

EUROCOMMERCIAL

RETAIL



ESG



RENEWABLE ENERGY



COMMUNITIES



DIGITALISATION



Half year report 2023

at 30 June 2023

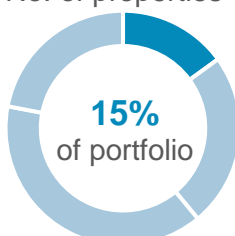
Portfolio, split by country, at 30 June 2023*

Belgium



Property value
€563m

No. of properties **1**

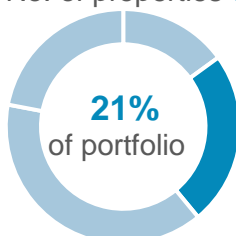


France

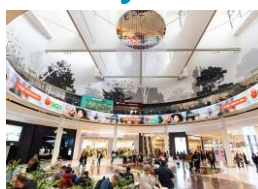


Property value
€814m

No. of properties **8**

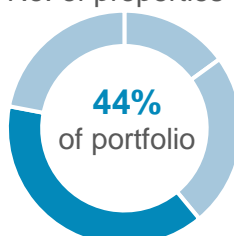


Italy



Property value
€1,661m

No. of properties **8**

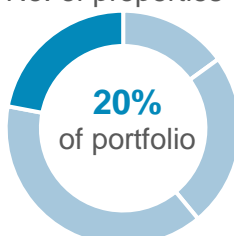


Sweden



Property value
€751m

No. of properties **7**



* Figures based on proportional consolidation as set out in Note 2 of the Consolidated Interim Financial Statements.

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Highlights

Performance and business highlights

- Consistently strong retail sales during the first six months of 2023 resulted in overall sales turnover growth of 9.2% compared to the same period in 2022, and 11.7% compared to the pre-pandemic 2019.
- Solid like-for-like rental growth of 8.2% due mainly to rental indexation.
- Continued strong tenant demand resulted in 6.7% rent uplifts on renewals and relettings from 235 lease transactions signed during the 12-month period ended 30 June 2023.
- EPRA vacancy rate at 30 June 2023 remains around its long-term historically low level of 1.5%.
- Occupancy cost ratio (OCR) was 9.5% at 30 June 2023.
- Rent collection rate reached 98% for the first half of 2023.
- Property values remain stable over six months with increased rental income balanced by higher yields and the overall EPRA net initial yield increased from 5.5% to 5.7%.
- SEK 1.9 billion (circa €160 million) four-year green loan with Nordea secured in Q2 2023 on four properties in Sweden, thereby completing the 2023 refinancing programme.
- Acquisition of remaining minority interest in Woluwe Shopping which is now 100% owned.
- Since 17 May 2023 the Company is also listed on the Milan stock exchange.
- Loan to value ratio (on the basis of proportional consolidation) at 41.8%. Net debt to EBITDA at 8.1x, and ICR at 3.9x.
- Net earnings €1.22 (direct investment result) per share for the six months to June 2023 compared to €1.21 for the six months to June 2022.
- Total cash dividend of €1.60 per share for the year 2022. In accordance with the Company's new dividend policy, an interim cash dividend of €0.60 per share was already paid in January 2023. A final cash dividend of €1.00 per share was paid in July 2023.
- Eurocommercial's shareholders representing 19.6% of the issued share capital opted to receive a stock dividend (1 new share for every 24 shares held) instead of the final cash dividend of €1.00 per share, which raised an additional equity amount of €10.4 million in July 2023.
- Direct investment result guidance for the full year 2023 confirmed between €2.25 and €2.35 per share.
- The Company intends to offer shareholders the possibility of opting for a stock dividend instead of a cash dividend for the 2023 interim dividend scheduled for January 2024.

Board of Management's commentary

Consumer spending across our four markets has continued to be very robust during the first half of 2023 despite rising living costs, high inflation and increasing interest rates. The portfolio saw strong retail sales growth of 9.2% compared to H1 2022, while footfall increased 6% over the same period. All retail segments showed positive sales growth with the outstanding performers being F&B (23.0%), sport (14.8%), home goods (12.7%) and health & beauty (11.1%). The important fashion and shoe sector also reported a solid 5.6% growth. Our 24 shopping centres continue to benefit from their carefully selected retail mix including groceries and necessity based retail, together with a broad range of services to meet the everyday needs of their communities.

Rental growth for the 12 months to 30 June 2023 was 8.2% due mainly to significantly higher rental indexation. 98% of H1 rents have already been collected, indicating that there has been a full pass through of indexation to our tenants who are generally trading well from an affordable rental base and a low OCR, which still averages only 9.5%. Our leasing teams continue to report healthy levels of tenant demand for our shopping centres, negotiating 235 lease renewals and relettings during the 12-month period ended 30 June 2023, providing an overall rental uplift of 6.7%. H1 alone saw an uplift of 7.1% from 112 lease transactions.

Our 30 June valuations decreased by 0.2% since the properties were last valued six months previously. Despite significantly higher net operating income, this relatively small decrease in value was due to a weaker Swedish krona and to the adoption by the valuers of higher initial or exit yields and higher discount rates with the overall EPRA net initial yield increasing from 5.5% to 5.7%. Higher yields are a reflection of an investment market with relatively low transactional volumes and characterised by cautious investors, pricing uncertainty, increasing interest rates and rising borrowing costs.

In what is a challenging financing environment, we were pleased to announce the completion of our 2023 refinancing programme already in June following the refinancing of the SEK 675 million (circa €57 million) loan on Bergvik shopping centre, Sweden. This new facility with Nordea Bank qualifies as a green loan and is structured as an additional line to the existing loan with Nordea signed in March 2023. These loans amounting to SEK 1.875 million (circa €160 million) have been extended to mature in July 2027 and will be hedged for at least 70%.

The average interest rate as per 30 June 2023 increased to 2.9% from 2.4% at 31 December 2022, as a result of the steady and significant increase in both the Stibor and Euribor rates, which impacted the unhedged part of the loan portfolio. The Company therefore expects its interest expenses to increase during the year but to remain at acceptable levels, with an average overall interest rate for the portfolio slightly above 3%, providing there is no change to current market circumstances.

Assuming no major deterioration in the macro-economic environment, in particular further spikes in interest rates, we confirm the guidance provided with the publication of the 2022 annual results in March 2023 and expect the direct investment result for the year 2023 to be between €2.25 and €2.35 per share.

Operational & financial review

Retail sales

During H1 2023, our four markets continued to see strong retail sales growth which overall was 9.2% higher than H1 2022 and 11.7% above pre-pandemic H1 2019.

All our 24 shopping centres contributed to the sales growth which was positive across all retail sectors with particularly strong performances from health & beauty (11.1%), home goods (12.7%) and sport (14.8%). The outstanding performer was again F&B (23%), building on the resurgence we reported in

Q1 and with a broad range of new brands, concepts and formats establishing in our centres. Footfall also continued its upward trend and was 6% higher than in H1 2022.

Like-for-like retail sales by country*

	H1 2023/H1 2022	H1 2023/H1 2019
Overall	9.2%	11.7%
Belgium	15.0%	10.8%
France	6.6%	3.7%
Italy	12.1%	12.8%
Sweden	5.3%	16.5%

* Excluding extensions/redevelopments.

Like-for-like retail sales by sector*

	H1 2023/H1 2022	H1 2023/H1 2019
Fashion & Shoes	5.6%	-1.3%
Health & Beauty	11.1%	16.0%
Gifts & Jewellery	4.7%	11.4%
Sport	14.8%	25.1%
Home Goods	12.7%	42.3%
Books & Toys	3.6%	6.3%
Electricals	3.9%	6.9%
F&B (Restaurants & Bars)	23.0%	22.5%
Hypermarkets/Supermarkets	6.2%	17.7%
Services	23.0%	16.1%

*Excluding extensions/redevelopments.

Rental growth

Like-for-like (same floor area) rental growth for the twelve months ended 30 June 2023 was 8.2%, mainly resulting from rental indexation.

Rental growth

	Like-for-like rental growth
Overall	8.2%
Belgium	9.3%
France	2.8%
Italy	10.3%
Sweden	9.4%

Like-for-like rental growth is calculated based on 12-month data and excludes the impact of acquisitions, disposals and development projects to provide an accurate figure for comparison. It includes the impact of indexation, turnover rent, vacancies and leasing activity.

Renewals and relettings

Strong leasing activity has continued over the last 12 months with 235 leases renewed or relet, achieving an overall uplift of 6.7%. 173 of these transactions were lease renewals signed with existing tenants, achieving a 6.3% rental uplift. The remaining 62 lease contracts were signed with new retailers establishing in our shopping centres, improving the tenant mix, and producing a higher rental uplift of 7.9%, confirming the strong demand from new brands to open in our centres. H1 alone saw an uplift of 7.1% from 112 lease transactions.

Renewals and relettings for the 12 months to June 2023

	Number of renewals and relettings	Average rental uplift on renewals and relettings	% of total leases renewed and relet (MGR)
Overall	235	6.7%	11%
Belgium	16	7.3%	15%
France	33	3.3%	7%
Italy	92	5.5%	9%
Sweden	94	9.5%	20%

Gifts & Jewellery and F&B produced the highest rental uplifts each of around 10% from 60 lease transactions with several new restaurants opening in our centres including, McDonald's, KFC, Calavera Fresh Mex, Signorvino, Les 3 Brasseurs, Il Ristorante, Flower Burger, Espresso House, I Love Poke, Gotcha Tea and Johnny Rockets.

International brands who have recently established in our shopping centres include Sephora, Rituals, The Body Shop, Adidas, JD Sports, Nike, Snipes, Courir, Pandora, Dr Martens, Calvin Klein, New Yorker, Mango, La Casa de las Carcasas, Miniso, Pepco, Normal, Tedi and IKEA.

EPRA vacancy rate

EPRA vacancy for the portfolio at 30 June 2023 remained very low at 1.5% ranging from 0.8% to 2.4% in our four markets.

EPRA vacancies

	30 September 2022	31 December 2022	31 March 2023	30 June 2023
Overall	1.5%	1.5%	1.8%	1.5%
Belgium	1.7%	1.7%	1.7%	1.8%
France	2.2%	2.9%	3.3%	2.4%
Italy	0.8%	0.6%	1.0%	0.8%
Sweden	2.1%	1.7%	2.0%	1.8%

Out of around 1,800 shops, there were only 17 brands in administration occupying 32 units, representing 1.5% of total GLA and 1.5% of total MGR. For the majority of these units, rent continued to be paid.

