief Executive Officer
Luciano Gabriel	Independent Director
Olivier Elamine	Independent Director
Alessandra Stabilini	Independent Director
Ariela Caglio	Independent Director
Antonella Centra	Independent Director
Paola Bruno	Independent Director

Board of Statutory Auditors [2]

Massimo Laconca	Chairman
Milena Livio	Standing Auditor
Marco Lori	Standing Auditor
Emilio Aguzzi De Villeneuve	Alternate Auditor
Maria Stella Brena	Alternate Auditor
Maria Catalano	Alternate Auditor

Remuneration Committee

Alessandra Stabilini	Chairwoman
Caio Massimo Capuano	Member
Olivier Elamine	Member

Investment Committee

Luciano Gabriel	Chairman
Manfredi Catella	Member
Ariela Caglio	Member
Michel Vauclair	Member
Gabriele Bonfiglioli	Member
Matteo Ravà	Member

Control and Risk Committee

Alessandra Stabilini	Chairwoman
Luciano Gabriel	Member
Paola Bruno	Member

Internal Audit and Compliance

Internal Audit is *outsourced* to a specialized company called Consilia Regulatory S.r.l., which has indicated Mr. Gianmarco Maffioli as responsible for Internal Audit function and Mr. Giacomo del Soldà as responsible for Compliance function.

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[1] In charge from April 22th, 2021 until the approval of the financial statements as of December 31st, 2021.
[2] In charge from April 22th, 2021 until the approval of the financial statements as of December 31st, 2023.

Risk Manager

Risk management is outsourced to a specialized company Quantyx Advisors S.r.l. which has indicated Mr. Andrea Di Ciancia as responsible for this function.

Independent Auditors

The shareholders' meeting held on February 1st, 2016, appointed EY S.p.A. as auditors for the statutory audit of the separate and consolidated financial statements of the Company for the period 2016-2024 in accordance with articles 14 and 16 of Legislative Decree n. 39/2010 dated January 27th, 2010.

Executive responsible for the preparation of the company's accounting documents

Fulvio Di Gilio	Chief Financial Officer

DIRECTORS' REPORT

OVERVIEW OF THE CONSOLIDATED FINANCIAL RESULTS [3]

(in million Euro)	December 31st, 2021	per share	December 31st, 2020	per share	Δ	Δ%
Total property value	687.1		758.1		(71.0)	(9.4%)
EPRA Net Reinstatement Vale	481.2	13.33	446.9	12.93	14.3	3.1%
EPRA Net Tangible Assets	460.5	12.75	448.3	12.42	12.2	2.7%
EPRA Net Disposal Value	456.1	12.63	442.8	12.26	13.3	3.0%
NAV IAS/IFRS	458.7	12.70	445.5	12.34	13.2	3.0%
Debt position	301.8		339.0		(37.2)	(11.0%)
Cash position	90.6		48.7		41.9	86.2%
Net Loan to Value	30.5%		38.3%		(7.8 p.p.)	n.m.
EPRA Net Initial Yield	4.5%		5.1%		(0.6 p.p.)	n.m.
EPRA "topped-up" NIY	5.2%		5.3%		(0.1 p.p.)	n.m.
EPRA vacancy rate	13.2%		2.5%		10.7 p.p	n.m.

(in million Euro)	December 31st, 2021	per share	December 31st, 2020	per share	Δ	Δ%
Rents	41.2		44.4		(3.2)	(7.2%)
NOI	36.7		40.3		(3.6)	(8.9%)
EBITDA	44.3		31.5		12.8	40.6%
EBIT	31.7		18.7		13.0	69.5%
Recurring FFO	20.1	0.56	24.2	0.67	(4.1)	(16.9%)
Net profit	23.1	0.64	15.6	0.43	7.5	48.1%
EPRA Earnings	15.0	0.42	17.5	0.49	(2.5)	(14.3%)
EPRA cost ratio (including direct vacancy costs)	33.2%		30.5%		2.7 p.p.	n.m.
EPRA cost ratio (excluding direct vacancy costs)	31.7%		28.2%		3.5 p.p.	n.m.
Like for like rental growth [4]	(3.4%)		1.8%		(5.2) p.p.	n.m.
WALT (years)	4		4.3		(0.3)	n.m.

As of December 31st, 2021 the Group Net Asset Value IAS/IFRS amounts to Euro 458.7 million, an increase of 3% compared to December 31st, 2020.

The key factors affecting the NAV increase are:
- the EPRA Earnings for the period of Euro 15.0 million;
- the net profit deriving from the sale of the Sarca property for Euro 13 million;
- the negative *fair value* adjustment related to the real estate portfolio, net of minorities of Euro 4.4 million;
- the reduction due to dividend payment of Euro 10.8 million.

[3] For more details on the calculation of EPRA performance measures, please refer to the relative chapter.
[4] The like for like rental growth is calculated on the basis of the rents recorded according to IFRS 16.

The Group's net profit as of December 31st, 2021, amounted to Euro 23.1 million, details of which are shown in the table below.

(in million Euro)	December 31st, 2021	December 31st, 2020
Rents	41.2	44.4
Net real estate operating expenses	(4.5)	(4.1)
NOI	**36.7**	**40.3**
Other revenues	16.7	(0.1)
G&A	(8.6)	(8.4)
Other expenses	(0.1)	(0.0)
Non-recurring general expenses	(0.4)	(0.3)
EBITDA	**44.3**	**31.5**
Net depreciations	(1.2)	(1.8)
Net movement in fair value	(11.3)	(11.0)
EBIT	**31.7**	**18.7**
Financial income	0.0	1.2
Other income and expenses	6.5	8.3
Financial expenses	(7.8)	(7.8)
Non-recurring financial expenses	(0.5)	(0.5)
Profit before taxation	**29.8**	**19.9**
Income tax	0,0	0.0
Profit	**29.8**	**19.9**
Minorities	(6.8)	(4.3)
Profit for the Group	**23.1**	**15.6**
EPRA adjustments[5]	(8.1)	1.9
EPRA Earnings	**15.0**	**17.5**
EPRA Earnings per share	0.42	0.49
FFO	**35.9**	**24.5**
FFO adjustments [6]	(15.8)	(0.3)
Recurring FFO	**20.1**	**24.2**
Recurring per share	0.56	0.67

The NOI margin includes rents generated by the real estate portfolio net of operating costs (such as property taxes, *property management* costs, utilities and maintenance costs).
The decrease of Euro 3.6 million compared to December 31st, 2020, is mainly due to the release of the spaces in Monte Rosa by PWC from February 2021 and the sale of the Sarca property, finalized in August 2021.
As of December 31st, 2021, the NOI margin is 89.0% and the current net yield on the portfolio is 4.5%.

Other revenues, amounting to Euro 16.7 million, include income deriving from the disposal of Sarca property completed in August 2021, net of costs relating to the sale.

[5] It mainly includes changes in the *fair value* of properties and the income deriving from the disposal of Sarca.
[6] It mainly includes non-recurring costs.

General and administration costs (G&A) include personnel costs, asset management costs, governance and control function costs as well as consultancy, audit, IT, marketing, communication and other operating costs.

The increase of Euro 0.2 million compared to December 31st, 2020, is mainly attributable to the COIMA SGR's *promote fee* matured on COIMA OPPORTUNITY FUND I following to the sale of the Sarca property.
The other costs show an increase compared a previous year because they include the change in the *fair value* of the financial instrument, which in 2020 has decreased by Euro 0.1 million.

Non-recurring general expenses consist mainly of provisions for risks, commercial consultancy and intermediation (Euro 0.4 million).

Net depreciations, amounting to Euro 1.2 million, mainly relate to the depreciation of tangible and intangible fixed assets, the devaluation of trade receivables during the current year and the value adjustment of properties classified in inventories.

Net movement in *fair value* shows a negative amount of Euro 11.3 million and it refers to the assessments carried out by the Independent Experts as of December 31st, 2021.

The decrease of financial incomes is due to the dividends received by Italian Copper Fund on 2020, amounting to Euro 1.2 million.

Other income and expenses amount to Euro 6.5 million and mainly refer to the result of the investment in Porta Nuova Bonnet, recorded according to the equity method, including the effects deriving from the *fair value* valuation of the property in the portfolio.

Financial expenses mainly refer to existing loan agreements and related hedging derivatives. The non-recurring amounts shall include the economic effects resulting from the acceleration of the amortised cost as a result of the repayment expected in January 2022 following the new loan agreement closed on December 29th, 2021.

The Group earnings per share amounted to Euro 0.64 and is calculated in compliance with the IAS/IFRS international accounting standards, taking into consideration the average number of shares outstanding during the period.

The following table summarises the Company's balance sheet including the reclassification of the investment in the Porta Nuova Bonnet fund based on proportional consolidation in order to obtain the total value of COIMA RES Group real estate investments as of December 31st, 2021.

(in million Euro)	December 31st, 2021	December 31st, 2020	Δ	Δ%	December 31st, 2021 Look-Through adjusted
Investment properties	687.1	758.1	(71.0)	(9.4%)	771.8
Other assets	2.9	1.7	1.2	70,6%	2.9
Investments accounted for using the equity method	56.3	47.1	9.2	19.5%	1.5
Total LT assets	**746.3**	**806.9**	**(60.6)**	**(7.5%)**	**776.1**
Trade receivables	13.9	13.7	0.2	1.9%	15.6
Other assets	1.0	1.6	(0.6)	37.5%	1.0
Cash	90.6	48.7	41.9	86.0%	91.3
Total current assets	**105.5**	**64.0**	**41.5**	**64.8%**	**107.9**
Held for sale assets	-	4.3	(4.3)	(100.0%)	-
Total assets	**851.8**	**875.2**	**(23.4)**	**(2.7%)**	**884.0**
Debt	247.3	317.0	(69.7)	(22.0%)	277.8
Provisions	3.0	0.5	2.5	>100%	3.0
Other liabilities	2.4	3.7	(1.3)	(35.0%)	2.4
Trade payables	13.4	15.6	(2.2)	(14.1%)	15.1
Current Financial Debt	53.2	22.0	31.1	>100%	53.2
Total liabilities	**319.3**	**358.8**	**(39.5)**	**(11.0%)**	**351.5**
Minorities	73.8	71.0	2.8	4.0%	73.8
NAV	**458.7**	**445.5**	**13.2**	**3.0%**	**458.7**
NAV per share	12.70	12.34	0.36	3.0%	12.70
Net Loan to Value	*30.5%*	*38.3%*			*31.1%*

The column called "*look-through adjusted*" includes the investment in the Porta Nuova Bonnet Fund consolidated using the proportional method.

Investment properties, amounting to Euro 687.1 million, include Euro 206.3 million related to the Vodafone real estate complex, Euro 198.1 million related to Monte Rosa, Tocqueville and Pavilion properties, Euro 54.5 million related to the Deutsche Bank portfolio, Euro 41.8 million related to Deruta, Euro 84.3 million related to Gioiaotto and Euro 102.1 million related to Microsoft property.

The other assets mainly consist of derivatives, amounting to Euro 0.2 million, fixed assets for Euro 1.2 million and financial receivables for Euro 1.4 million. According to IFRS 16, the Group has registered as fixed assets rights of use (c.d. *right of use*) amounting to Euro 0.7 million, representing mainly the Company's law, as a lessee, the use of the spaces covered by the leases in force at the date of this balance sheet.

Investments accounted for using the equity method include the investments in Porta Nuova Bonnet fund and in Co-Investment 2 SCS. The item shows an increase of Euro 9.2 million compared to the 2020 due to the net result and the equity injections of the year.

Trade receivables, amounting to Euro 13.9 million, relate to: i) receivables from tenants for Euro 2.7 million, of which Euro 1.2 million relating to rents related to 2022; ii) the accounting effects of the normalization of the rents (recorded in accordance with IFRS 16), amounting to Euro 3.2 million; iii) prepayments and accrued income for Euro 1.4 million, iv) costs incurred by the Company in December 2021 as part of the subscription of the new loan for Euro 1.8 million and v) credit notes to be received for 3.4 million from COIMA SGR for the adjustment of management fees accrued on COIMA OPPORTUNITY FUND I.
Regarding trade receivables outstanding from tenants as of December 31st, 2021, at the date of this report, Euro 2.6 million has already been collected.

The other assets refer to the short-term portion of the amounts deposited in a escrow account and granted as collateral to the purchaser as part of the Sarca real estate disposal transaction.

The assets held for sale in 2020 include the Deutsche Bank branch in Milan, sold on January 15th, 2021, at a price of Euro 4.3 million and in line with the value recorded in the balance sheet in December 31st, 2020.

The Company's consolidated net financial debt at December 31st, 2021 amounted to Euro 212.8 million, a decrease of Euro 79.2 million compared to December 31st, 2020 mainly as a result of the sale of the Sarca property net of the repayment of the related financing and the reimbursement of the Deruta's financing, executed on September 30th 2021.

(in million Euro)	December 31st, 2021	December 31st, 2020
(A) Cash	90.6	48.7
(B) Cash equivalent		
(C) Other current financial asset		
(D) Liquidity (A)+(B)+(C)	**90.6**	**48.7**
(E) Current Financial debt	(53.2)	(22.0)
(F) Current portion of non-current financial debt		
(G) Current financial debt (E)+(F)	**(53.2)**	**(22.0)**
(H) Current financial debt (G)-(D)	**37.4**	**26.7**
(I) Non-current Financial debt	(248.6)	(319.6)
(J) Debt instruments		
(K) Debiti commerciali e altri debiti non correnti	(1.6)	(1.7)
(L) Non-current financial indebtedness (I)+(J)+(K)	**(250.2)**	**(321.3)**
(M) Total financial debt (H + L)	**(212.8)**	**(294.7)**

On March 4th, 2021, ESMA published the Guidelines on disclosure requirements under EU Regulation 2017/1129 describing the new ways of illustrating the net financial position (now defined as "total financial debt") in the consolidated financial statements of listed companies.

Compared to the consolidated financial statements as at December 31st, 2020, non-current financial debts, amounting to Euro 248.6 million, are presented net of positive financial derivative instruments and gross of negative financial derivatives and include debt for lease liabilities arising from the application of the IFRS 16 accounting policy, while the item trade and other non-current liabilities, include the financial instrument granted to directors and key managers and deposits paid to the holders.

As of December 31st, 2021, the Group's Net Loan To Value (*net LTV*) was 30.5%.

The item *other liabilities* includes: (i) the financial instrument granted to key managers, amounting to approximately Euro 0.9 million, in line with the previous year, (ii) the passive hedging derivatives (Interest Rate Swap) of Euro 0.8 million; (iii) financial debt arising from the application of IFRS 16 accounting standard for Euro 0.7 million.

Trade payables include debts and invoices to be received from suppliers for a total amount of Euro 5.0 million (Euro 4.9 million at December 31st, 2020), accruals and deferred income mainly linked to the advance invoicing of rents for Euro 2.4 million (Euro 6.3 million at December 31st, 2020), payables for dividends to third parties of Euro 0.7 million (Euro 1 million at December 31st, 2020), debts to COIMA SGR for the incentive fee accrued on COIMA OPPORTUNITY FUND I, amounting to Euro 3.9 million not present in 2020, security deposits of Euro 0.8 million (Euro 0.8 million at December 31st 2020), debts to tax authorities, social security institutions and others for Euro 0.6 million (Euro 1.5 million at December 31st, 2020).

The item current financial debts of Euro 53.2 million mainly related the outstanding financing on the Gioiatto property, with a maturity of Euro 48 million, scheduled for March 31st, 2022, and Euro 5 million relating to the Revolving Credit Facility ("**RCF**") signed in October 2020 with the Banco BPM Group for Euro 5 million.

As of December 31st, 2021, the average duration of the loans is 1.7 years (3.2 years considering the new loan disbursed on January 18th, 2022) and the average cost of "all in" debt is about 2.03% (about 83% of the debt is covered by derivative contracts).

The Group's shareholders' equity, amounting to Euro 458.7 million (Euro 12.70 per share) increased by Euro 13.2 million compared to December 31st, 2020, mainly due to the profit for the period, amounting to Euro 23.1 million, net of dividends paid in 2021, amounting to Euro 10.8 million.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES

Pursuant to Article 123-bis, par. 3, of Legislative Decree no. 58 of February 24th, 1998, the "Corporate Governance and Ownership Structures Report" is available on the "Governance" section of the COIMA RES S.p.A. SIIQ website (www.coimares.com).

REMUNERATION REPORT

Pursuant to Article 84-quarter, par.1, of the Issuers' Regulations, implementing Legislative Decree no, 58 of February 24th, 1998, the "Remuneration Report" is available on the COIMA RES S.p.A. SIIQ website (www.coimares.com).

ORGANISATIONAL MODEL AND CODE OF ETHICS

On July 27th, 2016, the Board of Directors approved the code of ethics and the organizational model (as subsequently modified), as provided for by Legislative Decree no. 231/2001, and in June 11th, 2020 established the supervisory body and appointed as members Marco Lori, as Chairman, Michele Luigi Giordano and the lawyer Mario Ippolito from the Carnelutti law firm.

RESEARCH AND DEVELOPMENT

COIMA RES S.p.A. SIIQ did not conduct any research and development activities during 2021.

TREASURY SHARES AND SHARES OR UNITS OF PARENT COMPANIES

As of December 31st, 2021, COIMA RES S.p.A. SIIQ did not hold any treasury shares or shares in parent companies.

RELATIONS WITH SUBSIDIARIES, ASSOCIATES AND PARENT COMPANIES

With reference to the type of transactions between Group companies and related party transactions, reference should be made to paragraph 35 - Related party transactions.

SUBSEQUENT EVENTS

On January 18th, 2022, Crédit Agricole Corporate and Investment Bank (acting as agent bank), BNP Paribas, ING Bank and UniCredit provided the Company with a new loan of Euro 120,000 thousand, subscribed on December 29th, 2021, with simultaneous repayment and repayment of outstanding loans totalling Euro 98,795 thousand. The financing has a maturity of 5 years and a cost "all in" of about 2.1%.

On February 9th, 2022, COIMA RES announced that it had reached an agreement to purchase an office complex in Milan, in Via Giovanni Battista Pirelli 32 through COIMA Opportunity Fund I held at 78.29%. The property will be acquired at a price of Euro 58.200 thousand and will be sold by the Effepi Real Estate fund, a real estate investment fund whose shares are held entirely by the Pension Fund UniCredit, managed by Generali Real Estate S.p.A. SGR. The closing of the transaction is expected by the end of the first quarter of 2022.

Regarding the possible impacts deriving from the Russian-Ukrainian crisis, it should be noted that, considering the domestic activity of the Company, the tenant portfolio and the type of agreements in place, there are no impacts on the results as of December 31st, 2021. The effects that could instead occur in the year 2022, in consideration of the development activities planned over the years, are mainly the procurement of raw materials and the related cost. The dynamics can result in an increase in the expected construction costs and in a lengthening in the completion times of projects that are currently not quantifiable. The Company is constantly monitoring the evolution of the crisis in order to put in place the necessary safeguards to mitigate the aforementioned risks.

BUSINESS OUTLOOK

The Company has continued to pursue its strategy of consolidating the quality of the portfolio, selling mature real estate and investing in its portfolio in order to reposition properties that need work. Such strategy will involve a reduction of the revenues from lease in the next few years for effect of the phase of shipbuilding in particular of the real estate Monte Rosa, Deruta and Tocqueville. At the end of the redevelopment of the aforementioned buildings, the level of rents will return to a higher level than that shown at December 31st, 2021 and equal to Euro 41.2 million.

The result of the consolidated financial statements as of December 31st, 2021 attributable to COIMA RES amounted to Euro 23.1 million. The Board of Directors of the Company will propose to the Shareholders' Meeting a dividend of Euro 10.8 million (Euro 0.30 per share), in line with what was distributed in previous years.
The dividend was calculated on the basis of the results of the Parent Company and the current legislation on listed real estate investment companies (SIIQ).

The Company expects that the portfolio composed and described in the previous pages may generate positive economic and financial results, giving the Company the possibility to generate profits in subsequent years and to distribute dividends to its shareholders.

On the basis of the above, The Directors have prepared these consolidated financial statements with a view to the continuation of business as they consider all the elements that confirm the Company's ability to continue operating as an entity.

With regard to the continuation of the COVID-19 epidemic in Italy, the Company has not had any significant impact on financial results, as the COIMA RES portfolio is characterised by diversified conductors consisting mainly of multinational companies. During the year, COIMA RES demonstrated its solidity and resilience, maintaining rental income levels in line with previous years.

Implications of the Covid-19 epidemic on the consolidated balance sheet

The restrictive measures, relating to the COVID-19 pandemic, continued for much of 2021 although to a lesser extent than in the lock-down period of 2020. The current situation did not reveal any particular difficulties for the holders compared to what was already highlighted in previous periods, as the restrictive measures resulted in the closure of limited commercial activities with very limited impact for the Company.
In fact, the Company's portfolio consists mainly of offices, a more resilient segment, and with a limited percentage of the portfolio focused on hospitality and retail (about 5%).

At the date of this report, COIMA RES received 100% of the rents due in 2021.

In terms of evaluation, the Independent Experts express less uncertainties in formulating their opinions than the assessments of the previous year.

The real estate portfolio for office use has remained substantially unchanged in value although some properties have had corrections. These corrections did not lead to any problems with exceeding covenant levels. In addition, in almost all funding there are care mechanisms that would allow the Company, in view of the significant cash position, to avoid the loss of the benefit of the term.

In terms of liquidity, the Group has a solid financial position with a total liquidity of over Euro 90.5 million. With regard to financing, Euro 53 million were classified as short-term loans that will be renegotiated in the first half of 2022 and, in view of the quality of the buildings, there are no possible problems in the extension of these loans.

SIIQ REGIME

The application of the SIIQ regime is subject to the condition that the companies concerned mainly carry out real estate leasing activities.

The prevalence should be verified based on two indices:
- one of an asset nature: real estate owned by way of property or other right in rem used for rental activities represents at least 80% of the assets - "*asset test*".
- the other income statement: in each financial year, revenues from leasing activities account for at least 80% of the positive components of the income statement - "*profit test*" (ratio of exempt operating income to total income).

At the date of these financial statements, the Company is compliant with both indices.

OTHER INFORMATION

Option to derogate (OPT OUT) the obligation to publish a document in the event of significant transactions

Company's Board of Directors on September 14th, 2015, resolved to make use of the derogation provided for in Articles 70, paragraph 8 and 71, paragraph 1-bis of Consob Regulation no. 11971/99.

Definition of SMEs

With reference to the definition of SMEs, in Article 1, paragraph 1, letter w-quater.1) of the TUF and Art.2-ter of Consob Issuers' Regulations, it should be noted that, at the date of these financial statements, the Company falls within this definition as it has a market capitalisation of less than Euro 500 million, as shown in the following table:

Average market capitalization 2021	Average market capitalization 2020	Average market capitalization 2019
242,506,312	233,090,558	291,593,852

Annual financial report in ESEF format

This document has been prepared in "adobe acrobat" format and does not represent the annual financial report in accordance with the ESEF requirements, for which reference should be made to the information available on the Company's website. For any discrepancy between this document and the one in ESEF format, the latter prevails.

CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31ST, 2021

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT/(LOSS) FOR THE YEAR

(in thousands Euro)	Notes	December 31st, 2021	*of which related parties*	December 31st, 2020	*of which related parties*
Income statements					
Rents	3	41,248	-	44,418	-
Net real estate operating expenses	4	(4,556)	(743)	(4,074)	(896)
Net rents		**36,692**	**(743)**	**40,344**	**(896)**
Income / (losses) from real estate disposals	5	16,677	(413)	(100)	-
Costs of sales		-	-	-	-
Net revenues from disposal		**16,677**	**(413)**	**(100)**	**-**
G&A expenses	6	(8,801)	(5,656)	(8,549)	(5,254)
Other operating expenses	7	(310)	(11)	(165)	122
Gross operating income		**44,258**	**(6,823)**	**31,530**	**(6,028)**
Net depreciation	8	(1,204)	(84)	(1,785)	(81)
Net movement in fair value	9	(11,304)	-	(11,001)	-
Net operating income		**31,750**	**(6,907)**	**18,744**	**(6,109)**
Net income attributable to non-controlling interests	10	6,470	-	8,284	-
Income / (loss)		-	-	-	-
of which non-recurring		-	-	-	-
Financial income	11	3	-	1,237	-
Financial expenses	11	(8,393)	(8)	(8,304)	(8)
Profit before tax		**29,830**	**(6,915)**	**19,961**	**(6,117)**
Income tax	12	-	-	-	-
Profit		**29,830**	**(6,915)**	**19,961**	**(6,117)**
Minorities		(6,773)	-	(4,334)	-
Profit for the Group		**23,057**	**(6,915)**	**15,627**	**(6,117)**

EARNINGS PER SHARE

(in Euro)	Notes	December 31st, 2021	December 31st, 2020
Earnings per share			
Basic, net income attributable to ordinary shareholders	13	0.64	0.43
Diluted, net income attributable to ordinary shareholders	13	0.64	0.43

CONSOLIDATED STATEMENT OF OTHER ITEMS IN THE COMPREHENSIVE INCOME STATEMENT

(in thousands Euro)	Notes	December 31st, 2021	December 31st, 2020
Profit for the year		**29,830**	**19,961**
Other comprehensive income to be reclassified to profit of the period in subsequent periods	23	1,173	575
Other comprehensive income not to be reclassified to profit of the period in subsequent periods		-	-
Other comprehensive income		**31,003**	**20,536**
Referable to:			
Group shareholders		24,067	16,176
Minorities		6,936	4,360

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands Euro)	Notes	December 31st, 2021	*of which related parties*	December 31st, 2020	*of which related parties*
Assets					
Real estate investments	14	684,935	-	755,382	-
Other tangible assets	15	921	622	1,381	690
Intangible assets	15	297	-	257	-
Investments accounted for using the equity method	16	56,335	-	47,131	-
Deferred tax assets	17	13	-	20	-
Derivatives	18	222	-	40	-
Non-current financial receivables	19	1,437	-	-	-
Total non-current assets		**744,160**	**622**	**804,211**	**690**
Inventories	20	2,185	-	2,707	-
Current financial receivables	19	980	-	1,620	1,620
Trade and other current receivables	21	13,893	3,713	13,710	279
Cash and cash equivalents	22	90,604	-	48,653	-
Total current assets		**107,662**	**3,713**	**66,690**	**1,899**
Non-current assets held for sale	14	-	-	4,300	-
Total assets		**851,822**	**4,335**	**875,201**	**2,589**
Liabilities					
Capital stock		14,482	-	14,482	-
Share premium reserve		336,273	-	336,273	-
Valuation reserve		(736)	-	(1,428)	-
Interim dividend		(3,611)	-	(3,611)	-
Other reserves		89,265	-	84,111	-
Profit for the year		23,057	-	15,627	-
Total Group shareholders' equity	**23**	**458,730**	**-**	**445,454**	**-**
Minorities	**23**	**73,777**	**-**	**70,968**	**-**
Shareholders' equity	**23**	**532,507**	**-**	**516,422**	**-**
Non-current bank borrowings	24	247,283	-	316,973	-
Non-current financial liabilities	25	714	643	1,140	704
Payables for post-employment benefits	26	64	-	100	-
Provisions for risks and charges	27	2,938	465	391	391
Derivatives	28	818	-	1,663	-
Trade and other non-current liabilities	29	1,617	887	1,707	876
Total non-current liabilities		**253,434**	**1,995**	**321,974**	**1,971**
Current bank borrowings	24	53,160	-	22,017	-
Trade and other current liabilities	30	12,696	5,547	14,757	2,386
Current tax payables	31	25	-	31	-
Total current liabilities		**65,881**	**5,547**	**36,805**	**2,386**
Total liabilities		**319,315**	**7,542**	**358,779**	**4,357**
Total liabilities and shareholders' equity		**851,822**	**7,542**	**875,201**	**4,357**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in thousands Euro)	Capital stock	Share premium reserve	Valuation reserve	Other reserves / (interim dividend)	Profit / (loss) carried forward	Profit / (loss) for the period	Total Group Shareholders' equity	Minorities	Total Shareholders' equity
Balance as of January 1st, 2020	**14,482**	**336,273**	**(1,677)**	**55,801**	**3,258**	**31,973**	**440,110**	**71,175**	**511,285**
Allocation of profit for the year	-	-	-	19,917	4,835	(24,752)	-	-	-
Distribution of dividends 2019 [7]	-	-	-	-	-	(7,221)	(7,221)	(2,817)	(10,038)
2020 interim dividend	-	-	-	(3,611)	-	-	(3,611)	-	(3,611)
Valuation of derivatives	-	-	249	283	-	-	532	26	558
Partial redemption of units	-	-	-	-	-	-	-	(1,750)	(1,750)
Reserve for actuarial gain/(loss) IAS 19	-	-	-	17	-	-	17	-	17
Profit for the period	-	-	-	-	-	15,627	15,627	4,334	19,961
Balance as of December 31st, 2020	**14,482**	**336,273**	**(1,428)**	**72,407**	**8,093**	**15,627**	**445,454**	**70,968**	**516,422**
Allocation of profit for the year	-	-	-	4,814	3,592	(8,406)	-	-	-
Distribution of dividends 2020 [8]	-	-	-	-	-	(7,221)	(7,221)	(3,626)	(10,847)
2021 interim dividend	-	-	-	(3,611)	-	-	(3,611)	-	(3,611)
Valuation of derivatives	-	-	692	334	-	-	1,026	162	1,188
Partial redemption of units	-	-	-	-	-	-	-	(500)	(500)
Reserve for actuarial gain/(loss) IAS 19	-	-	-	25	-	-	25	-	25
Profit for the period	-	-	-	-	-	23,057	23,057	6,773	29,830
Balance as of December 31st, 2021	**14,482**	**336,273**	**(736)**	**73,969**	**11,685**	**23,057**	**458,730**	**73,777**	**532,507**

[7] Not including the interim dividend on 2019 results amounting to Euro 3,611 thousand, paid in November 2019.
[8] Non including the interim dividend on 2020 results amounting to Euro 3,611 thousand, paid in November 2020.

CASH FLOW STATEMENT

(in thousands Euro)	Notes	2021	2020
Profit for the period before tax		29,830	19,961
Adjustments to reconcile the profit to net cash flow:			
Net depreciation	8	1,145	1,613
Severance pay	6	123	64
Net movement in fair value property	9	11,304	11,001
Net income attributable to non-controlling interests	10	(6,470)	(8,284)
Income / (losses) from real estate disposals	5	(16,677)	-
Badwill		-	-
Financial income	11	-	-
Financial expenses	11	2,067	1,430
Net movement in fair value of financial instrument	7	11	(122)
Changes in working capital:			
(Increase) / decrease in trade and other current receivables	21	(390)	(3,828)
Increase / (decrease) in trade payables and other current liabilities	30	(2,216)	2,194
(Increase) / decrease in current tax payables	31	-	-
Increase / (decrease) in trade payables and other non-current liabilities	29	(162)	(4)
Other changes in working capital		-	-
Net cash flows generated (absorbed) from operating activities		**18,565**	**24,025**
Investment activities			
(Acquisition) / disposal of real estate properties	14	80,120	17,741
(Acquisition) / disposal of other tangible and intangible assets	15	(119)	(121)
(Increase) / decrease in financial assets	21	1,620	3,284
Purchase in subsidiaries (net of cash acquired)		-	-
Purchase of associated companies	16	(2,696)	(5,214)
Net cash flow generated (absorbed) from investment activities		**78,925**	**15,690**
Financing activities			
Shareholders' contribution / (dividends paid)	23	(10,670)	(10,812)
Dividends paid to minorities	23	(4,127)	(4,567)
(Acquisition) / closing of derivatives	28	(193)	(252)
Change in interests in subsidiaries		-	-
Increase / (decrease) in bank borrowings and other non-current lenders	24	5,000	-
Repayment of borrowings	24	(45,549)	(18,124)
Net cash flows generated (absorbed) from financing activities		**(55,539)**	**(33,755)**
Net increase / (decrease) in cash and cash equivalents		41,951	5,960
Cash and cash equivalents at the beginning of the period		48,653	42,693
Cash and cash equivalents at the end of the period		**90,604**	**48,653**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Principles of preparation and changes in accounting standards

1.1 Principles of preparation

The consolidated financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union.

Starting from the financial year 2021, in accordance with article 4 of the "Transparency Directive", the annual financial report has been prepared in accordance with the European Single Electronic Format ("ESEF") as the Company is listed on a regulated market of the European Union. In addition, the Company has marked the IFRS consolidated financial statements using the XBRL marking language. In order to be compliant with the aforementioned legislation, the Company has equipped itself with a specific dedicated IT software.

The consolidated financial statements have been prepared in accordance with the historical cost principle, except for investment property, financial instruments, derivative financial instruments, financial assets measured at *fair value* and contingent consideration which are recognized at *fair value*. The book value of assets and liabilities that are subject to *fair value* hedging transactions and which would otherwise be recorded at amortised cost is adjusted to take account of changes in *fair value* attributable to the hedged risks.

The consolidated financial statements are presented in euros and all amounts are rounded to thousands of euros, unless otherwise stated.

The consolidated financial statements comprise the statement of financial position, the statement of profit/(loss) for the year, the statement of other comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows and the notes to the financial statements.

The consolidated financial statements provide comparative information referring to the previous year and have been prepared on a going concern basis, in accordance with the principle of accrual-based accounting, in compliance with the principle of relevance and significance of information and the prevalence of substance over form.

Offsets between assets and liabilities and between costs and revenues are made only if required or permitted by a standard or an interpretation thereof.

The financial statements adopted are consistent with those required by IAS 1 – "Presentation of Financial Statements" in particular:

- the statement of financial position has been prepared by classifying assets and liabilities according to the "current / non-current" criterion;
- the statement of profit/(loss) for the year and the statement of other comprehensive income have been prepared by classifying operating costs by nature;
- the cash flow statement was prepared according to the "indirect method";
- the statement of changes in shareholders' equity.

The formats used, as specified above, are those that best represent the economic standing and financial position of the Company.

1.2 Consolidation

Scope of consolidation

The consolidated financial statements have been prepared on the basis of the financial statements at December 31st, 2021 prepared by the entities included in the scope of consolidation and adjusted, where necessary, in order to align them with the accounting standards and classification criteria in accordance with IFRS. The scope of consolidation includes COIMA RES S.p.A. SIIQ, as Parent Company, and the entities summarised in the table below.

Entity	Direct participation	% owned	Consolidation method
COIMA CORE FUND IV	COIMA RES S.p.A. SIIQ	100.0%	Full consolidation
COIMA CORE FUND VI	COIMA RES S.p.A. SIIQ	88.2%	Full consolidation
MHREC REAL ESTATE SARL	COIMA CORE FUND VI	100.0%	Full consolidation
COIMA RES SIINQ I	COIMA RES S.p.A. SIIQ	100.0%	Full consolidation
COIMA CORE FUND VIII	COIMA RES S.p.A. SIIQ	50.0%	Full consolidation
LORENTEGGIO CONSORTIUM	COIMA CORE FUND VIII	69.2%	Full consolidation
COIMA OPPORTUNITY FUND I	COIMA CORE FUND VI	88.8%	Full consolidation
FELTRINELLI PORTA VOLTA	COIMA CORE FUND VI COIMA OPPORTUNITY FUND I	52.9% 47.1%	Full consolidation
CO-INVESTMENT 2 SCS	MHREC REAL ESTATE SARL	33.3%	Equity method
BONNET	COIMA RES S.p.A. SIIQ	35.7%	Equity method
P. N. GARIBALDI CONSORTIUM	COIMA RES S.p.A. SIIQ	4.0%	Equity method
IN. G. RE. SCRL	COIMA RES S.p.A. SIIQ	1.9%	Equity method

The Company consolidates the mentioned funds and companies in the consolidation financial statements because all the criteria provided by paragraphs 6 and 7 of IFRS 10 in relation to the consolidation of the investment entities are met.

Consolidation methods

The consolidated financial statements include the financial statements of the Company and its subsidiaries as of December 31st, 2021. The financial statements have been prepared using the same accounting principles as those used by the Company for each accounting period.
The main consolidation methods used to prepare the consolidated financial statements are the following:
subsidiaries are consolidated from the date control is effectively transferred to the Company and cease to be consolidated from the date control is transferred outside the Company; control exists when the Company 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;
the consolidation of the subsidiaries was prepared with the integral method; the technique consists in consolidating all the balance items in their global amount, that is, regardless of the percentage of ownership.

Only when determining the Net Equity and the result for the year, any share attributable to third parties is highlighted in the appropriate line of the Balance Sheet and Income Statement;
the consolidation of related companies is determined with pro-quota adjustments of the participation of changes in equity of associated companies;
the carrying value of equity investments is eliminated against the assumption of their assets and liabilities;
all intercompany assets, liabilities, income and losses, including unrealized profits deriving from transactions between Group companies, are eliminated.

As for COIMA CORE FUND VIII, of which the Company holds 50% of units, the management has analysed in detail the fund management regulations, with reference to the operating methods, as well as the decision-making structure of the advisory committee and of the Shareholders' Meeting, considering the requisites envisaged by IFRS 10 in relation to the exercise of control to be satisfied and therefore to the line-by-line consolidation.

1.3 Main balance sheet items

Real estate investments

Investment property is represented by property held to earn rental income and/or for capital appreciation and not for use in the production or supply of goods or services or for administrative purposes.

Investment property is initially recognized at cost including incidental expenses and acquisition, consistent with IAS 40, and subsequently measured at *fair value,* recognizing in the income statement the effects of changes in *fair value* of investment property in the year such occur.

The costs incurred relating to subsequent interventions are capitalized on the carrying value of the investment property when it is probable that they will generate future economic benefits and their cost can be measured reliably. Other maintenance and repair costs are expensed as incurred.

The *fair value* of the investment property does not reflect future capital investments that will improve or enhance the properties and does not reflect future benefits from this expenditure.

Investment property is derecognized when sold (at the date on which the buyer obtains the control) or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The amount of consideration to be considered for determining the profit or loss deriving from the cancellation of an investment property is determined in accordance with the requirements for determining the price of the transaction in IFRS 15.

IFRS 13 defines the *fair value* as the price (*exit price)* that would be received for the sale of an asset, or that would be paid for transfer of a liability in a regular transaction between market participants at the valuation date.
In particular, in measuring the *fair value* of investment property, as required by IFRS 13, the company must ensure that the fair value reflects, among others, rental income from current leases, and other reasonable and supportable assumptions that market participants would use to price real estate properties under current conditions.

In accordance with IFRS 13, the *fair value* valuation of a non-financial asset considers the ability of a market operator to generate economic benefits from using the asset at its *highest and best use or* selling it to another market participant that would employ such at its highest and best use.
According to IFRS 13, an entity must employ valuation techniques appropriate to the circumstances and for which enough data are available to measure the *fair value*, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The *fair value* is measured based on observable transactions in an active market, adjusted if necessary, depending on the specific characteristics of each investment property. If such information is not available, to determine the *fair value* for measurement of the investment property, the company

uses the discounted cash flow method (for a period that varies according to the duration of existing contracts) related to future net income from leasing of property, and it is assumed that the property is sold at the end of this period.
Investment property is valued with the support of an external independent valuation company, duly recognized in terms of professional qualification and recent experience in the leasing and characteristics of the property evaluated.
The Company has adopted an internal procedure for the selection and appointment of independent experts as well as for the valuation of investment properties. On the selection and appointment of the independent experts, the procedure requires specific operational binding instructions to verify, through appropriate written statements or acquiring specific certifications, that independent experts respond to business needs and with local regulations.

Valuations are prepared at least six months, in compliance with the standard "RICS Valuation - Professional Standards" and in compliance with applicable regulations and the recommendations provided by ESMA European Securities and Markets Authority.
The remuneration provided for assessments as of December 31st, 2021 has been preliminarily defined as a fixed amount based on the size of the individual investment property. The process by which the Company determines the *fair value* of its real estate investments, however, falls within the estimation processes, which implies the forecast of costs and revenues related to each investment and the formulation of assumptions on variables of calculation models that depend on expectations the performance of real estate and financial markets as well as the general economic conditions that affect rent levels and the reliability of tenants, and that, in consideration of the uncertainty connected to the realization of any future event, are able to determine variations, even significant and in the short term, the conclusions of the experts and therefore of the results of the financial statements, albeit in constant evaluation models. As for the use of estimates regarding real estate investments, refer to paragraph 15 – Real estate investments.

Real estate initiatives in progress

The real estate initiatives in progress are measured at *fair value* according to the international accounting standard IAS 40 - *Fair value option*, if:

- the destination to the lease or the appreciation of the invested capital is envisaged, and
- the *fair value* of investments can be reliably determined.

In accordance with the provisions of Consob recommendation DIE/0061944, the estimate of *fair value* is considered reliable if the following main conditions are met:

- the project is in advanced state, or
- the main building permits and authorizations have been obtained, the main tasks for the realization of the project have been assigned and there are no financing difficulties in the subsequent development phases.

If these conditions are not met, the property is accounted for in accordance with IAS 16.

Inventories

Inventories consist of lands - also to be built -, properties under construction and renovation, completed properties, for which the purpose is the sale to third parties and is not maintaining the property portfolio to perceive the rental income.

Lands for developments are valued at the lower of acquisition cost and estimated realizable value. Cost includes incremental expenses and borrowing costs eligible for capitalization, where the following conditions:
management has taken decision on the allocation of significant areas in its use, development, or direct sale;
being incurred costs to obtain the asset;
being incurred borrowing costs.

Properties under construction and / or being restructured, are valued at the lower of cost, including incremental expenses of their value and capitalizable financial charges, and estimated realizable value.

The properties for sale are valued at the lower of cost or market value based on transactions of similar properties by location and type. The acquisition cost is increased by any incremental expenses incurred up to the time of sale.

In view of the fact that the Company's investment strategy is focused on the creation of stable cash flows deriving from the lease of the real estate portfolio, management has deemed it appropriate to classify under this item those properties that do not meet the characteristics of the Company's core business, i.e. vacant properties that do not generate lease payments.

Property, plant and equipment

Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. This cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as are placement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Machinery and equipment	5 years
Plant and office properties	12 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their *fair value* at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.
Intangible assets with finite lives are amortised over the useful economic life (5 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.
A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.
The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.
Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.
The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.
The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and noncontrolling interests in the subsidiaries of the associate or joint venture.
The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.
After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.
Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and

recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits, in the latter case with a maturity of no more than three months, which are not subject to significant risks associated with the change in value.
Cash and cash equivalents are stated at their nominal value and the spot rate at year-end, if in foreign currency.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and *fair value* less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sale will be withdrawn. The Company must be committed to the plan to sell, which has to be completed within one year from the date of the classification. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.
Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.
A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to dispose it.

Net Equity

Capital stock
The capital stock represents the nominal value of payments and contributions made in this regard by shareholders.

Valuation reserve
When derivatives hedge the risk of cash flow variations of covered instruments (cash flow hedge; e.g. hedging the cash flow variation of assets/liabilities due to exchange rates movements), the changes in the *fair value* of the derivatives considered effective are initially recognized in the valuation reserve, relating to the other components of the overall profit and subsequently charged to the income statement in line with the economic effects produced by the hedged transaction.

Cash dividend and Interim dividend
The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As for the corporate laws in Europe, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Severance pay

Severance pay fund (TFR) is considered as a defined benefit plan. The benefits promised to employees are recognized monthly with the maturation and are paid upon termination of employment. The severance pay is accrued based on the seniority reached at the end of each individual employee in accordance with the laws and labour contracts in force at the reporting date. The provision reflects the liability towards employees, based on experience and seniority wages paid, recalculated based on its actuarial value. The adopted actuarial assessments are the best estimates of the variables that determine the final cost of the subsequent performance at the end of the employment relationship.

Provision for risks and charges

The provisions for risks and charges relate to costs and charges of a determined nature and of certain or probable existence which at the closing date of the period are undetermined in the amount or date of occurrence. Provisions are recognized when: (i) the existence of a current obligation, legal or implicit, deriving from a past event is probable; (ii) it is probable that the fulfilment of the obligation will be expensive; (iii) the amount of the obligation can be estimated reliably. The provisions are entered at the value representative of the best estimate of the amount that the Company would rationally pay to extinguish the obligation or to transfer it to third parties on the closing date of the period. When the financial effect of time is significant and the payment dates of the obligations can be estimated reliably, the provision is subject to discounting; the increase in the provision connected with the passage of time is charged to the income statement under "*financial charges*". When the liability relates to tangible assets (e.g. area reclamation), the provision is recognized as a contra-entry to the asset to which it refers; the income statement is entered through the amortization process. The provisions are periodically updated to reflect changes in cost estimates, implementation times and discount rates; the estimate revisions of the funds are recognized in the same income statement item that previously accepted the provision or, when the liability relates to tangible assets (e.g. area reclamation), as a contra-entry to the asset to which it refers.
The notes to the financial statements illustrate the potential liabilities represented by possible (but not probable) obligations, deriving from events the existence of which will be confirmed only if one or more assumptions are found that are not totally under the control of the Company. For more details, see the description in paragraph 6 – G&A expenses.

Financial instruments

Financial instruments are an incentive recognized to management in relation to their significant contribution during the start-up and development of the Company. These financial instruments will entitle the payment of a return linked to changes in the Net Asset Value (NAV) to be carried out also through the assignment of shares in the Company. Financial instruments are initially recognized at *fair value*, recording the effects deriving from the change in fair value in the period in which they occur in the income statement. The *fair value* at the end of the period is determined through estimates made by management, also through the support of independent experts. The process by which the Company determines the *fair value* of the instrument is part of the estimation process, which implies the forecast of cash flows based on variables that depend on expectations of the performance of the real estate and financial markets and the general market conditions, able to determine changes, even significant and in the short term, on the conclusions of the experts and therefore of the financial results.

Financial liabilities - Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as

appropriate.
All financial liabilities are recognised initially at *fair value* and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The Group's financial liabilities include trade and other payables, loans and borrowings including financial instruments and derivative financial instruments.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.
Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

IFRS 9 - Derivatives financial instruments

The Group uses derivative financial instruments including *interest rate caps* and *interest rate swaps* to hedge interest rate risks on loans. These derivative financial instruments are recognised at *fair value* in accordance with IFRS 9 and are recognised as financial assets when the fair value is positive and as financial liabilities when the *fair value* is negative.

When initiating a hedging transaction, the Group formally designates and documents the hedging relationship, to which it intends to apply hedge accounting, its risk management objectives and the strategy pursued.
This documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk and the manner in which the Group will assess whether the hedging relationship meets the requirements for hedge effectiveness (including analysis of the sources of hedge ineffectiveness and how the hedging relationship is determined). The hedging relationship meets the eligibility criteria for hedge accounting if it meets all the following requirements for hedge effectiveness:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group hedges and the quantity of the hedging instrument that the Group uses to hedge that quantity of hedged item.

As for the cash flow hedge, the effective portion of the gain or loss on the hedging instrument is recognised in OCI in the "cash flow hedge reserve", while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in *fair value* of the hedged item.

Impairment

IFRS 9 requires the Company to record the expected credit losses on all items such as loans and trade receivables, having as reference either a period of 12 months or the entire contractual duration of the instrument (e.g. *lifetime expected loss*). The Company applies the simplified approach and therefore records any expected losses on all trade receivables based on their remaining contractual duration. The Company has assessed the impact of its receivables in its portfolio, both of a commercial and financial nature, taking into account the characteristics of the receivables, the counterparties and the collection times, even though not all receivables are guaranteed, and the effects deriving from the application of the new criterion are not significant taking into account the risk profile of its customers.

Hedge Accounting

As of the date of this report, the Company uses hedge accounting with reference to *interest cap rate* instruments underwritten. Considering the provisions of the standard, the Company has established that all existing hedging relationships that are currently designated as effective hedges continue to qualify for hedge accounting in accordance with IFRS 9. However, the standard provides for the recognition of the effects deriving from the valuation of these instruments, including the portion of the extrinsic value, in the item "other reserves" of shareholders' equity.

Recording of revenues, income and expenses in the income statement

Revenues

Revenue is recognized to the extent in which it is likely that economic benefits will be obtained by the company and the revenue can be measured reliably. Revenues are measured at the *fair value* of the consideration to which the entity believes it is entitled in exchange for the transfer of goods or services to the customer, taking into account the agreed contractual terms and the commitments made.
The following specific recognition criteria of revenues must always be considered before recognition in the income statement:

- *fair income*: rental income from the investment property owned by the Company is recognised on a linear method (*on a straight-line basis*), in accordance with IFRS 16 (paragraph 81), conforming the maturity lease agreements;
- *income from real estate disposals*: income from the real estate disposals are recognized in the income statement when the contractual *obligation performance* is effectively executed and then transferred to the buyer of all the significant risks and rewards associated with ownership, which is normally transferred on the date of signing the deed notarial, when the transaction price is generally also settled.

IFRS 15 Revenues from contracts with customers

IFRS 15 applies to all revenues from contracts with customers, unless these contracts fall within the scope of other standards such as lease contracts, for which the reference standard is IAS 16. The standard introduces a five-step model that applies to revenues from contracts with customers. IFRS 15 requires the recognition of revenue at an amount that reflects the consideration to which the entity believes it is entitled in exchange for the transfer of goods or services to the customer.
The standard involves the exercise of an opinion by the Company, which considers all relevant facts and circumstances in the application of each phase of the model to contracts with its customers. The standard also specifies the accounting for incremental costs linked to obtaining a contract and costs directly linked to the completion of a contract.
The Company revenues are mainly from leases, so this standard had no effect on the consolidated financial statements.

Leases

The Company is characterised by investments in high-quality real estate portfolios, mainly concentrated in leading Italian cities, with high-profile tenants and long-term lease contracts, including adequate safeguard clauses as well

as clauses providing for ordinary and extraordinary maintenance expenses and works to be borne by the tenant. At present, lease revenues from owned investment property are accounted for based on IFRS 16 (paragraph 81), which represents the accrual method, based on existing lease contracts.
Considering the current contractual framework and the sector practices adopted also by the main competitors, it can be concluded that the adoption of IFRS 15 has not had an impact on the Group's results with reference to rental property leases.

Real estate disposals

With reference to real estate sales, it should be noted that these take place through the signing of a notarial deed, during which the actual contractual obligations and the real availability of the asset by the notary are verified. In particular, these transactions provide for (i) the transfer of the asset by the seller, (ii) the settlement of the consideration by the buyer at the deed without further delay and/or commitments for the seller, and (iii), if necessary, the payment of deposits or advances at the same time as the signing of the preliminary sale contracts, the latter case taking into account the short time lapse between the preliminary and deed (generally less than one year) does not provide for the inclusion in the price of significant implicit financial components.

IFRS 16 – Leases

This standard defines the criteria for the recognition, measurement, presentation and disclosure of leases and requires tenants to account for all leasing contracts in the financial statements on the basis of a single model similar to that used to account for financial leases in accordance with the previous IAS 17. The standard provides for two exemptions for the recognition by tenants - leasing contracts relating to "low value" assets and short-term leasing contracts (for example expiring within 12 months or less). At the start date of the leasing contract, the lessee recognizes a liability for the lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset for the duration of the contract (i.e., right to use the activity). The lessees must separately account for the interest costs on the lease liability and the amortization of the right to use the asset. Lessees must also remeasure the lease liability upon the occurrence of certain events (for example: a change in the terms of the lease agreement, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee generally recognizes the amount of the lease liability as an adjustment to the right of use of the asset.

Lessors classify all leases by distinguishing two types: operating leases and financial leases, providing adequate information in the financial statements.

