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**Eurocastle Releases First Quarter 2020 Interim Management Statement and Announces Annual General Meeting on 17 June 2020**

Guernsey, 15 May 2020 – Eurocastle Investment Limited (Euronext Amsterdam: ECT) today has released its interim management statement for the quarter ended 31 March 2020.

**Q1 2020 BUSINESS HIGHLIGHTS**

◆ **Adjusted Net Asset Value (“NAV”)**<sup>1</sup> of €12.5 million, or €6.78 per share<sup>2</sup>, down €1.54 per share vs. €8.32 per share at 31 December 2019 due to:

1. Valuation declines reflecting the estimated potential impact of COVID-19:
  - €1.62 per share decrease (21%) in the valuation of the remaining three real estate fund investments.
  - €0.08 per share decrease (13%) in the valuation of the remaining three NPL and other loan interests.
2. Positive reserve movements of €0.16 per share.

	FY 2019		Q1 CASH Movement		Q1 FV Movement		Q1 2020	
	€ million	€ per share	€ million	€ per share	€ million	€ per share	€ million	€ per share
Real Estate Funds	13.9	7.52	(1.1)	(0.58)	(3.0)	(1.62)	9.9	5.32
Italian NPLs & Other Loans	1.2	0.67	(0.0)	(0.03)	(0.2)	(0.08)	1.0	0.56
Net Corporate Cash <sup>3</sup>	0.2	0.13	1.1	0.61	0.3	0.16	1.6	0.90
<b>Adjusted NAV</b>	<b>15.4</b>	<b>8.32</b>	-	-	<b>(2.9)</b>	<b>(1.54)</b>	<b>12.5</b>	<b>6.78</b>

**CASH & MARKET OUTLOOK**

- The Company received €1.1 million from its investments in the quarter, the majority of which related to Real Estate Fund Investment I. The Directors have elected to retain these cash proceeds in the Company until there is greater certainty regarding the full impact of COVID-19 on the Italian economy.
  - The cash received in the quarter, along with the cash set aside for reserves, leaves the Company well-capitalised and in a strong position to weather the uncertainty that COVID-19 has created.
- The Company’s remaining real estate fund investments comprise the following:
  - Interest in a public fund which is in the process of liquidating and whose assets are predominantly comprised of cash. The fund is currently trading at a c.20% discount to its last published NAV.
  - Interests in two real estate redevelopment funds where construction is fully completed. The units are in the process of being sold but suffering delays due to the coronavirus outbreak. Both developments offer luxurious residential apartments with high specification furnishings in the historical city of Rome, Italy.

**ANNUAL GENERAL MEETING**

The Company will hold its Annual General Meeting on Wednesday, 17 June 2020, at the Company’s registered office at 2:00 pm Guernsey time (3:00 pm CET). The meeting will be held in accordance with social distancing and “stay at home” measures implemented by the States of Guernsey in response to the COVID-19 outbreak. Notices and proxy statements will be posted on 27 May 2020 to shareholders of record at close of business on 26 May 2020.

<sup>1</sup> In light of the Realisation Plan announced on 18 November 2019, the Adjusted NAV reflects additional reserves for future costs and potential liabilities, which have not been accounted for under the IFRS NAV. The IFRS NAV as at 31 March 2020 is €30.5 million, or €16.48 per share.

<sup>2</sup> Per share calculations for Eurocastle throughout this document are based on the outstanding voting shares of 1,851,535 for the period under review.

<sup>3</sup> Reflects corporate cash net of liabilities and additional reserves.

## NOTICE:

This announcement contains inside information for the purposes of the Market Abuse Regulation 596/2014.

### **ADDITIONAL INFORMATION**

For investment portfolio information, please refer to the Company's most recent Financial Report, which is available on the Company's website ([www.eurocastleinv.com](http://www.eurocastleinv.com)).

### **ABOUT EUROCASTLE**

Eurocastle Investment Limited ("Eurocastle" or the "Company") is a publicly traded closed-ended investment company, focused on Italian performing and non-performing loans, Italian loan servicing platforms and other real estate related assets in Italy. On 18 November 2019, the Company announced a plan to realise the majority of its assets with the aim of accelerating the return of value to shareholders. The Company will not currently seek material new investments from the proceeds of the realisation but, will continue to support its existing investments to the extent required in order to optimise returns and distribute cash to shareholders when available (the "Realisation Plan"). For more information regarding Eurocastle Investment Limited and to be added to our email distribution list, please visit [www.eurocastleinv.com](http://www.eurocastleinv.com).

### **FORWARD LOOKING STATEMENTS**

This release contains statements that constitute forward-looking statements. Such forward-looking statements may relate to, among other things, future commitments to sell real estate and achievement of disposal targets, availability of investment and divestment opportunities, timing or certainty of completion of acquisitions and disposals, the operating performance of our investments and financing needs. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may", "will", "should", "potential", "intend", "expect", "endeavor", "seek", "anticipate", "estimate", "overestimate", "underestimate", "believe", "could", "project", "predict", "project", "continue", "plan", "forecast" or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe future plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. The Company's ability to predict results or the actual effect of future plans or strategies is limited. Although the Company believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, its actual results and performance may differ materially from those set forth in the forward-looking statements. These forward-looking statements are subject to risks, uncertainties and other factors that may cause the Company's actual results in future periods to differ materially from forecasted results or stated expectations including the risks regarding Eurocastle's ability to declare dividends or achieve its targets regarding asset disposals or asset performance.