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VUKILE PROPERTY FUND'S ITALIAN EXPANSION

Diamo il benvenuto a Esperia

1. Introduction

Esperia is Vukile Property Fund's Italian platform vehicle, established as the operational entity through which Vukile's portfolio of three Italian shopping centres is held and managed. The corporate structure places Esperia beneath a Luxembourg-based holding company that sits directly under Vukile, deliberately outside the Castellana Properties structure through which Vukile holds its Spanish and Portuguese assets.

The decision to exclude Castellana from the Italian chain is explicitly tax-driven as routing Italian assets through Castellana, a Spanish SOCIMI, would not have been tax-efficient, and the Luxembourg holding company is designed to facilitate tax-efficient income and dividend repatriation from Italy to South Africa with minimal tax leakage through the structure.

The Italian operating vehicle itself is structured as a SICAF (a Società di Investimento a Capitale Fisso) a closed-ended fixed-capital investment company, which Vukile describes as the optimal regulated vehicle for institutional real estate ownership and income repatriation under Italian law. In-country debt is asset-backed at approximately 35-40% LTV, with equity provided directly by Vukile from South Africa. Day-to-day property asset management is carried out by Pradera, with management fees factored into Vukile's forecasts and guidance. The Esperia management team is led by Roberto Limetti, Senior Managing Director and minority shareholder of Pradera and Luxembourg Fund Manager for all Luxembourg Pradera funds, and Stefania Emanuele, Finance Director for Southern Europe and Joint Head of Italy at Pradera, both of whom report directly to Vukile CEO Laurence Rapp.

The name Esperia itself carries deliberate resonance, it is derived from the ancient Greek Hesperia (Ἑσπερία) meaning land of the west. Hesperia was the classical name for both the Italian and Iberian Peninsula so pretty spot on a company name for Vukile to select.

This note provides an asset-by-asset review of the three shopping centres acquired by Vukile as disclosed in the Annual Results presentation for the year ended 31 March 2026. The portfolio comprises Le Due Valli (Pinerolo, Piedmont), Le Centurie (San Giorgio delle Pertiche, Padua) and Quarto Nuovo (Quarto, Campania), acquired for €115 million at a Net Initial Yield of 10%, generating estimated NOI of €11.5 million in year one. The transaction closed in June 2026 and was funded by Vukile's R2.8 billion equity raise at R22.60 per share on 20 May 2026, and in-country debt of €53 million, with residual capital retained for the next acquisition. Vukile confirmed that the LTV at transaction close was less than 42.5% of the portfolio open market value (OMV), implying a portfolio OMV in excess of €124.7 million and an acquisition at a discount to appraised value of at least €9.7 million (approximately 7.8%).

The note also audits GSC's prior asset identification analysis against the disclosed facts, explains the root cause of our analytical failure in correctly identifying the assets acquired, and provides a strategic assessment of convenience and neighbourhood retail as Vukile's chosen Italian investment format.

2. Portfolio Overview

	Le Due Valli	Le Centurie	Quarto Nuovo	Total
Location	Pinerolo (Turin, Piedmont)	San Giorgio delle Pertiche (Padua, Veneto)	Quarto (Naples, Campania)	3 regions
Property Manager	CBRE	Pradera Italy S.r.l.	Savills	-
Hypermarket anchor	Ipercoop	Iper Rossetto	Sole365	All owner-occupied
GLA (sqm)	8,152	11,996	20,872	41,020
Units	53	44	100	197
Annual footfall (m)	2.5	2.2	4.5	9.0
Tenant sales (EUR m)	23	30	70	123
Sales density (EUR/m^2)*	2,823	2,501	3,354	2,998
Occupancy	93%	99%	98%	97%
Est. implied value (EUR m)†	~21.5	~28.0	~65.4	115
GSC regional assessment	Northern Isolated node	Northern Strong node	Southern Highest risk	Dispersed portfolio