It should be noted that as of today the Company has leasing agreements for IT equipment, which do not fall within the scope of the standard due for their "low value", and two rental agreements, one of which relating to the registered office:

- on July 21st, 2017, COIMA RES signed a rental contract for the new registered office in Milan, in Piazza Gae Aulenti 12. The agreement provides for a duration of six years, renewable twice with an annual fee of approximately Euro 94 thousand. In consideration of the fact that COIMA RES has invested a significant amount for the preparation of the new headquarters, it is appropriate to consider the duration of the lease as twelve years;
- on January 26th, 2018, the Lorenteggio Village Consortium signed a rental contract for the control room of the Vodafone real estate complex located in Milan, Via Lorenteggio 240, with maturity on January 31st, 2027 and an annual rent amounting to Euro 15 thousand.

Costs

Costs and other operating expenses are recognized as components of the operating result when they are incurred on the basis of the accruals principle and when they do not have requirements for accounting as assets in the balance sheet.

Financial income and expenses

Financial income and expenses are recognized on an accrual basis according to the interest accrued on the net value of the related financial assets and liabilities using the effective interest method.
Borrowing costs directly attributable to the acquisition and construction of investment property are capitalized in the carrying amount of the pertinent property. Capitalization of interest is carried out on condition that the increase in the carrying value of the asset does not ascribe to the same value higher than its *fair value.*

Taxes

Current taxes

Current income taxes are calculated based on estimated taxable income. Liabilities for current taxes are recognized in the balance sheet net of any advance taxation.

Tax payables and receivables for current taxes are measured at the amount expected to be paid /received to/from the tax authorities based on the nominal tax rates in effect at the balance sheet date, except for those directly recorded in shareholders' equity, in that such relate to adjustment of assets and liabilities recognized directly to equity. Other non-income taxes, such as taxes on property and capital, are included in the operating costs.

The Company is under the SIIQ tax regime. SIIQs are subject to neither corporate income tax ("IRES") nor regional tax on productive activities ("IRAP") on the business income deriving from letting real property and on other real estate related items of income. On the other hand, the earnings and profits corresponding to the exempt income are subject to taxation in the hands of the shareholders upon distribution.
Taxes are therefore calculated on the income produced by the non-exempt income.

Deferred tax

With regard to non-exempt management, prepaid and deferred taxes are recognized according to the global allocation of liabilities method.
It is calculated on the temporary differences between the carrying amounts of assets and liabilities recorded in the balance sheet and their tax value. The deferred tax assets on tax losses carried forward and on deductible temporary differences are recognized to the extent in which it is likely that future taxable profit will be available against which such can be recovered, considering the SIIQ status.

The tax assets and liabilities are measured using the tax rates expected to be applicable during the years when temporary differences will be reversed. Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The assets and current and deferred tax liabilities are offset when the income taxes are levied by the same taxation authority, when there is a legally enforceable right to offset, and when the expected repayment time is the same.

Earnings Per Share

Earnings Per Share - basic

Basic earnings per ordinary share is calculated by dividing the profit for the period attributable to ordinary shares and the weighted average number of ordinary shares outstanding during the year.

Earnings Per Share - diluted

Earnings per ordinary share diluted is calculated by dividing the profit for the period attributable to ordinary shares and the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued upon conversion into ordinary shares of all potential ordinary shares with dilution effects.

Use of estimates

The preparation of the financial statements and related notes requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the statements.
Actual results could differ from these estimates due to the uncertainty surrounding the assumptions and conditions on which the estimates are based. Therefore, changes in the conditions underlying the opinions, assumptions and estimates adopted may have a significant impact on future results.
Estimates are used to determine the *fair value* of investment properties, of financial instruments and derivatives.
Estimates and assumptions are reviewed periodically by management and, when deemed necessary, are seconded by opinions and studies of independent external consultants of leading standing (for example, real estate appraisals), and the effects of any changes are reflected in the income statement.

The following are the most significant estimates related to the preparation of financial statements and annual accounting reports in that they entail many subjective opinions, assumptions and estimates:

- *investment property*: is initially recognised at cost including incidental expenses and acquisition, in according to IAS 40, and subsequently measured at *fair value,* recognising in the income statement the effects of changes in fair value of investment property in the year such occur. The *fair value* at the closing date of the period is determined by valuation of the real estate assets performed by independent experts; this valuation is subject to hypothesis, assumptions and estimates, for this reason the valuation made by different experts might not result in an identical opinion, furthermore as reported in the directors' report, it is subject to uncertainties related to the current emergency situation;
- *financial instrument*: financial instruments are initially valued at *fair value*, recording the effects deriving from the change in fair value in the period in which they occur in the income statement. The *fair value* is determined through estimates made by management, also through the support of independent experts; this valuation is subject to estimation processes, which implies the forecast of cash flows based on variables that depend on expectations of the performance of the real estate and financial markets as well as the general market conditions;
- *derivative financial instruments*: derivative financial instruments are measured at fair value, recognizing the effects deriving from the change in fair value in the period in which they occur. The *fair value* is determined through estimates made by management based on market prices at the reference date;
- *taxes*: income taxes, related to the non-exempt income, are estimated based on the prediction of the actual amount that will be paid to the Inland Revenue Office based on the income tax declaration; recognition of deferred tax assets is based on expectations of taxable income in future years, and pre-paid and deferred taxes are determined at the tax rates expected to be applied during the years in which temporary differences will be reversed.

1.4 New accounting standards, interpretations and amendments adopted by the Company

The accounting principles adopted for the preparation of the consolidated financial statements are consistent with those used for the preparation of the consolidated financial statements at December 31st, 2020, except for the adoption of the new principles and amendments in force since January 1st, 2021. The Company has not adopted in advance any new standards, interpretations or amendments issued but not yet in force.

Several other amendments and interpretations apply for the first time in 2021 but have no impact on the Group's consolidated financial statements.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued;
- provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Amendment to IFRS 16 Covid-19 Related rental concessions beyond June 30, 2021

On May 28th, 2020, the IASB has published an amendment to IFRS 16, which allows a lessee not to apply the requirements in IFRS 16 on the accounting effects of the contractual amendments for the reductions in lease payments granted by lessors that are a direct consequence of the Covid epidemic-19.

The amendment introduces a practical expedient whereby a tenant may choose not to assess if the reduction in rent represents contractual changes. A lessee who chooses to use this expedient accounts for these reductions as if they were not contractual amendments in the scope of IFRS 16.

From the point of view of the lessor, the accounting relating to the concessions on leases is based on existing guidelines, in fact the amendments to IFRS 16 are only applicable to the tenants. However, the IASB has provided some clarification on how to manage these cases from the point of view of the lessors.

The IASB has decided not to provide lessors with practical solutions for lease concessions that occur as a direct consequence of the Covid-19 pandemic for the following reasons:

- IFRS 16 does not specify how the lessor must account for a change in lease payments that is not a contractual amendment; and

- any practical expedient would negatively affect the comparability and interaction between the accounting requirements in IFRS 16 and the related requirements in the other standards (in particular, IFRS 9 Financial instruments and IFRS 15 Revenue from contracts with customers).

These amendments, originally applicable until June 30th, 2021, were extended by the IASB until June 30th, 2022, due to the protracted impacts associated with the Covid-19 pandemic.

During the year, the Group did not receive requests for deferred payment or concessions on lease payments relating to Covid-19 but plans to apply the practical expedients described should the case occur within the permitted application period.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: a) what is meant by a right to defer settlement; b) that a right to defer must exist at the end of the reporting period; c) that classification is unaffected by the likelihood that an entity will exercise its deferral right; d) that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. The amendments are effective for annual reporting periods beginning on or after January 1st, 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Reference to the Conceptual Framework – Amendments to IFRS 3

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The Board also added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21 Levies, if incurred separately.
At the same time, the Board decided to clarify existing guidance in IFRS 3 for contingent assets that would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements. The amendments are effective for annual reporting periods beginning on or after January 1st, 2022 and apply prospectively.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "*directly related cost approach*". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after January 1st, 2022. The Group will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual reporting periods beginning on or after January 1st, 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendments are not expected to have a material impact on the Group.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1st, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Group.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after January 1st, 2023, with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

2. Operating Segments

In order to represent the Group business by sector, it was decided to represent it primarily based on the destination of the buildings and secondarily based on geographical location.
In consideration of the investment strategy also reported in the prospectus, the buildings are divided between management buildings, bank branches and other properties. Management buildings include all office rental buildings, while other buildings include all other tertiary uses such as trade and logistics. The bank branch category is presented separately as it represents about 8% of the total real estate portfolio.

An income statement showing information about the Company's revenue and results as of December 31st, 2021, is given below:

(in thousands Euro)	Offices	Bank branches	Others	Unallocated amounts	Sector results
Rents	36,789	3.723	736	-	41,248
Income from real estate disposals	16,677	-	-	-	16,677
Net income of non-controlling interests	6,417	-	-	53	6,470
Financial income	-	-	-	3	3
Total income	**59.883**	**3.723**	**736**	**56**	**64,398**
Net real estate operating expenses	(3,491)	(728)	(337)	-	(4,556)
G&A expenses	(8,655)	(714)	578	(10)	(8,801)
Other operating expenses	(289)	(6)	(5)	(10)	(310)
Net depreciation	-	(1,036)	-	(168)	(1,204)
Net movement in fair value	(558)	(11,516)	770	-	(11,304)
Financial expenses	(6,904)	(1,008)	(444)	(37)	(8,393)
Sector results	**39,986**	**(11,285)**	**1,298**	**(169)**	**29,830**

The revenues of the sector are divided by the most significant items in the real estate sector or rent and income from investments.
It is also represented the result of the sector which also includes the property costs net of debt paid to the tenants, the costs of structure, financial charges and other corporate expenses.

Below is a reclassified schedule that provides the distribution of assets and liabilities based on the destination of the properties.

(in thousands Euro)	Offices	Bank branches	Others	Unallocated amounts	Sector results
Non-current assets	656,892	52,371	33,377	1,520	744,160
Current assets	94,713	7,162	3,931	1,856	107,662
Total assets	**751,605**	**59,533**	**37,308**	**3.376**	**851.822**
Non-current liabilities	220,011	30,969	2,454	-	253,434
Current liabilities	43,346	474	17,015	5,046	65,881
Total liabilities	**263,357**	**31,443**	**19,469**	**5,046**	**319,315**

The assets and liabilities of the sector are broken down based on the relationship with real estate divided between the various categories.
The column called *unallocated amounts* mainly includes:
for assets, financial receivables, the investment in Co Investments 2 and the cash and cash equivalents of MHREC Sarl;

as for liabilities, the revolving credit facilities and deferred and current tax liabilities.

The Group's year results are also represented based on the geographic location of the real estate:

(in thousands Euro)	Milan	Rome	Others	Unallocated amounts	Sector results
Rents	37,882	401	2,965	-	41,248
Income from real estate disposals	16,677	-	-	-	16,677
Net income of non-controlling interests	6,417	-	-	53	6,470
Financial income	-	-	-	3	3
Total income	**60,976**	**401**	**2,965**	**56**	**64,398**
Net real estate operating expenses	(3,863)	(21)	(672)	-	(4,556)
G&A expenses	(8,181)	(99)	(511)	(10)	(8,801)
Other operating expenses	(296)	(4)	-	(10)	(310)
Net depreciation	(59)	-	(1,036)	(109)	(1,204)
Net movement in fair value	(148)	(200)	(10,956)	-	(11,304)
Financial expenses	(7,464)	(168)	(724)	(37)	(8,393)
Result by geographical area	**40,965**	**(91)**	**(10,934)**	**(110)**	**29,830**

The geographic breakdown has also been chosen regarding the Company's investment strategy which is focused in Milan.

A balance sheet showing the distribution of the assets and liabilities based on the geographic location of the real estate is listed below.

(in thousands Euro)	Milan	Rome	Others	Unallocated amounts	Sector results
Non-current assets	696,480	9,088	37,072	1,520	744,160
Current assets	98,626	796	6,385	1,855	107,662
Total assets	**795,106**	**9,884**	**43,457**	**3,375**	**851,822**
Non-current liabilities	226,037	5,150	22,247	-	253,434
Current liabilities	60,416	79	341	5,045	65,881
Total liabilities	**286,453**	**5,229**	**22,588**	**5,045**	**319,315**

As for the geographical breakdown of assets and liabilities, the Company chose the same methodology used for the breakdown of assets and liabilities for sectors.

3. Rents

As of December 31st, 2021, rents amount to Euro 41,248 thousand and are detailed as follows:

(in thousands Euro)	Investments	December 31st, 2021	December 31st, 2020
	Monte Rosa	2,070	3,711
	Tocqueville	3,398	2,857
	Pavilion	3,272	3,266
COIMA CORE FUND IV	Deutsche Bank branches	3,724	4,220
COIMA CORE FUND VI	Gioiaotto	4,194	4,009
COIMA RES SIINQ I	Deruta	3,639	3,632
COIMA CORE FUND VIII	Vodafone	14,161	14,099
COIMA OPPORTUNITY FUND I	Sarca	2,438	4,042
FELTRINELLI PORTA VOLTA	Microsoft	4,352	4,582
Rents		**41,248**	**44,418**

Monte Rosa shows a decrease of Euro 1,641 thousand, attributable to the release of spaces by PriceWaterhouseCoopers in the first quarter of 2021.

The increase of Tocqueville rents, amounting to Euro 541 thousand, refers to the amendment of the lease agreement with Sisal, the main tenant of the property, finalized in June 2021. This amendment extended the expiry of the contract to March 31st, 2022 (originally scheduled for December 31st, 2021) against an increase in the gross rent planned for the last quarter.

The rents from the Deutsche Bank subsidiaries show a reduction of Euro 496 thousand mainly due to the sale of the Verona and Milan branches finalized in 2021.

Regarding the Gioiaotto property, the increase in rent for Euro 185 thousand relates to the accounting effect resulting from the amending agreement with the tenant QBR, that signed the extension of the existing contract for a further six years against an increase in the gross rent of about 44%.

The rents for Sarca, equal to Euro 2,438 thousand, refers to a period of about seven months following the sale of the property completed on August 5th, 2022.

The Microsoft property shows a decrease in rents of Euro 230 thousand following the release by the tenant of the retail space of the building in the first quarter of 2021. These spaces were granted on loan free of charge until December 2021 and are now occupied by a new tenant.

4. Net real estate operating expenses

Net real estate operating expenses amounted to Euro 4,556 thousand as of December 31st, 2021. Details of the amount are shown below:

(in thousands Euro)	Vodafone* Complex	Tocqueville Monte Rosa Pavilion	Deutsche Bank branches	Gioiaotto Sarca Microsoft	Deruta	December 31st, 2021	December 31st, 2020
Recovery of costs from tenants	2,474	889	47	1,505	18	4.933	5,620
Property management fee	(277)	(107)	(43)	(170)	(36)	(633)	(755)
Maintenance charges	(921)	(640)	(86)	(898)	(7)	(2,552)	(2,798)
Utilities	(1,284)	(378)	(4)	(500)	-	(2,166)	(1,895)
Insurances	(98)	(79)	(40)	(154)	(25)	(396)	(336)
Property taxes	(746)	(851)	(560)	(812)	(248)	(3,217)	(3,377)
Stamp duties	(142)	(98)	(42)	(120)	(36)	(439)	(444)
Other real estate costs	(2)	(75)	-	(9)	-	(86)	(89)
Net real estate expenses	**(996)**	**(1,339)**	**(728)**	**(1,158)**	**(335)**	**(4,556)**	**(4,074)**

* Including Consorzio Lorenteggio Village

The item for *recovery of costs from tenants* refers to the overturning to the tenants of the ordinary management costs of the properties.

Property management fee mainly relate to ordinary administrative and maintenance management of properties.

Maintenance and service charges concern the expenses incurred for the maintenance of the properties (lifts, systems, office cleaning) and for the upkeep of the green spaces outside the properties.

The item *utilities* refers to the cost of providing electricity, water and gas for the properties.

The item *insurances* refers to the all-risk policies signed by the Company and Funds to protect the asset value and ownership of the properties.

Other real estate costs mainly include the fees for the occupation of public areas and other expenses related to the operation of the properties.

5. Income / (losses) from real estate disposals

Income from real estate disposals, amounting to Euro 16,677 thousand (a negative amount of Euro 100 thousand at December 31st, 2020), include income from the sale of the Sarca property, net of costs relating to the sale and the provision of risks relating to the guarantees granted to the buyer, which amounted to Euro 2,473 thousand.

The sale of the property was completed in August 2021 at the price of Euro 82,500 thousand, with a premium of 36% compared to the purchase price.

6. General and administration expenses

General and administration expenses amount to Euro 8,801 thousand. The detailed summary table is attached below:

(in thousands Euro)	COIMA RES	CORE IV SIINQ I	CORE VI COF I FPV	CORE VIII	Others	December 31st, 2021	December 31st, 2020
Asset management fee	(781)	(233)	(2,403)	(1,050)	-	(4,467)	(4,144)
Personnel costs	(1,694)	-	-	-	-	(1,694)	(1,737)
Consulting costs	(419)	(98)	(361)	(54)	(30)	(962)	(948)
Control functions	(332)	(38)	(16)	-	-	(386)	(385)
Audit	(207)	(32)	(117)	(26)	(6)	(388)	(398)
Marketing	(280)	-	-	-	-	(280)	(275)
IT services	(192)	-	-	-	-	(192)	(183)
Independent appraisers	(32)	(32)	(39)	(15)	-	(118)	(157)
Other operating expenses	(301)	-	(3)	(1)	(9)	(314)	(322)
G&A expenses	**(4,238)**	**(433)**	**(2,939)**	**(1,146)**	**(45)**	**(8,801)**	**(8,549)**

Asset management fee mainly relates to the agreement signed between the Company and COIMA SGR for the *scouting* of investment transactions and the management of the real estate portfolio as well as other ancillary activities provided for in the *asset management* agreement.
These fees are calculated quarterly on the consolidated Net Asset Value (NAV) recorded by the company in the previous three months, net of the commissions already paid by the funds included in the consolidation perimeter.
The increase compared to December 31st, 2020 is almost entirely attributable to an incentive commission accrued in favor of COIMA SGR on COIMA OPPORTUNITY FUND I and attributable to minorities, not involving an increase in costs at the Group level.

Personnel costs amount to Euro 1,694 thousand and its breakdown is given in the table below:

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Wages and salaries	(667)	(789)
Social security contribution	(196)	(208)
Severance pay	(57)	(59)
Other personnel costs	(774)	(681)
Personnel costs	**(1,694)**	**(1,737)**

The item *wages and salaries,* amounting to Euro 667 thousand, includes:

- wages of Euro 393 thousand;
- bonus to employees of Euro 182 thousand;
- vacation and additional monthly payments of Euro 92 thousand.

The item *other personnel costs*, amounting to Euro 774 thousand, includes:

- board of directors and key managers' fees of Euro 561 thousand;
- social security contributions of directors of Euro 77 thousand;
- training costs, health insurance policies, restaurant tickets and travel expenses of Euro 36 thousand;
- the provisions for risks of Euro 99 thousand.

As of March 16th, 2020, the Chief Executive Officer, in order to help to limit the Company's internal costs in light of the current market capitalization, in line with the interests of the other shareholders of COIMA RES, confirmed to accept the suspension of the restatement of the annual fixed remuneration and the payment of the variable remuneration starting from 2020 and up to January 1st, 2025.
The suspension of the recalculation of the annual fixed and variable remuneration can be interrupted by Manfredi Catella only and if within that date:

- the existing Asset Management Agreement is modified and / or terminated for any reason; and / or
- Manfredi Catella does stop hold the office of Chief Executive Officer (even in the event of death); and / or
- the majority of the directors of the Company are not designated by Manfredi Catella as envisaged by the Shareholders Agreement currently in force.

As of today, none of the conditions has failed and it is considered remote that even one of them may occur within the approval of the financial statements as of December 31st, 2021.

The Chief Executive Officer has reserved the right to terminate the suspension of the recalculation of the annual fixed and variable remuneration if the market capitalization of COIMA RES reaches a level higher than that recorded at the IPO (i.e. Euro 360 million); only from the occurrence of this event will the relative emolument be determined, without impacting the previous periods.
In consideration of what is reported in the previous lines, the waiver of emoluments referred to previous years (from 2017 to 2019), as by the terms and conditions of Manfredi Catella's communication on February 19th, 2019, is confirmed.

The best current estimate of this contingent liability as of December 31st, 2021, considering what is mentioned above, amounts to Euro 5.4 million (Euro 4.2 million as of December 31st, 2020).

Regarding the death option, considering the existing agreement with the Chief Executive Officer and the reports described above, the Company made a provision of approximately Euro 465 thousand (Euro 391 thousand as of December 31st, 2020) based on the mortality tables prepared by ISTAT, according to IAS 19 provisions.

The existing agreement with the Chief Executive Officer also provides that, in the event of Manfredi Catella's termination from the position held in the Company for one of the reasons provided for by the agreement in force and described in the Remuneration Report ("***Good Leaver***"), the Company is obliged to pay Manfredi Catella by way of compensation for the damage or, in any case, by way of compensation for the termination of the administration relationship, the greater amount between: (a) Euro 5 million and, (b) three times the total annual remuneration (fixed and variable amount). As of today, the Company considers the possibility of one of the *Good Leaver* hypotheses envisaged in the existing agreement as remote. The best current estimate as of December 31st, 2021 amounts to Euro 5.1 million (Euro 5.1 million as of December 31st, 2020).

The item *consulting costs* mainly includes expenses for support activities carried out by professionals for the ordinary management of the Company; in particular:

- legal, tax and notarial advice for corporate activities;
- brokerage fees;
- technical advice on real estate properties.

Control functions costs amount to Euro 386 thousand and its breakdown is detailed in table below.

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Internal audit and compliance	(56)	(56)
Advisory Committee	(39)	(32)
Risk Management	(58)	(82)
Supervisory board	(27)	(27)
Board of statutory auditors	(124)	(124)
Professional directors	(82)	(64)
Governance and other control functions	**(386)**	**(385)**

Audit costs include the fees paid to the companies that have been appointed as independent auditors and the fees for the revision of the data on the Group's sustainability report.

Marketing expenses relate mainly to costs for digital and media relations (Euro 93 thousand), maintenance of the digital website (Euro 128 thousand), and other costs for corporate events, seminars and conferences (Euro 59 thousand).

IT services costs refer to technical assistance and IT management expenses.

The charges for the *independent appraisers* relate to the assignments given to CBRE Valuation, AXIA RE, Duff & Phelps REAG and Praxi for the preparation of the property reports.

The item *other operating expenses* mainly relates to:
- corporate insurance, equal to Euro 150 thousand;
- costs relating to the management of the Company's registered office, amounting to Euro 46 thousand;
- costs relating to membership fees, subscriptions, Borsa Italiana and Monte Titoli for Euro 95 thousand;
- other administrative costs, for Euro 23 thousand.

7. Other operating expenses

This item, amounting to Euro 310 thousand (Euro 165 thousand as of December 31st, 2020), mainly includes contingent liabilities (Euro 249 thousand), corporate taxes (Euro 29 thousand) and other operating expenses (Euro 32 thousand). The amount also includes the change in the fair value of the financial instrument granted to the Company's directors and key managers, which shows an increase of Euro 11 thousand compared to December 31st, 2020.
For more details on the parameters used by the independent expert for calculating the value of the financial instrument, please refer to paragraph 29 - Trade and other non-current liabilities.

8. Net depreciation

Net depreciation, amounting to Euro 1,204 thousand (Euro 1,785 thousand as of December 31st, 2020) mainly include depreciation and amortisation of tangible and intangible fixed assets of Euro 253 thousand, losses on receivables of Euro 428 thousand deriving from the application of IFRS 16 and impairment of real estate shown under *inventories* of Euro 522 thousand.
This last adjustment was made based on the expert report prepared by the independent expert appointed by COIMA CORE FUND IV. For more details on the write-down, see paragraph 20 - Inventories.

9. Net movement in *fair value*

The net movement in *fair value* of the real estate properties shows a negative amount of Euro 11,304 thousand (compared to a negative amount of Euro 11,001 thousand as previous year) and refers to adjustments made to the value of investment properties based on the appraisals prepared by independent experts.
For further details, please refer to paragraph 14 – Real estate investments.

10. Net income attributable to non-controlling interests

This item, amounting to Euro 6,470 thousand, mainly represents the adjustment of the value of investments accounted for using the equity method.

The detail of the most significant investments is shown below.

(in thousands Euro)	Equity as of December 31st 2021 (*)	% owned	Equity owned as of December 31st 2021	Equity value before adjustment	Other transactions	Adjustment to equity value as of December 31st 2021	Adjustment to equity value as of December 31st 2020
Porta Nuova Bonnet Fund	153,534	35.7%	54,827	48,371	39	6,417	8,282
Co – Investment 2SCS	4,517	33.3%	1,507	1,455	(1)	53	2
Net income attributable to non-controlling interests						**6,470**	**8,284**

* The shareholders' equity of entities is calculated in accordance with IAS IFRS.

The value of the investment in Co - Investment 2 SCS was adjusted to the amount indicated in the appraisal prepared by the independent expert. This value of the investment was calculated by adjusting the entire chain of shareholdings belonging to MHREC Sàrl to shareholders' equity and by taking into account the income distributed to subsidiaries during the year.

For further details on the equity investments in place as of December 31st, 2021, please refer to paragraph 16 - Investments accounted for using the equity method.

11. Financial income and expenses

The item *financial income*, amounting to Euro 3 thousand (Euro 1,237 thousand as of December 31st, 2020), mainly includes bank interest and foreign exchange earnings. As of December 31st, 2020 the item included the dividends distributed by ITALIAN COPPER FUND.

Relating to the financial expenses, amounting to Euro 8,393 thousand, the detail is shown below.

(in thousands Euro)	COIMA RES	CORE IV SIINQ I	CORE VI COF I FPV	CORE VIII	Others	December 31st, 2021	December 31st, 2020
Interests of loans	(2,177)	(249)	(1,547)	(2,761)	-	(6,734)	(6,719)
Costs on bank accounts	(7)	(47)	(177)	-	(6)	(237)	(115)
Other financial costs	(749)	(108)	(397)	(166)	(2)	(1,422)	(1,470)
Financial expenses	**(2,933)**	**(404)**	**(2,121)**	**(2,927)**	**(8)**	**(8,393)**	**(8,304)**

Other financial costs, amounting to Euro 1,422 thousand, mainly include the amount of the payment flows of

Interest Rate Swap derivatives and the effect on the income statement of *Interest Rate Cap* derivatives.

12. Income taxes

In accordance with the provisions of the SIIQ regulations, the Company calculates taxes on income from activities other than exempt operations, using the tax rate of 24%.

As of December 31st, 2021, non-exempt operations produced low taxable income.

13. Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share do not differ from basic earnings per share.

Profit and share information used to calculate the basic loss per share is shown below:

(in thousand Euro)	December 31st, 2021	December 31st, 2020
Profit attributable to ordinary shareholders of COIMA RES	23,057	15,627
Weighted average number of ordinary shares outstanding	36,107	36,107
Basic earnings per share (in Euro)	**0.64**	**0.43**
Diluted earnings per share (in Euro)	**0.64**	**0.43**

There were no transactions on ordinary shares between the balance sheet date and the date of preparation of the financial statements.

14. Real estate investments

Changes in investment property as of December 31st, 2021, are shown below:

(in thousands Euro)	Investments	December 31st, 2020	Capex	Revaluations (write-downs)	Disposals	December 31st, 2021
COIMA RES SIIQ	Monte Rosa	60,600	1,771	229	-	62,600
	Tocqueville	59,500	605	1,395	-	61,500
	Pavilion	72,700	15	1,285	-	74,000
COIMA CORE FUND IV	DB branches	63,872	-	(11,517)	-	52,355
COIMA CORE FUND VI	Gioiaotto	82,000	-	2,300	-	84,300
COIMA RES SIINQ I	Deruta	44,400	-	(2,600)	-	41,800
COIMA CORE FUND VIII	Vodafone	211,000	-	(4,700)	-	206,300
COIMA OPPORTUNITY FUND I	Sarca	62,070	-	-	(62,070)	-
FELTRINELLI PORTA VOLTA	Microsoft	99,240	536	2,304	-	102,080
Real estate investments		**755,382**	**2,927**	**(11,304)**	**(62,070)**	**684,935**

The amount as of December 31st, 2021, corresponds to the value taken from the appraisals prepared by the independent experts. These reports are drawn up in compliance with the "RICS Valuation - Professional Standards", in accordance with the applicable legislation and the recommendations provided by ESMA - European Securities

and Markets Authority.
The column *capex* shows the interventions carried out on the properties in the portfolio during the period, among which the realization of the public spaces near to the Microsoft property and redevelopment of the Monte Rosa and Tocqueville properties.

The item "*revaluations/(write-downs)*" refers to the changes in the value of properties to bring them into line with their market value, taken from the transactions carried out during the period and the appraisals prepared by the independent experts appointed by the Company or the Funds as of December 31st, 2021.
The following table sets out the parameters used by the independent experts to carry out their assessments:

Independent expert	Property	Discount rate	Conversion rate	Cap out rate	Inflation rate	Years of plan
CBRE Valuation	Monte Rosa	5.40%	7.30%	4.20%	1Y 1.26% 2Y 1.26% +3Y 1.26%	7.8
	Tocqueville	5.40%	7.40%	3.40%	1Y 1.26% 2Y 1.26% +3Y 1.26%	8.3
	Pavilion	4.50%	7.00%	3.40%	1Y 1.26% 2Y 1.26% +3Y 1.26%	14.1
	Deruta	5.50%	7.55%	5.25%	1Y 1.26% 2Y 1.26% +3Y 1.26%	4.4
AXIA RE	DB branches (leased)	m. 5.96%	m. 5.96%	m. 4.28%	1Y 1.20% 2Y 1.60% +3Y 2.00%	15
	DB branches (vacant)	m. 6.37%	m. 6.37%	m. 4.04%	1Y 1.20% 2Y 1.60% +3Y 2.00%	15
Duff & Phelps REAG	Gioiaotto (offices)	5.75%	5.75%	4.19%	1Y 2.10% 2Y 1.40% +3Y 1.50%	14
	Gioiaotto (tur/ric.)	6.30%	6.80%	4.73%	1Y 2.10% 2Y 1.40% +3Y 1.50%	17
	Vodafone	6.10%	6.10%	4.63%	1Y 2.10% 2Y 1.40% +3Y 1.50%	9
Praxi	Microsoft	5.37%	5.37%	3.95%	1Y 1.70% 2Y 1.30% +3Y 1.80%	15

The increase in value of the Monte Rosa property is mainly due to the capex carried out in the 2021 financial year. It should be noted that the independent expert in his evaluation and in the definition of the parameters relating to his hires has considered the new restructuring project of the asset.

The revaluation of Tocqueville, equal to Euro 1,395 thousand, was determined by the independent expert considering the period of income guaranteed by the lease contracts in force on the valuation date, as well as the timing to return the property to generate income and the subsequent remittance of the property at market rent in line with those in place in area of Porta Nuova. The change is mainly due to the improvement in the existing contractual conditions, the improvement in the inflation curve during the 2021, and the change in the rates used by the independent expert, in line with the findings in the reference market in 2021.

The increase of the Pavilion property of Euro 1,285 thousand is mainly linked to the improvement of the inflation curve in the course of 2021 and the change in the rates used by the independent expert, in line with the findings in the reference market in 2021.
With regard to the valuation of the Deutsche Bank portfolio prepared by the independent expert, it should be noted that the market value calculated by the same is equal to Euro 61,938 thousand. The management of the Company has decided to deviate from the value identified by the independent expert following some considerations deriving

from the liquidity of the smaller bank branches located in secondary locations, from the frequency of market transactions on this asset class and also from the approach of the contractual expiry with the tenant. Following these analyzes, the value of the portfolio stood at Euro 54,540 thousand with a decrease of Euro 11,517 thousand.

The valuation relating to Gioiaotto has undergone an increase of Euro 2,300 thousand compared to the valuations of the previous year. The change, mainly connected to the improvement of the conditions related to the reference market and the rental situation of the property.

The property located in via Deruta shows a decrease of Euro 2,600 thousand compared to the previous year, mainly due to the approach of the release of the property by BNL, scheduled for May 2022, and the modification of the assumptions relating to the subsequent relocation by the independent expert.

The valuation of Vodafone real estate complex decreases for Euro 4,700 thousand compared to the previous year, mainly due to the approaching expiry of the lease agreement and to the change of subsequent relocation by the independent expert.

The Feltrinelli property shows an increase of Euro 2,304 thousand mainly due to improvement on the inflation curve and to the relocation of retail spaces previously occupied by Microsoft.

The following table shows the market values of investment property as of December 31st, 2021, gross and net of transaction costs respectively:

Independent expert	Investments	Gross market value at December 31st, 2021	Net market value at December 31st, 2021
CBRE Valuation	Monte Rosa	64,791	62,600
	Tocqueville	63,653	61,500
	Pavilion	76,590	74,000
	Deruta	43,263	41,800
AXIA RE [9]	Deutsche Bank branches	56,176	54,540
Duff & Phelps REAG	Gioiaotto (offices)	57,146	55,500
	Gioiaotto (tur./ric.)	29,654	28,800
	Vodafone	212,500	206,300
Praxi	Microsoft	105,140	102,080

For more information on the valuation models used by independent experts, the related parameters and the sensitivity on the value of the real estate portfolio, please refer to the description in note 33 - Information on fair value.

On December 31st, 2020, the item "*non-current assets held for sale*" includes Euro 4,300 thousand referred to the Deutsche Bank branch in Milan, Via dei Martinitt, the sale of which was finalised on January 15th, 2021.

[9] The gross market value and the net market value of the Deutsche Bank branches were determined based on the same parameters used by the independent expert in the appraisal. The amounts reported in the table also consider the branches classified as inventories.

15. Other tangible and intangible fixed assets

Other tangible fixed assets, amounting to Euro 921 thousand (Euro 1,381 thousand as of December 31st, 2020), mainly include the right of use of the space located to the Group for the complete contract duration (*i.e., rights of use*), the furniture and fixtures relating to the Company's headquarters.

(in thousands Euro)	December 31st, 2020	Increases / (decreases)	December 31st, 2021
Furniture and fixtures	72	-	72
Installations	284	-	284
Other tangible assets	7	-	7
Rights of use	1,406	(430)	976
Original costs	**1,769**	**(430)**	**1,339**
Furniture and fixtures	(21)	(6)	(27)
Installations	(78)	(23)	(101)
Other tangible assets	(6)	(1)	(7)
Rights of use	(283)	-	(283)
Depreciation fund	**(388)**	**(30)**	**(418)**
Net book value	**1,381**	**(460)**	**921**

As of today, the Group has two lease agreements in place:
- the registered office in Milan, Piazza Gae Aulenti n.12;
- the control room of the Vodafone property complex located in Milan, Via Lorenteggio 240;

whose right of use, net of depreciation for the period, has a total amount of Euro 693 thousand.

With regard to the historical cost, the decrease of Euro 430 thousand refers mainly to the sale of the lease of a garage in Milan, in Viale Fulvio Testi n.282, which took place in the context of the sale of the Sarca property. The sale of the contract involved the release of the related depreciation fund recognized on December 31st, 2020, for Euro 97 thousand, compensating the depreciation of the period of the other contracts outstanding at December 31st, 2021.

Intangible assets, amounting to Euro 297 thousand (Euro 257 thousand as of December 31st, 2020), refer to (administrative and accounting) software in implementation. This increased by Euro 40 thousand compared to last year due to the development of implementation activities carried out during the year, net of depreciation for the period.

16. Investments accounted for using the equity method

Investments accounted for using the equity method amounts to Euro 56,335 thousand (Euro 47,131 thousand as of December 31st, 2020) and includes the investment in the Porta Nuova Bonnet fund and Co - Investment 2 SCS, held indirectly through MHREC Sàrl.

Porta Nuova Bonnet Fund owns a complex undergoing complete redevelopment located in Milan, in the Porta Nuova district known as Corso Como Place. The project, started in 2017, has been completed in 2020 and handed over to tenants Accenture and Bending Spoons at the beginning 2021.

The company Co - Investment 2SCS, is part of the corporate chain headed by MHREC Sàrl, which was set up to manage, together with other investors, a real estate development in the Porta Nuova area in Milan. With the sale of the 58.6% stake in the Porta Nuova Varesine Real Estate Fund by Le Varesine Sàrl, the company chain does not hold any real estate property and is not currently engaged in other activities.

Changes in the most significant equity investments as of December 31st, 2021, are shown below:

(in thousand Euro)	% owned	December 31st, 2020	Increases (decrease)	Net income	December 31st, 2021
Porta Nuova Bonnet	35.7%	45,675	2,735	6,417	54,827
Co – Investment 2 SCS	33.3%	1,455	(1)	53	1,507
Other investments	<4.0%	1	-	-	1
Investments in associated companies		**47,131**	**2,734**	**6,470**	**56,335**

The column *increases* mainly refers to the amounts paid by the Company during the year in anticipation of the costs to be incurred for the development of the Corso Como Place project.

It should be noted that regarding Co - Investments 2, the valuation of Euro 1,507 thousand is supported by the opinion of an independent expert.

17. Deferred tax assets

Deferred tax assets, equal to Euro 13 thousand as of December 31st, 2021 (Euro 20 thousand as of December 31st, 2020), mainly refer to receivables held by MHREC Sarl.

18. Derivatives

Derivatives, amounting to Euro 222 thousand, refer to interest rate cap derivative agreements entered into to hedge the cash flows linked to existing loans.

The changes during the period are shown below.

(in thousand Euro)	December 31st, 2020	Opening (closing)	Adjustment to fair value	December 31st, 2021
COIMA RES SIIQ	6	-	9	15
COIMA CORE FUND VI	2	-	(2)	-
COIMA RES SIINQ I	0	(0)	-	-
COIMA OPPORTUNITY FUND I	0	(0)	-	-
COIMA CORE FUND VIII	32	-	143	175
FELTRINELLI PORTA VOLTA	-	193	(161)	32
Derivatives	**40**	**193**	**(11)**	**222**

During the year COIMA RES SIINQ I and COIMA OPPORTUNITY FUND I have closed the related *interest rate cap* contracts in order to the repayment of loans outstanding, respectively equal to Euro 20,000 thousand and Euro 25,000 thousand.

In April 29th, 2021, the Feltrinelli Porta Volta fund signed a 6-month Euribor hedging derivative contract with a strike of 0 bps for the price of Euro 193 thousand. The hedging transaction refers to the Microsoft real estate financing agreement, which was renegotiated in February 2021.

In accordance with IFRS 9, the *fair value* of derivatives has been separated into two components: the intrinsic value (*intrinsic value*), amounting to the actual value of the derivative in the case of immediate exercise, and the time value (*time value*), i.e. how much a buyer would be willing to pay over the intrinsic value. The Company recognised the change in *fair value* relating to the time effect of the derivatives, amounting to Euro 557 thousand (net of the effect on the income statement, amounting to Euro 327 thousand) and their intrinsic component in the cash flow hedge reserve, which at the balance sheet date had a zero balance.

19. Financial receivables

Current financial receivables, amounting to Euro 1,437 thousand for the non-current part and Euro 980 thousand for the current part, relate to the amounts deposited in an escrow account and granted as a guarantee to the buyer as part of the sale of the Sarca property.

In the first quarter of 2021, the company MHREC Sàrl received financial credit from Co-investment 2 SCS at December 31st, 2020, equal to Euro 1,620 thousand.

20. Inventories

Inventories, amounting to Euro 2,185 thousand (Euro 2,707 thousand as of December 31st, 2020), include the vacant Deutsche Bank portfolio branches, respectively located in Livorno, Padova and Novedrate.

The decrease of Euro 522 thousand compared to the previous year is attributable to the value adjustment made on the basis of the specific valuation report drawn up by the independent expert to adjust inventories to their realizable value, at the request of the Company, already described in paragraph 14 - Real estate investment.

21. Trade and other current receivables

Trade and other current receivables as of December 31st, 2021 and December 31st, 2020 are detailed below.

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Receivables from tenants	6,159	11,026
Receivables from buyers	-	-
Trade receivables	**6,159**	**11,026**
Tax receivables	240	133
Other receivables	6,142	942
Accrued income and prepaid expenses	1,352	1,609
Other current receivables	**7,734**	**2,684**
Trade receivables and other current receivables	**13,893**	**13,710**

Receivables from tenants decreased by Euro 4,867 thousand mainly due to lower advance invoicing in December 2021 compared to December 2020.

Receivables from tenants mainly include the effects of the normalisation of rents (recorded in accordance with IFRS 16 accounting standard) for Euro 3,216 thousand, invoices to be issued for Euro 238 thousand and receivables due for Euro 2,705 thousand, of which Euro 2,560 thousand collected in 2022.
As of December 31st, 2021, trade receivables are shown net of write-downs relating to uncollectible amounts or collections that are deemed unrealizable.

Tax receivables consist mainly of consolidated VAT receivables.

Other receivables include mainly the costs incurred by the Company in December 2021 relating to the signing of the new financing agreement, equal to Euro 1,781 thousand, and credit notes to be received by COIMA SGR for the adjustment of management fees, partly paid in 2021, offset by the promote fee accrued on COIMA OPPORTUNITY FUND I, for Euro 3,455 thousand.

Accrued income and prepaid expenses mainly include prepaid expenses by the Group related to the future, among which are contributions to tenants for improvements and enhancement works that will be amortized over the contractual period *(landlord contribution*).

22. Cash and cash equivalents

The Company's cash and cash equivalents, amounting to Euro 90,604 thousand, are held at the following institutions:

(in thousands Euro)	December 31st, 2021	December 31st, 2020
BNP Paribas	65,112	21,668
BFF Bank	13,210	12,228
ING Bank N.V.	2,618	3,893
Banca Passadore	3,723	3,621
UBI Banca	-	2,619
Intesa San Paolo	1,260	1,593
Unicredit	1,790	1,586
Banco BPM	1,060	1,285
Société Générale Group	1,830	160
Cash	1	0
Cash and cash equivalents	**90,604**	**48,653**

The institutions Banca Passadore and Banco BPM mainly include the parent company's available liquidity.

Cash and cash equivalents of UniCredit and Intesa San Paolo include five pledged current accounts and two unpledged accounts (called *distribution accounts*) which were opened following the signing of the loan agreements relating to the Deutsche Bank branches, Monte Rosa, Tocqueville and Pavilion properties. The distribution accounts contain the amounts that the Company can freely use after the quarterly verification of the covenants of the loan agreements.

The cash on the current account of BNP Paribas constitutes the cash of COIMA CORE FUND IV, COIMA OPPORTUNITY FUND I and Feltrinelli Porta Volta at the custodian bank.

The amount exposed to BFF Bank refers to the cash in the current accounts of COIMA CORE FUND VIII and

COIMA CORE FUND VI. Among the various accounts opened with a positive balance, two accounts are pledged against the financing banks.

ING Bank N.V. includes the liquidity of COIMA RES SIINQ I and the Lorenteggio Village Consortium, deriving from the collection of BNL lease payments and the charges of the consortium members of the Vodafone property complex.

Société Générale Group includes the liquidity available in the company MHREC Sàrl.

For more details on cash flow handling, please refer to the cash flow statement.

23. Shareholders' equity

The Group's shareholders' equity as of December 31st, 2021, amounted to Euro 458,730 thousand (Euro 445,454 thousand as of December 31st, 2020) and is composed as shown in the consolidated financial statements.

The share capital, equal to Euro 14,482 thousand is represented by no. 36,106,558 shares with no nominal value. The item includes Euro 1,221 thousand relating to the change in fair value of hedging derivatives, of which Euro 764 thousand included in the cash flow hedge reserve, accounted for in accordance with IFRS 9.

The following table shows the reconciliation between individual and consolidated shareholders' equity and profit for the year as of December 31st, 2021:

(in thousands Euro)	Profit for the year	Shareholders' equity
COIMA RES SIIQ as of December 31st 2021	**1,088**	**393,860**
Subsidiaries	23,943	(393,888)
Companies and entities consolidated	20,435	503,668
Dividends	(22,106)	-
Badwill arising from acquisitions in equity investments	-	1,970
Net income attributable to non-controlling interest	6,470	26,897
Consolidated value as of December 31st, 2021	**29,830**	**532.507**
Minorities	(6,773)	(73,777)
Consolidated Group Value as of December 31st, 2021	**23,057**	**458,730**

The item "*subsidiaries*" includes the write-down of the equity investments in COIMA CORE FUND IV and COIMA CORE FUND VIII for Euro 23,943 thousand, and the reversal of the total value of the equity investments, amounting to Euro 393,888 thousand.
In the column "*profit for the year*", the item "*companies and entities consolidated*" includes the profit of subsidiaries, while the column "shareholders' equity" includes the reversal of the values of share capital, reserves, retained earnings and results of subsidiaries, gross of dividends distributed.
The item dividends represent the reversal of income distributed to the Company by subsidiaries.

24. Bank borrowings

Non-current bank borrowings, amounting to Euro 300,443 thousand, of which Euro 247,283 thousand for the non-current part and Euro 53,160 thousand for the current part, include the financial indebtedness contracted by the

Company and its subsidiaries, whose movements are shown below.

(in thousands Euro)	December 31st, 2020	Reclassifications	Amortised cost / other transactions	Increase (Reimbursement)	December 31st, 2021
COIMA RES SIIQ	97,958	-	837	-	98,795
COIMA CORE FUND VI	47,831	(47,831)	-	-	-
COIMA RES SIINQ I	19,927	-	73	(20,000)	-
COIMA CORE FUND VIII	126,249	-	429	-	126,678
COIMA OPPORTUNITY FUND I	25,008	-	(8)	(25,000)	-
FELTRINELLI PORTA VOLTA	-	22,003	(193)	-	21,810
Non-current bank borrowings	**316,973**	**(25,828)**	**1,138**	**(45,000)**	**247,283**
COIMA RES SIIQ	-	-	123	5,000	5,123
COIMA CORE FUND VI		47,831	193	-	48,024
COIMA CORE FUND VIII	14	-	(1)	-	13
FELTRINELLI PORTA VOLTA	22,003	(22,003)	-	-	-
Current bank borrowings	**22,017**	**25,828**	**315**	**5,000**	**53,160**
Bank borrowings	**338,990**	**-**	**1,453**	**(40,000)**	**300,443**

On February 17th, 2021, the Feltrinelli Porta Volta fund entered into an agreement with Intesa Sanpaolo for the extension and modification of the existing financing, deferring the scheduled deadline of December 21st, 2021, to December 21st, 2023, and obtaining a discount on the margin of c. 15 basis points.

On August 5th, 2021, COIMA OPPORTUNITY FUND I, following the proceeds from the sale of the Sarca property, repaid the loan originally amounting to Euro 25,000 thousand.

On September 30th, 2021, COIMA RES SIINQ I repaid the financing of the Deruta property for an amount of Euro 20,000 thousand, using the net realisation of the shareholder loan granted by the parent company, equal to Euro 16,000 thousand, and its available liquidity.

Current banks borrowings mainly include the amount of financing of COIMA CORE FUND VI relating to the Gioiaotto property, due in the first half of 2022.
In view of quality of the buildings and the soundness of the tenants, it is considered that the renegotiation of this financing does not give rise to any particular concern.

With concern the Revolving Credit Facility ("**RCF**") concluded by the Company in October 2020 with Banco BPM Group, the Company had a financial exposure of Euro 5,000 thousand as of December 31st, 2021, which was repaid in January 2022.

On December 29th, 2021, the Company entered into a new financing agreement with Crédit Agricole Corporate and Investment Bank, BNP Paribas, ING Bank and UniCredit for an amount of Euro 165,000 thousand for Monte Rosa, Pavilion, Tocqueville and Deruta properties.
The financing consists of a senior line of Euro 120,000 thousand, aimed at refinancing the properties, and a new capex line of Euro 45,000 thousand, in support of the restructuring plans planned for the properties Monte Rosa, Tocqueville and Deruta.
In January 2022, the Company implemented the transaction described above by repaying the loans outstanding at December 31st, 2021 against the disbursement of the senior line by the financing banks.

For more information on existing financing, a summary table with economic details is provided:

(in thousands Euro)	December 31st, 2021	Maturity	Rate	% hedged
Deutsche Bank branches	30,805	July 16th , 2023	Eur 3M + 180 bps	100%
Monte Rosa, Tocqueville	40,990	July 16th, 2023	Eur 3M + 160 bps	100%
Pavilion	27,000	October 31st, 2023	Eur 6M + 150 bps	80%
Gioiaotto	48,024	March 31st, 2022	Eur 3M + 150 bps	80%
Vodafone	126,678	June 27th, 2024	Eur 3M + 180 bps	80%
Microsoft	21,810	December 21st, 2023	Eur 6M + 190 bps	75%

To hedge existing loans, the entities have entered into derivative contracts in the form of *Interest Rate Cap* and *Interest Rate Swaps*. These transactions take the form of cash flow hedges of outstanding loans, falling within the scope of *hedge accounting*.
For further details on derivative financial instruments, see paragraphs 18 and 28 - Derivatives.

The financial covenants are checked every quarter or half year by the entities of the Group, as required by the existing contracts. Below are the indicators for each entity as of December 31st, 2021:

	Covenant	Limits	Test result as of December 31st, 2021
Deutsche Bank branches Monte Rosa Tocqueville	LTV Portfolio LTV Consolidated ICR Portfolio ICR/DSCR Consolidated	<60% <60% >1.8x >1.4x	40.1% 40.2% 5.0x 4.5x
Pavilion	LTV Portfolio	<65%	36.5%
Vodafone	LTV ICR-BL ICR-FL	<65% >2,25x >2,25x	61.9% 5.1x 4.4x
Gioiaotto	LTV ICR	<65% >1.75x	57.0% 4.5x
Microsoft	LTV ICR	<60% >1.50x	21.5% 6.3x

The above indicators confirm that the covenants set out in the loan agreement have been maintained.

As for the guarantees granted by the entities to the banks, please refer to paragraph 34 - Risks, guarantees and commitments.

25. Non-current financial liabilities

This item, amounting to Euro 714 thousand (Euro 1,140 thousand as of December 31st, 2020), includes financial liabilities for the payment of lease payments relating to existing lease agreements, in accordance with IFRS 16. This liability is equal to the present value of the future cash flows expected for the duration of the contracts.

The decrease of Euro 426 thousand compared to the previous year relates to the sale of a rental contract for a garage in Milan, in Viale Fulvio Testi n.282, which took place in the wider context of the sale of the Sarca property.

26. Payables for post-employment benefits

The balance of the Severance Payment (TFR) as of December 31st, 2021, equal to Euro 64 thousand (Euro 100 thousand at December 31st, 2020) concerns the debt relating to some employees of the Company. The reduction of Euro 36 thousand is attributable to the turnover of the Company's employees.
The movement of the fund was also characterized by the provision and subsequent reversal to external funds of the TFR relating to two managers of the Company.

27. Provisions for risks and charges

This amount, amounting to Euro 2,938 thousand (Euro 391 thousand as of December 31st, 2020), includes the provision relating to the guarantees granted to the acquirer as part of the sale of the Sarca property (Euro 2,473 thousand) and the provision covering the risks relating to the existing contracts with the Chief Executive Officer (Euro 465 thousand). For more details, please refer to the personnel costs described in paragraph 6 – General and administration expenses.

28. Derivatives

Derivative financial instruments classified as liabilities, amounting to Euro 818 thousand (Euro 1,663 thousand as of December 31st, 2020), refer to *Interest Rate Swaps* entered into to hedge the cash flows relating to loans for the Vodafone, Monte Rosa, Tocqueville and Pavilion properties.