Occupancy cost ratio

The total occupancy cost ratio (rent plus marketing contributions, service charges and tenant property taxes as a proportion of turnover including VAT) for Eurocommercial's shopping centres at the end of June 2023 was 9.5% overall (same level as Q1 2023), one of the lowest OCRs in the industry, providing a solid foundation for long term, sustainable rental income and low vacancy.

Occupancy cost ratio

	H1 2023
Overall	9.5%
Belgium	14.8%
France	10.1%
Italy	9.4%
Sweden	7.6%

Rent collection

Rent collection for H1 2023 has currently reached 98% and is expected to improve further.

Rent collected in H1 2023

	% of H1 2023 invoiced rent collected
Belgium	99
France	97
Italy	98
Sweden	100
Overall	98

Property valuations

All the Company's properties were independently valued as usual at 30 June 2023 in accordance with the rules set out in the "Red Book" of the Royal Institution of Chartered Surveyors (RICS), the International Valuation Standards and IAS 40. The firms appointed this year were CBRE, Cushman & Wakefield, Savills, JLL and Knight Frank.

Overall, the fair value of the property portfolio decreased by 0.2% compared to 31 December 2022. Despite the significantly higher net operating income (NOI), the overall marginal decrease in valuation was due to the adoption by the valuers of higher initial or exit yields (depending on methodology) and higher discount rates. The higher yields were a reflection of an uncertain economic outlook, higher inflation and interest rates which together resulted in a quiet investment market, although there were a few significant shopping centre transactions, particularly in France and Germany, which were relevant reference points for the valuers. The overall EPRA net initial yield has increased from 5.5% to 5.7% over six months.

In their reporting, the valuers identified the portfolio's sound property fundamentals and the solid outlook for income security and growth supported by rent affordability and steady tenant demand. The valuers also recognised the importance of having the appropriate tenant mix for each type of centre and that while the five flagships have benefitted from their strong discretionary and international retail offer, the 19 suburban, hypermarket anchored centres have enjoyed the consistent footfall and more defensive characteristics resulting from their 61% exposure to a broad range of essential and everyday retail including groceries.

Valuations at 30 June 2023

	Net value (€M) 30 June 2023	Valuation change (%) from Dec 2022	EPRA Net Initial yield (%)	EPRA Topped-up yield (%)
Overall	3,789	-0.2	5.7	5.8
Belgium	563	-2.8	4.7	5.0
France	814	0.4	5.2	5.3
Italy	1,661	1.6	6.2	6.3
Sweden	751	-2.7	5.9	5.9

5 Flagships	Net value (€M) 30 June 2023	EPRA net initial yield (%)	EPRA topped up yield (%)
Woluwe Shopping (Belgium) Passage du Havre (France) I Gigli, Carosello, Fiordaliso (Italy)	1,738 (46% of the portfolio)	5.3	5.5

19 mainly suburban hypermarket anchored shopping centres	Net value (€M) 30 June 2023	EPRA net initial yield (%)	EPRA topped up yield (%)
7 in France 5 in Italy 7 in Sweden	2,051 (54% of the portfolio)	6.0	6.1

Direct investment result: €64.5 million (€1.22 per share)

The direct investment result for the six months to 30 June 2023 was €64.5 million, compared to €62.7 million for the same period in 2022. The increase is due to higher rental income for €6.3 million related to indexation and the absence of COVID-19 concessions to tenants, offset mainly with higher bad debt provisions in France and Italy (€1.8 million) and with an increase in net interest expenses from bank loans (€3.4 million). The higher interest expenses are mainly related to the increase in market interest rates which took place over the past year and which affected the unhedged part of the loan portfolio, which part was on average 22% for the six months to 30 June 2023. A lower Swedish krona also had a slightly negative net effect of €1.2 million on the direct investment result.

The direct investment result per share increased to €1.22 at 30 June 2023 from €1.21 for the six months to 30 June 2022.

The direct investment result is defined as net property income plus other income less net interest expenses, company expenses after taxation and less the share of result related to the minority interest. In the view of the Board this more accurately represents the underlying profitability of the Company than IFRS "profit after tax", which must include unrealised capital gains and losses.

The EPRA earnings result for the six month reporting period to 30 June 2023 was €63.7 million, or €1.21 per share (€61.0 million or €1.15 per share for the same period in 2022).

IFRS profit: €33.5 million

The IFRS profit after taxation attributable to owners of the Company for the six month reporting period to 30 June 2023 was €33.5 million compared to €172.1 million for the six month reporting period to 30 June 2022. This decrease is largely explained by a €58.0 million difference in the investment revaluation of the properties (€11.3 million negative for the first six months of 2023 compared to a €46.7 million positive for the first six months in 2022) and by a €98.0 million negative difference in the fair value of the derivative financial instruments (€5.2 million negative for the first six months of 2023 compared to a €92.8 million positive in the first six months of 2022). These amounts are partially offset by a €26.9 million

decrease in the deferred tax provision (€9.6 million negative in H1 2023 compared to €36.5 million negative in H1 2022).

Gross rental income: €113.3 million

Gross rental income for the first six months (based on proportional consolidation) was at €113.3 million, higher than the same period last year (€106.2 million) mainly due to rent indexation and higher income from renewals and relettings. **Net property income**, including joint ventures (based on proportional consolidation), for the six months to 30 June 2023, after deducting net service charges and direct and indirect property expenses (branch overheads), increased to €94.8 million compared to €90.3 million for the six months to 30 June 2022, for the same reasons illustrated above.

EPRA Net Tangible Assets: €38.65 per share

The **EPRA Net Tangible Assets** (EPRA NTA) at 30 June 2023 was €38.65 per share compared with €38.64 at 31 December 2022. EPRA NTA includes only 50% of contingent capital gains tax liabilities and does not consider the fair value of financial derivatives.

The **adjusted net asset value** at 30 June 2023 was €39.70 per share compared with €39.62 at 31 December 2022. Adjusted net asset values do not consider contingent capital gains tax liabilities nor do they consider the fair value of financial derivatives (interest rate swaps).

The **IFRS net asset value** at 30 June 2023, after allowing for contingent capital gains tax liabilities if all properties were to be sold simultaneously and the fair value of the interest rate swap contracts, was €38.53 per share compared with €38.68 at 31 December 2022.

The changes in the net asset values were positively influenced by the cancellation of the minority stake in the Belgian subsidiary (€1.29 per share), as a consequence of the payment of the liability toward the seller AG Insurance NV/SA accrued in the previous years. This positive item together with the direct investment results of the period (€1.22 per share) compensated the negative movements related to the 2022 dividend (€1.60 per share), the negative indirect investment results (€0.59 per share, mainly related to the change in market value of the derivatives and in the property investments) and the devaluation of the Swedish krona (€0.47 per share).

Funding

Our mortgage loan financing structure gives us the flexibility to raise finance secured against individual or groups of assets. The Company has no financing from the fixed income markets and is thereby not directly exposed to conditions therein such as market volatility. The Company has strong and long-standing lending relationships with a group of over 15 Belgian, Dutch, French, German, Italian and Swedish specialist real estate financing banks, ensuring diversity of access to finance between lenders and across different geographies.

In March 2023, the existing €159 million loan (€79.5 million group share) financing the shopping centre and retail park of Fiordaliso in Italy, has been qualified as a green loan, as the relevant proceeds are used to finance this green asset.

In March 2023, the Company extended the three-year green loan for an amount of SEK 1.2 billion (circa €101 million) with Nordea Bank Abp, filial i Sverige on three properties in Sweden for another three years. On 30 June 2023, the Company agreed with Nordea Bank Abp, filial i Sverige, to refinance the loan on Bergvik Shopping Centre, Sweden for an amount of SEK 675 million (circa €57 million). The closing of the new financing is scheduled for September 2023 before the maturity date of the existing loan. The

new facility is structured as an additional line to the existing loan signed in March 2023 and it also qualifies as a green loan. The Company also agreed with Nordea to extend the SEK 1.2 billion loan signed in March by another year to end in July 2027, thereby extending the average maturity of its loan portfolio. The loans, for a total amount of SEK 1,875 million (circa €160 million), will be at least 70% hedged and the remaining part will be floating based on three-month Stibor. With this transaction the Company has fully completed the refinancing of all its long-term loans maturing in 2023.

The average committed unexpired term of the bank loans is almost three years.

The Net debt to EBITDA further improved from 8.9x as at 31 December 2022 to 8.1x as at 30 June 2023 and the ICR decreased from 4.1x as at 31 December 2022 to 3.9x as at 30 June 2023, mainly as a result of the higher net interest expenses.

Dividends

The Annual General Meeting held on Tuesday 13 June 2023 approved a final cash dividend of €1.00 per share that was paid out on 7 July 2023. Shareholders representing 19.6% of the issued share capital have opted to receive a stock dividend instead of a final cash dividend of €1.00 per share, in accordance with the terms and conditions set by Eurocommercial and disclosed to the market on 9 and 14 June 2023. As a result of this take up on 7 July 2023, the Company issued 432,529 new shares from the Company's fiscal share premium reserve, at an issue price of €24.00 for each new share. Accordingly, of the available dividend of € 52.8 million, an amount of €10.4 million was retained by the Company.

The Company intends to offer shareholders the possibility of opting for a stock dividend instead of a cash dividend for the 2023 interim dividend scheduled for January 2024.