* Sales density: GSC calculation. Le Due Valli €23m / 8,152m^2 = €2,823/m^2; Le Centurie €30m / 11,996m^2 = €2,501/m^2; Quarto Nuovo €70m / 20,872m^2 = €3,354/m^2; blended €123m / 41,020m^2 = €2,998.54m^2. Source for inputs: Vukile Annual Results presentation FY2026, slide 50.
† Implied values: GSC estimates pro-rata on tenant sales. Le Due Valli: 23/123 × 115 = €21.46m; Le Centurie: 30/123 × 115 = €28.05m; Quarto Nuovo: 70/123 × 115 = €65.45m. Actual purchase price allocation per asset was not disclosed by Vukile.
National average GDP per capita €38,310 sourced from Vukile Annual Results presentation FY2026, slide 47. Campania GDP per capita €24,635 (2024) sourced from ISTAT regional accounts.

The portfolio is "anchored" by owner-occupied hypermarkets at each centre: Ipercoop at Le Due Valli, Iper Rossetto at Le Centurie, and Sole365 at Quarto Nuovo. Owner-occupied hypermarkets own their floor space within the centre and therefore cannot be removed; they generate defensive, high-frequency footfall independent of the landlord's income stream. In Italy, this structural setup is common for provincial malls and is referred to as a proprietà frazionata (fractional or divided ownership). The hypermarket operator owns the physical ground, walls, and air rights of their specific retail box under a separate property registry (mappale). Esperia has exclusively acquired the galleria commerciale (the line shops and common areas), meaning Vukile does not own the land or the GLA underlying the hypermarkets. The disclosed GLA figures are galleria-only in all three cases, and the disclosed tenant sales figures are tenant sales only, excluding hypermarket turnover. The hypermarket zone at Le Centurie (Iper Rossetto) represents 31.5% of the total site floor plate; at Quarto Nuovo the owner-occupied zone represents 37% of the total floor plate, split between two operators: Sole365 (grocery) and a DIY operator. EuroBRiCO at Le Centurie has been confirmed as a commercial tenant leased from Esperia, not an owner-occupied operator. This structural feature is the single most important characteristic of the Esperia portfolio and the one most significantly underweighted in GSC's initial commentary, and comes with its own benefits and risks.

3. Asset-by-Asset Review

3.1 Le Due Valli, Pinerolo, Piedmont - The High-Frequency Micro-Convenience Play

Le Due Valli is located in Pinerolo, a municipality of approximately ~35,440[1] people situated approximately 40 kilometres south-west of Turin by road. It is important to be precise on geography: Pinerolo falls within the Metropolitan City of Turin as an administrative unit, but it is emphatically not Turin. It does not draw from Turin's retail catchment, it does not benefit from Turin's transport infrastructure, and Turin residents do not travel 40 kilometres to use it. The catchment is Pinerolo and its immediate hinterland.