The *Interest Rate Swap* contract is entered into in order to hedge the Euribor reference rate and its variations by paying a fixed rate which represents the total cost of funding for the entire duration of the swap contract.

The Company has accounted for hedging transactions based on hedge accounting, verifying the effectiveness of the hedging relationship. In order to test the effectiveness of existing derivatives, the *hedged item* was identified, at the start date of the hedge, with a hypothetical derivative ("*hypothetical derivative*"). This derivative must perfectly cover the risks caused by the exposure both in terms of the underlying and in contractual terms (notional, indexing, etc.). Finally, the hypothetical stipulation must take place at market conditions on the date the hedging relationship was established.
The changes in *fair value* have been recognized in the valuation reserve, net of what is recorded in the income statement in the event of ineffectiveness.
The *fair value* measurements of the derivatives also took account of any adjustments to be made as a result of the deterioration of one of the banking counterparties or of the Company itself, also taking account of any guarantees given by the Company to the Banks.

29. Trade and other non-current liabilities

Trade payables and other non-current liabilities are detailed below:

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Financial instruments	887	876
Advances and deposits	730	831
Trade and other non-current liabilities	**1,617**	**1,707**

The financial instrument recorded at *fair value* was issued by the Company and acquired by management for a nominal value of Euro 1 thousand. As of December 31st, 2021, the instrument was valued at Euro 887 thousand following an appraisal prepared by an external consultant and considering the estimates made by the company, with no changes in value compared to the previous year.
The appraiser expressed his opinion on the *fair market value* of the equity instrument issued by the Company in favour of certain managers on the basis of the instrument's settlement, based on the fact that the Company is listed and on the expected cash flows in three different scenarios (*base, downside and upside*).
The valuation was carried out in application of the financial criterion. It estimates the value of an *asset* as the sum of expected cash flows, discounted at a rate that expresses the systematic risk of the investment. The valuation model has been set up as follows:

- the reference date was December 31st, 2021;
- the estimate was made by assuming the expected annual cash flows from the *Promote Fee* over the period 2022-2030. Average-weighted cash flows were considered in three separate scenarios (*base, downside and upside*). For estimating the expected cash flows, the flows of the three scenarios were weighted (respectively by 33.33% each one);
- for estimating the annual cash flows of the holders of the instrument, the average-weighted annual flows deriving from the *Promote Fee* were 60%. This is in line with what is provided for in the Instrument Regulations;
- the average-weighted cash flows of the holders of the instrument have been discounted, at December 31st, 2021, at a discount rate expressing the average return expected on investments having a risk profile comparable to that of the investment in the instrument. This discount rate, equal to 4.7%, was quantified by the consultant according to the CAPM ("*Capital Asset Pricing Model*") approach and is equal to the cost of the Company's own capital, expressing the systematic (non-diversifiable) risk associated with the business activities from which cash flows depend, in the last instance, those of the instrument.

The discount rate was estimated by the consultant assuming the following parameters:

- *risk-free* rate of 0.55%. This figure is equal to the average of the returns (without considering taxes) as of December 31st, 2021, of the Italian public debt securities with a residual maturity of 7 years;
- Beta coefficient of 0.63. In details, the Beta coefficient was determined: (i) assuming the average *unlevered* Beta (0.48) of a *panel* company carrying out activities comparable to those of COIMA RES; (ii) "re-levering" such Beta (using i.e. "Hamada" formula) in order to consider the target financial structure of COIMA RES (i.e. ratio net funding position / equity amounted to 40%);
- ERP of 6.62%. This figure corresponds to most recent measure of *forward looking* ERP compared to the estimate date, deducted from empirical observations of the market (source: NYU Stern *School of Business*).

The item *advances and deposits* refer to deposits and advances paid by tenants.

30. Trade and other current liabilities

Trade payables and other current payables are made up as shown in the table below.

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Accounts payables	2,292	2,464
Deposits paid by buyers	-	1,104
Invoices to be received	2,714	2,381
Trade liabilities	**5,006**	**5,949**
Personnel payables	248	308
Tax payables	105	287
Security providers payables	83	85
Other payables	4,889	1,877
Accrued expenses and deferred income	2,365	6,251
Other liabilities	**7,690**	**8,808**
Trade and other current liabilities	**12,696**	**14,757**

Accounts payables mainly include liabilities to COIMA SGR relating to asset management services.

The item *deposits paid by buyers* in 2020, referred to advances paid to COIMA CORE FUND IV for the sale of the branch ended in January 2021, described in paragraph 14 – Real estate investments.

Invoices to be received mainly consist of facilities maintenance services, withholdings to guarantee related to the work carried out on the properties, pro-forma invoices received from consultants for legal, tax and administrative services made during the fourth quarter 2021 and other marketing and IT services.

Other payables mainly include debt to COIMA SGR for the promote fee accrued on COIMA OPPORTUNITY FUND I, amounting to Euro 3,892 thousand and payables for dividends approved in 2021 in favour of third parties, amounting to Euro 694 thousand.

*Deferred income*s mainly relate to the anticipated invoicing of rents related to the first quarter 2022.

The residual amount of the balance sheet item mainly includes liabilities to personnel for bonus, tax payables and credit notes to be issued.

31. Current tax payables

This item, amounting to Euro 25 thousand (Euro 31 thousand as of December 31st, 2020), mainly refers to taxes payable by MHREC Sàrl.

32. Information on transfers of financial assets portfolios

The Company has not made any transfers between financial assets portfolio in the year.

33. Information on fair value

IFRS 13 provides that:

- non-financial assets must be measured using the "*highest and best use"* method i.e. considering the best use of the assets from the perspective of market participants;
- liabilities (financial and non-financial) and equity instruments (i.e. shares issued as consideration in a *business combination*) must be transferred to a market participant as at the measurement date. In the process of measuring the fair value of a liability it is necessary to identify the risk of default of the counterparty, which also includes credit risk.

The general rules for preparing fair value measurement techniques should be adjusted based on the circumstances, configured in order to maximize observable inputs and established pursuant to the measurement method used (multiples method, income method and cost method):

1) adjusted based on the circumstances: measurement techniques must be applied consistently over time unless there are more representative alternative techniques for the measurement of fair value,
2) maximise the observable inputs: inputs are divided into observable and unobservable, providing various examples of markets from which fair values can be calculated,
3) measurement techniques of fair value are classified in three hierarchical levels according to the type of input used:
    - level 1: inputs are quoted prices in active markets for identical assets or liabilities. In this case the prices are used without any adjustments.
    - level 2: inputs are quoted prices or other information (interest rates, observable yield curves, credit spreads) for similar assets and liabilities in active and inactive markets. For this case price adjustments can be made based on specific factors of the assets and liabilities.
    - level 3: in this case inputs are not observable. The standard provides that it is possible to use the latter technique only in this case. Inputs for this level include, for example, long-term currency *swaps*, *interest rate swaps*, decommissioning liabilities undertaken in a *business combination*, etc.

The arrangement of these levels follows a priority hierarchy: attributing the maximum importance to level 1 and minimum for level 3.

IFRS 13 provides that three different measurement methods can be used for the measurement of fair value:

- the market approach method is based on prices and other important information for market transactions involving identical or comparable assets and liabilities. The models used are the multiples method and the matrix price method;
- the income approach is achieved from the discounted sum of future amounts that will be generated by the asset. This method allows to obtain a fair value that reflects the current market expectation of such future amounts;
- the cost method reflects the amount that would be required as at the measurement date to substitute the capability of the service of the asset subject to measurement, Fair value will be equal to the cost that a market participant would incur to acquire or build an asset of rectified comparable use (taking into consideration the level of obsolescence of the asset in question), This method can be used only when the other methods cannot be used.

Measurement techniques are applied consistently over time unless there are alternative techniques that allow a more representative measurement of fair value. In the selection of measurement techniques, the assumptions used for the determination of the assets or liabilities are particularly important.

The Independent Experts used the Cash Flow Discount Method (DCF) which consists of the sum of the current values of the net cash flows generated by it over a period of years varying according to the duration of the existing contracts. During the period, when the contracts expire, the fee used for the determination of revenue is replaced by the market rent (ERV) estimated by the valuer, also taking into account the contractual fee received, so that in the last year of the DCF the revenues are entirely made up of market rents. At the end of this period, it is assumed that the property is resold at a value obtained by capitalising last year's income at a market rate (gross cap out) for investments similar to the estimate. The assumptions used by the Independent Experts, such as inflation rates, discount rates, capitalisation rates and ERV, are defined by them, on the basis of their professional judgement, considered a careful observation of the reference market.

In order to measure the impact of a possible shock due to a change in the macroeconomic variables considered by the Independent Experts on December 31st, 2021, a sensitivity analysis was carried out in order to monitor the changes in fair value of the properties in portfolio as the discount rates and the exit rates change, as these are considered to be the most significant unobservable inputs. The range of variation considered in sensitivity analysis is between -100 and +100 basis points with intervals of 50 basis points.
The following table shows the effect on the fair value of the real estate portfolio owned by the company as the discount rates of the exit rates vary individually and jointly:

Consolidated Portfolio 31.12.2021 (€/000)	**Discount Rate**					
		-1.0%	**-0.5%**	**0.0%**	**+0.5%**	**+1.0%**
Net Exit Cap Rate	**-1.0%**	946,362	903,756	862,922	824,222	788,342
	-0.5%	835,797	797,703	762,523	728,683	696,675
	0.0%	752,783	719,247	687,120	656,592	628,434
	+0.5%	688,025	656,977	628,438	601,302	575,151
	+1.0%	636,373	608,552	582,113	556,713	532,592

Additional variables that could produce a fair value reduction are:
- Tax increase
- Decrease in rent or market rent for vacancies (ERV)
- Increased estimated costs for pipeline project development
- Reduction of expected inflation rate

Mirroring this, an opposite variation of the above variables would lead to an increase in fair value.

In the current situation one of the most sensitive parameters is considered the rate of inflation. All Independent Experts use third-party sources to determine the inflation to be applied to the fees and in the calculation of the cap rate. In particular, the sources used are the consumer price index, the forecast inflation from the economic bulletin of the European Central Bank, data published by the "directorate - General for Economic and Financial Affairs of the European Commission or forecasts published in the October 2021 issue of Consensus Forecast, published by Consensus Economics.

The comparison between the carrying amount and *fair value* of the Company's assets and liabilities as of December 31st, 2021, is shown below.

(in thousands Euro)	December 31st, 2021		December 31st, 2020	
	Net book value	Fair Value	Net book value	Fair Value
Real estate investments	684,935	684,935	755,382	755,382
Other tangible assets	921	921	1,381	1,381
Intangible assets	297	297	257	257
Investments in associates	56,335	56,335	47,131	47,131
Deferred tax assets	13	13	20	20
Derivatives	222	222	40	40
Non-current financial receivables	1,437	1,437	-	-
Inventories	2,185	2,185	2,707	2,707
Current trade and financial receivables	14,873	14,873	15,330	15,330
Cash and cash equivalents	90,604	90,604	48,653	48,653
Non-current assets held for sale	-	-	4,300	4,300
Assets	**851,822**	**851,822**	**875,201**	**875,201**
Non-current bank borrowings	247,283	250,456	316,973	320,557
Other liabilities	17,167	17,167	17,250	17,250
Derivatives	818	818	1,663	1,663
Financial instruments	887	887	876	876
Current bank borrowings	53,160	53,268	22,017	22,017
Liabilities	**319,315**	**322,596**	**358,779**	**362,363**

The Company does not own capital instruments valued at cost.

The summary table below shows the hierarchy in the measurement of the fair value as of December 31st, 2021 and December 31st, 2020.

(in thousands Euro)	December 31st, 2021			
	Total amount	Quoted prices in active markets (Level 1)	Observable inputs (Level 2)	Unobservable inputs (Level 3)
Real estate investments	684,935	-	-	684,935
Other tangible assets	921	-	-	921
Intangible assets	297	-	-	297
Investments accounted for using the equity method	56,335	-	-	56,335
Deferred tax assets	13	-	-	13
Derivatives	222	-	222	-
Inventories	1,437	-	-	1,437
Trade and financial current receivables	2,185	-	-	2,185
Cash and cash equivalents	14,873	-	-	14,873
Non-current assets held for sale	90,604	-	-	90,604
Assets	**851,822**	**-**	**222**	**851,600**
Non-current Bank borrowings	250,456	-	250,456	-
Other liabilities	17,167	-	-	17,167
Derivatives	818	-	818	-
Financial instruments	887	-	-	887
Current bank borrowings	53,268	-	48,132	5,136
Liabilities	**322,596**	**-**	**299,406**	**23,190**

(in thousands Euro)	December 31st, 2020			
	Total amount	Quoted prices in active markets (Level 1)	Observable inputs (Level 2)	Unobservable inputs (Level 3)
Real estate investments	755,382	-	-	755,382
Other tangible assets	1,381	-	-	1,381
Intangible assets	257	-	-	257
Investments accounted for using the equity method	47,131	-	-	47,131
Deferred tax assets	20	-	-	20
Derivatives	40	-	40	-
Inventories	2,707	-	-	2,707
Trade and financial current receivables	15,330	-	-	15,330
Cash and cash equivalents	48,653	-	-	48,653
Non-current assets held for sale	4,300	-	-	4,300
Assets	**875,201**	**-**	**40**	**875,161**
Non-current Bank borrowings	320,557	-	320,557	-
Other liabilities	17,250	-	-	17,250
Derivatives	1,663	-	1,663	-
Financial instruments	876	-	-	876
Current bank borrowings	22,017	-	-	22,017
Liabilities	**362,363**	**-**	**322,220**	**40,143**

34. Risks, guarantees and commitments

Risks to which the company is subjected and the related mitigations are explained in Paragraph 3 “Governance” – *How we manage risks.*

Guarantees and commitments

Regarding bank loans outstanding at December 31st, 2021 on by COIMA RES, the Company has agreed with the lending banks on the following *security package*.

As for the loan related to Deutsche Bank portfolio:
- first mortgage of Euro 298,550 thousand;
- pledge on the COIMA CORE FUND IV units;
- pledge on operating bank accounts linked to the loan agreement.

As for the loan related to Monte Rosa and Tocqueville:
- first mortgage of Euro 140,000 thousand;
- pledge on the COIMA CORE FUND IV units;
- pledge on operating bank accounts linked to the loan agreement;
- disposal of receivables related to rents, insurance claims and any other receivables arising from disputes against consultants engaged for the *due diligence* on the property.

As for the loan related to Pavilion:
- first mortgage of Euro 63,000 thousand;
- pledge on operating bank accounts linked to the loan agreement;
- disposal of receivables related to rents, insurance claims and any other receivables arising from disputes against consultants engaged for the *due diligence* on the property.

Following the financing sign of the existing properties, COIMA CORE FUND VI has allowed these following guarantees to the financing banks:
- first mortgage amounting to Euro 156,000 thousand;
- pledged on the BFF Bank accounts;
- sales of loans, in favour of the Financing Bank, deriving from rental agreements, insurance contracts and financial guarantees issued in favour of the Fund as guarantee of the correct fulfilment of the obligations deriving from the rental agreements by the tenants.

Furthermore, COIMA CORE FUND VI, has committed to contribute to the modernization and redevelopment of the Gioiaotto property made by NH Hotel tenant amounting to Euro 1,400 thousand, of which Euro 1,260 thousand already paid.

Regarding the participation of COIMA OPPORTUNITY FUND I, COIMA CORE FUND VI has residual capital payment commitments amounting to Euro 17.4 million.

For the loan relating to the Vodafone building held through COIMA CORE FUND VIII:
- first degree mortgage for Euro 255,600 thousand;
- pledge on operating current accounts linked to the loan agreement;
- assignment of receivables deriving from the Vodafone lease agreement, insurance claims and any receivables deriving from disputes with consultants employed for *due diligence* on Vodafone.

Finally, regarding the financing of Feltrinelli Porta Volta, the guarantees granted are as follows:
- first mortgage for Euro 80,800 thousand;
- pledge on operating current accounts linked to the loan agreement;
- assignment of receivables arising from insurance and guarantees issued in favour of the fund.

As for the lease agreement signed on July 21st, 2017 with COIMA RES and Porta Nuova Garibaldi, managed by COIMA SGR S.p.A., the Company has granted a guarantee to the landlord amounting to ca. Euro 25 thousand.

With regard to the Porta Nuova Bonnet Fund, the Company had a total commitment of Euro 27,429 thousand of capital payments, of which Euro 2,429 thousand subscribed in March 2021, already full paid up.

On June 11th, 2020, COIMA RES has signed a binding agreement for the acquisition of a stake between the 10% and the 25% in the Porta Nuova Gioia real estate fund, manged by COIMA SGR, owner of the building under renovation called Gioia 22, located in Milan, in Via Melchiorre Gioia 22.
The closing of the transaction is expected at the end of 2022 and it is subject to the occurrence of some precedent conditions, among which the achievement of the 75% of the real estate *occupancy.* The stake that will be acquired by COIMA RES in the Porta Nuova Gioia real estate fund will be determined by the Company, at its discretion, within the aforementioned interval, near the closing. At the date, the estimated purchase price is between Euro 22 million and Euro 56 million.

35. Related party transactions

Details of transactions with related parties are provided below:

(in thousands Euro)	Receivables	Liabilities	Income	Costs
COIMA SGR S.p.A.	3,640	4,208	-	4,842
COIMA REM S.r.l.	3	1,059	-	604
COIMA IMAGE S.r.l.	71	53	-	-
Infrastrutture Garibaldi - Repubblica	-	1	-	5
Porta Nuova Garibaldi consortium	-	(21)	-	137
Porta Nuova Garibaldi Fund	622	693	-	119
Riccardo Catella Foundation	-	-	-	10
Senior managers	-	38	-	238
Directors and collaborators	-	1,387	-	835
Board of Statutory Auditors	-	124	-	124
Total	4,335	7,542	-	6,914

Also note that the Company has signed the following service agreements with related parties in line with market standards:

- Asset Management Agreement with COIMA SGR S.p.A.;
- Agreement with COIMA REM S.r.l. for the supply, by the latter, of development and project management services, as well as property and facility management services;
- Lease agreement related to the new headquarter of the Company signed on July 21st, 2017, with Porta Nuova Garibaldi Fund, managed by COIMA SGR S.p.A..

Property and development management contracts

During the year, the Company revisited the conditions in place with COIMA REM S.r.l. relative to the contractual standards for property and development management services. No changes were made in the review as the management of the Company considered that the current contractual structure was adequate. A benchmark analysis has been commissioned to a specialist consultant, concerning the positioning of the pricing provided for by the Framework Agreement with COIMA REM for property management and development management services, with respect to the average market price for such services. The consultant considered that "the pricing of the property and development services provided by COIMA REM was consistent with market values and below average values".

Publication of audit fees pursuant to art. 149-duodecues of Consob Regulation No. 11971 of 14 May 1999

We report in this table a detail of the fees paid to the auditing company which has been assigned the audit assignment pursuant to Legislative Decree 39 as of January 27th, 2010, and to the entities in the network to which the auditing company belongs:

(in thousands Euro)	Object	Audit firm	Remunerations
Legal review (*)	Parent Company	EY S.p.A.	190
Legal review (**)	Subsidiary	EY S.p.A.	14
Review of sustainability report	Parent Company	EY S.p.A.	17
Total			**221**

(*) These fees refer to the statutory audit of the consolidated financial statements, the separate financial statements and the half-year consolidated financial statements of COIMA RES SIIQ and to the limited audit of the accounting prospectus as of September 30th, 2021, aimed at issuing the opinion for the distribution of the interim dividends. of COIMA RES SIIQ pursuant to article 2433 bis of the Civil Code. The amount includes the remunerations (expenses included) of Euro 178 thousand and the CONSOB contribution, estimated by the Company of Euro 12 thousand.
(**) These fees refer to the statutory audit of the COIMA RES SIINQ I financial statements (expenses included).

RECOMMENDATIONS N. DEM/9017965. FEBRUARY 26th, 2009

1. Representation of the property portfolio

Category	Net book value as the date of the report	Accounting criteria	Fair value as the date of the report	Last evaluation report date
Real estate investments:				
Monte Rosa	62,600	IAS 40 Fair Value	62,600	December 31st, 2021
Tocqueville	61,500	IAS 40 Fair Value	61,500	December 31st, 2021
Pavilion	74,000	IAS 40 Fair Value	74,000	December 31st, 2021
Deutsche Bank branches	52,355	IAS 40 Fair Value	52,355	December 31st, 2021
Gioiaotto	84,300	IAS 40 Fair Value	84,300	December 31st, 2021
Deruta	41,800	IAS 40 Fair Value	41,800	December 31st, 2021
Vodafone	206,300	IAS 40 Fair Value	206,300	December 31st, 2021
Feltrinelli	102,080	IAS 40 Fair Value	102,080	December 31st, 2021
Total amount	**684,935**		**684,935**	
Inventories:				
Deutsche Bank branches	2,185	IAS 2	2,185	December 31st, 2021
Total amount	**2,185**		**2,185**	

2. Overall debt financial situation of the Group

Real estate investment properties	Net book value	Loan	Type of loan	Maturity date	Significant agreements terms
Monte Rosa	62,600	20,910	Bullet	July 16th 2023	Financial covenants – Note 24
Tocqueville	61,500	20,080	Bullet	July 16th 2023	Financial covenants – Note 24
Pavilion	74,000	27,000	Bullet	October 31st 2023	Financial covenants – Note 24
Deutsche Bank branches	52,355	30,805	Bullet	July 16th 2023	Financial covenants – Note 24
Gioiaotto	84,300	48,024	Bullet	March 31st 2022	Financial covenants – Note 24
Vodafone	206,300	126,678	Bullet	June 27th 2024	Financial covenants – Note 24
Microsoft	102,080	21,810	Bullet	December 21st 2023	Financial covenants – Note 24

CERTIFICATION BY THE CEO AND BY THE MANAGING DIRECTOR RESPONSIBLE FOR THE PREPARATION OF THE CORPORATE ACCOUNTING DOCUMENTS RELATING TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31ST, 2021

pursuant to article 154-bis. para. 5. of Legislative decree no. 58 of February 24th, 1998 and article 81-ter of Consob regulation no. 11971 of May 14th, 1999

1. We, the undersigned. Manfredi Catella, as Chief Executive Officer, and Fulvio Di Gilio, as Manager responsible for preparing the financial reports of COIMA RES S.p.A. SIIQ, having also taken into account the provisions of art. 154-*bis*. paragraphs 3 and 4, of the Legislative Decree No. 58 of February 24th, 1998, hereby certify:

the adequacy, regarding the nature of the Company; and

the effective application of the administrative and accounting procedures adopted in preparing the consolidated financial statements.

2. In this regard, we also note that:

the adequacy of the administrative and accounting procedures adopted in preparing the consolidated financial statements has been verified by means of the evaluation of the internal control system on the financial information.

no material aspects have been detected from the evaluation of the internal control system on the financial information.

3. We also certify that:

The consolidated financial statements:

have been prepared in accordance with the international financial reporting standards recognized in the European Union under the EC Regulation 1606/2002 of the European Parliament and of the Council of July 19th, 2002;

are consistent with the entries in the accounting books and records;

can provide a true and fair representation of the assets and liabilities. profits and losses and financial position of the issuer and the group of companies included in the consolidation.

The report on operations provides a reliable analysis of performance and results of operations. and the company's situation, as well as a description of the main risks and uncertainties which the company is exposed.

The report on operations also includes a reliable analysis on the information regarding the relevant transactions with related parties.

Milan, February 24th, 2022

Chief Executive Officer	Manager responsible for preparing the Company's financial reports
____________________	____________________
Manfredi Catella	Fulvio Di Gilio

INDEPENDENT AUDITORS' REPORT

Coima Res S.p.A. SIIQ

Consolidated financial statements as at 31 December 2021

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, and article 10 of EU Regulation n. 537/2014

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Coima Res S.p.A. SIIQ

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Coima Res Group (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the consolidated statement of profit/(loss) for the year, the consolidated statement of other items in the comprehensive income statement, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

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 the Coima Res S.p.A. SIIQ in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. 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. 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.

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We identified the following key audit matters:

Key Audit Matter	Audit Response
Valuation of real estate investments	
Investment properties are stated at fair value in accordance with International Financial Reporting Standards IAS 40 Investment properties, recognizing the effects of changes of fair values in the income statement. Management has estimated fair value based on the reports prepared by independent experts. The fair value estimate involves the use of fair value models which require forecasting future costs and revenues of each property and the use of assumptions about the occupancy rate of properties, the markets trends of real estate and financial markets, also considering the effects of the current Covid-19 pandemic, as well as the general economic conditions that affect the rent and the reliability of the tenants. We considered that this item represents a key audit matter, due to the relevance of the investment properties stated at fair value and changes in fair value over the accounting periods, the judgment required by Management in assessing the above mentioned assumptions used in the fair value models, as well as the effects on the Company's and Group's key performance indicators, especially the Net Asset Value. The paragraph 1.3 "Main balance sheet items" of the notes to the financial statements, describes the process adopted to select the independent experts and the fair value models.	Our audit procedures in response to this key audit matter relate to, amongst others, the analysis of the company's procedure related to the selection of the independent expert appointed in order to prepare a fair value estimate, the tracing of these amounts with the balance sheet figures, the critical review and discussion with Management and independent experts of the main market assumptions and, also with the support of our real estate experts, detail testing of the reports prepared by the independent experts. Finally, we have examined the disclosures provided in the notes to the financial statements.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Company the Parent Company Coima Res S.p.A. SIIQ or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing 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 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 have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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;
- we have obtained 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;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' 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 financial statements or, if such disclosures are inadequate, to consider this matter in forming 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;
- we have evaluated 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.
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities 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 have communicated 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 have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all 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 have determined 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 have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Coima Res S.p.A. SIIQ, in the general meeting held on 1 February 2016, engaged us to perform the audits of the consolidated financial statements for each of the years ending 31 December 2016 to 31 December 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Coima Res S.p.A. SIIQ are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the "Delegated Regulation") to the consolidated financial statements, to be included in the annual financial report.

We have performed the procedures under 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 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

Building a better working world

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Coima Res S.p.A. SIIQ are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Coima Res Group as at 31 December 2021, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements of Coima Res Group as at 31 December 2021 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the consolidated financial statements of Coima Res Group as at 31 December 2021 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 29 March 2022

EY S.p.A.
Signed by: Aldo Alberto Amorese, Auditor

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SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31ST, 2021

DIRECTORS' REPORT

SIGNIFICANT EVENTS DURING THE YEAR

During 2021, the Company continued to carry out asset management activities aimed at extracting value from all the properties, directly and indirectly owned, in its portfolio.

Below is a summary of the most significant events that took place during 2021.

Leases

In May 2021, COIMA RES signed an amending agreement to the lease agreement with Sisal (main tenant of Tocqueville) to extend the duration of the contract by a further three months, postponing the new contractual deadline to March 31st, 2022. The fee to be applied in the extension period is expected to increase by 50% compared to the current one.

Development

The release by PwC of the Monte Rosa property will allow to undertake a restructuring and value creation project in the medium term that will lead to a substantial improvement in the quality of the property and a potential significant increase in the rent of rent compared to the previous rent. Further details on the restructuring plan of the Monte Rosa property will be published in the coming months. In addition to the Monte Rosa property, further renovation plans are planned for the period 2022-2024. Through these renovation projects, it is intended to achieve a significant growth of the canons once the works have been completed and the spaces relocated.

Financing

On December 29th, 2021, COIMA RES signed a new financing agreement with Crédit Agricole Corporate and Investment Bank, BNP Paribas, ING Bank and UniCredit for Euro 165.0 million for the refinancing of the real estate portfolio (for an amount of Euro 120.0 million) and the granting of a new line, for an amount of Euro 45.0 million, in support of capex plans related to the properties Monterosa, Tocqueville and Deruta. The new financing is guaranteed by 100% real estate held directly and indirectly and has a maturity of 5 years and a cost "all in" of c. 2.1%.
The financing was structured, with the support of ING Bank as green advisor, considering the alignment with the European taxonomy of environmentally sustainable economic activities on the basis of what was approved by the European Commission on April 21st, 2021, formally adopted on June 4th, 2021.

Shareholder's agreement

On December 1st, 2021, the shareholders' agreement between Manfredi Catella, COIMA REM S.r.l., COIMA SGR S.p.A. and Qatar Holding LLC concerning the governance of COIMA RES was renewed. The Shareholders' Agreement - which expired on December 1st, 2021 - was renewed for a period of three years from November 26th, 2021 and is tacitly renewable for a further period of three years.

Investment in COIMA CORE FUND IV

Disposals: on January 2021, the COIMA CORE FUND IV fund completed the sale of the Milan branch for Euro 4.3 million. The transaction is included in a larger sale of 11 bank branches, completed between January 2020 and January 2021 for a total value of Euro 23.5 million.
Since the IPO in 2016, the fund has sold approximately 48% of the initial portfolio of bank branches to a valuation substantially in line with the contribution value under the IPO, earning gross proceeds of Euro 66.3 million.

Investment in COIMA CORE FUND VI

Disposal: On August 5th, 2021, COIMA OPPORTUNITY FUND I, a fund 88.8% owned by COIMA CORE FUND VI, completed the sale of the Sarca property to a leading local investor at a price of Euro 82.5 million, which corresponds to a net exit yield of 4,6%, and a premium of 36% compared to the purchase price. As part of the transaction, the seller has issued, in favour of the buyer, a guarantee in relation to the payment of the fees by the tenants who currently lease the property (about Euro 2.5 million). COIMA RES acquired the Sarca property in 2019 at a value of Euro 60.7 million (EPRA Topped-up Net Initial Yield of 5.9%) and the sale price implies an Unlevered IRR equal to 24% (Levered IRR of 39%). The sale of the Sarca property is in line with the strategy of COIMA RES which provides for a rotation of the portfolio (in particular with regard to mature, non-core and non-strategic real estate) aimed at crystallising performance and freeing up capital to make new investments (both in terms of acquisitions of real estate on the market and in terms of restructuring of properties already in the portfolio).
Leasing: In June 2021, COIMA OPPORTUNITY FUND I, before the sale of the property, signed a binding offer with an energy supply company for about 700 square meters of office space. The space was occupied by Signify who had exercised the break-option with the release of the spaces in October 2021. The binding offer provides for the signing of a contract that has a duration of 6 years at a fee about 23% higher than the current one.
On April 6th, 2021, the Feltrinelli Porta Volta fund, participated by COIMA CORE FUND VI, signed a new lease agreement for retail spaces in the Microsoft building (about 400 square meters), previously occupied by Microsoft. The contract provides for a duration of nine years (with eight months of loan) with an annual rent for the first two years equal to Euro 200 thousand and equal to Euro 280 thousand for the following years.
Financing: In February 2021, the Feltrinelli Porta Volta Fund entered into an agreement with Intesa Sanpaolo for the extension and modification of the loan, for an amount of Euro 22.0 million, on the Microsoft property. The funding deadline was extended for a period of 3 years, i.e. from December 21st, 2020 to December 21st, 2023, and the funding margin was reduced by c. 15 basis points. In addition, the agreement provides for the possibility to increase, under the same economic conditions, up to a maximum of Euro 49.5 million, the amount of financing provided by Intesa Sanpaolo.

Investment in CORSO COMO PLACE (PORTA NUOVA BONNET)

Leasing: In April 2021, the fund signed a lease agreement with Mooney (formerly Sisal Pay) for approximately 3,250 sq m of office space, with a duration of 6 years at a fee higher than that provided for under the previous lease agreement.
In November 2021, the PORTA NUOVA BONNET fund finalized an additional lease with a property & asset management company for about 600 square meters of office space, with a duration of 6 years from January 2022.

Investment in COIMA RES SIINQ I

Financing: On September 30th, 2021, COIMA RES SIINQ I repaid the Euro 20 million loan due in January 2022. This operation was financed 80% by COIMA RES in the form of a 5-year interest-bearing shareholder loan, renewable annually, with a variable margin of 160 bps.

OVERVIEW OF THE FINANCIAL RESULTS

The table below summarizes the income statement for the financial year 2021, which shows a net result of Euro 1.1 million.

(in million Euro)	**December 31st, 2021**	**December 31st, 2020**
Rents	8.7	9.8
Net real estate operating expenses	(1.3)	(1.1)
Net rents	**7.4**	**8.8**
Other revenues	0.0	0.0
G&A expenses	(4.1)	(4.3)
Other expenses	(0.2)	0.1
Non-recurring general expenses	(0.1)	(0.3)
EBITDA	**3.0**	**4.3**
Net depreciation	(24.1)	(18.0)
Net movement in fair value	2.9	(1.2)
EBIT	**(18.2)**	**(14.9)**
Financial income	0.1	0.0
Other income and charges	22.1	28.9
Financial expenses	(2.9)	(3.2)
Profit before taxation	**1.1**	**10.9**
Income tax	0.0	(0.0)
Profit	**1.1**	**10.9**

Net Operating Income (hereinafter also "**NOI**") amounted to Euro 7.4 million (Euro 8.8 million at December 31st, 2020) and represents 85% of total rentals. The NOI includes the rents accrued on the Monte Rosa, Tocqueville and Pavilion properties for the whole year 2021.

Net real estate operating expenses, amounting to Euro 1.3 million, mainly relate to property taxes, *property management* costs, net of property operating and maintenance costs. These costs decreased by Euro 0.2 million compared to December 31st, 2020, mainly for the release by PWC of the spaces located in Monte Rosa, which took place in February 2021.

G&A expenses, amounting to Euro 4.1 million, include management fees, personnel costs, corporate governance and control functions costs as well as consultancy, audit, IT, marketing and management costs for the Company's headquarters.

Non-recurring general expenses are mainly made up of contingent liabilities. The amount present in 2020 was mainly represented by donations made by the Company to active entities to address the COVID-19 health emergency.

Net depreciation amounting to Euro 24.1 million (Euro 18 million as of December 31st, 2020) mainly includes the impairment test carried out on subsidiaries following the distributions approved in 2021.

Net movement in *fair value*, for a positive amount of Euro 2.9 million (a negative amount of Euro 1.2 million as of

December 31st, 2020), refers to the value adjustment of the Company's real estate portfolio.

Other income and charges, amounting to Euro 22.1 million (Euro 28.9 million at December 31st, 2020) consist of the income and repayment of shares distributed during the year by COIMA RES S.p.A. SIINQ I, COIMA CORE FUND IV, COIMA CORE FUND VI and COIMA CORE FUND VIII.

Financial expenses, amounting to Euro 2.9 million (Euro 3.2 million at December 31st, 2020), relate to loans outstanding at the date of this annual report. The decrease of Euro 0.3 million compared to the previous period is mainly due to the lower financial exposure of the Company.

The table below shows the Balance Sheet as of December 31st, 2021, and the comparison with the last year:

(in million Euro)	December 31st, 2021	December 31st, 2020
Assets		
Real estate investments	198.1	192.8
Investments in subsidiaries	271.3	292.5
Other non-current assets	17.9	2.4
Total non-current assets	**487.3**	**487.7**
Receivables	10.1	10.0
Cash and cash equivalents	7.8	10.7
Total current assets	**17.9**	**20.7**
Total assets	**505.2**	**508.4**

Liabilities		
Shareholders' equity	**393.9**	**402.8**
Bank borrowings	98.8	98.0
Other non-current liabilities	3.0	3.7
Total non-current liabilities	**101.8**	**101.7**
Current bank borrowings	5.1	0.0
Trade payables and other current liabilities	4,4	3.9
Total current liabilities	**9.5**	**3.9**
Total liabilities	**111.3**	**105.6**
Total liabilities and Shareholders' equity	**505.2**	**508.4**

Real estate investments, amounting to Euro 198.1 million at December 31st, 2021 (Euro 192.8 million at December 31st, 2020), show an increase of Euro 5.3 million mainly due to the capex made during the period (Euro 2.4 million) and the positive change in fair value resulting from valuations by independent experts (Euro 2.9 million).

Investments in subsidiaries, amounting to Euro 271.3 million (Euro 292.5 million at December 31st, 2020) were reduced by Euro 21.2 million as a result of the value adjustment following the repayments of capital by COIMA CORE FUND IV and the change in fair value of the branches (Euro 23.1 million) distributions and equity reimbursements made by COIMA CORE FUND VIII (Euro 0.8 million), partially offset by payments made to the Porta Nuova Bonnet Fund, for an amount of Euro 2.7 million.

Other non-current assets, amounting to Euro 17.9 million (Euro 2.4 million at December 31st, 2020), increased by Euro 15.5 million mainly for the financing granted to COIMA RES SIINQ I on September 30th, 2021 for Euro 16 million, offset by the partial collection of the financial claim to COIMA CORE FUND VIII relating to the transfer of almost all the financial expenses incurred in the refinancing operation of the Vodafone real estate complex carried out in 2019.

Current receivables, amounting to Euro 10.1 million (Euro 10 million at December 31st, 2020) increased by approximately Euro 0.1 million mainly for the costs incurred by the Company in December 2021 as part of the signing of the new loan agreement, offset by lower receivables due to lower prepayments made in December 2021 compared to December 2020.

The Company's net financial debt amounted to Euro 98.6 million at December 31st, 2021.

The table below shows the Company's net financial indebtedness as of December 31st, 2021, in accordance with Recommendation ESMA/UE 2017/1129.

(in thousands Euro)	December 31st, 2021	December 31st, 2020
(A) Cash	7,776	10,648
(B) Cash equivalents	-	-
(C) Trading securities	-	-
(D) Liquidity (A)+(B)+(C)	**7,776**	**10,648**
(E) Current bank borrowings	(5,123)	-
(F) Current portion of non-current bank borrowings	-	-
(G) Current financial debt (E) + (F)	**(5,123)**	**-**
(H) Net current liquidity (G) + (D)	**2,653**	**10,648**
(I) Non-current bank borrowings	(100,209)	(100,187)
(J) Bonds issued	-	-
(K) Other non-current financial debt	(1,043)	(1,032)
(L) Non-current financial indebtedness (I)+(J)+(K)	**(101,252)**	**(101,219)**
(M) Net liquidity (H)+(L)	**(98,599)**	**(90,571)**

On March 4th, 2021, ESMA published the Guidelines on disclosure requirements under EU Regulation 2017/1129 describing the new ways of illustrating the net financial position (now defined as "total financial debt") in the consolidated financial statements of listed companies.
Compared to the consolidated financial statements as at December 31st, 2020, financial debts are presented net of financial derivative instruments active (and gross of financial derivatives passive) and include debt for lease liabilities arising from the application of the IFRS 16 accounting policy, trade and other non-current liabilities include the financial instrument granted to directors and key managers and deposits paid to the holders.

Current bank borrowings equal to Euro 5,1 million mainly includes the Revolving Credit Facility ("**RCF**") signed in October 2020 with the Banco BPM group of Euro 5 million.

As of December 31st, 2021, the Company had the following loans in place:

(In thousands Euro)	December 31st, 2021	Maturity	Rate	% hedged
Deutsche Bank branches	30,805	July 16th, 2023	Eur 3M + 180 bps	100%
Monte Rosa, Tocqueville	40,990	July 16th, 2023	Eur 3M + 160 bps	100%
Pavilion	27,000	October 31st, 2023	Eur 6M + 150 bps	80%

Other non-current liabilities, amounting to Euro 3.0 million (Euro 3.7 million at December 31st, 2020), refer mainly to the *Interest Rate Swap* derivative contracts for Euro 0.8 million, to the financial instrument of Euro 0.9 million, to the debt resulting from the application of the IFRS 16 accounting standard for Euro 0.6 million, to the risk fund for Euro 0.5 million and to the TFR fund for Euro 0.1 million.

Trade payables and other current liabilities, amounting to Euro 4.4 million (Euro 3.9 million at December 31st, 2020), mainly include debts and invoices to be received from suppliers amounting to Euro 2.8 million (Euro 2.2 million at December 31st, 2020) and accrued income of Euro 1.0 million (Euro 1.1 million at December 31st, 2020).

The Company's equity amounted to Euro 393.9 million (Euro 402.8 million at December 31st, 2020) and was reduced by Euro 8.9 million mainly as a result of profit for the year for Euro 1.1 million, of dividends distributed by Euro 10,8 million and the change in the value of derivatives for Euro 0.8 million.

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURES

Pursuant to Article 123-bis, para. 3, of Legislative Decree no. 58 of February 24th, 1998, the "Report on Corporate Governance and Ownership Structures" is available on the "*Governance*" section of the COIMA RES S.p.A. SIIQ website (www.coimares.com).

REMUNERATION REPORT

Pursuant to Article 84-quarter, para. 1, of the Issuers' Regulations, implementing Legislative Decree no. 58 of February 24th, 1998, the "Remuneration Report" is available on COIMA RES S.p.A. SIIQ website (www.coimares.com).

ORGANISATIONAL MODEL AND CODE OF ETHICS

On July 27th, 2016, the Board of Directors approved the code of ethics and the organisational model (as subsequently modified), as provided for by Legislative Decree no. 231/2001, and on June 11th, 2020, established the supervisory body and appointed as members Marco Lori, as Chairman, Michele Luigi Giordano and Mario Ippolito, from the Carnelutti law firm.

RESEARCH AND DEVELOPMENT

COIMA RES S.p.A. SIIQ did not conduct any research and development activities during 2021.

TREASURY SHARES AND SHARES OR UNITS OF PARENT COMPANIES

As of December 31st, 2021, the Company did not hold any treasury shares or shares in parent companies.

RELATIONS WITH SUBSIDIARIES, ASSOCIATES AND PARENT COMPANIES

With reference to the nature of the relationships between Group companies and related parties please refer to the paragraph 65.

SUBSEQUENT EVENTS

On January 18th, 2022, Crédit Agricole Corporate and Investment Bank (acting as agent bank), BNP Paribas, ING Bank and UniCredit provided the Company with a new loan of Euro 120,000 thousand, subscribed on December 29th, 2021, with simultaneous repayment and repayment of outstanding loans totalling Euro 98,795 thousand. The financing has a maturity of 5 years and a cost "all in" of about 2.1%.

On January 19th, 2022, the Company made available to COIMA RES SIINQ I, a 100% owned company, a new shareholder loan for a maximum total amount of Euro 12 million in order to restore the financial resources previously used by the subsidiary for the repayment of the loan and provide it with the necessary resources to finance the project of renovation and repositioning of the building in Via Deruta.
On January 26th, 2022, COIMA RES and COIMA RES SIINQ I signed an amending agreement to finance existing shareholders (amounting to Euro 16 million and disbursed in September 2021), with extension of the duration and change of the interest rate, in order to align the contract with the terms of the parent company with the lending banks.

On February 9th, 2022, COIMA RES announced that it had reached an agreement to purchase an office complex in Milan, in Via Giovanni Battista Pirelli 32 through the COIMA Opportunity Fund I held at 78.29%. The property will be acquired at a price of Euro 58.2 million and will be sold by the Effepi Real Estate fund, a real estate investment fund whose shares are held entirely by the Pension Fund UniCredit, managed by Generali Real Estate S.p.A. SGR. The closing of the transaction is expected by the end of the first quarter of 2022.

BUSINESS OUTLOOK

COIMA RES aims to provide its shareholders with a stable and sustainable dividend payment stream, preserve capital to perform targeted refurbishments on its real estate portfolio and to seize potential acquisitions opportunities.

Considering the positive results achieved, the COIMA RES Board of Directors has the opportunity to suggest to shareholder's meeting a dividend of Euro 10.8 million (Euro 0.30 per share), an amount in line with the dividend paid for the previous fiscal year.
The dividend was calculated on the basis of the results of the Company and the current legislation on listed real estate investment companies, as well as the distributable reserves.

The Company expects that the portfolio described in the previous pages may generate additional revenues giving the Company the possibility to increase its profits in subsequent years and to distribute further dividends to its shareholders.

Based on the above, the Directors have prepared these financial statements on a going concern basis as they believe that all the elements confirming the Company's ability to continue to operate as a going concern exist.

Regarding the spread of the COVID-19 epidemic in Italy, the Company has not had a significant impact on financial results, as the COIMA RES portfolio is characterized by diversified tenants and mainly made up of multinational companies. During the year, COIMA RES has demonstrated its solidity and resilience, maintaining levels of income from rents in line with the previous year.

SIIQ REGIME

Application of SIIQ regime is subordinated to the condition which companies engage primarily the property leasing activities.

The prevalence shall be tested according to two parameters:

a) Financial: land and buildings held as property or other real right for rental activities represent at least 80% of the assets - "*asset test*".
b) Economic: in each financial year, revenues from rental activities representing at least 80% of the positive components of the income statement - "*profit test*" (ratio of exempt income and total proceeds).

At the date of these financial statements, the Company respects both the two indices as the investments made are entirely of a real estate nature and the revenues are entirely generated by these investments.

OTHER INFORMATION

Option to derogate (OPT OUT) the obligation to publish a document in the event of significant transactions

Company's Board of Directors on September 14th, 2015, resolved to make use of the derogation provided for in Articles. 70, paragraph 8 and 71, paragraph 1-bis of Consob Regulation no. 11971/99.

Definition of SMEs

With reference to the definition of SMEs, in Article 1, paragraph 1, letter w-quater.1) of the TUF and Art.2-ter of Consob Issuers' Regulations, it should be noted that, at the date of these financial statements, the Company falls within this definition as it has a market capitalisation of less than Euro 500 million, as shown in the following table:

Average market capitalization 2021	Average market capitalization 2020	Average market capitalization 2019
242,506,312	233,090,558	291,593,852

PROPOSAL OF APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS FOR THE YEAR AS AT DECEMBER 31st, 2021 AND DISTRIBUTION OF DIVIDEND

The financial statements as of December 31st, 2021, closed with a net profit of Euro 1,087,753.82, of which Euro 2,908,715.70, relating to the fair value adjustment of real estate investments.

The Board of Directors, considering the statutory provisions related to the Company's nature as a SIIQ, of the existence of adequately available reserves and the interim dividend of Euro 3,610,655.80, proposes:

- to allocate the profit for the year, in the amount of Euro 1,087,753.82, to increase the valuation reserve in the amount of Euro 2,908,715.70;
- reduce the retained earnings reserve by Euro 1,820,961.88, an amount equal to the difference between the net profit and the amount of the fair value adjustment of investment property;
- reduce the retained earnings reserve by Euro 3,610,655.80, an amount equal to the amount of the interim dividend;
- to distribute to the Shareholders a total dividend of Euro 10,831,967.40 (Euro 0.30 for each ordinary share outstanding at the time of payment date) from the reserve of retained earnings, of which Euro 3,610,655.80 (Euro 0.10 per share) distributed on November 17th, 2021.

Milan, February 24th, 2022

FINANCIAL STATEMENTS

STATEMENT OF PROFIT/(LOSS) FOR THE YEAR

(in Euro)	Notes	December 31st, 2021	of which related parties	December 31st, 2020	of which related parties
Income statements					
Rents	37	8,740,022	-	9,833,808	-
Net real estate operating expenses	38	(1,339,139)	(259,308)	(1,082,170)	(342,461)
Net rents		**7,400,883**	**(259,308)**	**8,751,638**	**(342,461)**
Income / (losses) from real estate disposals		-	-	-	-
Net sales revenues		**-**	**-**	**-**	**-**
G&A expenses	39	(4,238,281)	(1,955,316)	(4,402,418)	(1,935,356)
Other operating expenses	40	(198,785)	(11,000)	(41,684)	122,000
Gross operating income		**2,963,817**	**(2,225,624)**	**4,307,536**	**(2,155,817)**
Net depreciations	41	(24,050,485)	(24,027,517)	(17,955,369)	(17,745,693)
Net movement in fair value	42	2,908,716	-	(1,202,658)	-
Net operating income		**(18,177,952)**	**(26,253,141)**	**(14,850,491)**	**(19,901,510)**
Income from investments	43	22,105,858	22,105,858	28,936,973	28,936,973
Financial income	44	67,261	66,133	1,160	-
Financial expenses	44	(2,907,413)	(7,878)	(3,154,030)	(7,903)
Profit before taxes		**1,087,754**	**(4,089,028)**	**10,933,612**	**9,027,560**
Income taxes	45	-	-	-	-
Profit		**1,087,754**	**(4,089,028)**	**10,933,612**	**9,027,560**

OTHER COMPREHENSIVE INCOME STATEMENT

(in Euro)	Notes	December 31st, 2021	December 31st, 2020
Profit for the year		**1,087,754**	**10,933,612**
Other comprehensive income to be reclassified to profit of the period in subsequent periods	54	835,484	374,580
Other comprehensive income not to be reclassified to profit of the period in subsequent periods		-	-
Other comprehensive income		**1,923,238**	**11,308,192**

STATEMENT OF FINANCIAL POSITION

(in Euro)	Notes	December 31st, 2021	*of which related parties*	December 31st, 2020	*of which related parties*
Assets					
Real estate investments	46	198,100,000	-	192,800,00	-
Other tangible assets	47	852,254	621,700	950,846	690,440
Other intangible assets	47	295,927	-	255,558	-
Investments in subsidiaries	48	243,842,591	-	267,785,848	-
Investments in associated companies	49	27,429,160	-	24,732,731	-
Non-current financial receivables	50	16,720,149	16,720,149	1,189,658	1,189,658
Derivatives	51	15,473	-	5,594	-
Total non-current assets		**487,255,554**	**17,341,849**	**487,720,235**	**1,880,098**
Trade and other current receivables	52	9,596,133	4,018,770	9,515,734	4,566,630
Current financial receivables	50	557,056	557,056	490,923	490,923
Cash and cash equivalents	53	7,775,731	-	10,648,167	-
Total current assets		**17,928,920**	**4,575,826**	**20,654,824**	**5,057,553**
Total assets		**505,184,474**	**21,917,675**	**508,375,059**	**6,937,651**
Liabilities					
Capital stock		14,482,292	-	14,482,292	-
Share premium reserve		336,272,528	-	336,272,528	-
Valuation reserve		(735,768)	-	(1,428,453)	-
Interim dividend		(3,610,656)	-	(3,610,656)	-
Other reserve		32,866,185	-	38,944,184	-
Profit/ (loss) carried forward		13,497,890	-	7,175,447	-
Profit/ (loss) for the year		1,087,754	-	10,933,612	-
Shareholders' equity	**54**	**393,860,225**	**-**	**402,768,954**	**-**
Non-current bank borrowings	55	98,795,000	-	97,958,386	-
Non-current financial liabilities	56	643,018	643,018	704,079	704,079
Payables for post-employment benefits	57	63,551	-	99,743	-
Provision for risk and charges	58	465,126	465,126	391,021	391,021
Derivatives	59	786,466	-	1,530,587	-
Trade and other non-current liabilities	60	1,043,325	887,000	1,032,325	876,000
Total non-current liabilities		**101,796,486**	**1,995,144**	**101,716,141**	**1,971,100**
Current bank borrowings	55	5,122,910	-	-	-
Trade and other current liabilities	61	4,393,934	1,424,174	3,879,045	801,217
Current tax payables		10,919	-	10,919	-
Total current liabilities		**9,527,763**	**1,424,174**	**3,889,964**	**801,217**
Total liabilities		**111,324,249**	**3,419,318**	**105,606,105**	**2,772,317**
Total liabilities and shareholders' equity		**505,184,474**	**3,419,318**	**508,375,059**	**2,772,317**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in Euro)	Capital stock	Share premium reserve	Valuation reserve	Other reserves (Interim dividend)	Profit / (loss) carried forward	Profit / (loss) for the year	Total Shareholders' equity
Balance as of January 1st, 2020	**14,482,292**	**336,272,528**	**(1,676,529)**	**30,727,828**	**2,309,789**	**20,176,821**	**402,292,729**
Allocation of profit for the year	-	-	-	4,479,196	4,865,658	(9,344,854)	-
Distribution of dividends 2019 [10]	-	-	-	3,610,656	-	(10,831,967)	(7,221,311)
2020 interim dividend	-	-	-	(3,610,656)	-	-	(3,610,656)
Valuation of derivatives	-	-	248,076	109,810	-	-	357,886
Reserve for actuarial gain/(loss) IAS 19	-	-	-	16,694	-	-	16,694
Profit /(loss) for the period	-	-	-	-	-	10,933,612	10,933,612
Balance as of December 31st, 2020	**14,482,292**	**336,272,528**	**(1,428,453)**	**35,333,528**	**7,175,447**	**10,933,612**	**402,768,954**
Allocation of profit for the year	-	-	-	(1,202,658)	1,304,303	(101,645)	-
Reclassification of payable reserves	-	-	-	(5,018,140)	5,018,140	-	-
Distribution of dividends 2020 [11]	-	-	-	3,610,656	-	(10,831,967)	(7,221,311)
2021 interim dividend	-	-	-	(3,610,656)	-	-	(3,610,656)
Valuation of derivatives	-	-	692,685	118,147	-	-	810,832
Reserve for actuarial gain/(loss) IAS 19	-	-	-	24,652	-	-	24,652
Profit /(loss) for the period	-	-	-	-	-	1,087,754	1,087,754
Balance as of December 31st, 2021	**14,482,292**	**336,272,528**	**(735,768)**	**29,255,529**	**13,497,890**	**1,087,754**	**393,860,225**

[10] Not including the interim dividend on 2019 results amounting to Euro 3,611 thousand, paid in November 2019.
[11] Not including the interim dividend on 2020 results amounting to Euro 3,611 thousand, paid in November 2020.

