



## Contact:

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### Eurocastle Releases First Quarter 2024 Interim Management Statement and Announces Annual General Meeting to be held on 12 June 2024

Guernsey, 13 May 2024 – Eurocastle Investment Limited (Euronext Amsterdam: ECT) (“Eurocastle” or the “Company”) today has released its interim management statement for the quarter ended 31 March 2024.

- ◆ **ADJUSTED NET ASSET VALUE (“NAV”)**<sup>1</sup> of €11.09 million, or €11.11 per share<sup>2</sup> (€11.10 million, or €11.12 per share as at Q4 2023).
- ◆ **IFRS NAV** of €21.6 million, or €21.66 per share (€21.7 million, or €21.77 per share as at Q4 2023).

	Q4 2023 NAV		Q1 FV Movement		Q1 2024 NAV	
	€'m	€ p.s.	€'m	€ p.s.	€'m	€ p.s.
New Investment Strategy - Greece	0.10	0.10	-	-	0.10	0.10
Legacy Italian Real Estate Funds	0.08	0.08	(0.01)	(0.01)	0.07	0.07
Net Corporate Cash <sup>3</sup>	17.83	17.86	(0.10)	(0.10)	17.73	17.76
Legacy German Tax Asset	3.73	3.73	-	-	3.73	3.73
<b>IFRS NAV</b>	<b>21.74</b>	<b>21.77</b>	<b>(0.11)</b>	<b>(0.11)</b>	<b>21.63</b>	<b>21.66</b>
Additional Reserves <sup>4</sup>	(10.64)	(10.65)	0.10	0.10	(10.54)	(10.55)
<b>Adjusted NAV</b>	<b>11.10</b>	<b>11.12</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>11.09</b>	<b>11.11</b>
<i>Ordinary shares outstanding</i>	998,555				998,555	

As at 31 March 2024, the Company’s assets comprise:

1. €17.7 million, or €17.76 per share, of net corporate cash<sup>3</sup> which is primarily available to fund new investments under the New Investment Strategy.
2. A deposit of €0.1 million, or €0.10 per share, paid in connection with the Company’s first investment under the New Investment Strategy.
3. A tax asset of €3.7 million, or €3.73 per share, representing amounts paid in relation to additional tax assessed against a German property subsidiary. The Company is currently appealing the assessment through the German fiscal court and expects the matter will eventually be resolved in the Company’s favour.
4. Residual interests in two legacy Italian Real Estate Fund Investments with an NAV of €0.07 million, or €0.07 per share, where the underlying apartments are now all sold with both funds currently in liquidation.

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

<sup>2</sup> Per share calculations for Eurocastle throughout this document are based on 998,555 shares, unless otherwise stated.

<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.

## **BUSINESS UPDATES**

- **New Investment Strategy** – Eurocastle remains on track to close its first acquisition under the New Investment Strategy in Q2 2024, subject to certain conditions precedent. As previously announced, Eurocastle has agreed to acquire part of a boutique retail complex in an affluent part of Athens, Greece. The total expected investment is approximately €6.3 million, of which Eurocastle’s share is approximately €5.0 million. In parallel with executing this first investment, the Company has been underwriting a number of additional opportunities.

In addition, Eurocastle has made significant progress on establishing an investment structure through which it expects to invest alongside selected external co-investors. The Company has recently commenced the pre-marketing phase of launching a Luxembourg regulated fund with a first close targeted by the end of Q2 2024. In addition to generating attractive risk adjusted returns on its share of any investments made through the fund, Eurocastle anticipates also receiving market standard management and incentive fees from the external investors.

- **Additional Reserves** - The Company reduced these reserves from €10.6 million to €10.5 million, or €10.55 per share, during the quarter, with the reduction of €0.1 million reflecting reserves being utilised in line with anticipated costs. As at 31 March 2024, of the total Additional Reserves of €10.5 million, €5.4 million related to the legacy German tax matter with the balance of approximately €5.1 million in place to allow for future costs and potential liabilities while the Company establishes in parallel the New Investment Strategy.

**Income Statement for the Quarter ended 31 March 2024 and Quarter ended 31 March 2023 (unaudited)**

	Income Statement Q1 2024 € Thousands	Income Statement Q1 2023 € Thousands
<b><u>Portfolio Returns</u></b>		
Legacy Italian NPLs & Other Loans realised gain	-	2
Legacy Real Estate Funds unrealised fair value movement	(10)	13
<b>Fair value movement on Italian investments</b>	<b>(10)</b>	<b>15</b>
<b>Other income</b>	<b>4</b>	<b>2</b>
<b>Interest income</b>	<b>146</b>	<b>70</b>
<b>Total income</b>	<b>141</b>	<b>87</b>
<b><u>Operating Expenses</u></b>		
Manager base and incentive fees	20	30
Remaining operating expenses	227	257
<b>Other operating expenses</b>	<b>247</b>	<b>287</b>
<b>Total expenses</b>	<b>247</b>	<b>287</b>
<b>(Loss) for the period</b>	<b>(106)</b>	<b>(200)</b>
<b>€ per share</b>	<b>(0.11)</b>	<b>(0.20)</b>

**Balance Sheet and Adjusted NAV Reconciliation as at 31 March 2024 and as at 31 December 2024**

	31 March 2024 Total € Thousands	31 December 2024 Total € Thousands
<b>Assets</b>		
Other assets	171	210
Legacy German tax asset	3,727	3,727
Investments – Legacy Real Estate Funds	72	82
Cash, cash equivalents and treasury investments:		
Cash and cash equivalents	18,023	13,951
Treasury Investments	-	4,236
<b>Total assets</b>	<b>21,993</b>	<b>22,206</b>
<b>Liabilities</b>		
Trade and other payables	339	425
Manager base and incentive fees	20	41
<b>Total liabilities</b>	<b>359</b>	<b>466</b>
<b>IFRS Net Asset Value</b>	<b>21,634</b>	<b>21,740</b>
Liquidation cash reserve	(5,100)	(5,185)
Legacy German tax cash reserve	(1,713)	(1,728)
Legacy German tax asset reserve	(3,727)	(3,727)
<b>Adjusted NAV</b>	<b>11,094</b>	<b>11,100</b>
<b>Adjusted NAV (€ per Share)</b>	<b>11,11</b>	<b>11,12</b>

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

## **ANNUAL GENERAL MEETING**

The Company will hold its Annual General Meeting on Wednesday, 12 June 2024, at the Company's registered office at 2:00 pm Guernsey time (3:00 pm CET). Notices and proxy statements will be posted on 28 May 2024 to shareholders of record at close of business on 26 May 2024.

## **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)).

Terms not otherwise defined in this announcement shall have the meaning given to them in the Circular.

## **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", "endeavour", "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.