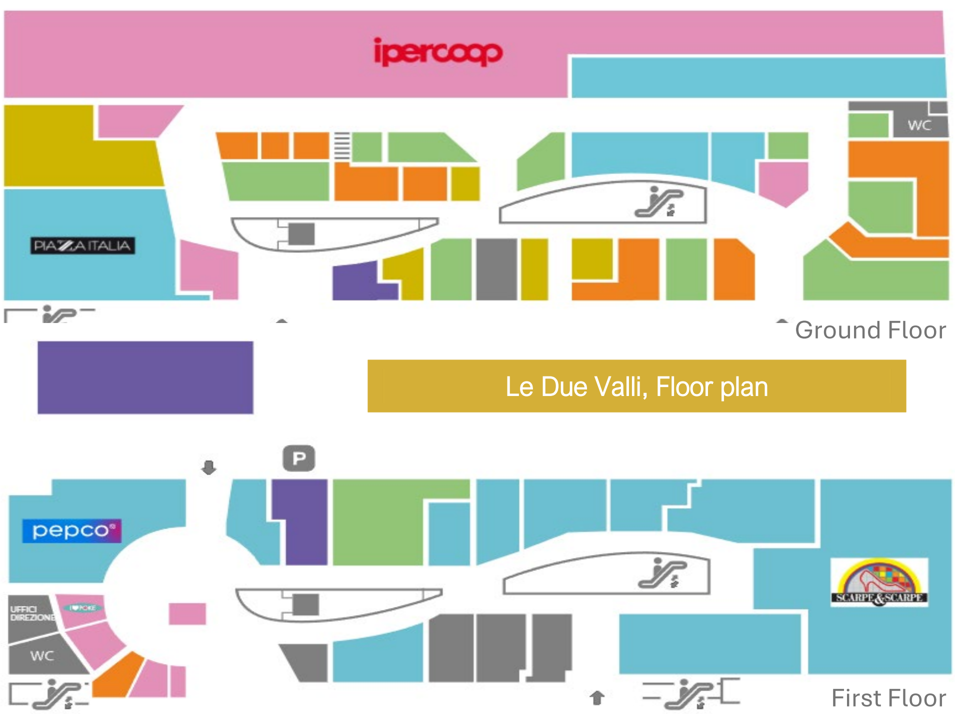
At 8,152m^2 across 53 units, Le Due Valli is small for an institutional property fund, but its metrics are, however, highly defensive. The Ipercoop anchor, a cooperative-owned discount hypermarket with deep roots in Italian provincial

[1] All population figures used are from the Istituto Nazionale di Statistica (Istat) as at January 1st 2026.

consumer culture, drives 2.5 million annual visits across 8,152m², implying approximately 307 visits per sqm. That intensity is characteristic of grocery-led convenience retail where the hypermarket is a weekly necessity rather than a discretionary destination. Tenant sales of €23 million at €2,823 per sqm confirm the income is real and the density is above European community retail averages.

The material vulnerability is the 93% occupancy rate. In a centre of 53 units, vacancy of two or three small line shops creates an immediate, visible drag on NOI and a perceptible hole in the retail offer that consumers notice. Because Pinerolo is an isolated catchment, Vukile has limited macro runway to fill those vacancies if local tenant demand stalls. Returning to 97-98% occupancy is the operational priority for this asset, and progress on that metric will be the clearest early signal of Pradera's asset management effectiveness under the Esperia platform.

Le Due Valli, Pinerolo, Piedmont



Le Due Valli, Floor plan

3.2 Le Centurie, San Giorgio delle Pertiche, Padua - The Mature Core Anchor

Le Centurie sits at the intersection of State Roads 307 and 308 in San Giorgio delle Pertiche, an Italian municipality of ~10,092 inhabitants, approximately 14 kilometres north-east of Padua and 35 kilometres from Venice. The centre serves a tri-province catchment spanning Padua, Treviso and Vicenza, which collectively represent one of Italy's most economically productive regions with strong economic levels and high tourism. The region is one of our favoured areas in Italy. The anchor is the Iper Rossetto hypermarket (whose floor area represents 31.5% of the total site floor plate, with Esperia owning the remaining 68.5% as galleria), an established Veneto-based format that signals the depth of integration between the hypermarket and the centre's brand. Supporting tenants include McDonald's, Tezenis, AW Lab, Unieuro, EuroBrico (confirmed as a commercial tenant leased from Esperia, not owner-occupied), KIKO Milano and Intimissimi. The centre has 1,100 parking spaces across two entrances, opened in May 2012, and we assume that the centre has been managed by Pradera for over 10 years.

Structurally Le Centurie is the soundest asset in the portfolio: 99% occupancy, the strongest economic catchment, a tri-province market, a regionally embedded hypermarket anchor, and a 14-year documented operating record. The sales density of €2,501 per m^2 is the lowest of the three assets.

The critical limitation at Le Centurie is precisely its maturity. Many years of Pradera management means the operational quick-wins (tenant mix optimisation, lease restructuring, void filling, energy efficiency) should have already been extracted. Vukile is acquiring a well-run, fully occupied asset in a strong catchment, which is the definition of a capped, mature hold. Meaningful organic rental reversion potential is limited when occupancy is already at 99% and the catchment is established. The value here is income security, and the investment thesis should be underwritten accordingly.