CASH FLOW STATEMENT

(in Euro)	Notes	2021	2020
Profit for the period before tax		1,087,754	10,933,612
Adjustments to reconcile the profit to net cash flow:			
Net depreciation	41	24,051,224	17,874,146
Severance pay	39	123,399	63,562
Net movement in fair value	42	(2,908,716)	1,202,658
Financial income		-	-
Financial expenses	44	990,575	895,086
Net movement in fair value of financial instruments	40	11,000	(122,000)
Changes in working capital:			
(Increase) / decrease in trade and other current receivables	52	348,761	1,392,681
(Increase) / decrease in trade payables and other current liabilities	61	360,356	131,163
(Increase) / decrease in trade payables and other non-current liabilities	60	(60,833)	13,115
Net cash flows generated (absorbed) from operating activities		**24,003,520**	**32,384,023**
Investment activities			
(Acquisition) / disposal of real estate investments	46	(2,391,284)	(102,658)
(Acquisition) / disposal of other tangible and intangible assets	47	(118,486)	(121,405)
(Increase) / decrease of other non-current receivables	50	(16,000,000)	-
Purchase of subsidiaries		-	-
Purchase of associated companies	49	(2,696,429)	(5,214,285)
Net cash flow generated (absorbed) from investment activities		**(21,206,199)**	**(5,438,348)**
Financing activities			
Shareholders' equity contribution / (dividends paid)	54	(10,669,757)	(10,812,466)
(Acquisition) / closing of derivatives		-	(251,800)
Increase in bank borrowing and other non-current lenders	55	5,000,000	-
Repayment borrowing		-	(17,700,000)
Net cash flows generated (absorbed) from financing activities		**(5,669,757)**	**(28,764,266)**
Net increase / (increase) in cash and cash equivalents		(2,872,436)	(1,818,591)
Cash and cash equivalents at the beginning of the period		10,648,167	12,466,758
Cash and cash equivalents at the end of the period		**7,775,731**	**10,648,167**

NOTES TO THE FINANCIAL STATEMENTS

Principles of preparation and changes in accounting standards

Principles of preparation

The financial statements as of December 31st, 2021 have been prepared in accordance with IAS/IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Union.

The financial statements have been prepared in accordance with the historical cost principle, except for investment property, financial instruments, derivative financial instruments, financial assets and contingent consideration which are recorded at fair value. The book value of assets and liabilities that are subject to fair value hedging transactions and which would otherwise be recorded at amortised cost is adjusted to take account of changes in fair value attributable to the hedged risks.

The financial statements comprise the Balance Sheet, Income Statement, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Cash Flow Statement and Notes to the Financial Statements.

In accordance with the provisions of Article 5, paragraph 2, of Legislative Decree no. 38 of February 28th, 2005, the financial statements are prepared using the euro as the functional currency. Unless otherwise specified, the amounts in the financial statements are stated in euros. The data contained in the notes to the financial statements are rounded off to ensure consistency with the amounts shown in the balance sheet and income statement.

The financial statements provide comparative information referring to the previous year and have been prepared on a going concern basis, in accordance with the principle of accrual accounting, and in compliance with the principle of relevance, significance of information and the prevalence of substance over form.

Offsets between assets and liabilities and between costs and revenues are made only if required or permitted by a standard or an interpretation thereof.

The financial statements adopted are consistent with those required by IAS 1 - "Presentation of Financial Statements". In particular:

- the statement of financial position has been prepared by classifying assets and liabilities according to the "current/non-current" criterion;
- the income statement and the statement of comprehensive income have been prepared by classifying operating costs by nature;
- the cash flow statement was prepared according to the "indirect method";
- the statement of changes in shareholders' equity.

The formats used, as specified above, are those that best represent the Company's economic, equity and financial position.

Main balance sheet items

Real estate investments

Investment property is represented by property held to earn rental income and/or for capital appreciation and not for use in the production or supply of goods or services or for administrative purposes.

Investment property is initially recognised at cost including incidental expenses and acquisition, consistent with IAS 40, and subsequently measured at *fair value,* recognizing in the income statement the effects of changes in *fair value* of investment property in the year such occur.

The costs incurred relating to subsequent interventions are capitalised on the carrying value of the investment property when it is probable that they will generate future economic benefits, do not exceed the market value and their cost can be measured reliably. Other maintenance and repair costs are expensed as incurred.

The *fair value* of the investment property does not reflect future capital investments that will improve or enhance the properties and does not reflect future benefits from this expenditure.

Investment property is derecognised when sold (at the date on which the buyer obtains the control) or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The amount of consideration to be considered for determining the profit or loss deriving from the cancellation of an investment property is determined in accordance with the requirements for determining the price of the transaction in IFRS 15.

IFRS 13 defines the *fair value* as the price (*exit price)* that would be received for the sale of an asset, or that would be paid for transfer of a liability in a regular transaction between market participants at the valuation date. In particular, in measuring the *fair value* of investment property, the Company must ensure that the fair value reflects, among others, rental income from current leases, and other reasonable and supportable assumptions that market participants would use to price real estate properties under current conditions.

In accordance with IFRS 13, the *fair value* valuation of a non-financial asset considers the ability of a market operator to generate economic benefits from using the asset at its *highest and best use* or selling it to another market participant that would employ such at its highest and best use. According to IFRS 13, an entity must employ valuation techniques appropriate to the circumstances and for which enough data are available to measure the *fair value*, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The *fair value* is measured based on observable transactions in an active market and adjusted if necessary, depending on the specific characteristics of each investment property. If such information is not available, such as to determine the *fair value* for measurement of the investment property, the Company uses the discounted cash flow method (for a period that varies according to the duration of existing contracts) related to future net income from leasing of property, and it is assumed that the property is sold at the end of this period.
Investment property is valued with the support of an external independent valuation company, duly recognized in terms of professional qualification and recent experience in the leasing and characteristics of the property evaluated.

The Board of Directors of COIMA RES S.p.A. SIIQ, decided to appoint as independent expert CBRE Valuation S.p.A. The independent expert has the task of defining, every six months, the market value of Monte Rosa, Tocqueville and Pavilion and any further real estate properties that the Company should acquire. Valuations are prepared in compliance with the standard "RICS Valuation - Professional Standards" and in compliance with applicable regulations and the recommendations provided by ESMA European Securities and Markets Authority.

The Company has adopted an internal procedure for the selection and appointment of independent experts as well as for the valuation of investment properties. On the selection and appointment of the independent experts, the procedure requires specific operational binding instructions to verify, through appropriate written statements or

acquiring specific certifications, the duration of the appointment (four-year and not renewable), the independence and incompatibility requirements of experts.
The procedure also gives guidelines for the determination of the remuneration to the independent expert so as not to undermine their independence. The remuneration provided for assessments as of December 31st, 2021 has been preliminarily defined as a fixed amount based on the size of the individual investment property.
The process by which the Company determines the *fair value* of its real estate investments, however, falls within the estimation processes, which implies the forecast of costs and revenues related to each investment and the formulation of assumptions on variables of calculation models that depend on expectations the performance of real estate and financial markets as well as the general economic conditions that affect rent levels and the reliability of tenants, and that, in consideration of the uncertainty connected to the realization of any future event, are able to determine variations, even significant and in the short term, the conclusions of the experts and therefore of the results of the financial statements, albeit in constant evaluation models.
The evaluations are also analysed by the Company in order to verify the accuracy and consistency of the assumptions used by the independent expert. As for the use of estimates regarding real estate investments, refer to paragraph 49 – Real estate investments.

Property, plant and equipment

Plant and equipment are stated as costs, net of accumulated depreciation and accumulated impairment losses, if any. Such costs include replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as are placement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Machinery and equipment	5 years
Plant and office properties	12 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their *fair value* at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life (5 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Investments in associated and joint venture

In accordance with IFRS 10 will have control over a *subsidiary* if and only if, simultaneously:

- it has the power over the subsidiary, qualified in possession of valid rights on its relevant activities, that is, those activities that have a significant impact on its profitability;
- it has the actual ability to exercise such power over the subsidiary to affect the profitability of the same;
- the profitability (positive or negative) of its investment changes in relation to the entity's subsidiary profitability.

In accordance with IFRS 11, a *joint venture* is a company over which the Company exercises control in a share with third parties. *Joint control* of a company is qualified as sharing, contractually agreed, the control thereof, and may exist when the relevant decisions are made with the unanimous control of *joint ventures*.
In accordance with IAS 28, a related entity is a company in which the Company has significant influence, described as the power to participate in financial and operating strategic decisions despite not having control.

Investments in subsidiaries, joint ventures and associates are initially recognised at the cost incurred for the acquisition or establishment, represented by the fair value at the exchange date and all other charges.

Investments in subsidiaries to joint ventures and associates are reviewed annually, or more frequently if necessary, to check for any impairment. Where there is evidence that these investments have suffered a loss in value, the impairment is recognised in the income statement as depreciation. If the company's share of the losses of the subsidiary exceeds the carrying value of the investment, and the company is obliged to or wishes to respond, we are reduced to zero the value of the investment and the share of further losses is recognised as a provision. If, subsequently the impairment is reversed or reduced, it is recognised in the income statement as a value restoration of the cost limits.

Dividends paid by subsidiaries, joint ventures and associates are recognised in the income statement, while respecting the principle of competence, at the time when the right to credit (generally coincides with the distribution resolution adopted by the Shareholders' Meeting of the subsidiaries).

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits, in the latter case with a term of less than three months. Cash and cash equivalents are stated at their nominal value and the spot rate at year-end, if in foreign currency.

Net Equity

Capital stock

The capital stock represents the nominal value of payments and contributions made in this regard by shareholders.

Valuation reserve

When derivatives cover the risk of cash flow variations of covered instruments (cash flow hedge; es. hedging the cash flow variation of assets/liabilities due to exchange rates movements), the changes in the fair value of the derivatives considered effective are initially recognised in the valuation reserve, relating to the other components of the overall profit and subsequently charged to the income statement in line with the economic effects produced by the hedged transaction.

Cash dividend and Interim dividend

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As for the corporate laws in Europe, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Severance pay

Severance pay fund (TFR) is considered as a defined benefit plan. The benefits promised to employees are recognised monthly with the maturation and are paid upon termination of employment. The severance pay is accrued based on the seniority reached at the end of each individual employee in accordance with the laws and labour contracts in force at the reporting date. The provision reflects the liability towards employees, based on experience and seniority wages paid, recalculated on the basis of its actuarial value. The adopted actuarial assessments are the best estimates of the variables that determine the final cost of the subsequent performance at the end of the employment relationship.

Provision for risks and charges

The provisions for risks and charges relate to costs and charges of a determined nature and of certain or probable existence that at the end of the period are indeterminate in the amount or date of occurrence. Provisions are recognized when: (i) it is probable the existence of a current obligation, legal or implicit, deriving from a past event; (ii) it is probable that the fulfilment of the obligation will be onerous; (iii) the amount of the obligation can be reliably estimated. The provisions are recognised at the representative value of the best estimate of the amount that the Company would rationally pay to extinguish the obligation or to transfer it to third parties at the closing date of the period. When the financial effect of time is significant and the payment dates of the obligations can be reliably estimated, the provision is subject to discounting; the increase in the provision related to the passage of time is charged to the income statement under "*financial charges*".
When the liability relates to tangible assets (for example, reclamation of areas), the provision is recognised as a contra entry to the asset to which it refers; the allocation to the income statement takes place through the amortization process. The provisions are periodically updated to reflect changes in cost estimates, implementation times and the discount rate; the revisions of estimates of the funds are charged to the same income statement item that previously accepted the provision or, when the liability relates to tangible assets (for example, reclamation of areas), as a contra entry to the activity to which it refers.

The notes to the financial statements illustrate the potential liabilities represented by possible (but not probable) obligations, deriving from events whose existence will be confirmed only in the absence of one or more conditions not totally under the control of the Company. For more details, please refer to what is described in paragraph 39 – General and administration expenses.

Financial instruments

Financial instruments are an incentive recognised by management in relation to their significant contribution in the start-up and development of the Company. These financial instruments will give the right to the payment of a yield linked to changes in the Issuer's Net Asset Value (NAV), to be executed also through the assignment of shares of the Company itself. Financial instruments are initially recognized at *fair value*, recognizing the effects deriving from the change in *fair value* in the period in which they occur in the income statement. The *fair value* at the closing date of the period is determined through estimates made by management, also with the support of independent experts. The process by which the Company determines the *fair value* of the instrument is part of the estimation processes, which implies the forecast of cash flows based on variables that depend on expectations of the performance of the real estate and financial markets as well as on general market conditions that are able to determine variations, even significant and in the short term, on the conclusions of the experts and therefore of the results of the financial statements.

Financial liabilities - Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at *fair value* through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge.
All financial liabilities are recognised initially at *fair value* and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Loans and borrowings

After initial recognition, loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.
Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

IFRS 9 - Derivative financial instruments

The Company uses derivative financial instruments including *interest rate caps* and *interest rate swaps* to hedge interest rate risks on loans. These derivative financial instruments are recognised at *fair value* in accordance with IFRS 9 and are recognised as financial assets when the *fair value* is positive and as financial liabilities when the *fair value* is negative.

When initiating a hedging transaction, the Company formally designates and documents the hedging relationship, to which it intends to apply hedge accounting, its risk management objectives and the strategy pursued.
This documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk and the manner in which the Company will assess whether the hedging relationship meets the requirements for hedge effectiveness (including analysis of the sources of hedge ineffectiveness and how the hedging relationship is determined). The hedging relationship meets the eligibility criteria for hedge accounting if it meets all the following requirements for hedge effectiveness:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not outweigh the changes in value resulting from the above economic relationship;
- the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company hedges and the quantity of the hedging instrument that the Company uses to hedge that quantity.

With regard to the cash flow hedge transaction, the Company recognises the portion of profit or loss on the hedged instrument relating to the effective portion of the hedge in the statement of other comprehensive income in the "cash flow hedge" reserve, while the ineffective portion is recognised directly in the statement of profit/(loss) for the year. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the *fair value* of the hedged item.

Impairment

IFRS 9 requires the Company to record the expected credit losses on all items such as loans and trade receivables, having as reference period of either 12 months or the entire contractual duration of the instrument (i.e., lifetime expected loss). The Company applies the simplified approach and therefore records any expected losses on all trade receivables based on their remaining contractual duration. The Company has assessed the impact of its receivables in its portfolio, both of a commercial and financial nature, taking into account the characteristics of the receivables, the counterparties and the collection times, even though not all receivables are guaranteed, and the effects deriving from the application of the new criterion are not significant taking into account the risk profile of its customers.

Hedge Accounting

At present, the Company uses hedge accounting with reference to *interest cap rate* instruments underwritten. Considering the provisions of the standard, the Company has established that all existing hedging relationships that are currently designated as effective hedges continue to qualify for hedge accounting in accordance with IFRS 9. However, the standard provides for the recognition of the effects deriving from the valuation of these instruments, including the portion of the extrinsic value, in the item "other reserves" of shareholders' equity.

Recording of revenues, income and expenses in the income statement

Revenues

Revenue is recognised to the extent in which it is likely that economic benefits will be obtained by the Company and the revenue can be measured reliably, regardless of the date of collection. Revenues are measured at the *fair value* of the consideration to which the entity believes it is entitled in exchange for the transfer of goods or services to the customer, taking into account the agreed contractual terms and the commitments made.
The following specific recognition criteria of revenues must always be considered before recognition in the income statement:

- *rental income*: rental income from the investment property owned by the Company is recognised *on a straight-line basis*, in accordance with the international accounting standard IFRS 16 (paragraph 81), representative criterion of temporal competence, conforming the maturity lease agreements;
- *income from real estate disposals*: income from the real estate disposals are recognized in the income statement when the contractual *obligation performance* is effectively executed and then transferred to the

buyer of all the significant risks and rewards associated with ownership, which is normally transferred on the date of signing the deed notarial, when the transaction price is generally also settled.

IFRS 15 Revenues from contracts with customers

IFRS 15 applies to all revenues from contracts with customers, unless these contracts fall within the scope of other standards such as lease contracts, for which the reference standard is IFRS 16. The standard introduces a five-step model that applies to revenues from contracts with customers. IFRS 15 requires the recognition of revenue at an amount that reflects the consideration to which the entity believes it is entitled in exchange for the transfer of goods or services to the customer.
The standard involves the exercise of an opinion by the Company, which considers all relevant facts and circumstances in the application of each phase of the model to contracts with its customers. The standard also specifies the accounting for incremental costs linked to obtaining a contract and costs directly linked to the completion of a contract.
The Company has applied the standard using the full retrospective application method. However, since the group's revenues are mainly from leases, the adoption has no effect on the consolidated financial statements.

Leases

The Company is characterised by investments in high-quality real estate portfolios, mainly concentrated in leading Italian cities, with high-profile tenants and long-term lease contracts, including adequate safeguard clauses as well as clauses providing for ordinary and extraordinary maintenance expenses and works to be borne by the tenant. At present, lease revenues from owned investment property are accounted for based on IFRS 16 (paragraph 81), which represents the accrual method, based on existing lease contracts.
Considering the current contractual framework and the sector practices adopted also by the main competitors, it can be concluded that the adoption of IFRS 15 has not had an impact on the Company's results with reference to property leases.

Real estate disposals

With reference to real estate sales, it should be noted that these take place through the signing of a notarial deed, during which the actual contractual obligations and the real availability of the asset by the notary are verified. In particular, these transactions provide for (i) the transfer of the asset by the seller, (ii) the settlement of the consideration by the buyer at the deed without further delay and/or commitments for the seller, and (iii), if necessary, the payment of deposits or advances at the same time as the signing of the preliminary sale contracts, the latter case taking into account the short time lapse between the preliminary and deed (generally less than one year) does not provide for the inclusion in the price of significant implicit financial components.

IFRS 16 – Leases

This standard defines the criteria for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leasing contracts in the financial statements on the basis of a single model similar to that used to account for financial leases in accordance with the previous IAS 17. The standard provides for two exemptions for the recognition by lessees - leasing contracts relating to "low value" assets (for example personal computers) and short-term leasing contracts (for example expiring within 12 months or less). At the start date of the leasing contract, the lessee recognizes a liability for the lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset for the duration of the contract (i.e., right to use the activity). The lessees must separately account for the interest expenses on the lease liability and the amortization of the right to use the asset. Lessees must also remeasure the lease liability upon the occurrence of certain events (for example: a change in the terms of the lease agreement, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee generally recognizes the amount of the lease liability as an adjustment to the right of use of the asset.

Lessors classify all leases by distinguishing two types: operating leases and financial leases, providing adequate information in the financial statements.

It should be noted that as of today the Company has leasing agreements for IT equipment, which do not fall within the scope of the standard, and a rental agreement for the registered office.

On July 21st, 2017, COIMA RES signed a rental contract for the new registered office in Milan, in Piazza Gae Aulenti 12. The agreement provides for a duration of six years renewable twice with an annual fee of approximately Euro 94 thousand. In consideration of the fact that COIMA RES has invested a significant amount for the preparation of the new headquarters, it is appropriate to consider the duration of the lease as twelve years.

Costs

The costs and other operating expenses are recognised as components of the fiscal year result when incurred on a temporal competence basis, and when such cannot be recognised as assets in the balance sheet.

Financial income and expenses

Financial income and expenses are recognised on an accrual basis according to the interest accrued on the net value of the related financial assets and liabilities using the effective interest method.
Borrowing costs directly attributable to the acquisition and construction of investment property are capitalised in the carrying amount of the pertinent property. Capitalisation of interest is carried out on condition that the increase in the carrying value of the asset does not ascribe to the same value higher than its *fair value.*

Taxes

Current taxes

Current income taxes are calculated based on estimated taxable income. Liabilities for current taxes are recognised in the balance sheet net of any advance taxation.

Tax payables and receivables for current taxes are measured at the amount expected to be paid /received to/from the tax authorities based on the nominal tax rates in effect at the balance sheet date. except for those directly recorded in shareholders' equity, in that such relate to adjustment of assets and liabilities recognised directly to equity. Other non-income taxes, such as taxes on property and capital, are included in the operating costs.

The Company is under the SIIQ tax regime. SIIQs are subject to neither corporate income tax (“IRES”) nor regional tax on productive activities (“IRAP”) on the business income deriving from letting real property and on other real estate related items of income. On the other hand, the earnings and profits corresponding to the exempt income are subject to taxation in the hands of the shareholders upon distribution.
Taxes are therefore calculated on the income produced by the non-exempt income.

Deferred taxes

Pre-paid tax is recognised using the liability method on temporary differences.
It is calculated on the temporary differences between the carrying amounts of assets and liabilities recorded in the

balance sheet and their tax value. The deferred tax assets on tax losses carried forward and on deductible temporary differences are recognised to the extent in which it is likely that future taxable profit will be available against which such can be recovered, considering the SIIQ status.

The tax assets and liabilities are measured using the tax rates expected to be applicable during the years when temporary differences will be reversed. Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The assets and current and deferred tax liabilities are offset when the income taxes are levied by the same taxation authority, when there is a legally enforceable right to offset, and when the expected repayment time is the same.

Earnings Per Share

Earnings Per Share - basic

Basic earnings per ordinary share is calculated by dividing the profit for the period attributable to ordinary shares and the weighted average number of ordinary shares outstanding during the year.

Earnings Per Share - diluted

Basic earnings per ordinary share diluted is calculated by dividing the profit for the period attributable to ordinary shares and the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of ordinary shares that would be issued upon conversion into ordinary shares of all potential ordinary shares with dilution effects.

Use of estimates

The preparation of the financial statements and related notes in application of the IFRS requires that the management make estimates and assumptions that have an effect on the values of revenues, costs, assets, and liabilities in the financial statements and on the related disclosure to potential assets and liabilities at the date of the financial statements.
Actual results could differ from these estimates due to the uncertainty surrounding the assumptions and conditions on which the estimates are based. Therefore, changes in the conditions underlying the opinions, assumptions and estimates adopted may have a significant impact on future results.
Estimates are used to determine the *fair value* of investment properties, of financial instruments, derivatives and taxes.
Estimates and assumptions are reviewed periodically by management and, when deemed necessary, are seconded by opinions and studies of independent external consultants of leading standing (for example, real estate appraisals), and the effects of any changes are reflected in the income statement.

The following are the most significant estimates related to the preparation of financial statements and annual accounting reports in that they entail many subjective opinions, assumptions and estimates:

- *investment property*: is initially recognised at cost including incidental expenses and acquisition, consistent with IAS 40, and subsequently measured at *fair value,* recognising in the income statement the effects of changes in *fair value* of investment property in the year such occur. The *fair value* at the closing date of the period is determined by valuation of the real estate assets performed by independent experts; this valuation is subject to hypotheses, assumptions and estimates, for this reason the valuation made by different experts might not result in an identical opinion, furthermore, as reported in the directors' report, it is subject to uncertainties related to the current emergency situation;
- *financial instrument*: financial instruments are initially valued at *fair value*, recording the effects deriving from the change in *fair value* in the period in which they occur in the income statement. The *fair value* is determined through estimates made by management, also through the support of independent experts; this valuation is

subject to estimation processes, which implies the forecast of cash flows based on variables that depend on expectations of the performance of the real estate and financial markets as well as the general market conditions;

- *derivative financial instruments*: derivative financial instruments are measured at *fair value*, recognizing the effects deriving from the change in *fair value* in the period in which they occur. The *fair value* is determined through estimates made by management based on market prices at the reference date;
  taxes: income taxes, related to the non-exempt income, are estimated based on the prediction of the actual amount that will be paid to the Inland Revenue Office based on the income tax declaration; recognition of deferred tax assets is based on expectations of taxable income in future years, and pre-paid and deferred taxes are determined at the tax rates expected to be applied during the years in which temporary differences will be produced or reversed.

New accounting standards, interpretations and amendments adopted by the Company

The accounting principles adopted for the preparation of the condensed interim consolidated financial statements are consistent with those used for the preparation of the consolidated financial statements as of December 31st, 2020, except for the adoption of the new principles and amendments in force since January 1st, 2021. The Company has not adopted in advance any new standards, interpretations or amendments issued but not yet in force.

Several other amendments and interpretations apply for the first time in 2021 but have no impact on the Company's financial statements.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued;
- provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Covid-19-Related Rent Concessions beyond 30 June 2021 Amendments to IFRS 16

On May 28th, 2020, the IASB published an amendment to IFRS 16, which allows a lessee not to apply the requirements in IFRS 16 on the accounting effects of contractual amendments for reductions in lease payments granted by lessors that are a direct consequence of Covid-19 epidemic.

The change introduces a practical expedient whereby a tenant may choose not to assess whether the reduction in rent represent contractual changes. A lessee who chooses to use this expedient accounts for these reductions as if they were not contractual amendments in the scope of IFRS 16.

From the point of view of the lessor, the accounting relating to the concessions on leases is based on existing guidelines, in fact the amendments to IFRS 16 are applicable only to the tenants. However, the IASB has provided some clarifications on how to manage these cases from the point of view of the lessors.

The IASB has decided not to provide lessors with practical solutions for lease concessions that occur as a direct consequence of the Covid-19 pandemic for the following reasons:

- IFRS 16 does not specify how the lessor must account for a change in lease payments that is not a contractual amendment; and
- any practical expedient would negatively affect the comparability and interaction between the accounting requirements in IFRS 16 and the related requirements in the other standards (in particular, IFRS 9 Financial instruments and IFRS 15 Revenue from contracts with customers).

These amendments, originally applicable until June 30th, 2021, were extended by the IASB until June 30st, 2022 due to the protracted impacts associated with the Covid-19 pandemic.

During the year, the Company did not receive requests for deferred payment or concessions on lease payments relating to Covid-19 but plans to apply the practical expedients described should the case occur within the permitted application period.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify: a) what is meant by a right to defer settlement; b) that a right to defer must exist at the end of the reporting period; c) that classification is unaffected by the likelihood that an entity will exercise its deferral right; d) that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. The amendments are effective for annual reporting periods beginning on or after January 1st, 2023 and must be applied retrospectively.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "*directly related cost approach*". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after January 1st, 2022. The Company will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1st, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed. The amendments are not expected to have a material impact on the Company.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures; in addition, guidance is added on how entities apply the concept of materiality in making decisions about disclosure of accounting policies. The amendments to IAS 1 are applicable for annual periods beginning on or after January 1st, 2023, with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

36. Operating segment

The breakdown by operating segment and geographical area is not shown because as of December 31st, 2021, the Company owns investment properties located in Milan and lease for office use.

37. Rents

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Monte Rosa	2,070	3,711
Tocqueville	3,398	2,857
Pavilion	3,272	3,266
Rents	**8,740**	**9,834**

Monte Rosa shows a decrease of Euro 1,641 thousand, attributable to the release of the spaces of the tenant PricewaterhouseCoopers in the first quarter of 2021.

The increase of Tocqueville rents, amounting to Euro 541 thousand, refers to the amendment of the lease agreement with Sisal, the main tenant of the property, which postpones the expiration date of the contract to March 31st, 2022, with an increase of the gross rent from 2022.

38. Net real estate operating expenses

The net real estate operating expenses amount to Euro 1,339 thousand and are detailed as follows:

(in thousands Euro)	Monte Rosa	Tocqueville	Pavilion	December 31st, 2021	December 31st, 2020
Recovery of costs from tenants	381	295	213	889	1,476
Property management fee	(27)	(45)	(35)	(107)	(148)
Maintenance and service charges	(361)	(101)	(178)	(640)	(882)
Utilities	(195)	(183)	-	(378)	(434)
Insurance	(37)	(22)	(20)	(79)	(64)
Property taxes	(483)	(270)	(98)	(851)	(851)
Stamp duties	(28)	(35)	(35)	(98)	(95)
Other real estate costs	(74)	(1)	-	(75)	(84)
Net real estate expenses	**(824)**	**(362)**	**(153)**	**(1,339)**	**(1,082)**

These costs, net of the recovery of expenses from tenants, show an increase of Euro 257 thousand attributable mainly to the spaces not rented in the Monte Rosa building following the release of the spaces by PriceWaterhouseCoopers, the costs of which shall be borne by the Company.

39. General and administration expenses

The table below shows the general and administration expenses as of December 31st, 2021, compared to the previous year.

(in thousand Euro)	December 31st, 2021	December 31st, 2020
Asset management fees	(781)	(850)
Personnel costs	(1.694)	(1,737)
Consulting	(419)	(481)
Control functions	(332)	(338)
Audit	(207)	(204)
Marketing	(280)	(269)
IT service	(192)	(183)
Independent appraisers	(32)	(28)
Other operating expenses	(301)	(312)
G&A expenses	**(4,238)**	**(4,402)**

These items include the costs relating to the Company's normal operations, including personnel costs, governance costs, fees of the independent auditors and external consultants, marketing and IT assistance expenses.

On 2020, the Chief Executive Officer, in order to help limit the Company's internal costs in light of the current market capitalisation, in line with the interests of COIMA RES shareholders, has confirmed his waiver of the redetermination of the fixed emolument and the payment of variable compensation from January 1st, 2020 until January 1st, 2025. This waiver can be revoked only if one of the following conditions is met:

- the existing Asset Management Agreement is modified and / or terminated for any reason; and / or
- Manfredi Catella does stop holding the office of Chief Executive Officer (even in the event of death); and / or
- the majority of the directors of the Company are not designated by Manfredi Catella as envisaged by the Shareholders Agreement currently in force.

As of today, none of the conditions have failed and it is considered unlikely that even one of them may occur within the approval of the financial statements as of December 31st, 2021.

The CEO has reserved the right to terminate the suspension of the recalculation of the annual fixed remuneration and variable remuneration if the market capitalization of COIMA RES reaches a level higher than that recorded at the IPO (i.e., Euro 360 million); only from the occurrence of this event will the relative emolument be determined, without impacting the previous periods.
In consideration of what is reported in the previous lines, the waiver of emoluments referred to previous years (from 2017 to 2019), as by the terms and conditions of Manfredi Catella's communication on February 19th, 2019, is confirmed.

The current best estimate of this contingent liability as of December 31st, 2021, considering what expressed above, is approximately Euro 5.4 million (Euro 4.2 million as of December 31st, 2020).

It should be noted that regarding the death option, considering the existing agreement with the Chief Executive Officer and the reports described above, the Company made a provision of approximately Euro 465 thousand (Euro 391 thousand as of December 31st, 2020) based on the mortality tables prepared by ISTAT, according to IAS 19 provisions.

The existing agreement with the Chief Executive Officer also provides that, in the event of Manfredi Catella's termination from the position held in the Company for one of the reasons provided for by the agreement in force and described in the Remuneration Report ("***Good Leaver***"), the Company is obliged to pay Manfredi Catella by way of compensation for the damage or, in any case, by way of compensation for the termination of the administration relationship, the greater amount between: (a) Euro 5 million and, (b) three times the total annual remuneration (fixed and variable amount). As of today, the Company considers the possibility of one of the *Good Leaver* hypotheses envisaged in the existing agreement as remote. The best current estimate as of December 31st, 2021, amounts to Euro 5.1 million (Euro 5.1 million as of December 31st, 2020).

40. Other operating expenses

Other operating expenses amounts to Euro 199 thousand (Euro 42 thousand as of December 31st, 2020) mainly include it mainly includes contingent liabilities (Euro 175 thousand), corporate taxes and duties (Euro 5 thousand) and other operating charges (Euro 19 thousand). The amount also includes the change in *fair value* of the financial instrument granted to the directors and key managers of the Company, showing an increase of Euro 11 thousand compared to December 31st, 2020.

For more details on the parameters used by the independent expert for calculating the value of the financial instrument, see paragraph 60 - Trade and other non-current liabilities.

41. Net depreciations

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Amortisations and write-downs of other tangible and intangible assets	(192)	(162)
Allowance for doubtful accounts	85	(129)
Depreciations of COIMA CORE FUND IV	(23,165)	(17,587)
Depreciations of COIMA CORE FUND VIII	(778)	(77)
Net depreciations	**(24,050)**	**(17,955)**

The amount of Euro 24,050 thousand, mainly refers to the value adjustment of the subsidiaries COIMA CORE FUND IV. This change was made on the *impairment test* carried out on December 31st, 2021, taking into consideration future cash flows and earnings recorded in previous financial years.
The analysis was carried out by comparing the fund's net assets as of December 31st, 2021, calculated in accordance with international accounting standards (including unrealized capital gains), with the book value of the investment. The principal assets of COIMA CORE FUND IV are the Deutsche Bank branches portfolio, which were valued at *fair value* on the evaluation report issued by the independent expert Duff & Phelps REAG, and by cash. The fund's liabilities consist of short-term trade payables. The *fair value* of the Fund's net assets as of December 31st, 2021 calculated in accordance with international accounting standards, was therefore amounting to Euro 58,860 thousand, while the book value of the investment was Euro 82,025 thousand. The comparison of these two values caused an adjustment of Euro 23,165 thousand.
This reduction is essentially due to the fair value adjustment of the properties in the portfolio.

The depreciation of COIMA CORE FUND VIII, amounting to Euro 778 thousand, was calculated with the same methodology as described above. The decrease is mainly due to the adjustment at *fair value* of Vodafone property and to the distribution of profits to the parent company, offset with the profit recorded during the year.

42. Net movement in fair value

Net movement at *fair value* of real estate shows a positive value of Euro 2,909 thousand (compared to a negative amount of Euro 1,203 thousand during the previous year) and it refers to the change in value of real estate investments, recorded on the basis of the appraisals prepared by the independent expert CBRE. As regards the parameters used in the valuations, please refer to paragraph 46 – Real estate investments.

43. Income from investments

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Income from COIMA CORE FUND IV	-	366
Income from COIMA CORE FUND VI	5,758	4,654
Income from COIMA CORE FUND VIII	2,600	1,838
Dividends from COIMA RES SIINQ I	48	2,642
Redemption of COIMA CORE FUND IV units	13,200	17,687
Redemption of COIMA CORE FUND VIII units	500	1,750
Income from investments	**22,106**	**28,937**

Income from investments amount to Euro 22,106 thousand and refers to income distributed by the Company's subsidiaries and to the reimbursements of units made during 2021.

44. Financial income and expenses

Financial income, amounting to Euro 67 thousand (Euro 1 thousand as of December 31st, 2020) mainly refers to interest income on equity financing concluded on September 29th, 2021, with subsidiary COIMA RES S.p.A. SIINQ I.

Financial expenses, amounting to Euro 2,907 thousand (Euro 3,154 thousand as of December 31st, 2020), mainly include interest expense accrued on existing loans, cash flow of derivatives *Interest Rate Swap* and the effect of the *fair value* adjustment of derivative *Interest Rate Cap*. The item also includes non-monetary costs, amounting to Euro 554 thousand, related to the recognition of loans at their nominal value following the reimbursement made in January 2022.

45. Income tax

In accordance with the provisions of the SIIQ regulations, the Company calculates income taxes deriving from activities other than exempt operations, using the 24% tax rate.

As of December 31st, 2021, non-exempt management produced low taxable income.

46. Real estate investments

The changes in real estate investments during 2021 are listed below.

(in thousands Euro)	December 31st, 2020	Capex	Revaluations (write-downs)	December 31st, 2021
Monte Rosa	60,600	1,771	229	62,600
Tocqueville	59,500	605	1,395	61,500
Pavilion	72,700	15	1,285	74,000
Real estate investments	**192,800**	**2,391**	**2,909**	**198,100**

The value adjustment of properties refers to appraisals prepared by the independent real estate expert in accordance with the RICS Valuation - Professional Standards and in accordance with applicable law and the recommendations of the ESMA European Securities and Markets Authority.

The main parameters used for the evaluation of the investment are shown below.

Independent expert	Property	Discount rate	Conversion rate	Cap out rate	Inflation rate	Years of plan
CBRE Valuation	Monte Rosa	5.40%	7.30%	4.20%	1Y 1.26% 2Y 1.26% +3Y 1.26%	7.8
	Tocqueville	5.50%	7.40%	3.40%	1Y 1.26% 2Y 1.26% +3Y 1.26%	8.3
	Pavilion	4.50%	7.00%	3.40%	1Y 1.26% 2Y 1.26% +3Y 1.26%	14.1

The increase in value of the Monte Rosa property is mainly due to the capex carried out in the 2021 financial year. It should be noted that the independent expert in his evaluation and in the definition of the parameters relating to his hires has considered the new restructuring project of the asset.

The positive movement in fair value of the Tocqueville property, equal to Euro 1,395 thousand, was determined by the independent expert considering the period of income guaranteed by the lease contracts in force on the valuation date, as well as the timing to return the property to generate income and the subsequent remittance of the property at market rent in line with those in place in area of Porta Nuova. The change is mainly due to the improvement in the existing contractual conditions, the improvement in the inflation curve during the 2021, and the change in the rates used by the independent expert, in line with the findings in the reference market in 2021.

The increase of the Pavilion property of Euro 1,285 thousand is mainly linked to the improvement of the inflation curve in the course of 2021 and the change in the rates used by the independent expert, in line with the findings in the reference market in 2021.

The following table shows the market values of investment property as of December 31st, 2021, gross and net of transaction costs respectively:

Independent expert	Investments	Gross market value at December 31st, 2021	Net market value at December 31st, 2021
CBRE Valuation	Monte Rosa	64,791	62,600
	Tocqueville	63,653	61,500
	Pavilion	76,590	74,000

For more information on the valuation models used by independent experts, the related parameters and the sensitivity on the value of the real estate portfolio, please refer to the description of the consolidated financial statement, note 33 - Information on fair value.

47. Other tangible and intangible assets

Other tangible assets, amounting to Euro 852 thousand (Euro 951 thousand as of December 31st, 2020), mainly include the *right of use* the spaces used by the Company for office use (so-called *right of use*), the furniture and furnishings relating to the Company's registered office.

The movements in other tangible assets as of December 31st, 2021, are shown below:

(in thousands Euro)	December 31st, 2020	Increases/(decreases)	December 31st, 2021
Furniture and fixtures	71	-	71
Installations	284	-	284
Other tangible assets	7	-	7
Rights of use	853	15	868
Original costs	**1,215**	**15**	**1.230**
Furniture and fixtures	(20)	(6)	(26)
Installations	(77)	(23)	(100)
Other tangible assets	(5)	(1)	(6)
Rights of use	(162)	(84)	(246)
Depreciation fund	**(264)**	**(114)**	**(378)**
Net book value	**951**	**(99)**	**852**

As of today, the Company has a lease agreement in place for the registered office in Piazza Gae Aulenti n.12, whose right of use as of December 31st, 2021, amounts to Euro 622 thousand, net of amortizations.

Intangible assets, amounting to Euro 296 thousand (Euro 256 thousand as of December 31st, 2020), refer to (administrative and accounting) software in implementation. The increased by Euro 40 thousand compared to last year due to the development of implementation activities carried out during the period.

48. Investments in subsidiaries

The table below shows the movements in subsidiaries as of December 31st, 2021.

(in thousands Euro)	December 31st, 2020	Revaluations / (write-downs)	December 31st, 2021
COIMA CORE FUND IV	82,025	(23,165)	58,860
COIMA CORE FUND VI	114,622	-	114,622
COIMA RES SIINQ I	27,750	-	27,750
COIMA CORE FUND VIII	43,389	(778)	42,611
Investments in subsidiaries	**267,786**	**(23,943)**	**243,843**

The write downs, amounting to Euro 23,943 thousand, are due to the *impairment test* carried out in order to align the book value of the equity investments with the share of shareholders' equity of the entities at the same date. For further details related to COIMA CORE FUND IV write-down, please refer to paragraph 41 - Net depreciations.

The following are the main data relating to subsidiaries, calculated in accordance with the IAS / IFRS international accounting standards:

(in thousands Euro)	% Owned	Capital stock as of December 31st, 2021	Total asset as of December 31st, 2021	Shareholders 'equity as of December 31st, 2021 (*)
COIMA CORE FUND IV	100.0%	67,258	58,987	58,860
COIMA CORE FUND VI	88.2%	115,777	206,810	153,302
COIMA RES SIINQ I	100.0%	250	44,358	28,069
COIMA CORE FUND VIII	50.0%	81,000	214,819	85,221

* The amounts include 2021 results and unrealised capital gains.

49. Investments in associated companies

Investments in related companies include investments in the Porta Nuova Bonnet Fund for Euro 27,429 thousand and investments in Infrastrutture Garibaldi Repubblica and Porta Nuova Garibaldi Consortia for Euro 1 thousand.

50. Financial receivables

Non-current financial receivables, equal to Euro 16,720 thousand (Euro 1,190 thousand as of December 2020) refer to shareholder financing granted to COIMA RES SIINQ I in order to repay the bank borrowing originally due from the subsidiary (Euro 16,000 thousand) and receivables to COIMA CORE FUND VIII (Euro 720 thousand) relating to the transfer of financial costs incurred in 2019 under the Vodafone refinancing operation.

On September 30th, 2021, COIMA RES granted to the subsidiary COIMA RES SIINQ I a shareholder loan of Euro 16,000 thousand, aimed at the repayment of the financing of the Deruta property, due on September 29th 2026 (renewable annually) and a minimum variable margin of Euro 160 bps on an annual basis.

Current financial receivables, amounting to Euro 557 thousand (Euro 491 thousand at December 31st, 2020), include short-term receivables from COIMA CORE FUND VIII relating to the transaction described in the previous paragraph (Euro 491 thousand) and interest income towards COIMA RES SIINQ accrued in the fourth quarter (Euro 66 thousand).

The remaining claim to COIMA CORE FUND VIII outstanding at December 31st, 2021 will be collected in half-yearly instalments by December 31st, 2023.

51. Derivatives

Derivatives, amounting to Euro 15 thousand (Euro 6 thousand as of December 31st, 2020), relates to the four *Interest Rate Cap* derivative agreements entered into to hedge the cash flows relating to the mortgage financing of the Deutsche Bank branch portfolio.

The increase of Euro 9 thousand compared to December 31st, 2020, is mainly due to the change in fair value of residual derivative contracts.

In accordance with IFRS 9, the *fair value* of derivatives has been separated into two components: the intrinsic value (*intrinsic value*), equal to the actual value of the derivative in the case of immediate exercise, and the time value (*time value*), i.e., how much a buyer would be willing to pay over the intrinsic value. The Company booked the change in *fair value* relating to the time effect of the derivatives to equity, amounting to Euro 117 thousand (net of the deferral with effect on the income statement, amounting to Euro 108 thousand) and to cash flow hedge reserve their intrinsic component, which at the closure date of the fiscal year has a null amount.

The hedging strategy adopted by the Company is to set an upper limit to the cost of financing, for the part covered. The Company has accounted for hedging transactions based on *hedging accounting*, verifying their effectiveness. In order to test the effectiveness of existing derivatives, the *hedged item* was identified, at the start date of the hedge, with a hypothetical derivative ("*hypothetical derivative*"). This derivative must perfectly cover the risks caused by the exposure both in terms of the underlying and in contractual terms (notional, indexing, etc.). Finally, the hypothetical stipulation must take place at market conditions on the date the hedging relationship was established.
The changes in *fair value* have been recognized in the valuation reserve, net of what is recorded in the income statement in the event of ineffectiveness
The *fair value* measurements of the derivatives also took account of any adjustments to be made as a result of the deterioration of one of the banking counterparties or of the Company itself, also taking account of any guarantees given by the Company to the Banks.

52. Trade and other current receivables

The breakdown of trade and other current receivables as of December 31st, 2021 are given below:

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Receivables from tenants	3,126	4,046
Receivables from subsidiaries	3,968	4,467
Trade receivables	**7,094**	**8,513**
Tax receivables	136	19
Prepayments and accrued income	206	256
Other current activities	2,160	728
Other current receivables	**2,502**	**1,003**
Trade and other current receivables	**9,596**	**9,516**

Receivables from tenants decreased by Euro 920 thousand mainly due to lower advance invoicing in December 2021 compared to December 2020.

The remaining part of the receivables from tenants is mainly referred to the effects of the normalisation of rents (recorded in accordance with IFRS 16) for Euro 2,056 thousand, credit notes to be issued for Euro 139 thousand and receivables for Euro 1,209 thousand, of which Euro 1,075 thousand collected in January 2022. Outstanding receivables shall be disclosed net of any write-downs relating to bad debts or receipts that are considered unrealizable.

Receivables from subsidiaries include receivables for proceeds resolved by COIMA CORE FUND VI for Euro 3,967 thousand, collected in January 2022.

Tax receivables shows an increase of Euro 117 thousand compared to the previous year due to the advance payment of VAT paid in December for the year 2022.

Accrued income and prepaid expenses mainly include registration taxes, insurance and other costs already incurred for the following year.

The other different activities mainly include the costs incurred by the Company in December 2021, as part of the signing of the new financing agreement, amounting to Euro 1,781 thousand.

53. Cash and cash equivalents

Cash and cash equivalents, amounting to Euro 7,776 thousand, are held at the following institutions:

(in thousands Euro)	**December 31st, 2021**	**December 31st, 2020**
Banco BPM	1,058	1,285
Unicredit	1,790	1,586
Intesa San Paolo	1,260	1,593
Banca Passadore	3,667	3,565
UBI	-	2,619
Cash	1	0
Cash and cash equivalents	**7,776**	**10,648**

At Banco BPM and Banca Passadore the Company holds its liquidity available for ordinary management.

The amounts deposited with UniCredit and Intesa Sanpaolo include five current accounts and two unpledged accounts called *distribution accounts*, opened as a result of the stipulation of the loan agreements which will be discussed below. The unpaid accounts include the amounts that are available to the Company following the quarterly review of the financial *covenants*.

54. Shareholders' equity

Shareholders' equity as of December 31st, 2021, amounted to Euro 393,860 thousand (Euro 402,769 thousand as of December 31st, 2020) and is composed as shown in the table in the financial statements.

The share capital consists of 36,106,558 ordinary shares with no par value.

The legal reserve represents the portion of profits which, in accordance with Article 2430 of the Italian Civil Code, cannot be distributed as a dividend.

The valuation reserve, negative for an amount of Euro 736 thousand (a negative amount of Euro 1,428 thousand as of December 31st, 2020), relates to the change in the *fair value* of derivative agreements entered into to hedge the cash flows of the existing loan.

The interim dividend of Euro 3,611 thousand refers to the 2021 interim dividend of Euro 0.10 for each share in circulation on the ex-coupon date, approved on November 5th, 2021 by the Board of Directors pursuant to Article 2433-bis, paragraph 5, of the Italian Civil Code and paid on November 17th, 2021 with the ex-coupon date set for November 15th, 2021.

The table below shows the availability and distribution of the equity reserves as of December 31st, 2021:

(in thousands Euro)	Amount	Possibility to use (*)	Available amount	Dividends	Amount used in the three previous years	
					To cover losses	For other reason
Capital stock	14,482					
Share premium reserve	336,273	A, B, C	336,273			
Legal reserve	2,896	B	2,896			
Interim dividend 2021	(3,611)			(3,611)		
Valuation reserve	(736)					
Other reserves	29,971			(7,221)		
Profit carried forward	13,498	A, B, C	13,498			
Profit for the year	1,087					
Total shareholders' equity	**393,860**		**352,667**	**(10,832)**		
Amount unavailable for distribution			2,896			
Amount available for distribution			349,771			

(*) A: for capital increase; B: to cover losses; C: for distribution

55. Bank borrowings and other lenders

The table below shows the detail of bank borrowings as of December 31st, 2021 and its transactions during the year.

(in thousands Euro)	December 31st, 2020	Increase	Amortized costs / others	December 31st, 2021
Deutsche Bank borrowing	30,541	-	264	30,805
Monte Rosa – Tocqueville borrowing	40,657	-	333	40,990
Pavilion borrowing	26,760	-	240	27,000
Non-current bank borrowings	**97,958**	**-**	**837**	**98,795**
Deutsche Bank borrowing	-	-		-
Monte Rosa – Tocqueville borrowing	-	-	25	25
Pavilion borrowing	-	-	96	96
Revolving credit line	-	5,000	2	5,002
Current bank borrowings	**-**	**5,000**	**123**	**5,123**
Bank borrowings	**97,958**	**5,000**	**960**	**103,918**

With concern the Revolving Credit Facility ("**RCF**") concluded by the Company in October 2020 with Banco BPM Group, the Company had a financial exposure of Euro 5,000 thousand as of December 31st, 2021, which was repaid in January 2022.

On December 29th, 2021, the Company entered into a new financing agreement with Crédit Agricole Corporate and Investment Bank (as facility agent), BNP Paribas, ING Bank and UniCredit for a total of Euro 165,000 thousand for Monte Rosa, Pavilion, Tocqueville and Deruta properties.
The financing consists of a senior line of Euro 120,000 thousand, aimed at refinancing the properties, and a new capex line of Euro 45,000 thousand, in support of the restructuring plans planned for the properties Monte Rosa, Tocqueville and Deruta.
In January 2022 the Company pulled the financing described above by repaying the outstanding loans at December 31st, 2021, against the disbursement of the senior line by the lenders.

The financial covenants are checked by the Company every quarter and/or half year, as required by the existing contracts.
The covenant as of December 31st, 2021, are shown below:

Investments	Covenant	Limits	Test results as of December 31st, 2021
Deutsche Bank branches	LTV Consolidated	<60%	40.1%
Monte Rosa	ICR Portfolio	>1,8x	5.0x
Tocqueville	ICR/DSCR Consolidated	>1,4x	4.5x
Pavilion	LTV Portfolio	<65%	36.5%

The above indicators confirm that the covenants set out in the loan agreement have been maintained.

56. Non-current financial liabilities

This item, amounting to Euro 643 thousand (Euro 704 thousand as of December 31st, 2020), in accordance with the international accounting standard IFRS 16, includes the liability in respect of the payment of lease rents relating to existing lease agreements. The liability is equal to the present value of the future cash flows expected for the contractual duration. For more details in this regard, see paragraph 47 - Other tangible and intangible fixed assets.

