Real Estate SIIQ

COIMARES

COIMA RES
Interim condensed consolidated financial statements as of June 30th, 2021

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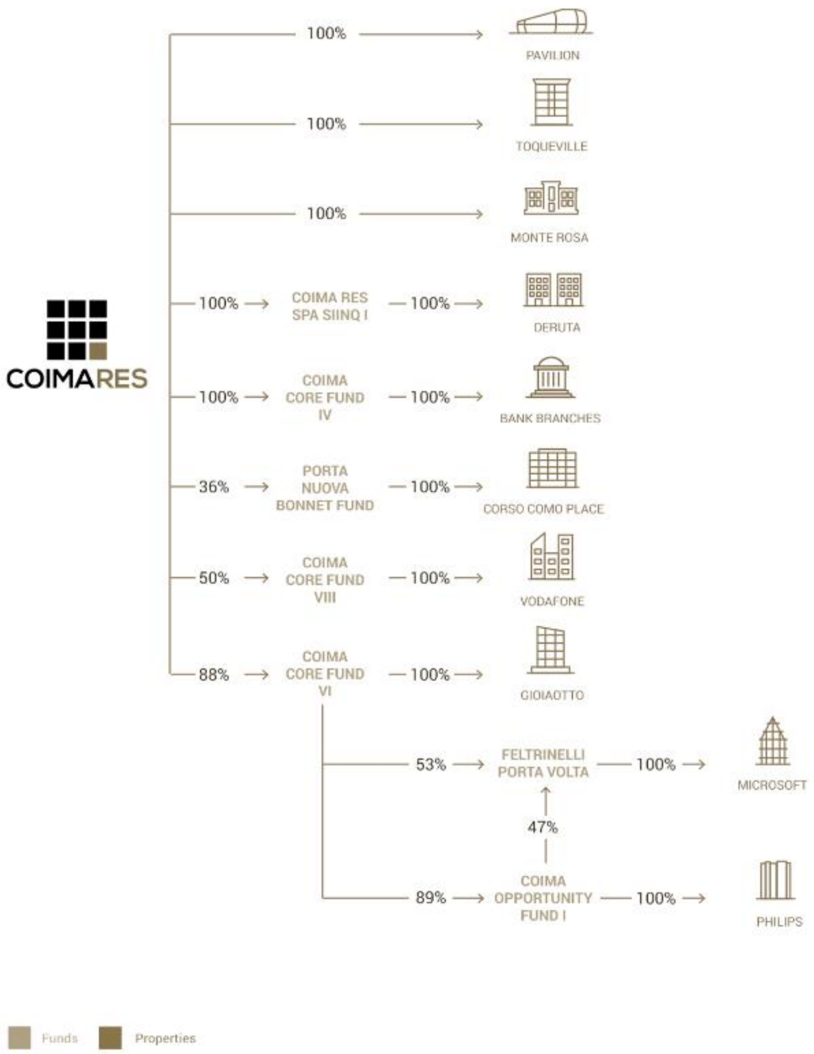
CORPORATE INFORMATION

COIMA RES S.p.A. SIIQ (following also the "**Company**" or "**COIMA RES**"), with legal incorporation in Milan, Piazza Gae Aulenti 12, with Tax Code, Register of Company and VAT No. 09126500967 is a Real Estate Investment Trust (REIT) founded in 2015 and listed on the Italian Stock Exchange since 2016. COIMA RES' strategy is focussed on the development and active management of a high-quality real estate portfolio with a high sustainability content that is positioned to meet the current and future demand from tenants. At present, COIMA RES owns and manages a real estate portfolio mainly concentrated on the Milan office segment. COIMA RES aims to offer to its shareholders a balanced risk-return profile characterized by a stable and sustainable dividend and by the potential for appreciation of the real estate portfolio over time.

CORPORATE STRUCTURE

Established by Manfredi Catella in agreement with COIMA REM S.r.l. (previously COIMA S.r.l.), COIMA SGR S.p.A. and with Qatar Holding LLC, as primary sponsor of the venture, COIMA RES is 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, not executive Director
Manfredi Catella	Chief Executive Officer (CEO)
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

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

Internal Audit and Compliance

Internal Audit and Compliance are *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.

Risk Manager

Risk management is outsourced to a specialized company named 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. for the audit of separate financial statements 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.

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

Fulvio Di Gilio	Chief Financial Officer

BOARD OF DIRECTORS' REPORT

The financials as of June 30th, 2021 are summarized in the table below.

(in million Euro)	June 30th, 2021	per share	December 31st, 2020	per share	Δ	Δ%
Total property value	757.0		758.1		(1.1)	(0.1%)
EPRA Net Reinstatement Value	472.5	13.09	466.9	12.93	5.6	1.2%
EPRA Net Tangible Assets	450.2	12.47	448.3	12.42	1.9	0.4%
EPRA Net Disposal Value	444.7	12.32	442.8	12.26	1.9	0.4%
NAV IAS/IFRS	447.7	12.40	445.5	12.34	2.2	0.5%
Debt position	339.4		339.0		0.4	0.1%
Cash position	52.0		48.7		3.3	7.7%
Net Loan to Value	38.0%		38.3%		(0.3 p.p.)	n.m.
EPRA Net Initial Yield	4.4%		5.1%		(0.7 p.p.)	n.m.
EPRA "topped-up" NIY	5.2%		5.3%		(0.1 p.p.)	n.m.
EPRA vacancy rate	12.8%		2.5%		10.3 p.p.	n.m.

(in million Euro)	June 30th, 2021	per share	June 30th, 2020	per share	Δ	Δ%
Rents	21.7		22.2		(0.5)	(2.2%)
NOI	19.6		20.2		(0.6)	(3.2%)
EBITDA	14.6		15.5		(0.9)	(5.9%)
EBIT	12.1		7.6		4.5	58.0%
Recurring FFO	11.3	0.31	12.1	0.33	(0.8)	(6.2%)
Net profit	9.1	0.25	3.6	0.10	5.5	100.0%
EPRA Earnings	8.3	0.23	8.8	0.24	(0.5)	(5.9%)
EPRA costs (including direct vacancy costs)	34.8%		30.7%		4.1 p.p.	n.m.
EPRA cost ratio (excluded direct vacancy costs)	33.0%		28.7%		4.3 p.p.	n.m.
Like for like rental growth [3]	(1.7%)		3.4%		(5.1) p.p.	n.m.
WALT (years)	4.5		4.9		(0.4)	n.m.

NAV IAS/IFRS as of June 30th, 2021 was Euro 447.7 million, an increase in the first half-year of 2021 of 0.5%, compared to December 31st, 2020.

The key factor behind the NAV growth is:

- the EPRA Earnings of the period, amounting to Euro 8.3 million;
- the positive fair value adjustment of the properties, net of third parties, for Euro 1.1 million;
- the payment of dividends for Euro 7.2 million.

The EPRA cost ratio shows an increase from 30.7% as of June 30th, 2020, to 34.8% as of June 30th, 2021, mainly due to the decrease of rents for the release of spaces in Monte Rosa by PWC in the first quarter of 2021.

[3] The like for like rental growth is calculated on rents accounted in line with the accounting principle IFRS 16.

The Group's net profit as of June 30th, 2021 amounted to Euro 9.1 million, as shown in the table below.

(in million Euro)	June 30th, 2021	June 30th, 2020	Δ	Δ%
Rents	21.7	22.2	(0.5)	(2.2%)
Net real estate operating expenses	(2.2)	(2.0)	(0.2)	8.3%
NOI	**19.6**	**20.2**	**(0.6)**	**(3.2%)**
Other revenues	0.0	(0.1)	0.1	n.m.
G&A	(4.2)	(4.2)	(0.0)	1.2%
Other expenses	(0.2)	(0.1)	(0.1)	n.m.
Non-recurring general expenses	(0.5)	(0.3)	(0.2)	n.m.
EBITDA	**14.6**	**15.5**	**(0.9)**	**(5.9%)**
Net depreciation	(0.1)	(0.2)	0.2	n.m.
Net movement in *fair value*	(2.5)	(7.7)	5.2	(67.9%)
EBIT	**12.1**	**7.6**	**4.4**	**58.0%**
Financial income	0.0	0.2	(0.2)	n.m.
Income from investments	3.2	1.7	1.5	90.3%
Financial expenses	(3.9)	(4.0)	0.1	(1.5%)
Non-recurring financial expenses	0.0	(0.3)	0.3	n.m.
Profit before taxation	**11.3**	**5.3**	**6.1**	**n.m.**
Income tax	0.0	0.0	0.0	-
Profit	**11.3**	**5.3**	**6.1**	**n.m.**
Minorities	(2.2)	(1.7)	(0.5)	30.8%
Profit for the Group	**9.1**	**3.6**	**5.5**	**n.m.**
EPRA Adjustments[4]	(0.8)	5.3	(6.1)	n.m.
EPRA Earnings	**8.3**	**8.8**	**(0.5)**	**(5.9%)**
EPRA Earnings per share	0.23	0.24	(0.01)	(5.9%)
FFO	**10.8**	**11.6**	**(0.8)**	**(6.9%)**
FFO Adjustments[5]	0.5	0.5	0.0	8.5%
Recurring FFO	**11.3**	**12.1**	**(0.8)**	**(6.2%)**
Recurring FFO per share	0.31	0.33	(0.02)	(6.2%)

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 0.6 million compared to June 30th, 2020 is mainly due to the release of Monte Rosa spaces by the tenant PWC, starting from February 1st, 2021.
As of June 30th, 2021 the NOI margin is 90.1% and the current net yield on the portfolio is 4.4%.

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

The other expenses mainly include the change in the *fair value* of the financial instrument, amounting to Euro 0.1 million, and other operating costs amounting to Euro 0.1 million.

The non-recurring general expenses, amounting to Euro 0.5 million, consist mainly in provisions for risks, commercial consultancy and intermediation costs.

[4] Include the adjustment in fair value of real estate properties.
[5] Include mainly non-recurring costs.

Net depreciation, amounting to Euro 0.1 million, mainly includes the write-downs of the other tangible and intangible assets for the period, the value adjustments of inventories and receivables.

The negative adjustment in *fair value*, amounting to Euro 2.5 million, is referred to the evaluations made on June 30th, 2021 by independent experts.

Income from investments, amounting to Euro 3.2 million, is related to the profit of the investments on Porta Nuova Bonnet e Co – Investment, recorded following the equity method, including the effects of the evaluations of the real estate properties.

Financial expenses mainly refer to existing loan agreements. The amount classified under the item "non-recurring financial expenses" in June 2020 relates to the economic effects deriving from the repayment of the loans and the partial closure of the derivative contracts related to the disposal of the Deutsche Bank branches, finalized in January 2020.

The Group earnings per share amounts to Euro 0.25, calculated in accordance with IAS/IFRS, considering 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 to obtain the total value of COIMA RES group real estate investments as of June 30st, 2021.

(in million Euro)	June 30th, 2021	December 31st, 2020	Δ	Δ%	June 30th, 2021 Look-Through adjusted
Investment properties	757.0	758.1	(1.1)	(0.1%)	838.3
Other assets	1.6	1.7	(0.0)	(2.6%)	1.6
Investments accounted for using the equity method	53.0	47.1	5.9	12.5%	1.5
Total LT assets	**811.6**	**806.9**	**4.7**	**0.6%**	**841.4**
Trade receivables	13.5	13.7	(0.2)	(1.4%)	14.8
Other assets	0.0	1.6	(1.6)	100.0%	0.0
Cash	52.0	48.7	3.4	7.0%	53.5
Total current assets	**65.6**	**64.0**	**1.6**	**2.5%**	**68.3**
Held for sale assets	-	4.3	(4.3)	(100.0%)	-
Total assets	**877.2**	**875.2**	**2.0**	**0.2%**	**909.8**
Debt	246.3	317.0	(70.6)	(22.3%)	275.6
Provisions	0.7	0.5	0.2	40.9%	0.7
Other liabilities	3.3	3.7	(0.4)	(11.5%)	3.3
Trade payables	14.3	15.6	(1.3)	(8.1%)	17.7
Current Financial Debt	93.0	22.0	71.0	322.6%	93.0
Total liabilities	**357.7**	**358.8**	**(1.1)**	**(0.3%)**	**390.3**
Minorities	71.8	71.0	0.8	1.2%	71.8
NAV	**447.7**	**445.5**	**2.3**	**0.5%**	**447.7**
NAV per share	12.40	12.34	0.06	0.5%	12.40
Net Loan to Value	*38.0%*	*38.3%*			*37.6%*

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 757 million, includes Euro 208.9 million related to the real estate complex Vodafone, Euro 195.8 million related to Monte Rosa, Tocqueville and Pavilion, Euro 64.2 million related to Deutsche Bank portfolio, Euro 41.8 million related to Deruta, Euro 82.9 million related to Gioiaotto, Euro 100.6 million related to Microsoft property and Euro 62.8 million related to Sarca.

The other log-term assets are mainly composed by the derivatives, amounting to Euro 0.1 million and fixed assets, amounting to Euro 1.5 million. In application of IFRS 16, the Group has recorded rights of use under tangible fixed assets amounting to Euro 1 million, which mainly represent the right of the Company, as lessee, to use the spaces subject to existing lease agreements at the date of this report.

Investments accounted for using the equity method include the participation in Porta Nuova Bonnet Fund and in the company Co-Investment 2 SCS.

Trade receivables, amounting to Euro 13.5 million, include: i) the advance invoicing of rents related to the third quarter of 2021 for Euro 6.1 million (Euro 5.4 million as of December 31st, 2020); ii) the accounting effects of the normalization of the rents (recorded in accordance with IFRS 16), amounting to Euro 4.4 million (Euro 4.1 million as of December 31st, 2020); iii) invoices to be issued for Euro 0.3 million (Euro 1 million as of December 31st, 2020); iv) prepayments and accrued income for Euro 2.1 million (Euro 1.6 million as of December 31st, 2020); v) other receivable for Euro 0.6 million (Euro 1.6 million as of December 31st, 2020).
As for the anticipated invoices related to the third quarter 2021, at the date of this report, Euro 3.4 million have already been collected.

