

# CALL FOR EXPRESSIONS OF INTEREST FOR THE SELECTION OF AN INVESTOR FOR THE AREA LOCATED IN THE NORTH-WEST SUBURBS OF MILAN CALLED "PIAZZA D'ARMI"

## 1. RECITAL

Investimenti Immobiliari Italiani SGR S.p.A. (hereinafter, "**Invimit**" or the "**SGR**") is an asset management company established by the Ministry of Economy and Finance (the "**MEF**") pursuant to Articles 33 and 33-bis of Law Decree No. 98 of 6 July 2011, (converted with amendments by Law No. 111 of 15 July 2011) (hereinafter, the "**Law**"), whose activity is - inter alia and as a priority - aimed at making a positive contribution to the development and valorisation of public real estate assets through the establishment and management of so-called "funds of funds", and real estate alternative investment funds (real estate AIFs) aimed at reducing public debt and generating economies of scale in the territory, also by favouring its development.

The SGR established and manages the multi-compartment fund named "i3 - SVILUPPO ITALIA" (the "**Fund**").

The Fund is an Italian multicompartment closed-end real estate AIF, as defined by Article 1, paragraph 1, letter q) of Ministerial Decree No. 30 of 5 March 2015 implementing Article 39 of the Consolidated Law on Finance and subsequent amendments and additions (hereinafter, the "**DM 30/2015**"), and is established pursuant to Article 33, paragraphs 8-ter and 8-quater of the Law.

The Fund consists of three distinct compartments, each having a specific investment policy, including the "Comparto 8-quater" (hereafter, the "**Sub-Fund**").

The purpose of the Sub-Fund is the investment and reinvestment of its assets, in accordance with Article 33 paragraph 8-quater of the Law, in State-owned real estate no longer used by the Ministry of Defence for institutional purposes, as well as in real estate rights.

Within the above framework, the Sub-Fund invests - as part of a process of urban, social and economic valorisation of the public assets - in real estate assets compatible with the provisions of Article 33, paragraph 8-quater of the Law and, to a prevalent extent, in real estate assets that, having ceased their previous military function and been assigned a new functional destination, require reconversion or building development.

The Sub-Fund currently owns an area of approximately 388.000 sqm located in the north-western suburbs of Milan, consisting of (i) former warehouses for the storage and stockpiling of military materials (Magazzini di Baggio) and (ii) a green area of considerable surface area (altogether, the "**Complex to be Developed**"), considered, from an urban planning point of view, highly strategic, destined to constitute a paradigm of urban reforestation and, more generally, an enhancement of the environmental and social sustainability profile of the Complex to be Developed, in line with the sustainability principles set forth in the European Commission's Action Plan to finance sustainable growth and with the provisions contained in Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector (hereinafter, "**SFDR**").

In particular, the Complex to be Developed is located within a larger real estate complex of approximately 425.000 sqm that constitutes a unitary area (the "**Piazza d'Armi Area**" or the "**Area**"), a portion of which is, at present, owned by public entities (the "**Third Parties' Area**"), which - according to the current Piano di Governo del Territorio (PGT) of Milan ("Milano 2030") - is a Great Urban Function area (GFU), by virtue of the park to be built in the same area.

The PGT, with reference to Piazza d'Armi Area, provides:

- (i) The implementation of one of the largest urban parks in Milan (which also includes the existing wooded area) equal to approximately 320,000 square metres, i.e. about 75% of the total extension of the Area, on which it will be possible to realise public services and services of public or general interest

that cannot be included in the Overall Gross Area, including, by way of example, administrative categories, social services, sports, and housing services.

- (ii) Building rights for approximately 148,000 square metres (the "**Overall Gross Area**"), of which approximately 135,000 smq are already owned by the Sub-Fund and the remaining part under negotiation for acquisition; the Overall Gross Area is intended for accessory urban functions or in any case compatible with the Great Urban Function.

Within the scope of its activities, the SGR intends to implement an operation to enhance the Complex to be Developed, to be implemented through the construction of a significant residential volume, of buildings that may be used, inter alia, for tertiary, commercial, and hospitality purposes, and of public green areas; all in accordance with the implementation procedures that, taking into account the transfer of ownership of the Third Parties' Area, the terms of which are currently under definition, will be governed by the Framework Agreement (Convenzione Quadro) for the definition of the final urban layout of the area, which is currently under advanced negotiation with the Municipality of Milan, and in line with ambitious environmental and social sustainability criteria.

