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2022 Full year results
24 March 2022

AGENDA

1	Introductions	Luca Lucaroni, Investor Relations Director
2	Results review	Evert Jan van Garderen, CEO
3	Portfolio & ESG	Peter Mills, CIO
4	Financial review	Roberto Fraticelli, CFO
5	Closing remarks	Evert Jan van Garderen, CEO
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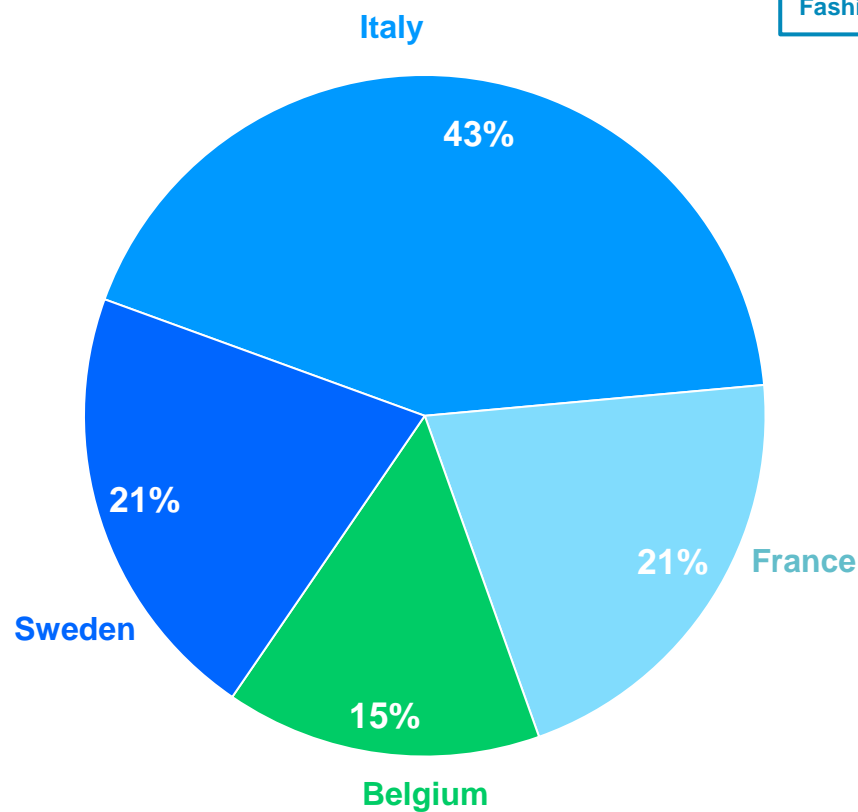


Results review
Evert Jan van Garderen

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A well diversified portfolio (as at 31 December 2022)

Geographical (by value)

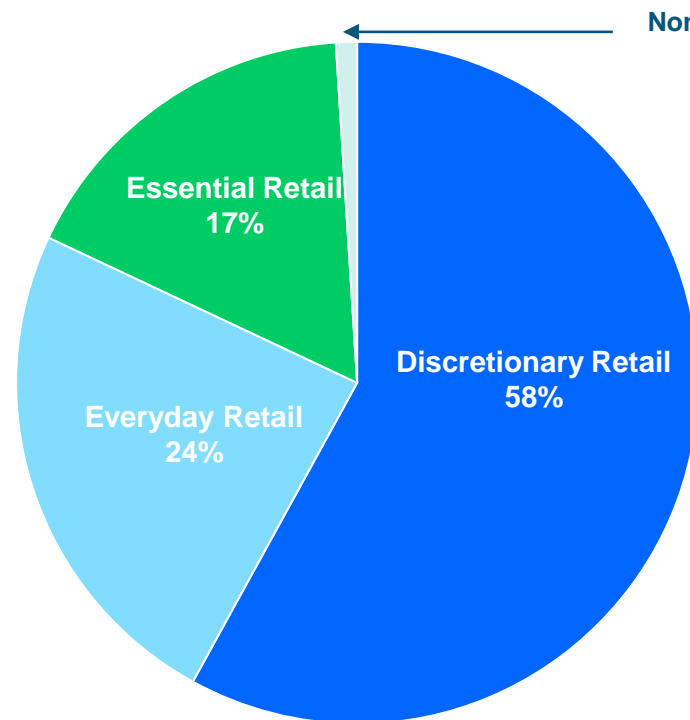


5 Flagship centres*

I Gigli/Carosello/Fiordaliso/Woluwe Shopping/
Passage du Havre

Fashion & Shoes = 36%

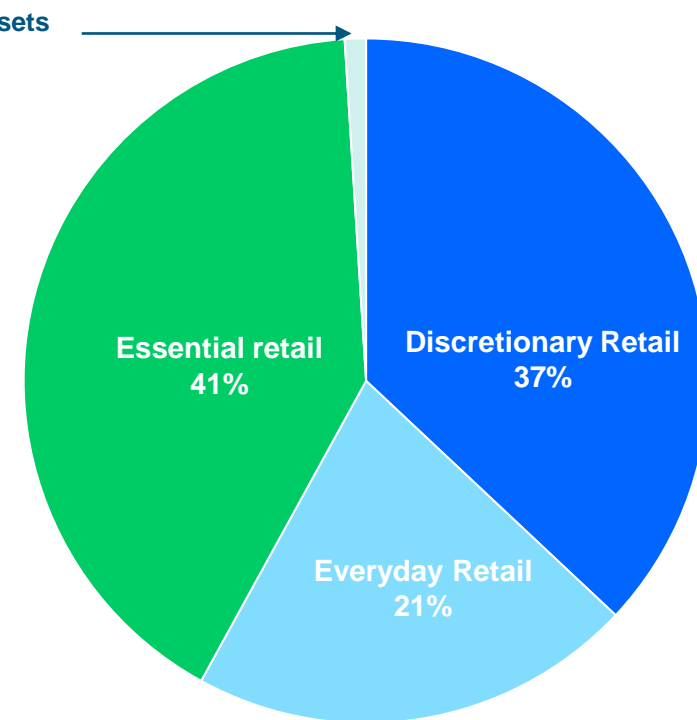
Essential and Everyday Retail = 41%



19 suburban hypermarket anchored shopping centres*

Fashion & Shoes = 24%

Essential and Everyday retail = 62%



The geographical portfolio (% of value)