The other current assets show a decrease following the collection of the financial receivable granted to the associated company Co–Investment 2 SCS, amounting to Euro 1.6 million.

As of December 31st, 2020, non-current assets held for sale included the bank branch located in Milan, sold in January 2021 for Euro 4.3 million.

The net consolidated financial debt amounts to Euro 288.4 million as of June 30th, 2021, showing a decrease of Euro 3 million compared to December 31st, 2020 mainly due to the gain deriving from operating activities and the cash collection deriving from the sale of the Milan bank branch.

(Euro million)	**June 30th, 2021**	**December 31st, 2020**
(A) Cash	52.0	48.7
(B) Cash equivalent	-	-
(C) Other current financial assets	-	-
(D) Liquidity (A)+(B)+ (C)	**52.0**	**48.7**
(E) Current financial debt	(93.0)	(22.0)
(F) Current portion of non-current debt	-	-
(G) Current financial debt (E)+(F)	**(93.0)**	**(22.0)**
(H) Net current financial debt (G - D)	**(41.0)**	**26.7**
(I) Non-current financial debt	(248.6)	(319.6)
(J) Bonds issued	-	-
(K) Trade payables and other non-current liabilities	(1.8)	(1.7)
(L) Non-current financial debt (I)+(J)+(K)	**(250.4)**	**(321.3)**
M) Total financial debt (H)+(L)	**(291.4)**	**(294.6)**

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

Compared to what is illustrated in the consolidated financial statements as at December 31st, 2020, financial debts are shown net of active derivative financial instruments (and gross of negative derivative financial instruments) and include the payable for rental fees deriving from the application of the accounting standard IFRS 16, while the trade payables and other non-current payables include the financial instrument granted to directors and key managers and guarantee deposits paid to tenants.

Current financial debts, amounting to Euro 93 million, refer to loans expiring within 12 months from the date of this report, including the loan on Deruta property for Euro 20 million with maturity date in January 2022, the loan on Gioiatto property for Euro 48 million with maturity date in March 2022 and the financing of Sarca property for Euro 25 million, with maturity date in January 2022.

As of June 30th, 2021 the Net Loan To Value (*net LTV*) of the Group is about 38%.

The item *other liabilities* includes: (i) the financial instrument granted to key managers, amounting to Euro 0.9 million (Euro 0.9 million as of December 31st, 2020), (ii) the Interest Rate Swap (*Interests Rate Swap*) amounting to Euro 1.3 million (Euro 1.7 million as of December 31st, 2020), (iii) the financial debt resulting from the application of IFRS 16 amounting to Euro 1 million (Euro 1.1 million as of December 31st, 2020), iv) other debts for Euro 0.1 million (zero balance as of December 31st, 2020).

Trade payables include (i) payables and invoices to be received from suppliers for a total amount of Euro 3.7 million (Euro 4.9 million as of December 31st, 2020), (ii) accrued liabilities and deferred income mainly related to the advanced invoicing of rents for Euro 7.5 million (Euro 6.3 million as of December 31st, 2020), (iii) security deposits for Euro 0.8 million (Euro 0.8 million as of December 31st, 2020), (iv) payables to the tax authorities for Euro 0.4 million (Euro 0.3 million as of December 31st, 2020), (v) payables to social security institutions and others for Euro 1.9 million (Euro 3.3 million as of December 31st, 2020).

As of June 30th, 2021, the average maturity of the loans is 2.1 years and the average “all in” cost of debt is about 2.03% (nearly the 85% of the debt is hedged by derivative agreements).

PORTFOLIO AS OF JUNE 30th, 2021

As of June 30th, 2021, the portfolio of COIMA RES amounting to approximately Euro 693.9 million (market value accounted on pro-quota basis).

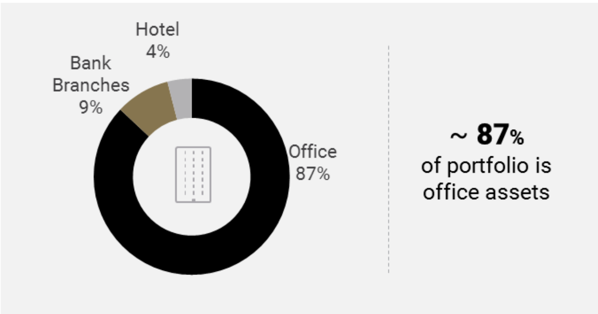
The overall WALT of the portfolio is approximately 4.5 years and the EPRA net initial yield is 4.4%.

The acquisition plan executed is in line with our investment strategy to develop a portfolio focused on:

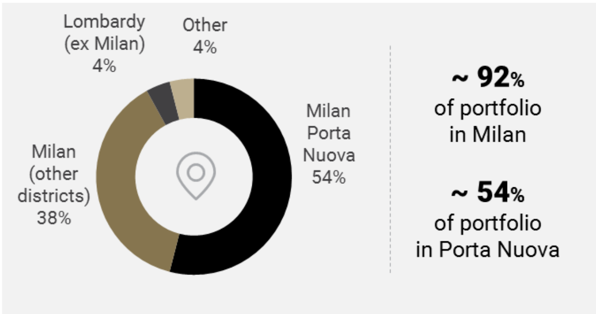
- office use;
- Italy's most attractive markets (Milan ~92%);
- mainly core assets.

Portfolio breakdown as of June 30th, 2021

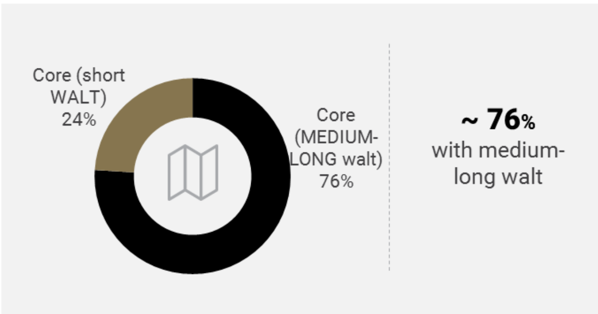
BREAKDOWN BY USE



BREAKDOWN BY LOCATION



BREAKDOWN BY PROFILE



Note: Breakdown of Gross Asset Value on a pro-quota basis

Evolution on annual gross initial rents

Gross rents decreased by 2.2% mainly due to the release of Monte Rosa spaces by PWC.

On a like for like basis, gross rents decreased by 1.7% compared to the previous period.

Main figures of real estate portfolio as of June 30th, 2021.

	MILAN PORTA NUOVA					MILAN OTHER DISTRICTS					
Data as of June 30th, 2021	MICROSOFT	CORSO COMO PLACE	PAVILION	GIOIAOTTO	TOCQUE-VILLE	VODAFONE COMPLEX	MONTE ROSA	SARCA	DERUTA	DEUTSCHE BANK	TOTAL
Location	Milan Porta Nuova	Milan Porta Nuova	Milan Porta Nuova	Milan Porta Nuova	Milan Porta Nuova	Milan Lorenteggio	Milan CityLife	Milan Bicocca	Milan Lambrate	North & Centre of Italy	-
End use	Office	Office, Retail	Office	Office, Hotel	Office	Office	Office	Office	Office	Bank Branches	-
Strategy	Core	Value-add	Core	Core	Core + / Value-add	Core	Core + / Value-add	Core	Core +	Core	-
Ownership (pro-quota)	83.5%	35.7%	100.0%	88.2%	100.0%	50.0%	100.0%	78.3%	100.0%	100.0%	-
Gross Asset Value (100% of asset)	**€100.6m**	**€227.8m**	**€73.2m**	**€82.9m**	**€60.9m**	**€208.9m**	**€61.7m**	**€62.8m**	**€41.8m**	**€64.2m**	
Gross Asset Value (pro-quota)	**€84.0m**	**€81.4m**	**€73.2m**	**€73.1m**	**€60.9m**	**€104.5m**	**€61.7m**	**€49.2m**	**€41.8m**	**€64.2m**	**€693.9m**
WALT (years)	3.0	8.6	6.6	4.4	1.0	5.6	5.3	4.9	0.9	5.7	4.5
EPRA vacancy rate	zero	7%	zero	zero	zero	zero	72%	zero	zero	6%	12.8%
EPRA net initial yield	3.9%	n.m.	4.6%	4.7%	5.1%	6.3%	1.9%	6.1%	7.9%	4.9%	4.4%
EPRA topped-up net initial yield	4.2%	4.2%	4.6%	4.9%	7.7%	6.3%	1.9%	6.1%	7.9%	5.6%	5.2%

SIGNIFICANT EVENTS OF THE PERIOD

Annual General Meeting and Dividend

The Annual Shareholders Meeting of COIMA RES approved the resolution of the Board of Directors to pay a dividend to shareholders for the fiscal year 2020 amounting to Euro 0.30 per share (Euro 10,831,967.40), in line with the divided distributed in the last two years. An interim dividend of Euro 0.10 per share has already been paid on November 18th, 2020, while the payment of the final dividend, amounting to Euro 0.20 per share, has been paid with an ex-dividend date on April 26th, 2021, record date on April 27th, 2021 and payment date on April 28th, 2021.

Loans

Microsoft: During February 2021, an agreement with Intesa Sanpaolo has been signed related to the extension and amendment of the loan of Microsoft headquarter financing, amounting to Euro 22.0 million. The maturity of the financing was extended for a period of 3 years, i.e., from December 21st, 2020 to December 21st, 2023, and the margin was reduced of c. 15 basis points. In addition, the amended agreement provides the possibility to increase the total amount of the financing provided by Intesa Sanpaolo, with the same economic conditions, to a maximum of Euro 49.5 million.

Lease agreements

Microsoft: On April 6th, 2021 a new lease agreement was signed for ground floor retail in the Microsoft property (about 400 sqm), previously occupied by Microsoft. The new agreement has a duration of nine years (with eight months of free rents) with an annual rent, for the first two years, amounting to Euro 200 thousand and, for the following years, amounting to Euro 280 thousand.

Sarca: In June 2021, COIMA RES signed a binding offer with an energy supply company for approximately 700 sqm of office space. The space is currently occupied by Signify, which 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 approximately 23% higher than to the one in place.

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 6 years and the rent is higher than the rent foreseen under the previous lease agreement.

Tocqueville: In May 2021, COIMA RES signed an amending agreement to the lease agreement with Sisal to extend the duration of a further three months, postponing the new contractual deadline to March 31st, 2022. The rent to be applied in the extension period provides for an increase equal to 50% compared to the current one.

Real estate portfolio overview

As of June 30th, 2021, the COIMA RES portfolio consists of 9 real estate properties mainly for office use located in Milan and 58 bank branches located in the North and Centre of Italy. The portfolio is valued at Euro 693.9 million (on a pro-quota basis), 92% of which is in Milan, 54% in Milan Porta Nuova and 87% is for office use. The portfolio of the Company has a high sustainability profile as approximately 66% of the portfolio is LEED certified. The portfolio of tenants of COIMA RES is mostly comprised by mid to large sized multinational corporations: the list of the ten largest tenants (representing the 84% of the stabilized rent roll on pro-quota basis) includes Vodafone, Deutsche Bank, BNP Paribas, Microsoft, IBM, Sisal, Accenture, Techint, NH Hotel and Philips.

Disposals

Bank branches: In January 2021, COIMA RES completed the disposal of a bank branches in Milan for a value of Euro 4.3 million. The disposal refers to a broader portfolio of 11 bank branches which was disposed by COIMA RES in the period between January 2020 and January 2021 for a total value of Euro 23.5 million. Since the IPO in 2016, COIMA RES has disposed approximately the 48% of the initial bank branches portfolio at a valuation broadly in line with the IPO contribution value, collecting gross proceeds from disposals of approx. Euro 66.3 million.

Development

Corso Como Place: The project was completed during the fourth quarter 2020, substantially in line with the overall budget, and it has been delivered to Accenture and Bending Spoons in January 2021. As reminder, during 2019, Accenture and Bending Spoons signed a preliminary leasing agreement for the entire office portion of the project (A and C buildings) which represents 95% of the developed surfaces.

Outlook

The COVID-19 crisis has resulted in social and economic challenges on a global scale and will most likely remain an aspect to consider for the remainder of 2021. The Italian economy has experienced a sharp recession starting from 2020 and the pace of recovery will depend, amongst other things, on how the health crisis evolves but also on the choices of the recently formed government headed by Mario Draghi.

COIMA believes that the potential increase in the adoption of the “working from home” practice will influence future tenant demand for office space from both a qualitative and quantitative point of view.
A recent survey carried by COIMA with 38 corporates who lease office space in Italy (and in particular in Milan), confirmed the fact that companies are likely to increase the possibility for employees to work remotely, however, such increase would not structurally undermine the need to have an office footprint. The likely reduction in office space requirements associated to the increased adoption of remote working by corporates appears relatively marginal, albeit not negligible, and therefore is not something that would create a structural impairment of the office sector going forward.

COIMA foresees that offices and their use will change in the medium-term from places of “production” to places of “interaction”. Therefore, the features of offices (from the point of view of their location as well as in terms of their technical and architectural characteristics) would need to evolve to maximise the engagement and productivity of employees and stimulate their creative potential.
Finally, COIMA believes that the polarisation between qualified neighbourhoods and undifferentiated neighbourhoods will consolidate and accelerate further and that qualified neighbourhoods will continue to attract high-quality office tenant demand and maintain limited level of office vacancy in the medium-term. COIMA defines qualified neighbourhoods as the districts which have a “higher than average” score in terms of accessibility to public transport, availability of services and wellness options, availability of public parks and a high degree of diversification in terms of end uses.