57. Payables for post-employment benefits

The balance of the Severance Payment (TFR) at December 31st, 2021, equal to Euro 64 thousand (Euro 100 thousand at December 31st, 2020) concerns the debt relating to some employees of the Company. The reduction of Euro 36 thousand is attributable to the turnover of the Company's employees.
The movement of the fund was also characterized by the provision and subsequent reversal to external funds of the TFR relating to two managers of the Company.

58. Provisions for risks and charges

This amount, equal to Euro 465 thousand (Euro 391 thousand as of December 31st, 2020), refers to the payment to cover the risks relating to the contracts in place with the CEO. For further information, please read the personnel costs details described in paragraph 39 – General And Administration expenses.

59. Derivatives

The derivative financial instruments classified in liabilities, equal to Euro 786 thousand (Euro 1,531 thousand balances as of December 31st, 2020), refer to *Interest Rate Swaps* subscribed to cover the financial flows relating to Monte Rosa, Tocqueville and Pavilion.

The decrease amounting to Euro 745 thousand compared to December 31st, 2020, is mainly attributable to the change in fair value of derivative instruments.

The *Interest Rate Swap* agreement is stipulated in order to cover the Euribor and its changes by paying a fixed amount that represents the total cost of the collection for the entire duration of the swap agreements.

The Company recorded hedging transactions based on *hedging accounting* verifying the effectiveness of the same. In order to test the effectiveness of derivatives, the *hedged item* is identified at the time of hedging, with a *hypothetical derivative*. This derivative must perfectly cover the risks caused by exposure in contractual and underlying terms (notional. indexing. etc.). Finally, the hypothetical signing must take place under market conditions at the start of the hedging relationship. The valuation of derivatives at *fair value* considered some potential adjustments to be made as a result of the deterioration of the bank counterparties or of the Company itself, also taking into consideration any guarantees given by the Company to the Banks.

60. Trade and other non-current liabilities

Trade and other non-current payables mainly include the *fair value* of the financial instrument classified in the non-current liabilities, granted to the CEO and *key managers*. As of December 31st, 2021, the instrument was revalued at Euro 887 thousand (Euro 876 thousand as of December 31st, 2020) based on the evaluation report specifically prepared by an external consultant.

The appraiser expressed his opinion on the *fair market* value of the equity instrument issued by the Company in favour of certain managers on the basis of the instrument's settlement, based on the fact that the Company is listed and on the expected cash flows in three different scenarios (*base, downside and upside*).

The valuation was carried out in application of the financial criterion. It estimates the value of an *asset* as the sum of expected cash flows, discounted at a rate that expresses the systematic risk of the investment. The valuation model has been set up as follows:

- the reference date was December 31st, 2021;
- the estimate was made by assuming the expected annual cash flows from the *Promote Fee* over the period 2022-2030. Average-weighted cash flows were considered in three separate scenarios (*base, downside and upside*). For estimating the expected cash flows, the flows of the three scenarios were weighted (respectively by 33.33% each one);
- for estimating the annual cash flows of the holders of the instrument, the average-weighted annual flows deriving from the *Promote Fee* were 60%. This is in line with what is provided for in the Instrument Regulations;
- the average-weighted cash flows of the holders of the instrument have been discounted, at December 31st, 2021, at a discount rate expressing the average return expected on investments having a risk profile comparable to that of the investment in the instrument. This discount rate, equal to 4.7%, was quantified by the consultant according to the CAPM ("*Capital Asset Pricing Model*") approach and is equal to the cost of the Company's own capital, expressing the systematic (non-diversifiable) risk associated with the business activities from which cash flows depend, in the last instance, those of the instrument.

The discount rate was estimated by the consultant assuming the following parameters:

- *risk-free* rate of 0.55%. This figure is equal to the average of the returns (without considering taxes) as of December 31st, 2021, of the Italian public debt securities with a residual maturity of 7 years;
- Beta coefficient of 0.63. In details, the Beta coefficient was determined: (i) assuming the average *unlevered* Beta (0.48) of a *panel* company carrying out activities comparable to those of COIMA RES; (ii) “re-levering” such Beta (using i.e. “Hamada” formula) in order to consider the target financial structure of COIMA RES (i.e. ratio net funding position / equity amounted to 40%);
- ERP of 6.62%. This figure corresponds to most recent measure of *forward-looking* ERP compared to the estimate date, deducted from empirical observations of the market (source: NYU Stern *School of Business*).

61. Trade and other current liabilities

The breakdown of trade payables and other current payables is given in the table below.

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Account payables	1,166	823
Invoices to be received	1,642	1,349
Trade payables	**2,808**	**2,172**
Personnel payables	248	308
Security provider payables	83	85
Tax payables	66	183
Other payables	162	33
Accruals and deferred income	1,027	1,098
Other liabilities	**1,586**	**1,707**
Trade and other current liabilities	**4,394**	**3,879**

Account payables mainly consist of payables for asset management services provided during the year amounting to Euro 840 thousand. The remaining part of the payables is referred to consulting and development activities carried out during the fourth quarter 2021.

Invoices to be received mainly consist of the fee for the fourth quarter of the asset management agreement with COIMA SGR, for the project management activities carried out by COIMA REM for property renovation projects, for the pro-forma invoices received from the Company's consultants for legal, tax and administrative advice and marketing and communication expenses.

Deferred income refers to the advance collection of lease payments relating to the year 2022.

The other amounts in this item mainly refer to payables for bonus, vacation and additional monthly payments (Euro 248 thousand), payables related to social security contributions and pension funds (Euro 83 thousand), VAT payables and withholding to be paid (Euro 66 thousand), payables for approved dividends (Euro 162 thousand), net of credit to be received (Euro 25 thousand).

62. Information on transfers of financial asset portfolios

The Company has not made any transfers between financial asset portfolios in 2021.

63. Information on fair value

IFRS 13 provides that:

- non-financial assets must be measured using the "*highest and best use*" method i.e. considering the best use of the assets from the perspective of market participants;
- liabilities (financial and non-financial) and equity instruments (i.e. shares issued as consideration in a *business combination*) must be transferred to a market participant as at the measurement date. In the process of measuring the fair value of a liability it is necessary to identify the risk of default of the counterparty, which also includes credit risk.

The general rules for preparing fair value measurement techniques should be adjusted based on the circumstances, configured in order to maximise observable inputs and established pursuant to the measurement method used (multiples method, income method and cost method):
1) adjusted based on the circumstances: measurement techniques must be applied consistently over time unless there are more representative alternative techniques for the measurement of fair value,
2) maximise the observable inputs: inputs are divided into observable and unobservable, providing various examples of markets from which fair values can be calculated,
3) measurement techniques of fair value are classified in three hierarchical levels according to the type of input used:

- level 1: inputs are quoted prices in active markets for identical assets or liabilities. In this case the prices are used without any adjustments.
- level 2: inputs are quoted prices or other information (interest rates, observable yield curves, credit spreads) for similar assets and liabilities in active and inactive markets. For this case price adjustments can be made based on specific factors of the assets and liabilities.
- level 3: in this case inputs are not observable. The standard provides that it is possible to use the latter technique only in this case. Inputs for this level include, for example, long-term currency swaps, *interest rate swap*, decommissioning liabilities undertaken in a *business combination*, etc.

The arrangement of these levels follows a priority hierarchy: attributing the maximum importance to level 1 and minimum for level 3.

IFRS 13 provides that three different measurement methods can be used for the measurement of fair value:

- the market approach method is based on prices and other important information for market transactions involving identical or comparable assets and liabilities. The models used are the multiples method and the matrix price method;
- the income approach is achieved from the discounted sum of future amounts that will be generated by the asset. This method allows to obtain a fair value that reflects the current market expectation of such future amounts;
- the cost method reflects the amount that would be required as at the measurement date to substitute the capability of the service of the asset subject to measurement, Fair value will be equal to the cost that a market participant would incur to acquire or build an asset of rectified comparable use (taking into consideration the level of obsolescence of the asset in question), This method can be used only when the other methods cannot be used.

Measurement techniques are applied consistently over time unless there are alternative techniques that allow a more representative measurement of fair value, In the selection of measurement techniques, the assumptions used for the determination of the assets or liabilities are particularly important.

With regard to the independent expert valuations and the parameters used, please refer to paragraph 33 of the consolidated financial statements - Information on fair value.

The comparison between the book value and the fair value of the Company's assets and liabilities as of December 31st, 2021, compared to December 31st, 2020, is given below.

(in thousands Euro)	December 31st, 2021		December 31st, 2020	
	Net book value	Fair Value	Net book value	Fair Value
Real estate investments	198,100	198,100	192,800	192,800
Other tangible assets	852	852	951	951
Other intangible assets	296	296	256	256
Investments in subsidiaries	243,843	243,843	267,786	267,786
Investments in associated companies	27,429	27,429	24,732	24,732
Derivatives	15	15	6	6
Long term financial assets	16,720	16,720	1,190	1,190
Trade and other current receivables	10,153	10,153	10,006	10,006
Cash and cash equivalents	7,776	7,776	10,648	10,648
Assets	**505,184**	**505,184**	**508,375**	**508,375**
Non-current bank borrowings	98,795	98,928	97,958	98,059
Current bank borrowings	5,123	5,123	-	-
Non-current financial liabilities	643	643	704	704
Other liabilities	5,090	5,090	4,537	4,537
Derivatives	786	786	1,531	1,531
Financial instruments	887	887	876	876
Liabilities	**111,324**	**111,457**	**105,606**	**105,707**

The Company does not own capital instruments valued at cost.

The summary table below shows the hierarchy in the measurement of the fair value as of December 31st, 2021 and 2020.

(in thousands Euro)	December 31st, 2021			
	Total amount	Quoted prices in active markets (Level 1)	Observable inputs (Level 2)	Unobservable inputs (Level 3)
Real estate investments	198,100	-	-	198,100
Other tangible assets	852	-	-	852
Other intangible assets	296	-	-	296
Investments in subsidiaries	243,843	-	-	243,843
Investments in associated companies	27,429	-	-	27,429
Derivatives	15	-	15	-
Non-current financial assets	16,720	-	-	16,720
Trade and other current receivables	10,153	-	-	10,153
Cash and cash equivalents	7,776	-	-	7,776
Assets	**505,184**	**-**	**15**	**505,169**
Non-current financial liabilities	98,928	-	98,928	-
Current financial liabilities	5,123	-	-	5,123
Other financing	643	-	-	643
Other liabilities	5,090	-	--	5,090
Derivatives	786	-	786	-
Financial instruments	887	-	-	887
Liabilities	**111,457**	**-**	**99,714**	**11,743**

(in thousands Euro)	December 31st, 2020			
	Total amount	Quoted prices in active markets (Level 1)	Observable inputs (Level 2)	Unobservable inputs (Level 3)
Real estate investments	192,800	-	-	192,800
Other tangible assets	951	-	-	951
Other intangible assets	256	-	-	256
Investments in subsidiaries	267,786	-	-	267,786
Investments in associated companies	24,732	-	-	24,732
Derivatives	6	-	6	-
Non-current financial assets	1,190	-	-	1,190
Trade and other current receivables	10,006	-	-	10,006
Cash and cash equivalents	10,648	-	-	10,648
Assets	**508,375**	**-**	**6**	**508,369**
Non-current bank borrowings	98,059	-	98,059	-
Non-current financial liabilities	704	-	-	704
Other liabilities	4,537	-	-	4,537
Derivatives	1,531	-	1,531	-
Financial instruments	876	-	-	876
Liabilities	**105,707**	**-**	**99,590**	**6,117**

64. Risks, guarantees and commitments

The risks which the Company is subject to and the relative mitigation are reported in the Chapter 3 "Governance" - *How we manage the risks.*

Guarantees and commitments

With regard to the loans contracted by the parent company COIMA RES, the following *security packages* have been agreed with the lending banks.

As for the loan related to Deutsche Bank portfolio:
- first mortgage of Euro 298,550 thousand;
- pledge on the COIMA CORE FUND IV units;
- pledge on operating bank accounts linked to the loan agreement

As for the loan related to Monte Rosa and Tocqueville:
- first mortgage of Euro 140,000 thousand;
- pledge on the COIMA CORE FUND IV units;
- pledge on operating bank accounts linked to the loan agreement;
- disposal of receivables related to rents, insurance claims and any other receivables arising from disputes against consultants engaged for the *due diligence* on the property.

As for the loan related to Pavilion:
- first mortgage of Euro 63,000 thousand;
- pledge on operating bank accounts linked to the loan agreement;
- disposal of receivables related to rents, insurance claims and any other receivables arising from disputes against consultants engaged for the *due diligence* on the property.

As for the lease agreement signed on July 21st, 2017, with COIMA RES and Porta Nuova Garibaldi, managed by COIMA SGR S.p.A., the Company has granted a guarantee to the landlord amounting to approx. Euro 25 thousand.

With regard to the Porta Nuova Bonnet Fund, the Company had a total commitment of Euro 27,429 thousand of capital payments, of which Euro 2,429 thousand subscribed in March 2021, already full paid up.

On June 11th, 2020 COIMA RES signed a binding agreement for the acquisition of a stake between the 10% and the 25% in the Porta Nuova Gioia real estate fund, manged by COIMA SGR, owner of the building under renovation called Gioia 22, located in Milan, in Via Melchiorre Gioia 22.
The closing of the transaction is expected within the end of 2022 and it is subordinated to the occurrence of some precedent conditions, among which the achievement of the 75% of the real estate *occupancy.* The stake that will be acquired by COIMA RES in the Porta Nuova Gioia real estate fund will be determined by the Company, at its discretion, within the interval, near the closing. At the date, the estimated purchase price is between Euro 22 million and Euro 56 million.

65. Related party transactions

Related party transactions are listed below:

(in thousands Euro)	Receivables	Liabilities	Income	Costs
COIMA SGR S.p.A.	48	255	-	745
COIMA REM S.r.l.	3	957	-	121
COIMA CORE FUND IV	-	-	13,200	23,165
COIMA CORE FUND VI	3,968	-	5,758	-
COIMA CORE FUND VIII	1,211	-	3,100	778
COIMA RES S.p.A. SIINQ I	16,066	-	115	-
Infrastrutture Garibaldi - Repubblica	-	1	-	5
Porta Nuova Garibaldi consortium	-	(21)	-	137
Porta Nuova Garibaldi fund	622	693	-	119
Riccardo Catella foundation	-	-	-	10
Senior managers	-	38	-	238
Directors and collaborators	-	1,387	-	835
Board of Statutory Auditors	-	109		109
Total	21,918	3,419	22,173	26,262

Also note that the Company has signed the following service agreements with related parties in line with market standards:
Asset Management Agreement with COIMA SGR S.p.A.;
Agreement with COIMA REM S.r.l. for the supply, by the latter, of development and project management services, as well as property and facility management services;
Lease agreement related to the new headquarter of the Company signed on July 21st, 2017, with Porta Nuova Garibaldi Fund, managed by COIMA SGR S.p.A..

Property and development management contracts

During the year, the Company revisited the conditions in place with COIMA REM S.r.l. relative to the contractual standards for property and development management services. No changes were made in the review as the management of the Company considered that the current contractual structure was adequate. A benchmark analysis has been commissioned to a specialist consultant, concerning the positioning of the pricing provided for by the Framework Agreement with COIMA REM for property management and development management services, with respect to the average market price for such services. The consultant considered that "the pricing of the property and development services provided by COIMA REM was consistent with market values and below average values".

Publication of audit fees pursuant to art. 149-duodecues of Consob Regulation No. 11971 of 14 May 1999

We report in this table a detail of the fees paid to the auditing company which has been assigned the audit assignment pursuant to Legislative Decree 39 of January 27th, 2010, and to the entities in the network to which the auditing company belongs:

(in thousands Euro)	Object	Audit firm	Remunerations
Legal review (*)	COIMA RES S.p.A. SIIQ	EY S.p.A.	190
Review of sustainability report	COIMA RES S.p.A. SIIQ	EY S.p.A.	17
Total amount			**207**

(*) These fees refer to the statutory audit of the consolidated financial statements, the separate financial statements and the half-year consolidated financial statements of COIMA RES SIIQ and to the limited audit of the accounting prospectus as of September 30th, 2021, aimed at issuing the opinion for the distribution of the interim dividends. of COIMA RES SIIQ pursuant to article 2433 bis of the Civil Code. The amount includes the remunerations (expenses included) of Euro 178 thousand and the CONSOB contribution, estimated by the Company of Euro 12 thousand.

CERTIFICATION BY THE CEO AND BY THE MANAGING DIRECTOR RESPONSIBLE FOR THE PREPARATION OF THE CORPORATE ACCOUNTING DOCUMENTS RELATING TO THE FINANCIAL STATEMENTS AT DECEMBER 31ST, 2021

pursuant to Article 154-bis, para. 5, of Legislative Decree no. 58 of February 24th, 1998 and Article 81-ter of Consob Regulation no. 11971 of May 14th, 1999

1) We, the undersigned, Manfredi Catella, as Chief Executive Officer, and Fulvio Di Gilio, as Manager responsible for preparing the financial reports of COIMA RES S.p.A. SIIQ, having also considered the provisions of art, 154-*bis*, paragraphs 3 and 4, of the Legislative Decree No. 58 of February 24th, 1998, hereby certify:

    the adequacy, regarding the nature of the Company; and

    the effective application of the administrative and accounting procedures adopted in preparing the financial statements,

2) In this regard, we also note that:

    the adequacy of the administrative and accounting procedures adopted in preparing the financial statements has been verified by means of the evaluation of the internal control system on the financial information,

    no material aspects have been detected from the evaluation of the internal control system on the financial information,

3) We also certify that:

    The financial statements:

    have been prepared in accordance with the international financial reporting standards recognized in the European Union under the EC Regulation 1606/2002 of the European Parliament and of the Council of July 19th, 2002;

    are consistent with the entries in the accounting books and records;

    can provide a true and fair representation of the assets and liabilities, profits and losses and financial position of the issuer,

    The report on operations provides a reliable analysis of performance and results of operations, and the company's situation, as well as a description of the main risks and uncertainties which the company is exposed,

The report on operations also includes a reliable analysis on the information regarding the relevant transactions with related parties,

Milan, February 24th, 2022

Chief Executive Officer	Manager responsible for preparing the Company's financial reports
Manfredi Catella	Fulvio Di Gilio

INDEPENDENT AUDITORS' REPORT

Coima Res S.p.A. SIIQ

Financial statements as at 31 December 2021

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, and article 10 of EU Regulation n. 537/2014

EY S.p.A.
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20123 Milano

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Coima Res S.p.A. SIIQ

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Coima Res S.p.A. SIIQ (the Company), which comprise the statement of financial position as at 31 December, 2021, and the statement of profit/(loss) for the year, the other comprehensive income statement, the statement of changes in shareholders' equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

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 regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. 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. 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.

We identified the following key audit matters:

Key Audit Matter	Audit Response
Valuation of real estate investments	
Investment properties are stated at fair value in accordance with International Financial Reporting Standards IAS 40 Investment properties, recognizing the effects of changes of fair values in the income statement. Management has estimated fair value based on the reports prepared by independent experts. The fair value estimate involves the use of fair value models which require forecasting future costs and revenues of each property and the use of assumptions about the occupancy rate of properties, the markets trends of real estate and financial markets, also considering the effects of the current Covid-19 pandemic, as well as the general economic conditions that affect the rent and the reliability of the tenants. We considered that this item represents a key audit matter, due to the relevance of the investment properties stated at fair value and changes in fair value over the accounting periods, the judgment required by Management in assessing the above mentioned assumptions used in the fair value models, as well as the effects on the Company's and Group's key performance indicators, especially the Net Asset Value. The paragraph "Main balance sheet items" of the notes to the financial statements, describes the process adopted to select the independent experts and the fair value models.	Our audit procedures in response to this key audit matter relate to, amongst others, the analysis of the company's procedure related to the selection of the independent expert appointed in order to prepare a fair value estimate, the tracing of these amounts with the balance sheet figures, the critical review and discussion with Management and independent experts of the main market assumptions and, also with the support of our real estate experts, detail testing of the reports prepared by the independent experts. Finally, we have examined the disclosures provided in the notes to the financial statements.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

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 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 have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained 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;
- we have obtained 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;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' 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 consider this matter in forming 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;
- we have evaluated 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 have communicated 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 have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all 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 have determined 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 have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Coima Res S.p.A. SIIQ, in the general meeting held on 1 February 2016, engaged us to perform the audits of the financial statements for each of the years ending 31 December 2016 to 31 December 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Coima Res S.p.A. SIIQ are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the "Delegated Regulation") to the financial statements, to be included in the annual financial report.

We have performed the procedures under 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 the XHTML format in compliance with the provisions of the Delegated Regulation.

Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Coima Res S.p.A. SIIQ are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Coima Res S.p.A. SIIQ as at 31 December 2021, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article

123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements of Coima Res S.p.A. SIIQ as at 31 December 2021 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements of Coima Res SpA SIIQ as at 31 December 2021 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 29 March 2022

EY S.p.A.
Signed by: Aldo Alberto Amorese, Auditor

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.

BOARD OF STATUTORY AUDITORS' REPORT

COIMA RES S.p.A. SIIQ

STATUTORY AUDITORS' REPORT

TO SHAREHOLDERS' MEETING OF COIMA RES S.P.A. SIIQ

pursuant to art. 153 of Legislative Decree 58/1998 and art. 2429 of Italian Civil Code

Dear Shareholders,

the Board of Statutory Auditors of COIMA RES S.p.A. SIIQ ["**COIMA RES**" or "the **Company**"] is required to report to the Shareholders Meeting, called to approve the financial statements for the year ended December 31st, 2021, regarding the audit conducted during the year and on the other activities pursuant to art. 153 of Legislative Decree 58/98 and art. 2429 et seq. of Italian Civil Code, as well as pursuant to art. 17, 19 of Legislative Decree no. 39/2010 and art. 4, 5, 6, 11, 16, 17 of the EU Regulation no. 537/2014.

The task of the Audit of the Financial Statements and Consolidated, as well as the regular keeping of the accounts, is delegated, in accordance with D. Lgs. 58 of 1998, to the auditing firm EY S.p.A. [also "EY"], whose appointment for the statutory audit for the years 2016-2024, was conferred, on a proposal of the Board of Statutory Auditors, by the Shareholders' Meeting of February 1st, 2016.

Please note that also for the financial year 2021, EY has been entrusted with a limited examination of the data and information contained in the Sustainability Section referred to in the paragraph "GRI Information" of the Annual Financial Report of COIMA RES, prepared in line with the guidelines "*European Public Real Estate Association's Sustainability Best Practice Reporting guidelines*" (EPRA sBPR) and the GRI - Global Reporting Initiative - Sustainability Reporting Standards, published by the Global

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Reporting Initiative in 2016 and updated in 2018.

The results of the auditing of both the Financial Statements and the Sustainability Section are set out in the relevant auditor's reports - which do not contain any observations or requests for information - to which we refer.

During the year ended December 31st, 2021 the Board of Statutory Auditors of COIMA RES S.p.A. SIIQ carried out the supervisory activities required by existing law, in accordance with Supervisory Authorities recommendations and in particular according to the key required to CONSOB with Communications n. 1025564 of April 6th, 2001 and subsequent updates, and also in accordance with the code of good practice for listed entities for the Board of Statutory Auditors suggested by the Italian National Association of Professional Accountants.

Pursuant to Legislative Decree n.39 of January 27th, 2010 for the public interest entities, which is your Company, the Internal Control and Auditing Committee [also "CCIRC"] identifies with the Board of Statutory Auditors and therefore, during the period, were carried out the supervisory activities mandated to the same, pursuant to art. 19 of the aforementioned Decree.

We remind you that the regulatory provisions referred to in Decree n. 135/2016 as well as with EU Regulation 537/2014, with a view to strengthening the interaction between the auditors and the Board of Statutory Auditors, as CCIRC, provide *inter alia,* for the prior approval of assignments to the statutory auditor, not specifically relating to the audit activity, as well as transmission to the Committee for control and audit of the additional report issued pursuant to Article 11 of EU Regulation 537/2014.

Appointment, self-assessment and activities of the Board of Statutory Auditors

The Board of Statutory Auditors in charge on the date of this Report, was appointed by resolution of the Shareholders' Meeting of April 22th, 2021, and his office will expire with the Shareholders' Meeting approving the financial statements as of December 31st, 2023.

The Board of Statutory Auditors in charge, as appointed, is composed of the following n. 3 (three) members:

- Mr. Massimo Laconca, standing member to whom the chairmanship of the Board of Statutory Auditors has been attributed;
- Mrs. Milena Livio, standing auditor;
- Mr. Marco Lori, standing auditor.

The Board of Statutory Auditors, also for the financial year 2021, assessed the suitability of its members and the appropriate composition of the body - with reference to the requirements of professionalism, competence, integrity and independence required by law -and the availability of time and resources appropriate to the complexity of the task and the proper functioning, taking into account its size, the complexity and the activities carried out by the issuer The members of the Board of Statutory Auditors have complied with the limit of the cumulation of assignments provided for by art.144-terdecies of the Issuers Regulation.

The self-assessment, which was carried out also considering the provisions of the Articles of Association, as well as the best practices disseminated from time to time, provided a positive view on the composition and functioning of the Board of Statutory Auditors.

The Board of Statutory Auditors also verified the correct application of the criteria and procedures for ascertaining the independence requirements of the members of the Board of Directors with this qualification, as well as, in its capacity as Committee for Internal Control and Auditing [also “CCIRC”], the independence requirements of the auditing firm.

The Board of Statutory Auditors, in order to regulate the composition,

operating methods and powers of the supervisory body, in accordance with the principles established by the applicable laws and regulations, as well as by the Corporate Governance Code to which the Company has adhered, has adopted a its own Regulations, which will be updated from time to time in relation to the evolution of the legislation.
The Board of Statutory Auditors, therefore, also in accordance with its own Regulations, and for the aspects within its competence, supervised compliance with the law and the Articles of Association, compliance with the principles of correct administration, the adequacy of the organizational structure, the control system of the administrative-accounting system and on the reliability of the latter in correctly representing management events.

The Board of Statutory Auditors, as part of the supervisory activity carried out, with the frequency of which specific indication will be given in point 10 of this Report, takes note, in particular, of the following:

- with limited absences of some of its components, to have participated in all n. 12 meetings of the Board of Directors held during the year and obtained periodically from the Directors information on the activities carried out and the most important transactions carried out by the Company. The Board of Statutory Auditors also participated in the regular meetings of the Endoconsiliar Committees established pursuant to the Code of Corporate Governance, and in particular at n. 10 meetings of the Control and Risk Committee, also in its capacity as Committee for transactions with related parties, and at n. 2 meetings of the Remuneration Committee;
- to supervise the activities of the Company entrusted to us by Art. 149 of Single Act of Finance, through specific audits, regular meetings with business leaders, with the Internal Control Committee, with the Supervisory Board, with the heads of corporate functions, including control, as well as through the information sharing with

representatives of the auditing firm ;

- to assessed and supervised, as for our competence, the adequacy of the internal control and the account administration system, as well as the performance of detection and control system ;
- to verified, through information collected by the auditing firm and the executive responsible for the preparation of the accounting documents, the compliance with legal regulation related to the preparation and setting of consolidated and separate financial statements, as well as the Management Report, exercising the functions entrusted to us pursuant to art. 19 of the Legislative Decree 39/10 .

Our participation in Board of Directors' meetings, the meetings with Control Functions and with the manager of various business Functions, as well as the examination of information flows provided by the same Functions, have enable to us to obtain, in different segments, necessary and useful information on the general business performance and on the outlook for operations, organization and internal control system, risk management, and accounting system in order to evaluate its suitability compared to business needs and operational reliability.

The meetings we have had with the internal control functions have, in particular, enabled us to receive adequate information on the system of internal controls and risk management.

The contacts with the Manager responsible for preparing Company's financial reports allowed feedback on the activities carried out to verify the adequacy and effectiveness of the control procedures relating to the administrative and accounting system, on which it is confirmed that no such critical issues have emerged to be brought to the attention of the Board of Directors.

As for the ways in which institutional tasks assigned were carried out to the

Board of Auditors, we inform you and give you act:

- to have acquired necessary knowledge to carry out audit activities for aspects of its competence, on the adequacy of the Company's organizational structure, including links with subsidiaries, through direct surveys, information gathering by managers of the Functions concerned, exchanges of data and information with auditing firm;
- to have supervised the operation of internal control and accounts administration system, to evaluate the adequacy to business needs, as well as its reliability in providing an accurate picture of Company operations, through direct surveys on business records, obtaining information by managers of the Functions concerned, analysis of the results of the work carried out by the auditing firm.

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The Board of Statutory Auditors also points out that the year 2021 was marked by the continuation of the serious emergency pandemic situation from Covid-19, although to a lesser extent accentuated thanks to the important vaccination campaign in place. The activity of the Company, while respecting the special regulations, has not stopped and has normally continued in ways that have mainly privileged the performance of the various activities "remotely".

The activities of the Board of Statutory Auditors have also continued in these ways, through the acquisition of data and information in electronic format and the conduct of their meetings in video/audio conference.

Taking into account the degree of reliability that the Company has confirmed to have also in the course of 2021, with regard to ensuring a proper conduct of meetings and an adequate system of information flow transmission, the Board of Statutory Auditors considers that, also in this financial year, the adoption of such modalities has not diminished or affected the degree of reliability of the information received and the effectiveness of both its activities and, overall, of the activities of the Board of Directors and of the entire structure.

The Board of Statutory Auditors also noted that the Company, in this context, has maintained a high level of attention, with particular regard to any impact on its activities, implementing a constant monitoring of the situation of its tenants and the trend of rental income, and has provided adequate information in its Financial Statements on the different profiles related to this situation.

Regarding the above, the Board of Statutory Auditors confirms that no particular critical situations have arisen.

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Furthermore, with reference to the recent conflict between Russia and Ukraine, the Board of Statutory Auditors noted that the Company, also in deference to Consob's call for attention to the impact of the war on inside information and financial reporting of March 18th, 2022, he pointed out that no impact on the results at December 31st, 2021 is detected, in consideration of the activity carried out by the Company - entirely domestic - of the portfolio conductors and the type of contracts in place.

With regard, instead, to the impacts that could occur in the year 2022, in consideration of the real estate development activities planned over the next few years, these could mainly concern the supply of raw materials and their cost that could affect both the expected construction costs, both an extension in the time of completion of the projects at the moment not quantifiable

The situation is constantly monitored by the Company in order to put in place the necessary safeguards to mitigate the resulting risks.

In compliance with the recommendations provided by Consob regarding the contents of the Board of Statutory Auditors' Report, we report the following:

1. Considerations on the events and transactions carried out by the Company that had significant impact on assets, financing and operating result, and their compliance with By-laws and regulations

The Separate Financial Statement of COIMA RES S.p.A. SIIQ for the year 2021 recorded a profit of Euro 1,087,754 whose formation is described in detail by the Board of Directors in its report, to which we refer you.
In particular, among the significant events of the year and in relation to their relevance, as set out in the directors' report, the Board of Statutory Auditors reports the following.

a) Investment and disinvestment transactions

- During the month of March, PwC released the property in Via Monte Rosa with the consequent possibility for the Company to start the restructuring project of the property. In this regard, the Board of Directors stresses that this will allow to pursue the objectives of value creation in the medium term that will lead to a substantial improvement in the quality of the property and a potential significant increase in rent compared to the previous canon.
- In January, the shareholding held in the COIMA CORE FUND IV Fund was sold to a bank subsidiary of Deutsche Bank Milano for approximately EUR 4.3 million. The transaction is included in a larger sale transaction of 11 bank branches completed between January 2020 and January 2021 for a total value of € 23.5 million. The directors underline that from the IPO in 2016, the fund carried out disposal operations for about 48% of the initial portfolio of bank branches at a valuation substantially in line with the contribution value at the IPO, gross income of Euro 66.3 million.

- The 88.2% stake held in the COIMA OPPORTUNITY FUND I Fund, a fund 88.8% owned by COIMA CORE FUND VI, was completed, on August 5, the sale to a leading local investor of the property Sarca at a price of € 82,5 million that, compared to a purchase value of approximately 60.7 million euros, allowed the realisation of a net profit deriving from the sale of the property for approximately 13 million euros, as a relevant share of the Company.

  It should be noted that, as part of this operation, a guarantee has been issued in favour of the buyer in relation to the payment of fees by the tenants who currently lease the property, for about € 2.5 million.
- On October 14th, 2021, the Company's Board of Directors approved the purchase of the property located in Milan, Via Pirelli 32. The purchase transaction was completed on February 9th, 2022, through the COIMA OPPORTUNITY FUND I Fund, at a price of EUR 58.2 million. Of this property will be carried out a complete reconstruction with a duration of work scheduled in 24 months.

b) *Financing operations*

The Board of Statutory Auditors represents how the directors give adequate information in the Financial Statements on the Company's financial position and indebtedness.

Among the most significant events is the following.

- On December 9th, 2021, the Board of Directors resolved on an overall refinancing operation that provides, on the one hand, for the granting of credit lines totalling €165 million by a pool of banks consisting of: Crédit Agricole Corporate and Investment Bank, BNP Paribas SA, ING Bank N.V. and UniCredit S.p.A. and, on the other hand, the simultaneous repayment and repayment of outstanding loans totalling approximately EUR 98.8 million.

  In particular, the credit lines that will be made available to the company are:

  (i) a term line of a maximum amount of € 120 million aimed at supporting the general cash needs of the Company, including the repayment of the financial debt of the Company in existence in relation to certain properties owned, as well as the refinancing in favour of Coima SIINQ S.p.A. of the amount of Euro 16 million for financing shareholders.

  This first operation was completed on January 18th, 2022, with the disbursement of the entire line.

  (ii) a credit line for a maximum of Euro 45,000,000 aimed at financing part of the capex that the Company and Coima SIINQ will have to support in relation to the properties owned by the same sites, respectively, in (i) Via Monte Rosa n. 93, Milan (ii) via Tocqueville n. 13, Milan, (iii) Piazza Gae Aulenti n. 10, Milan (the "Immobile Pavillion") and (iv) Via Deruta n. 19, Milan.

- As anticipated, in January 2022 the Company made available to COIMA RES SIINQ I, a shareholder loan of a maximum total of Euro 16 million in order to restore the financial resources previously used by the subsidiary for the repayment of the loan and provide it with the necessary resources to finance the project of renovation and repositioning of the building in Via Deruta.

The Company's net financial debt at December 31st, 2021 decreased by approximately 79.2 million euros compared to December 31st, 2020, mainly as a result of the sale of the Sarca property net of the repayment of the related financing and the repayment of the financing linked to Deruta executed on September 30th, 2021.

c) *Transactions with related parties*

In addition to what will be reported in point 2) of this Report and as set out in the Financial Statements, the relationships that the Company currently has with related parties are:

- asset management contract with COIMA SGR S.p.A.;
- contract with COIMA REM S.r.l. for development & project management services, as well as property & facility management;
- lease agreement relating to the registered office of the Company stipulated on July 21st, 2017 with the Porta Nuova Garibaldi Fund, managed by COIMA SGR S.p.A.;

The Board notes that, during the year, the Company has examined the conditions in place with COIMA REM S.r.l. regarding the contractual standards for property and development management services.

The agreements underlying these relationships, constituting relationships with related parties, are periodically examined, also pursuant to Consob Regulation 17221/2010 and the Procedure for transactions with related parties of the Company, by the Control and

Risk Committee, as a Related Parties Committee, also using the advice of independent third-party experts, with the expression of its own opinion to the Board of Directors on the interest of the Company, as well as the convenience and substantial correctness of the terms of the transaction.

d) *Governance*

Regarding Governance, the shareholders' meeting held on April 22th, 2021 approved the appointment of the Board of Directors, whose term of office had expired, determining in 9 the number of members of the Board of Directors and in a social exercise the duration of the term of office.
For the Board of Directors, Feras Abdulaziz Al Naama, Manfredi Catella, Caio Massimo Capuano, Olivier Elamine, Luciano Gabriel, Alessandra Stabilini, have been appointed until the approval of the financial statements for the year ended December 31st, 2021, Ariela Caglio, Antonella Centra and Paola Bruno, in compliance with current legislation on gender balance.
The Shareholders' Meeting in his ordinary session he confirmed Caio Massimo Capuano as Chairman of the Board of Directors and the Board of Directors of April 22th, 2021, has confirmed Manfredi Catella as CEO.
The Board of Directors is composed, at the date of preparation of this report, of seven independent directors, in addition to the Chairman Massimo Caio Capuano, and a single executive director, in the person of the CEO Manfredi Catella.
The Board of Directors is composed, at the date of writing of this report, of six independent directors in person of the gentlemen: Alessandra Stabilini, Paola Bruno, Ariela Caglio, Antonella Centra, Olivier Elamine and Luciano Gabriel; two non-executive Directors in person of President Massimo Caio Capuano and Feras Abdulaziz Al Naama, and only one Executive Director, in person of Managing Director Manfredi Catella.

At the meeting of April 22th, 2021, the Board of Directors established the Remuneration Committee, the Control and Risks Committee, which also functions as a Related Parties Committee and the Investment Committee and appointed:

- as members of the Remuneration Committee: Alessandra Stabilini, Independent Director, as Chairman, Olivier Elamine, Independent Director, and Caio Massimo Capuano, Non-Executive Director ;
- as members of the Control and Risk Committee, with functions also as committee for transactions with related parties, Alessandra Stabilini, Independent Director, as Chairman, and the Independent Directors Paola Bruno and Luciano Gabriel;
- as members of the Investment Committee, Luciano Gabriel as Chairman, Manfredi Catella, Ariela Caglio, Gabriele Bonfiglioli as Head of Investment Management, Matteo Ravà as Head of Asset Management and Michel Vauclair as Real Estate expert outside the Company.

The Board recalls that, as reported in the Corporate Governance Report, pursuant to the Asset Management Agreement, COIMA SGR and the Company have agreed to the partial secondment of some SGR employees, including Ravà and Bonfiglioli, at the Company to carry out respectively the assignment of Coordinator of the Area Markets and Investments, and the assignment of Coordinator of the Area Portfolio, both with reporting directly to the CEO, Dott. Manfredi Catella. The Investment Committee is a partially endoconsiliar body of an advisory nature, with the functions of supporting investment decisions and divestment by the Company's Board of Directors.

The Board notes that on December 1st, 2021, the shareholders' agreement between Manfredi Catella, COIMA REM S.r.l., COIMA SGR S.p.A. and Qatar Holding LLC concerning the governance of COIMA RES was renewed. The Shareholders' Agreement - which expired on December 1st, 2021 - was renewed for a period of three years from November 26th, 2021 and is tacitly renewable for a further period of three years.

e) SIIQ Regime

The Company takes advantage of the benefit for the application of the SIIQ tax regime, subject to the condition that the company carried out via prevalent real estate lease activity, starting from the year ended December 31st, 2016. The special taxation regime provides that the income derived from the business of real estate lease is exempt from corporate income tax (IRES) and the regional tax on productive activities (IRAP) and the part of statutory profit corresponding to it is subject to taxation for shareholders in the distribution in the form of dividends, which may not be less than 70% of net profit .

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The Board of Statutory Auditors, on the based on the information acquired and in the light of verifications carried out, has no comments or comments to report on the specific point, in relation to compliance with the Law and Article of Association of the operations carried out by the Company.

2. Atypical and unusual intercompany, third and related party transactions

During our supervisory activities, we do not encounter atypical or unusual transactions carried out between your Company and third parties .

2.1 Atypical and unusual related party transactions

During our supervisory activities we did not notice atypical or unusual transactions carried out with related parties.

2.2 Atypical and unusual third- and related-party transactions

During our supervisory activities we did not notice atypical or unusual transactions carried out with third and related parties.

2.3 Ordinary intercompany and related party transactions

The Company, in transposition of the amendment to CONSOB Regulation No. 17221 of 12 March 2010, which entered into force on July 1st, 2021, adopted on June 10th, 2021, the new "Procedure for transactions with related parties".

The Directors, in their report and in the notes to the financial statements, have provided adequate information about the transactions carried out with related parties, to which reference is made.

We report that these transactions are mainly related to ordinary business operations relating to the purchase of services included in the A*sset Management* agreement with COIMA SGR S.p.A. and in the agreement with COIMA REM S.r.l. for the supply by the latter of *development & project management* services, as well as *property and facility management*.

We also report that have been entered into transactions with related parties that have generated interest income relating to dividends paid by funds invested by the Company during the year 2021.

The Board of Statutory Auditors considers the procedures in compliance with the principles set out in the Consob Regulation and has attended, during the year 2021, all control and risk Committees' meeting in which the operations were reviewed, ensuring compliance with the procedure adopted by the Company.

Still on the subject of Related Party Transactions, the Board of Statutory Auditors points out that for the profiles of its own competence and in agreement with the Control and Risk Committee, in its capacity as Committee for transactions with related parties, the College will monitor the implementation of the procedural corpus by the Company.

3. Comments about any emphasis matter of Independent Auditors

On March 29th, 2022, the auditing firm EY S.p.A. has issued its Opinion Reports on the separate and consolidated financial statements, pursuant to Art. 14 and 16 of Legislative Decree n.39/2010, without remarks or information references.

At the same date, EY has also released its own report on the limited examination of the data and information contained in the Sustainability Section of the 2021 Annual Report, without remarks or requests for information.

4. Complaints ex art. 2408 of the Civil Code.

During the year 2021, and up to the date of the Report, no complaints according to art. 2408 of the Civil Code are occurred.

5. Presentation of claims

During the year 2021, and up to the date of the Report, no exposed to be reported to Shareholders' meeting are occurred.

6. Supervisory and control activities performed by the Board of Statutory Auditors in relation to the tasks assigned to it as "Internal Control and Auditing Committee"

Pursuant to art. 19, 1st paragraph, of Legislative Decree 39/2010 as amended by Legislative Decree 135/2016, as well as Regulation (EU) No. 537, the Board of Statutory Auditors, in its role of "Internal Control Committee and for the audit" [also "CCIRC"] conducted independent assessments of the organizational arrangements aimed at fully implementing the regulatory provisions aimed, in particular, at strengthening the quality of the audit and the independence of the statutory auditors and auditing firms, to improve market and investor confidence in financial information.

During the year, the CCIRC maintained a continuous interaction with the auditors, giving particular emphasis to maintaining the independence requirement, also through constant monitoring of the activities carried out by the auditor, with reference to both audit services (*Audit Service*) that other services (*Non Audit Service*), previously subjected to the assessments and the expression of an opinion by the CCIRC, in order to exclude, among these, the presence of the services considered prohibited by art. 5 of the aforementioned Regulation.

During the 2021 financial year, in relation to the adequacy of the provision of services other than auditing to the audited entity, in accordance with Article 5 of the EU Regulation, the Board of Statutory Auditors has constantly verified and monitored independence of the

Auditor, reserving the right to issue specific and specific opinions for any task entrusted and falling under the *Non-Audit Service*.

In this regard, it should be noted that, also during 2021, the only assignment comparable to different office from audit was the preparation of a limited *review* on the accounting statements and on the Directors' report as of September 30th, 2021 in order to be able to submit the distribution of an interim dividend to the Board of Directors for approval and the limited examination of the "sustainability" section of the annual report, according to the criteria established by the international auditing standard ISAE 3000 (Revised).

Please note that for the limited review of the financial statements and the Directors' report at September 30th, 2021, it is not included among those services other than auditing expressly prohibited by art. 5, paragraph 1, of EU Regulation 537/2014, the Board of Statutory Auditors, in its capacity as CCIRC, had already expressed on June 13th, 2018, its favourable opinion, for the periods from September 30th, 2018 to September 30th, 2024, according to the procedures provided by CONSOB with Resolution No. 10867 of 31 July 1997 for the half-yearly report.

With regard, however, to the auditing activity, the Board, during the numerous meetings held with the Auditor EY:

a) has acquired information on the audits carried out by the auditing firm, on the regular keeping of the company accounts and on the correct reporting of operating events in the accounting record;

b) received from the Independent Auditor, pursuant to art. 11 of EU Regulation no. 537/2014, the additional report for the Internal Control and Auditing Committee, from which: i) there are no significant deficiencies in the internal control system in relation to the financial reporting process and / or accounting system, such as to be considered sufficiently relevant to deserve to be brought to the attention of the CCIRC; ii) no significant issues have been identified regarding situations of actual or presumed non-compliance with laws and regulations or with statutory provisions; iii) there has been no limitation to the process of obtaining audit evidence; iv) no significant aspects related to transactions with the related parties of the company have emerged, such as to be communicated to the heads of *governance* activities.

c) received from the same company, pursuant to art. 6, paragraph 2, letter a) of EU Regulation 537/2014 and pursuant to paragraph 17 of ISA Italia 260, its independence confirmation .

Furthermore, the Board of Statutory Auditors examined the reports prepared by the Independent auditor EY S.p.A. and issued on March 29th, 2022 whose activity integrates the general framework of the control functions established by the law regarding the financial reporting process.

With regard to the opinions and certifications, the Independent Auditors, in the Report on the financial statements, have:

- issued an opinion stating that the financial statements of COIMA RES give a true and fair view of the financial position of the Company as at December 31st, 2021, of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union, as well as with the provisions issued pursuant to art. 9 of Legislative Decree no. 38/05;
- issued an opinion on the consistency, which shows that the Business Reports attached to the financial statements for the year ended December 31st, 2021 and some specific information given in the "Corporate Governance and the Company's Ownership

Structures Report" provided for by art. 123-bis, paragraph 4 of the TUF, which is the responsibility of the directors of the Company, are prepared in compliance with the law;

– declared, as for any significant mistakes in the Directors' Report, based on the knowledge and understanding of the company and the relative context acquired during the audit, to have nothing to report.

The Board of Statutory Auditors has stated that the Independent Auditor, in accordance with art. 10 paragraph 2 letter c) of EU Regulation 537/2014, described the paragraph "Significant matters emerging from the audit" of its Additional Report, the most significant assessed risks of relevant errors, including the assessed risks of relevant errors due to fraud. As for the identification of the Key Matters, it is noted that the same only concern the valuation at *fair value* of the real estate portfolio. In this regard, the Board of Statutory Auditors has been able to examine the audit procedures in response to the Key Matters, agreeing with the audit aimed at mitigating any risks deriving from the aspects considered significant.

The Independent Auditors also issued the "***Report of the independent auditors on the data and information contained in the 2021 Annual Financial Report referred to in the paragraph "GRI Information***"" in relation to the Sustainability Section attached to the 2021 Annual Financial Report.

In its Report, the Independent Auditor stated that, based on its work, no evidence has been brought to the attention of the auditors suggesting that the Sustainability Section of Coima Res S.p.A. SIIQ for the year ended December 31st, 2021 has not been drawn up, in all significant respects, in accordance with the requirements of the GRI Standards as described in the paragraph "Methodological Note" of the Section of Sustainability.

7. Supervisory activities on the independence of external auditors

As said before, the Board of Statutory Auditors examined the report on the independence of the external auditor, issued on March 29th, 2022, pursuant to art. 6, paragraph 2, letter a) of the EU Regulation 537/2014, and pursuant to paragraph 17 of ISA Italia 260, that does not highlight situations which might have compromised the independence or causes of incompatibility, pursuant to art. 10 and 17 of Legislative Decree no. 39/2010 and art. 4 and 5 of EU Regulation 537/2014.

The table below, drawn up pursuant to art. 149-duodecies of the CONSOB Issuers Regulation (resolution No. 11971 of May 14th, 1999 and subsequent amendments and additions), shows the fees relating to 2021 for auditing and other services provided by the auditing firm and by companies belonging to its network.

(thousand Euro)	Addressee	Firm	Fee
Legal review (*)	Parent company	EY S.p.A.	190
Legal review (**)	Subsidiaries	EY S.p.A.	14
Review of sustainability report data	Parent company	EY S.p.A.	17
Total			**221**

(*) These fees refer to the statutory audit of the consolidated financial statements, the separate financial statements and the half-yearly consolidated financial statements of COIMA RES SIIQ and the limited review of the accounting prospectus as of September 30th, 2021, aimed at issuing the opinion for the distribution of the interim dividend of COIMA RES SIIQ pursuant to Article 2433 bis of the Civil Code. The amount includes the fees (expenses included) of Euro 178 thousand and the CONSOB contribution, estimated by the Company for Euro 12 thousand.

(**) These fees refer to the statutory audit of the financial statements of COIMA RES SIINQ I (expenses included).

The fees for the Parent Company's statutory audit relate to the limited review of the Consolidated Half-Year Financial Statements as of June 30th, 2021, the statutory audit of the Separate and Consolidated Annual Financial Statements as of December 31st, 2021 and the limited review of the Financial Statements as of September 30th, 2021, to issue the opinion on the distribution of interim dividends pursuant to art. 2433 bis paragraph 5 of the Civil Code.

The Board of Statutory Auditors, regarding the amounts paid to the auditing firm and considering what has already been reported, regarding the tasks entrusted to EY and its network by Coima Res and the Group companies, does not consider that there are any critical aspects of the Auditor's independence.

8. Supervisory activities on the administrative accounting and financial reporting process

The art. 19 of Legislative Decree No. 39/2010, in its new formulation, establishes that the CCIRC is responsible for monitoring the financial reporting process and presenting recommendations or proposals aimed to guarantee its integrity .

Therefore, during the year the Board of Statutory Auditors monitored the activities carried out by the Function of the Manager responsible for preparing the Company's financial reports, with which he held periodic meetings.

The Board also examined the reference model and its basic assumption is the definition of a specific control *framework* which, in order to ensure correct mitigation of the risks of incorrect financial reporting, is based on principles and guidelines defined by the *Internal Control - Integrated Framework* issued by *the Committee of Sponsoring Organizations of the Treadway Commission* (known as CoSO) and the *Control Objectives for Information and related Technology* (known as CobiT), considered internationally accepted reference models.

The Board of Statutory Auditors, in this regard, was able to verify the outcome of the checks carried out, from which, in the various areas, a situation in which it is supervised emerges, not recognizing any critical issues or deficiencies such as to invalidate the judgment of adequacy and effective application of the administrative accounting procedures.

Then, the Board examined the structure and content of the periodic reports, prepared by the Manager Responsible for the Half-Year Report and the Financial Statements, noting that the activities conducted to assess the adequacy and effective application of the processes and functional procedures to the financial information of COIMA RES, have enabled to support adequately the certification required to the Chief Executive Officer and the Company's Manager Responsible pursuant to art. 154 bis of Legislative Decree 58/98 (Consolidated Law on Finance, hereinafter "TUF").

In this regard, the Board of Statutory Auditors did not find evidence of criticality or weaknesses that could undermine the adequacy and effective application of the administrative accounting procedures, and, for their part, the heads of the Independent Auditors, in the periodic meetings with the Board of Statutory Auditors, they did not report elements that could undermine the internal control system related to the same procedures.

9. Opinion issued pursuant to Law

No circumstances emerged during the financial year 2021 that led to the issuance by the Board of Statutory Auditors of specific opinions.

10. Frequency of Board of Directors' and Board of Statutory Auditors' meeting

During the year 2021, the Board of Statutory Auditors held no. 15 meetings of which no. 9 with the independent auditor and/or with the control functions; it also attended no. 12 Board of Directors' meeting, to no. 10 Control and Risk Committee's meeting, to no. 2 Compensation Committee's meetings and the only Shareholders' meeting held during the year. During 2022, the Board also met the Statutory Auditor in No. 2 meetings prior to the finalization of the reports accompanying the financial statements.

11. Comments on compliance with principles of proper administration

The Board of Statutory Auditors monitored, for all aspects falling within its competence, compliance with the principles of proper administration. The activity of the Board of Statutory Auditors has been addressed to review the legitimacy of Directors' decisions and their compliance, in the process of their formation, with criteria of equity and financial economic rationality, according to the technique and practice suggested by the best doctrine and best company practices.

