



## EUROCASTLE

### Eurocastle Releases Fourth Quarter and Year End 2024 Financial Results

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EUROCASTLE INVESTMENT LIMITED

FOR IMMEDIATE RELEASE

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Guernsey, 24 April 2025 – Eurocastle Investment Limited (Euronext Amsterdam: ECT) [today](#) has released its annual report for the year ended 31 December 2024.

- **IFRS NAV** of €22.08 million, or €22.05 per share vs €21.34 per share as at Q3 2024 and €21.77 per share as at YE 2023, reflecting an increase in the value of the Company's holding in a Luxembourg fund under the New Investment Strategy, following the closing of its first investment in October 2024.
- **Adjusted Net Asset Value (“NAV”)** of €11.35 million<sup>1</sup>, or €11.34 per share<sup>2</sup> vs. €10.91 per share in Q3 2024 and €11.12 per share as at YE 2023.

The tables below summarise the NAV by segment:

	YE 2024 NAV		Q3 2024 NAV		YE 2023 NAV	
	€m	€ p.s.	€m	€ p.s.	€m	€ p.s.
New Investment Strategy - Greece	5.77	5.76	0.11	0.11	0.10	0.10
Legacy Italian Real Estate Funds	0.06	0.06	0.06	0.06	0.08	0.08
Net Corporate Cash <sup>3</sup>	12.28	12.26	17.47	17.45	17.83	17.86
Legacy German Tax Asset	3.97	3.97	3.73	3.72	3.73	3.73
<b>IFRS NAV</b>	<b>22.08</b>	<b>22.05</b>	<b>21.37</b>	<b>21.34</b>	<b>21.74</b>	<b>21.77</b>
Legacy German Tax Reserve <sup>4</sup>	(5.99)	(5.97)	(5.44)	(5.43)	(5.46)	(5.46)
<b>Adjusted NAV before Liquidation Reserve</b>	<b>16.09</b>	<b>16.08</b>	<b>15.93</b>	<b>15.91</b>	<b>16.28</b>	<b>16.31</b>
Liquidation Reserve <sup>4</sup>	(4.74)	(4.74)	(5.00)	(5.00)	(5.18)	(5.19)
<b>Adjusted NAV</b>	<b>11.35</b>	<b>11.34</b>	<b>10.93</b>	<b>10.91</b>	<b>11.10</b>	<b>11.12</b>
<i>Ordinary shares outstanding</i>	1,001,555		1,001,555		998,555	

As at 31 December 2024, the Company's assets mainly comprise:

1. €12.28 million, or €12.26 per share, of net corporate cash, which is available to continue seeking investments under the New Investment Strategy.
2. €5.77 million, or €5.76 per share, in the Company's first investment under the New Investment Strategy, a share in a Luxembourg fund which has opportunistically acquired a boutique retail complex in an affluent part of Athens, Greece.
3. A tax asset of €3.97 million, or €3.97 per share, representing amounts paid (and associated interest) in relation to additional tax assessed

against a legacy German property subsidiary where the Company won the first instance of its appeal in December 2024. The German tax authorities have since appealed the decision and the Company is waiting for the date of the next hearing.

4. Residual interests in two legacy Italian Real Estate Fund Investments with an NAV of €0.06 million, or €0.06 per share, where the underlying properties have been fully sold, with both funds now in liquidation.

## **2024 BUSINESS HIGHLIGHTS**

### **FY 2024 Overview**

During 2024, having largely concluded its Realisation Plan, the Company made significant progress in implementing the New Investment Strategy by establishing the platform through which it can raise third party capital and make investments, while also closing on the first acquisition made as part of this strategy.