RELATED PARTY TRANSACTIONS

The related party transactions that occurred during the first half year are disclosed in the financial statements and in the paragraph 31.

SUBSEQUENT EVENTS

There have been no events subsequent to the closing date of the condensed consolidated half-year report.

ITALY: ECONOMIC AND REAL ESTATE MARKET CONDITIONS

In Italy, the first half of 2021 was characterized by the establishment of the government led by Mario Draghi (former President of the European Central Bank). The two priorities of the Draghi Government are on the one hand the acceleration of the vaccination campaign reaching the target of 500,000 vaccines per day in order to rapidly achieving the so-called herd immunity and allowing the reopening of all economic and social activities with a higher level of safety and on the other hand the finalization of the investment plan mainly related to the sizeable resources made available by Europe in the context of the Next Generation EU plan approved by EU Commission last June 22nd 2021. The perception of Italy risk by the financial markets was relatively benign during the first half of 2021 with a 10-year BPT / Bund spread that remained on average around a level lower than 100 basis points (compared to an average of 160 bps during 2020). The latest estimates published in April 2021 by the International Monetary Fund foresee an economic recovery in Italy for the next few years, with an expected growth of the gross domestic product (Real GDP) equal to 4.2% for 2021 and equal to 3.6% for 2022.

In line with the evolution of the macroeconomic situation, the Italian real estate market saw, in the first half of 2021, a slowdown with investment volumes equal to Euro 3.2 billion, down by 22% compared to the first half of 2020, volumes were concentrated for 34% on the city of Milan and 23% on the office segment. The office segment in Milan recorded investment volumes of Euro 601 million in the first half of 2021, down by 58% compared to the first half of 2020. The decline in volumes in the first half of 2021 is mainly due to the wait-and-see approach of investors, justified by fears about the resumption of demand for office space, together with the delays on investment transactions accumulated due to the restrictions due to the COVID-19. The prime yield for the office segment in Milan is equal to 3.0%, 10 bps lower if compared to March 2021. The level of take up by tenants for the office segment in Milan in the first half of 2021 stood at 180,000 sqm (82% related to Grade A properties), up of 14% compared to the first half of 2020. The most active markets on the letting side remain the CBD and Porta Nuova which in aggregate represent 63% of the take up in the first half of 2021. The vacancy level increased in the first half of 2021 to 10.7% compared to 9.8% at the end of 2020 (an increase of 90 basis points) due to the delivery of some speculative projects as well as some releases by tenants. Prime rent for office properties in Milan remains stable at Euro 600 / sqm compared to the end of 2020.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT AS OF JUNE 30th, 2021

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT/LOSS

(in thousands Euro)	Notes	June 30th, 2021	*of which related parties*	June 30th, 2020	*of which related parties*
Income statements					
Rents	4	21,748	-	22,230	-
Net real estate operating expenses	5	(2,161)	(549)	(1,996)	(365)
Net rents		**19,587**	**(549)**	**20,234**	**(365)**
Income / (losses) from real estate disposal		-	-	(100)	-
Net revenues from disposal		**-**	**-**	**(100)**	**-**
G&A expenses	6	(4,577)	(2,769)	(4,303)	(2,711)
Other operating expenses	7	(386)	(54)	(285)	(66)
Gross operating income		**14,624**	**(3,372)**	**15,546**	**(3,142)**
Net depreciation	8	(85)	(41)	(286)	(41)
Net movement in fair value	9	(2,457)	-	(7,612)	-
Net operating income		**12,082**	**(3,413)**	**7,648**	**(3,183)**
Net income attributable to non-controlling interests	10	3,156	-	1,659	-
Financial income	11	2	-	241	-
Financial expenses	11	(3,894)	(4)	(4,271)	(4)
Profit before tax		**11,346**	**(3,417)**	**5,277**	**(3,187)**
Income tax		-	-	-	-
Profit after tax		**11,346**	**(3,417)**	**5,277**	**(3,187)**
Minorities		(2,239)	-	(1,711)	-
Profit for the Group		**9,107**	**(3,417)**	**3,566**	**(3,187)**

EARNINGS PER SHARE

(Euro)	Notes	June 30th, 2021	June 30th, 2020
Earnings per share			
Basic, net income attributable to ordinary shareholders	12	0.25	0.10
Diluted, net income attributable to ordinary shareholders	12	0.25	0.10

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER ITEMS IN THE COMPREHENSIVE INCOME STATEMENTS

(in thousands Euro)	Notes	June 30th, 2021	June 30th, 2020
Profit for the period		**11,346**	**5,277**
Other comprehensive income to be reclassified to profit or loss in subsequent periods	21	404	236
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income		**11,750**	**5,513**
Referable to:			
Group shareholders		9,486	3,788
Minorities		2,264	1,725
Total amount		11,750	5,513

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands Euro)	Notes	June 30th, 2021	*of which related parties*	December 31st, 2020	*of which related parties*
Assets					
Real estate investments	13	754,311	-	755,382	-
Other tangible assets	14	1,280	650	1,381	690
Intangible assets	14	288	-	257	-
Investments accounted for using the equity method	15	53,000	-	47,131	-
Non-current deferred tax assets		21	-	20	-
Derivative financial instruments	16	66	-	40	-
Total non-current assets		**808,966**	**650**	**804,211**	**690**
Inventories	17	2,672	-	2,707	-
Current financial receivables	18	-	-	1,620	1,620
Trade and other current receivables	19	13,516	178	13,710	279
Cash and cash equivalents	20	52,039	-	48,653	-
Total current assets		**68,227**	**178**	**66,690**	**1,899**
Non-current assets held for sale	13	-	-	4,300	-
Total assets		**877,193**	**828**	**875,201**	**2,589**
Liabilities					
Capital stock		14,482	-	14,482	-
Share premium reserve		336,273	-	336,273	-
Valuation reserve		(1,080)	-	(1,428)	-
Interim dividend		-	-	(3,611)	-
Other reserves		88,937	-	84,111	-
Profit / (loss) for the period		9,107	-	15,627	-
Total Group shareholders' equity	**21**	**447,719**	**-**	**445,454**	**-**
Minorities	**21**	**71,801**	**-**	**70,968**	**-**
Shareholders' equity		**519,520**	**-**	**516,422**	**-**
Non-current bank borrowings	22	246,343	-	316,973	-
Non-current financial liabilities	23	1,058	666	1,140	704
Payables for post-employment benefits		118	-	100	-
Provisions for risks and charges	24	573	573	391	391
Derivatives	25	1,258	-	1,663	-
Trade payables and other non-current liabilities	26	1,778	930	1,707	876
Total non-current liabilities		**251,128**	**2,169**	**321,974**	**1,971**
Current bank borrowings	22	93,035	-	22,017	-
Trade payables and other current liabilities	27	13,474	1,578	14,757	2,386
Current tax payables		36	-	31	-
Total current liabilities		**106,545**	**1,578**	**36,805**	**2,386**
Total liabilities		**357,673**	**3,747**	**358,779**	**4,357**
Total liabilities and shareholders' equity		**877,193**	**3,747**	**875,201**	**4,357**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in thousands Euro)	Capital stock	Share premium reserve	Valuation reserve	Other reserve	Profit / (loss) carried forward	Profit for the period	Group shareholders' equity	Minorities	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**
Partial allocation of the profit of 2019	-	-	-	24,752	-	(24,752)	-	-	-
Dividend distribution on 2019 results [6]	-	-	-	-	-	(7,221)	(7,221)	-	(7,221)
Derivatives valuation	-	-	44	160	-	-	204	14	218
Actuarial income reserve IAS 19	-	-	-	17	-	-	17	-	17
Partial reimbursement of equity	-	-	-	-	-	-	-	(1,000)	(1,000)
Profit for the period	-	-	-	-	-	3,566	3,566	1,711	5,277
Balance as of June 30th, 2020	**14,482**	**336,273**	**(1,633)**	**80,730**	**3,258**	**3,566**	**436,676**	**71,900**	**508,576**

(in thousands Euro)	Capital stock	Share premium reserve	Valuation reserve	Other reserve	Profit / (loss) carried forward	Profit for the period	Group shareholders' equity	Minorities	Shareholders' equity
Balance as of January 1st, 2021	**14,482**	**336,273**	**(1,428)**	**72,407**	**8,093**	**15,627**	**445,454**	**70,968**	**516,422**
Partial allocation of the profit 2020	-	-	-	4,814	3,592	(8,406)	-	-	-
Dividend distribution on 2020 results [7]	-	-	-	-	-	(7,221)	(7,221)	(1,431)	(8,652)
Derivatives valuation	-	-	348	(4)	-	-	344	25	369
Actuarial income reserve IAS 19	-	-	-	35	-	-	35	-	35
Partial reimbursement of equity	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	9,107	9,107	2,239	11,346
Balance as of June 30th, 2021	**14,482**	**336,273**	**(1,080)**	**77,252**	**11,685**	**9,107**	**447,719**	**71,801**	**519,520**

[6] Excluding the interim dividend on 2019 results amounting to Euro 3,611 thousand, paid in November 2019.
[7] Excluding the interim dividend on 2020 results amounting to Euro 3,611 thousand, paid in November 2020.

INTERIM CONDENSED CONSOLIDATED CASH FLOWS STATEMENT

(in thousands Euro)	June 30th, 2021	June 30th, 2020
Profit for the period	11,346	5,277
Adjustments to reconcile the profit to net cash flow:		
Net depreciation	82	201
Severance pay	237	61
Net movement in fair value property	2,457	7,612
Net income attributable to non-controlling interests	(3,156)	(1,659)
Financial expenses	752	1,008
Net movement in fair value financial instruments	71	66
Taxes	-	-
Changes in working capital:		
(Increase) / decrease in trade and other current receivables	501	(4,379)
(Increase) / decrease in deferred tax assets	(1)	-
Increase / (decrease) in trade payables and other current liabilities	(1,535)	1,195
Increase / (decrease) in current tax payables	5	-
Increase / (decrease) in trade payables and other non-current liabilities	-	57
Net cash flows generated (absorbed) from operating activities	**10,759**	**9,439**
Investment activities		
(Acquisition) / disposal of real estate property	2,914	12,049
(Acquisition) / disposal of other tangible and intangible assets	(64)	(54)
(Acquisition) / disposal of other non-current receivables	1,620	612
Purchase of associated companies	(2,696)	(2,786)
Net cash flow generated (absorbed) from investment activities	**1,774**	**9,821**
Financing activities		
Shareholders' contribution / (dividends paid)	(6,973)	(7,196)
Dividends paid to minorities	(1,431)	(1,000)
(Acquisition) / closing of derivatives	(193)	(148)
Increase / (decrease) in bank borrowings and other non-current lenders	(550)	-
Repayment of borrowings	-	(11,100)
Net cash flows generated (absorbed) from financing activities	**(9,147)**	**(19,444)**
Net increase / (decrease) in cash and cash equivalents	3,386	(184)
Cash and cash equivalents at the beginning of the period	48,653	42,693
Cash and cash equivalents at the end of the period	**52,039**	**42,509**

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Company information

COIMA RES S.p.A. SIIQ is a public company listed on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A., incorporated and registered in Italy, and has its registered office in Milan, piazza Gae Aulenti 12.

The publication of the interim condensed consolidated financial statements of the Company and its subsidiaries for the six months ended June 30th, 2021 was authorised by the Board of Directors on July 29th, 2021.

The interim condensed consolidated financial statements at June 30th, 2021 have been subject to a limited review by the audit firm EY S.p.A.

2. Principles of preparation and changes in accounting standards

2.1 Principles of preparation

The interim condensed consolidated financial statements as of June 30th, 2021 have been prepared in accordance with the IAS/IFRS accounting standards set forth by the International Accounting Standards Board (IASB) and related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission as established by Community Regulation no. 1606 of July 19th, 2002.

The interim condensed consolidated financial statements have been prepared under the historical cost principle, except for investment properties, financial instruments, derivative financial instruments and liabilities for non-cash distributions that are recognised at *fair value*. The carrying value of assets and liabilities that are subject to hedging transactions at *fair value* and would otherwise be carried at amortised cost, has been adjusted to take account of changes in *fair value* attributable to the hedged risks.

The interim condensed consolidated financial statements as of June 30th, 2021 have been prepared in accordance with IAS 34 - Interim Financial Reporting, so it has not shown upon all the information required during preparation of the annual consolidated financial statements. For this reason, it is necessary to read the interim condensed consolidated financial statements with the consolidated financial statements as of December 31st, 2020.

The interim condensed consolidated financial statements include the balance sheet, the income statement, the comprehensive income statement, the statement of changes in equity, the cash flow statement and the explanatory notes.

In accordance with art. 5, paragraph 2, of Legislative Decree no. 38 of February 28th, 2005, the financial statements were prepared in Euro. All amounts of the interim condensed consolidated financial statements are stated in thousands of Euro as functional currency. Rounding of the data in the explanatory notes to the interim condensed consolidated financial statements is intended to ensure consistency with the figures reported in the balance sheet and income statement.

The interim condensed consolidated financial statements have been prepared on a going concern basis, in accordance with the principle of accrual, principle of relevance and significance of information and the prevalence of substance over form.

Assets and liabilities and revenues and expenses are offset only if required or permitted by an accounting standard or its interpretation.

The accounts adopted are consistent with those established by IAS 1 – "Presentation of Financial Statements".
In particular:

- the statement of assets has been prepared by classifying assets and liabilities according to the "current/non-current" criterion;
- the income statement and comprehensive income statement have been prepared by classifying operating expenses by nature;
- the financial statements have been prepared using the "indirect method".