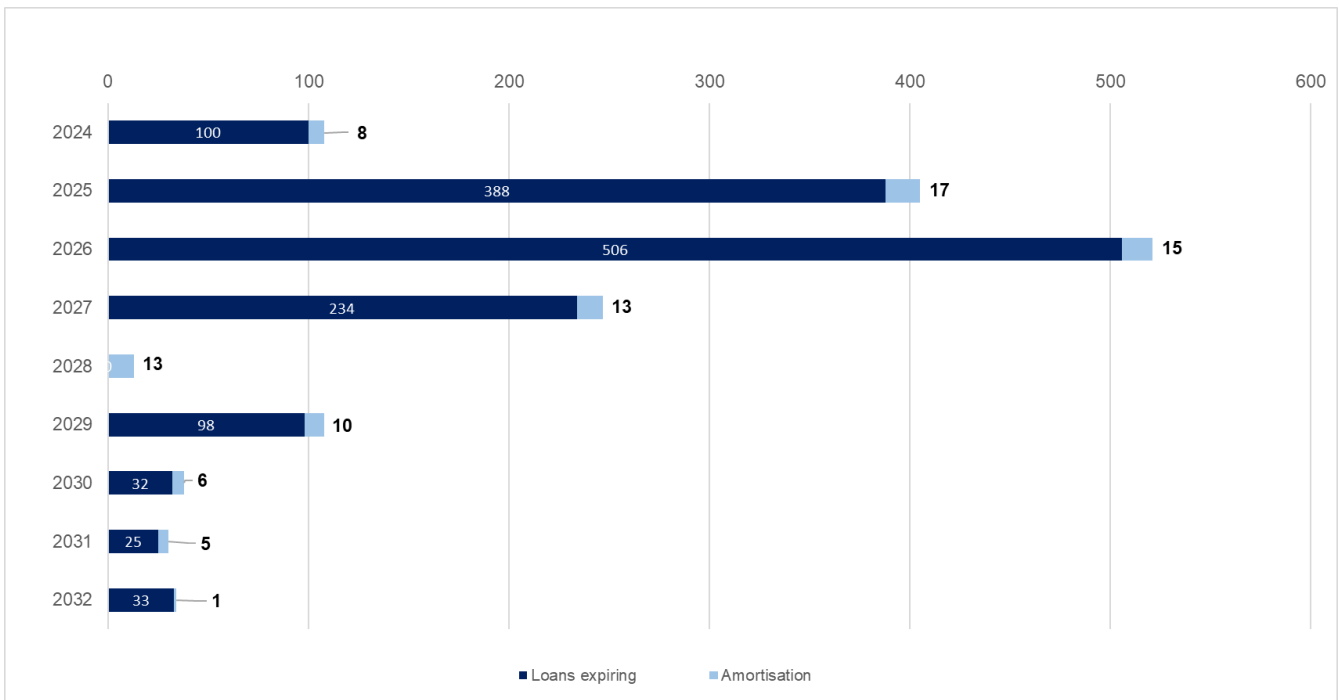
Non-current borrowings maturity and amortisation schedule at 30 June 2023

The first long-term refinancing need will materialise in the second half of 2024 when borrowings related to properties in Italy for a total amount of €100 million will be up for renewal. We have started the discussions on the refinancing of these properties with our partner banks and further updates are expected by the beginning of 2024.

The loan to value ratio on the basis of the proportionally consolidated balance sheet of the Company as per 30 June 2023 (after deducting purchaser's costs) increased to 41.8% compared to 40.4% at 31 December 2022, mainly as a result of the dividend paid and the acquisition of the 25.63% stake in the Belgian subsidiary owning Woluwe Shopping. The Group covenant loan to value ratio agreed with the banks is 60%, the usual market practice ratio.

Non-current borrowings maturity and amortisation schedule*

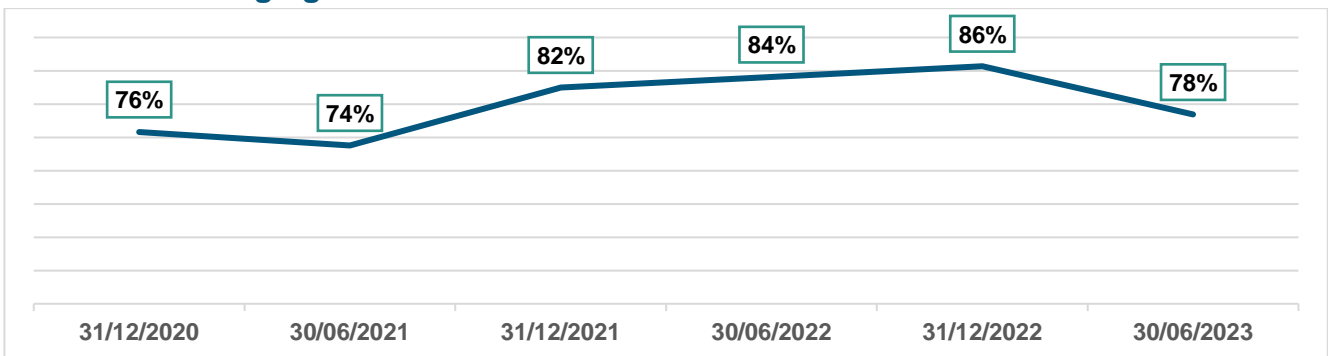
Euro million



* Maturities are stated on a proportionally consolidated basis.

Interest rates

Interest rate hedging



As per 30 June 2023, 78% of our interest expenses were fixed. The average hedging period is more than five years. The average interest rate as per 30 June 2023 increased to 2.9% from 2.4% at 31 December 2022 as a result of the steady and significant increase in both the Stibor and Euribor rates, which impacted the unhedged part of the loan portfolio. The Company expects its interest expenses to increase slightly during the remaining part of the year and to remain at sustainable levels, with an average overall interest rate for the portfolio slightly above 3%, providing there is no change to current market circumstances.

Country commentary

Belgium

H1 2023 saw a very strong operational performance at Woluwe Shopping with retail sales growth of 15% compared to H1 2022, also exceeding the pre-pandemic level by 11%. All retail segments continued to perform well, particularly F&B (23%), fashion & shoes (10.2%), health & beauty (17%) and the Match supermarket (18.2%). During the last twelve months, 16 new leases were signed with an overall rental uplift of 7.3%, including two lettings to new F&B operators. Meanwhile, the existing shopping centre with its 124 shops continues to perform very well and the leasing team are currently working together with existing anchors including Zara, Inno and C&A in order to provide them with stores that will accommodate their full and latest concepts.

In April 2023, The Company acquired AG Insurance's 25.63% minority interest thereby becoming 100% owner of Woluwe Shopping.

On 7 July 2023, the Brussels Region granted planning approval for the revised extension comprising 7,800m² of retail and 70 apartments above. However, the recent appeal from the municipality has temporarily suspended the planning permit and we are now awaiting the next steps.

France

Despite several days of strikes and demonstrations and a shortage of petrol in certain regions, our shopping centres have performed well during H1 2023 with retail sales growth of 6.6% and footfall up 4.8% compared to H1 2022.

Over the last 12 months we signed 33 leases achieving a rental uplift of 3.3%. Important recent lettings to international tenants include Normal and JD Sports at MoDo, who both had strong openings in July, Mango at Les Atlantes and Jack & Jones at Grand A. At Passage du Havre, we have signed a lease with the group Inditex to establish the brand Pull&Bear which will be an important addition to the merchandising mix. Our sport segment offer will improve shortly at Les Atlantes, Shopping Etrembières and Val Thoiry, once Intersport take over the former Go Sport units.

We are continuing with our investigations into the costs and timing of the project at Val Thoiry, focussing on Phase 1 which would include a new building for Leroy Merlin and the refurbishment and letting of their current unit for a broader retail tenant mix complementing the adjoining shopping centre.

Italy

Retail sales and footfall were strong during H1 2023 seeing growth of 12.1% and 8.5% respectively compared to H1 2022.

Over the last 12 months, leasing activity saw 92 contracts signed producing an uplift in rent of 5.5%. This included 26 lettings to new tenants producing an uplift of 9.7%. The highest uplifts were again achieved in our flagships. At I Gigli, eight lease transactions produced an uplift of 11.2% including five deals with restaurant operators such as Flower Burger, our first vegetarian restaurant. At Fiordaliso, 20 lease transactions including six deals with restaurant operators produced an uplift of 8.5%.

International brands recently establishing in Italy include Rituals who opened their first store at Carosello, French beauty operator Sephora who reinforced their presence across our Italian portfolio opening stores in both Fiordaliso and Il Castello, while Snipes (leisure footwear), part of the German retailer Deichmann, opened in CremonaPo. We have recently signed leases with two gym operators. Fit Active are currently fitting out their unit in the retail park at CremonaPo, while at I Gigli, where we have obtained the building

permit for a new leisure village, we have pre-let units to Fitness Express (1,200m²), a padel arena (9 courts) and two restaurants. At Fiordaliso, we are completing the remerchandising of the West Square with pre-lettings signed with Giochi Preziosi (toys) and Fútbol Emotion, a Spanish sport operator who will open in the autumn.

Sweden

In Sweden, our seven shopping centres performed well during H1 2023 with an increase in retail sales and footfall of 5.3% and 2.3% respectively compared to H1 2022.

Over the last 12 months 94 renewals and relettings were completed producing a rental uplift of 9.5%. During H1, Gina Tricot opened their new large format at Bergvik (467m²), a centre which is performing particularly well following the refurbishment of the COOP hypermarket and the return of Norwegian visitors. Clas Ohlson, the important Swedish household and electrical retailer, have recently signed at Hallarna (1,465m²) and will add an exciting dimension to the retail mix when they open in Q1 2024. At Elins, Only (fashion) and Kjell & Co (electrical) opened new stores during early summer. At C4, following the closure of Lidl (2,200m²) during March, half the space has been let to KappAhl who will expand and relocate in the centre adding their kids concept, Newbie. The current KappAhl store (750m²) has already been let to Hemtex, while Rituals are upgrading to their new premium concept and enlarging their unit to 350m².

The final phase of the project at Valbo including seven new pre-let shops and a new entrance is scheduled to open during the autumn with new tenants including F&B operators Chili & Wok, Baked & Grilled, Subway and Espresso House.

Environmental, Social and Governance

During the second quarter of 2023, the Company started on the implementation of its updated strategy set out in the 2022 Annual report published in April. The updated strategy was also presented to investors and analysts during the Investor Days in Italy held on 31 May and 1 June and to shareholders attending the Annual General Meeting held in Amsterdam on 13 June 2023. The updated strategy is based on three main pillars, ESG, Digitalisation and Communities.

Our commitment to a broad ESG vision and strategy has seen progress with a number of initiatives articulated around our three strategic pillars: Be Green, Be Engaged and Be Responsible.