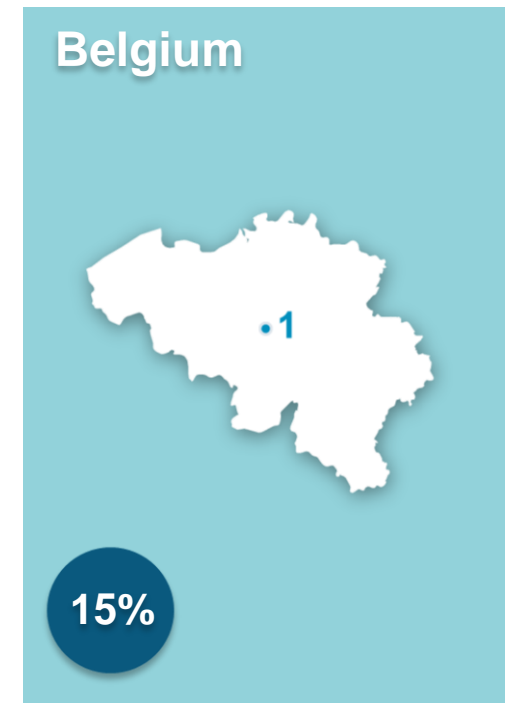
- 1 I Gigli, Florence
- 2 Carosello, Carugate, Milan
- 3 Fiordaliso, Rozzano, Milan
- 4 Collestrada, Perugia
- 5 Il Castello, Ferrara
- 6 Curno, Bergamo
- 7 CremonaPo, Cremona
- 8 I Portali, Modena



- 1 Hallarna, Halmstad
- 2 Bergvik, Karlstad
- 3 C4, Kristianstad
- 4 Grand Samarkand, Växjö
- 5 Valbo, Gävle
- 6 Ingelsta Shopping, Norrköping
- 7 Elins Esplanad, Skövde



- 1 Passage du Havre, Paris
- 2 Val Thoiry, Greater Geneva
- 3 Les Atlantes, Tours
- 4 Centr'Azur, Hyères
- 5 MoDo, Moisselles
- 6 Les Portes de Taverny, Taverny
- 7 Grand A, Amiens
- 8 Shopping Etrembières, Greater Geneva



- 1 Woluwe Shopping, Brussels

Solid operational performance in 2022

Retail sales

+15.9% vs 2021

+5.0% vs 2019

Rental growth

4.7%

(compared to 2.9% in the 12 months to June 2022)

Renewals and relettings

5.4%

Rental uplift on renewals and relettings
255 lease transactions

Vacancy

1.5%

(same level as at 30 June 2022)

OCR

9.2%

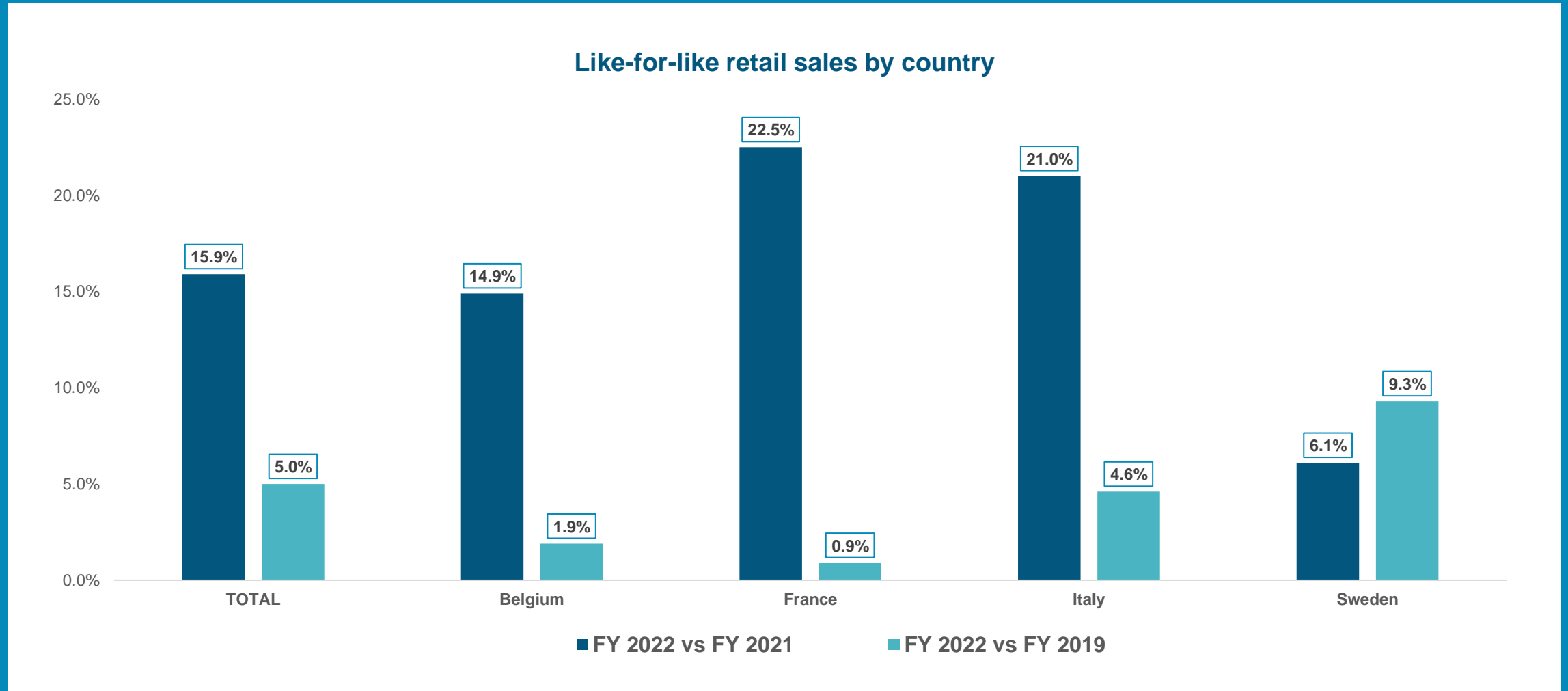
(same level as at 30 June 2022)