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

2.2 Consolidation

Scope of consolidation

The interim condensed consolidated financial statements have been drawn up based on the financial statements as of June 30th, 2021, prepared by the consolidated companies and adjusted, where necessary, to align them with the IFRS-compliant accounting and classification policies.
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 June 30th, 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;
- subsidiaries are consolidated on a line-by-line basis, aggregating all financial statement items in full. regardless of the interest held. Only for the determination of net equity and net profit (loss) is the minority interest, if any, shown separately in the statement of financial position and the income statement;
- the consolidation of related companies is determined with pro rata adjustments of the participation of changes in equity of associated companies, due to the result of the period as well as from other items in the comprehensive income statements;
- 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.

2.3 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 sufficient 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 every 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 June 30th, 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 13 – 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 an 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 to the cost method provided for by 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.

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, which are not subject to significant risks associated with an increase 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:

- *rental 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 Revenue from contracts with customers

IFRS 15 replaces IAS 11 - Construction contracts, IAS 18 - Revenues and related interpretations and 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 the adoption of 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 (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 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, and three 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;
- on December 4th, 2015 COIMA OPPORTUNITY FUND I entered into a lease agreement for a garage belonging to a property located in Milan, Viale Fulvio Testi 282, expiring on June 30th, 2025 and tacitly renewable for a further nine years, for an annual rent amounting to Euro 80 thousand. On April 11th, 2017, the fund sub-leased the area in question to the tenant Philips S.p.A. under the same contractual conditions stipulated with the lessor.

Costs

Costs and other operating expenses are recognized as components of the result for the period when they are incurred on an accruals basis and when they do not meet the 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

The Company as a SIIQ is subject to a special tax regime, under which, inter alia, the business income from real estate leasing is exempt from corporate income tax (**IRES**) and the regional tax on productive activities (**IRAP**) and the part of the corresponding statutory profit is subject to taxation by shareholders at the time of distribution of the same in the form of dividends. The taxes for the period are therefore calculated on the income produced by activities different from the real estate leases (not exempt activities).

Deferred tax

With regard to non-exempt operations, deferred tax assets and liabilities are recognized according to the global allocation method.
They are calculated on the temporary differences between the values of the assets and liabilities recorded in the financial statements and the corresponding values recognized for tax purposes. Deferred tax assets on taxable losses and deductible temporary differences are recognized to the extent that it is probable that future taxable income will be available, also taking into account the special regime envisaged for SIIQ, against which they can be recovered.

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

Diluted 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 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.

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

The accounting standards adopted in the preparation of the consolidated financial statements are consistent with those in effect at the balance sheet date inclusive of new standards, amendments and interpretations effective from December 31st, 2020, except for the adoption of new standards effective as of January 1st, 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several other amendments and interpretations apply for the first time in 2021, but do not have an impact on the consolidate financial statements of the Group.

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 interim condensed consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Implications of the COVID-19 on the interim condensed consolidated financial statements

The restrictive measures relating to the COVID-19 pandemic continued for most of the first half of 2021, although to a lesser extent than in the 2020 lock-down period. The situation of the first half of 2021 did not reveal any further criticalities for tenants compared to what had already been highlighted in previous periods, also because the restrictive measures led to the closure of limited commercial activities with a very limited impact for the Company.
In fact, the Company's portfolio is mainly composed of offices, the most resilient segment, and with a limited percentage of the portfolio concentrated on hospitality and retail (about 5%).

At the date of this report, COIMA RES has collected 100% of the rents due in the first half of 2021 and the remainder to be collected mainly refers to some payment extensions granted to some tenants.
It should be noted that, at the date of this report, the Company is not the beneficiary of any of the initiatives implemented by the national authorities in order to face the serious economic crisis. Some tenants of the Company are recipients of such measures which could allow them to have the liquidity necessary for their activities and to meet their obligations.
In terms of evaluation, the Independent Experts express less uncertainty in formulating their opinions than the evaluations of the previous semesters.

Overall, the real estate portfolio (paragraph 13 - Investment property) remained substantially unchanged in terms of value although some properties have undergone some corrections. These corrections did not lead to problems relating to release of the covenant levels. Furthermore, in almost all of the loans there are mechanisms for treating any overruns of the covenants which would allow the Company, in consideration 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 an overall liquidity of over Euro 52 million. With regard to loans, Euro 93 million classified as short-term is to be noted, which will presumably be renegotiated from the second half of 2021 and, considering the quality of the properties, there are no critical issues for the extension of the maturity of these loans.

3. Operating Segments

In order to represent the Company's 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, 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 9% of the total real estate portfolio.

An income statement showing information about the Company's income and results for the six months ended June 30th, 2021 is given below:

(in thousands Euro)	Offices	Bank branches	Others	Unallocated amounts	Sector results
Rents	19,172	1,862	714	-	21,748
Net income of non-controlling interests	3,138	-	-	18	3,156
Financial income	-	-	-	2	2
Total income	**22,310**	**1,862**	**714**	**20**	**24,906**
Net real estate operating expenses	(1,649)	(349)	(163)	-	(2,161)
G&A expenses	(3,783)	(429)	(355)	(10)	(4,577)
Other operating expenses	(340)	(25)	(16)	(5)	(386)
Net depreciation	-	(36)	-	(49)	(85)
Adjustment to *fair value*	(573)	(2,391)	507	-	(2,457)
Financial expenses	(3,273)	(386)	(216)	(19)	(3,894)
Sector results	**12,692**	**(1,754)**	**471**	**(63)**	**11,346**

The sector's revenues are broken down by the most significant items in the real estate sector, for example rents and income from investments.
The result for each sector is also represented which also includes real estate costs, net of chargebacks made to tenants, G&A costs, financial expenses and other corporate costs.
The column called *unallocated amounts* includes net income attributable to non-controlling interests, financial expenses on bank accounts, write-downs, financial income and exchange losses.

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

(in thousands Euro)	Offices	Bank branches	Others	Unallocated amounts	Sector results
Non-current assets	712,873	61,486	33,113	1,494	808,966
Current assets	41,745	21,374	2,204	2,904	68,227
Total assets	**754,618**	**82,860**	**35,317**	**4,398**	**877,193**
Non-current liabilities	217,937	30,734	2,457	-	251,128
Current liabilities	87,626	1,553	17,069	297	106,545
Total liabilities	**305,563**	**32,287**	**19,526**	**297**	**357,673**

Assets and liabilities are divided based on the relationship with the real estate divided by 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, payables for current tax and dividends to be paid.

The Company'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	20,096	200	1,452	-	21,748
Net income of non-controlling interests	3,138	-	-	18	3,156
Financial income	-	-	-	2	2
Total income	**23,234**	**200**	**1,452**	**20**	**24,906**
Net real estate operating expenses	(1,841)	(13)	(307)	-	(2,161)
G&A expenses	(4,211)	(52)	(304)	(10)	(4,577)
Other operating expenses	(358)	(4)	(19)	(5)	(386)
Net depreciation	-	-	(36)	(49)	(85)
Adjustment to *fair value*	(306)	-	(2,151)	-	(2,457)
Financial expenses	(3,528)	(56)	(291)	(19)	(3,894)
Sector results	**12,990**	**75**	**(1,656)**	**(63)**	**11,346**

The geographic breakdown has also been chosen regarding the Company's investment strategy which is aimed primarily at the market of 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	752,345	9,286	45,841	1,494	808,966
Current assets	49,244	1,941	14,138	2,904	68,227
Total assets	**801,589**	**11,227**	**59,979**	**4,398**	**877,193**
Non-current liabilities	223,484	4,441	23,203	-	251,128
Current liabilities	104,851	224	1,173	297	106,545
Total liabilities	**328,335**	**4,665**	**24,376**	**297**	**357,673**

The same methodology described for the division of assets and liabilities by intended use is also used for the breakdown by geographic location.

4. Rents

The revenues amounting to Euro 21,748 thousand as of June 30th, 2021 and include rents accrued on the real estate portfolio.

(in thousands Euro)	Investments	June 30st, 2021	June 30st, 2020
COIMA RES SIIQ	Monte Rosa	1,154	1,813
	Tocqueville	1,963	1,426
	Pavilion	1,633	1,633
COIMA CORE FUND IV	Deutsche Bank branches	1,862	2,109
COIMA CORE FUND VI	Gioiaotto	2,061	2,079
COIMA RES SIINQ I	Deruta	1,820	1,816
COIMA CORE FUND VIII	Vodafone	7,060	7,047
COIMA OPPORTUNITY FUND I	Sarca	2,016	2,017
FELTRINELLI PORTA VOLTA	Microsoft	2,179	2,290
Rents		**21,748**	**22,230**

The decrease of Euro 482 thousand compared to June 30th, 2020 is mainly due to the release of spaces in Monte Rosa by PWC during the first quarter 2021 and the sale of bank branches finalized during the second half-year 2020.

The increase in the Tocqueville rents for Euro 537 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 January 1st, 2022.

Revenues related to Microsoft show a decrease of Euro 111 thousand following the release by the tenant of the retail spaces of the Feltrinelli building in the first quarter of 2021.

5. Net real estate operating expenses

The net real estate operating expenses amount to Euro 2,161 thousand as of June 30th, 2021. The detail of the amount is:

(in thousands Euro)	Vodafone Complex*	Tocqueville Monte Rosa Pavilion	Deutsche Bank branches	Gioiaotto	Deruta	June 30th, 2021	June 30th, 2020
Recovery of costs from tenants	1,042	437	19	984	9	2,491	2,793
Property management fee	(143)	(55)	(20)	(103)	(18)	(339)	(352)
Maintenance charges	(430)	(380)	(25)	(447)	(7)	(1,289)	(1,246)
Utilities	(479)	(143)	(2)	(294)	-	(918)	(1,048)
Insurance	(48)	(32)	(20)	(53)	(13)	(166)	(172)
Property taxes	(373)	(425)	(280)	(470)	(124)	(1,672)	(1,677)
Stamp duties	(70)	(51)	(21)	(59)	(18)	(219)	(243)
Other real estate costs	(1)	(42)	-	(6)	-	(49)	(51)
Net real estate expenses	**(502)**	**(691)**	**(349)**	**(448)**	**(171)**	**(2,161)**	**(1,996)**

* Includes the Consorzio Lorenteggio Village

The item *recovery of costs from tenants* refers to the reversal of ordinary property management charges to tenants.

Property management fees mainly relate to ordinary activities of the administration and maintenance of the buildings.

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

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

The item *insurance costs* refers to the all-risk policies signed by the Company to protect the asset value and ownership of the buildings.

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

6. General and administration expenses

G&A costs amounting to Euro 4,577 thousand as of June 30th, 2021, are listed below:

(in thousands Euro)	COIMA RES	CORE IV SIINQ I	CORE VI COF I FPV	CORE VIII	Others	June 30th, 2021	June 30th, 2020
Asset management fee	(529)	(120)	(968)	(528)	-	(2,145)	(2,105)
Personnel costs	(1,129)	-	-	-	-	(1,129)	(940)
Consulting costs	(205)	(81)	(159)	(24)	(16)	(485)	(445)
Control functions	(166)	(16)	(8)	-	-	(190)	(182)
Audit	(102)	(22)	(56)	(13)	(2)	(195)	(175)
Marketing	(128)	-	-	-	-	(128)	(137)
IT service	(95)	-	-	-	-	(95)	(85)
Independent appraisers	(23)	(13)	(18)	(8)	-	(62)	(57)
Other operating expenses	(142)	-	-	-	(6)	(148)	(177)
G&A expenses	**(2,519)**	**(252)**	**(1,209)**	**(573)**	**(24)**	**(4,577)**	**(4,303)**

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 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.

Personnel costs, amounting to Euro 1,129 thousand, include:

- wages, salaries and similar expenses, amounting to Euro 389 thousand, related to wages for the Company's employees;
- contributions, amounting to Euro 141 thousand, paid by the Company to social security funds;
- other personnel costs, amounting to Euro 599 thousand, which mainly include the Board of Directors' remuneration.

In the first quarter of 2020 the Chief Executive Officer, in order to limit the corporate costs of the Company in light of the current market capitalization and to be aligned with the interests of COIMA RES shareholders, has confirmed

to accept the suspension of the recalculation of the fixed emolument and the payment of variable compensation, starting from 2020 financial year until January 1st, 2025.
The suspension of the recalculation of the annual fixed emolument and the variable compensation can be interrupted by Manfredi Catella only and exclusively if, by this 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 interim condensed consolidated financial statements as of June 30th, 2021.

The CEO has reserved the right to stop the suspension of the restatement of the annual fixed emolument and the variable compensation if the market capitalization of COIMA RES should reach a level higher than that recorded in the IPO (equal to Euro 360 million), only from this trigger event onwards would the relative remuneration be determined, without therefore impacting the previous periods.
Considering what is been reported above, the waiver of the fees for the previous years (from 2017 to 2019) remains subject to the terms and conditions set out in the communication of Manfredi Catella of February 19th, 2019.

The best current estimate of this potential liability as of June 30th, 2021, considering the above, is approximately Euro 4.8 million.

Regarding the risk of death, considering the existing agreement with the Chief Executive Officer and the reports described above, the Company made a provision of approximately Euro 573 thousand 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 realisation of one of the Good Leaver scenarios envisaged in the existing agreement as remote. The best current estimate as of June 30th, 2021 amounts to Euro 5.1 million.

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 consulting for *corporate* services;
- technical consulting on real estate properties.

Governance and other control functions costs are mainly related to the Board of Statutory Auditors, amounting to Euro 62 thousand, Risk Management, amounting to Euro 29 thousand and other control functions, amount to Euro 99 thousand.

The *audit costs* include the fees relating to the auditing company EY S.p.A and the fees relating to the auditing company KPMG S.p.A., the latter in charge of the statutory audit of the real estate funds held by COIMA RES.

