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Eurocastle Releases First Quarter 2021 Interim Management Statement and Announces Annual General Meeting on 16 June 2021

Guernsey, 14 May 2021 – Eurocastle Investment Limited (Euronext Amsterdam: ECT) today has released its interim management statement for the quarter ended 31 March 2021.

Q1 2021 BUSINESS HIGHLIGHTS

- ◆ **Adjusted Net Asset Value (“NAV”)**¹ of €16.3 million, or €8.77 per share², up €0.31 per share vs. €8.46 per share at 31 December 2020 (after payment in Q1 2021 of €0.54 per share of 2020 capital distribution) due to:

Valuation increases:

- €0.27 per share increase (7%) in the valuation of the remaining three real estate fund investments.
- €0.04 per share increase (7%) in the valuation of the remaining three NPL and other loan interests.

	Q4 2020 NAV		Q1 Cash Movement		Q1 FV Movement		Q1 2021 NAV	
	€million	€per share	€million	€per share	€million	€per share	€million	€per share
Real Estate Funds	7.4	4.01	(2.8)	(1.51)	0.5	0.27	5.1	2.77
Italian NPLs & Other Loans	1.2	0.67	(0.0)	(0.01)	0.1	0.04	1.3	0.70
Net Corporate Cash ³	8.0	4.32	1.8	0.98	-	-	9.8	5.30
Adjusted NAV	16.7	9.00	(1.0)	(0.54)	0.6	0.31	16.3	8.77
2020 Capital Distribution (paid in Q1 2021)	(1.0)	(0.54)	1.0	0.54	-	-	-	-
Adjusted NAV after 2020 Capital Distribution	15.7	8.46	-	-	0.6	0.31	16.3	8.77

CASH & MARKET OUTLOOK

- The Company received €2.8 million from its investments in the quarter comprising (i) €0.4 million final material distribution from Real Estate Fund Investment I (~43% above its Q4’20 NAV), (ii) €0.5 million from Real Estate Fund Investment II (~22% of its Q4’20 NAV) and (iii) €1.9 million from Real Estate Fund Investment V (~39% of its Q4’20 NAV).
- The Company’s current assets comprise:
 - Interests in two real estate redevelopment funds where construction is fully completed. Apartment sales have continued despite lockdowns. The majority of the assets in Real Estate Fund Investment II have been sold with the remaining assets representing €1.9 million of NAV, while more than 75% of the assets in Real Estate Fund Investment V have been sold with the remaining assets representing €3.2 million of NAV. Both developments offer luxury residential apartments with high specification furnishings in Rome.
 - Residual minority interests in three predominantly secured NPL & Other Loan pools.
 - Net corporate cash of €0.8 million, comprising corporate cash net of liabilities and additional reserves.

¹ 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 2021 is €32.1 million, or €17.29 per share.

² Per share calculations for Eurocastle throughout this document are based on 1,854,535 shares.

³ Reflects corporate cash net of liabilities and additional reserves.

STRATEGIC REVIEW UPDATE

The Board announced on 5 March 2021 that it has decided to undertake a review of the Company's strategic options, including the use of available capital. The strategic options are under ongoing review by the Board, with the outcome of the review anticipated to be announced to shareholders during the second half of 2021.

ANNUAL GENERAL MEETING

The Company will hold its Annual General Meeting on Wednesday, 16 June 2021, at the Company's registered office at 2:00 pm Guernsey time (3:00 pm CET). Notices and proxy statements will be posted on 27 May 2021 to shareholders of record at close of business on 26 May 2021.

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).

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.

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.