Rent collection

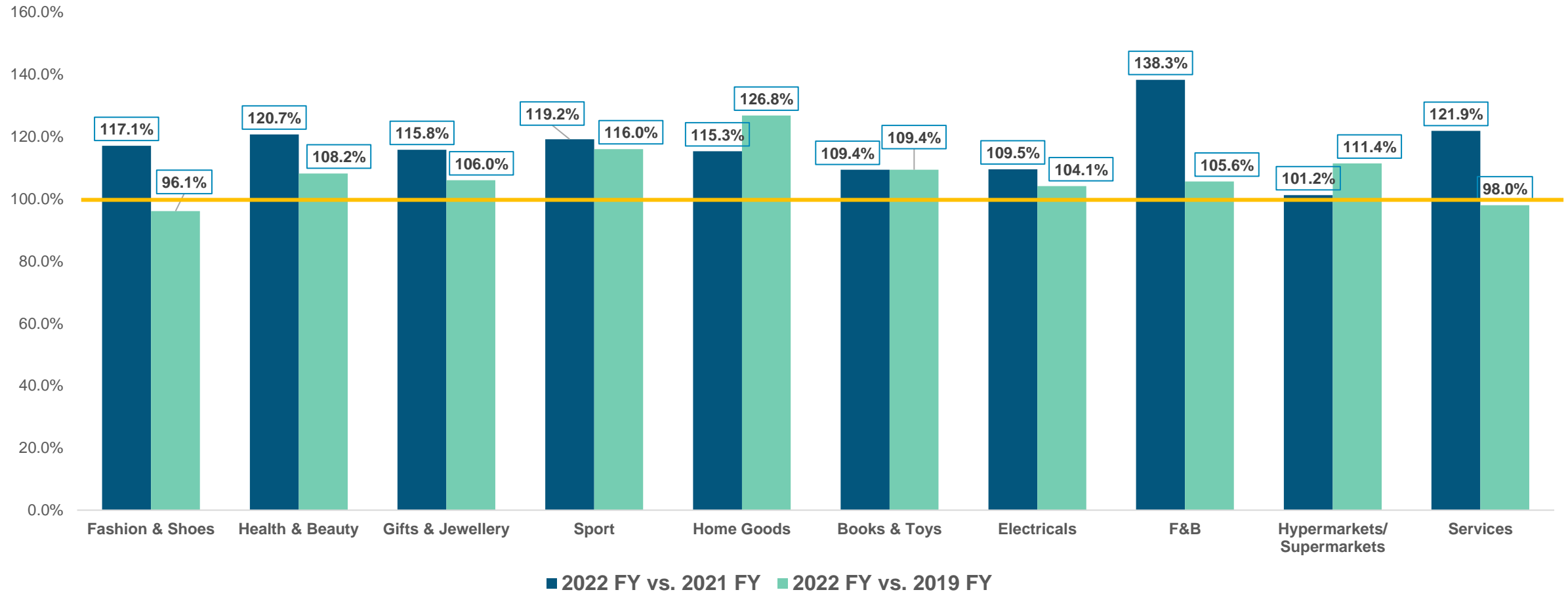
98%

(collected in 2022 compared to 93% in 2021)

Retail sales comparison FY 2022 vs FY 2021 and FY 2019



Retail sector sales comparison FY 2022 vs FY 2021 and FY 2019



Rental growth

(12 months to December 2022)

	Like-for-like rental growth
Overall	4.7%
Belgium	5.0%
France	2.6%
Italy	6.5%
Sweden	3.0%

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 and excludes COVID-19 rent concessions.



Indexation

	Index applicable in 2023
Belgium ⁽¹⁾	3.0%
France ⁽²⁾	4.2%
Italy	11.3%
Sweden	10.9%
TOTAL	8.7%

(1) Estimate based on the forecast of the adjusted CPI index in 2023

(2) Weighted average of the applicable indices

- For Belgium, the CPI index is applied for each contract for the month prior of the effective date. In 2023, the index will be clear of energy prices.
- For France, the ILC index for the second quarter of 2022 (4.43%) and for the third quarter 2022 (5.37%) is generally applied from 2023. In 2023, the index is capped at 3.5% for small sized companies (approximately 10% of the French tenants).
- For Italy, the FOI (consumer price index for households, workers and clerks) from December 2022 is applied from January 2023.
- For Sweden, the CPI index is applied from January 2023.



Renewals and relettings

(12 months to 31 December 2022)

	Number of renewals and relettings	Average rental uplift on renewals and relettings	% of leases renewed and relet (MGR)
Belgium	10	-2.7%	16%
France	46	4.1%	8%
Italy	114	8.8%	12%
Sweden	85	5.7%	16%
Overall	255	5.4%	13%

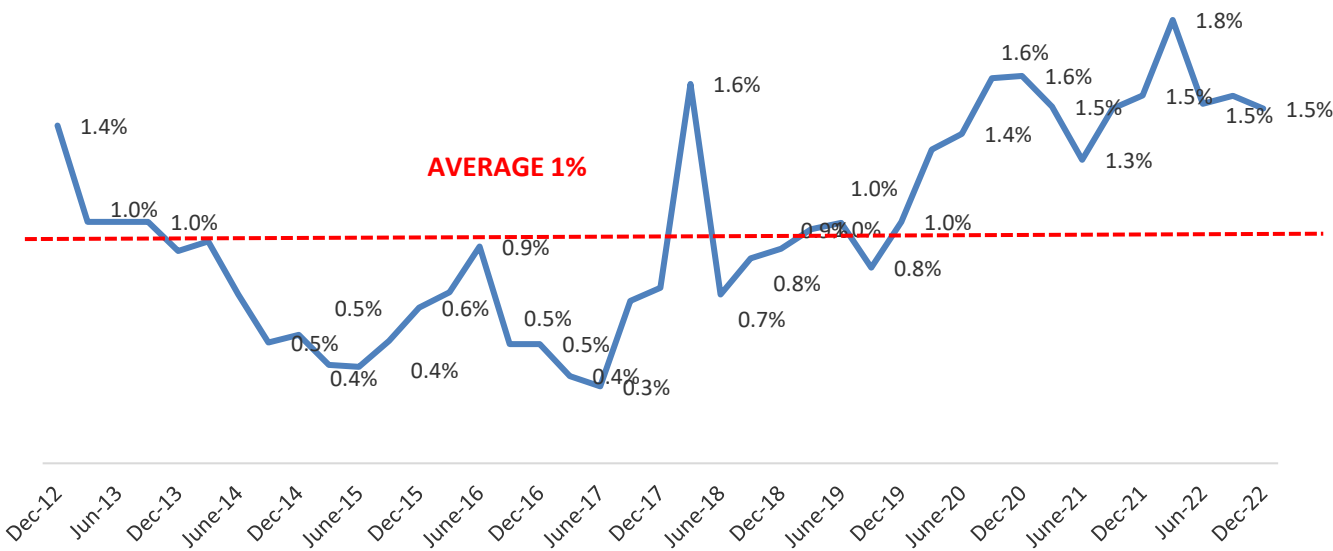
- Positive growth on renewals and relettings still being achieved
- 255 lease transactions achieving a rental uplift of 5.4%
- 81 lettings to new retailers achieving an uplift of 6.9%



EPRA vacancies

EPRA vacancy rate for the portfolio remained low at 1.5% in December 2022, ranging between 0.6% and 2.9%.

Long term EPRA vacancy rate



	EPRA vacancy at 30 Jun 2022	EPRA vacancy at 31 Dec 2022
Overall	1.5%	1.5%
Belgium	0.3%	1.7%
France	2.4%	2.9%
Italy	1.0%	0.6%
Sweden	2.2%	1.7%

Occupancy cost ratio (OCR)

(as per 31 December 2022)

	Occupancy cost ratio
Overall	9.2%
Belgium	15.5%
France	10.3%
Italy	9.0%
Sweden	7.3%

The total occupancy cost ratio is defined as rent plus marketing contributions, service charges and tenant property taxes as a proportion of turnover including VAT.