Having already fully utilised the roofs of all seven of our Swedish shopping centres for solar panels, we are progressing with installations in our other markets. In Italy, I Gigli and Carosello will be connected to the grid during the autumn. The installation at I Gigli will cover 450 car parking spaces and provide around 40% of the common areas of the shopping centre's electrical requirements, while the Carosello installation, on an adjoining site, will cover 56% of the common areas electrical needs. Elsewhere in Italy, Il Castello will be switching to geothermal heating during Q3, while major insulation work is being carried out in four centres, improving efficiency, reducing consumption, improving EPC labels and mitigating climate change risks. Additional smart metering to monitor common parts as well as tenant consumption is improving baseline data across the portfolio.

In Belgium, recent investments at Woluwe have included the replacement of the Building Management System (BMS), the relamping of the parking and technical areas and the introduction of motion detection sensors. These investments resulted in a reduction in electrical consumption of 18% during H1 2023. Construction has also started on an additional 568 solar panels on the southern building, taking the total at Woluwe to 2,300 panels.

The French team are converting all common areas and parking to LED lighting as they work together with our tenants in active Green Committees to put in place the provisions of the National Sobriety Plan, and have already achieved the initial goal of a 10% energy saving after only one year. Solar panels will be installed on the roof of Shopping Etrembières by the end of 2023, with the electricity generated to be used for the common parts.

Having initiated the Eurocommercial Retail Academy® across all our Swedish centres with over 1,200 participants last year, we are rolling out the programme across our other markets during 2023 starting with eight shopping centres, five in Italy and three in France, in order to strengthen our relationship with our retailer communities while improving sales techniques and customer service.

Responsibility statement

We hereby state that to the best of our knowledge, and in accordance with the applicable IFRS reporting principles for interim financial reporting, that the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and results of the Group, and that the interim management report of the Board of Management includes the most important transactions with related parties as well as a fair review of the development and performance of the business during the reporting period and the position of the Group at the balance sheet date, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the current financial year.

Risks

This report makes reference to the 2022 Annual Report with regard to existing risks, which have not materially changed. In addition, there is a risk that high and prolonged inflation could have a significant effect on consumer demand and the performance of retailers.

Financial agenda

The third quarter results will be published on Friday 3 November 2023.
The full year results will be published on Friday 22 March 2024.

Amsterdam, 25 August 2023

Board of Management

E.J. van Garderen
R. Fraticelli
J.P.C. Mills

About Eurocommercial

Eurocommercial Properties N.V. is a Euronext-quoted property investment company and one of Europe's shopping centre specialists. Founded in 1991, Eurocommercial currently owns and operates 24 shopping centres in Belgium, France, Italy, and Sweden with total assets of almost €3.8 billion.

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Conference call and audio webcast

Eurocommercial will host a conference call and audio webcast today, Friday 25 August 2023 at 10:00 AM (UK) / 11:00 AM (CET) for investors and analysts.

To access the call, please dial:

- Netherlands : +31 (0) 20 708 5073
- UK-Wide: +44 (0) 33 0551 0200
- France: +33 (0) 1 7037 7166
- Italy: +39 06 83360400
- US: +1 786 697 3501
- Tell the operator the password **Eurocommercial**

To access the webcast, please click on the link:

- Webcast: https://channel.royalcast.com/landingpage/eurocommercialproperties/20230825_1/

At all other times, management can be reached at +31 (0)20 530 6030

Statement of consolidated direct, indirect and total investment results*

(€'000)	Note	Six months ended 30-06-23	Six months ended 30-06-22
Rental income	4	107,515	101,210
Service charge income		18,792	19,866
Service charge expenses		(20,162)	(21,108)
Property expenses	5	(16,998)	(14,461)
Interest income	8	236	1
Interest expenses *** *****	8	(21,448)	(17,836)
Company expenses		(6,586)	(5,884)
Other income		1,951	1,769
Current tax		(2,235)	(2,542)
Direct investment result including non-controlling interest		61,065	61,015
Direct investment result joint ventures		3,433	3,091
Direct investment result non-controlling interest		0	(1,374)
Total direct investment result attributable to owners of the Company		64,498	62,732
Investment revaluation and disposal of investment properties		(11,265)	46,752
Gain/loss (derivative) financial instruments ****	8	(5,757)	91,648
Adjustment amortisation period put option liability	8	(4,789)	0
Investment expenses***		(209)	(606)
Deferred tax	15	(9,570)	(36,460)
Indirect investment result properties including non-controlling interest		(31,590)	101,334
Indirect investment result joint ventures		1,323	11,671
Indirect investment result non-controlling interest		(776)	(3,647)
Total indirect investment result attributable to owners of the Company		(31,043)	109,358
Total investment result attributable to owners of the Company		33,455	172,090
Per share (€)**			
Total direct investment result		1.22	1.21
Total indirect investment result		(0.59)	2.09
Total investment result		0.63	3.30

Statement of adjusted net equity*

(€'000)	30-06-23	31-12-22	30-06-22
IFRS net equity per consolidated statement of financial position	2,035,879	2,043,866	2,031,937
Net derivative financial instruments	(44,048)	(48,661)	(6,811)
Net deferred tax	116,447	111,482	107,399
Net derivative financial instruments and net deferred tax joint ventures and non-controlling interest	(10,255)	(13,092)	(9,361)
Adjusted net equity	2,098,023	2,093,595	2,123,164
Number of shares in issue after deduction of shares bought back	52,842,238	52,842,238	52,146,993
Net asset value - € per share (IFRS)	38.53	38.68	38.97
Adjusted net asset value - € per share	39.70	39.62	40.71
Stock market prices - € per share	21.24	22.60	20.54

* These statements contain additional information which is not part of the IFRS financial statements.

** The Company's shares are listed on Euronext Amsterdam, Brussels and Milan. The calculation of the direct and indirect investment results per share is based on the average shares on issue over the period. The average number of shares on issue after deduction of the shares bought back during the six month period was 52,842,238 (30 June 2022: 52,146,993).

*** The interest expenses and investment expenses in the actuals of this reporting period differ slightly from the amounts in the consolidated profit or loss account due to a different accounting policy for pension costs.

**** The difference between the interest expenses and the gain/loss (derivative) financial instruments in this statement and the consolidated profit or loss account is related to a different accounting policy for the interest on the put option non-controlling interest.

EPRA performance measures*

The European Public Real Estate Association (EPRA) is an organisation which promotes, develops and represents the European public real estate sector. EPRA sets out best practice reporting guidelines on a number of financial and operational performance indicators relevant to the real estate sector.

	Total (€'000)			Per share (€)		
	30-06-23	31-12-22	30-06-22	30-06-23	31-12-22	30-06-22
EPRA Earnings**	63,731	114,671	60,990	1.21	2.17	1.15
EPRA NRV***	2,204,006	2,201,489	2,206,948	41.67	41.63	42.31
EPRA NTA***	2,044,007	2,043,437	2,062,626	38.65	38.64	39.54
EPRA NDV***	2,044,445	2,053,196	2,027,063	38.66	38.82	38.86

	Belgium		France		Italy		Sweden		Total	
	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22
(%)										
EPRA net initial yield	4.7	4.6	5.2	5.2	6.2	6.0	5.9	5.6	5.7	5.5
EPRA topped-up yield	5.0	4.9	5.3	5.3	6.3	6.1	5.9	5.8	5.8	5.7
EPRA vacancy rate	1.8	1.7	2.4	2.9	0.8	0.6	1.8	1.7	1.5	1.5

Reconciliation EPRA Earnings*

	Total (€'000)	
For the six months ended	30-06-23	30-06-22
IFRS result after taxation	33,455	172,090
Adjustment to IFRS result after taxation:		
Investment revaluation and disposal of investment properties	11,265	(46,752)
Fair value movement derivative financial instruments	5,199	(92,778)
Adjustment amortisation put option liability	4,789	0
Deferred tax	9,570	36,460
Share of result of joint ventures	(1,323)	(11,677)
Share of result of non-controlling interest	776	3,647
EPRA Earnings	63,731	60,990
Number of issued shares after deduction of shares bought back**	52,842,238	52,842,238
EPRA Earnings per share (€)	1.21	1.15

* These statements contain additional information which is not part of the IFRS financial statements.

** The EPRA earnings per share for the current financial period are based on the average number of shares on issue after deduction of the shares bought back. The EPRA earnings per share for the previous financial period are based on the number of shares in issue as a result of the scrip dividend on 1 July 2022, resulting in 52,842,238 shares outstanding (after deduction of the shares bought back).

*** The EPRA NRV per share, the EPRA NTA per share and the EPRA NDV per share are based on the fully diluted number of shares in issue after deduction of the shares bought back at the end of the reporting period (30 June 2023: 52,886,842 shares and 31 December 2022: 52,888,098 shares).

Reconciliation NAV, EPRA NRV, EPRA NTA and EPRA NDV*

(€'000)	EPRA NRV		EPRA NTA		EPRA NDV	
	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22
IFRS equity Eurocommercial shareholders	2,035,879	2,043,866	2,035,879	2,043,866	2,035,879	2,043,866
Diluted NAV and diluted NAV at fair value	2,035,879	2,043,866	2,035,879	2,043,866	2,035,879	2,043,866
Exclude:						
Deferred tax assets and liabilities	127,362	123,877	63,681	61,938	n/a	n/a
Deferred tax liabilities joint ventures	2,501	1,028	1,251	514	n/a	n/a
Fair value financial instruments	(44,048)	(48,761)	(44,048)	(48,761)	n/a	n/a
Fair value financial instruments joint ventures	(12,756)	(14,120)	(12,756)	(14,120)	n/a	n/a
Include:						
Fair value of fixed interest rate debt	n/a	n/a	n/a	n/a	8,566	9,330
Real estate transfer tax	93,126	93,674	n/a	n/a	n/a	n/a
Real estate transfer tax joint ventures	1,942	1,925	n/a	n/a	n/a	n/a
NAV	2,204,006	2,201,489	2,044,007	2,043,437	2,044,445	2,053,196
Fully diluted number of shares	52,886,842	52,888,098	52,886,842	52,888,098	52,886,842	52,888,098
NAV per share (€)	41.67	41.63	38.65	38.64	38.66	38.82

* This statement contains additional information which is not part of the IFRS financial statements.

For the assets owned by our local subsidiaries in Sweden and the Italian joint venture, deferred tax liabilities are reported in the Group IFRS financial statements adopting the initial recognition exemption of IAS 12 Income taxes; consequently the DTL is €27 million higher than reported in the balance sheet.