Le Centurie, San Giorgio delle Pertiche, Padua

Le Centurie, Floor plan

3.3 Quarto Nuovo, Quarto, Naples (Campania) - The High-Yield Concentration Risk

Quarto Nuovo is the portfolio's dominant asset by every operational measure: 20,872m^2, 100 units, 4.5 million annual visits, €70 million in tenant sales. It accounts for approximately 57% of portfolio sales and 50% of footfall, and at an implied value of approximately €65.4 million (GSC estimate pro-rata tenant sales) it carries the majority of the €115 million purchase price. It is located in Quarto, a municipality in the Metropolitan City of Naples of ~41,531 people, 11km from the city of Naples with its ~905,050 inhabitants. What happens at Quarto Nuovo determines whether the Esperia platform succeeds or fails. The other two assets are qualitatively important but quantitatively insufficient to rescue the investment case if this centre underperforms.

The confirmed anchor tenant is Sole365, a Campania-based grocery supermarket, which establishes the owner-occupied anchor structure consistent with the other two assets. Sole365 opened in 2022 replacing Ipercoop. The owner-occupied zone at Quarto Nuovo in fact comprises two separate operators: Sole365 (grocery) and a DIY operator (Handy), together representing 37% of the total site floor plate. Esperia owns the remaining 63% as the income-generating galleria. The two owner-occupied anchors together generate the non-discretionary footfall underpinning the centre's 4.5 million annual visits, providing a dual-category defensive traffic base that insulates satellite tenant income from consumer income cycles. The rest of the galleria is a tenant mix including Mango, Stradivarius, Alcott, Euronics, Cisalfasport, Flying Tiger and Arcaplanet.

The sales density of €3,354 per sqm is the highest of the three assets, consistent with the Metropolitan City of Naples' exceptional population density of approximately 2,523 residents per km². Occupancy of 98% confirms the asset is trading well. However, the Campania macro context cannot be dismissed by the presence of a grocery anchor and is addressed fully in Section 4.

Quarto Nuovo, Floor plan

Quarto Nuovo, Quarto, Naples, Campania

4. Southern Italy: The Campania Risk

The economic data for Campania, as compiled in the Eurostat Regional Yearbook 2025 edition, is among the most unfavourable of any region in the European Union.

Indicator (2024 unless stated)	Campania	EU average / comparator
Unemployment rate (15-74)	15.6%	EU average 5.9%
Long-term unemployment rate (15-74)	9.9%	3rd highest in EU
Employment rate (20-64)	49.4%	2nd lowest in EU; EU target 78%
Med. education employment rate (25-64)	58.2%	2nd lowest in EU
Very low work intensity	24.4%	2nd highest in EU after Guyane (35.4%)
Gender employment gap	17.3 points	Among highest in EU
At risk of poverty or social exclusion	43.5%	EU average 21.0%
At risk of poverty after social transfers	35.5%	Among highest in EU; EU average 16.2%
At risk of poverty before social transfers	52.8%	Only mainland EU region above 50%
GDP per capita (ISTAT)	€ 24,635	~36% below Italian national average (€38,310)

Source: Eurostat Regional Yearbook 2025 (KS-01-25-037-EN-N). National average EUR38,310: Vukile Annual Results FY2026, slide 47.

The scale of Campania's economic disadvantage is difficult to overstate. Its unemployment rate of 15.6% in 2024 was the highest of any mainland EU region after the Spanish exclaves of Ceuta and Melilla and two Greek island regions, and is 2.6 times the EU average of 5.9%. Long-term unemployment at 9.9%, meaning nearly one in ten of the labour force had been continuously unemployed for more than a year, was the third highest of any EU region outside France's outermost territories. The employment rate of 49.4% makes Campania one of only two EU regions (alongside Calabria) where less than half the working-age population was employed. Even among those with a medium level of education, only 58.2% were in employment (the second lowest rate in the EU, below which only Calabria's 53.2% fell). Before social transfers, 52.8% of Campania's population was at risk of poverty in 2024, the only mainland EU region where more than half the population was in that position. The 35.5% at-risk-of-poverty rate after transfers means more than one in three Campanian residents lives in monetary poverty by European standards. In the EU Italy had the highest regional disparity for employment rates.