Rent collection in 2022

	% of invoiced rent collected 2021	% of invoiced rent collected 2022
Belgium	97%	100%
France	91%	95%
Italy	91%	98%
Sweden	98%	100%
Total	93%	98%



Leasing highlight – F&B sector

The F&B sector has now fully recovered and is expanding with a range of new brands, concepts and formats. Traditionally the sector is different in Italy and France where food is perhaps more of a cultural and social experience integrating particularly well with late shopping and other leisure activities while in Sweden, the focus is generally on buffet-style lunch trade.

Developments/projects

- Fiordaliso – Fiordafood, a 2,500m² food hall, 12 new restaurants including Wagamama, Calavera, GiustoSpirito, Kebhouse, KFC, Signorvino
- Carosello – restyle of Corte del Gusto with increased seating
- Shopping Etrembières – opening of two restaurants, Les Trois Brasseurs and Il Ristorante, in a purpose built property adjoining the shopping centre
- Valbo – 1,000m² project to be completed during autumn 2023 with 700m² let to Chili & Wok and Baked & Grilled, two national food operators



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Leasing highlight - Lifestyle

The pandemic was a catalyst for the rapid growth in lifestyle fashion and strong sales in sporting goods and equipment during lockdowns.

- I Gigli's lifestyle destination, anchored by Adidas, Nike Store and JD Sports.
- North mall extension in Fiordaliso with national brand Mascheroni and international brands Adidas, JD Sports and Game7
- Expansion of several brands into our shopping centres: Footlocker, JD Sports, Courir and Snipes
- Gyms and fitness centres taking units inside shopping centres: KA Fitness at Les Atlantes in France and Nordic Wellness in Elins Esplanad and Bergvik in Sweden.
- Ongoing negotiations with gym operators to establish in three of our Italian shopping centres



Leasing highlight – Value retail sector

With household budgets under pressure from rising inflation and increasing energy costs, one developing retail trend has been the expansion of the low price/value retail sector.

- Increasing market share across all our markets
- An important part of the tenant mix inside shopping centres
- Home goods in our centres: Clas Ohlson, Rusta, Flying Tiger, TEDi and Miniso
- Health and Beauty: Danish retailer Normal is now established in six of our Swedish shopping centres and in Passage du Havre city centre gallery in Paris.
- Fashion: Primark is now well established in I Gigli and Fiordaliso; German retailer New Yorker have recently opened in Fiordaliso and trading well in Valbo, C4, Hallarna and Grand Samarkand while Pepco is a recent addition at CremonaPo



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Leasing

OTHER BRANDS ESTABLISHING IN OUR CENTRES





Portfolio and ESG

Peter Mills, CIO

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Valuations (at 31 December 2022)

	Net value	Valuation change	EPRA yields	
	31 Dec 2022 € million	From 31 Dec 2021	NIY	Topped-up
Belgium	578	-0.4%	4.6%	4.9%
France	810	-0.5%	5.3%	5.4%
Italy	1,630	0.6%	6.0%	6.1%
Sweden	815	-1.7%	5.6%	5.8%
Overall	3,833	-0.3%	5.5%	5.7%

Valuation split

5 Flagships	Net value (€M) 31 December 2022	EPRA net initial yield (%)	EPRA topped up yield (%)
Woluwe Shopping (Belgium) Passage du Havre (France) I Gigli, Carosello, Fiordaliso (Italy)	1,729 (45% of the portfolio)	5.2	5.4

19 suburban hypermarket anchored shopping centres	Net value (€M) 31 December 2022	EPRA net initial yield (%)	EPRA topped up yield (%)
7 in France 5 in Italy 7 in Sweden	2,104 (55% of the portfolio)	5.8	6.0

€200 million disposal programme completed

Disposals



FRANCE

Les Grands Hommes, Bordeaux sold in
March 2022 for €22.5 M



FRANCE

Passage du Havre, Paris, 50% office &
residential sold in March 2022 for €57 M

Project

Valbo, Gävle



- ❑ Phase 1 – Improved masterplan and circulation (completed)
- ❑ Phase 2 – Refurbishment of malls and common areas (completed)
- ❑ Phase 3 – 1,000m² extension, 7 prelet shops, renovation of car park and external façade – completion autumn 2023

Future project

Woluwe Shopping, Brussels



- ❑ Revised planning application June 2022
- ❑ Planning decision by June 2023
- ❑ 7,800m² retail and 70 apartments



Environmental, social and governance

ESG Strategy framework



ESG Governance



Recognition



Be green

Key facts

- 100% BREEAM in Use certifications in place in the portfolio (March 2023)
- Climate change risks and opportunities assessment performed for each asset
- 9% reduction in carbon intensities and removal of gas from our properties underway
- Investments identified to reduce operational costs (solar panels; EV chargers, Building Management System upgrades, LED relamping)
- Energy saving measures

Energy facts

- 15% reduction in carbon emissions (market base vs. 2021)
- 83% of total electricity in 2022 was procured from renewable energy sources
- Increased installation of solar panels = 3,506MWh energy produced on site by 10 assets
- Additional 58 EV chargers for 2023

Objectives and targets

Objective	Status	Key facts
Operate carbon neutral by 2030	On target	15% carbon emissions reduced (market bases vs. 2021)
Zero waste to landfill by 2030	On target	53% of assets with zero waste to landfill
BREEAM certifications in place for all shopping centres by 2025	On target	100% of assets BREEAM certified



Be engaged

Key facts

- Shopping centres increasingly form an integral part of their local communities
- Dedicated spaces for community meeting, health and wellbeing, charity, education and employment
- Customer satisfaction surveys: In 2022, over 8,000 in-person interviews carried out
- Green lease coverage: 40% in Belgium, 34% in Italy, 45% in Sweden and 50% in France
- Retail Academy® will establish at a further eight shopping centres by year-end 2023

Objectives and targets

Objective	Status	Key facts
Maintain all customer satisfaction score above 7.5 by 2025	On target	8,000 customers participated in engagement surveys in 2022 8.3 average score
Improve the average retailer satisfaction scores towards 7.0 by 2025	On target	1,092 tenants participated in engagement surveys in 2022 7.0 average score
Roll out the Eurocommercial Retail Academy® at an additional eight shopping centres by year-end 2023	On target	In 2022, over 1,200 participants in the Retail Academy® across seven centres



Be responsible

Key facts

- Green Finance Framework developed to issue Green Finance Instruments - Second party opinion issued by ISS Corporate Solutions
- €216.5 million sustainability linked loans over 5 loans, 3 of which are also green loans (€117 million)
- Four green loans for a total €386 million
- 35 hours of training on average per employee