EPRA NRV: Deferred tax assets and deferred tax liabilities (DTA and DTL) for capital gains or losses from property investments, property investments under development, property investments held for sale and financial instruments are excluded from IFRS equity for this calculation.

EPRA NTA: The Company adopted the option to reduce 50 per cent of the deferred taxes accounted for in the consolidated financial statements.

Capital expenditure disclosure*

(€'000)	Six months ended 30-06-23			Six months ended 30-06-22		
	Group	Joint Ventures**	Total	Group	Joint Ventures**	Total
Acquisitions	0	0	0	0	0	0
Investment properties						
– Incremental lettable space	8,382	200	8,582	4,915	2,612	7,527
– No incremental lettable space	2,720	76	2,796	4,940	60	5,000
– Tenant incentives/capitalised letting fees	0	0	0	957	68	1,025
Capitalised interest	60	0	60	0	23	23
Total capital expenditure	11,162	276	11,438	10,812	2,763	13,575
Conversion from accrual to cash basis	(233)	(66)	(299)	1,414	944	2,358
Total capital expenditure on cash basis	10,929	210	11,139	12,226	3,707	15,933

* This statement contains additional information which is not part of the IFRS financial statements.

** Joint ventures are reported on a proportionate share.

Reconciliation EPRA net initial yield and EPRA topped-up yield*

(€'000)	Belgium		France		Italy		Sweden		Total	
	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22
Property investments	563,210	578,090	813,850	810,280	1,466,430	1,439,950	750,972	814,626	3,594,462	3,642,946
Land and property investments held for development	(11,320)	(11,510)	(8,680)	(8,650)	(6,780)	(6,860)	(5,240)	(5,282)	(32,020)	(32,302)
Investments in joint ventures	0	0	0	0	194,410	189,920	0	0	194,410	189,920
Property investments completed	551,890	566,580	805,170	801,630	1,654,060	1,623,010	745,732	809,344	3,756,852	3,800,564
Purchasers' costs	13,796	14,169	56,773	56,585	16,550	16,235	7,752	8,096	94,871	95,085
Gross value property investments	565,686	580,749	861,943	858,215	1,670,610	1,639,245	753,484	817,440	3,851,723	3,895,649
Annualised net rents (EPRA NIY)	26,484	26,442	44,590	44,385	104,084	98,741	44,213	45,434	219,371	215,002
Lease incentives (incl. rent free periods)	1,777	1,824	724	1,110	1,411	1,762	565	1,891	4,477	6,587
Annualised rents (EPRA topped-up yield)	28,261	28,266	45,314	45,495	105,495	100,503	44,778	47,325	223,848	221,589
EPRA net initial yield (%)	4.7	4.6	5.2	5.2	6.2	6.0	5.9	5.6	5.7	5.5
EPRA topped-up yield (%)	5.0	4.9	5.3	5.3	6.3	6.1	5.9	5.8	5.8	5.7

* This statement contains additional information which is not part of the IFRS financial statements.

Reconciliation EPRA vacancy rate*

(€'000)	Estimated rental value of vacant space		Estimated rental value of the whole portfolio		EPRA vacancy rate (%)	
	30-06-23	31-12-22	30-06-23	31-12-22	30-06-23	31-12-22
Belgium	447	422	25,219	25,255	1.8	1.7
France	1,130	1,318	47,996	45,114	2.4	2.9
Italy	859	585	102,593	94,248	0.8	0.6
Sweden	861	795	47,438	47,557	1.8	1.7
EPRA vacancy	3,297	3,120	223,246	212,174	1.5	1.5

* This statement contains additional information which is not part of the IFRS financial statements.

EPRA LTV

(€'000)

30-06-23	Group IFRS as reported	Share of Joint Ventures	Group Proportional Consolidation as reported	EPRA Adjustments	Share of Material Associates	Non- controlling interest	EPRA LTV Combined Interest
Include:							
Borrowings from financial institutions	1,548,812	98,438	1,647,250	0	0	0	1,647,250
Net payables*	0	0	0	112,781	0	0	112,781
Exclude:							
Cash and cash equivalents	59,015	5,387	64,402	0	0	0	64,402
Net debt (a)	1,489,797	93,051	1,582,848	112,781	0	0	1,695,629
Include:							
Investment properties at fair value	3,594,462	194,410	3,788,872	0	0	0	3,788,872
Intangibles	0	0	0	3,619	0	0	3,619
Total Property Value (b)	3,594,462	194,410	3,788,872	3,619	0	0	3,792,491
LTV (a/b)	41.4%		41.8%				44.7%

*The net payables include the balances of long and short term trade, tax and other payables and receivables and the final 2022 dividend accrued.

(€'000)

31-12-22	Group IFRS as reported	Share of Joint Ventures	Group Proportional Consolidation as reported	EPRA Adjustments	Share of Material Associates	Non- controlling interest	EPRA LTV Combined Interest
Include:							
Borrowings from financial institutions	1,519,062	100,439	1,619,501	0	0	(73,170)	1,546,331
Net payables**	0	0	0	127,430	0	(858)	126,572
Exclude:							
Cash and cash equivalents	65,307	5,728	71,035	0	0	(571)	70,464
Net debt (a)	1,453,755	94,711	1,548,466	127,430	0	(73,457)	1,602,440
Include:							
Investment properties at fair value	3,642,946	189,900	3,832,846	0	0	(148,164)	3,684,682
Intangibles	0	0	0	3,235	0	0	3,235
Total Property Value (b)	3,642,946	189,900	3,832,846	3,235	0	(148,164)	3,687,917
LTV (a/b)	39.9%		40.4%				43.5%

** The net payables include the balance of long and short term trade, tax and other payables and receivables and the put option liability for non-controlling interest.

Consolidated statement of profit or loss

(€'000)	Note	Six months ended 30-06-23	Six months ended 30-06-22
Rental income	4	107,515	101,210
Service charge income		18,792	19,866
Total revenue		126,307	121,076
Service charge expenses		(20,162)	(21,108)
Property expenses	5	(16,998)	(14,461)
Net property income		89,147	85,507
Share of result of joint ventures		4,756	14,762
Investment revaluation and disposal of investment properties	6	(11,265)	46,752
Company expenses	7	(6,586)	(5,899)
Investment expenses		(196)	(591)
Other income		1,951	1,769
Operating result		77,807	142,300
Interest income	8	236	1
Interest expenses **	8	(22,019)	(18,966)
Gain/loss (derivative) financial instruments	8	(5,199)	92,778
Adjustment amortisation period put option liability	8	(4,789)	0
Net financing result		(31,771)	73,813
Profit before taxation		46,036	216,113
Current tax		(2,235)	(2,542)
Deferred tax	15	(9,570)	(36,460)
Total tax		(11,805)	(39,002)
Profit after taxation		34,231	177,111
Profit after taxation attributable to:			
Owners of the Company		33,455	172,090
Non-controlling interest		776	5,021
		34,231	177,111
Per share (€)*			
Profit after taxation		0.63	3.26
Diluted result after taxation		0.63	3.25

* The results per share are based on the average number of shares on issue over the six month period (52,842,238 shares in both 2023 and 2022) and on the average diluted number of shares on issue over the six month period (52,887,890 shares in 2023 and 52,900,941 in 2022).

** Interest expenses include the interests related to the put option liability on the non-controlling interest (€558,000).

Consolidated statement of comprehensive income

(€'000)	Six months ended 30-06-23	Six months ended 30-06-22
Result after taxation	34,231	177,111
Foreign currency translation differences (subsequently reclassified to profit or loss)	(24,755)	(20,103)
Actuarial result on pension scheme (subsequently reclassified to profit or loss)	(338)	419
Total other comprehensive income	(25,093)	(19,684)
Total comprehensive income	9,138	157,427
Total comprehensive income attributable to:		
Owners of the Company	8,362	152,406
Non-controlling interest	776	5,021
	9,138	157,427
Per share (€)*		
Total comprehensive income	0.17	3.09
Diluted total comprehensive income	0.17	3.08

* The results per share are based on the average number of shares on issue over the six month period (52,842,238 shares in both 2023 and 2022) and on the average diluted number of shares on issue over the six month period (52,887,890 shares in 2023 and 52,900,941 in 2022).

Consolidated statement of financial position

(€'000)	Note	30-06-23	31-12-22	30-06-22
Assets				
Property investments	9	3,594,462	3,642,946	3,723,969
Investments in joint ventures	10	100,721	95,965	92,553
Tangible fixed assets		4,780	3,848	4,017
Receivables	11	143	137	138
Derivative financial instruments	14	58,019	62,006	31,172
Total non-current assets		3,758,125	3,804,902	3,851,849
Trade and other receivables	11	64,525	65,085	62,833
Prepaid tax	11	2,284	2,133	2,096
Cash and deposits		59,015	65,307	119,288
Total current assets		125,824	132,525	184,217
Total assets		3,883,949	3,937,427	4,036,066
Equity				
Issued share capital		533,492	533,492	526,539
Share premium reserve		263,891	263,774	263,900
Currency translation reserve		(108,539)	(83,812)	(67,633)
Other reserves		1,313,580	1,129,675	1,137,041
Undistributed income		33,455	200,737	172,090
Equity attributable to owners of the Company		2,035,879	2,043,866	2,031,937
Non-controlling interest		0	67,305	66,550
Total equity	17	2,035,879	2,111,171	2,098,487
Liabilities				
Trade and other payables	12	14,264	14,070	14,946
Borrowings	13	1,353,990	1,322,723	1,511,649
Derivative financial instruments	14	13,971	13,345	24,361
Deferred tax liabilities	15	116,447	111,482	107,399
Put option liability non-controlling interest	16	0	63,448	61,484
Provisions for pensions		939	569	733
Total non-current liabilities		1,499,611	1,525,637	1,720,572
Trade and other payables	12	150,895	93,832	168,429
Tax payable	12	2,742	10,448	11,862
Borrowings	13	194,822	196,339	36,716
Total current liabilities		348,459	300,619	217,007
Total liabilities		1,848,070	1,826,256	1,937,579
Total equity and liabilities		3,883,949	3,937,427	4,036,066