The Company is, in the opinion of the Board of Statutory Auditors, managed in compliance with the Law and the Articles of Association rules.

The structure of powers and delegated powers - as designated - appear adequate for the size and operation of the Company.

In particular, also about the Board of Directors resolution process, the Board of Statutory Auditors assessed, even attending at the meetings, the compliance with the Law and the Articles of Association of decisions taken by Directors and verified that the resolutions were assisted by specific analyses and opinions prepared - if necessary - also by consultants, regarding economic and financial fairness of transactions and their compliance with corporate interests.

This activity of the Board of Statutory Auditors took place without merit control on the opportunity and convenience of management decisions.

There were no comments on compliance with the principles of proper administration.

12. Comments on the adequacy of the organizational structure

The Board of Statutory Auditors supervised, to the extent of its competence, the adequacy of the Company's organizational structure, through direct observations, hearings, gathering information from the competent corporate functions and meetings with the heads of control functions.

Considering the specific model adopted, which provides Coima SGR as outsourcer which numerous management activities are delegated, regulated by an "*Asset Management Agreement*", the Board of Statutory Auditors has monitored the suitability of the information flow structure to ensure adequate representation of business matters.

As a whole, our reliability evaluation of the organizational structure is that this is substantially adequate, needing a constant monitoring of the effectiveness of the interaction between the two companies during the year.

13. Comments on the adequacy of the internal control system

Coima Res has set up its own internal control system to maintain, in line with the current legal and regulatory provisions: i) strategic control over the different areas of business in which the Company operates and the different risks related to activities; ii) a management control to ensure the balance between economic, financial and capital conditions; iii) technical-operational control aimed at evaluating the various risks .

The Board of Statutory Auditors examined the adequacy of the internal control system directly through meetings with the heads of the various business areas, through an ongoing dialogue with the Control Functions and attending the meetings of Control and Risk Committee, regular meetings with the Director responsible for the internal control system and management of risks, the Manager responsible for preparing the Company's financial reports and the Independent Auditors, verifying that the system did not highlight significant problems or facts or elements that should be reported here.

The Board of Statutory Auditors, as part of the tasks assigned, followed, also, the various activities performed and was informed on the implementation of business plans and results achieved, including coordination effectiveness of the activities and information flows between the various parties involved.

With regard to the safeguards put in place by the Company to face the risks to which it is exposed, the Board of Statutory Auditors has acknowledged as Coima Res, also through the establishment of specific control functions, such as: the Risk Management Function, the Function Compliance and the Internal Audit Function - the latter merged with each other - have adopted adequate risk management and control organizational requirements aimed at ensuring management based on the efficiency and effectiveness of company processes, and guaranteeing reliability, accuracy, reliability and timeliness of financial information as well as the safeguarding of corporate assets, compliance with laws and regulations, the articles of association and internal procedures.

The Company has also adopted a regulation on internal control and risk management, based on a traditional model with three levels of control :

- “line" controls (or "first level"), carried out by the operational units, aimed at ensuring the proper performance of operations ;
- "second level" controls, carried out *by Risk Management* Function and the legal department, as well as the *Compliance* function, with the objective of ensuring, inter alia: i) the proper implementation of the risk management process; ii) compliance with the operational limits in place for the various functions; iii) compliance with rules, including self-regulation, of company's operations;
- “third level" controls, responsibility of Internal Audit function, to identify violations of procedures and regulations as well as to periodically assess completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability of the internal control system and information system (ICT audit).

As for the organizational controls, the Board of Statutory Auditors also took note of how the Company intends to regulate in a rigorous way the procedures for carrying out its activities, by establishing, within the definition of the strategic, industrial and financial plans, a specific statutory provision in terms of risk-taking. In details:

a) investment in a single property with urban and functional characteristics should be limited to a maximum amount equal to 40% of the total value of the Company's most recently approved financial statement;
b) rents from a single tenant - or tenants belonging to the same group - may not exceed 40% of the total amount of the Company's rents;
c) debt, net of cash and cash equivalents and financial receivables from the parent company may not exceed 70% of the total assets in the last approved financial statements.

The Board of Statutory Auditors has finally taken note of the activities

carried out by the Supervisory Body, appointed to guarantee the adequacy, compliance with and updating of the organization and management model pursuant to Legislative Decree no. 231/01.
Based on the analyses and tests carried out in relation to the areas and functions involved in internal audit activities, the Board of Statutory Auditors assesses as substantially adequate the internal control system adopted.

14. Comments on the adequacy of the accounting system

The Board of Statutory Auditors has regularly monitored the functioning of the system also through meetings with the Manager responsible for preparing the Company's financial reports, gathering information from the heads of the relevant corporate departments, examining company documentation and regular analysis of the outcome of the work performed by the Independent Auditors, including the Half-Year Report of the Company.
With regard to the accounting information contained in the Financial Statements and in the Consolidated Financial Statements as of December 31st, 2021, it is reported that the Chief Executive Officer and the Manager responsible for preparing the Company's financial reports have certificated, without qualification for the preparation of corporate financial statements, as well as in relation to the Directors' report on the reliability of performance and management results, as well a description of the risks and uncertainties faced by the Company and have also issued the prescribed certification under art. 81-ter of CONSOB Regulation no. 11971/1999 and ss.mm .
From the evaluation of the accounting and administrative system there are no facts and circumstances likely to be mentioned in this report and it is believed that the administrative and accounting function is sufficiently

structured and appropriate to address the business needs shown during the year, both in terms of resources used and in terms of professionalism and so it is able, therefore, to properly reflect the Company's events.

15. Comments on the adequacy of the instructions given to subsidiaries

The Board acknowledges that it has examined the instructions given by the company to its sole investee company and to the Funds in which it participates, and that it considers them adequate with respect to the financial information needs of the parent company.

16. Adherence to the Corporate Governance Code

The Company has joined the standards included in the Corporate Governance Code promoted by the Italian Stock Exchange and, on March 24th, 2022, approved the annual report on corporate governance and ownership structure.

We note that:

(i) within the Board of Directors, with an advisory and prepositive role, operates the Control and Risk Committee; about the role, tasks and operation, see the specific chapter dedicated in the Corporate Governance Report;

(ii) the Board of Directors appointed Manfredi Catella, as Director in charge of supervising the internal control and risk management system;

(iii) the Company set up the Remuneration Committee; the Company decided not to set up a Nomination Committee ;

(iv) The Company also set up, in consideration of the business performed, an Investment Committee.

With reference to the provisions contained in the Corporate Governance Code, we believe it useful to reiterate how the Board of Statutory Auditors, during the 2021 financial year:

- had verified the correct application of the criteria adopted by the Board of Directors to evaluate the independence of its non-executive members as well as the correct application of the relevant verification procedures. At the end of this process the Board of Statutory Auditors did not have comments to be reported.
- has also assessed positively the independence of its members.
- carried out the self-assessment on to verify its adequacy in terms of powers, functioning and composition, considering the size, complexity and activities carried out by the Company, also as envisaged by the "Rules of conduct of the board of statutory auditors of listed companies" issued by the National Board of Accountants and Accounting Experts. The self-assessment provided a positive picture on the composition and functioning of the Board of Statutory Auditors and, regarding to its size and composition, the Board of Statutory Auditors believes that these are adequate in relation to the covered role.

In this regard, the Board of Statutory Auditors was also able to note that the Company has, during the financial year 2021, incorporated the indications contained in the new Code of Corporate Governance that came into force in the financial year.

17. Closing comments regarding supervisory activity

We finally certify that there are no omissions, reprehensible facts or irregularities to be reported to Shareholders and to Supervisory Authorities emerged from our supervisory activities.

18. Proposals to Shareholders' meeting

The Board of Statutory Auditors acknowledge that it has monitored the compliance with procedural rules and law regarding the preparation of the 2021 separate and consolidated financial statements, as well as the respect of Directors' duties in this matter.
The Separate and Consolidated Financial Statements of the Company concluded by the certification issued by the Chief Executive Officer and the Manager responsible for preparing Company's financial reports pursuant to art. 154 bis of the Consolidated Law of Finance and art. 81-ter of Consob Regulation n. 11971 of May 14th, 1999 as amended.
The Separate and Consolidated Financial Statements of COIMA RES S.p.A. SIIQ have been prepared in accordance with International Financial Reporting Standards. Since the Board of Statutory Auditors is not responsible to analyse the content of the financial statements, the activities were limited to supervise the general definition of the financial statements, their general compliance with the law in relation to their preparation and structure and compliance with the mandatory template.
Based on the foregoing, no recognizing objections, we agree, for all aspects falling within its competence, with the approval of the Separate Financial Statements for the year 2021, together with the Directors' Report as presented by the Board of Directors.
Furthermore, we do not have objections on the proposal of the Board of

Directors regarding the allocation of the net profit of Euro 1,087,753.82.

Milan, March 29th, 2022

The Board of Statutory Auditors

The Chairman

Mr. Massimo Laconca

Members

Mrs Milena Livio

Mr. Marco Lori

This report has been translated into the English language only for the convenience of International readers.

EPRA PERFORMANCE MEASURES – EPM

Below is a summary table showing the main EPRA (Performance Measurement - EPM) performance indicators for 2021.

EPRA Performance Measures - EPM	Reference	December 31st, 2021 (in €/000)	December 31st, 2021 (in €/share)	December 31st, 2021 (in %)
IAS/IFRS Income statements	Chap.1 The Company Consolidated statements of profit / (loss) for the year	23,057	0.64	
EPRA Earnings	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)	14,996	0.42	
EPRA Net Reinstatement Value	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)	481,243	13.33	
EPRA Net Tangible Assets	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)	460,514	12.75	
EPRA Net Disposal Value	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)	456,150	12.63	
EPRA Net Initial Yield	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)			4.5%
EPRA “topped-up” NIY	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)			5.2%
EPRA vacancy rate	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)			13.2%
EPRA cost ratio (including direct vacancy costs)	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)			33.2%
EPRA cost ratio (excluding direct vacancy costs)	Chap.5 Financial review Chap.5 Financial review (EPRA Performance Measures)			31.7%
Like for like rents	Chap.5 Financial review (EPRA Performance Measures)			(3.4%)
Top 10 real estate investments	Chap.5 Financial review (EPRA Performance Measures)			
Top 10 tenants	Chap.5 Financial review (EPRA Performance Measures)			
Term lease contracts	Chap.5 Financial review (EPRA Performance Measures)			
Real estate portfolio: other information	Chap.1 The Company			
Other information	Chap.5 Financial review (EPRA Performance Measures)			

The EPRA Performance Measures related to FY 2020 are shown in the section “Overview of the Consolidated Financial Results” and in chapter 5 “Financial Review”.

EPRA performance indicators have been developed following discussions with a wide range of international investors and industry players in order to standardise some reporting metrics across Europe and thus facilitate the comparison made by investors in companies from different European jurisdictions. EPRA performance measures are well known in the industry and those most used by investors and analysts in order to benchmark one company over the others prior to the investment decision.

EPRA performance indicators have been developed in accordance with ESMA Guidelines/2015/1415. In particular, it should be noted that:

- the indicators have been developed taking into account only historical data, without considering prospective data;
- indicators shall not be considered as substitutes for data prepared based on IFRS standards;
- EPRA performance indicators are not provided for in IFRS accounting policies and although they derive from the Company's consolidated financial statements, they are not audited;
- the indicators shall be analyzed with the other financial information included in the consolidated financial statements and their explanatory notes;
- indicators, although prepared based on recommendations issued by EPRA, may not necessarily be comparable with measures published by other issuers;
- the indicators were adopted in a homogeneous and comparable way compared to last year.

In accordance with the recommendations of the European Securities and Markets Authority (ESMA) published in October 2015 (ESMA Guidelines on Alternative Performance Measures), the Company has prepared a glossary for a better understanding of the indicators and suitable reconciliations to make the construction of the indicators more comprehensible than the numbers in the balance sheet diagrams and/or tables of notes. In the event that the value is not directly attributable to the financial statements and/or disclosures in the notes to the financial statements, reconciliations shall be prepared showing how this value is calculated.

EPRA Earnings & Earnings per Share (EPS)

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Earnings per IFRS income statement	23,057	15,627
Adjustments to calculate EPRA Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	11,304	11,001
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	(16,607)	104
(iii) Profit or losses on sales of trading properties including impairment charges in respect of trading properties	522	73
(iv) Tax on profits or losses on disposals	-	-
(v) Negative goodwill/goodwill impairment	-	-
(vi) Changes in fair value of financial instruments and associated close-out costs	571	394
(vii) Acquisition costs on share deals and non-controlling joint venture interests	-	-
(viii) Deferred tax in respect of EPRA adjustments	-	-
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	(5,761)	(8,225)
(x) Non-controlling interests in respect of the above	1,911	(1,423)
EPRA Earnings	**14,996**	**17,549**
Basic number of shares	36,107	36,107
EPRA Earnings per Share (EPS) - (in Euro)	**0.42**	**0.49**

Details and references:

Earnings per IFRS income statement: *consolidated statement of profit / (loss) for the year (Profit for the Group);*

(i) Changes in value of investment properties: *consolidated statement of profit / (loss) for the year (note 9 – Net movement in fair value*);

(ii) Income and costs arising from the sale of the Sarca building and the subsidiaries of Deutsche Bank:
- Euro (16,677) thousand: *consolidated statement of profit / (loss) for the year (note 5 - Income from real estate disposals)*;
- Euro 67 thousand: see detail below

(in thousands Euro)	December 31st, 2021	Ref.
Consultancies for real estate disposals	67	
Other consultancies	895	
Total consulting costs	**962**	note 6: G&A expenses

(iii) Net depreciations of trading properties (reduction in the value of real estate shown under inventories): *note 8 – Net depreciations*;

(vi) Changes in fair value of financial instruments and related closing costs:
- Euro 560 thousand: Costs of early closure of financial derivatives and debts *(Sec. Directors' report - Reclassified profit and loss statements - item non-recurring financial expenses)*;
- Euro 11 thousand: Change in fair value of financial instruments (*note 7 – Other operating expenses*);

(ix) Changes in the fair value of real estate investments in joint ventures, pro-quota COIMA RES:see details below

(in thousands Euro)	December 31st, 2021	Ref.
Net movement in fair value of Corso Como Place	5,761	
Other components of the Income Statement	709	
Net income attributable to non-controlling interests	**6,470**	Consolidated statement of profit/(loss) for the year

(x) Adjustments in favour of third parties: see details below

(in thousands Euro)	December 31st, 2021	Minorities	Ref.
Item (i) of EPS	11,304	(1,699)	Gioiaotto, Vodafone, Microsoft
Item (ii) of EPS	(16,607)	3,613	Sarca
Item (iii) of EPS	522	-	
Item (vi) of EPS	571	(3)	Sarca
Item (ix) of EPS	(5,761)	-	
Total amount	**(9,971)**	**1,911**	

EPRA NAV (Net Asset Value)
(EPRA NRV – EPRA NTA – EPRA NDV)

EPRA NET ASSET VALUE METRICS (in €/000)	December 31st, 2021			December 31st, 2020		
	EPRA Net Reinstatement Value	EPRA Net Tangible Assets	EPRA Net Disposal Value	EPRA Net Reinstatement Value	EPRA Net Tangible Assets	EPRA Net Disposal Value
NAV of the Consolidated Statement of Financial Position	**458,730**	**458,730**	**458,730**	**445,453**	**445,453**	**445,453**
i) Hybrid instruments	-	-	-	-	-	-
Diluted NAV	**458,730**	**458,730**	**458,730**	**445,453**	**445,453**	**445,453**
Include:						
ii.a) Revaluations in investment properties (if IAS 40 cost option is used)	-	-	-	-	-	-
ii.b) Real estate revaluations under construction (IPUC) (if IAS 40 cost option is used)	-	-	-	-	-	-
ii.c) Revaluations of other non-recurring investments	-	-	-	-	-	-
iii) Revaluations of lease contracts held as finance leases	-	-	-	-	-	-
iv) Revaluations trading properties	-	-	-	-	-	-
Diluted NAV	**458,730**	**458,730**	**458,730**	**445,453**	**445,453**	**445,453**
Esclude:						
v) Deferred taxes in relation to Profits from FV on property investments	0	0		-	-	
vi) Fair value of financial instruments	2,081	2,081		3,099	3,099	
vii) Goodwill resulting from deferred taxes	0	0	0	-	-	-
viii.a) Goodwill as per IFRS financial statements		0	0		-	-
viii.b) Intangible assets as per IFRS financial statements		(297)			(257)	
Include:						
ix) Fair value of the fixed rate debt			(2,580)			(2,614)
x) Revaluations of intangible fixed assets at FV	0			-		
xi) Tax on real estate transfers	20,432	0		18,326	-	
NAV	**481,243**	**460,514**	**456,150**	**466,878**	**448,295**	**442,839**
Number of shares fully diluted	36,107	36,107	36,107	36,107	36,107	36,107
NAV per share	**13.33**	**12.75**	**12.63**	**12.93**	**12.42**	**12.26**

Composition and references:

NAV of the Consolidated Statement of Financial Position: *(Consolidated Statement of Financial Position - Total Group shareholders' equity);*

(vi) Sum of:

- Euro 887 thousand: value of the financial instrument issued by the Company in favor of the CEO and key managers *(note 29 - Trade and other non-current liabilities)*;

- Euro 1,194 thousand: change in equity in the pro-quota fair value of financial instruments;

(in thousands Euro)	December 31st, 2021	Ref.	Pro quota COIMA RES
Change in FV Equity Financial Instruments - Consolidated RES	1,221	*	1,147
Change in FV Equity Financial Instruments - Porta Nuova Bonnet	133		47
		Total amount	1.194
*	Table note 23 – Shareholders' equity		

(viii) Value of intangible fixed assets *(Note 15 - Intangible assets);*

(ix) Change in the fair value of financial payables recognized at amortized cost;

Bank borrowings (in thousands Euro)	Book value	Ref.	FV debts	% owned	Pro-quota book value	Pro-quota FV	Var.
COIMA RES – Non-current debts	98,795	*	98,927	100%	98,795	98,927	(132)
COIMA RES – Current debts	5,000	*	5,000	100%	5,000	5,000	-
COIMA CORE VIII	126,678	*	128,850	50.00%	63,339	64,425	(1,086)
COIMA CORE VI	48,024	*	48,133	88.17%	42,345	42,441	(96)
Feltrinelli Porta Volta	21,810	*	22,678	83.51%	18,215	18,939	(725)
Fondo Porta Nuova Bonnet	85,524		87,040	35.71%	30,544	31,085	(541)
Total amount	385,831		390,628		258,238	260,817	(2,580)
*	Table note 24 - Bank borrowings						

(xi) Gross value adjustment of assets as provided by the independent expert - value before any deduction of purchasers' costs (pro- share difference between gross and net market value - see table below).

Real estate investments (in thousands Euro)	Gross Market Value	Net Market Value	Ref.	% owned	Pro-quota Gross Market Value	Pro-quota Net Market Value	Var.
Toqueville	63,653	61,500	*	100%	63,653	61,500	2,153
Pavilion	76,590	74,000	*	100%	76,590	74,000	2,590
Monte Rosa	64,791	62,600	*	100%	64,791	62,600	2,191
Deutsche Bank	56,176	54,540	*	100%	56,176	54,540	1,636
Gioiaotto (Offices)	57,146	55,500	*	88.17%	50,388	48,937	1,451
Gioiaotto (Tourism and leisure)	29,654	28,800	*	88.17%	26,147	25,394	753
Vodafone	212,500	206,300	*	50.00%	106,250	103,150	3,100
Feltrinelli	105,140	102,080	*	83.51%	87,807	85,251	2,556
Deruta	43,263	41,800	*	100%	43,263	41,800	1,463
Corso Como Place	244,110	237,000	**	35.71%	87,181	84,642	2,539
						Total amount	20,432
*	Table note 14 - Real estate investments; 20 - inventories						
**	Report of Independent Expert						

EPRA NIY and EPRA topped-up NIY

EPRA Net Initial Yield (NYI) and "Topped-up"	December 31st, 2021	December 31st, 2020
Investment property – wholly owned	294,440	303,779
Investment property (share of JVs/Funds)	347,375	384,526
Trading property (including those partially owned)	-	-
Developments	-	(75,250)
Total market value of the properties in portfolio	**641,815**	**613,055**
Allowance for estimated purchasers' costs	-	-
Gross up completed property portfolio valuation (B)	**641,815**	**613,055**
Annualised cash passing rental income	32,905	34,927
Property outgoings	(3,769)	(3,767)
Annualised net rents (A)	**29,137**	**31,161**
Notional rent expiration of free rent periods or other lease incentives	4,008	1,613
Topped-up net annualized rent (C)	**33,145**	**32,774**
EPRA Net Initial Yield (NYI) (A/B)	**4.5%**	**5.1%**
EPRA "Topped-up" Net Initial Yield (NYI) (C/B)	**5.2%**	**5.3%**

The investment property and the gross and net annualized rents are calculated on the percentage of ownership for each property.

The market value of the fully owned portfolio and the market value of the partially owned portfolio (share of JVs/Funds) is thus calculated:

Real estate investments (in thousands Euro)	Gross Market Value	Net Market Value	Ref.	% owned	Gross Market Value pro-quota	Net Market Value pro-quota
Toqueville	63,653	61,500	*	100%	63,653	61,500
Pavilion	76,590	74,000	*	100%	76,590	74,000
Monte Rosa	64,791	62,600	*	100%	64,791	62,600
Deutsche Bank	56,176	54,540	*	100%	56,176	54,540
Deruta	43,263	41,800	*	100%	43,263	41,800
Value of the fully owned portfolio	**304,473**	**294,440**			**304,473**	**294,440**
Gioiaotto (Offices)	57,146	55,500	*	88.17%	50,388	48,937
Gioiaotto (Tourism and leisure)	29,654	28,800	*	88.17%	26,147	25,394
Vodafone	212,500	206,300	*	50.00%	106,250	103,150
Microsoft	105,140	102,080	*	83.51%	87,807	85,251
Corso Como Place	244,110	237,000	**	35.71%	87,181	84,642
Market value of the partially owned portfolio (share of jvs/Funds)	**648,550**	**629,680**			**357,774**	**347,375**
Market value of the total portfolio	**953,023**	**924,120**			**662,247**	**641,815**
*	Table note 14 - Real estate investments; 20 - inventories					
**	Report of Independent Expert					

Real estate investments (in thousands Euro)	Initial gross rent pro-quota	Stabilized gross rent pro-quota	Increases for changes in stabilized rents and other temporary incentives to tenants pro-quota	Initial non-recoverable real estate expenses pro-quota	Stabilized non-recoverable real estate expenses pro-quota	Annualized net rental income pro-quota	Annualized "Topped-up" net rental income pro-quota
Deutsche Bank branches	3,876	4,296	420	(713)	(722)	3,163	3,574
Vodafone	7,062	7,062	-	(527)	(527)	6,535	6,535
Gioiaotto	3,544	4,016	472	(374)	(384)	3,170	3,632
Corso Como Place	807	3,767	2,960	(312)	(371)	495	3,395
Deruta	3,639	3,639	-	(328)	(328)	3,311	3,311
Monte Rosa	1,859	1,859	-	(658)	(658)	1,201	1,201
Tocqueville	5,002	5,002	-	(392)	(392)	4,610	4,610
Pavilion	3,525	3,525	-	(171)	(171)	3,354	3,354
Microsoft	3,592	3,826	234	(293)	(293)	3,298	3,532
Total amount	**32,905**	**36,991**	**4,085**	**(3,769)**	**(3,846)**	**29,137**	**33,145**

EPRA vacancy rate

EPRA Vacancy rate	December 31st, 2021	December 31st, 2020
Estimated Rental Value of vacant space **(A)**	5,336	907
Estimated rental value of the whole portfolio **(B)**	40,541	37,011
EPRA Vacancy Rate (A/B)	**13.2%**	**2.5%**

EPRA Vacancy Rate is mainly attributable to Monte Rosa, the Deutsche Bank portfolio (due to the vacant spaces of 3 branches), and Corso Como Place. The estimated fees are calculated on a pro-quota basis.

Below is the detail of the EPRA Vacancy Rate in terms of i) rents estimated on the vacant spaces and ii) rents estimated on the total portfolio. Please note that these rental incomes are indicated by the Independent Expert:

Real estate investments (in thousands Euro)	Estimated rents	Estimated rents on vacant spaces	% owned	Estimated rents pro-quota	Estimated rents on vacant spaces pro-quota	EPRA Vacancy Rate
Deutsche Bank branches	3,396	215	100.0%	3,396	215	6.3%
Vodafone	11,768	-	50.0%	5,884	-	0.0%
Gioiaotto	4,596	8	88.2%	4,053	7	0.2%
Corso Como Place	10,794	524	35.7%	3,855	187	4.9%
Deruta	3,997	-	100.0%	3,997	-	0.0%
Monte Rosa	6,928	4,928	100.0%	6,928	4,928	71.1%
Tocqueville	4,958	-	100.0%	4,958	-	0.0%
Pavilion	3,584	-	100.0%	3,584	-	0.0%
Microsoft	4,651	-	83.5%	3,884	-	0.0%
Total amount	**54,674**	**5,674**		**40,541**	**5,336**	**13.2%**

Like-for-like rents

(in thousands Euro)	Offices	Bank Branches	Others	Assets sold in 2021	Total amount
Rents 2020	**34,588**	**4,220**	**1,568**	**4,042**	**44,418**
Rents related to assets sold in 2020	-	(218)	-	-	(218)
Rents related to assets sold in 2021	-	-	-	(4,042)	(4,042)
Like-for-like rents 2020 (B)	**34,588**	**4,002**	**1,568**	**-**	**40,158**
New leasing in 2021	16	-	22	-	38
Withdraw in 2021	(1,661)	-	(275)	-	(1,936)
Renegotiations	578	-	-	-	578
Inflation	124	-	1	-	125
Others	22	(278)	103	-	(153)
Like-for-like rents 2021 (A)	**33,667**	**3,724**	**1,419**	**-**	**38,810**
Rents related to assets sold in 2020	-	-	-	-	-
Rents related to assets sold in 2021	-	-	-	2,438	2,438
Rents 2021	**33,667**	**3,724**	**1,419**	**2,438**	**41,248**
Like-for-like (A) - (B)	(921)	(278)	(149)	-	(1,348)
Like-for-like (%)	**(2.7%)**	**(6.9%)**	**(9.5%)**	**-**	**(3.4%)**

(in thousands Euro)	Milan	Rome	Others	Assets sold in 2021	Total amount
Rents 2019	**36,679**	**401**	**3,296**	**4,042**	**44,418**
Rents related to assets sold in 2020	(154)	-	(64)	-	(218)
Rents related to assets sold in 2021	-	-	-	(4,042)	(4,042)
Like-for-like rents 2020 (B)	**36,525**	**401**	**3,133**	**-**	**40,158**
New leasing in 2021	38	-	-	-	38
Withdraw in 2021	(1,936)	-	-	-	(1,936)
Renegotiations	578	-	-	-	578
Inflation	125	-	-	-	125
Others	125	-	(278)	-	(153)
Like-for-like rents 2021 (A)	**35,455**	**401**	**2,955**	**-**	**38,810**
Rents related to assets sold in 2020	-	-	-	-	-
Rents related to assets sold in 2021	-	-	-	2,438	2,438
Rents 2021	**35,455**	**401**	**2,955**	**2,438**	**41,248**
Like-for-like (A) - (B)	(1,070)	-	(278)	-	(1,348)
Like-for-like (%)	**(0.3%)**	**0.0%**	**(8.6%)**	**-**	**(3.4%)**

The table shows the reconciliation of the rents recorded in 2021 and 2020 with the rents calculated on a like-for-like basis on the portfolio[12], excluding Sarca and the bank branches sold in the period in question.

The reduction in rents is mainly characterised by the release of office space in Monte Rosa by the owner PricewaterhouseCoopers and the closure of the lease with Microsoft for the use of the retail spaces of the Feltrinelli building, both in the first quarter of 2021. This decrease is partly offset by the increase in rents on a like-for-like basis resulting from the amendment to Sisal's lease agreement which postpones the contract's expiry to March 31st, 2022, against an increase in the gross rent for the last quarter.

[12] The real estate investment portfolio includes Vodafone (Euro 206.3 million), Monte Rosa, Tocqueville and Pavilion (Euro 198.1 million), Deruta (Euro 41.8 million), Gioiaotto (Euro 84.3 million), Microsoft (Euro 102.1 million) and the Deutsche Bank branches (Euro 52.4 million).

EPRA Cost ratios

(in thousands Euro)	December 31st, 2021	December 31st, 2020
Include:		
(i) Administrative/operating expense line per IFRS income statement		
General and administration expenses	12,821	12,461
Personnel costs	1,694	1,737
Other costs	4,086	4,106
(ii) Net service charge costs/fees	-	-
(iii) Management fees less actual/estimated profit element	-	-
(iv) Other operating income/recharges intended to cover overhead expenses less any related profits	(4,934)	(5,620)
(v) Share of Joint Ventures expenses	764	1,059
Exclude:		
(vi) Investment property depreciation		-
(vii) Ground rent costs		-
(viii) Service charge costs recovered through rents but not separately invoiced		-
EPRA Costs (including direct vacancy costs) (A)	**14,431**	**13,744**
(ix) Direct vacancy costs	(641)	(1,040)
EPRA Costs (excluding direct vacancy costs) (B)	**13,790**	**12,703**
(x) Gross rental income less ground rent costs	41,248	44,418
(xi) Service fee and service charge costs components of gross rental income (if relevant)	-	-
(xii) Share of Joint Ventures (Gross Rental Income less ground rent costs)	2,188	588
Gross Rental Income (C)	**43,436**	**45,006**
EPRA Cost Ratio (including direct vacancy costs) (A/C)	**33.2%**	**30.5%**
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**31.7%**	**28.2%**

Composition and references:

(i) Administrative and operating expenses and (iv) recharges;
Amount of:
- Euro 4,556 thousand: Net real estate operating expenses *(Consolidated Statement of Profit/(Loss) for the year)*
- Euro 8,801 thousand: G&A expenses *(Consolidated Statement of Profit/(Loss) for the year)*
- Euro 310 thousand: Other operating expenses *(Consolidated Statement of Profit/(Loss) for the year)*

(v) Portion of the real estate costs of the Porta Nuova Bonnet Fund, recognized under investments accounted for using the equity method (see details below);

(in thousands Euro)	December 31st, 2021
Real estate expenses Fondo Porta Nuova Bonnet	2,148
Recharges of Fondo Porta Nuova Bonnet	(8)
% owned	35.71%
Total amount	**764**

(ix) Direct costs on the part of the real estate portfolio not leased;

(in thousands Euro)	Costs of spaces not leased	% owned	Costs of spaces not leased pro-quota
COIMA CORE FUND IV	86	100%	86
COIMA RES SIIQ	501	100%	501
PORTA NUOVA BONNET	152	35.71%	54
		Total amount	**641**

(x) Rental income *(Consolidated Statement of Profit/(Loss) for the year)*;

(xii) Portion of the real estate income of Porta Nuova Bonnet Fund, recognized under investments accounted for using the equity method.

(in thousands Euro)	December 31st, 2021
Rents of Porta Nuova Bonnet fund	6,126
% owned	35.71%
Total amount	**2,188**

The costs incurred are capitalised on the carrying value of the investment property when it is probable that they will generate future economic benefits and their cost can be measured reliably. Other maintenance and repair costs are expensed as incurred. As of December 31st, 2021, there are no capitalised operating expenses and overheads on the value of property.

Top 10 real estate investments

#	City	Address	Type of asset	Legal title to availability	Surfaces	Portfolio	% owned	Acquisition date	Year of redevelop. / refurbish. completion activities	EPRA Vacancy rate
1	Milan	Via Lorenteggio 240	Office	Fully owned	42,039	Vodafone complex	50%	Jun-16	n.a.	0%
2	Milan	Viale Pasubio 21	Office	Fully owned	10,817	Microsoft	84%	Sep-19	n.a.	0%
3	Milan	Via Bonnet 6A-8A-10A	Office/ Retail	Fully owned	23,565	Corso Como Place	36%	Dec-16	2021	5%
4	Milan	Via Melchiorre Gioia 6-8	Office	Fully owned	14,545	Gioia 6-8	88%	Jul -16	n.a.	0%
5	Milan	Piazza Gae Aulenti 10	Office	Fully owned	3,578	Pavilion	100%	Nov-18	n.a.	0%
6	Milan	Via Monte Rosa 93	Office	Fully owned	27,565	Monte Rosa	100%	Oct-17	n.a.	71%
7	Milan	Via Tocqueville 13	Office	Fully owned	9,950	Tocqueville	100%	Jul-18	n.a.	0%
8	Milan	Via Deruta 19	Office	Fully owned	27,565	Deruta	100%	Jan-17	n.a.	0%
9	Rome	Piazza Ss. Apostoli 70	Bank branch	Fully owned	826	DB Portfolio	100%	May-16	n.a.	0%
10	Turin	Via Arcivescovado 7	Bank branch	Fully owned	2,834	DB Portfolio	100%	May-16	n.a.	0%

The surfaces are indicated by the independent expert in the assessment document.

The EPRA vacancy rate is as follows:

Real estate investments (in thousands Euro)	Estimated rents	Estimated rents on vacant spaces	% owned	Estimated rents pro-quota	Estimated rents on vacant spaces pro-quota	EPRA Vacancy Rate
Vodafone	11,768	-	50.0%	5,884	-	0.0%
Microsoft	4,651	-	83.5%	3,884	-	0.0%
Corso Como Place	10,794	524	35.7%	3,855	187	4.9%
Gioiaotto	4,596	8	88.2%	4,053	7	0.2%
Pavilion	3,584	-	100.0%	3,584	-	0.0%
Monte Rosa	6,928	4,928	100.0%	6,928	4,928	71.1%
Tocqueville	4,958	-	100.0%	4,958	-	0.0%
Deruta	3,997	-	100.0%	3,997	-	0.0%
Piazza Ss. Apostoli 70	382	-	100.0%	382	-	0.0%
Via Arcivescovado 7	298	-	100.0%	298	-	0.0%

Top 10 tenants [13]

#	Rank top 10 tenant	%
1	Vodafone	19%
2	Sisal	13%
3	Deutsche Bank	10%
4	Microsoft	10%
5	BNL	10%
6	IBM	10%
7	Accenture	7%
8	Techint	5%
9	NH Hotels	4%
10	Bernoni Grant Thornton	2%

Real estate portfolio: term lease contracts [14]

Properties	WALT	Maturity bands in the first contractual deadline (% on the amount of annualized rent stabilized)				Total %	Total €/000
		1 year	1-2 year	3-5 year	> 5 year		
Portafoglio DB	5.2	0%	0%	90%	10%	100%	4,296
Vodafone	5.1	0%	0%	0%	100%	100%	7,062
Gioia 6-8	4.0	0%	14%	58%	28%	100%	4,016
Corso Como Place	8.1	0%	1%	1%	98%	100%	3,767
Deruta	0.4	100%	0%	0%	0%	100%	3,639
Monte Rosa	4.8	0%	0%	100%	0%	100%	1,859
Tocqueville	0.5	95%	0%	5%	0%	100%	5,002
Pavilion	6.1	0%	0%	0%	100%	100%	3,525
Microsoft	2.5	0%	94%	0%	6%	100%	3,826
Totale	**4.0**	**23%**	**11%**	**23%**	**43%**	**100%**	**36,991**

[13] Calculated on stabilized rents on pro-quota basis.
[14] Calculated on pro-quota basis.

Real estate portfolio: other information [15]

Properties	Acquisition date	NRA	Market Value (€/000)	Initial gross rent (€/000)	Initial gross rent (€/mq) [16]	Gross stabilized rent (€/000)	ERV	Reversion (%)
Portfolio of bank branches	May 16	26,776	54,540	3,876	145	4,296	3,396	(21%)
Vodafone	Jun-16	42,039	103,150	7,062	336	7,062	5,884	(17%)
Gioia	Jul-16	14,545	74,331	3,544	276	4,016	4,053	1%
Corso Como Place	Dec-16	23,571	84,643	807	n.m.	3,767	3,855	2%
Deruta	Jan-17	27,565	41,800	3,639	132	3,639	3,997	10%
Monte Rosa	Oct-17	26,832	62,600	1,859	n.m.	1,859	6,928	273%[17]
Tocqueville	Jul-18	9,950	61,500	5,002	503	5,002	4,958	(1%)
Pavilion	Nov-18	3,578	74,000	3,525	985	3,525	3,584	2%
Microsoft	Sept-19	10,817	85,251	3,592	398	3,826	3,884	2%
Total		**185,673**	**641,815**	**32,905**	**235**	**36,991**	**40.541**	**9.6%**

[15] Values of appraisal, rents and ERV calculated on pro-quota basis.
[16] Calculated on rents and areas accounted for at 100%.
[17] The property currently has an EPRA vacancy rate of 71%.

Development portfolio

Development / refurbishment assets	City	NRA	% owned	Cost to date	Estimated capex	Estimated rental value at completion of the development	Breakdown of lettable area accordingly to regions	Breakdown of lettable area accordingly to usage	Expected date of completion	Status
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Development / refurbishment assets	Net book value as of the report date	Methods of accounting	Fair value as of the report date	Last evaluation report ' date
n.a.	n.a.	n.a.	n.a.	n.a.

As of December 31st, 2021, portfolio does not include development/refurbishment assets.

Capital expenditure

	2021			2020		
	Group (excluding Joint ventures)	Joint Ventures (pro-quota)	Total Group	Group (excluding Joint ventures)	Joint Ventures (pro-quota)	Total Group
Acquisitions	-	-	-	-	-	-
Development	-	3,631	3,631	-	7,366	7,366
Real estate investment	2,928	-	2,928	1,459	-	1,459
Rental area increase	-	-	-	-	-	-
Rental area non-increase	*2,928*	-	*2,928*	*1,459*	-	*1,459*
Tenant incentives	-	-	-	-	-	-
Other types of unallocated expenses	-	-	-	-	-	-
Capitalized interest (if applicable)	-	-	-	-	526	526
Total Capex	**2,928**	**3,631**	**6,559**	**1,459**	**7,892**	**9,351**
Conversion from competence to cash	-	-	-	-	-	-
Total Capex cash	**2,928**	**3,631**	**6,559**	**1,459**	**7,892**	**9,351**

There are no acquisitions in 2021, as was in 2020.

The value shown in the Joint Ventures column is referred to the Corso Como Place property's capex, which in 2021 amounts to Euro 3,631 thousand.
The value of the capex that are among the Real Estate Investments mainly includes the Monte Rosa costs for Euro 1,771 thousand, Tocqueville costs for Euro 605 thousand and Microsoft costs for Euro 536 thousand.

The values inserted in "Real Estate Investment" and "Development" are located in Milan.

ANNEXES

FFO RECONCILIATION

	(Thousand Euro)	December 31st, 2021	December 31st, 2020
+	Rent income	41,248	44,418
-	Property expenses not recharged to tenants	(4,556)	(4,074)
	Net rents after incentives	**36,692**	**40,344**
+	Other income	16,677	(100)
-	Other costs for raw materials and services (G&A)	(7,107)	(6,934)
-	Personnel costs	(1,694)	(1,737)
-	Other operating expenses	(310)	(165)
+/-	Adjustments	11	122
	EBITDA	**44,268**	**31,530**
+	Interest income	3	1,236
-	Interest expenses	(8,393)	(8,304)
	FFO	**35,878**	**24,462**
+	Non-recurring general expenses	913	957
-	Non-recurring income	(16,677)	(1,234)
	Recurring FFO	**20,114**	**24,185**

General expenses and non-recurring revenues mainly relate to the costs incurred for the early closure of deductions and loans and revenues deriving from sales made during the period.

GLOSSARY

	Definition
Accounting Period	Accounting period means each successive period of 12 calendar months each of which starts on 1 January and ends at midnight on December 31st in each year.
ALM	Asset Liabilities Management is the practice of managing risks stemming from mismatches between assets and liabilities. The process is a mix between risk management and strategic planning.
Asset Management Agreement	The agreement entered into on October 15th, 2015, by and between COIMA RES and COIMA SGR and modified on November 15th, 2015.
Bad Leaver	The revocation of the director in the presence of a serious, wilful or negligent non-fulfilment by the director himself of legal or statutory obligations which is also capable of irreparably compromising the relationship of trust between the director and the Company and which does not therefore allow the continuation, even provisionally, of the administrative relationship.
Bonnet or Corso Como Place	The property located in Milan, in via Bonnet, held through the Porta Nuova Bonnet investment (35.7%).
Break Option	The right of the tenant to withdraw from the lease agreement.
CBD	Central Business District, which is the area where the prime office market is mainly located.
CBRE	CBRE Valuation S.p.A., with registered office in Milan, Via del Lauro, 5/6.
CO - Investment 2SCS	A subsidiary owned indirectly via MHREC Real Estate S.à.r.l., which owns 33.33% of the units.
COIMA CORE FUND IV	Fund in which the Company owns 100% of the shares.
COIMA CORE FUND VI (ex "MHREC")	Fund of which the Company owns about 88.2% of the shares.
COIMA CORE FUND VIII	COIMA CORE FUND VIII, set up on May 29th, 2019, of which the company owns 50% of the capital stock.
COIMA OPPORTUNITY FUND I or COF I	Fund of which COIMA CORE FUND VI acquired 88.8% of the shares on September 30th, 2019.
COIMA RES SIINQ I	COIMA RES S.p.A. SIINQ I, of which COIMA RES owns 100% of the capital stock.
COIMA RES SPA SIIQ	COIMA RES S.p.A. SIIQ with registered office in Milan, Piazza Gae Aulenti n. 12, Milan Company Register and VAT no. 09126500967.
COIMA REM S.r.l. (previously COIMA S.r.l.)	COIMA REM S.r.l., with registered office in Milan, Piazza Gae Aulenti no.12.
COIMA SGR	COIMA SGR S.p.A., with registered office in Milan, Piazza Gae Aulenti no.12.
Consortium Lorenteggio Village	Consortium Lorenteggio Village, established on January 25th, 2018, of which the Company owns 34.6% of the shares.
Consortium Porta Nuova Garibaldi	Consortium Porta Nuova Garibaldi, of which COIMA RES owns about 4%.
Core	The *core* assets are characterized mainly by high liquidity and low risk. This type of property is located in strategic areas and is intended to be held in the portfolio on a long-term basis so as to fortify the company's risk-return profile.
Core plus	The *core plus* assets are similar to the *core* category, except that some investments may exhibit enhancement potential (such as partially vacant areas or tenancies with short term expiries). For this type of risk, the profile is considered medium-low.
Coupon	The value accrued on the Financial Instrument.
Deruta 19 or Deruta	Deruta is the property complex located in Milan, Via Deruta 19, acquired on January 16th, 2017, by COIMA RES SIINQ I.
Deutsche Bank Portfolio	The bank branches of COIMA CORE FUND IV, leased to Deutsche Bank.
Earnings per share	Earnings per share is calculated as the ratio of earnings to the number of shares.
EBITDA	Earnings before Interest, Taxes, Depreciation & Amortisation, is the most widely used measure of a company's operating performance as it isolates operating earnings, excluding the effects of capital structure, taxes or depreciation regime. EBITDA is a proxy for the operating cash flow that the company is able to generate.

EPRA Cost Ratio	Calculated as administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.
EPRA Earnings	Recurring earnings from core operational activities. EPRA Earnings is a key measure of a company's operational performance and represents the net income generated from the operational activities.
EPRA Net Initial Yield	Calculated as Net Initial Rent divided by the gross market value of the property.
EPRA Net Disposal Value	Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, including tax exposure not reflected in the balance sheet, net of any resulting tax.
EPRA Net Reinstatement Value	The objective of this measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.
EPRA Net Tangible Asset	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.
EPRA topped up Net Initial Yield	Calculated as Net Stabilised Rent divided by the gross market value of the property.
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.
Feltrinelli Porta Volta	Fund in which the Company indirectly owns about 83.5% of the shares.
FFO	Funds From Operations calculated as Core Business EBITDA less net interest expense. The FFO is the most used indicator to evaluate the performance of a REIT
Gioiaotto	Gioiaotto is the property located in Milan, in Melchiorre Gioia 6-8, held by the Fund CCFVI (ex MHREC Fund).
Good Leaver	This refers to the hypotheses of: (i) failure to appoint the Director within the terms and conditions all provided for in the agreement stipulated and / or failure to confirm / ratify the same after the start of the negotiation of the Shares on the MTA; or (ii) termination of the office of Director on the occurrence of one of the hypotheses of termination of the Asset Management Agreement indicated in art. 5.3, points (i), (iii) and (iv) of this Asset Management Agreement; or (iii) failure to renew the office of Director for a further three years at the natural expiry of the first three-year term and, subsequently, at the natural expiry of the second three-year term; or (iv) non-acceptance by the Director of the proposal for the renewal of the appointment under conditions that are worse than those applied in the previous three years; or (v) revocation of the Director in the absence of a bad leaver hypothesis; (vi) resignation from office by the Director in the presence of a just cause for resignation; or (vii) death of the Director (in which case the compensation will be paid to the entitled persons).
Good Secondary location	High quality properties located in central or peripheral areas of primary cities.
Gross Expected Stabilised Yield	Calculated as Expected Gross Stabilised Rent divided by the gross market value of the property.
Gross Expected Stabilised Rent	The index is equal to the stabilized gross rent adjusted for incentives related to active management actions.
Gross Initial Rent	Annualised rents being received as at a certain date considering lease incentives such as rent-free periods, discounted rent periods and step rents.
Gross Initial Yield	Calculated as Gross Initial Rent divided by the gross market value of the property.
Gross Stabilised Rent	Annualised rents being received as at a certain date adjusted for unexpired lease incentives. The adjustment includes the annualised cash rent that will apply at the expiry of the lease incentive.
Gross Stabilised Yield	Calculated as Gross Stabilised Rent divided by the gross market value of the property.
Infrastrutture Garibaldi - Repubblica	Infrastrutture Garibaldi – Repubblica, of which the Company owns about 2%.
Interest Coverage Ratios	Ratio between the NOI and interest expense.
Key managers	Manfredi Catella, Matteo Ravà and Gabriele Bonfiglioli

LEED Certification	Building efficiency certification issued by the U.S. Green Building Council.
MHREC S.à.r.l.	MHREC Real Estate S.à.r.l., subsidiary of COIMA CORE FUND VI (ex "MHREC").
Microsoft	Microsoft is the building located in Milan, Viale Pasubio 21 owned by Feltrinelli Porta Volta.
Monte Rosa	Monte Rosa is the property complex located in Milan, Via Monte Rosa 93, acquired on October 24th, 2017 by COIMA RES.
Net Expected Stabilised Rent	Corresponds to Expected Gross Stabilised Rent for the period less, service charge expenses and other non-recoverable property operating expenses such as insurance, real estate taxes, marketing and other vacant property costs.
Net Expected Stabilised Yield	Calculated as Expected Net Stabilised Rent divided by the gross market value of the property.
Net Initial Rent	Corresponds to gross initial rent for the period less service charge expenses and other non-recoverable property operating expenses such as insurance, real estate taxes, marketing and other vacant property costs.
Net Liquidity	Net Liquidity or Net Financial Position is the effective Net Debt of the Company.
Net Stabilised Rent	Corresponds to Gross Stabilised Rent for the period less service charge expenses and other non-recoverable property operating expenses such as insurance, real estate taxes, marketing and other vacant property costs.
Pavilion	Pavilion is the property complex located in Milan, Piazza Gae Aulenti 10, acquired on November 23rd, 2018 by COIMA RES.
Porta Nuova Bonnet	Fund established on October 20th, 2016, of which COIMA RES owns 35.7%.
Pro-quota	The information presented on a "pro-quota" basis is calculated considering the effective ownership by COIMA RES of the different real estate assets, an approach similar to the proportional consolidation.
Promote Fee	Performance fee payable by COIMA RES to SGR, related to the Asset Management Agreement.
Qatar Holding	Qatar Holding LLC, with headquarters in Doha, Qatar, Q-Tel Tower, PO Box 23224, authorized by the QFC Authority with license no. 00004, wholly owned by Qatar Investment Authority, a sovereign fund of the State of Qatar. Qatar Holding LLC carries out, in particular, support activities to the Qatar Investment Authority with regard to the development, investment and management of the funds of the State of Qatar, though, in particular, the evaluation, sale and management of forms of investment of any kind nature, carrying out any functional activity for this purpose.
Recurring FFO	Calculated as FFO adjusted to exclude non-recurring income and include non-recurring expenses.
Sarca (o Philips)	Sarca is the building located in Milan, Viale Sarca 235, sold on August 5th, 2021, by COF I.
Shareholder Return	Shareholder Return means, in respect of each Accounting Period, the sum of (a) the change in the EPRA NAV of the Company during such year less the net proceeds of any issues of ordinary shares during such year; and (b) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such year.
Shareholder Return Outperformance	The amount in euros for which the Shareholders Return is higher than a level that would have produced a specific Shareholder Return.
SIINQ	Unlisted real estate investment company regulated by article 1, paragraph 125 of the Finance Act 2007.
SIIQ	Listed real estate investment company regulated by article 1, paragraphs 119-141-bis of the Finance Act 2007.
Tocqueville	Tocqueville is the property located in Milan, Via A. Tocqueville, acquired on July 27th, 2018, by COIMA RES.
Weighted Average Debt Maturity	It is the length of time the principal of a debt issue is expected to be outstanding. The average life is an average period before a debt is repaid through amortisation or sinking fund payments.
Value-add	This type of assets includes properties undergoing redevelopment and refurbishment, usually vacant or with high rate of vacancy. Compared to the core category, value added real estate has a medium-high risk profile and is expected to generate returns through real estate value appreciation over time.

INDEPENDENT APPRAISERS' REPORTS

CERTIFICATE FOR FINANCIAL STATEMENT

In respect of:

Fair Value of the buildings belonging to Portfolio owned by COIMA RES SPA. SIIQ

(This copy of this Certificate has been translated for information purposes only. In case of doubt or discrepancies the Italian version shall be read and it shall prevail)

On behalf of:

COIMA RES S.p.A. SIIQ

Piazza Gae Aulenti, 12

20124 - Milano

Date of Valuation: 31 December 2021

CBRE

Legal Notice and Disclaimer

This valuation report (the "Report") has been prepared by CBRE Valuation S.p.A. ("CBRE") exclusively for COIMA RES SPA SIIQ (the "Client") in accordance with the terms of engagement entered into between CBRE and the client dated 11 June 2020 ("the Instruction"). The Report is confidential to the Client and any other Addressees named herein and the Client and the Addressees may not disclose the Report unless expressly permitted to do so under the Instruction.

Where CBRE has expressly agreed (by way of a reliance letter) that persons other than the Client or the Addressees can rely upon the Report (a "Relying Party" or "Relying Parties") then CBRE shall have no greater liability to any Relying Party than it would have if such party had been named as a joint client under the Instruction.

CBRE's maximum aggregate liability to the Client, Addressees and to any Relying Parties howsoever arising under, in connection with or pursuant to this Report and/or the Instruction together, whether in contract, tort, negligence or otherwise shall not exceed the lower of:

(i) 25% of the value of the property to which the Instruction relates (as at the valuation date); or

(ii) €10 million (10,000,000.00 Euro).

Subject to the terms of the Instruction, CBRE shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

If you are neither the Client, an Addressee nor a Relying Party then you are viewing this Report on a non-reliance basis and for informational purposes only. You may not rely on the Report for any purpose whatsoever and CBRE shall not be liable for any loss or damage you may suffer (whether direct, indirect or consequential) as a result of unauthorised use of or reliance on this Report. CBRE gives no undertaking to provide any additional information or correct any inaccuracies in the Report.