Marketing costs are mainly related to digital and media relations expenses (Euro 48 thousand), related to website maintenance (Euro 76 thousand) and other residual marketing costs, including branding activities (Euro 4 thousand).

IT service costs include technical assistance, administrative software and IT management expenses.

The expenses related to the *independent appraisers* are due in respect of the agreement in place with the independent expert CBRE Valuation, AXIA RE, Duff & Phelps REAG and Praxi for the preparation of the evaluation reports.

Other expenses mainly include expenses related to the management of the Company's headquarter and other structure costs (insurances, membership fees, Borsa Italiana and Monte Titoli's services, CONSOB contribution).

7. Other operating expenses

The other operating expenses, amounting to Euro 386 thousand (Euro 285 thousand as of June 30th, 2020), mainly include non-recurring liabilities (Euro 300 thousand), corporate taxes and fees (Euro 12 thousand) and other operating costs (Euro 74 thousand). The amount includes the fair value change of the financial instrument allowed to the Board of Directors and to the *key managers* of the Company, that shows an increase of Euro 54 thousand compared to December 31st, 2020.

8. Net depreciation

Net depreciation, amounting to Euro 85 thousand (Euro 286 thousand as of June 30th, 2020), includes write-downs of tangible and intangible fixed assets for Euro 134 thousand, release of the losses on receivables previously recorded for Euro 85 thousand and the reduction in the value of the properties recorded in the item *inventories* for Euro 35 thousand. The latter adjustment was made based on the appraisal prepared by the independent expert on June 30th, 2021.

9. Net movement in fair value

This item, negative for Euro 2,457 thousand (negative for Euro 7,612 thousand as of June 30th, 2020) refers to the revaluation recorded on the value of real estate investments, based on the evaluation reports prepared by independent experts.
For more details, please refer to note 13 - Real estate investments.

10. Net income attributable to non-controlling interests

Net income attributable to non-controlling interests, amounting to Euro 3,156 thousand (Euro 1,659 thousand as of June 30th, 2020), includes the adjustment of the value of the equity investments in Porta Nuova Bonnet Fund and in Co - Investment 2SCS calculated using the equity method.
For more details, please refer to paragraph 15 – Investments accounted for using the equity method.

11. Financial income and expenses

The item financial incomes, amounting to Euro 2 thousand (Euro 241 thousand as of June 30th, 2020), mainly includes exchange gains and interest income on the cash liquidity.

Financial charges amount to Euro 3,894 thousand (Euro 4,271 thousand as of June 30th, 2020) mainly include interest expense accrued on outstanding loans.

The decrease of Euro 377 thousand compared to the first quarter of 2020 is mainly linked to partial loan reimbursements made during 2020.

12. 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.

There is no difference between diluted earnings per share and basic earnings (loss) per share.

The profit and the information about the shares used for the calculation of the basic earnings per share are illustrated below:

Earnings per share	**June 30th, 2021**	**June 30th, 2020**
Profit attributable to ordinary shareholders (in thousands Euro)	9,107	3,566
Weighted average number of ordinary shares outstanding	36,106,558	36,106,558
Earnings per share (Euro)	**0.25**	**0.10**
Earnings per share diluted (Euro)	**0.25**	**0.10**

13. Real estate investments

The changes in property investments as of June 30th, 2021, are listed below:

(in thousands Euro)	Investments	December 31st, 2020	Capex	Revaluations (write-downs)	June 30th, 2021
COIMA RES SIIQ	Monte Rosa	60,600	1,044	56	61,700
	Tocqueville	59,500	107	1,293	60,900
	Pavilion	72,700	27	473	73,200
COIMA CORE FUND IV	DB branches	63,872	-	(2,391)	61,481
COIMA CORE FUND VI	Gioiaotto	82,000	-	900	82,900
COIMA RES SIINQ I	Deruta	44,400	-	(2,600)	41,800
COIMA CORE FUND VIII	Vodafone	211,000	-	(2,100)	208,900
COIMA OPPORTUNITY FUND I	Sarca	62,070	-	750	62,820
FELTRINELLI PORTA VOLTA	Microsoft	99,240	208	1,162	100,610
Real estate investments		**755,382**	**1,386**	**(2,457)**	**754,311**

The total amounts reported as of June 30th, 2021 match those of the last appraisals produced by independent appraisers. The appraisals were performed in accordance with RICS Valuation – Professional Standards, in compliance with applicable law and with recommendations given by ESMA - European Security and Market Authority.

The columns "*capex*" shows interventions and improvements made on the real estates in portfolio during the first half-year 2021, including Monte Rosa for the activities related to the refurbishment of the property.

The item "*revaluations / (write-downs)*" includes changes in the *fair value* of the property because of the valuations issued by the independent experts appointed by the Company and Funds on June 30th, 2021.

The table below shows the parameters used by the independent experts to make their valuations, according to the discount cash flow method.

Independent experts	Property	Discounted rate	Discounted rate retraining	Gross cap out rate	Expected inflation rate	Year plan
CBRE Valuation	Monte Rosa	5.40%	7.50%	4.75%	1.2%	8.3
	Tocqueville	5.50%	7.50%	3.60%	1.2%	6.8
	Pavilion	4.50%	7.10%	3.40%	1.2%	14.6
	Deruta	5.50%	7.55%	5.25%	1.2%	4.9
AXIA RE	DB branches (let)	m.5.8%	m.5.8%	m.3.9%	2.0%	15
	DB branches (vacant)	m.6.2%	m.6.2%	m.3.8%	2.0%	15
Duff & Phelps REAG	Gioiaotto (office)	5.75%	5.75%	4.19%	1.5%	15
	Gioiaotto (hotel)	6.30%	6.80%	4.73%	1.5%	18
	Vodafone	6.10%	6.10%	4.63%	1.5%	10
Praxi	Sarca	6.85%	6.85%	5.12%	1.7%	15
	Microsoft	5.27%	5.27%	3.88%	1.7%	15

The change in value of the Monte Rosa property is mainly due to the capitalizations carried out in the period.

The revaluation of Tocqueville, amounting to Euro 1,293 thousand, was determined by the development, by the independent expert, of the valuation considerations with reference to the period of income guaranteed by the lease agreement in force at the valuation date, as well as the estimated times for carrying out the renovation works and the subsequent return to income of the property at market rents in line with those in existence in the Porta Nuova area. The change is mainly due to the improvement of the existing contractual conditions, the improvement of the inflation curve which took place during 2021, and the change in the rates used by the independent expert, in line with what emerged in the reference market in the first half of 2021.

The increase in the value of Pavilion for Euro 473 thousand is mainly linked to the improvement of the inflation curve which took place during the first half of 2021.

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

With regard to the valuation of the Deutsche Bank portfolio, there was a decrease of Euro 2,391 thousand due to the change in rates and the hypothesis of relocation by the independent expert.

The valuation relating to Gioiaotto has undergone an increase of Euro 900 thousand compared to the valuations of the previous year. The change is mainly linked to the improvement of the conditions relating to the reference market and the rental situation of the property.

The valuation of the Vodafone real estate complex records a decrease compared to the previous year for Euro 2,100 thousand, mainly due to the approaching expiry of the lease.

The Microsoft property shows an increase in value of Euro 1,162 thousand mainly due to the improvement of the inflation curve and the relocation of retail spaces previously released by Microsoft.

The revaluation of Sarca property for Euro 750 thousand is mainly due to the growth of the inflation curve and the improvement of the rental situation of the property compared to the uncertainties present in the previous evaluation in relation to the duration of the lease by some tenants.

The following table shows the market values of investment property as of June 30th, 2021 gross and net of transaction costs respectively:

Independent expert	Investments	Gross market value at June 30th, 2021	Net market value at June 30th, 2021
CBRE Valuation	Monte Rosa	63,860	61,700
	Tocqueville	63,032	60,900
	Pavilion	75,762	73,200
	Deruta	43,263	41,800
AXIA RE	Deutsche Bank branches	63,272	61,481
Duff & Phelps REAG	Gioiaotto	85,400	82,900
	Vodafone	215,170	208,900
Praxi	Sarca	64,700	62,820
	Microsoft	103,630	100,610
Market value of real estate investments		**778,089**	**754,311**

14. Other tangible assets and intangible fixed assets

Other tangible fixed assets, equal to Euro 1,280 thousand (Euro 1,381 thousand as of December 31st, 2020), mainly include the right to use space located by the Group for the whole duration of the agreement (i.e. *right of use*), forniture and fixtures related to the headquarter of the Company.

(in thousands Euro)	December 31st, 2020	Increases / (write-downs)	June 30th, 2021
Furniture and fixtures	72	-	72
Installations	284	-	284
Other tangible assets	7	-	7
Rights of use	1,406	-	1,406
Original costs	**1,769**	-	**1,769**
Furniture and fixtures	(21)	(3)	(24)
Installations	(78)	(11)	(89)
Other tangible assets	(6)	(1)	(7)
Rights of use	(283)	(86)	(369)
Depreciation fund	**(388)**	**(101)**	**(489)**
Net book value	**1,381**	**(101)**	**1,280**

Today, the Group has mainly three lease agreements, net of the write-downs, whose right of use amounts to Euro 1,037 thousand (Euro 1,123 thousand as of December 31st, 2020).

Intangible assets, amounting to Euro 288 thousand (Euro 257 thousand as of December 31st, 2020), include administrative and accounting software. The net increase of Euro 31 thousand compared to the previous year is mainly due to the development of the implementation activities carried out during the period, net of depreciation for the period.

15. Investments accounted for using the equity method

The item, amounting to Euro 53,000 thousand (Euro 47,131 thousand as of December 31st, 2020), includes Porta Nuova Bonnet investment, for an amount of Euro 51,526 thousand, and Co – Investment 2 SCS investment, for an amount of Euro 1,474 thousand, owned indirectly through MHREC Sarl.

The increase of Euro 5,869 thousand compared to the previous year is due to the recalls made by Porta Nuova Bonnet Fund during this half-year, amounted to Euro 2,696 thousand, and the profit for the period amounting to Euro 3,138 thousand.

16. Derivatives

Derivative financial instruments, amounting to Euro 66 thousand (Euro 40 thousand as of December 31st, 2020) have decreased by Euro 26 thousand compared to the previous year due to the negative change in the fair value of the period of the interest rate cap agreement and the acquisition of a new hedging transaction.

On April 29th, 2021, Feltrinelli Porta Volta signed a derivative hedging agreement on the 6-month Euribor rate with a strike of 0 bps for Euro 193 thousand. The hedging transaction refers to the loan agreement for the Microsoft property, renegotiated in February 2021.

The Company has accounted for hedging transactions based on *hedge accounting*, according to IFRS 9, verifying the efficiency of the hedging relationship.

17. Inventories

Inventories, amounting to Euro 2,672 thousand (Euro 2,707 thousand as of December 31st, 2020), includes the remaining vacant Deutsche Bank branches.
The change of Euro 35 thousand compared to the previous year is due to the reclassification of the value made accordingly with the independent expert evaluation. For more details on the benchmarks used during the evaluation, please refer to paragraph 13 – Real estate investments.

18. Current financial receivables

In the first quarter of 2021 MHREC Sarl collected the financial receivables related to loans granted to Co-Investment 2 SCS for Euro 1,620 thousand.

19. Trade and other current receivables

The breakdown of trade receivables and other current receivables is given below:

(in thousands Euro)	June 30th, 2021	December 31st, 2020
Receivables from tenants	11,010	11,026
Trade receivables	**11,010**	**11,026**
Tax receivables	19	133
Other receivables	402	942
Accrued income and prepaid expenses	2,085	1,609
Other current receivables	**2,506**	**2,684**
Trade and other current receivables	**13,516**	**13,710**

Receivables from tenants mainly include the anticipated invoicing of rents related to the third quarter 2021, amounting to Euro 6,088 thousand, the effects of the normalisation of lease payments (accounted in accordance with IFRS 16) of Euro 4,401 thousand, invoices to be issued and outstanding receivables for Euro 521 thousand.
As of June 30th, 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 advances to suppliers and other receivables from third parties.

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*).

20. Cash and cash equivalents

The Group's cash and cash equivalents amount to Euro 52,039 thousand.

(in thousands Euro)	June 30th, 2021	December 31st, 2020
BNP Paribas	17,836	21,668
Intesa San Paolo	10,658	1,593
BFF Bank	10,537	12,228
ING Bank N.V.	5,355	3,893
Banco BPM	2,222	1,285
Unicredit	1,990	1,586
Banca Passadore	1,602	3,621
UBI Banca	-	2,619
Société Générale Group	1,839	160
Cash	1	1
Cash and cash equivalents	**52,039**	**48,653**

For more details on the operation, please refer to the cash flow statements.

21. Shareholders' equity

Shareholders' equity as of June 30th, 2021 amounts to Euro 447,719 thousand (Euro 445,454 thousand as of December 31st, 2020).
The share capital, amounting to Euro 14,482 thousand, is represented by 36,106,558 shares with a nominal value.

Reserves, which amounted to Euro 424,130 thousand, include:

- share premium reserve of Euro 336,273 thousand;
- legal reserve of Euro 2,896 thousand;
- *cash flow* reserve for hedging derivatives of Euro 1,080 thousand (negative);
- other reserves of Euro 86,041 thousand.

Minorities amounts to Euro 71,801 thousand (Euro 70,968 thousand as of December 31st, 2020), of which Euro 2,239 thousand is related to the minority interest for the period.

22. Non-current bank borrowings

Bank borrowings, amounting to Euro 339,378 thousand, mainly include the financial loans contracted by the Company and by the controlled entities, whose movement is show below.