Campania also recorded the highest motor vehicle theft rate in Italy and the joint highest intentional homicide rate alongside Calabria, with implications for insurance costs, security expenditure and the willingness of national retailers to commit to long-term leases. The Campania region is the home territory of the Camorra, one of the oldest and largest criminal organisations in Europe, operating across the Naples metropolitan area and Campania province. Europol specifically documents that in areas of Neapolitan Camorra control, shopkeepers are routinely required to pay protection money to multiple clans. Its systematic infiltration of the legitimate commercial economy, encompassing retail supply chains, logistics, construction and commercial property, is extensively documented by the Italian DIA and Europol, and represents an operational reality for any retail landlord in the Naples area.

4.1 The Bear Case

The structural fragility of the Esperia model is most acutely exposed when evaluating the composition of the rent roll against the macroeconomic realities of the Campania region. Because the Sole365 hypermarket operates under an owner-occupied structure, it contributes zero rental income and limited common area expense recovery to the fund.

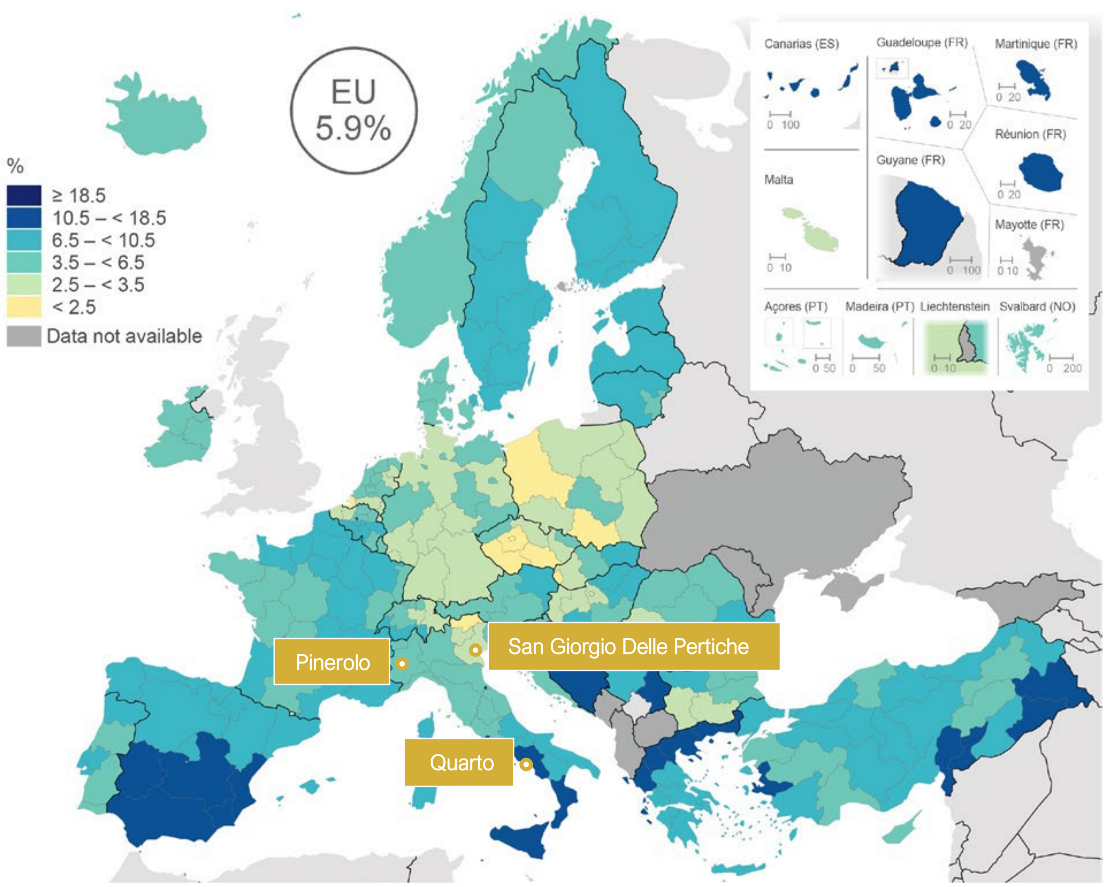
This creates a dangerous disconnect: the primary engine of the mall's 4.5 million annual visits is entirely insulated from the landlord's revenue stream. Vukile's target 10% Net Initial Yield and the platform's projected €11.5 million first-year net operating income are completely dependent on the smaller inline fashion, leisure, and cosmetic satellite tenants (such as Mango, Stradivarius, and Alcott).