If another CBRE Group entity contributes to the preparation of the Report, that entity may co-sign the Report purely to confirm its role as contributor. The Client, Relying Party or any other Addressees named herein acknowledge that no duty of care, whether existing under the Instruction or under the Report, shall extend to such CBRE Group entity and the Client, Relying Party or any other Addressees named herein hereby waive any right or recourse against such CBRE Group entity whether arising in contract, tort, negligence or otherwise. CBRE shall remain solely liable to the client in accordance with the terms of the Instruction.

None of the information in this Report constitutes advice as to the merits of entering into any form of transaction.

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The property details and specific assumptions and findings, that are not expressly covered within the subject Valuation Report, on which each valuation is based are as set out in each property report. Property Reports have to be read in conjunction with the subject Valuation Report, certificate and the Terms of Reference and Basis of Value that is detailed within.

PART I

CERTIFICATE FOR FINANCIAL STATEMENT

CERTIFICATE FOR FINANCIAL STATEMENT

Report Date	31 January 2022
Addressee (or Client)	COIMA RES S.p.A. SIIQ Piazza Gae Aulenti, 12 20124 Milano (MI) – Italy For the attention of: Mr Emiliano Mancuso
The Properties	No. 3 real estate properties owned by COIMA RES S.p.A. SIIQ, as reported in the attached schedule.
Property Description	The portfolio includes 2 office properties and a building used as auditorium/event space; the assets are located in the central and semi-central area of Milano. For the details see the attached table.
Ownership Purpose	Investment
Instruction	To value the unencumbered Freehold interest in the Properties on the basis of Fair Value (corresponding to the Market Value in accordance with IFRS 13) as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee dated 28 April 2020 (ref. Of. n.100/20) and accepted on 11 June 2020.
Valuation Date	31 December 2021
Capacity of Valuer	External Valuer, as defined in the current RICS Valuation.
Purpose	Financial document [to be included in the balance sheet of the company].
Fair Value	Fair Value as at 31 December 2021: **€ 198,100,000.00 (Euro One Hundred Ninety Eight Million One Hundred Thousand/00) exclusive of V.A.T.**
Service Agreement	Our opinion of value is based upon the Scope of Work and Valuation Assumptions attached.
Market Conditions	The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, continues to affect economies and real estate markets globally. Nevertheless, as at the valuation date, property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where enough market evidence exists upon which to base opinions of value. Accordingly – and for the avoidance of doubt – our valuation is not reported as being subject to 'material valuation uncertainty', as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, we highlight the importance of the valuation date.

In the case of development valuations, we would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on land value. Consequently, in the current market conditions – with the potential for cost volatility, supply and timing issues, fluctuating finance rates, liquidity issues and reduced transactional volumes – it is inevitable that there is even greater uncertainty, with site values being susceptible to much more variance than normal.

In Italy since the 23rd February 2020, the Government took immediate actions (ref. DPCM 23rd February 2020 and subsequent) to tackle the spread of Coronavirus, including home quarantine and other restrictions. The activities against the Italian Government's Coronavirus are resumed with new ordinances starting from the Prime Ministerial Decree (DPCM) dated October 18, 2020 (and subsequent).

Rental Income

The valuation we have provided reflects the rental income as at the date of valuation, as set out within this report, which you have confirmed to be correct and comprehensive. It also reflects any issues concerning the anticipated cash-flow that you have advised us of, as set out within this report. Given the uncertainties relating to the Covid-19 virus and the current restrictions on business activities, it is possible that there will be significant rental defaults and/or insolvencies leading to voids and a resulting shortfall in rental income. Should this occur, there will be a negative impact on the value of the subject property.

Special Assumptions

None

Compliance with Valuation Standards

The Valuation has been prepared in accordance with the RICS Valuation – Global Standards 2017 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.

Assumptions	The Property details on which each Valuation are 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 figures 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 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 in 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.
Previous Involvement & Conflict of Interests	We confirm that we have previously valued on your behalf, until 31/12/2019, all properties on a half-yearly basis and that the present Instruction is a renewal of the previous engagement with you. We confirm that other CBRE business lines have not had any previous, nor current, material involvement with the Properties or the parties involved (the Client or the current Owner) and have no personal interest in the outcome of the valuation – nor are we aware of any conflicts of interest that would prevent us from exercising the required levels of independency and objectivity.
Disclosure	CBRE Valuation S.p.A. has carried out Valuation services only on behalf of the addressee for between 5 and 9 years.
Reliance	This report is for the use only of the following parties: (i) the addressee of the Report; and (ii) the Parties which have received the written consent by CBRE through 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 6933
davide.cattarin@cbre.com

Yours faithfully

Doris Mininni
Senior Surveyor

In nome e per conto di
CBRE Valuation S.p.A.

+39 02 99746972
doris.mininni@cbre.com

CBRE Valuation S.p.A.
Valuation Advisory Services
Piazza degli Affari 2
20123 Milan
Project reference: 21-64VAL-0202

SCHEDULE OF VALUES

TOWN	ADDRESS	USE	FAIR VALUE AL 31.12.2021
Milano	Via Monte Rosa, 93	Office	62.600.000 €
Milano	Via Tocqueville, 13	Office	61.500.000 €
Milano	Piazza Gae Aulenti, 10	Auditorium	74.000.000 €
TOTAL			198.100.000 €

Starting from the Fair Value, corresponding to the 'Market Value' in accordance with IFRS 13, the Client has requested to determine the relative transaction price.

According to the International Valuation Standards (IVS) and the Red Book, the Market Value represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the valuation date (Red Book VPS4.4.1).

Investors could require at the outset an indication of the purchase costs in order to figure out the total cost and appreciate the yield profile of the operation. Should details relative to the purchase modalities and an appropriate fiscal opinion not be present, the price stated in this report shall be considered just indicative.

However, it should be noted that the determination of these costs, as % on the fair value, is not uniquely defined during the valuation, as it depends from a series of variables which cannot be standardized at the outset; the transaction costs change according to the purchaser (Italian Fund, Foreign Fund, private, etc..), building typology and acquisition typology ('asset deal' or 'share deal').

Based on the information and benchmark received, we summarize below the acquisition costs and their % on the Market Value, according to the assumed real estate operation:

Stamp Duty (% of the Fair Value)
- 2% (in case of "asset deal" with Italian Fund)
- 4% (in case of "asset deal" with Foreign Fund)
- 0.14% (in case of "share deal")
- other (based on the scope)

Legal Fees (EDD, TDD, LDD, etc.)
- 0.5% of the Fair Value (indicative but it could be higher)

Agent Fees (Broker)
- between 0.5% and 1.0% of the Market Value (but it could be higher)

Registration tax (sometimes considered, but negligible)
- €200 (one-off).

So, without precise indication of operation typology and without a fiscal opinion, it is impossible to define uniquely the transaction price.

In summary, if we consider a transaction per 'asset deal', the purchase costs vary normally between 3.5% and 5.5% on the Fair Value (corresponding to the 'Market Value' in accordance with IFRS 13), without excluding cases which differ from this practice.

It is clear that, without further details, it is necessary to refer to an hypothetic transaction where the involved subjects use all possible processes to minimize the fiscal impact on the final price: in this specific case of transactions where it is not possible to apply a 'share deal' model, this reflects a percentage of 3.5% ('asset deal').

In conclusion, assuming an 'asset deal' for the subject property, a transaction price would be equal to:

TOWN	ADDRESS	USE	ASSUMED TRANSACTION PRICE ("asset deal")
Milano	Via Monte Rosa, 93	Office	64.791.000 €
Milano	Via Tocqueville, 13	Office	63.653.000 €
Milano	Piazza Gae Aulenti, 10	Auditorium	76.590.000 €
TOTAL			205.034.000 €

SOURCES OF INFORMATION AND SCOPE OF WORKS

Sources of Information

We have carried out our work based upon information supplied to us by the Client as set out within this report, which we have assumed to be correct and comprehensive.

- Updated Rent roll;
- Costs to be paid by the Property owner (Property Tax IMU/TASI and Insurance);
- New floor area and assumed total capex;
- Agreements modifying the lease contracts Sisal S.p.A. e SGB S.r.l.

The Property

Our report contains a brief summary of the Property details on which our Valuation has been based.

Inspection

As instructed, the properties have been internally inspected on an annual basis and the last inspection was carried out by Bortignon Michela on 31/05/2021 for the asset in Milan, via Monte Rosa and on 08/06/2021 for the assets in Milan, via Tocqueville and piazza Gae Aulenti.

Areas

We have not measured the Property but have relied upon the floor areas provided to us by the Client, as set out in this report], which we have assumed to be correct and comprehensive, and which you have advised us have been calculated using Italian market practice measurement methodology as set out below.

In Italy the market practice uses the Gross Leasable Area [GLA].

The Gross Leasable Area [GLA] is defined as the total, typically un-weighted, amount of floor space, with the exception of parking areas, capable of producing income within a commercial property. It does not include portions that do not produce income for the Property owner. Therefore, areas such as the following are typically, but not always, excluded: vertical connections [stairwells, lifts and landings], technical spaces, shafts, common spaces [lobby, meeting rooms], etc.

Should a building be let to a single tenant having exclusive use of the common areas or should the common areas of a multi-tenant property be particularly prestigious, for example, these areas may be included within the calculation of GLA. It is to note that parking areas, excluded from GLA, are included within the potential rent build-up of a property on a unitary basis [total number of covered and uncovered units].

Environmental Matters

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

Services and Amenities

We understand that all main services including water, drainage, electricity and telephone are available to the Properties. None of the services have been tested by us.

Repair and Condition

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.

Town Planning

We have made Planning enquiries only consulting the institutional websites. We cannot, therefore, accept responsibility for incorrect information or for material omissions in the information supplied to us.

Titles, Tenures and Lettings

Details of title/tenure under which the Properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title [including relevant deeds, leases and planning consents] is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Capital Values

The Valuation has been prepared on the basis of "Fair Value" [in accordance with the International Financial Reporting Standard [IFRS] 13], which defined 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.*"

"Fair Value", for the purpose of financial reporting under IFRS 13, is effectively the same as "Market Value", which is defined as:

"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 Valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Unless stated otherwise rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows:

"*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.*".

The Property

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our Valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our Valuations.

All measurements, areas and ages quoted in our report are approximate.

Environmental Matters

In the absence of any information to the contrary, we have assumed that:

[a] the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law;

[b] any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;

[c] the Properties possess current the energy performance certificates [APE - Attestato di Prestazione Energetica or equivalent] as required under government directives;

[d] the Properties are either not subject to flooding risk or, if they are, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value.

[e] the Properties are not subject to any seismic risk or if it is, possesses building characteristics in line with the relevant legislation. In addition, an appropriate insurance policy could be obtained without such affecting the Value Assumptions considered within this report.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

[a] there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties;

[b] the Properties are free from rot, infestation, structural or latent defect;

[c] no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of, or subsequent alterations or additions to, the Properties; and

[d] the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the Property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Lettings, Planning, Taxation and Statutory & Local Authority requirements

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

[a] the Properties possesses a good and marketable title free from any onerous or hampering restrictions or conditions;

[b] the buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

[c] the Properties are not adversely affected by town planning or road proposals;

[d] the buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

[e] only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Properties to comply with the provisions of the relevant disability discrimination legislation;

[f] there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

[g] tenants will meet their obligations under their leases;

[h] there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

[i] where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;

[j] vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and

[k] in Italy, it is common and often advantageous from a fiscal standpoint for transfers of real estate to take place via transfers of the capital of real estate companies [so-called share deal as opposed to asset deal]: the taxation level applied cannot be standardized, but must be evaluated on a case-by-case basis. In order to define the Total Purchase Price, the purchaser's costs or acquisition fees [i.e. technical and legal fees, stamp duty, agent fees, etc.], as at the Valuation Date should be added. All rents and capital values, costs and other figures stated in this report are exclusive of V.A.T.

VALUATION REPORT

In respect of:

Fair Value in accordance with IFRS of the Office building located in Milan, Via Privata Deruta, 19, including two units called "Building A" and "Building B"

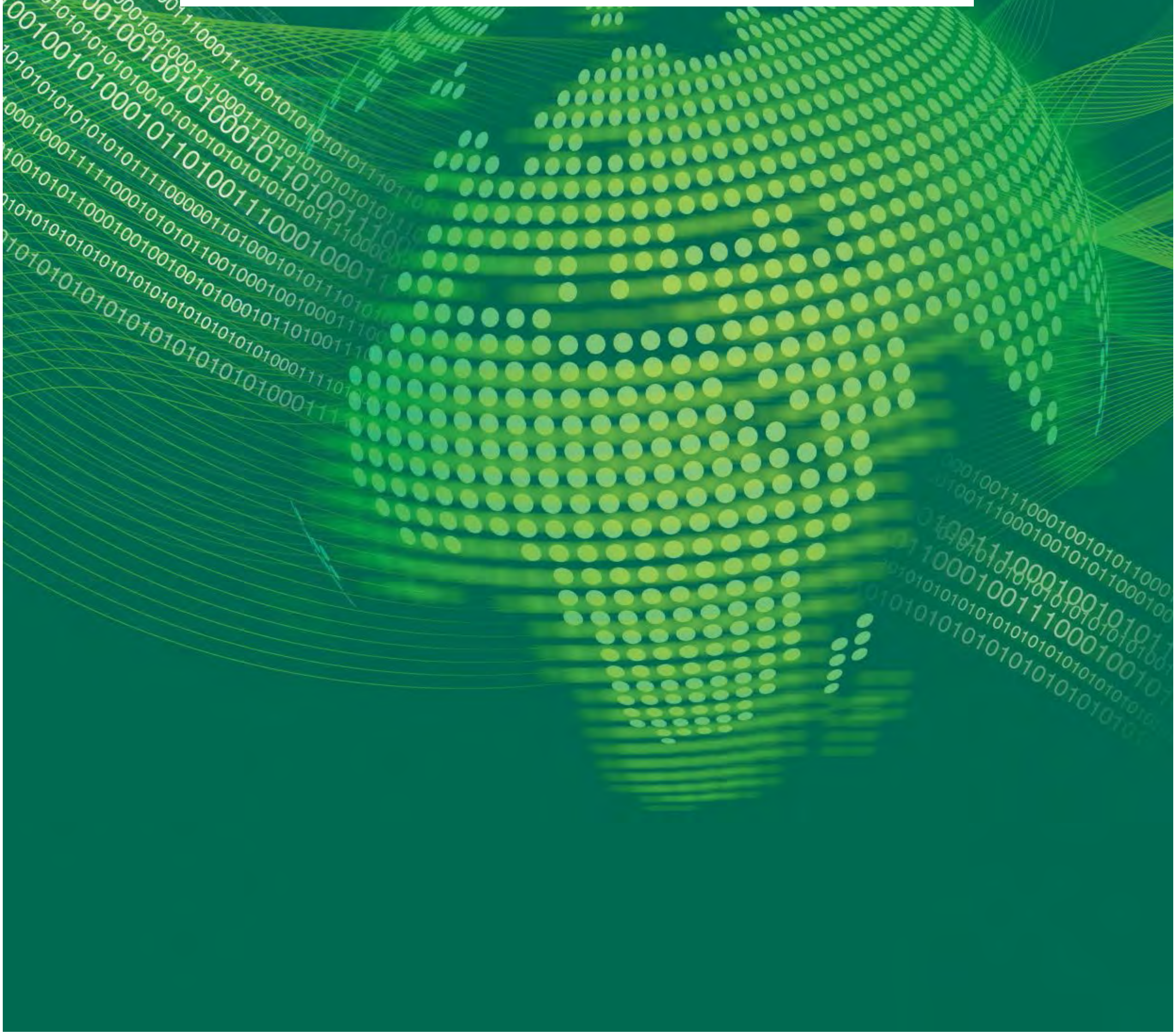
(This copy of the Report has been translated for information purposes only. In case of doubt or discrepancies the Italian version shall be read and it shall prevail)

On behalf of:

COIMA RES S.p.A. SIINQ I | CBRE Project Reference *21-64VAL-0201*

Piazza Gae Aulenti, 12
20123 Milano

Date of Valuation: 31 December 2021



Legal Notice and Disclaimer

This valuation report (the "Report") has been prepared by CBRE Valuation S.p.A. ("CBRE") exclusively for COIMA RES S.p.A. SIINQ I (the "Client") in accordance with the terms of engagement entered into between CBRE and the client dated 5 June 2020 ("the Instruction"). The Report is confidential to the Client and any other Addressees named herein and the Client and the Addressees may not disclose the Report unless expressly permitted to do so under the Instruction.

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(i) 25% of the value of the property to which the Instruction relates (as at the valuation date); or

(ii) €10 million (10,000,000.00 Euro).

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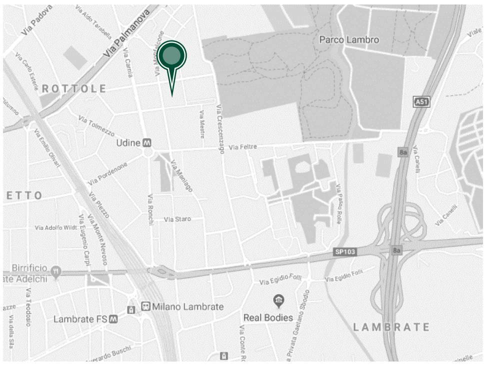
CBRE

PART I

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



THE PROPERTY

Address: Via Privata Deruta, 19 – 20132 Milano (MI) - Italy

Property including two separate Class A buildings called “Building A” and “Building B”.

Building A is arranged over ground floor, 6 floors above ground and 2 basement levels. Building B is arranged over ground floor, 7 floors above ground and 2 basement levels. The basement levels house 200 parking spaces, the external area at ground floor counts some 30 uncovered parking spaces.

The complex, following the lease termination notice from the two lease agreements currently in place sent by the tenant on 29 April 2021, will be vacant from 16 May 2022 and it will be subject to a requalification process, aimed to optimize the spaces and to relet the at market level.

TENURE

CBRE VALUATION S.p.A. has not generally examined nor had access to all the deeds, leases or other documents relating thereto. As communicated by the Client, we understand that the Property is held on freehold basis by “COIMA RES S.p.A. SIINQ I”.

TENANCIES

Buildings A and B are fully let to Banca Nazionale del Lavoro S.p.A.. The two lease contracts in place have a fixed duration of 6 years starting from 01/01/2016 and can be renewed for further 6 years upon first lease expiry date. The tenant has the right to recede from the contracts from 31/12/2021 with advance notice at least 12 months before.
On 29 April 2021 the tenant sent lease termination notice from the two lease agreements currently in place, starting from 16 may 2022.

FAIR VALUE AS AT 31.12.2021

€41,800,000.00 (EURO FOURTY ONE MILLION EIGHT HUNDRED THOUSAND/00 EUROS) exclusive of VAT.

Split ups as follows:

Building A: € 20,100,000.00 (Euro Twenty Million One Hundred Thousand/00) exclusive of VAT

Building B: € 21,700,000.00 (Euro Twenty-One Million Seven Hundred Thousand/00) exclusive of VAT.

We have valued each property individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole. The Aggregate Market Value above is provided for information purposes only and you should refer to the main report for the individual property valuations.

Fair Value

Our opinion of Fair Value 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, where available.

Starting from the Fair Value, corresponding to the 'Market Value' in accordance with IFRS 13, the Client has requested to determine the relative transaction price.

According to the International Valuation Standards (IVS) and the Red Book, the Market Value represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, at the valuation date (Red Book VPS4.4.1).

Investors could require at the outset an indication of the purchase costs in order to figure out the total cost and appreciate the yield profile of the operation. Should details relative to the purchase modalities and an appropriate fiscal opinion not be present, the price stated in this report shall be considered just indicative.

However, it should be noted that the determination of these costs, as % on the fair value, is not uniquely defined during the valuation, as it depends from a series of variables which cannot be standardized at the outset; the transaction costs change according to the purchaser (Italian Fund, Foreign Fund, private, etc..), building typology and acquisition typology ('asset deal' or 'share deal').

Based on the information and benchmark received, we summarize below the acquisition costs and their % on the Market Value, according to the assumed real estate operation:

Stamp Duty (% of the Fair Value)

- 2% (in case of "asset deal" with Italian Fund)
- 4% (in case of "asset deal" with Foreign Fund)
- 0.14% (in case of "share deal")
- other (based on the scope)

Legal Fees (EDD, TDD, LDD, etc.)

- 0.5% of the Fair Value (indicative but it could be higher)

Agent Fees (Broker)

- between 0.5% and 1.0% of the Market Value (but it could be higher)

Registration tax (sometimes considered, but negligible)

- €200 (one-off).

So, without precise indication of operation typology and without a fiscal opinion, it is impossible to define uniquely the transaction price.

In summary, if we consider a transaction per 'asset deal', the purchase costs vary normally between 3.5% and 5.5% on the Fair Value, without excluding cases which differ from this practice.

It is clear that, without further details, it is necessary to refer to an hypothetic transaction where the involved subjects use all possible processes to minimize the fiscal impact on the final price: in this specific case of transactions where it is not possible to apply a 'share deal' model, this reflects a percentage of 3.5% ('asset deal').

In conclusion, assuming an 'asset deal' for the subject property, a transaction price would be equal to some €43,263,000.00.

Yield Profile

Discounted rate 1 (Building A and B) (in the period of the in force lease contracts)	5.50%
Discounted rate 2 (Building A and B) (in the period of re-lease and disposal)	7.55%
Net Cap rate (Building A and B)	5.25%
Gross Initial Yield (Building A)	8.40%
Net Initial Yield (Building A)	7.35%
Gross Exit Yield (Building A)	6.16%
Gross Initial Yield (Building B)	8.09%
Net Initial Yield (Building B)	7.06%
Gross Exit yield (Building B)	6.15%

Key Issues

We would comment as follows on the key strengths and weaknesses of the Property.

Strengths

- Grade A office building that, once refurbished, will offer flexible layout, modern and efficient open spaces, floating floor, suspended ceilings, lifts and good heating comfort;
- Good availability of covered and uncovered parking spaces;
- Excellent accessibility by private and public transport;
- Good visibility;
- Office spaces with high level of natural lighting;
- Regular and flexible floor layout also for a multi-tenant scenario;

Weakness and Mitigating Factors

- The micro location is a secondary business district;
- Wide size for the local market request;
- Limited remaining lease period;
- Potential long leasing time to release the spaces once vacated the spaces by BNL.

This executive summary should be read in conjunction with the valuation report and should not be relied upon in isolation. It is provided subject to the assumptions, disclaimers and limitations detailed both throughout this report. This valuation is for the use only of the party to whom it is addressed (the Client or Addressee) and for no other purpose than that stated herein. Reliance on this report is conditional upon the reader's acknowledgement and understanding of these statements. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

PART II

VALUATION REPORT

CBRE

VALUATION REPORT

Report Date	31 January 2021
Addressee (or Client)	**20123 Milano SIINQ I** Piazza Gae Aulenti, 12 20154 Milano (MI) – Italy For the attention of: **Mr Emiliano Mancuso**
The Property	Office property including two buildings, A and B.
Property Description	Property including two separate Class A buildings called "Building A" and "Building B" recently constructed (2007), located in the north/eastern area of Milan, near Piazza Udine. Building A is arranged over ground floor, 6 floors above ground and 2 basement levels. Building B is arranged over ground floor, 7 floors above ground and 2 basement levels. The basement levels house 200 parking spaces, the external area at ground floor counts some 30 uncovered parking spaces.
Ownership Purpose	Investment
Instruction	To value the unencumbered Freehold interest in the Property on the basis of Fair Value (corresponding to the Market Value in accordance with IFRS 13) as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee dated 28 April 2020 (ref. no. 103/20) and accepted on 5 June 2020.
Valuation Date	31 December 2021
Capacity of Valuer	External Valuer, as defined in the current version of the RICS Valuation – Global Standards.
Purpose	Financial information (to be included in the financial report of the company).
Fair Value in accordance with IFRS 13	Fair Value in accordance with IFRS 13 as at 30 June 2021: **€41,800,000.00 (EURO FOURTY ONE MILLION EIGHT HUNDRED THOUSAND /00)** exclusive of V.A.T, split up as follows: Building A: € 20,100,000.00 (Euro Twenty Million One Hundred Thousand/00) exclusive of V.A.T. Building B: 21,700,000.00 (Euro Twenty One Million Seven Hundred Thousand/00) exclusive of V.A.T
Service Agreement	Our opinion of value is based upon the Scope of Work and Valuation Assumptions attached.
Market Conditions	The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, continues to affect economies and real estate markets globally. Nevertheless, as at the valuation date, property markets are mostly functioning again, with transaction volumes and

other relevant evidence at levels where enough market evidence exists upon which to base opinions of value. Accordingly – and for the avoidance of doubt – our valuation is not reported as being subject to 'material valuation uncertainty', as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

This explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, we highlight the importance of the valuation date.

In the case of development valuations, we would draw your attention to the fact that, even in normal market conditions, the residual method of valuation is very sensitive to changes in key inputs, with small changes in variables (such as the timing of the development, finance/construction costs and sales rates) having a disproportionate effect on land value. Consequently, in the current market conditions – with the potential for cost volatility, supply and timing issues, fluctuating finance rates, liquidity issues and reduced transactional volumes – it is inevitable that there is even greater uncertainty, with site values being susceptible to much more variance than normal. This is illustrated by the Sensitivity Analysis in the attached property report.

In Italy since the 23rd February 2020, the Government took immediate actions (ref. DPCM 23rd February 2020 and subsequent) to tackle the spread of Coronavirus, including home quarantine and other restrictions. The activities against Coronavirus carried out by the Italian Government are resumed with new ordinances starting from the Prime Ministerial Decree (DPCM) dated October 18th, 2020 (and subsequent).

Rental Income

The valuation we have provided reflects the rental income as at the date of valuation, as set out within this report, which you have confirmed to be correct and comprehensive. It also reflects any issues concerning the anticipated cash-flow that you have advised us of, as set out within this report. Given the uncertainties relating to the Covid-19 virus and the current restrictions on business activities, it is possible that there will be significant rental defaults and/or insolvencies leading to voids and a resulting shortfall in rental income. Should this occur, there will be a negative impact on the value of the subject property.

Special Assumptions

None

Compliance with Valuation Standards

The Valuation has been prepared in accordance with the version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) (the Red Book) current as at the valuation date.

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.

Assumptions

The Property 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 Red Book.

Independence

The total fees, including the fee for this assignment, earned by CBRE Valuation S.p.A. from the Addressee is less than 5.0% of the total Italy revenues.

Previous Involvement & Conflict of Interests

We confirm that on your behalf we have valued all properties until 31.12.2019, on a half-yearly basis and that this instruction is a renewal of the previous agreement with you.

We confirm, as you are aware, that CBRE Capital Markets, part of CBRE S.p.A., has previously assisted you for the potential disposal of the complex owned by Coima Res SIINQ.

We have disclosed the relevant facts concerning a conflict of interest to you and the other clients involved, and have received everyone's written, informed consent that it is in order for us to carry out your valuation instruction and that the conflict can be resolved and managed as the companies CBRE S.p.A. and CBRE Valuation S.p.A. adopt a system of Information Barriers based on the user's profile by reason of the belonging business line (and so of the company) in order to guarantee data protection and confidentiality ("Chinese Wall").

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

Disclosure

CBRE Valuation S.p.A. has carried out Valuation services only on behalf of the addressee for between 5 and 9 years.

Reliance

This report is for the use only of the following parties:

(i) the addressee of the Report; and

(ii) the Parties which have received the written consent by CBRE through 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.

Yours faithfully

Davide Cattarin
Managing Director

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

+39 02 9974 6933
davide.cattarin@cbre.com

CBRE Valuation S.p.A.
Valuation & Advisory Services
Piazza degli Affari 2
20123 Milan
Project reference: 21-64VAL-0201

Yours faithfully

Doris Mininni
Senior Surveyor

In nome e per conto di
CBRE Valuation S.p.A.

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SCHEDULE OF VALUES

Address	TOTAL Market Value
Building A, Milano, Via Privata Deruta, 19	20,100,000.00
Building A, Milano, Via Privata Deruta, 19	21,700,000.00
TOTAL	**41,800,000.00**

SOURCES OF INFORMATION AND SCOPE OF WORKS

Sources of Information

The present report is an update of the valuation carried out by CBRE VALUATION S.p.A. as at 31/12/2020 based upon information received and the documentation supplied to us by the Client as set out within this report, which we have assumed to be correct and comprehensive.

- Updated Rent roll;
- Lease termination notice – Building A;
- Lease termination notice – Building B;
- Surfaces;
- Capex plan;
- Property Taxes;
- Buildings' insurance.

The Property

Our report contains a brief summary of the Property details on which our Valuation has been based.

Inspection

As instructed, we have annually internally inspected the property and last inspection was carried out on 08/06/2021 by Bortignon Michela.

For the present half-yearly update, the Client has confirmed that he is not aware of any material changes to the physical attributes of the Property, or the nature of its location, since the last inspection. We have assumed this advice to be correct.

Areas

We have not measured the Property but have relied upon the floor areas provided to us by the Client, which we have assumed to be correct and comprehensive, and which you have advised us have been calculated using the most common Italian market praxis.

Environmental Matters

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.

Services and Amenities

We understand that all main services including water, drainage, electricity and telephone are available to the Properties. None of the services have been tested by us.

Repair and Condition

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.

Town Planning

We have made verbal Planning enquiries only of the Milan Council Planning Department and consulted the website.

We therefore cannot take responsibility for eventual consequences deriving from incorrect and/or missing information.

Titles, Tenures and Lettings

Details of title/tenure under which the Properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title [including relevant deeds, leases and planning consents] is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Capital Values

The Valuation has been prepared on the basis of "Fair Value" [in accordance with the International Financial Reporting Standard [IFRS] 13], which defined 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.*"

"Fair Value", for the purpose of financial reporting under IFRS 13, is effectively the same as "Market Value", which is defined as:

"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 Valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Unless stated otherwise rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent in the Red Book, which is as follows:

"*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.*".

The Property

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our Valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our Valuations.

All measurements, areas and ages quoted in our report are approximate.

Environmental Matters

In the absence of any information to the contrary, we have assumed that:

[a] the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law;

[b] any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities;

[c] the Properties possess current the energy performance certificates [APE - Attestato di Prestazione Energetica or equivalent] as required under government directives;

[d] the Properties are either not subject to flooding risk or, if they are, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value.

[e] the Properties are not subject to any seismic risk or if it is, possesses building characteristics in line with the relevant legislation. In addition, an appropriate insurance policy could be obtained without such affecting the Value Assumptions considered within this report.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

[a] there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties;

[b] the Properties are free from rot, infestation, structural or latent defect;

[c] no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of, or subsequent alterations or additions to, the Properties; and

[d] the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the Property details do not purport to express an opinion about, or advice upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Lettings, Planning, Taxation and Statutory & Local Authority requirements

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

[a] the Properties possesses a good and marketable title free from any onerous or hampering restrictions or conditions;

[b] the buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;

[c] the Properties are not adversely affected by town planning or road proposals;

[d] the buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;

[e] only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Properties to comply with the provisions of the relevant disability discrimination legislation;

[f] there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

[g] tenants will meet their obligations under their leases;

[h] there are no user restrictions or other restrictive covenants in leases which would adversely affect value;

[i] where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required;

[j] vacant possession can be given of all accommodation which is unlet or is let on a service occupancy; and

[k] in Italy, it is common and often advantageous from a fiscal standpoint for transfers of real estate to take place via transfers of the capital of real estate companies [so-called share deal as opposed to asset deal]: the taxation level applied cannot be standardized, but must be evaluated on a case-by-case basis. In order to define the Total Purchase Price, the purchaser's costs or acquisition fees [i.e. technical and legal fees, stamp duty, agent fees, etc.], as at the Valuation Date should be added. All rents and capital values, costs and other figures stated in this report are exclusive of V.A.T.

PRAXI S.p.A. - ORGANIZZAZIONE e CONSULENZA
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ORGANIZZAZIONE - INFORMATICA - VALUTAZIONI e ADVISORY - RISORSE UMANE

Esteemed

COIMA SGR

Piazza Gae Aulenti, 12,

20154 MILANO

Milan, 31 December 2021

Our Ref. SV/val 21.6703

Following the assignment entrusted to us, on 15 November 2018, by COIMA SGR**,** which manages the Real Estate Fund **"Fondo Feltrinelli Porta Volta",** and in accordance with the provisions of the Bank of Italy Regulation of 19/1/2015, as amended, Title V - Chapter IV - Section II - Paragraph 2.5 (Real estate) and 4 (Independent Valuer), the Ministerial Decree 30 of 5/3/2015 (Art. 16, as provided by the 2019 Budget Law)), Praxi S.p.A. performed, as the Independent Valuer, the assessment of the Market Value of real estate assets of **"Fondo Feltrinelli Porta Volta"** for budgetary purposes, with the reference date of **December 31th, 2021**.

Our assessment activities and this appraisal report comply with the IVS – International Valuation Standards –2020 edition and RICS Valuation – Global Standards 2020 ("Red Book"). PRAXI Real Estate is a Valuation Firm "regulated by RICS" [Firm n° 710985].

PRAXI has carried out this assessment being an External Independent Valuer, as defined by the Red Book. PRAXI is not in conflict of interest with respect to the Client, to the other Subjects involved or the property under valuation.

REAL ESTATE PORTFOLIO

The fund's portfolio consists of the following property:

- **Milan (Italy), Viale Pasubio, 13, with office and commercial use**

Subject to the valuation are the buildings, including pertaining building systems (power, heating, sewing, etc.) and land. While movable assets, documents, archives and, in general, what is contained within the building in question are excluded from the valuation.

Our Ref.: SV/val 21.6703 on 31/12/2021

BASIS OF VALUE AND APPRAISAL CRITERIA

Scope of the valuation is to determine the Market Value (MV) of the subject properties.

According to the definition provided in IVS – International Valuation Standards and in RICS Valuation – Global Standards ("Red Book") "Market Value" is "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." (IVS 2020 – IVS 104 Section 30.1; RICS Red Book 2020 – VPS4 4).

In relation to the characteristics, current destination and potential uses of each property, the following approaches have been used to calculate the Market Value:

– **discounted cash flow (DCF) method**

  The Value of the property stems from discounting the cash flow that will be generated by the rent contracts and /or by the earnings from sales, net of the relevant costs of the property; the process makes use of an appropriate discounting rate, which analytically takes into account the risks that are characteristic of the property in question.

  The appraisal considered the properties "as is", that is to say in the conditions they were in at the appraisal reference date, and taking account of the leases in place, from the point of view of the adequacy of the fees compared to market rents, the period of residual validity of contracts, of the relevant clauses (right of withdrawal from responsibility for maintenance, etc..), the degree of reliability of the tenants and the risk of vacancy.

  Our activity was done in compliance with current regulations and according to best international appraisal practices, both in terms of valuation criteria and working methodology.

SOURCE OF THE DATA USED IN THE APPRAISAL

In general, the appraisal was based on the technical data provided by client, which was taken as being correct, reliable and fully updated. Specifically, from the documentation provided by the Client we have taken the data relating to:

- Gross surfaces of the property (provided on the previous half-yearly report);
- Cadastral data;
- Plans;

- Town Planning Regulation data;
- Lease contracts;
- Rent roll (surfaces, contracts and special clauses or limitations);
- IMU property tax;

In particular, we derived from the documents provided us and from the direct comparison with the Fund Managers, the data regarding:

- Building surface;
- Current lease contracts (real estate units concerned, rents, deadlines, renewal options and/or early termination, etc.);
- Planned extraordinary maintenance interventions or renovation works

Instead, the data, derived from our self-analysis and survey, are related to:

- Market values and rents, according to the different uses and relevant locations;
- Final sales price, construction time and absorption on the market, relating to the different uses expected in the renovation/transformation projects;
- Landlord costs regarding property management, extraordinary maintenance allowance, registration tax on leases, commissions on rents and sales;
- Cap rates and discount rates.

VALUATION APPROACHES

DISCOUNTED CASH FLOW (DCF) METHOD

Income-generating properties are those properties able to generate for the owner a rental income, without the need for substantial structural works on the buildings and without any change of destination of usage.

The property income is estimated by discounting the net cash flow generated by the current and prospective lease contracts. For the majority of the assets, the final sale price (terminal value) was determined by projecting the market rent at the end of the period; using a going-out cap rate which incorporates an adequate spread in order to take account of the intrinsic risk of long-term projections.

The **rental income** were deducted from the lease contracts (passing rents) if existing, and from our specific market analysis in the area and per specific typologies.

For vacant units, and all units whose leases will expire during the term of the cash-flow investment, the time needed to set up the same income was taken into account; at market conditions (commercialization, periods of "vacancy" and "step-up" at the start of contracts, related to time restyling, etc.).

The **landlord costs:** (IMU – municipal tax on real estate properties, insurance, property management, allowance for extraordinary maintenance work, stamp duty, commissions on sales and lease contracts) were given directly by the Client or determined by an analytical method based on the information provided by the owner, or independently deduced by ourselves; with reference to market standards and our experience with similar properties.

The **duration of the investment cash flow** was determined by reference to the number of years of a lease for a different use, usually 6 + 6 and to the time needed, at the expiry of the contract, to lead the new fully operational contract rent, after renegotiation / negotiation of a contract with the same market conditions. Then the selling of the property to an "ordinary" investor, at the time of the rental income maximization and, consequently, the final selling price.

It should be noted that the duration of the cash-flow assumed on the basis of the property appraisal is not influenced, nor it is conditional to the SGR’s investment choices and decisions. Which may or may not correspond with those of the “ordinary” investor; for this reason, it is possible that some of the parameters and assumptions in this appraisal could, in principle, vary from what is contained in the Fund’s business plan.

Our Ref.: SV/val 21.6703 on 31/12/2021

MACROECONOMIC AND REAL ESTATE VARIABLES

The cash flow is expressed in current currency, and therefore incorporates a forecast of inflation (for the indexation of costs) and real estate market trends (for the indexation of revenues).

The inflation trend is derived from the forecasts published in the April 2021 issue of Consensus Forecast, published by Consensus Economics (one of the world's leading economic and financial research centres - www.consensuseconomics.com).

The table below summarizes the forecasts for the performance of the main macroeconomic variables in Italy over the next ten years.

Italy

* % change over previous year	Historical					Consensus Forecasts					
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027-31[1]
Gross Domestic Product*	1.7	0.9	0.4	-8.9	5.9	4.3	2.0	1.5	1.0	0.8	0.5
Household Consumption*	1.5	0.9	0.2	-10.7	4.8	5.1	2.2	1.2	0.9	0.7	0.7
Gross Fixed Investment*	3.2	3.1	0.7	-9.2	15.2	6.2	3.6	2.8	2.0	0.9	0.3
Industrial Production*	3.6	0.9	-1.1	-11.4	11.0	3.5	2.2	1.7	1.3	1.2	0.9
Consumer Prices*	1.2	1.2	0.6	-0.2	1.7	1.7	1.3	1.4	1.6	1.8	1.9
Current Account Balance (Euro bn)	44.8	44.5	57.4	58.6	55.3	52.0	53.1	51.6	54.1	54.0	50.3
10 Year Treasury Bond Yield, %[2]	1.9	2.8	1.4	0.5	0.9 [3]	1.2 [4]	1.8	2.1	2.4	2.8	3.1

As far as the inflation trend is concerned, in the first two years (four semesters) of the DCF, the precise data indicated by Consensus Forecast was used, while for the remaining period the average of the expected values was considered, thus reaching the following result:

Trend inflazione 1^ semestre	0,85%		
Trend inflazione 2^ semestre	0,85%		
Trend inflazione 3^ semestre	0,65%		
Trend inflazione 4^ semestre	0,65%		
Trend inflazione dal 5^ semestre in poi	0,90%	**1,80%**	**annuo**

The trend in the real estate market was determined separately for the first two years of cash flow and for the following period. For the first two years, the estimate of the trend is of the punctual type, while for the following period, it has been assumed to be in line with that of inflation, and therefore reference has been made to the Consensus Forecast forecasts mentioned above. These measures were adopted based on the projections on the Italian market, even in the short term; do not represent a sufficiently stable and verifiable source of information.

Trend mercato immobiliare 1^ semestre	0,25%		
Trend mercato immobiliare 2^ semestre	0,25%		
Trend mercato immobiliare 3^ semestre	0,60%		
Trend mercato immobiliare 4^ semestre	0,60%		
Trend mercato immobiliare dal 5^ semestre in poi	0,90%	**1,80%**	**annuo**

In addition, forecasts have also been made for the determination of the potential return on invested capital (equity) regarding the performance of long-term government securities (risk free return) and the EurIRS (the basis for determining the cost of long-term debt).

The return on 10-year government bonds was also derived from Consensus Forecast, and is 0.90% for 2021 (October 2021 forecast).

Italy											
	Historical					Consensus Forecasts					
* % change over previous year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027-31[1]
Gross Domestic Product*	1.7	0.9	0.4	-8.9	5.9	4.3	2.0	1.5	1.0	0.8	0.5
Household Consumption*	1.5	0.9	0.2	-10.7	4.8	5.1	2.2	1.2	0.9	0.7	0.7
Gross Fixed Investment*	3.2	3.1	0.7	-9.2	15.2	6.2	3.6	2.8	2.0	0.9	0.3
Industrial Production*	3.6	0.9	-1.1	-11.4	11.0	3.5	2.2	1.7	1.3	1.2	0.9
Consumer Prices*	1.2	1.2	0.6	-0.2	1.7	1.7	1.3	1.4	1.6	1.8	1.9
Current Account Balance (Euro bn)	44.8	44.5	57.4	58.6	55.3	52.0	53.1	51.6	54.1	54.0	50.3
10 Year Treasury Bond Yield, %[2]	1.9	2.8	1.4	0.5	0.9 [3]	1.2 [4]	1.8	2.1	2.4	2.8	3.1

The trend of the EurIRS has been assumed equivalent to the average of the values of the last twelve months, recorded by the specialized press, and is equal to 0.18% per year:

Trend EurIRS ultimi 12 mesi

ott-20	-0,05
nov-20	-0,03
dic-20	-0,07
gen-21	-0,02
feb-21	0,18
mar-21	0,30
apr-21	0,36
mag-21	0,42
giu-21	0,37
lug-21	0,26
ago-21	0,16
set-21	0,31

media EurIRS
0,18

CAPITALISATION AND DISCOUNT RATES

As indicated above, in the valuations done using the DCF method (both in the case of income-generating properties, trade related properties and properties suitable for transformation) appropriate capitalization and discount rates were used, which were determined according to the criteria set out below.

General considerations regarding rates

The **capitalization rate** corresponds to the relationship that exists on the market between the rent and the value of a specific property.

In the Italian context, reference is usually made to the gross return (the so-called *cash on cash return*); in other words, the landlord costs (property taxes, insurance, property management, etc.) are not deducted from the rental income.

In any case, as this is a measurement that represents the return on an investment, the capitalization rate implicitly takes into account the risk on the investment of the property in question, or at least the average risk grade of the market cluster that the property itself belongs to.

The **discount rate** is the mathematical variable used to determine the “equivalent value”, at a specific date, of a financial amount that is generated at a different moment in time.

In the case of property investments/developments, this rate is used to determine the actual value of the costs and income expected during the course of the investment/development itself.

The discount rate is used to report at the present time the future cash flows expected to be generated from investment property or transaction in real estate development, and it entails two basic components: the return on an alternative investment with no risk (typically assumed to be equal to the average yield on government bonds with a maturity homogeneous with respect to the time horizon of reference) and the risk reward its operation (the premium linked to the possibility that the investor does not receive the expected flow on the date applicable). The risk is the potential that an event occurs unpredictably, meaning any event a significant change in the results than expected.

The discount rate takes into account the specific risk of the investment (in addition to the macro-economic and financial variables), and therefore differs case by case, in relation to the nature, location, size, etc. of the property in question.

For all practical purposes, there is a direct relationship between the two rates; so much so that (with other variables being equal and on condition that both processes are correctly developed), the Market Value of a property calculated by using the direct capitalization method or the DCF method should be the same.

The differentiation factors are essentially two:

- As already mentioned, in the Italian practice the capitalization rate is referred to gross rental income, while the discount rate is applied to a cash flow from which the "real cost" borne by the property is deducted from the gross rental income (which, on the basis of data collected in our database, currently correspond on average to the 12% of the gross rent);
- the capitalization procedure takes into consideration a constant perpetuity (and thus is "net" of the future trend of the real estate market), while in DCF costs and revenues that contribute to determining the cash flows are indexed on the basis of expected inflation trend and the market.

Market Returns

In theory, in the case of income-generating property, the performance of an investment property implicitly incorporates two factors:

- the risk-free component
- Portion of written premiums in property investment specific risk in question.

It should be duly noted that in the valuation approach adopted by Praxi, real performance is obtained directly from a market survey, covering the whole national territory and referring to the main real estate typologies: traditional offices and shops; hospitality; retail; leisure and entertainment; logistics and production.

For each type, the oscillation range of the gross yield is determined, with reference to a best case and a worst case; specifically on this valuation, the range of performance is as follows:

	Cap rate
Office	4,40%
(office, urban retail store)	8,00%

TROPHY ASSET	3,60%
(office, primary standing store)	5,90%

Within that range, the rate of capitalization of the property in question is determined on the basis of its situation and specific condition, with reference to:

- the rental situation (quality and number of tenants, rental contracts conditions and clauses, vacancy risk)
- extrinsic factors (effectiveness of the localization, at national and local level, and market trends)
- Intrinsic factors (quality and state of maintenance, interchangeability, flexibility, dimensional cut).

From gross yields (cap rates), we derive the range of the discount rate to be used in the income-generating property DCF, taking into account the incidence of the costs of the property and the real estate market trend forecasting. The precise positioning within that sector range depends on the specific risk factors of the individual property.

From the foregoing, it is evident that our approach does not adopt a WACC methodology for the determination of the DCF discount rate.

It is still possible to trace back the invested equity remuneration, on the basis of leverage and the cost of financing a standard real estate investment that we found from the market.

The result of this calculation is shown backwards in the development of the valuation of individual properties, just below the "speedometer", which visually shows the degree of risk attached to the property being valued, than the range of the real estate segment which the property itself it belongs.

Investor profit

It should be noted that, in compliance with international valuation standards and according to the best practices that have now also become common in the Italian market, our valuation approach considers the return on the capital invested in the development within the discount rate. The expected remuneration for the equity corresponds to the internal rate of return (IRR) for the investor, while the overall rate (that derives from the weighted average between the remuneration for the equity and the cost of the debt) corresponds to the investment IRR.

DCF's Length

Our DCF model for the estimation of the income-generating properties Market Value provides a standard term of 15 years, six scanned. This period allows to include the entire cycle of an ordinary lease (6 + 6 years), plus any vacancy rates and development income, and thus, in general terms, allows the standardization of the rental income stream to determinate the terminal value for direct capitalization, using the fees of the last period and the going out cap rate above.

Indicators

For rental properties, there are reported in the "DCF" sheet of the evaluation attached some significant development indicators, in addition to the Market Value and the vacancy rate, useful to the synthetic interpretation of evaluation results:

- Current rent, which corresponds to the annual rent generated by the amount of leases in place;
- Current yield, which represents the profitability of the lease contracts, compared to the Market Value;
- Market Rent, which is the total market rent, according to the parameters determined from the estimation, just for the contracts which have their deadline during the DCF time span;
- Market return, which correspond to the cap rate of the property
- Capex, which covers the total amount of the initial interventions of restoration / renovation foreseen, charged to the property, including investments programmed over the years by the property itself.
- Reversionary yield (the ratio between Market Rent and Market Value, plus any initial capex defined by estimation), which corresponds to the yield theoretically obtainable by an investor which acquires the property at a price equal to the estimated value, who get to put it entirely to income, with estimated Market Rent terms.

SPECIFICATIONS AND ASSUMPTIONS

For developing the estimation we had determine the property's commercial surface, attributing to the different types of surface a representative weighting of their real estate value. In particular, the accessory spaces have been virtualized in proportion both to their location/consistency/quantity within the property and to the surfaces and destinations of the main spaces as well as to the parameters assigned to them.

It is highlighted that in the DCF model we adopted some assumptions to take into account the inflation trend and the market trend in an analytical way and referring to the entire period (15 years). Therefore, the slight gap that can be observed with a more punctual analysis on the half-year period has to be considered as an intrinsic approximation of the model, with no significant effect on the valuation of the asset.

WORKING METHODOLOGY

The real estate portfolio was covered by specific site inspections (10/12/2020), with the aim to observe the general characteristics and understand the urban context in which the assets are located. At the same time we carried out specific market research in the areas concerned and for the concerned building typologies, involving brokers and real estate operators with any confidentiality and verifying, when possible, even cases of recent transactions (such information integrated and updated the database on real estate market already held by our Company).

In support to the assessment, we have assumed the technical documentation given to us by the property, from which, in particular, we deduced the surfaces, the cadastral identifications and the destinations of use, to be true and reliable, without making any further verification.

Lastly, we assumed that the real estate consistency, provided by the SGR, substantially correspond to IPMS 1 (Gross External Area / Gross External Surface) as, internationally defined.

LIMITATION OF SURVEY AND LIABILITY

It should be noted that no verification about the ownership title was carried out, nor was the existence of possible rights or encumbrances on the valued assets inquired. The assessment assumes that the assets are fully compliant with the ongoing legislation and regulations, in particular as regards to the building codes standard, safety and fire prevention.

We did not consider any environmental liabilities imposed on the properties, which means those costs to be incurred both to avoid environmental damage and to recover non-compliant situations with the provisions of current regulations.

CHANGES COMPARED TO THE PREVIOUS VALUATION

The main changes compared to the previous valuation are shown below.

Changes in the subject of the appraisal

At 31/12/2021 compared to 30/09/2021, there were no changes in the subject of the estimate. Minor extraordinary maintenance work or internal changes of little relevance to the valuation were carried out.

Changes in legal, regulatory and contractual nature

During the half year 30/09/2021– 31/12/2021 no contractual changes have occurred that have changed the rental status of the assets.

Changes of estimation matters

The costs related to the planning fees for the completion of urbanization works outside the complex have been updated and are equal to € 700.000, according to the provided documentation.

Our Ref.: SV/val 21.6703 on 31/12/2021

IMPACT OF COVID-19 PANDEMIC ON REAL ESTATE MARKET

It is well known that the outbreak of COVID-19 virus is still having a strong impact on global markets.

Despite the start of vaccine campaigns on global scale and the economic stimulus promoted by governments, the outlook is still uncertain and a good number of economical sectors are still suffering severe consequences; in the real estate market it is observed an intensification of previous trends (such as the crisis of traditional retail activities, as the effect of the e-commerce boom), and the rise of new trends, some of them not clearly defined yet (as the *smart working* rise), which are leading to more uncertainty and doubt in the corporate market. On the other hand, some sectors have taken advantage from the situation: among them, logistics and the housing market, which is evolving thanks to the interest of institutional investors and the developments of innovative formats, dedicated to specific targets of users (senior housing, student housing, etc.)

In Italy, the gap between prime and secondary segments of the real estate market has widened. Prime assets are still the main focus of international investors and they are maintaining their real estate prices, rents and yields roughly at the same level, while the rest of the market is suffering scarcety of potential buyers, with a smaller number of transactions and the difficulty of keeping real estate values at the same level.

Since it is not possible yet to forecast when the global context and local one as well will be more stable, it is suggested to frequently monitor the trend of real estate values.