### **Highlights**

- **New Investment Strategy** – In August 2024, Eurocastle launched a Luxembourg regulated fund, European Properties Investment Fund S.C.A., SICAV RAIF (“EPIF” or the “Fund”), through which it expects to invest alongside selected external co-investors. EPIF initially closed with Eurocastle committing to invest €8 million alongside a €2 million commitment from its JV Partner. EPIF is now being marketed to potential investors with a target size of €100 million.
- In addition to generating attractive risk adjusted returns on its share of any investments made, Eurocastle also anticipates receiving market standard management and incentive fees from external investors. The Company sees the Fund as an attractive opportunity to earn enhanced returns on the capital it invests while also building a meaningful base for future investments.
- In October 2024, the Fund made its first acquisition, being part of a boutique retail complex in an affluent part of Athens with Eurocastle investing a total of €5.5 million into the Fund. The asset was acquired from one of the largest Greek banks out of a distressed situation. As at the end of 2024, Eurocastle’s 80% share in the NAV of EPIF is €5.8 million. In parallel with executing this first investment, EPIF has been underwriting a number of additional opportunities.
- **Legacy Italian Real Estate Funds** –The remaining NAV for these investments of €0.06 million, or €0.06 per share, reflects cash currently reserved in the funds that is expected to be released once the fund manager resolves certain potential liabilities and liquidates each fund.
- **Legacy German Tax Matter** – Prior to 2024, the Company had paid a net amount of €3.7 million in relation to the Legacy German tax matter against which it has raised a corresponding tax asset (together with associated interest). The Company, in pursuing the reimbursement of this amount through the German fiscal court, won the first instance of its appeal in December 2024. Shortly after, the German tax authorities appealed the decision through the German federal tax court and the Company is currently waiting to be notified of the date of the hearing. In the meantime, €2.5 million of the €3.7 million of additional tax paid by the Company, being the additional tax assessed before late payment interest, is accruing interest at 6% per annum, which would be paid to the Company should it finally prevail in the case.
- The remaining potential exposure, associated with the same point under dispute, is estimated to be €1.7 million. This relates to the years 2013 to 2015 which remain subject to ongoing tax audits. Notwithstanding the Company’s expectation that the tax matter will eventually be resolved in the Company’s favour, as at 31 December 2024, the full potential liability of €6.0 million, or €5.97 per share (including associated defence costs and interest accrued), is fully reserved for within the Additional Reserves.
- **Additional Reserves** - As at 31 December 2024, of the total Additional Reserves of €10.7 million, €6.0 million related to the legacy German tax matter with the balance of approximately €4.7 million in place to allow for future costs and potential liabilities while the Company pursues in parallel the New Investment Strategy. The Board anticipates reviewing the appropriate level of reserves once it has further clarity on the amount of commitments received by EPIF.

### **Subsequent Events**

On April 23<sup>rd</sup>, 2025, EPIF successfully held its first investor close, securing €16 million of commitments from 10 investors taking the total fund size to €26 million. Currently, a significant number of potential additional commitments are at advanced stage of due diligence, with a further close expected in May 2025.

The commitments closed on 23 April 2025 will reduce Eurocastle's interest in the Fund from 80% to approximately 31%. As a result, the new investors will reimburse Eurocastle an estimated total of €3.5 million of the €5.5 million it had invested to date in EPIF. This reimbursement is to align Eurocastle's revised pro rata share of the capital called plus compensatory interest. The amount to be paid to Eurocastle is substantially in line with the relevant share of Eurocastle's valuation of its interest in EPIF as at 31 December 2024.