At present, it is envisaged that in order to carry out the initiative of recovery and development of the Complex to be Developed, Invimit, as manager of the Sub-Fund, subject to the approval of the competent bodies of the SGR and of the Sub-Fund - will proceed with the transfer of the Complex to be Developed into a new reserved real estate AIF (the "**Destination Vehicle**"), initially managed by the same. Please note that it is the intention of the SGR to classify the Destination Vehicle pursuant to Article 8 of the SFDR, as a financial product that promotes environmental and/or social characteristics and that may include sustainable investments.

The SGR, on behalf of the Sub-Fund, would then proceed to the sale of at least the majority of the units resulting from the contribution to the investor or investors identified as partners in the initiative (the "**Investor**" or the "**Investors**"). Upon completion of the sale of the contributed units, the Sub-Fund and the Investor would subscribe for equity units in proportion to their shareholding in the Destination Vehicle in order to provide the Destination Vehicle with the resources necessary for its ordinary management during the start-up period (collectively, the "**Structure of the Transaction**").

## **2. TERMS AND CONDITIONS FOR THE SUBMISSION OF EXPRESSIONS OF INTEREST**

Interested Investors may express their interest by sending a specific notice by PEC to the address [invimitsgrspa@pec.it](mailto:invimitsgrspa@pec.it) or, only in case the Investors are not required to have a certified e-mail address, to the e-mail address [virgilio@invimit.it](mailto:virgilio@invimit.it) (the "**Expression of Interest**") to the attention of the Managing Director Giovanna Della Posta, inserting as subject: "**Expression of Interest for the selection of one or more Investors for "Piazza d'Armi - Virgilio Project"**".

The deadline for the transmission of the Expression of Interest is set at **6.00 pm of 24 July 2023** (the "**Deadline**"), subject to the provisions of paragraphs 3.2 and 3.6 below.

An Expression of Interest may be submitted by a single Investor or by several Investors jointly.

The Expression of Interest must be drawn up in accordance with the form attached sub A to this call and must be signed by the legal representative of the Investor expressing interest; in case of Expression of Interest submitted by a group of Investors, it shall be signed by the legal representative of each Investor expressing interest.

Expressions of Interest may be submitted by Investors, individually or jointly, who meet the following requirements:

### **A. General requirements**

- (i) Qualify as a professional investor (by right or on request) under Article 1(1)(p) of Decree No. 30 of the Minister of Economy and Finance of 5 March 2015.

- (ii) Not being subject to criminal investigations and/or precautionary measures and/or being the addressee of definitively ascertained sanctions for breach of the anti-money laundering provisions and/or for any money laundering or terrorist financing actions pursuant to Article 2 of Legislative Decree 231/2007.

It should be noted that, in the event of submission of the Expression of Interest by a group of Investors, the requirements under (i) and (ii) above must be possessed and declared by each of the Investors constituting the group.

#### **B. Economic and financial capacity requirements**

- a. Have invested, in Italy or abroad, at least € 2 billion in real estate assets. Such requirement must be possessed at the date of the submission of the Expression of Interest and declared by the Investor expressing interest or, in case of submission of the Expression of Interest by a group of Investors, by at least one Investor composing the group.
- b. Without prejudice to the provisions of subparagraph a) above, where the Expression of Interest is submitted by an SGR or other authorised manager, either as an individual Investor or as a member of a group of Investors, the SGR or other authorised manager shall declare to have real estate assets under management, as of the date of submission of the Expression of Interest, amounting to at least € 2 billion. It should be noted that in the event that the SGR or other authorised manager submits the Expression of Interest as a member of a group of Investors, this requirement must be declared and held by the SGR or other authorised manager, in addition to the requirement under letter a) above declared and held by the other Investors composing the group.

#### **C. Other information**

The SGR reserves the right to take in consideration, in the context of the evaluations set forth in paragraph 3 below, the circumstance that the Investor or at least one of the Investors of the grouping have invested or otherwise contributed to the realisation of significant real estate development and valorisation projects in Italy and/or abroad. To this end, the Investors shall send, jointly with the Expression of Interest, a company profile with evidence of the above mentioned development projects.

Expressions of Interest shall not contain any conditions or reservations whatsoever.

### **3. CONDUCT OF THE PROCEDURE**

3.1 Investors interested in the transaction are invited to send to Invimit by e-mail to the PEC address: [invimitsgrspa@pec.it](mailto:invimitsgrspa@pec.it) or, only in case the Investors are not required to have a certified e-mail address, to the e-mail address [virgilio@invimit.it](mailto:virgilio@invimit.it), to the attention of the Managing Director, Ms. Giovanna Della Posta, within 10 days from the publication of this call for expressions of interest, the confidentiality agreement in the text attached to the call for expressions of interest under Attachment B (the "**Confidentiality Agreement**"), signed for full acceptance by a duly authorised person. In the event that the Expression of Interest is to be submitted by a group of Investors, each of them shall be required to sign the Confidentiality Agreement.