While the grocery box guarantees high-frequency daily footfall, these consumers represent non-discretionary shoppers whose spending does not flow to the landlord. In an economic down-cycle, these cash-strapped Campanian households will aggressively cut back on discretionary retail while preserving their weekly food budgets. As a result, the inline gallery merchants will face immediate margin compression from dropping sales volumes and sticky operating inflation. This format architecture offers no structural cushion during a downturn; the rent roll is exposed to an acute risk of tenant defaults and non-renewals.

This exposure is heavily magnified by the regional economic landscape. These satellite lease decisions are underwritten by a local population where 35.5% live in monetary poverty and 24.4% of households exhibit very low work intensity. When national and international retailers optimise their Italian space, secondary suburban catchments like Quarto are structurally first in line for downsizing or non-renewal, long before primary high-street flags in Milan, Rome, or central Naples are impacted. Vukile is ultimately left holding an asset class where they bear the full brunt of a cyclical retail downturn, while lacking any operational mechanism to directly monetise the highly visible grocery traffic passing through their doors.

European Union Unemployment Rate

(% of labour force among people aged 15-74 years, by NUTS 2 regions, 2024)



Source: Eurostat regional yearbook, 2025 edition, July 2025.

4.2 The Bull Case

The core thesis supporting the Esperia platform rests on the extreme structural defensiveness of the grocery-anchored neighbourhood and convenience retail format across the entire portfolio. By targeting small, needs-based municipal catchments rather than over-retailed regional fashion hubs, Vukile is capitalising on an environment where physical retail remains deeply embedded in daily consumer behaviour. This structural indispensability is heavily reinforced by Italy's exceptionally low e-commerce penetration rate and a highly restrictive local planning permitting regime that shields existing assets from greenfield replication. Under these conditions, a dominant convenience center operating alongside a powerful, owner-occupied grocery box functions less like volatile retail real estate and closer to essential localised infrastructure.

This localised format translates into highly resilient, non-speculative operational data across a combined portfolio footprint of 41,020 m². Totalling 9.0 million annual visits and €123 million in aggregate tenant sales, these assets demonstrate a robust blended sales density and a strong portfolio occupancy. Whether operating in the affluent, highly industrialised northern nodes of the Veneto and Piedmont or within the hyper-dense, low-mobility southern conurbation of the Metropolitan City of Naples, the owner-occupied hypermarket boxes provide a captive traffic baseline. This high-frequency daily footfall should remain insulated from wider macroeconomic shocks, firmly anchoring consumer habits and ensuring that the right value-driven tenant mix captures real, sustained consumer capacity independent of headline economic indicators.

4.3 Net Assessment

The grocery anchor secures the footfall regardless of the unemployment rate. The open question is the satellite rent roll. At approximately 57% of portfolio capital, the durability of fashion and leisure tenant leases in a region with 15.6% unemployment and 35.5% poverty exposure is the primary risk Vukile must manage actively. Satellite lease renewal rates, occupancy cost ratio trends and any evidence of tenant downsizing at Quarto Nuovo are the primary metrics for every monitoring cycle on the Esperia platform.