Income Statement for the Fourth Quarter 2024, Full Year 2024 and Full Year 2023	Q4 2024	FY 2024	FY 2023
	€ Thousands	€ Thousands	€ Thousands
<b><u>Portfolio Returns</u></b>			
New Investment Strategy – Greece unrealised fair value movement	429	273	-
Legacy Italian NPLs & Other Loans realised gain	-	-	2
Legacy Italian Real Estate Funds unrealised fair value movement	-	(18)	(50)
<b>Fair value movement on Investments</b>	<b>429</b>	<b>255</b>	<b>(48)</b>
<b>Other Income</b>	<b>100</b>	<b>113</b>	<b>2</b>
<b>Interest income</b>	<b>345</b>	<b>827</b>	<b>519</b>
<b>Loss on foreign currency translation</b>	<b>-</b>	<b>(1)</b>	<b>(2)</b>
<b>Total income</b>	<b>874</b>	<b>1,194</b>	<b>471</b>
<b><u>Operating Expenses</u></b>			
Manager base and incentive fees	42	103	94
Remaining operating expenses	115	745	1,012
<b>Other operating expenses</b>	<b>157</b>	<b>848</b>	<b>1,106</b>
<b>Total expenses</b>	<b>157</b>	<b>848</b>	<b>1,106</b>
<b>Net profit/(loss) for the period/year</b>	<b>717</b>	<b>346</b>	<b>(635)</b>
<b>€ per share</b>	<b>0.72</b>	<b>0.35</b>	<b>(0.64)</b>

Balance Sheet and Adjusted NAV Reconciliation as at 31 December 2024	New Strategy Investments Greece	Legacy Italian Investments	Corporate	Total 2024	Total 2023
	€ Thousands	€ Thousands	€ Thousands	€ Thousands	€ Thousands
<b>Assets</b>					
Other assets	-	-	315	315	210
Legacy German tax asset	-	-	3,974	3,974	3,727
Investments – New Investment Strategy - Greece	5,770	-	-	5,770	-
Investments - Legacy Italian Real Estate Funds	-	64	-	64	82
Cash, cash equivalents and treasury investments					
Cash and cash equivalents	-	-	12,415	12,415	13,951
Treasury investments	-	-	-	-	4,236
<b>Total assets</b>	<b>5,770</b>	<b>64</b>	<b>16,704</b>	<b>22,538</b>	<b>22,206</b>
<b>Liabilities</b>					
Trade and other payables			389	389	425
Manager base and incentive fees			63	63	41
<b>Total liabilities</b>			<b>452</b>	<b>452</b>	<b>466</b>
<b>IFRS Net Asset Value</b>	<b>5,770</b>	<b>64</b>	<b>16,252</b>	<b>22,086</b>	<b>21,740</b>
Liquidation cash reserve	-	-	(4,748)	(4,748)	(5,185)
Legacy German tax cash reserve	-	-	(2,008)	(2,008)	(1,728)
Legacy German tax asset	-	-	(3,974)	(3,974)	(3,727)
<b>Adjusted NAV</b>	<b>5,770</b>	<b>64</b>	<b>5,522</b>	<b>11,356</b>	<b>11,100</b>
<b>Adjusted NAV (€ per Share)</b>	<b>5.76</b>	<b>0.06</b>	<b>5.52</b>	<b>11.34</b>	<b>11.12</b>

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 will be 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. On 8 July 2022, the Company announced the relaunch of its investment activity and is currently in the early stages of pursuing its new strategy by initially focusing on opportunistic real estate in Greece with a plan to expand across Southern Europe. 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.

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<sup>1</sup> In light of the Realisation Plan announced in November 2019, the Adjusted NAV as at 31 December 2024 reflects additional reserves for future costs and potential liabilities, which have not been accounted for under the IFRS NAV ("Additional Reserves"). No commitments for these future costs and potential liabilities existed as at 31 December 2024.

<sup>2</sup> Per share calculations for Eurocastle as at 31 December 2024 are based on 1,001,555 shares in issue. YE 2023 NAV per share based on 998,555 shares; Q3 2024 NAV per share based on 1,001,555 shares.

<sup>3</sup> Reflects corporate cash net of accrued liabilities and other assets.

<sup>4</sup> Reserves that were put in place when the Company realised the majority of its investment assets in 2019 in order for the Company to continue in operation and fund its future costs and potential liabilities. These reserves are not accounted for under IFRS.