Objectives and targets

Objective	Status	Key facts
Zero breaches against the Cod of Conduct annually	On target	Zero breaches in 2022
Create an attractive and professional workplace	On target	2.1% sickness ratio 16% turnover rate
Introduced Green Finance framework	On target	€216.5 million sustainability linked loans





Financial review

Roberto Fraticelli, CFO

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Financial Performance 2022

(at 31 December 2022)

Income statement

(€ million)	FY 2022	FY 2021
Rental income	€199.3	€198.3
Net property income	€163.9	€155.1
Net interest expenses	€ 39.6	€ 40.0
Direct investment result	€119.5	€110.6

Financial position

(€ million)	FY 2022	FY 2021
Property investments	€3,643	€3,757
Net borrowings	€1,454	€1,590
EPRA NTA	€2,043	€2,092
EPRA Net initial yield	5.5%	5.1%

Per share

	FY 2022	FY 2021
Net asset value	€38.68	€37.54
Adjusted net asset value	€39.62	€40.63
EPRA NTA	€38.64	€40.11
Indirect investment result	€ 1.54	(€0.12)
Direct investment result	€2.28	€2.18
Total investment results	€3.82	€2.06
Number of shares*	52,842,238	52,146,993

* At the end of the period after deduction of shares bought back

Financial summary at 31 December 2022

Proportionally consolidated

Total net borrowings

€1.548 billion

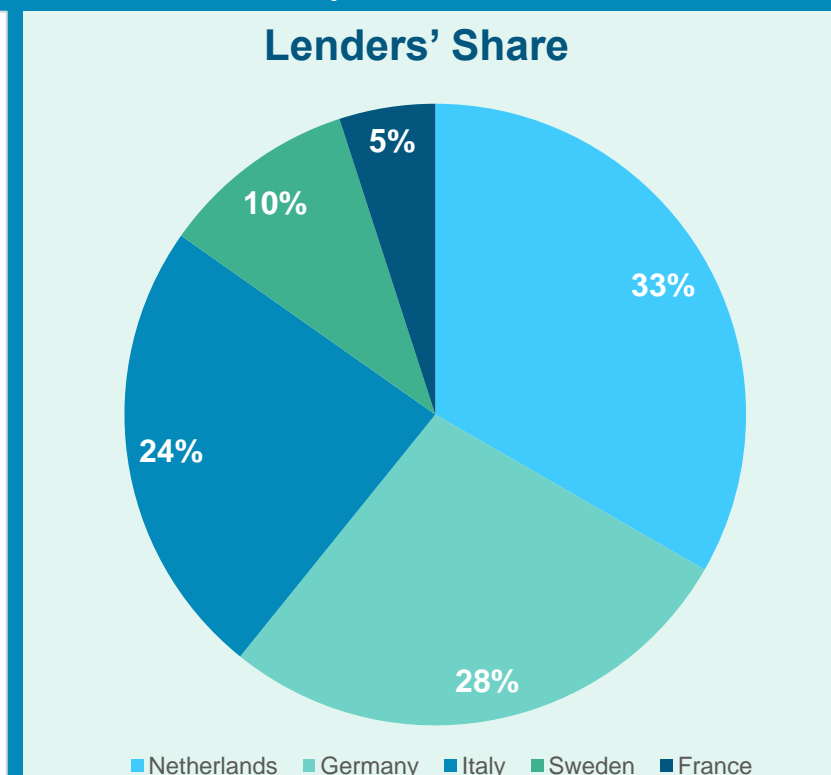
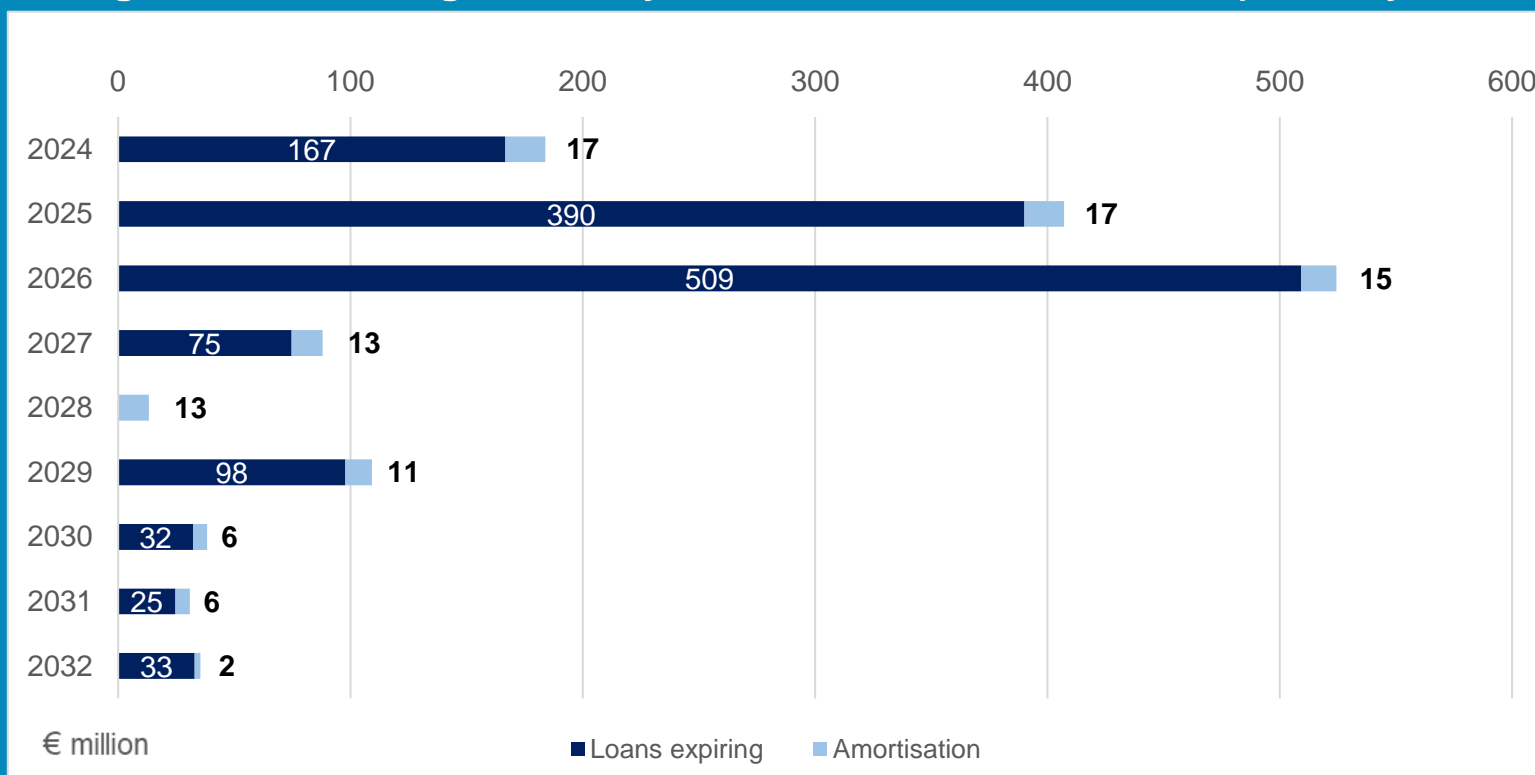
Average term of hedges