(in thousands Euro)	December 31st, 2020	Amortised costs/other movements	Reclassifications	June 30th, 2021
COIMA RES SIIQ	97,958	150	-	98,108
COIMA CORE FUND VI	47,831	95	(47,926)	-
COIMA RES SIINQ I	19,927	35	(19,962)	-
COIMA CORE FUND VIII	126,249	201	-	126,450
COIMA OPPORTUNITY FUND I	25,008	(4)	(25,004)	-
FELTRINELLI PORTA VOLTA	-	(218)	22,003	21,785
Non-current bank borrowings	**316,973**	**259**	**(70,889)**	**246,343**
COIMA RES SIIQ	-	136	-	136
COIMA CORE FUND VI	-	-	47,926	47,926
COIMA RES SIINQ I	-		19,962	19,962
COIMA CORE FUND VIII	14	(8)	-	6
COIMA OPPORTUNITY FUND I	-	1	25,004	25,005
FELTRINELLI PORTA VOLTA	22,003	-	(22,003)	-
Current bank borrowings	**22,017**	**129**	**70,889**	**93,035**
Bank borrowings	**338,990**	**388**	**-**	**339,378**

Current bank borrowings, amounting to Euro 93,035 thousand (Euro 22,017 thousand as of December 31st, 2020) mainly include the amount of the loans of COIMA OPPORTUNITY FUND I, COIMA RES SIINQ I and COIMA CORE FUND VI, relating respectively to Sarca, Deruta and Gioiaotto properties, with maturity date within the first quarter of 2022.
In consideration of the quality of the properties and the solidity of the tenants, it is believed that the renegotiations for the extension of these loans do not involve critical issues.

On February 17th, 2021, Feltrinelli Porta Volta entered into an agreement with Intesa Sanpaolo for the extension and modification of the loan, postponing the maturity date from December 21st, 2021, to December 21st, 2023, and obtaining a discount on the margin of about 15 basis points.

The table below summarises the financial details of the loans:

(in thousands Euro)	June 30th, 2021	Maturity	Rate	% hedged
Deutsche Bank branches	30,573	July 16th, 2023	Eur 3M + 180 bps	100%
Monte Rosa, Tocqueville	40,732	July 16th, 2023	Eur 3M + 160 bps	100%
Pavilion	26,803	October 31st, 2023	Eur 6M + 150 bps	93%
Gioiaotto	47,926	March 31st, 2022	Eur 3M + 150 bps	80%
Deruta	19,962	January 16th, 2022	Eur 3M + 160 bps	80%
Vodafone	126,450	June 27th, 2024	Eur 3M + 180 bps	80%
Sarca	25,004	January 11th, 2022	Eur 3M + 175 bps	80%
Microsoft	21,785	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 more details on derivative financial instruments, refer to paragraphs 16 and 25 - Derivative financial instruments.

It should be noted that the verification of the financial covenants is held every quarter and/or half-year, as provided for in the contract. The following are the indicators for each entity as of June 30th, 2021.

Properties	Covenant	Threshold	Test result as of June 30th, 2021
Monte Rosa Tocqueville	LTV Consolidated	<60%	42.9%
	ICR Portfolio	>1.8x	5.3x
	ICR/DSCR Consolidated	>1.4x	4.5x
Pavilion	LTV	<65%	36.9%
	ICR	>1.75%	6.4x
Vodafone	LTV	<65%	61.2%
	ICR-BL	>2.25x	5.2x
	ICR-FL	>2.25x	4.3x
Gioiaotto	LTV	<65%	58.0%
	ICR	>1.75x	4.0x
Sarca	LTV	<55%	39.8%
	ICR	>2x	4.6x
Microsoft	LTV	<60%	21.9%
Deruta	LTV	<55%	47.8%
	ICR-BL	>3.0x	6.7x
	ICR-FL	>3.0x	6.0x

23. Non-current financial liabilities

This item, amounting to Euro 1,058 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 contract. For further details please refer to paragraph 14 - Other tangible and intangible assets

24. Provision for risks and charges

Provision for risks and charges, amounting of Euro 573 thousand (Euro 391 thousand as of December 31st, 2020) refers to the payment to cover the risks relating to the agreement in place with the CEO.
Compared to December 31st, 2020, the fund shows an increase of Euro 218 thousand following the update of the ISTAT 2020 mortality data, which were strongly affected by the Covid-19 pandemic.

In addition, Manfredi Catella has expressed his will to forego until January 1st, 2025, the emoluments related to his role as CEO in line with the conduct held since IPO. Such renunciation is based on certain conditions, which are currently satisfied. For further information, please read the personnel costs details described in paragraph 6 – G&A expenses.

25. Derivatives

Derivative financial instruments classified as liabilities, amounting to Euro 1,258 thousand (Euro 1,663 thousand as of December 31st, 2020), refer to *Interest Rate Swaps* entered to hedge the cash flows relating to loans for Monte Rosa, Tocqueville and Pavilion properties.

The *Interest Rate Swap* agreements are executed 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.

It should be noted that the reduction of Euro 405 thousand compared to the previous year is attributable exclusively to the change in the fair value of derivative contracts as of June 30th, 2021.

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.

26. Trade and other non-current liabilities

Other non-current liabilities, amounting to Euro 1,778 thousand, (Euro 1,707 thousand as of December 31st, 2020), include the *fair value* of the financial instruments granted to the CEO and *key managers* and cash deposits received from tenants.

As of June 30th, 2021 the financial instrument amounts to Euro 930 thousand. The valuation was carried out in application of the financial criterion, that 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 financial instrument increases of Euro 54 thousand compared with the value as of December 31st, 2020.

27. Trade and other current payables

The breakdown of trade payables and other current payables, amounting to Euro 13,474 thousand, is given below:

(in thousands Euro)	June 30th, 2021	December 31st, 2020
Account payables	876	2,464
Deposits paid by buyers	-	1,104
Invoices to be received	2,836	2,381
Trade payables	**3,712**	**5,949**
Personnel payables	199	308
Security provider payables	410	287
Tax payables	98	85
Other payables	1,516	1,877
Accruals and deferred income	7,539	6,251
Other liabilities	**9,762**	**8,808**
Trade payables and other current liabilities	**13,474**	**14,757**

The account payables show a decrease amount to Euro 2,237 thousand compared to December 31st, 2020 is mainly due to the item *deposits paid by buyers*, which includes deposit paid to COIMA CORE FUND IV for the sale of the Deutsche Bank branch in Milano, finalized in January 2021.

28. Information on transfers of financial asset portfolio

The Company has not made any transfer between financial asset portfolios in the year.

29. 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 comparison between the book value and the fair value of the Company's assets and liabilities as of June 30th, 2021 is given below:

(in thousands Euro)	June 30th, 2021		December 31st, 2020	
	Net book value	Fair Value	Net book value	Fair Value
Real estate investments	754,311	754,311	755,382	755,382
Other tangible assets	1,280	1,280	1,381	1,381
Intangible assets	288	288	257	257
Investments accounted for using the equity method	53,000	53,000	47,131	47,131
Non-current deferred tax assets	21	21	20	20
Derivatives	66	66	40	40
Inventories	2,672	2,672	2,707	2,707
Trade and financial current receivables	13,516	13,516	15,330	15,330
Cash and cash equivalents	52,039	52,039	48,653	48,653
Non-current assets held for sale	-	-	4,300	4,300
Assets	**877,193**	**877,193**	**875,201**	**875,201**
Non-current bank borrowings	246,343	250,113	316,973	320,557
Other liabilities	16,107	16,107	17,250	17,250
Derivatives	1,258	1,258	1,663	1,663
Financial instruments	930	930	876	876
Bank borrowings and other current lenders	93,035	93,433	22,017	22,017
Liabilities	**357,673**	**361,841**	**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 June 30th, 2021 and December 31st, 2020.

(in thousands Euro)	June 30th, 2021			
	Total amount	Quoted prices in active markets (Level 1)	Observable inputs (Level 2)	Unobservable inputs (Level 3)
Real estate investments	754,311	-	-	754,311
Other tangible assets	1,280	-	-	1,280
Intangible assets	288	-	-	288
Investments accounted for using the equity method	53,000	-	-	53,000
Non-current deferred tax assets	21	-	-	21
Derivatives	66	-	66	-
Inventories	2,672	-	-	2,672
Trade and financial current receivables	13,516	-	-	13,516
Cash and cash equivalents	52,039	-	-	52,039
Assets	**877,193**	**-**	**66**	**877,127**
Non-current bank borrowings	250,113	-	250,113	-
Other liabilities	16,107	-	-	16,107
Derivatives	1,258	-	1,258	-
Financial instruments	930	-	-	930
Bank borrowings and other current lenders	93,433	-	93,290	143
Liabilities	**361,841**	**-**	**344,661**	**17,180**

(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**

30. Risks, guarantees and commitments

Risks

The table below summarizes the main risks and the mitigating measures of the Company:

	Risks	COIMA RES mitigation
1	**Market risk** - the risk of losses 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, 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-added" projects, in particular relating to restructuring or refurbishment works of certain real estate projects.	The Company's investment strategy is focused on high-quality assets (real estate or fund units) in large urban areas, specifically in Milan, which have demonstrated high income capacities 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. Considering the health emergency resulting from the spread of the Covid-19, the Company carefully assesses and monitors the impacts on property values by conducting targeted stress tests, with particular reference to the most exposed tourist-accommodation and retail assets, which however, they 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 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.
2	**Credit and counterparty risk** - the risk of losses resulting from the non-compliance of counterparties due to the deterioration of their creditworthiness, with them defaulting in extreme cases with reference to: - tenants; - counterparties in real estate development operations (manufacturer, operator); - 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. Considering the aforementioned high profile of tenants and the limited volume of fees 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, considering existing contractual safeguards.
3	**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.
4	**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.
5	**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 (i.e., "funding liquidity risk"); - the inability to monetise one's assets (i.e., "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 optimising the financial and capital structure, the Company's objective is to achieve a stabilized leverage of less than 40% (LTV) in the medium term. As part of the impact analyses of the Covid-19 emergency, the Company conducts stress tests to assess the full compliance with the financial

		covenants, and the ability to meet current financial commitments and those deriving from the expected capex plans. Based on the results of the sensitivity analysis, the Company prepares, where appropriate, interventions to optimize and strengthen the financial structure.
6	**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 SIIQ 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.
7	**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 work environments, prepare the carrying out of activities in smart-working and raise awareness among staff on the safety measures and social distancing even outside the workplace. These interventions are aimed at limiting the risks 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 infection were introduced in the buildings managed by the Company and in the work sites, in compliance with current legislation, and interventions to implement the requests of the tenants and adapt, where appropriate and permitted, the policies property insurance.
8	**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 SIIQ status are met now and, in the future, as indicated in the Articles of Association.
9	**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 high-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.
10	**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 is also in consideration of the effects of the use of smart working because of the ongoing pandemic

The risk model used by the Company mainly includes these five following Risk factors:

- Counterparty Risk: mainly quantifies the solvency of the subjects with which the Group has relations. Typically: contractors, credit institutions and insurance companies;
- Liquidity Risk: analyses the impact of a negative change in some variables on the expected return (IRR to equity) and on other parameters defined for the Group in the Business Plan (cash availability and management of financial covenants);
- Credit Risk: deals with quantifying the risk that tenants and investors will not be able to honour the commitments undertaken towards the Group;
- Market Risk: evaluates the performance of some real estate and financial metrics;
- Operational Risk: analyses the exposure to operational risks in the ordinary and extraordinary management of the investment.

Guarantees and commitments

Regarding bank loans taken 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.

Regarding the loan of our 100% owned subsidiary COIMA RES SIINQ I, the Company has agreed with the lending banks on the following *security package*:

- first mortgage of Euro 40,000 thousand;
- pledge on the subsidiary shares;
- pledge on operating bank accounts linked to the loan agreement, excluding the ordinary account;
- disposal of receivables related to Deruta rents, insurance claims and any other receivables arising from disputes against consultants engaged for the *due diligence* on the property.

Following the stipulation of the financing of the existing properties COIMA CORE FUND VI, has granted the following guarantees to banks:

- first mortgage of Euro 156,000 thousand;
- pledge on bank accounts held at BFF Bank;
- disposal of receivables, in favour of the financing bank, related to rents, insurance contracts and warranties issued to the fund, to guarantee the proper fulfilment of obligations of tenants.

In addition to this, COIMA CORE FUND VI has contributed to the modernization and redevelopment of the Gioiaotto property made by the NH Hotel tenant for a total amount of Euro 1,400 thousand, of which Euro 1,260 thousand already paid.

Regarding the participation in 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;
- ledge 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.

As for COIMA OPPORTUNITY FUND I, the entity has agreed the following guarantees to the bank:
- first mortgage of Euro 50,000 thousand;
- pledge on operating bank accounts linked to the loan agreement;
- disposal of receivables related to rents, insurance claims and guarantees issued in favour of the fund.

Finally, regarding the financing of Feltrinelli Porta Volta, the guarantees granted are as follows:
- first mortgage for Euro 135,969 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.

Relating to the Porta Nuova Bonnet Fund, the Company had a commitment of Euro 27,429 thousand of capital payment, of which Euro 2,429 thousand subscribed in March 2021, already paid.

As of June 11th, 2020, COIMA RES has signed a binding agreement for the acquisition of a stake between 10% and 25% in the real estate fund Porta Nuova Gioia, manged by COIMA SGR, which owns the property currently being developed called “Gioia 22” situated in Via Melchiorre Gioia 22 in Milan.
The closing of the transaction is expected by the end of 2021 or the beginning of 2022, subject to certain transaction conditions, including 75% of the property being lease. The exact stake to be acquired by COIMA RES in the property will be determined by COIMA RES, at its discretion, within the abovementioned range, in proximity of the closing. Today the estimate purchase price is between Euro 22 million and Euro 56 million.