Consolidated statement of cash flows

(€ '000)	Six months ended 30-06-23	Six months ended 30-06-22
Profit after taxation	34,231	177,111
Adjustments:		
Movement performance shares granted	117	47
Investment revaluation and disposal of investment properties	12,309	(46,737)
(Derivative) financial instruments	5,199	(92,779)
Share of result of joint ventures	(4,756)	(14,762)
Interest income	(236)	(1)
Interest expenses and borrowing costs	22,005	18,764
Adjustment amortisation period put option liability	4,789	0
Deferred tax	9,570	36,460
Current tax	2,235	2,541
Depreciation tangible fixed assets	836	905
Other movements	(419)	453
Cash flow from operating activities after adjustments	85,880	82,002
(Increase)/decrease in receivables	2,956	(564)
Increase/(decrease) in creditors	3,425	(2,636)
	92,261	78,802
Current tax paid	(2,731)	(1,460)
Capital gain tax paid	(7,908)	(7,909)
Borrowing costs	(573)	(1,207)
Interest paid	(19,951)	(17,218)
Interest received	230	1
Cash flow from operating activities	61,328	51,009
Capital expenditure	(11,395)	(11,268)
Acquisition of non-controlling interest	(69,600)	0
Sale of property	0	100,999
Investments in joint ventures	0	(101)
Loan to joint ventures	0	6,000
Additions to tangible fixed assets	(830)	(223)
Cash flow from investing activities	(81,825)	95,407
Drawdown of borrowings	176,030	78,698
Repayment of borrowings	(128,203)	(160,492)
Dividends paid	(31,705)	0
Payments lease liabilities	(588)	(568)
(Decrease)/increase in non-current creditors	352	147
Cash flow from financing activities	15,886	(82,215)
Net cash flow	(4,611)	64,201
Currency differences on cash and deposits	(1,681)	(531)
Increase/(decrease) in cash and deposits	(6,292)	63,670
Cash and deposits at beginning of period	65,307	55,618
Cash and deposits at the end of period	59,015	119,288

Consolidated statement of changes in equity

The movements in equity in the six month period ended 30 June 2023 were:

(€'000)	Issued share capital	Share premium reserve	Foreign currency translation reserve	Other reserves	Undis- tributed income	Equity attributable to owners of the Company	Non- controlling interest	Total equity
31-12-2022	533,492	263,774	(83,812)	1,129,675	200,737	2,043,866	67,305	2,111,171
Profit after taxation	0	0	0	0	33,455	33,455	776	34,231
Other comprehensive income	0	0	(24,727)	(366)	0	(25,093)	0	(25,093)
Total comprehensive income	0	0	(24,727)	(366)	33,455	8,362	776	9,138
Transactions with owners of the Company								
Contributions and distributions								
Result previous financial year	0	0	0	116,190	(116,190)	0	0	0
Performance shares	0	117	0	0	0	117	0	117
Interim dividend	0	0	0	0	(31,705)	(31,705)	0	(31,705)
Final dividend 2022	0	0	0	0	(52,842)	(52,842)	0	(52,842)
Total contributions and distributions	0	117	0	116,190	(200,737)	(84,430)	0	(84,430)
Changes in ownership interests								
Acquisition of non- controlling interest without a change in control	0	0	0	68,081	0	68,081	(68,081)	0
Total changes in ownership interests	0	0	0	68,081	0	68,081	(68,081)	0
Total transactions with owners of the Company	0	117	0	184,271	(200,737)	(16,349)	(68,081)	(84,430)
Total equity at 30-06- 2023	533,492	263,891	(108,539)	1,313,580	33,455	2,035,879	0	2,035,879

Consolidated statement of changes in equity (continued)

The movements in equity in the six month period ended 30 June 2022 were:

(€'000)	Issued share capital	Share premium reserve	Foreign currency translation reserve	Other reserves	Undis- tributed income	Equity attributable to owners of the Company	Non- controlling interest	Total equity
31-12-2021	526,539	263,853	(40,293)	1,102,916	104,687	1,957,702	61,528	2,019,230
Profit after taxation	0	0	0	0	172,090	172,090	5,022	177,112
Other comprehensive income	0	0	(20,103)	419	0	(19,684)		(19,684)
Total comprehensive income	0	0	(20,103)	419	172,090	152,406	5,022	157,428
Transactions with owner of the Company								
Contributions and distributions								
Result previous financial year	0	0	0	26,469	(26,469)	0	0	0
Reallocation currency translation movements	0	0	(7,237)	7,237	0	0	0	0
Performance shares	0	47	0	0	0	47	0	47
Dividend payable	0	0	0	0	(78,218)	(78,218)	0	(78,218)
Total contributions and distributions	0	47	(7,237)	33,706	(104,687)	(78,171)	0	(78,171)
Total transactions with owners of the Company	0	47	(7,237)	33,706	(104,687)	(78,171)	0	(78,171)
Total equity at 30-06-2022	526,539	263,900	(67,633)	1,137,041	172,090	2,031,937	66,550	2,098,487

Notes to the consolidated interim financial statements

as at 30 June 2023

General

Eurocommercial Properties N.V. (the Company) domiciled in Amsterdam, the Netherlands, is a closed-end property investment company. This interim report included the figures for the six month period starting 1 January 2023 and ended 30 June 2023 and comprise the Company and its subsidiaries (together referred to as the “Group”).

This interim financial information has not been audited or reviewed by the Company’s auditors.

1. Principal accounting policies

- **(a) Statement of compliance**

The consolidated interim financial statements for the six month period ended 30 June 2023 have been drawn up in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union (IFRS). The consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 December 2022.

- **(b) Change in accounting policies, reclassifications, amendments and improvements to IFRS**

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022.

Notes to the consolidated interim financial statements

as at 30 June 2023

2. Segment information

(€'000)						Total	Adjustments	Total
For the six month period ended 30-06-23	Belgium	France	Italy	Sweden	The Netherlands*	proportional consolidation	joint ventures	IFRS
Rental income	13,688	23,166	52,500	23,984	0	113,338	(5,823)	107,515
Service charge income	3,457	1,256	7,779	7,764	0	20,256	(1,464)	18,792
Service charge expenses	(3,694)	(1,466)	(7,414)	(8,896)	0	(21,470)	1,308	(20,162)
Property expenses	(1,179)	(5,951)	(7,313)	(2,860)	0	(17,303)	305	(16,998)
Net property income	12,272	17,005	45,552	19,992	0	94,821	(5,674)	89,147
Share of result of joint ventures	0	0	0	0	0	0	4,756	4,756
Investment revaluation and disposal of investment properties	(16,250)	3,410	26,768	(21,063)	76	(7,059)	(4,206)	(11,265)
Segment result	(3,978)	20,415	72,320	(1,071)	76	87,762	(5,124)	82,638
Net financing result						(29,582)	2,613	(26,969)
Company expenses						(6,599)	0	(6,599)
Investment expenses						(205)	9	(196)
Adjustment amortisation period put option liability						(4,789)	0	(4,789)
Other income						1,147	805	1,952
Profit before taxation						47,734	(1,697)	46,037
Current tax						(2,424)	188	(2,236)
Deferred tax						(11,079)	1,509	(9,570)
Profit after taxation						34,231	0	34,231

(€'000)						Total	Adjustments	Total
As per 30-06-23	Belgium	France	Italy	Sweden	The Netherlands*	proportional consolidation	joint ventures	IFRS
Property investments	563,210	813,850	1,660,840	750,972	0	3,788,872	(194,410)	3,594,462
Investments in joint ventures	0	0	0	0	0	0	100,721	100,721
Tangible fixed assets	0	2,036	518	465	1,761	4,780	0	4,780
Receivables	6,642	37,667	11,310	3,851	695	60,165	(1,329)	58,836
Loan to joint ventures	0	0	0	0	0	0	8,116	8,116
Derivative financial instruments	7,165	0	60,033	3,744	0	70,942	(12,923)	58,019
Cash and deposits	3,435	4,329	17,723	33,931	4,984	64,402	(5,387)	59,015
Total assets	580,452	857,882	1,750,424	792,963	7,440	3,989,161	(105,212)	3,883,949
Creditors	12,123	32,993	27,697	29,664	54,829	157,306	(3,669)	153,637
Non-current creditors	1,305	9,298	2,911	423	765	14,702	(438)	14,264
Borrowings	285,587	241,559	792,513	302,590	25,000	1,647,249	(98,437)	1,548,812
Derivative financial instruments	0	0	14,132	7	0	14,139	(167)	13,972
Deferred tax liabilities	0	0	46,802	72,146	0	118,948	(2,501)	116,447
Put option liability non-controlling interest	0	0	0	0	0	0	0	0
Provision for pensions	0	0	0	0	939	939	0	939
Total liabilities	299,015	283,850	884,055	404,830	81,533	1,953,283	(105,212)	1,848,071

(€'000)						Total	Adjustments	Total
For the six month period ended 30-06-23	Belgium	France	Italy	Sweden	The Netherlands*	proportional consolidation	joint ventures	IFRS
Acquisitions, divestments and capital expenditure (including capitalised interest)	1,478	544	4,401	4,673	0	11,096	(327)	10,769

* The Netherlands represents assets and liabilities of Eurocommercial Properties N.V.