5. Geographic Dispersion

The three assets sit approximately 800 kilometres apart, from Pinerolo south-west of Turin to San Giorgio delle Pertiche north of Padua to Quarto west of Naples. This is not a geographically coherent platform. The dispersion is operationally mitigated by Pradera’s ten-year management inheritance across all three centres, and the Esperia management team of Roberto Limetti and Stefania Emanuele are both senior Pradera Italy executives which provides centralised oversight reporting directly to the Vukile CEO. The pipeline of two further assets at a combined €200 million at 9% cash-on-cash yield will likely compound the geographic dispersion if drawn from the Pradera management book. Institutional positioning to future buyers will require a portfolio narrative built around format and income consistency rather than geographic clustering, which the grocery-anchor thesis provides. We do hope that Vukile focusses more on the Northern areas of Italy for future expansion as we believe this will lower the risk, albeit at a higher price for quality assets.

6. Why GSC Got the Asset Identification Wrong

GSC’s asset identification failed for a single, fundamental reason: we solved for the wrong selection criterion. Our analysis assumed Vukile would anchor the Italian platform with the largest, most institutionally recognisable assets in the Pradera book, Lingotto, Rondò dei Pini, Le Cupole, on the basis that a €115 million platform entry required assets of sufficient scale to justify the implied average value. That logic was internally consistent but externally wrong. Vukile seems to have focussed on buying income certainty and starting small in terms of centre size.

The actual portfolio averages 13,673m^2 per centre, less than half the GLA of Lingotto alone, and was selected precisely because smaller, grocery-anchored convenience centres dominant in their local node generate the most predictable, defensive cash flows available in the Italian market. The R2.8 billion equity raise was sized to fund €115 million of Italian exposure with capital retained for the next acquisition, and not to acquire three flagship shopping centres.

We did though state that "when one considers the potential costs of these centres Vukile may be looking a bit further down the quality scale."

7. Convenience and Neighbourhood Retail as an Italian Strategy: Assessment

The selection of small, grocery-anchored convenience centres as the Italian entry format is analytically coherent, and the structural conditions that make this format work are more robust in Italy than in most other European markets.

7.1 The Structural Case

Convenience and neighbourhood centres anchored by owner-occupied grocery operators are the most defensive retail format in any market, and especially in Italy where e-commerce penetration is low and physical retail remains deeply embedded in daily consumer behaviour across all income levels. Owner-occupation of the anchor eliminates the primary lease-expiry risk that has undermined conventional shopping centre models elsewhere. The Italian planning regime adds a meaningful structural supply constraint: new retail development is subject to lengthy, restrictive permitting that makes existing well-located convenience centres near-impossible to replicate. A dominant neighbourhood centre with a grocery anchor in an Italian provincial town is, in that sense, closer to infrastructure than to retail real estate. We are though concerned with the size of the catchment areas in the smaller markets, especially Pinerolo.

7.2 The Risk Conditions

Four conditions must hold simultaneously for the strategy to deliver.

First, the grocery anchor must remain occupied. If any of Ipercoop, Iper Rossetto or Sole365 sells its floor space or vacates, the defensive footfall thesis collapses and satellite tenants are immediately exposed.

Second, galleria tenant covenant quality must sustain the non-grocery rent roll through economic cycles. This condition is materially weaker at Quarto Nuovo, where 35.5% of the regional population lives in monetary poverty and 24.4% of households have very low work intensity. Fashion tenants with national Italian portfolios will rationalise Campanian suburban locations ahead of primary urban stores.

Third, the exit market must eventually price these assets on income quality rather than format and geography. Italian institutional capital for small convenience centres remains thin; the buyer pool at exit is more likely private equity or family offices than listed REITs and at worst Vukile may find itself holding assets that are difficult to dispose of.

Fourth, scale, the €500 million ambition, is itself part of the exit strategy, but building to that level requires multiple capital raises and sustained operating performance over several years.