WORKING TEAM

This appraisal was coordinated and supervised by:

- Antonio GAMBA (Legal Representative of Praxi S.p.A., a Registered Professional Engineer in Milan n° 8913 dal 1966) *Project Coordinator*;
- Massimo MAESTRI MRICS (n° 1279512 dal 2008) - *Technical Manager of the project*;
- Salvatore Versaci MRICS (n° 5632881 dal 2013) - *Senior Valuer;*
- PRAXI Real Estate Study Centre.

Documents have been edited by the back-office team of the PRAXI's Milan headquarter.

Our Ref.: SV/val 21.6703 on 31/12/2021

CONCLUSIONS

Based on what has been set out above, it is our opinion that the Market Value of the properties held by the FELTRINELLI FUND, in the current conditions of use and availability, at the reference date of 31 December 2021, is equal to:

€ 102.080.000,00 (euro onehundredandtwomillioneightythousand /00)

In accordance with valuation international standards, the final Value are expressed net of cost (including tax) related to the eventual sale and purchase of the estimated property. As an indication, we evaluate the incidence of these costs at around 3% on net market values. Therefore, the gross Market Value considering these costs is equal to € 105.140.000,00.

In the individual appraisal reports, we describe the properties and the adopted valuation procedures.

This report is signed by Antonio Gamba as the legal representative of PRAXI S.p.A. and Massimo Maestri as the Technical Manager of the valuation; it states that both signatories are meeting the requirements prescribed by paragraph 2 of art. 16 of the Ministerial Decree 30/2015.

Please do not hesitate to contact us should you require any further explanations. Best regards

Praxi S.p.A.

Technical Manager

Massimo Maestri MRICS

Registered Valuer

The Royal Institution of Chartered Surveyors
RICS
Massimo Maestri
MRICS
Membership n° 1279512

Praxi S.p.A.

Legal Representative

Antonio Gamba

Albo Ingegneri della Provincia di Milano
Ing. Antonio Gamba
Iscrizione N.° 8913

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ADVISORY GROUP

COIMA S.G.R. S.p.A

DECEMBER 31st, 2021

Institutional Closed-end Alternative Investment Fund

"COIMA CORE FUND VI"

EXECUTIVE SUMMARY

Market Value

AZIENDA CON SISTEMA
DI GESTIONE QUALITÀ
CERTIFICATO DA DNV GL
= ISO 9001 =

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REAL ESTATE
ADVISORY GROUP

Agrate B.za, December 31st,2021

Rif. n. 21926R07

Messrs

COIMA SGR S.p.A.

Piazza Gae Aulenti, 12

20154 MILANO

To the kind attention of Mr Antonio Del Buono

Object: **Determination of the Fair Market Value of Real Estate Properties included in Institutional Closed-end Alternative Investment Fund, called "COIMA CORE FUND VI", as of December 31st,2021 – EXECUTIVE SUMMARY**

Dear Sirs,

in compliance with Your request, **KROLL Advisory S.p.A.** (hereinafter **REAG**) carried out the valuation of the real estate assets in which the patrimony of the Institutional Closed-end Alternative Investment Fund called "COIMA CORE FUND VI" is invested, in order to determine the Market Value as of December 31st,2021.

The valuation will be used for a patrimonial verification, in compliance with the Italian law governing the Asset Management companies (Decree of Ministry of Economic Affairs and Finance no. 30 dated 5 March 2015 and the Provision of Banca d'Italia dated 19 January 2015 "Regolamento sulla gestione collettiva del Risparmio", Item V, Article IV, Section II, as well as the Assogestioni guidelines of May 2010 and joint communication of Consob and Banca d'Italia dated 29 July 2010 and subseq. amend. and suppl.

KROLL Advisory S.p.A.

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ASSET UNDER ANALYSIS

The real estate portfolio belonging to the "COIMA CORE FUND VI" consists of:

- ✓A single building, located in the CBD of Milano, intended for office use (Gioia 8) and hotel use (Gioia 6).

Please refer to the individual evaluation reports attached for the characteristics of each asset.

In the second half of 2018 the Fund proceeded with the disposal of the building located in Rome, Piazzale Sturzo.

Definitions

In this Executive Summary, the corresponding definition is to be applied to the terms listed below, unless otherwise indicated in the ES itself.

"Real Estate Property": represents the following assets subject to being appraised: land, buildings, building systems and land improvements. Personal property and intangible assets shall be excluded from the appraisal.

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).

"Gross area" measured along the external edge of the perimeter walls of the building, to the centre line of the confining walls towards Third Parties, it is expressed in square meters.

"Commercial area" the gross area with the exclusion of technical rooms, facilities, cellars, stairwells and/or lift shafts.

Valuation criteria

During the appraisal, REAG 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:

a) on the calculation of future net incomes derived from Property renting for a period of “n.” years;

b) 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;

c) on the discounted back net incomes (cash flow) as of the evaluation date.

REAG determined Market Value in order to its highest and best use. The highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

In determining the Value of the Property, the criteria and methods of evaluation conformed to the general directives issued by the Banca d’Italia.

In addition, REAG:

- according with the Client, carried out a site inspection during December 2021;
- conducted the valuations basing on the data provided by the Client;
- analysed the conditions of the local real estate market, taking the economic data related thereto into consideration and adapting it to the specific features of the properties by means of appropriate statistical work-ups;
- considered the building areas relating to the properties (gross area divided by intended use) provided by the Client and not verified by REAG;

- verified the city-planning situation of the properties, based on the documentation supplied by the Client and by conducting specific checks on the Milano and Rome Municipality websites (city-planning section);
- did not investigate the title to or any liabilities against the real estate property but shall rely on the infor-mation provided by the Client. REAG neither investigated nor assumed any responsibility with regards to any right or encumbrance of the property under appraisal.
- did not verify permits, building licenses or assessments, but considered the property as conforming to existing regulations;
- did not be consider Environmental liabilities are the costs which may be incurred to avoid environmental damages or to modify situations which do not comply with ongoing regulations.

<u>**Contents of the Report**</u>

The report includes:

"Volume 0" including the final report on the conclusions reached by REAG, comprises the conclusion reached, Valuation considerations and criteria, assumptions and limiting conditions and General Service conditions.

The **"Volume 1"**, related to the analysis and the valuation of each real estate property and consists of the following paragraphs:

- ID data; surrounding area; property description; town planning situation; real estate market; area chart;
- Attachments: Valuation chart.

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Conclusions

The value conclusions concerning the valuation Report were treated by REAG on the basis of the results obtained upon completion of all of the following operations:

- collection, selection, analysis and valuation of the data and documents pertaining to the Property;
- carrying out appropriate market surveys;
- technical-financial work-ups;
- collection, selection, analysis of the "Market / Rent Comparables"

as well as on the basis of the evaluative methods and principles indicated previously.

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<u>*Based on the investigation and the premises outlined*</u>

Based on the investigation, and the premises outlined, it is our opinion that as of December 31st, 2021, the Market Value of the Real Estate Property constituting the Institutional Closed-end Alternative Investment Fund called "COIMA CORE FUND VI" can be reasonably expressed as follows:

Counter	ASSET	MARKET VALUE (Euro) 31/12/2021
1	MILANO VIA M. GIOIA 6/8 OFFICE	**55.500.000,00**
2	MILANO VIA M. GIOIA 6/8 NH HOTEL VERDI	**28.800.000,00**
	TOTAL	**84.300.000,00**

In line with practice in the Italian real estate market - which assumes the non-neutrality of taxation and transaction costs according to the different types of third-party purchaser (companies, bodies, organizations, etc.) - the market value was determined net of taxation and transaction costs. Assuming that the market value determined for the assets concerned by the valuation corresponds to the price agreed upon by the parties to the sale and that the incidence of transaction costs is assumed to be 3% of said price, the third party purchaser would pay a total purchase price of 86.800.000 euro.

The COVID-19 pandemic continues to have a global impact on world economies, although the year 2021 has seen a significant recovery, which, nationally, has resulted in a forecast a 6% recovery of the GDP for 2021 (against a drop of 8.9% in 2020). Over the course of 2021, a slowdown of the epidemic was witnessed, as the vaccination campaign progressed; the situation described was accompanied by a gradual relaxation of restrictions in the Spring of 2021, in addition to the introduction of the obligation of a "green pass", starting from August, as a condition to be able to carry out various types of activities.
The situation has improved considerably compared to past months, although there is still uncertainty linked to the duration of the vaccine effectiveness over time and the ever-present risk of the development of new, more transmissible and resistant variants of the Coronavirus. All the above being understood, the actual absence of restrictions and the contribution of the Recovery Fund "Next Generation EU", in addition to putting into effect measures for motivating the economy, sketch out a very positive picture for the Italian economy, with effects also expected on the real estate market and in the construction sector.
At the valuation date, real estate markets are again active in most of the asset classes, with a volume of transactions sufficient to support carrying out the valuation by means of market evidence. Market dynamics vary based on the specific sector and particular location.
To avoid misunderstandings, this explanatory note was introduced to guarantee the necessary transparency and supply further information about the market context, in which our value opinion was drawn up. By observing the volatile trend of markets and the still-clear effects of the pandemic on the real estate market, too, it is deemed timely to cautiously consider the conditions of uncertainty, even in a scenario of regained, post-pandemic normality of economic and production activities.
In view of the continuation of the pandemic and the readjustment of different markets, including the real estate market, the value judgment expressed does not reflect a «substantial uncertainty» (Material Valuation Uncertainty), as defined by the VPS 3 and VPGA 10 of the RICS Valuation - Global Standards. However, we would like to point out that the conditions of the market change quickly and that the valuation data and specific market conditions at that date are of clear importance.

KROLL Advisory S.p.A.

Drafted by:
Christian Cavenaghi
Director Valuation & Investment

Supervision and control:
Simone Spreafico
Managing Director, Advisory & Valuation Dept.

Paola Ricciardi
Country Managing Director

Mauro Corrada
Chief Executive Officer

The results of our findings can be understood only by reading the whole report, consisting of:
- *Statement of Value including valuation criteria, assumptions and limiting conditions, general service conditions;*
- *Description reports and attachments, including in Volume 1.*

<u>**Work Team:**</u>

The performance of the valuation and drafting of the Report was managed by:

Simone Spreafico – *Managing Director, Advisory & Valuation Dept.*

with the supervision of and control by:

Christian Cavenaghi – *Director, Valuation & Investment*

Federica Minnella – *Director, Hospitality&Leisure Division*

and collaboration of:

Davide Vergani – *Associate Director, Hospitality&Leisure Division*

Claudia Losa – Site inspection and technical analysis

R&D Office – *Market Analysis*

Micaela Beretta – *Editing*

KROLL REAL ESTATE ADVISORY GROUP

ASSUMPTIONS AND LIMITING CONDITIONS

REAG has expressly indicated the date to which the opinions and conclusions of value refer. The value opinion presented therein is based on the status of the economy and on the purchasing power of the currency stated in the report as of the date of the valuation.

REAG did not carry out the verifications of the area or boundaries of the property subject to analysis on the basis of the supplied documents.

All indications regarding the area and boundaries of the property are supplied by REAG only with the purpose of identifying the property subject to analysis.

These identifications cannot be included in property transfer deeds or any other legal document, without the accurate verification on the part of a notary or legal advisor.

Any plans, should they be present, are intended to be used solely as aids to represent the property and the area in which it is located. Although these materials were prepared using the most accurate data available, they should not be considered as a survey or as a plan to scale.

No environmental impact study has been ordered or made.

Full compliance with all applicable laws and governmental regulations was assumed unless otherwise stated in this report. We have also assumed responsible ownership and that all required licenses, permits, or other legislative or administrative authority from any applicable government or private entity organization either have been or can be obtained or renewed for any use that is relevant to this analysis.

The value estimate contained within the final report 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, unless stated to the contrary in this report. It is recommended that the reader of the report consult a qualified structural engineer and/or industrial hygienist for the evaluation of possible structural or environmental defects, the existence of which could have a material impact on value.

REAG 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, unless stated to the contrary in this report.

No soil analysis or geological studies were provided by REAG, nor were any water, oil, gas, or other subsurface minerals nor were the rights of use and conditions were investigated.

Regarding the assets subject to appraisal, REAG did not investigate the title to or any liabilities against the real estate property but relied on the information provided by the Client. REAG neither investigated nor assumed any responsibility with regards to any right or encumbrance of the property under appraisal. REAG did not verify permits, building licenses or assessments, but considered the property as conforming to existing regulations.

REAG assumed that all applicable zoning and use regulations and restrictions have been complied with unless stated to the contrary in this report. Furthermore, REAG assumed that the utilization of the land and improvements is within the boundaries of the property described and that no encroachment or trespassing exists.

Charges (including taxes) that might emerge from the sale or purchase of the property were not taken into consideration.

VAT (Value Added Tax) is not included in the values expressed.

The site inspection on the property has been carried out by staff who are experts in the real estate division.

Nevertheless REAG, unless otherwise provided for by this report, did not express any opinion and will not be responsible for the structural integrity of the property, including its conformity to specific governmental code requirements such as fire prevention, earthquake resistance, workers' safety or for physical defects not evident to the appraiser.

The value conclusions reached by REAG shall not replace any conclusion, determination and decision made by the Client and / or a third party.

QUALITY SYSTEM CERTIFICATION DNV·GL ISO 9001

GENERAL SERVICE CONDITIONS

GENERAL SERVICE CONDITIONS

Agreement

The Contract governing this engagement, including these General Service Conditions, represents the entire agreement between REAG and the Client. It supersedes any prior oral or written agreement and may not be altered except by the mutual agreements of all parties thereto.

Non-Assignment

None of the Parties can transfer the contract to Third Parties, neither in whole nor in part, without prior written agreement of the other Party, as provided for by art. 1406 c.c, except for the case of conveyance of the firm.

The Client may not delegate Third Parties to make the whole payment of the compensation in favour of REAG, without the written agreement of REAG.

The Client acknowledges to have been informed by Reag about the possibility of the Assignment of Credit (hereinafter the "Assignment") to any legal person appointed by Reag (hereinafter the "Cessionary"). The Client agrees from now on and without reserve to such Assignment and commits himself to signing any document which may be necessary for legal and administrative regularization on Reag request. The Client may possibly be notified of the Assignment by means of either registered letter with acknowledgement of delivery or extrajudicial act. With effect from the invoice factoring, the Client shall be bound to pay any amount due according to this agreement and to keep to any contractual obligation.

Client of Record

Only the signed Client(s) of Record may rely on the results of REAG's work. No Third Party shall have reliance or contractual rights of REAG's Client(s) of Record without REAG's prior written consent. No Party should rely on the results of REAG's work as a substitute for its own due diligence.

Communication

Electronic media including e-mail and faxes are acceptable vehicles to communicate all materials unless such communication forms are expressly prohibited in the Contract. The Client is expected to communicate and to give information to the Client Service Team assigned by REAG to this engagement. The Client shall not assume nor enlist the Client Service Team assigned by REAG to any work contemplated by the Contract to have knowledge of information provided to others not part of the team.

Contingent Fees

REAG's compensation is not contingent in any way upon its opinion or conclusions or upon any subsequent event directly related to those opinions or conclusions. The Client shall pay REAG's invoices in accordance with their stated terms.

Confidentiality of data and information.

REAG maintained strictly confidential all information and data relating to the object of the engagement and its performance, and undertook not to disclose them or make them known to third parties, except in compliance with the provisions and provisions of the Authority.

REAG has the right to show the files and work notes in the context of any quality or compliance audits carried out by certification organizations to which REAG or its employees are associated. Any such access continues to be subject to the same confidence and protection by both REAG and the certification organizations. The information has not been handled and will not be handled as confidential if:

i) it is at the moment of the disclosure or later released to the public;

ii) at the time of disclosure to REAG, the information was already in its possession;

iii) the information was obtained from a third party not subject to confidentiality obligations towards the Customer.

Unless mandated by applicable laws or governmental regulations, Client shall not disclose any part REAG's work product, its confidential materials, or its role in the engagement to anyone not stipulated in the Contract, without the prior written consent of REAG.

Possession of this report or any copy thereof does not carry with it the right of publication. No portion of this report (especially any conclusion, the identity of any individuals signing or associated with this report or the firms with which they are connected, or any reference to the professional associations or organizations with which they are affiliated or the designations awarded by those organizations) shall be disseminated to third parties through prospectus, advertising, public relations, news, or any other means of communication without the written consent and approval of REAG.

KROLL REAL ESTATE ADVISORY GROUP

GENERAL SERVICE CONDITIONS

REAG has the right to include the name of the Customer in his list of references.

Data Protection

The Parties recognised that they each processed or shall each be processing personal data in connection with the performance of their obligations and/or exercise of their rights under this Agreement and/or as otherwise required by law or regulation and that the factual arrangement between them dictated the role of each Party (as to data controller or data processor) in respect of the Data Protection Laws. Notwithstanding the foregoing, the Parties agreed and acknowledged that where either Party processed personal data pursuant to or in relation to this Agreement, that Party carried out the processing for its own purposes, and as such is a data controller under the Data Protection Laws.

Each Party at all times complies with its respective obligations under all applicable Data Protection Laws to the extent such Data Protection Laws applies to it in connection with the performance of its obligations or exercise of its rights under this Agreement.

Force Majeure

Neither the Client nor REAG shall be liable for delays or for failures to perform according to the terms of the Contract due to circumstances that are beyond their individual control.

Governing Law, Jurisdiction and Venue

This Contract shall be governed exclusively by the Italian Law. Any disputes regarding these agreements will be handled exclusively by the Italian Judge and will fall within the territorial jurisdiction of the Court of Milan.

Indemnity and limitation of compensation

Client shall hold harmless and indemnify REAG against and from any harmful consequence which REAG may become subject to in connection with this engagement, except to the extent finally judicially determined to have resulted from the negligence or intentional misconduct of REAG.

REAG shall hold harmless and indemnify the Client against and from any harmful consequence deriving from the nonfulfillment or breach of the engagement. Without prejudice to indemnification for bodily injury or material property damage as stated below, REAG's liability to Client and to any recipient of any Reliance letter and Re-Addressing shall in no event exceed the fees it receives as a result of the engagement, except to the extent determined to have resulted from major negligence or intentional misconduct of REAG Moreover REAG's liability extent is to be understood as limit in the aggregate for all claims for indemnification/compensation that may be issued by all recipients of the Report and of Reliance letters and/or Re-addressing.

REAG shall hold harmless and indemnify Client against and from any harmful consequence for bodily injury or material property damage caused by REAG personnel or representatives during the performance of the engagement, except to the extent of Client's negligence.

The extent of indemnification and compensation is however strictly consequent and proportional to REAG employees or representatives' behavior and actions.

While on Client's premises, REAG staff in charge with any work related to the engagement shall comply with all posted safety instructions or safety procedures requested by Client.

Independent Contractor

REAG and the Client shall be independent contractors with respect to each other. REAG has reserved the right to use subcontractors in executing the engagement. REAG is an equal opportunity employer.

Subcontract

Reag has reserved the right to appoint subcontractors to perform all or part of the services offered herein, provided that, by having signed the proposal, the Client consented to subcontracting as provided for by Art. 1656 of the Italian Civil Code.

Should a subcontractor be appointed by Reag, the liability undertaken by Reag towards the Client shall remain unaltered, within the limits outlined herein, and include the services provided to the Client through the subcontractor.

A subcontractor appointed by Reag shall observe the same confidentiality obligations undertaken by Reag and set forth herein.

Limits on the Use of the Work

REAG's report may be used only for the specific use or uses stated in the Contract, and any other use is invalid.

Matters legal in nature

No responsibility is assumed for matters legal in nature. No investigation has been made regarding the title of or any

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liabilities against the property appraised. We have assumed that the owner's claim is valid, the property rights are good and marketable, and there are no encumbrances that cannot be cleared through normal processes, unless otherwise stated in this report.

Reliance on Information Provided by the Client

REAG is entitled to rely without independent verification on the accuracy and completeness of all of the information, data, documents or technical analyses provided by the Client or its advisors. Although gathered from sources that we believe are reliable, no guarantee is made, nor liability assumed for the truth or accuracy of any data, opinions, or estimates furnished by others, unless stated to the contrary in this report.

Retention

Unless stipulated to the contrary in this report or in a related written agreement, REAG retains as its property all files, documents, work papers, and other results, developed during the course of the engagement. Such materials will be retained for a period of at least 5 years. During this retention period, the Client shall have access to these documents to assist it in completing the specific use or uses stated in the Contract, subject only to reasonable notification.

Standards of Performance

REAG performed the engagement in accordance with applicable professional standards. However, professional services usually involve judgements made in uncertain environments and based on an analysis of data that may be unverified or subject to change over time. The Client and other parties to whom the Client provides access to the results of REAG's work, shall evaluate the performance of REAG based on the specifications of the Contract as well as on the applicable professional standards.

Scope of the work

REAG should be obligated only for services specified in the contract, and only for changes to the scope of those services that are set forth in any subsequent written agreement. As a result, the scope of the work does not include unrelated services or the responsibility to update any of the work after its completion. Further, REAG reserves the right to decline to perform any additional services, if REAG believes such services would create an actual or perceived conflict of interests or would be illegal or in violation of applicable regulations of professional standards.

Testimony

REAG's services do not include giving testimony or participating in or attending court or any other legal or regulatory hearings or inquiries unless provided for in the Contract or in a subsequent written agreement.

Ethical code – Model 231

The Client takes note that REAG has adopted its own ethical code (hereinafter "Ethical code") and its organization, management and control model according to principles and guidelines of Decreto Legislativo n. 231/2001 (hereinafter "Model 231"). The adoption of Model 231 is intended to prevent any crimes which Decreto Legislativo n. 231/2001 refers to and to avoid any related sanction. Copy of the Ethical code in force is available upon specific request.

The Client declares that they and any of their direct and/or indirect parent companies and subsidiaries: - do not deal (do not have offices, business, investments, transactions) with sensitive countries and/or countries subject to sanctions and embargos imposed by the UN, USA, EU and local governments; - do not do business with individuals or entities based/operating in said countries; - are not subject to said sanctions.

Clash of interests

Six –months after delivery of the final report REAG shall be able to submit to Third Parties proposals concerning the real estate assets which are the subject of this report.

Time limit for refutations, Complaints, Limitation period of the action

Without prejudice to any applicable binding laws, and on pain of forfeiture, the Client may demonstrate dissatisfaction to REAG by sending a complaint via e-mail to customercare@reag-dp.com within 30 days of receipt of the Report. Said complaint shall state the reasons for the dissatisfaction and any faults, errors and/or dissimilarities being contested. In order to accept and respect the requests of the Client, REAG shall carefully review any claim, verifying and analysing the work.

REAG and the Client herewith expressly acknowledge and declare that this agreement constitutes a services supply agreement and, hence, any action against KROLL Advisory S.p.A. is subject to a two-year limitation period, as per Art 1667 of the Italian Civil Code.

Contact

KROLL Advisory S.p.A.

Centro Direzionale Colleoni

Palazzo Cassiopea 3- Via Paracelso, 26

20864 Agrate Brianza (MB) Italy

T + 39 039 6423 1

www.kroll.com

About Kroll

Kroll provides proprietary data, technology and insights to help our clients stay ahead of complex demands related to risk, governance and growth. Our solutions deliver a powerful competitive advantage, enabling faster, smarter and more sustainable decisions. With 5,000 experts around the world, we create value and impact for our clients and communities. To learn more, visit www.kroll.com.

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COIMA S.G.R. S.p.A

DECEMBER 31st, 2021

Institutional Closed-end Alternative Investment Fund

"COIMA CORE FUND VIII"

EXECUTIVE SUMMARY

Market Value

AZIENDA CON SISTEMA
DI GESTIONE QUALITÀ
CERTIFICATO DA DNV GL
= ISO 9001 =

Agrate B.za, December 31st,2021

Rif. n. 23119R04

Messrs

COIMA SGR S.p.A.

Piazza Gae Aulenti, 12

20154 MILANO

To the kind attention of Mr Antonio Del Buono

Object: **Determination of the Fair Market Value of Real Estate Properties included in Institutional Closed-end Alternative Investment Fund, called "COIMA CORE FUND VIII", as of December 31st, 2021 – EXECUTIVE SUMMARY**

Dear Sirs,
in compliance with Your request, KROLL Advisory S.p.A. (hereinafter REAG) carried out the valuation of the real estate assets in which the patrimony of the Institutional Closed-end Alternative Investment Fund called "COIMA CORE FUND VIII" is invested, in order to determine the Market Value as of December 31st, 2021.

The valuation will be used for a patrimonial verification, in compliance with the Italian law governing the Asset Management companies (Decree of Ministry of Economic Affairs and Finance no. 30 dated 5 March 2015 and the Provision of Banca d'Italia dated 19 January 2015 "Regolamento sulla gestione collettiva del Risparmio", Item V, Article IV, Section II, as well as the Assogestioni guidelines of May 2010 and joint communication of Consob and Banca d'Italia dated 29 July 2010 and subseq. amend. and suppl.

KROLL Advisory S.p.A.

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Centro Direzionale Colleoni
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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
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ASSET UNDER ANALYSIS

The real estate portfolio belonging to the "COIMA CORE FUND VIII" consists of:

✓A single building, located in the south-west periphery of Milan – Via Lorenteggio 240, intended for office use (Vodafone Village).

Please refer to the individual evaluation report attached for the characteristics of the asset.

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Definitions

In this Executive Summary, the corresponding definition is to be applied to the terms listed below, unless otherwise indicated in the ES itself.

"Real Estate Property": represents the following assets subject to being appraised: land, buildings, building systems and land improvements. Personal property and intangible assets shall be excluded from the appraisal.

"Valuation" is defined by the Royal Institution of Chartered Surveyors ("RICS") as: an opinion of the value of an asset or liability on a stated basis, at a specified date. 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 property and the purpose of the valuation.

"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.* (RICS Red Book, July 2017)

"Market Rent" *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, July 2017).

"Gross area" measured along the external edge of the perimeter walls of the building, to the centre line of the confining walls towards Third Parties, it is expressed in square meters.

"Commercial area" the gross area with the exclusion of technical rooms, facilities, cellars, stairwells and/or lift shafts.

Valuation criteria

During the appraisal, REAG 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:
  - a) on the calculation of future net incomes derived from Property renting for a period of "n." years;
  - b) 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;
  - c) on the discounted back net incomes (cash flow) as of the evaluation date.

REAG determined Market Value in order to its highest and best use. The highest and best use is defined as the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

In determining the Value of the Property, the criteria and methods of evaluation conformed to the general directives issued by the Banca d'Italia.

In addition, REAG:

- As agreed with the Owner, carried out a site inspection on the property in November 2021;
- conducted the valuation basing on the data provided by the Client;
- analysed the conditions of the local real estate market, taking the economic data related thereto into consideration and adapting it to the specific features of the properties by means of appropriate statistical workups;
- considered the building areas relating to the property (gross area divided by intended use) provided by the Client and not verified by REAG;
- verified the city-planning situation of the property, based on the documentation supplied by the Client and by conducting specific checks on the Milano Municipality websites (city-planning section);

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- did not investigate the title to or any liabilities against the real estate property but shall rely on the infor-mation provided by the Client. REAG neither investigated nor assumed any responsibility with regards to any right or encumbrance of the property under appraisal.
- did not verify permits, building licenses or assessments, but considered the property as conforming to existing regulations;
- did not be consider Environmental liabilities are the costs which may be incurred to avoid environmental damages or to modify situations which do not comply with ongoing regulations.

Contents of the Report

The report includes:

"Volume 0" including the final report on the conclusions reached by REAG, comprises the conclusion reached, Valuation considerations and criteria, assumptions and limiting conditions and General Service conditions.

The **"Volume 1"**, related to the analysis and the valuation of the real estate property and consists of the following paragraphs:

- ID data; surrounding area; property description; town planning situation; real estate market; area chart;
- Attachments: Valuation chart.

Conclusions

The value conclusions concerning the valuation Report were treated by REAG on the basis of the results obtained upon completion of all of the following operations:

- collection, selection, analysis and valuation of the data and documents pertaining to the Property;
- site inspection;
- carrying out appropriate market surveys;
- technical-financial workups;
- collection, selection, analysis of the "Market / Rent Comparables"

as well as on the basis of the evaluative methods and principles indicated previously.

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Based on the investigation and the premises outlined

Based on the investigation, and the premises outlined, it is our opinion that as of December 31st, 2021, the Market Value of, of the property representing the assets of the closed-end and reserved type real estate investment fund, called "COIMA CORE FUND VIII", in the state of occupation in which they are located on that date, is equal to:

Market Value:

Euro 206.300.000,00

(Euro Two Hundred Six Million Three Hundred Thousand/00)

In line with practice in the Italian real estate market - which assumes the non-neutrality of taxation and transaction costs according to the different types of third-party purchaser (companies, bodies, organizations, etc.) - the market value was determined net of taxation and transaction costs. Assuming that the market value determined for the assets concerned by the valuation corresponds to the price agreed upon by the parties to the sale and that the incidence of transaction costs is assumed to be 3% of said price, the third party purchaser would pay a total purchase price of 212,500,000 euros.

The COVID-19 pandemic continues to have a global impact on world economies, although the year 2021 has seen a significant recovery, which, nationally, has resulted in a forecast a 6% recovery of the GDP for 2021 (against a drop of 8.9% in 2020). Over the course of 2021, a slowdown of the epidemic was witnessed, as the vaccination campaign progressed; the situation described was accompanied by a gradual relaxation of restrictions in the Spring of 2021, in addition to the introduction of the obligation of a "green pass", starting from August, as a condition to be able to carry out various types of activities. The situation has improved considerably compared to past months, although there is still uncertainty linked to the duration of the vaccine effectiveness over time and the ever-present risk of the development of new, more transmissible and resistant variants of the Coronavirus. All the above being understood, the actual absence of restrictions and the contribution of the Recovery Fund "Next Generation EU", in addition to putting into effect measures for motivating the economy, sketch out a very positive picture for the Italian economy, with effects also expected on the real estate market and in the construction sector. At the valuation date, real estate markets are again active in most of the asset classes, with a volume of transactions sufficient to support carrying out the valuation by means of market evidence. Market dynamics vary based on the specific sector and particular location. To avoid misunderstandings, this explanatory note was introduced to guarantee the necessary transparency and supply further information about the market context, in which our value opinion was drawn up. By observing the volatile trend of markets and the still-clear effects of the pandemic on the real estate market, too, it is deemed timely to cautiously consider the conditions of uncertainty, even in a scenario of regained, post-pandemic normality of economic and production activities.
In view of the continuation of the pandemic and the readjustment of different markets, including the real estate market, the value judgment expressed does not reflect a «substantial uncertainty» (Material Valuation Uncertainty), as defined by the VPS 3 and VPGA 10 of the RICS Valuation - Global Standards. However, we would like to point out that the conditions of the market change quickly and that the valuation data and specific market conditions at that date are of clear importance.

KROLL Advisory S.p.A.

Drafted by: Christian Cavenaghi *Director Valuation & Investment*	Supervision and control: Simone Spreafico *Managing Director, Advisory & Valuation Dept.*
Paola Ricciardi Country Managing Director	Mauro Corrada Chief Executive Officer

The results of our findings can be understood only by reading the whole report, consisting of:
- *Statement of Value including valuation criteria, assumptions and limiting conditions, general service conditions;*
- *Description reports and attachments, including in Volume 1.*

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ADVISORY GROUP

<u>Work Team:</u>

The performance of the valuation and drafting of the Report was managed by:

Simone Spreafico – *Managing Director, Advisory & Valuation Dept.*

with the supervision of and control by:

Christian Cavenaghi – *Director, Valuation & Investment*

and collaboration of:

Claudia Losa – Technician, site inspection and analysis

R&D Office – *Market Analysis*

Micaela Beretta – *Editing*

ASSUMPTIONS AND LIMITING CONDITIONS

ASSUMPTIONS AND LIMITING CONDITIONS

REAG has expressly indicated the date to which the opinions and conclusions of value refer. The value opinion presented therein is based on the status of the economy and on the purchasing power of the currency stated in the report as of the date of the valuation.

REAG did not carry out the verifications of the area or boundaries of the property subject to analysis on the basis of the supplied documents.

All indications regarding the area and boundaries of the property are supplied by REAG only with the purpose of identifying the property subject to analysis.

These identifications cannot be included in property transfer deeds or any other legal document, without the accurate verification on the part of a notary or legal advisor.

Any plans, should they be present, are intended to be used solely as aids to represent the property and the area in which it is located. Although these materials were prepared using the most accurate data available, they should not be considered as a survey or as a plan to scale.

No environmental impact study has been ordered or made.

Full compliance with all applicable laws and governmental regulations was assumed unless otherwise stated in this report. We have also assumed responsible ownership and that all required licenses, permits, or other legislative or administrative authority from any applicable government or private entity organization either have been or can be obtained or renewed for any use that is relevant to this analysis.

The value estimate contained within the final report 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, unless stated to the contrary in this report. It is recommended that the reader of the report consult a qualified structural engineer and/or industrial hygienist for the evaluation of possible structural or environmental defects, the existence of which could have a material impact on value.

REAG 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, unless stated to the contrary in this report.

No soil analysis or geological studies were provided by REAG, nor were any water, oil, gas, or other subsurface minerals nor were the rights of use and conditions were investigated.

Regarding the assets subject to appraisal, REAG did not investigate the title to or any liabilities against the real estate property but relied on the information provided by the Client. REAG neither investigated nor assumed any responsibility with regards to any right or encumbrance of the property under appraisal. REAG did not verify permits, building licenses or assessments, but considered the property as conforming to existing regulations.

REAG assumed that all applicable zoning and use regulations and restrictions have been complied with unless stated to the contrary in this report. Furthermore, REAG assumed that the utilization of the land and improvements is within the boundaries of the property described and that no encroachment or trespassing exists.

Charges (including taxes) that might emerge from the sale or purchase of the property were not taken into consideration.

VAT (Value Added Tax) is not included in the values expressed.

The site inspection on the property has been carried out by staff who are experts in the real estate division.

Nevertheless REAG, unless otherwise provided for by this report, did not express any opinion and will not be responsible for the structural integrity of the property, including its conformity to specific governmental code requirements such as fire prevention, earthquake resistance, workers' safety or for physical defects not evident to the appraiser.

The value conclusions reached by REAG shall not replace any conclusion, determination and decision made by the Client and / or a third party.

GENERAL SERVICE CONDITIONS

KROLL REAL ESTATE ADVISORY GROUP

GENERAL SERVICE CONDITIONS

Agreement

The Contract governing this engagement, including these General Service Conditions, represents the entire agreement between REAG and the Client. It supersedes any prior oral or written agreement and may not be altered except by the mutual agreements of all parties thereto.

Non-Assignment

None of the Parties can transfer the contract to Third Parties, neither in whole nor in part, without prior written agreement of the other Party, as provided for by art. 1406 c.c, except for the case of conveyance of the firm.

The Client may not delegate Third Parties to make the whole payment of the compensation in favour of REAG, without the written agreement of REAG.

The Client acknowledges to have been informed by Reag about the possibility of the Assignment of Credit (hereinafter the "Assignment") to any legal person appointed by Reag (hereinafter the "Cessionary"). The Client agrees from now on and without reserve to such Assignment and commits himself to signing any document which may be necessary for legal and administrative regularization on Reag request. The Client may possibly be notified of the Assignment by means of either registered letter with acknowledgement of delivery or extrajudicial act. With effect from the invoice factoring, the Client shall be bound to pay any amount due according to this agreement and to keep to any contractual obligation.

Client of Record

Only the signed Client(s) of Record may rely on the results of REAG's work. No Third Party shall have reliance or contractual rights of REAG's Client(s) of Record without REAG's prior written consent. No Party should rely on the results of REAG's work as a substitute for its own due diligence.

Communication

Electronic media including e-mail and faxes are acceptable vehicles to communicate all materials unless such communication forms are expressly prohibited in the Contract. The Client is expected to communicate and to give information to the Client Service Team assigned by REAG to this engagement. The Client shall not assume nor enlist the Client Service Team assigned by REAG to any work contemplated by the Contract to have knowledge of information provided to others not part of the team.

Contingent Fees

REAG's compensation is not contingent in any way upon its opinion or conclusions or upon any subsequent event directly related to those opinions or conclusions. The Client shall pay REAG's invoices in accordance with their stated terms.

Confidentiality of data and information.

REAG maintained strictly confidential all information and data relating to the object of the engagement and its performance, and undertook not to disclose them or make them known to third parties, except in compliance with the provisions and provisions of the Authority.

REAG has the right to show the files and work notes in the context of any quality or compliance audits carried out by certification organizations to which REAG or its employees are associated. Any such access continues to be subject to the same confidence and protection by both REAG and the certification organizations. The information has not been handled and will not be handled as confidential if:

i) it is at the moment of the disclosure or later released to the public;

ii) at the time of disclosure to REAG, the information was already in its possession;

iii) the information was obtained from a third party not subject to confidentiality obligations towards the Customer.

Unless mandated by applicable laws or governmental regulations, Client shall not disclose any part REAG's work product, its confidential materials, or its role in the engagement to anyone not stipulated in the Contract, without the prior written consent of REAG.

Possession of this report or any copy thereof does not carry with it the right of publication. No portion of this report (especially any conclusion, the identity of any individuals signing or associated with this report or the firms with which they are connected, or any reference to the professional associations or organizations with which they are affiliated or the designations

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GENERAL SERVICE CONDITIONS

awarded by those organizations) shall be disseminated to third parties through prospectus, advertising, public relations, news, or any other means of communication without the written consent and approval of REAG.

REAG has the right to include the name of the Customer in his list of references.

Data Protection

The Parties recognised that they each processed or shall each be processing personal data in connection with the performance of their obligations and/or exercise of their rights under this Agreement and/or as otherwise required by law or regulation and that the factual arrangement between them dictated the role of each Party (as to data controller or data processor) in respect of the Data Protection Laws. Notwithstanding the foregoing, the Parties agreed and acknowledged that where either Party processed personal data pursuant to or in relation to this Agreement, that Party carried out the processing for its own purposes, and as such is a data controller under the Data Protection Laws.

Each Party at all times complies with its respective obligations under all applicable Data Protection Laws to the extent such Data Protection Laws applies to it in connection with the performance of its obligations or exercise of its rights under this Agreement.

Force Majeure

Neither the Client nor REAG shall be liable for delays or for failures to perform according to the terms of the Contract due to circumstances that are beyond their individual control.

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Indemnity and limitation of compensation

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While on Client's premises, REAG staff in charge with any work related to the engagement shall comply with all posted safety instructions or safety procedures requested by Client.

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REAG and the Client shall be independent contractors with respect to each other. REAG has reserved the right to use subcontractors in executing the engagement. REAG is an equal opportunity employer.

Subcontract

Reag has reserved the right to appoint subcontractors to perform all or part of the services offered herein, provided that, by having signed the proposal, the Client consented to subcontracting as provided for by Art. 1656 of the Italian Civil Code.

Should a subcontractor be appointed by Reag, the liability undertaken by Reag towards the Client shall remain unaltered, within the limits outlined herein, and include the services provided to the Client through the subcontractor.

GENERAL SERVICE CONDITIONS

A subcontractor appointed by Reag shall observe the same confidentiality obligations undertaken by Reag and set forth herein.

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Matters legal in nature

No responsibility is assumed for matters legal in nature. No investigation has been made regarding the title of or any liabilities against the property appraised. We have assumed that the owner's claim is valid, the property rights are good and marketable, and there are no encumbrances that cannot be cleared through normal processes, unless otherwise stated in this report.

Reliance on Information Provided by the Client

REAG is entitled to rely without independent verification on the accuracy and completeness of all of the information, data, documents or technical analyses provided by the Client or its advisors. Although gathered from sources that we believe are reliable, no guarantee is made, nor liability assumed for the truth or accuracy of any data, opinions, or estimates furnished by others, unless stated to the contrary in this report.

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Standards of Performance

REAG performed the engagement in accordance with applicable professional standards. However, professional services usually involve judgements made in uncertain environments and based on an analysis of data that may be unverified or subject to change over time. The Client and other parties to whom the Client provides access to the results of REAG's work, shall evaluate the performance of REAG based on the specifications of the Contract as well as on the applicable professional standards.

Scope of the work

REAG should be obligated only for services specified in the contract, and only for changes to the scope of those services that are set forth in any subsequent written agreement. As a result, the scope of the work does not include unrelated services or the responsibility to update any of the work after its completion. Further, REAG reserves the right to decline to perform any additional services, if REAG believes such services would create an actual or perceived conflict of interests or would be illegal or in violation of applicable regulations of professional standards.

Testimony

REAG's services do not include giving testimony or participating in or attending court or any other legal or regulatory hearings or inquiries unless provided for in the Contract or in a subsequent written agreement.

Ethical code – Model 231

The Client takes note that REAG has adopted its own ethical code (hereinafter "Ethical code") and its organization, management and control model according to principles and guidelines of Decreto Legislativo n. 231/2001 (hereinafter "Model 231"). The adoption of Model 231 is intended to prevent any crimes which Decreto Legislativo n. 231/2001 refers to and to avoid any related sanction. Copy of the Ethical code in force is available upon specific request.

The Client declares that they and any of their direct and/or indirect parent companies and subsidiaries: - do not deal (do not have offices, business, investments, transactions) with sensitive countries and/or countries subject to sanctions and embargos imposed by the UN, USA, EU and local governments; - do not do business with individuals or entities based/operating in said countries; - are not subject to said sanctions.

Clash of interests

Six –months after delivery of the final report REAG shall be able to submit to Third Parties proposals concerning the real estate assets which are the subject of this report.

Time limit for refutations, Complaints, Limitation period of the action

GENERAL SERVICE CONDITIONS

Without prejudice to any applicable binding laws, and on pain of forfeiture, the Client may demonstrate dissatisfaction to REAG by sending a complaint via e-mail to customercare@reag-dp.com within 30 days of receipt of the Report. Said complaint shall state the reasons for the dissatisfaction and any faults, errors and/or dissimilarities being contested. In order to accept and respect the requests of the Client, REAG shall carefully review any claim, verifying and analysing the work.

REAG and the Client herewith expressly acknowledge and declare that this agreement constitutes a services supply agreement and, hence, any action against KROLL Advisory S.p.A. is subject to a two-year limitation period, as per Art 1667 of the Italian Civil Code.

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QUALITY SYSTEM CERTIFICATION
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APPRAISAL REPORT

Market Value Determination as of 31 December 2021
regarding the Real Estate Assets belonging to the "CORE FUND IV"

EXECUTIVE SUMMARY

Perimeter of Valuation

The Real Estate Portfolio object of the present Valuation is formed by 58 properties located all over italian territory, mainly in the North of Italy.

Main Intended Use

The main intended use of the Portfolio in object is retail.

Valuation Method Employed

Discounted Cash Flow (DCF)

Date of Drafting of the Present Document

The present report was drafted on **05 January 2022**.

Date of Valuation

The present Valuation is referred to the date of **31 December 2021**.

Market Value (MV)

Based on the analyses carried out for the present Appraisal, and on the assumptions indicated in the present Appraisal Report, the overall Market Value of the Assets forming the Real Estate Portfolio in object is estimated as follows:

Cod.	Comune	Provincia	Indirizzo	Metodologia Valutativa	Main use	Superficie Commerciale mq	Valore al 31/12/2021 €
1 - MI	Milano	MI	Via Larga 16	DCF	RETAIL	298	
3 - MI	Milano	MI	Corso Sempione 77	DCF	RETAIL	269	
4 - MI	Milano	MI	Via Pierluigi Da Palestrina 2	DCF	RETAIL	220	
7 - MI	Melzo	MI	Largo Gramsci 1	DCF	RETAIL	286	
9 - BG	Capriate San Gervasio	BG	Sangervasio Via Vittorio Veneto 28	DCF	RETAIL	243	
11 - CO	Asso	CO	Piazza Mons. Ratti 5	DCF	RETAIL	250	
12 - CO	Canzo	CO	Via Mazzini 12	DCF	RETAIL	167	
13 - CO	Civenna	CO	Via Provinciale 52	DCF	RETAIL	84	
14 - CO	Erba	CO	Viavolta 2	DCF	RETAIL	318	
15 - CO	Grandate	CO	Via Statale Dei Giovi 11	DCF	RETAIL	323	
17 - CO 2	Lipomo	CO	Via Belvedere 11	DCF	RETAIL	447	
17 - CO	Lipomo	CO	Via Belvedere 12	DCF	OFFICE	650	
18 - CO	Lurago d'erba	CO	Via Roma 18	DCF	RETAIL	467	
19 - CO	Novedrate	CO	Via Prov. Novedratese 82	DCF	RETAIL	452	
19 - CO 2	Novedrate	CO	Via Prov. Novedratese 81	DCF	OFFICE	618	
20 - CO	Valbrona	CO	Via Vittorio Veneto 9	DCF	RETAIL	136	
21 - LC	Lecco	LC	Via Belfiore 15	DCF	RETAIL	243	
22 - LC	Lecco	LC	Piazza G. Carducci 8	DCF	RETAIL	334	
23 - LC	Lecco	LC	Corso E. Filiberto 108	DCF	RETAIL	201	
25 - LC	Lecco	LC	Viale Turati 48	DCF	RETAIL	385	
26 - LC	Abbadia Lariana	LC	Via Nazionale 42	DCF	RETAIL	131	
27 - LC	Barzio	LC	Via Roma 47	DCF	RETAIL	200	
28 - LC	Brivio	LC	Piazza Della Vittoria 3	DCF	RETAIL	210	
30 - LC	Casatenovo	LC	Via Cavour 10	DCF	RETAIL	416	
31 - LC	Cassago Brianza	LC	Piazza Visconti 10	DCF	RETAIL	254	
32 - LC	Civate	LC	Via Manzoni 1	DCF	RETAIL	223	

Cod.	Comune	Provincia	Indirizzo	Metodologia Valutativa	Main use	Superficie Commerciale mq	Valore al 31/12/2021 €
33 - LC	Colico	LC	Via Nazionale 126	DCF	RETAIL	480	
34 - LC	Dervio	LC	Via Diaz 62	DCF	RETAIL	146	
35 - LC	Galbiate	LC	Piazza Don Gnocchi 12	DCF	RETAIL	276	
36 - LC	Introbio	LC	Piazza del Sagrato 9	DCF	RETAIL	233	
37 - LC	Lierna	LC	Via Roma 124	DCF	RETAIL	255	
38 - LC	Malgrate	LC	Via San Leonardo 14	DCF	RETAIL	183	
39 - LC	Mandello del Lario	LC	Dellario Via Manzoni 21	DCF	RETAIL	425	
40 - LC	Merate	LC	Via Baslini 6	DCF	RETAIL	502	
41 - LC	Oggiono	LC	Via Marco D'Oggiono 15	DCF	RETAIL	406	
42 - LC	Olgiate molgora	LC	Via Canova 39	DCF	RETAIL	316	
43 - LC	Olginate	LC	Via Redaelli 24	DCF	RETAIL	278	
44 - LC	Paderno d'adda	LC	Via Volta 10	DCF	RETAIL	370	
45 - LC	Rovagnate	LC	Via Vittorio Veneto 8	DCF	RETAIL	248	
46 - LC	Valmadrera	LC	Via Stoppani 2	DCF	RETAIL	292	
48 - LC	Vercurago	LC	Via Roma 66	DCF	RETAIL	206	
49 - MB	Brugherio	MB	Viale Lombardia 179	DCF	RETAIL	629	
51 - MB	Vedano al lambro	MB	Viale C. Battisti 42	DCF	RETAIL	775	
52 - VA	Castellanza	VA	Corso Matteotti 19	DCF	RETAIL	469	
53 - TO	Torino	TO	Via Arcivescovado 7	DCF	RETAIL	2.834	
54 - BI	Biella	BI	Via Losana 22	DCF	RETAIL	527	
55 - GE	Genova	GE	Via Garibaldi 5	DCF	RETAIL	1.661	
61 - VE	Mestre	VE	Riviera Xx Settembre 13	DCF	RETAIL	925	
62 - PD	Padova	PD	Piazza Alcide De Gasperi 34A	DCF	OFFICE	549	
62 - PD 2	Padova	PD	Piazza Alcide De Gasperi 34B	DCF	RETAIL	844	
63 - VI	Thiene	VI	Piazza Cesare Battisti 5	DCF	RETAIL	439	
64 - BO	Bologna	BO	Via Emilia Levante 113	DCF	RETAIL	234	
65 - LU	Barga	LU	Via Pascoli 23	DCF	RETAIL	105	
66 - LI	Livorno	LI	Via Carabinieri 30	DCF	RETAIL	1.288	
67 - PO	Prato	PO	Via F. Ferrucci 41	DCF	RETAIL	1.743	
68 - PO	Montemurlo	PO	Via Provinciale 413	DCF	RETAIL	533	
70 - FI	Sesto Fiorentino	FI	Via Lucchese 2	DCF	RETAIL	175	
71 - RM	Roma	RM	Piazza Ss. Apostoli 70	DCF	RETAIL	607	
TOTALE						**26.776**	**61.938.000**

€ 61.938.000,00

(€ Sixtyonemillionninehundredthirtyeightthousand,00)

In line with practice in the Italian real estate market - which assumes the non-neutrality of taxation and transaction costs according to the different types of third-party purchaser (companies, bodies, organizations, etc.) - the market value was determined net of taxation and transaction costs. Assuming that the market value determined for the assets concerned by the valuation corresponds to the price agreed upon by the parties to the sale and that the incidence of transaction costs is assumed to be 3% of said price, the third party purchaser would pay a total purchase price of **63.796.140,00.** euro. The asset-by-asset detail as follows:

Cod.	Comune	Provincia	Indirizzo	Main use	Superficie Commerciale mq	Valore al 31/12/2021 €	Prezzo al 31/12/2021 €
1 - MI	Milano	MI	Via Larga 16	RETAIL	298		
3 - MI	Milano	MI	Corso Sempione 77	RETAIL	269		
4 - MI	Milano	MI	Via Pierluigi Da Palestrina 2	RETAIL	220		
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25 - LC	Lecco	LC	Viale Turati 48	RETAIL	385		
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27 - LC	Barzio	LC	Via Roma 47	RETAIL	200		
28 - LC	Brivio	LC	Piazza Della Vittoria 3	RETAIL	210		
30 - LC	Casatenovo	LC	Via Cavour 10	RETAIL	416		
31 - LC	Cassago Brianza	LC	Piazza Visconti 10	RETAIL	254		
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40 - LC	Merate	LC	Via Baslini 6	RETAIL	502		
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51 - MB	Vedano al lambro	MB	Viale C. Battisti 42	RETAIL	775		
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TOTALE					**26.776**	**61.938.000**	**63.796.140**

Project Team

The present Appraisal Report was processed and drafted by:

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  Chief Executive Officer and natural person appointed with the practical execution of the assignment RINA Prime Value Services S.p.A.

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  Market Research and Analysis

Data confidentiality

The present Report was drafted and is to be intended as strictly confidential, reserved and drafted for the exclusive benefit of the Client, within the scope of the Assignment conducted in compliance with Ministerial Decree n. 30 dated 5 March 2015. As such, the author declines any responsibility deriving therefrom in regard to any third-parties.
The sharing of the information contained in the present report with third parties is permitted only if provided with a written authorization on behalf of RINA Prime Value Services S.p.A., with the exception of any legal and statutory uses.

Piercarlo Rolando
Amministratore Delegato

Iscritto all'Ordine degli Architetti
della Provincia di Cuneo
al Numero 437

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PHOTO CREDITS
Andrea Martiradonna
The photographs show the architecture and interiors of the COIMA RES real estate portfolio properties.

Carlo Perazzolo
The reportage images have been created in the interiors and exteriors of the properties that are part of the COIMA RES portfolio.

Donato Di Bello

Andrea Cherchi

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