31. Related parties

Related party transactions are listed below:

(in thousands Euro)	Receivables	Liabilities	Costs
COIMA SGR S.p.A.	178	1,164	1,962
COIMA REM S.r.l.	-	195	474
Porta Nuova Garibaldi Fund	650	721	58
Consorzio Porta Nuova Garibaldi	-	46	74
Infrastrutture Garibaldi - Repubblica	-	-	3
Fondazione Riccardo Catella	-	-	5
Senior managers	-	36	142
Directors	-	1,523	637
Board of Statutory Auditors	-	62	62
Total amount	828	3,747	3,417

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..

CERTIFICATION BY THE CEO AND BY THE MANAGING DIRECTOR RESPONSIBLE FOR THE PREPARATION OF THE CORPORATE ACCOUNTING DOCUMENTS RELATING TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30th, 2021

pursuant to art. 154-bis, paragraph 5, of the Legislative Decree No. 58 of February 24th, 1998 and art. 81-ter of the 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 interim condensed consolidated financial report 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, with regard to the nature of the Company; and
    - the effective application of the administrative and accounting procedures adopted in preparing the interim condensed consolidated financial statements.
2. In this regard, we also note that:
    - the adequacy of the administrative and accounting procedures adopted in preparing the interim condensed 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 interim condensed 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;
    - are capable of providing 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 interim condensed consolidated 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 to which the Company is exposed.

The interim condensed consolidated report on operations also includes a reliable analysis on the information regarding the relevant transactions with related parties.

Milan, July 29th, 2021

Chief Executive Officer	Manager responsible for preparing the Company's financial reports
Manfredi Catella	
Manfredi Catella	Fulvio Di Gilio

This certification has been translated from the original which was issued in accordance with Italian legislation

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 owned 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 AUDITOR'S REPORT

Building a better working world

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Review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
COIMA RES S.p.A. SIIQ

Introduction

We have reviewed the interim condensed consolidated financial statements, comprising the interim condensed consolidated statement of financial position, the interim condensed consolidated statement of profit/(loss), the interim condensed consolidated statement of other items in the comprehensive income statement, the interim condensed consolidated statement of changes in shareholder's equity, the interim condensed consolidated cash flows statement and the related explanatory notes of COIMA RES S.p.A. SIIQ and its subsidiaries (the "COIMA RES Group") as of 30 June 2021. The Directors of COIMA RES S.p.A. SIIQ are responsible for the preparation of the interim condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of COIMA RES Group as of June 30, 2021 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, July 30, 2021

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

EY S.p.A.
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A member firm of Ernst & Young Global Limited

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: 30 June 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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CBRE

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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	21 July 2021
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	30 June 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 30 June 2021: **€ 195,800,000.00 (Euro One Hundred Ninety Five Million Eight 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.

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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 30.06.2021
Milano	Via Monte Rosa, 93	Office	61,700,000 €
Milano	Via Tocqueville, 13	Office	60,900,000 €
Milano	Piazza Gae Aulenti, 10	Auditorium	73,200,000 €
TOTAL			195,800,000 €

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	63,860,000 €
Milano	Via Tocqueville, 13	Office	63,032,000 €
Milano	Piazza Gae Aulenti, 10	Auditorium	75,762,000 €
TOTAL			**202,654,000 €**

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: 30 June 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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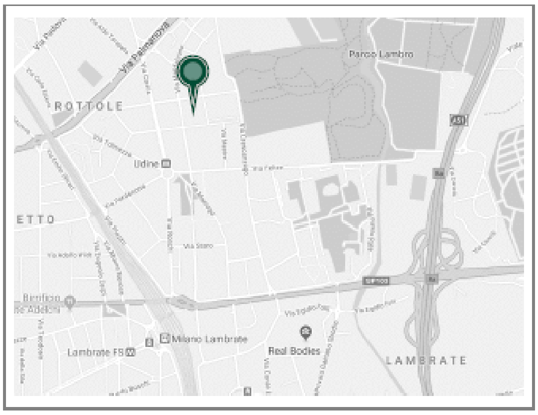
PART I

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY



THE PROPERTY

Address: Via Privata Deruta, 19 – 20132 Milano (MI) - Italy

Main use: Office

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 30.06.2021

€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	21 July 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	30 June 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

Yours faithfully

Doris Mininni
Senior Surveyor

In nome e per conto di
CBRE Valuation S.p.A.

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CBRE Valuation S.p.A.
Valuation & Advisory Services
Piazza degli Affari 2
20123 Milan
Project reference: 21-64VAL-0201

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 new 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;
- New surfaces;
- New 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, 30 June 2021

Our Ref. SV/val 21.6334

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 **June 30th, 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 21.6334 on 30/06/2021

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.

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	0.3	-8.9	3.9	4.1	2.0	1.4	1.1	0.9	0.6
Household Consumption*	1.5	0.9	0.3	-10.7	3.1	4.4	2.1	1.2	0.9	0.8	0.6
Gross Fixed Investment*	3.2	3.1	1.1	-9.1	8.4	5.9	3.9	2.4	2.0	1.4	1.0
Industrial Production*	3.6	0.9	-1.1	-11.4	8.9	3.9	2.1	1.4	1.5	1.4	1.0
Consumer Prices*	1.2	1.2	0.6	-0.2	1.1	1.0	1.3	1.4	1.5	1.7	1.8
Current Account Balance (Euro bn)	44.7	44.2	53.4	59.9	52.1	51.1	42.7	46.0	44.9	41.9	35.8
10 Year Treasury Bond Yield, %[2]	1.9	2.8	1.4	0.5	0.7 [3]	1.0 [4]	1.8	2.2	2.6	3.3	3.7

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	0,55%		
Trend inflazione 2^ semestre	0,50%		
Trend inflazione 3^ semestre	0,50%		
Trend inflazione 4^ semestre	0,65%		
Trend inflazione dal 5^ semestre in poi	0,85%	**1,70%**	**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	0,00%		
Trend mercato immobiliare 2^ semestre	0,50%		
Trend mercato immobiliare 3^ semestre	0,50%		
Trend mercato immobiliare 4^ semestre	0,65%		
Trend mercato immobiliare dal 5^ semestre in poi	0,85%	**1,70%**	**annuo**

PRAXI

Our Ref.: SV/val 21.6334 on 30/06/2021

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 0.70% for 2021 (April 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	0.3	-8.9	3.9	4.1	2.0	1.4	1.1	0.9	0.6
Household Consumption*	1.5	0.9	0.3	-10.7	3.1	4.4	2.1	1.2	0.9	0.8	0.6
Gross Fixed Investment*	3.2	3.1	1.1	-9.1	8.4	5.9	3.9	2.4	2.0	1.4	1.0
Industrial Production*	3.6	0.9	-1.1	-11.4	8.9	3.9	2.1	1.4	1.5	1.4	1.0
Consumer Prices*	1.2	1.2	0.6	-0.2	1.1	1.0	1.3	1.4	1.5	1.7	1.8
Current Account Balance (Euro bn)	44.7	44.2	53.4	59.9	52.1	51.1	42.7	46.0	44.9	41.9	35.8
10 Year Treasury Bond Yield, %[2]	1.9	2.8	1.4	0.5	$\boxed{0.7}$ [3]	1.0 [4]	1.8	2.2	2.6	3.3	3.7

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 0.05% per year:

Trend EurIRS ultimi 12 mesi

apr-20	0,17
mag-20	0,03
giu-20	0,07
lug-20	-0,01
ago-20	0,00
set-20	-0,02
ott-20	-0,05
nov-20	-0,03
dic-20	-0,07
gen-21	-0,02
feb-21	0,18
mar-21	0,30

media EurIRS
0,05

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 30/06/2021 compared to 31/12/2020, 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 31/12/2020 – 30/06//2020 there was only one variation on the leases of the assets. Microsoft released the retail portion at ground floor, recently rented to Unifor with lease contract starting at 1/12/2021. Since April the space was granted in loan for use for its fitting out.

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 € 1.105.000, according to the provided documentation.

PRAXI

Our Ref.: SV/val 21.6334 on 30/06/2021

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.

PRAXI

Our Ref.: SV/val 21.6334 on 30/06/2021

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 30 June 2021, is equal to:

€ 100.610.000,00 (euro onehundredmillionsixhundredtenthousand/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 € 103.630.000,00.

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.	Praxi S.p.A.
Technical Manager	*Legal Representative*
Massimo Maestri MRICS	Antonio Gamba
Registered Valuer	
Massimo Maestri	AGamba
The Royal Institution of Chartered Surveyors RICS Massimo Maestri MRICS Membership n° 1279572	Albo Ingegneri della Provincia di Milano ING. ANTONIO GAMBA Iscrizione N.° 8913

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ORGANIZZAZIONE - INFORMATICA - VALUTAZIONI e ADVISORY - RISORSE UMANE

Esteemed

COIMA SGR

Piazza Gae Aulenti, 12,

20154 MILANO

Milan, 30 June 2021

Our Ref. SV/val 21.6332

Following the assignment entrusted to us, on 25 October 2019, by COIMA SGR, which manages the Real Estate Fund **"COIMA OPPORTUNITY FUND I"**, 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 "**Coima Opportunity Fund I** " for budgetary purposes, with the reference date of **June 30th, 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:

- **Milano, Viale Sarca 235 with office 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.

PRAXI

Our Ref.: SV/val 21.6332 on 30/06/2021

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 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.).

Our Ref.: SV/val 21.6332 on 30/06/2021

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.

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 Aprile 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	0.3	-8.9	3.9	4.1	2.0	1.4	1.1	0.9	0.6
Household Consumption*	1.5	0.9	0.3	-10.7	3.1	4.4	2.1	1.2	0.9	0.8	0.6
Gross Fixed Investment*	3.2	3.1	1.1	-9.1	8.4	5.9	3.9	2.4	2.0	1.4	1.0
Industrial Production*	3.6	0.9	-1.1	-11.4	8.9	3.9	2.1	1.4	1.5	1.4	1.0
Consumer Prices*	1.2	1.2	0.6	-0.2	1.1	1.0	1.3	1.4	1.5	1.7	1.8
Current Account Balance (Euro bn)	44.7	44.2	53.4	59.9	52.1	51.1	42.7	46.0	44.9	41.9	35.8
10 Year Treasury Bond Yield, %[2]	1.9	2.8	1.4	0.5	0.7 [3]	1.0 [4]	1.8	2.2	2.6	3.3	3.7

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	0,55%		
Trend inflazione 2^ semestre	0,50%		
Trend inflazione 3^ semestre	0,50%		
Trend inflazione 4^ semestre	0,65%		
Trend inflazione dal 5^ semestre in poi	0,85%	**1,70%**	**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	0,00%		
Trend mercato immobiliare 2^ semestre	0,50%		
Trend mercato immobiliare 3^ semestre	0,50%		
Trend mercato immobiliare 4^ semestre	0,65%		
Trend mercato immobiliare dal 5^ semestre in poi	0,85%	**1,70%**	**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 0.70% for 2021 (Aprile 2021 forecast).

Italy											
	Historical				Consensus Forecasts						
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The EurIRS trend was assumed equal to the average of the values of the last twelve months, calculated from the press, and is equal to 0.05% per year:

Trend EurIRS ultimi 12 mesi

apr-20	0,17
mag-20	0,03
giu-20	0,07
lug-20	-0,01
ago-20	0,00
set-20	-0,02
ott-20	-0,05
nov-20	-0,03
dic-20	-0,07
gen-21	-0,02
feb-21	0,18
mar-21	0,30

media EurIRS
0,05

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.

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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%

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, 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 30/06/20201compared to 31/12/2021, 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 period between 31/12/2020 - 30/06/2021 there were some variations in the lease contracts of the assets. It is highlighted the confirm of the tenant Tupperware and the release by the tenant Signify of the portion at seventh floor. Some car parking are temporarily vacant waiting to be rented again.

Changes of estimation matters

There are no changes of estimation matters except as declared in the following paragraph.

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 scarcity 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.

PRAXI

Our Ref.: SV/val 21.6332 on 30/06/2021

CONCLUSIONS

Based on what has been set out above, it is our opinion that the Market Value of the properties held by the **COIMA OPPORTUNITY FUND I**, in the current conditions of use and availability, at the reference date of 30 June 2021, is equal to:

€ 62.820.000,00 (euro sixtytwomillioneighthundredtwentythousand/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 € 64.700.000,00.

In the individual appraisal reports we describe the properties and the adopted valuation procedures.

This report is signed by Antonio Gamba as legal representative of PRAXI S.p.A. and Maurizio Negri as Head Coach 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.	Praxi S.p.A.
Technical Manager	*Legal Representative*
Massimo Maestri MRICS	Antonio Gamba
Registered Valuer	

The Royal Institution of Chartered Surveyors
RICS
Massimo Maestri
MRICS
Membership n° 1279512

Albo Ingegneri della Provincia di Milano
Ing.
Antonio Gamba
Iscrizione N.°
8913

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COIMA S.G.R. S.p.A

JUNE 30th, 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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Agrate B.za, June 30th,2021

Rif. n. 21926.06

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 June 30th,2021 – EXECUTIVE SUMMARY**

Dear Sirs,

in compliance with Your request, **Duff & Phelps REAG 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 June 30th,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.

Duff & Phelps REAG S.p.A. a socio unico

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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" 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:

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- ✓ 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, didn't carry out any site inspection on the Property; last site inspection was carried out on 10th December 2020, during previous valuation update;
- 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.

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 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.

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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Based on the investigation and the premises outlined

Based on the investigation, and the premises outlined, it is our opinion that as of June 30th, 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) 30/06/2021
1	MILANO VIA M. GIOIA 6/8 OFFICE	54.300.000,00
2	MILANO VIA M. GIOIA 6/8 NH HOTEL VERDI	28.600.000,00
	TOTAL	82.900.000,00

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 85.400.000 euro.