7.3 The Castellana Comparison: Applicable but Imperfect

Vukile frames Italy as "Iberia 2.0". Spain worked because Castellana entered a genuinely mispriced market, applied institutional discipline, and benefited from a broad re-rating of Spanish retail assets as macro conditions improved. Italy may follow the same path: yields remain wider than Spain for comparable operating metrics, the planning constraint is real, and the fragmented ownership structure creates a genuine first-mover opportunity. The imperfection in the comparison is that Spain's recovery was underpinned by stronger GDP growth, lower structural unemployment, and a more liquid institutional investment market than Italy currently offers. The convenience centre format is the right vehicle for Italian entry, as long as Vukile does not overpay. Whether Italy re-rates on the Iberian timeline is the unresolved question on which the long-term capital return depends. The income is defensible, but the capital return requires Italy to perform.

8. GSC Prediction Audit

GSC identified Lingotto, Rondò dei Pini and Le Cupole as the most likely three assets. The actual portfolio is Le Due Valli, Le Centurie and Quarto Nuovo. All three specific identifications were wrong. Mea culpa.

GSC Assessment Point	GSC Called	Actual	Verdict
Asset size / profile: sub-regional, community retail	Correct	Confirmed	Right
Pradera asset management retained	Correct	Confirmed	Right
Local partner dependency risk	Yes	Confirmed, Pradera Italy execs lead Esperia	Right
Income durability as the key question	Yes	Grocery anchors confirmed at all three assets	Right, nuanced by anchors
Specific assets: Lingotto, Rondò dei Pini, Le Cupole	Incorrect on all three	Le Due Valli, Le Centurie, Quarto Nuovo	Wrong, all three
Northern cluster geographic logic	Northern only	2 Northern and 1 Southern	Wrong, but did mention Quarto Nuovo as a lower probability
Size as primary selection criterion	Largest assets	Two of the assets are among the smallest in the Pradera book, Le Due Valli (smallest) and Le Centurie (third smallest), but Quarto Nuovo is mid-range by GLA	Wrong

9. Conclusion

The Esperia portfolio is potentially a coherent expression of Vukile's Castellana playbook applied to Italian convenience retail. The three assets share a grocery-led, needs-based format that generates defensive, high-frequency footfall independent of the macro environment. The owner-occupied hypermarket structure is the feature that makes the 10% NIY credible as sustainable income rather than a distress signal, and it is the feature most significantly underweighted in GSC's initial commentary.

The three assets are not equal in risk. Le Centurie is the soundest: strong Veneto catchment, 99% occupancy, long Pradera management track record, but maturity caps its upside.

Le Due Valli is defensively structured but operationally exposed by 93% occupancy in a 53-unit micro-convenience centre serving an isolated Pinerolo catchment of approximately 35,000 residents with no real macro runway from Turin.

Quarto Nuovo is the portfolio's income engine and its primary risk, carrying most of the capital and 50% of footfall in a region where Eurostat confirms an unemployment rate of 15.6%, long-term unemployment of 9.9%, and 35.5% of the population at risk of poverty after social transfers. The Sole365 anchor secures the footfall. The fashion and leisure leases in Campania are the monitoring priority.

The convenience and neighbourhood format is most likely the right strategic choice for Italian entry. The income is defensible. The exit requires Italy to re-rate and the platform to scale to €500 million, but Esperia will need to move up the quality and scale ladder to achieve this, and we remain concerned that the market to exit the smaller centres will be much more difficult than Spain.

Whether this strategy will produce a Castellana-level return or a longer, harder road depends on three things outside

Vukile's direct control: the durability of Campanian tenant demand against the backdrop of some of the EU's most severe poverty and unemployment indicators; the timeline on which Italian retail investment yields compress toward Spanish levels; and finally that the relative stability and pro-business stance under Prime Minister Meloni continues and that Italy does not revert to its previous levels of political instability (fourteen governments and eleven different prime ministers since 2000).

Le Centurie

Quarto Nuovo

Le Due Valli

Le Centurie, San Giorgio delle Pertiche, Padua

Le Due Valli, Pinerolo, Piedmont

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