Notes to the consolidated interim financial statements

as at 30 June 2023

2. Segment information (continued)

(€'000)						Total	Adjustments	Total
For the six month period ended 30-06-22	Belgium	France	Italy	Sweden	The Netherlands*	proportional consolidation	joint ventures	IFRS
Rental income	13,155	22,888	46,579	23,605	0	106,227	(5,017)	101,210
Service charge income	3,095	1,618	8,155	8,422	0	21,290	(1,424)	19,866
Service charge expenses	(3,422)	(1,842)	(8,090)	(9,211)	0	(22,565)	1,457	(21,108)
Property expenses	(682)	(4,741)	(6,508)	(2,713)	0	(14,644)	183	(14,461)
Net property income	12,146	17,923	40,136	20,103	0	90,308	(4,801)	85,507
Share of result of joint ventures	0	0	0	0	0	0	14,762	14,762
Investment revaluation and disposal of investment properties	4,240	4,900	24,640	19,262	(41)	53,001	(6,249)	46,752
Segment result	16,386	22,823	64,776	39,365	(41)	143,309	3,712	147,021
Net financing result						83,340	(9,527)	73,813
Company expenses						(5,899)	0	(5,899)
Investment expenses						(597)	6	(591)
Other income						975	794	1,769
Profit before taxation						221,128	(5,015)	216,113
Current tax						(2,589)	47	(2,542)
Deferred tax						(41,428)	4,968	(36,460)
Profit after taxation						177,111	0	177,111

(€'000)						Total	Adjustments	Total
As per 31-12-22	Belgium	France	Italy	Sweden	The Netherlands*	proportional consolidation	joint ventures	IFRS
Property investments	578,090	810,280	1,629,850	814,626	0	3,832,846	(189,900)	3,642,946
Investments in joint ventures	0	0	0	0	0	0	95,965	95,965
Tangible fixed assets	0	2,148	790	592	318	3,848	0	3,848
Receivables	9,080	33,292	11,034	6,358	588	60,352	(997)	59,355
Loan to joint ventures	0	0	0	0	0	0	8,000	8,000
Derivative financial instruments	7,567	0	64,457	4,102	0	76,126	(14,120)	62,006
Cash and deposits	2,229	13,749	21,199	31,286	2,573	71,036	(5,729)	65,307
Total assets	596,966	859,469	1,727,330	856,964	3,479	4,044,208	(106,781)	3,937,427
Creditors	11,204	32,215	34,468	28,521	2,733	109,141	(4,861)	104,280
Non-current creditors	1,222	9,664	3,131	513	(7)	14,523	(453)	14,070
Borrowings	285,486	217,953	793,498	322,564	0	1,619,501	(100,439)	1,519,062
Derivative financial instruments	0	0	13,345	0	0	13,345	0	13,345
Deferred tax liabilities	0	0	33,172	79,338	0	112,510	(1,028)	111,482
Put option liability non-controlling interest	63,448	0	0	0	0	63,448	0	63,448
Provision for pensions	0	0	0	0	569	569	0	569
Total liabilities	361,360	259,832	877,614	430,936	3,295	1,933,037	(106,781)	1,826,256

(€'000)						Total	Adjustments	Total
For the six month period ended 30-06-22	Belgium	France	Italy	Sweden	The Netherlands*	proportional consolidation	joint ventures	IFRS
Acquisitions, divestments and capital expenditure (including capitalised interest)	2,621	(75,760)	4,384	1,076	0	(67,679)	(2,668)	(70,347)

* The Netherlands represents assets and liabilities of Eurocommercial Properties N.V.

Notes to the consolidated interim financial statements

as at 30 June 2023

3. Exchange rates

It is generally the Company's policy for non-euro investments to use debt denominated in the currency of the investment to provide a (partial) hedge against currency movements. Exceptionally forward contracts may be entered into from time to time when debt instruments are deemed inappropriate for cost or other reasons. The only non-euro investment assets and liabilities of the Company are in Sweden. As at 30 June 2023 the exchange rate for €1 was SEK 11.8055 (30 June 2022: SEK 10.7300).

4. Rental income

Rental income in the current financial period comprised:

For the six months ended (€'000)	30-06-23	30-06-22
Gross lease payments collected/accrued	107,258	102,411
Straight-lining of rent concessions	150	(1,344)
Entry fees received/accrued	107	143
	107,515	101,210

5. Property expenses

Property expenses in the current financial period were:

For the six months ended (€'000)	30-06-23	30-06-22
Direct property expenses		
Bad debts (expected credit loss)	1,107	(737)
Centre marketing expenses	1,083	1,304
Impairment on tenant receivables (Covid-19 rent concessions)	(77)	39
Insurance premiums	529	479
Managing agent fees	1,122	1,049
Property taxes	1,552	1,617
Repair and maintenance	304	332
Shortfall service charges	540	456
	6,160	4,539
Indirect property expenses		
Accounting fees	370	390
Audit fees	327	272
Depreciation fixed assets	185	214
Depreciation right-of-use assets	463	430
Dispossession indemnities	19	8
Legal and other advisory fees	1,181	1,075
Letting fees and relocation expenses	587	445
Local office and accommodation expenses	914	911
Pension contributions	101	100
Salaries, wages and bonuses	4,181	3,467
Social security charges	1,903	1,708
Performance shares granted (IFRS 2)	40	15
Travelling expenses	338	356
Other local taxes	253	366
Other expenses	(24)	165
	10,838	9,922
	16,998	14,461

Notes to the consolidated interim financial statements

as at 30 June 2023

6. Investment revaluation and disposal of investment properties

Realised and unrealised value movements on investments in the current financial period were:

For the six months ended (€'000)	30-06-23	30-06-22
Revaluation of property investments	(12,309)	47,219
Revaluation of property investments under development	0	547
Divestment property sold	30	(1,072)
Elimination of accrued entry fees	9	(55)
Elimination of capitalised letting fees	393	(607)
Elimination of COVID-19 rent concessions*	0	1,344
Movement long-term creditors	528	(189)
Foreign currency results	84	(435)
	(11,265)	46,752

* The positive movement in Covid-19 rent concessions in the comparative figures is due to the elimination of the H1 2022 amortisation of the concessions capitalised in the previous periods which took place in December 2022.

7. Company expenses

Company expenses in the current financial period comprised:

For the six months ended (€'000)	30-06-23	30-06-22
Audit fees	209	251
Depreciation fixed assets	93	135
Depreciation right-of-use assets	94	126
Directors' fees	1,156	1,200
IT expenses	849	564
Legal and other advisory fees	550	532
Marketing expenses	374	108
Office and accommodation expenses	756	646
Pension costs*	0	15
Pension contributions*	328	314
Salaries, wages and bonuses	1,177	1,204
Social security charges	185	191
Statutory costs	228	135
Performance shares granted (IFRS 2)	19	9
Travelling expenses	156	121
Other expenses	412	348
	6,586	5,899

* The pension costs in the comparative figures are allocated to the indirect investment result and the pension contributions to the direct investment result.

8. Net financing result

Net financing result in the current financial period comprised:

For the six months ended (€'000)	30-06-23	30-06-22
Interest income	236	1
Gross interest expenses	(21,461)	(17,836)
Interest on put option non-controlling interest*	(558)	(1,130)
Fair value movement derivative financial instruments	(4,394)	97,363
Adjustment amortisation period put option liability**	(4,789)	0
Movement in present value put option (other than interest)	(805)	(4,585)
	(31,771)	73,813

* The interest on put option non-controlling interest is allocated to the indirect investment result.

** The adjustment is the result of the settlement of the put option with the minority shareholder.

Gross interest expense consists of interest on lease liabilities, interest charge on loans calculated using the effective interest rate method and on derivative financial instruments. Interest rate swap agreements have been entered into to hedge the exposure to interest rates movements so that at 30 June 2023 78% of interest costs are fixed (30 June 2022: 84%). The average interest rate as at 30 June 2023 is 2.9% (30 June 2022 is: 2.1%), while the average hedging period is more than five years as at 30 June 2023 (30 June 2022: almost six years).

Notes to the consolidated interim financial statements

as at 30 June 2023

9. Property investments and property investments under development

Property investments and property investments under development are stated at fair value. It is the Company's policy that all property investments and property investments under development be revalued semi-annually by qualified independent experts. The independent valuation figures for the Company's properties represent the net price expected to be received by the Company from a notional purchaser who would deduct any purchaser's costs including registration tax. All properties in the Group are freehold. The qualified independent valuers have prepared their appraisals in accordance with the Appraisal and Valuation Standards published by the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards published by the International Valuation Standards Committee (IVSC). These standards require that valuers, amongst other activities, collect a variety of data including general economic data, property specific data and market supply and demand data. Property specific data include passing rent and future rent, expenses, lease terms, lease incentives, vacancies, rent concessions, etc. The Board of Management reviews the valuation reports and determines that the source data provided by the Company is processed correctly. The data and valuation methodologies used are set out in the independent valuation reports. All properties were revalued at 30 June 2023.

The current property portfolio is:

(€'000)	30-06-23 Fair value	31-12-22 Fair value	30-06-23 Costs to date	31-12-22 Costs to date
Belgium	563,210	578,090	660,431	658,953
France	813,850	810,280	602,662	602,119
Italy	1,466,430	1,439,950	1,055,151	1,051,079
Sweden	750,972	814,626	766,247	761,575
Total	3,594,462	3,642,946	3,084,491	3,073,726
Less: Property investments under development	0	0	0	0
Less: Property investments held for sale	0	0	0	0
Property investments	3,594,462	3,642,946	3,084,491	3,073,726

Changes in property investments and property investments held for sale for the financial period ended 30 June 2023 were as follows:

(€'000)	Property Investments 30-06-23	Property Investments held for sale 30-06-23	Property Investments 30-06-22	Property Investments held for sale 30-06-22
Book value at beginning of the six months report period	3,642,946	0	3,757,419	22,500
Capital expenditure - general	2,720	0	4,940	0
Capital expenditure - extensions and refurbishments	8,382	0	4,561	0
Capitalised interest	60	0	0	0
Capitalised letting fees	(393)	0	641	0
Capitalised COVID-19 rent concessions	0	0	1,344	0
Elimination of capitalised letting fees	393	0	(641)	0
Elimination of capitalised COVID-19 rent concessions	0	0	(1,344)	0
Revaluation of property investments	(12,309)	0	47,262	0
Book value divestment property	0	0	(57,000)	(22,500)
Exchange rate movement	(47,337)	0	(40,213)	0
Reallocation from property investments under development	0	0	7,000	0
Book value at end of period	3,594,462	0	3,723,969	0

The exchange rate movement is due to the weakening of SEK against EUR during the reporting period. See Note 3 for more information.

Notes to the consolidated interim financial statements

as at 30 June 2023

9. Property investments and property investments under development (continued)

Changes in property investments under development for the financial period ended 30 June 2023 were as follows:

(€'000)	30-06-23	30-06-22
Book value at beginning of period	0	6,100
Capital expenditure	0	353
Revaluation property investments under development	0	547
Reallocation to property investments	0	(7,000)
Book value at end of period	0	0

The fair value measurement of all property investments and property investments under development are categorised within level 3 of the fair value hierarchy (30 June 2022: level 3).