The New Coronavirus epidemic (COVID-19),declared by the World Health Organisation as a "global pandemic" on 11 March 2020, has had an impact on global financial markets. Movement restrictions and limitations have been implemented in many countries, and reconfirmed following sequential waves of COVID-19, with consequent measures of either partial or total lockdown. On one hand, these restrictive measures may result in negative economic impacts, but on the other, they are not without precedence, as verified by the initial impact of the pandemic. In addition, the vaccinating process is finally proceeding at a faster rate than in the past. The pandemic and the measures adopted to combat COVID-19 continue to have effects on the economy and the global real estate market. On the appraisal date, real estate markets for most asset classes had begun to function again, with a volume of transactions and other relevant market evidence at a level adjusted to carrying out the appraisal activity. Market dynamics vary based on the specific sector and specific location; some markets are quite active and readable, others remain less dynamic and with very low numbers of transactions. 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. The overall market context, within a framework that is inevitably conditioned by the global pandemic, is still to be considered unstable, above all for the asset classes most impacted by the crisis. The evolution of the pandemic, the replies of governments aimed, on one hand, at fighting the future spread of COVID-19 and, on the other, investing resources to support the real economy (National Recovery and Resilience Plan at the basis of the Recovery Fund) and, lastly, the consequent reactions of the financial capital market might lead to even significant impacts in the real estate sector that are difficult to foresee at this time. In view of the continuation of the pandemic and the readjustment of different markets, including the real estate market, the value judgment expressed herein 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.

Duff & Phelps REAG S.p.A.

Performed by:
Christian Cavenaghi
Director, Valuation & Investment

Supervision and control:
Marco Ugolini
Director, Valuation & Investment

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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Work Team:

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:
Marco Ugolini – *Senior Director, Valuation & Investment*
Federica Minnella – *Director, Hospitality&Leisure Division*

and collaboration of:
Christian Cavenaghi – *Director, Valuation & Investment*
Davide Vergani – *Associate Director, Hospitality&Leisure Division*

R&D Office – *Market Analysis*

Micaela Beretta – *Editing*

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

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,

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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.

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.

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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.

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.

GENERAL SERVICE CONDITIONS

DUFF & PHELPS
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A KROLL BUSINESS

REAG and the Client herewith expressly acknowledge and declare that this agreement constitutes a services supply agreement and, hence, any action against Duff & Phelps REAG is subject to a two-year limitation period, as per Art 1667 of the Italian Civil Code.

DUFF & PHELPS
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Duff & Phelps REAG S.p.A.
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About Duff & Phelps, A Kroll Business

For nearly 100 years, Duff & Phelps has helped clients make confident decisions in the areas of valuation, real estate, taxation and transfer pricing, disputes, M&A advisory and other corporate transactions. For more information, visit www.duffandphelps.com.

About Kroll

Kroll is the world's premier provider of services and digital products related to governance, risk and transparency. We work with clients across diverse sectors in the areas of valuation, expert services, investigations, cyber security, corporate finance, restructuring, legal and business solutions, data analytics and regulatory compliance. Our firm has nearly 5,000 professionals in 30 countries and territories around the world. For more information, visit www.kroll.com.

M&A advisory, capital raising and secondary market advisory services in the United States are provided by Duff & Phelps Securities, LLC. Member FINRA/SIPC. Pagemill Partners is a Division of Duff & Phelps Securities, LLC. M&A advisory, capital raising and secondary market advisory services in the United Kingdom are provided by Duff & Phelps Securities Ltd. (DPSL), which is authorized and regulated by the Financial Conduct Authority. Valuation Advisory Services in India are provided by Duff & Phelps India Private Limited under a category 1 merchant banker license issued by the Securities and Exchange Board of India.

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COIMA S.G.R. S.p.A

JUNE 30th, 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 =

DUFF & PHELPS
REAL ESTATE ADVISORY GROUP
A KROLL BUSINESS

Agrate B.za, June 30th,2021
Rif. n. 23119,03

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 June 30th, 2021 – EXECUTIVE SUMMARY**

Dear Sirs,
in compliance with Your request, Duff & Phelps REAG 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 June 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.

Duff & Phelps REAG S.p.A. a socio unico

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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:

- according with the Client, didn't carry out any site inspection on the Property; last site inspection was carried out on 21st December 2020;
- 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);

- 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;
- 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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<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 June 30th, 2021, the Market Value of the Real Estate Property constituting the Institutional Closed-end Alternative Investment Fund called "COIMA CORE FUND VIII" can be reasonably expressed as follows:

Market Value:

Euro 208.900.000,00

(Euro Two Hundred Eight Million Nine 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 215,170,000 euros.

The New Coronavirus epidemic (COVID-19),declared by the World Health Organisation as a "global pandemic" on 11 March 2020, has had an impact on global financial markets. Movement restrictions and limitations have been implemented in many countries, and reconfirmed following sequential waves of COVID-19, with consequent measures of either partial or total lockdown. On one hand, these restrictive measures may result in negative economic impacts, but on the other, they are not without precedence, as verified by the initial impact of the pandemic. In addition, the vaccinating process is finally proceeding at a faster rate than in the past. The pandemic and the measures adopted to combat COVID-19 continue to have effects on the economy and the global real estate market. On the appraisal date, real estate markets for most asset classes had begun to function again, with a volume of transactions and other relevant market evidence at a level adjusted to carrying out the appraisal activity. Market dynamics vary based on the specific sector and specific location; some markets are quite active and readable, others remain less dynamic and with very low numbers of transactions. 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. The overall market context, within a framework that is inevitably conditioned by the global pandemic, is still to be considered unstable, above all for the asset classes most impacted by the crisis. The evolution of the pandemic, the replies of governments aimed, on one hand, at fighting the future spread of COVID-19 and, on the other, investing resources to support the real economy (National Recovery and Resilience Plan at the basis of the Recovery Fund) and, lastly, the consequent reactions of the financial capital market might lead to even significant impacts in the real estate sector that are difficult to foresee at this time. In view of the continuation of the pandemic and the readjustment of different markets, including the real estate market, the value judgment expressed herein 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

Duff & Phelps REAG S.p.A.

Performed by:
Christian Cavenaghi
Director, Valuation & Investment

Supervision and control:
Marco Ugolini
Director, Valuation & Investment

Simone Spreafico
Managing Director, Advisory & Valuation Dept.

Paola Ricciardi
Country Managing Director

Mauro Corrada
Chief Executive Officer

Duff & Phelps REAG S.p.A. for COIMA S.G.R. SpA Pag. 8 of 15

Rif. 23119,03 "COIMA CORE FUND VIII" ES 30th June 2021

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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.*

Work Team:

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:

Marco Ugolini – *Director, Valuation & Investment*

and collaboration of:

Christian Cavenaghi – *Director, Valuation & Investment*

R&D Office – *Market Analysis*

Micaela Beretta – *Editing*

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

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.

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.

GENERAL SERVICE CONDITIONS

DUFF & PHELPS
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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.

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.

GENERAL SERVICE CONDITIONS

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REAG and the Client herewith expressly acknowledge and declare that this agreement constitutes a services supply agreement and, hence, any action against Duff & Phelps REAG is subject to a two-year limitation period, as per Art 1667 of the Italian Civil Code.

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About Duff & Phelps, A Kroll Business

For nearly 100 years, Duff & Phelps has helped clients make confident decisions in the areas of valuation, real estate, taxation and transfer pricing, disputes, M&A advisory and other corporate transactions. For more information, visit www.duffandphelps.com.

About Kroll

Kroll is the world's premier provider of services and digital products related to governance, risk and transparency. We work with clients across diverse sectors in the areas of valuation, expert services, investigations, cyber security, corporate finance, restructuring, legal and business solutions, data analytics and regulatory compliance. Our firm has nearly 5,000 professionals in 30 countries and territories around the world. For more information, visit www.kroll.com.

M&A advisory, capital raising and secondary market advisory services in the United States are provided by Duff & Phelps Securities, LLC. Member FINRA/SIPC. Pagemill Partners is a Division of Duff & Phelps Securities, LLC. M&A advisory, capital raising and secondary market advisory services in the United Kingdom are provided by Duff & Phelps Securities Ltd. (DPSL), which is authorized and regulated by the Financial Conduct Authority. Valuation Advisory Services in India are provided by Duff & Phelps India Private Limited under a category 1 merchant banker license issued by the Securities and Exchange Board of India.

AXIA.RE

Reliability Transparency Independence

APPRAISAL REPORT

Market Value Determination as of 30 June 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 **09 July 2021**.

Date of Valuation

The present Valuation is referred to the date of **30 June 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 30/06/2021 €
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 30/06/2021 €
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	Delfano 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	64.153.000

€ 64.153.000,00

(€ Sixtyfourmillioonehundredfiftythreethousand,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 **66.077.590,00** euro. The asset-by-asset detail as follows:

Cod.	Comune	Provincia	Indirizzo	Main use	Superficie Commerciale	Valore al 30/06/2021	Prezzo al 30/06/2021
					mq	€	€
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		
7 - MI	Melzo	MI	Largo Gramsci 1	RETAIL	286		
9 - BG	Capriate San Gervasio	BG	Sangervasio Via Vittorio Veneto 28	RETAIL	243		
11 - CO	Asso	CO	Piazza Mons. Ratti 5	RETAIL	250		
12 - CO	Canzo	CO	Via Mazzini 12	RETAIL	167		
13 - CO	Civenna	CO	Via Provinciale 52	RETAIL	84		
14 - CO	Erba	CO	Viavolta 2	RETAIL	318		
15 - CO	Grandate	CO	Via Statale Dei Giovi 11	RETAIL	323		
17 - CO 2	Lipomo	CO	Via Belvedere 11	RETAIL	447		
17 - CO	Lipomo	CO	Via Belvedere 12	OFFICE	650		
18 - CO	Lurago d'erba	CO	Via Roma 18	RETAIL	457		
19 - CO	Novedrate	CO	Via Prov. Novedratese 82	RETAIL	452		
19 - CO 2	Novedrate	CO	Via Prov. Novedratese 81	OFFICE	618		
20 - CO	Valbrona	CO	Via Vittorio Veneto 9	RETAIL	136		
21 - LC	Lecco	LC	Via Belfiore 15	RETAIL	243		
22 - LC	Lecco	LC	Piazza G. Carducci 8	RETAIL	334		
23 - LC	Lecco	LC	Corso E. Filiberto 108	RETAIL	201		
25 - LC	Lecco	LC	Viale Turati 48	RETAIL	385		
26 - LC	Abbadia Lariana	LC	Via Nazionale 42	RETAIL	131		
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		
32 - LC	Civate	LC	Via Manzoni 1	RETAIL	223		

Cod.	Comune	Provincia	Indirizzo	Main use	Superficie Commerciale mq	Valore al 30/06/2021 €	Prezzo al 30/06/2021 €
33 - LC	Colico	LC	Via Nazionale 126	RETAIL	480		0
34 - LC	Dervio	LC	Via Diaz 62	RETAIL	146		0
35 - LC	Galbiate	LC	Piazza Don Gnocchi 12	RETAIL	276		0
36 - LC	Introbio	LC	Piazza del Sagrato 9	RETAIL	233		0
37 - LC	Lierna	LC	Via Roma 124	RETAIL	255		0
38 - LC	Malgrate	LC	Via San Leonardo 14	RETAIL	183		0
39 - LC	Mandello del Lario	LC	Dellario Via Manzoni 21	RETAIL	425		0
40 - LC	Merate	LC	Via Baslini 6	RETAIL	502		0
41 - LC	Oggiono	LC	Via Marco D'Oggiono 15	RETAIL	406		0
42 - LC	Olgiate molgora	LC	Via Canova 39	RETAIL	316		0
43 - LC	Olginate	LC	Via Redaelli 24	RETAIL	278		0
44 - LC	Paderno d'adda	LC	Via Volta 10	RETAIL	370		0
45 - LC	Rovagnate	LC	Via Vittorio Veneto 8	RETAIL	248		0
46 - LC	Valmadrera	LC	Via Stoppani 2	RETAIL	292		0
48 - LC	Vercurago	LC	Via Roma 66	RETAIL	206		0
49 - MB	Brugherio	MB	Viale Lombardia 179	RETAIL	629		0
51 - MB	Vedano al lambro	MB	Viale C. Battisti 42	RETAIL	775		0
52 - VA	Castellanza	VA	Corso Matteotti 19	RETAIL	469		0
53 - TO	Torino	TO	Via Arcivescovado 7	RETAIL	2.834		0
54 - BI	Biella	BI	Via Losana 22	RETAIL	527		0
55 - GE	Genova	GE	Via Garibaldi 5	RETAIL	1.661		0
61 - VE	Mestre	VE	Riviera Xx Settembre 13	RETAIL	925		0
62 - PD	Padova	PD	Piazza Alcide De Gasperi 34A	OFFICE	549		0
62 - PD 2	Padova	PD	Piazza Alcide De Gasperi 34B	RETAIL	844		0
63 - VI	Thiene	VI	Piazza Cesare Battisti 5	RETAIL	439		0
64 - BO	Bologna	BO	Via Emilia Levante 113	RETAIL	234		0
65 - LU	Barga	LU	Via Pascoli 23	RETAIL	105		0
66 - LI	Livorno	LI	Via Carabinieri 30	RETAIL	1.288		0
67 - PO	Prato	PO	Via F. Ferrucci 41	RETAIL	1.743		0
68 - PO	Montemurlo	PO	Via Provinciale 413	RETAIL	533		0
70 - FI	Sesto Fiorentino	FI	Via Lucchese 2	RETAIL	175		0
71 - RM	Roma	RM	Piazza Ss. Apostoli 70	RETAIL	607		0
TOTALE					26.776	64.153.000	66.077.590

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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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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