5.3 years

Average overall interest rate
(incl. margin)

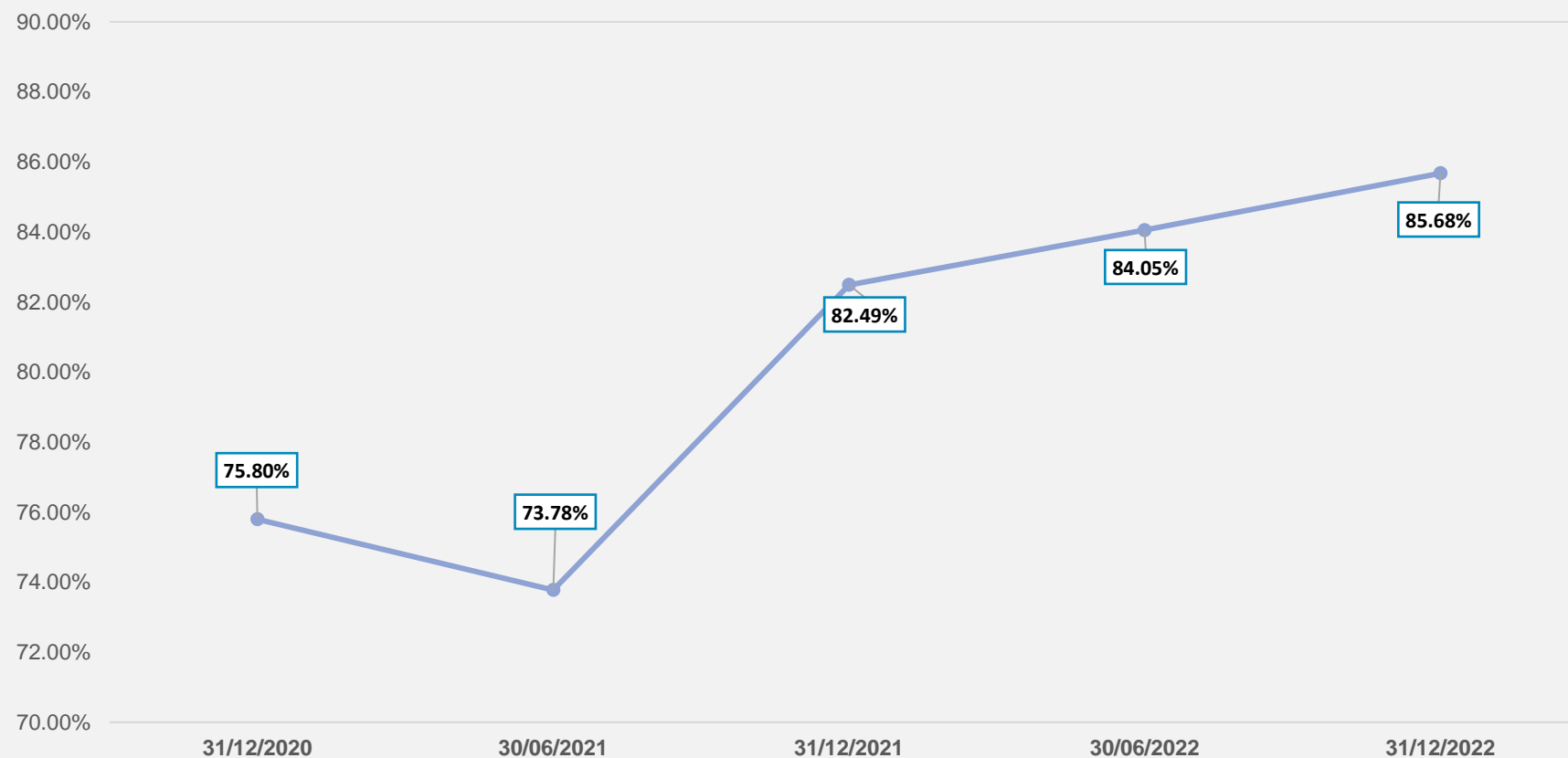
2.4%

Long term borrowings maturity and amortisation schedule (January 2024 – December 2032)