Assumptions and sensitivity analysis:

The average net initial yield applied by the valuers is 4.8% for Belgium, 5.0% for France, 5.9% for Italy and 5.7% for Sweden, compared to the yields reported as per 30 June 2022 of 4.3% for (Belgium), 4.9% (France), 5.5% (Italy) and 4.9% (Sweden), respectively.

An increase in the average net initial yield of 25 bps would result in a decrease in the value of the property portfolio of €145 million (30 June 2022: €171 million), whereas a decrease in the average yield of 25 bps would result in an increase in the value of the property portfolio of €158 million (30 June 2022: €187 million).

An increase in the estimated rental value of 5% would result in an increase in the value of the property portfolio of €129 million (30 June 2022: €139 million). A decrease in the estimated rental value of 5% would result in a decrease in the value of the property portfolio of €129 million (30 June 2022: €143 million).

10. Investments in joint ventures

Changes in investments in joint ventures for the financial period ended 30 June 2023 were as follows:

(€'000)	30-06-23	30-06-22
Book value at beginning of period	95,965	77,690
Investments in joint ventures	0	101
Eurocommercial's share of total comprehensive income	4,756	14,762
Book value at end of period	100,721	92,553

Investments in joint ventures refer to the shopping centre Fiordaliso in Milan, Italy.

Notes to the consolidated interim financial statements

as at 30 June 2023

11. Receivables

(€'000)	30-06-23	31-12-22
Trade receivables		
Rents receivable	35,420	43,063
Provision for bad debts (expected credit losses)	(12,243)	(11,649)
Provision for bad debts (expected credit losses) – COVID-19 rent concessions	(618)	(1,195)
	22,559	30,219
Other receivables		
Funds held by managing agents	15,828	9,697
Escrow account sale Grenoble	1,900	1,900
Loan to joint venture	8,000	8,000
VAT receivable	2,326	2,414
Settlement service charges	376	674
Deposit gift cards	1,997	3,577
Other receivables and prepayments	11,682	8,741
	42,109	35,003
Total trade and other receivables	64,668	65,222
Prepaid tax		
Other prepaid tax	1,565	1,414
COVID-19 government support	719	719
	2,284	2,133

The rents receivable as per 30 June 2023 include the following amounts: €6.0 million in Belgium; €22.2 million in France; €6.1 million in Italy and €1.1 million in Sweden. The rents receivable also include invoiced rents for the third quarter which were not yet due at 30 June 2023 for a total amount of €19.2 million. The COVID-19 government support is related to France. The provision for bad debts as per 30 June 2023 includes the following amounts: €0.4 million in Belgium; €8.6 million in France; €2 million in Italy and €1.2 million in Sweden.

12. Creditors

(€'000)	30-06-23	31-12-22
(i) Current liabilities		
Dividend payable	52,842	0
Interest payable	11,794	8,612
Lease liabilities	1,166	1,169
Local and property tax payable	2,403	1,149
Payable on property capital expenditure	13,771	14,006
Rent received/invoiced in advance	32,485	27,983
Service charge accruals	5,747	4,833
VAT payable	4,110	4,393
Gift cards debts	1,997	3,577
Other creditors and accruals	24,580	28,110
	150,895	93,832
(ii) Non-current liabilities		
Lease liabilities	2,550	2,165
Tenant rental deposits	11,714	11,905
	14,264	14,070
Tax payable		
Current liabilities corporate tax payable	2,742	10,448
	2,742	10,448

Notes to the consolidated interim financial statements

as at 30 June 2023

13. Borrowings

Changes in borrowings for the financial period ended 30 June 2023 were as follows:

(€'000)	30-06-23	30-06-22
Book value at beginning of period	1,519,062	1,645,779
Drawdown of funds	176,030	78,715
Repayments	(128,203)	(160,509)
Exchange rate movement	(18,649)	(15,726)
Movement prepaid borrowing costs	572	106
Book value at end of period	1,548,812	1,548,365

The borrowings are all provided by major banks and have an average committed unexpired term of almost three years. The average interest rate, including derivative financial instruments, as at 30 June 2023 was 2.9% (30 June 2022: 2.1%). At 30 June 2023 the Company has hedged 78% (30 June 2022: 84%) of its exposure to the interest rates movements on its borrowings. The average hedged term is more than five years (30 June 2022: almost six years). The fair value of the loans net of borrowing costs is €1,540.2 million (fair value at 30 June 2022: €1,553.2 million). The fair value of the borrowings with a fixed interest rate from drawdown date to maturity is calculated on a model taking into account the applicable interest rate of the underlying loan.

14. Derivative financial instruments

Changes in net derivative financial instruments for the financial period ended 30 June 2023 were as follows:

(€'000)	30-06-23	30-06-22
Book value at beginning of period	48,661	(90,445)
Fair value movement derivative financial instruments	(4,394)	97,365
Exchange rate movement	(219)	(109)
Book value at end of period	44,048	6,811

Derivative financial instruments are recognised initially at trade date at fair value (cost price). Subsequent to initial recognition, derivative financial instruments are stated at their fair value. The gain or loss on measurement to fair value is recognised in the consolidated statement of profit or loss. The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates, the current creditworthiness of the swap counterparties and the own credit risk regarding counterparties. Derivative financial instruments concern derivative interest rate swap contracts. A valuation technique is used to determine the fair value of the derivatives with inputs that are directly or indirectly observable market data. The fair value of the derivatives is estimated by discounting expected future cash flows using current market interest rates and the yield curve over the remaining term of the instrument. In connection with the non-current borrowings the derivative financial instruments are presented as non-current assets and non-current liabilities. The fair value measurement of all derivative financial instruments is categorised within level 2 of the fair value hierarchy (31 December 2022: level 2).

Notes to the consolidated interim financial statements

as at 30 June 2023

15. Deferred tax liabilities

The deferred tax liabilities of €116.5 million (30 June 2022: €107.4 million) are related to Italy and Sweden.

Changes in the deferred tax liabilities for the financial period ended 30 June were as follows:

(€'000)	30-06-23	30-06-22
Book value at beginning of period	(111,482)	(74,730)
Recognised in statement of profit or loss	(9,570)	(36,460)
Exchange rate movement	4,605	3,791
Book value at end of period	(116,447)	(107,399)

16. Put option liability non-controlling interest

The put option non-controlling interest represents the financial liability related to the put option accounted for at the present value of the liability, where the minority shareholder has the right to sell its shares in Eurocommercial Properties Belgium S.A. The Company acquired this minority stake on 18 April 2023, so it now owns all the shares in the Belgian subsidiary. The price paid is the exercise price of the put option and is based on the net asset value of the shares in the Belgian subsidiary. The interest portion of €0.6 million is accounted for under interest expense. The movement of the put option relates to the adjustment of the amortisation period of the put option of €4.8 million and €0.8 million in relation to the movement in the present value of the put option. As at 30 June 2023, the portion of profit attributed to non-controlling interest amounts to €0.8 million.

Changes in put option liability non-controlling interest for the financial period ended 30 June 2023 were as follows:

(€'000)	30-06-23	30-06-22
Book value at beginning of period	(63,448)	(55,769)
Interest on put option non-controlling interest	(558)	(1,130)
Movement of put option non-controlling interest	(5,594)	(4,585)
Settlement as a result of an exercise of the put option	69,600	0
Book value at end of period	0	(61,484)

17. Share capital and reserves

The Annual General Meeting of the Company held on 13 June 2023 adopted the dividend proposal by the Board of Supervisory Directors and the Board of Management to declare a final dividend over the financial year ended 31 December 2022. Shareholders had the option to take (i) a cash dividend of €1.00 per share, (ii) a stock dividend of one new share for every 24 existing shares or (iii) a combination of both in any proportion they wish.

18. Commitments not included in the balance sheet

The Company is also committed to contribute to its Italian joint venture a residual amount of €2.4 million for works at shopping centre Fiordaliso. In addition, the Company is committed to complete some road works linked to the Curno extension project agreed with the municipality of Curno for an estimated residual amount of €1.2 million.

Notes to the consolidated interim financial statements

as at 30 June 2023

19. Post balance sheet events

The Company signed a loan agreement with Nordea in June 2023 regarding the refinancing of the property in Bergvik, Karlstad which is planned to close by 30 August 2023.

For the financial year ended 31 December 2022, Eurocommercial's shareholders representing 19.6% of the issued share capital have opted to receive a stock dividend instead of a final cash dividend of €1.00 per share, in accordance with the terms and conditions set by Eurocommercial and disclosed to the market by Eurocommercial on 9 and 14 June 2023. As a result of this take up the Company issued on 7 July 2023 432,529 new shares at an issue price of €24.00 for each new share. The issued share capital therefore increased by 0.81% from €533.5 million to €537.8 million. The number of issued shares increased to 53,781,691 shares and after deducting 506,924 shares bought back, there are currently 53,274,767 shares outstanding with third parties.

Amsterdam, 25 August 2023

Board of Management

E.J. van Garderen
R. Fraticelli
J.P.C. Mills

Board of Supervisory Directors

B.T.M. Steins Bisschop, Chairman
E.R.G.M. Attout
K. Laglas
B.W. Roelvink

Other information

• Holders of shares with a holding of 3% or more

Under the Netherlands Act on Financial Supervision, the Netherlands Authority for the Financial Markets has received notification from five holders of shares with interests greater than 3% in the Company.

According to the latest notifications these interests were as follows: Mr A. van Herk (20.22% - notification 8 May 2019), Ameriprise Financial Inc (5.01% - notification 22 July 2022), Cohen & Steers (5.04% - notification 17 July 2023), BlackRock, Inc. (5.10% - notification 11 August 2023) and ICAMAP Investments S.a.r.l (3.06% - notification 20 February 2020).

• Stock market prices and turnovers

Stock market prices and turnovers from 1 January 2023 to 30 June 2023

		High	Low	Average
Closing price 30 June 2023 (€; shares)	21.24	23.90	20.04	22.08
Average daily turnover (in shares)	45,125			
Average daily turnover (€'000,000)	1.0			
Total turnover over the past six months (€'000,000)	130			
Market capitalisation (€'000,000)	1,122			
Total turnover as a percentage of market capitalisation	11.59%			

Source: Euronext, Global Property Research.

Stock market prices are followed by Bloomberg:

Ticker: ECMPA:NA (Amsterdam)

Ticker: ECMPA (Belgium)

Ticker: ECMPM (Milan)

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