Following the receipt of the Confidentiality Agreement duly signed for acceptance, Invimit will allow Investors access for a period which is estimated not to be less than 30 days to a virtual data room (the "**VDR**") set up by the SGR and containing a document containing the characteristics of the Complex to be Developed and the Area as well as the main terms of the transaction, an executive summary on the economics of the transaction and the financial ratios (the "**Information Memorandum**"). It should be noted that from the access to the VDR and until 5 days before the deadline for the submission of the Expression of Interest, Investors will be entitled to submit requests for supplementary documentation (which the SGR reserves the right to follow up at its own discretion, within the limits that may be provided for by the regulations in force and in a manner that ensures equal treatment) and/or clarifications via e-mail at: [virgilio@invimit.it](mailto:virgilio@invimit.it).

3.2 Following the expiration of the Deadline for sending Expressions of Interest and the formal verification of the completeness and regularity of the documentation attached thereto, INVIMIT - having verified that the requirements stated in the Expressions of Interest are met and having carried out the evaluations relating to the "Other information" referred to in paragraph 2, letter C above - will invite the Investors and the group of Investors that it deems suitable to submit a document describing any proposals concerning the structure of the transaction in light of the information and under the terms, modalities, and conditions that will be indicated in the relevant letter of invitation (the "**First Process Letter**").

In any case, INVIMIT has the right to request clarifications and/or additions to the declarations made and the documentation submitted by the Investors who submitted the Expression of Interest.

INVIMIT reserves the right to exclude, at its sole discretion, Investors whose Expressions of Interest are received after the Deadline or which do not meet, in whole or in part, the requirements set forth in paragraph 2 above.

3.3 Following the issuance by Consob of the authorisation to market the units of the Destination Vehicle, the SGR will send to the selected Investors a letter of invitation to submit a binding offer under the terms, modalities, and conditions that will be indicated in the aforesaid letter of invitation (the "**Second Process Letter**").

INVIMIT reserves the right to limit the number of Investors to be admitted to submitting the binding offer, giving preference to individual or grouped Investors considered, in INVIMIT's opinion, to be the most suitable at the outcome of the evaluation of the Expressions of Interest and the document describing the possible alternative structure proposals. It is expressly understood that should the Expression of Interest be submitted by a group of Investors, the binding offer may be submitted also by a group of Investors partially different from that who submitted the Expression of Interest, provided that the group satisfies the requirements set forth in paragraph 2 above.

In order to allow the submission of the binding offer, INVIMIT will provide in the VDR the relevant documentation relating to the Real Estate Complex, the Area, and the Transaction. The VDR will remain open for the period and in the manner that will be indicated in the Second Process Letter.

3.4 INVIMIT reserves the right to amend and supplement the steps of the procedure briefly described above during the course of the procedure.

#### **4. FINAL PROVISIONS**

4.1 The publication of this invitation and the receipt of Expressions of Interest do not entail any obligation on INVIMIT to invite binding offers or to conclude the selection procedure, nor the undertaking of any other commitment with respect to the parties submitting Expressions of Interest.

4.2 The size, characteristics and development profiles of the Complex to be Developed and of the Area indicated in this call for expression of interest are to be understood as purely indicative; the Investors who have expressed their interest may not, therefore, have any right and/or claim against INVIMIT for any changes in such elements that may occur at the outcome of the definition of the final urban development of the Piazza d'Armi Area.

4.3 INVIMIT reserves the right to make any decision regarding the selection procedure, including the right to reopen and/or extend the Expression of Interest Deadline, to admit new Investors to submit a binding offer, to withdraw at any time from this procedure, to suspend or terminate it, whatever its progress, and/or to amend its terms and conditions, without the parties that submitted the Expression of Interest being entitled to claim any compensation, indemnity or anything else against INVIMIT.

4.5 The processing of the data received shall be carried out in accordance with the provisions of Legislative Decree no. 196 of 30 June 2003, as amended, and EU Regulation 679/2016, as amended.

4.6 This call for proposals and the entire selection procedure shall be governed by Italian law and any disputes relating thereto shall be settled by the Court of Rome.

## **5. COMMUNICATION**

Any request for information concerning the transaction described in this invitation shall be submitted by the Investor to the e-mail address: [virgilio@invimit.it](mailto:virgilio@invimit.it), to the kind attention of Pasquale Labianca – Head of Investment and Business Development.

*Annex A: Expression of Interest Form*

*Annex B: Confidentiality Agreement Form*

Rome, 13 June 2023.

**INVIMIT SGR S.p.A.**

*The Chief Executive Officer*

Dr Giovanna Della Posta