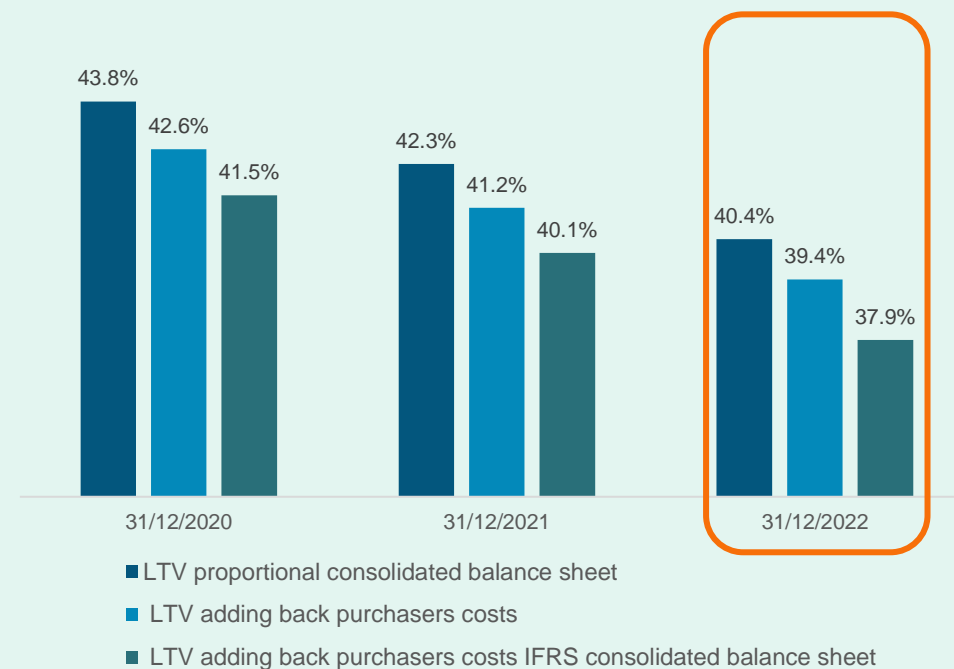
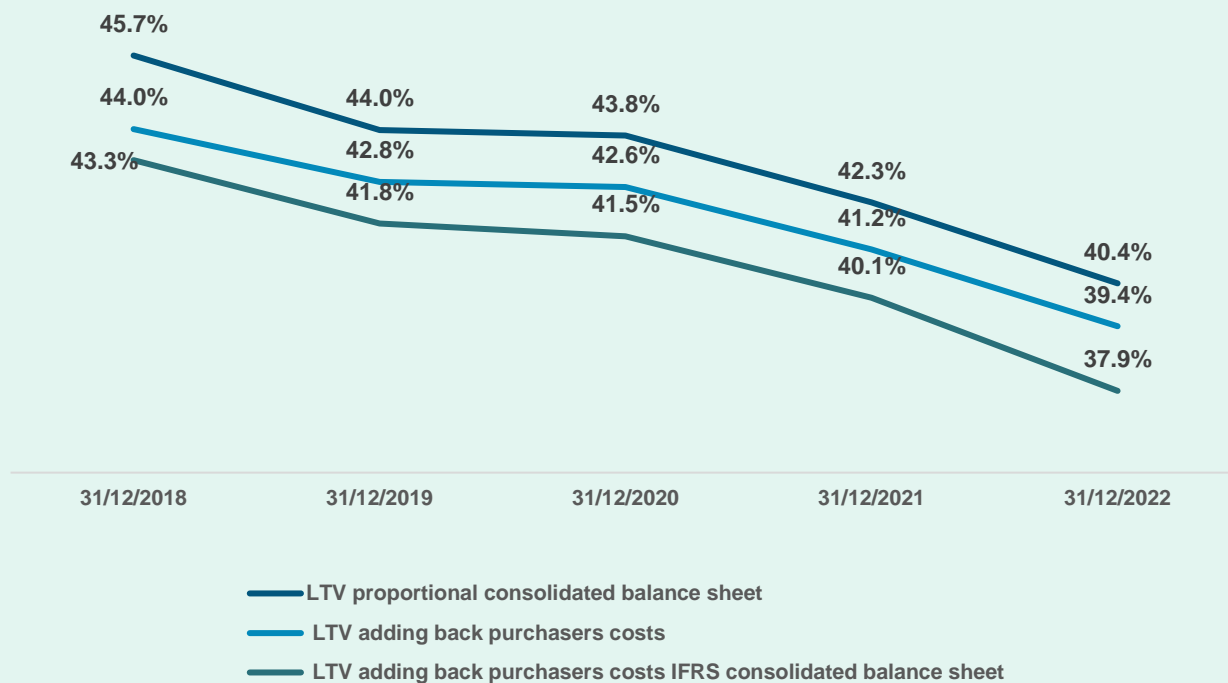


Interest rate hedging

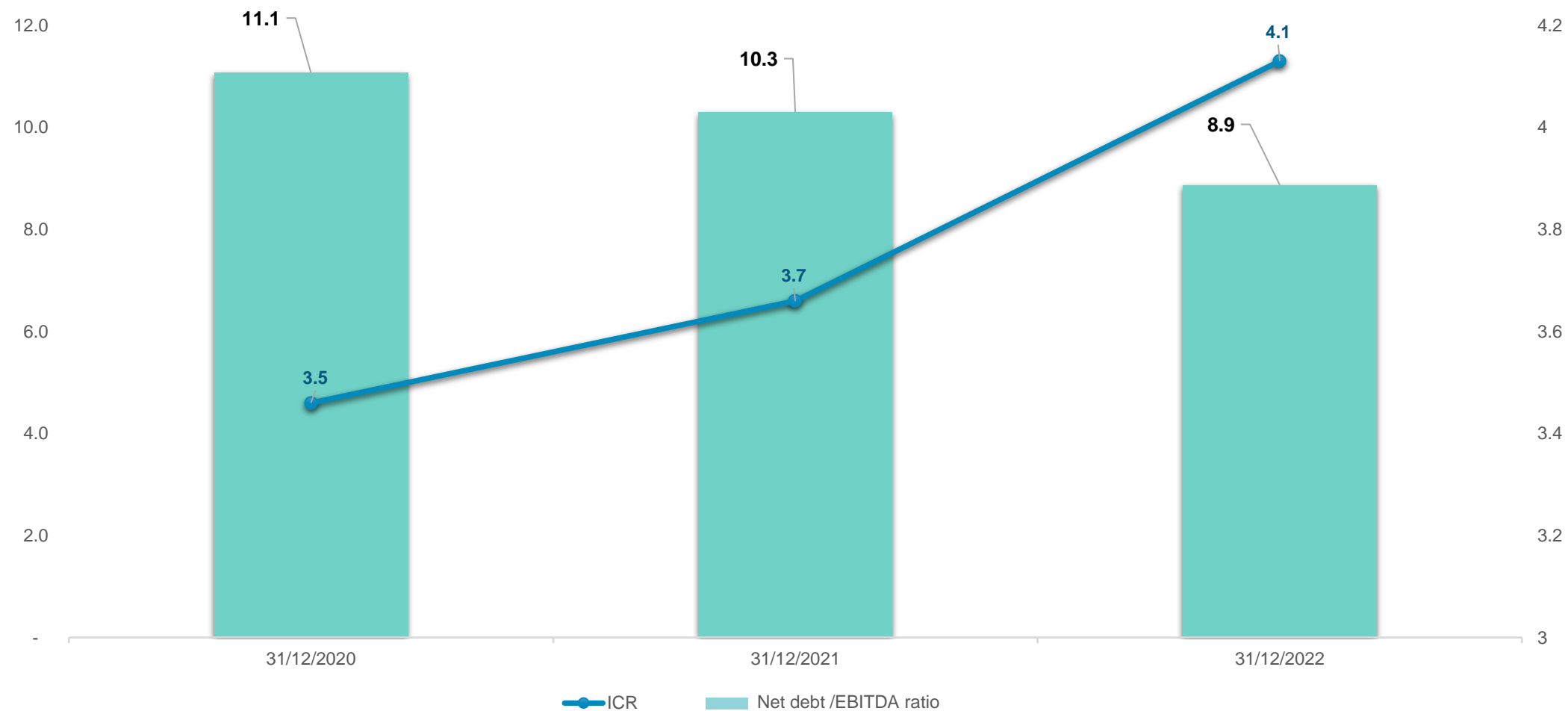
The development of the Company's interest rate hedging ratio.



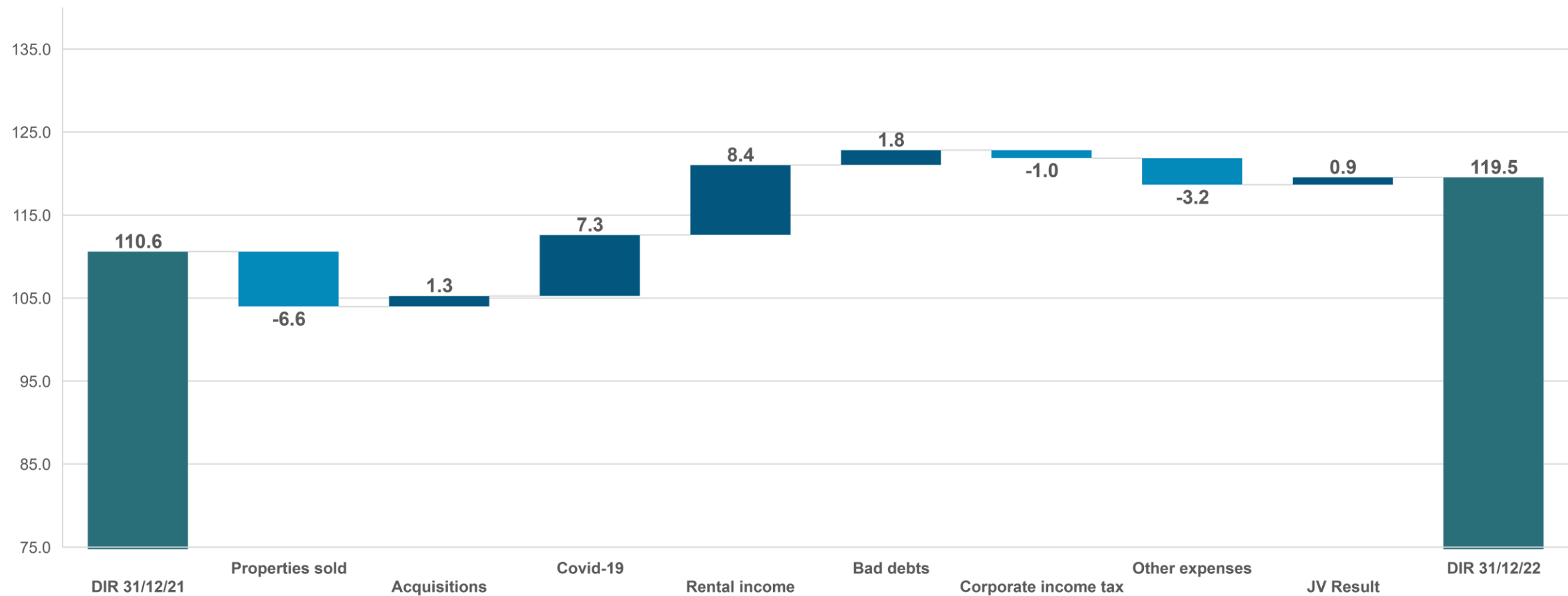
Loan to Value ratio 40.4%



ICR and net debt/EBITDA ratio

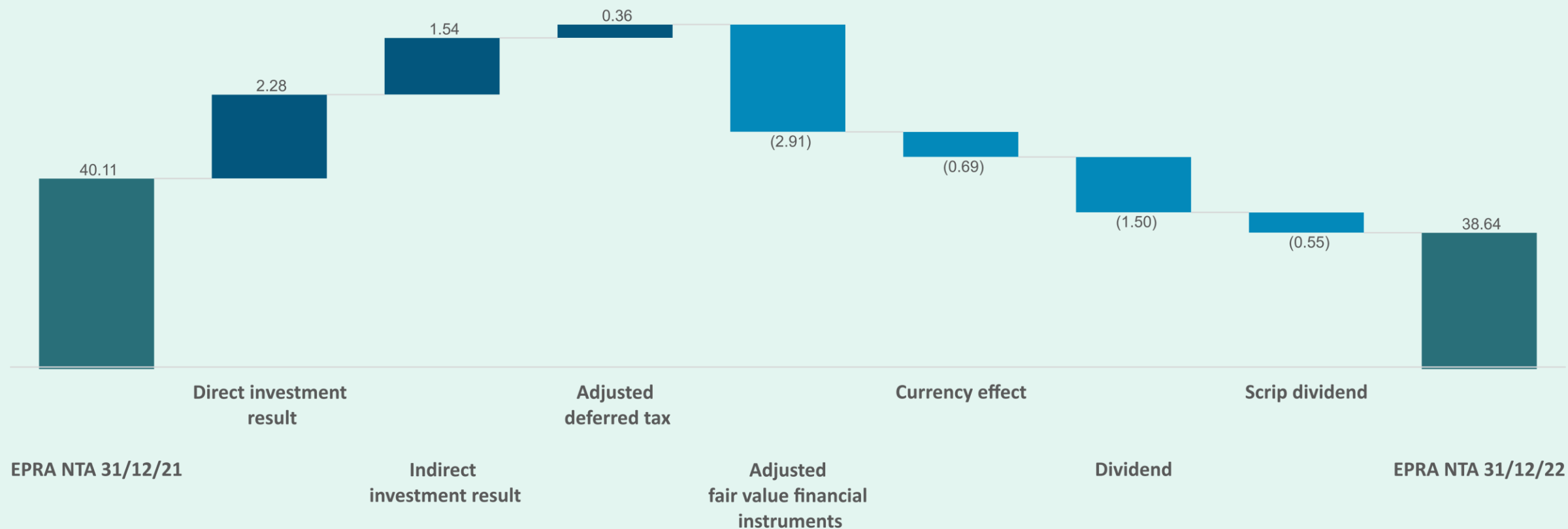


Direct Investment Result (DIR) comparison of 2022 with 2021



EPRA Net Tangible Asset

EPRA NTA Bridge





Closing remarks

Evert Jan van Garderen, CEO

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Acquisition of minority interest in Woluwe Shopping

- Put option recently exercised by minority shareholder AG Insurance for its 25.6% stake in Woluwe Shopping
- Exercise price €69.6 million equal to net asset value
- Closing in April 2023
- Funding by available cash and credit lines
- After acquisition, Woluwe Shopping in 100% ownership



Dividend and 2023 direct investment result guidance

- A cash dividend pay-out ratio ranging between 65% and 85% of the direct investment result but with target at 75%
- Interim cash dividend of €0.60 per share (40% of total cash dividend of previous year) paid on 27 January 2023 and final cash dividend payable of €1.00 on 7 July 2023 with the option to elect for a stock dividend instead of cash
- Guidance - direct investment result for 2023 between €2.25 and €2.35 per share





Financial Calendar

19 April 2023 – Annual Results report publication

5 May 2023 – Q1 2022 Results

13 June 2023 – Annual General Meeting

15 June 2023 – Ex-dividend date

7 July 2023 - Final dividend distribution date

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Q&A

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Disclaimer/forward-looking statements

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