

NEPI Rockcastle plc

Incorporated and registered in the Isle of Man

Registered number 014178V

Share code: NRP

ISIN: IM00BDD7WV31

("NEPI Rockcastle" or "the Company" or "the Group")



SHORT-FORM ANNOUNCEMENT: CONDENSED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

"In 2021, the Covid-19 pandemic continued to affect businesses and livelihoods, sometimes in unexpected and novel ways. However, the world learnt to cope better with the disruptions. Vaccinations and other medical breakthroughs reduced the burden on health systems, which allowed governments to reopen economies and people to largely return to a normal way of life. The impact on shopping and entertainment centres was still massive, especially in the first half of the year, when authorities in most Central and Eastern European countries introduced trading restrictions comparable with those of 2020. In the second half of the year, we have seen a robust recovery in trading numbers, indicating that the appetite for traditional shopping and leisure, of the kind offered by our Group's properties, continues to be very strong.

For the Group, 2021 was a transitional year, from the defensive mode of 2020 to repositioning for sustainable growth. Ensuring the safe operation of our properties, offering support to tenants and preserving high levels of liquidity and capital remained key management themes. At the same time, we made the switch to a growth supporting mindset. Construction works have started on the extension of Promenada Mall in Bucharest and the greenfield development of Promenada Craiova. Our team signed over 1,000 new leases and renewals, more than in 2019. We continued to invest in our properties to make them even more attractive for customers and retailers. Occupancy and collection rates were strong, proving the quality of our tenant mix and the strong appeal of our properties. Most encouragingly, we have seen turnovers return to, and even exceeding, pre-pandemic levels in all the months free from trading restrictions.

On the financial side, we resumed paying dividends in line with our policy of distributing at least 90% of earnings to shareholders. Our balance sheet is stronger than ever, with a loan-to-value ratio of 30.9% and available liquidity (including undrawn committed credit facilities) of €1.1 billion. A new eight-year green bond issue in January 2022 with 2% coupon was used to restructure the debt maturity profile, and now our Company has no material debt repayments due before 2024.

There are challenges ahead, for sure. The pandemic is not over, and the emergence of new variants is still a threat. Some unwanted economic side effects are now becoming clear, such as higher inflation (brought about by fiscal and monetary stimulus, among other factors) and disrupted supply chains, which may lead to a tightening purchasing power and financial conditions in the near future. Internally, our Group has recently gone through important personnel changes, both at executive management and Board level, and is planning a corporate relocation of its holding company. These changes will have to be carefully managed to ensure strategic and operational continuity. I am confident that we will be able to successfully steer through these challenges and deliver strong results for our shareholders". Rudiger Dany, CEO

DISTRIBUTABLE EARNINGS

The Group achieved 16.78 euro cents in distributable earnings per share for the six months ended 2021, which combined with the 17.64 euro cents in distributable earnings per share for the six months ended 30 June 2021 resulted in a total distributable earnings per share of 34.42 euro cents, 10.4% lower than for the year ended 31 December 2020 (38.42 euro cents). Distributable earnings per share have been impacted by the 6.13 euro cents non-recurring negative impact of the litigation connected to the discontinued acquisition of Serenada and Krokus Shopping Centres in Poland. Excluding the expenses of the litigation claim, the recurring DEPS was 40.55 eurocents, 5.5% higher than in 2020.

DIVIDEND DECLARATION

The Board of Directors has declared a dividend of 16.78 euro cents per share for the second half of 2021, corresponding to 100% of the distributable earnings per share for this period. The distribution will be paid in cash during March 2022 and further detailed announcements will follow.

KEY FINANCIAL INFORMATION

	31 December 2021	31 December 2020	% Change
Net rental and related income (€ thousand)	346,891	322,964	7.41%
Distributable earnings (€ thousand)	209,613	232,415	(9.81%)
EPRA Earnings (€ thousand)	210,159	240,770	(12.71%)
Distributable earnings per share (€ cents per share)	34.42	38.42	(10.41%)
EPRA Earnings per share (€ cents per share)	34.51	39.81	(13.31%)
Headline earnings/per share (€ cents per share)*	33.53	18.12	85.04%
Basic/diluted earnings(loss) per share (€ cents per share)*	38.59	(27.99)	237.87%
Net asset value (NAV) per share (€ per share)	6.10	6.05	0.83%
EPRA Net Reinstatement Value (NRV) (€ per share)	6.51	6.45	0.93%
EPRA Net Tangible Assets (NTA) (€ per share)	6.48	6.42	0.93%
EPRA Net Disposal Value (NDV) (€ per share)	5.82	5.79	0.52%
EPRA Net Initial Yield (NIY)	6.75%	6.70%	0.75%
EPRA 'topped-up' NIY	6.79%	6.75%	0.59%
EPRA vacancy rate	4.00%	4.30%	(6.98%)

*Weighted average number of shares has been adjusted for December 2020 period presented in respect of the capitalisation issue on 21 September 2020, as required by IAS 33 Earnings per Share.

EXTERNAL AUDIT

The audit report on the Group's Consolidated Financial Statements has been issued by PricewaterhouseCoopers (PwC) Isle of Man, after having audited and obtained the necessary documentation from PwC local offices in jurisdictions where the Group operates through subsidiaries. The local PwC offices audit the separate financial statements of the relevant subsidiaries prepared under IFRS and issue their interoffice audit reports to PwC Isle of Man. The audit opinion

is unmodified. A copy of the audit opinion, together with the underlying audited annual financial statements is available on the Company's website at https://nepirockcastle.com/wp-content/uploads/2022/02/Financial_Statements_2021.pdf.

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the Board of Directors of NEPI Rockcastle. This short-form announcement is only a summary of the information in the full announcement and does not contain complete details. Any investment decision should be based on consideration of the full announcement published on SENS and the Company's website at:

https://nepirockcastle.com/wp-content/uploads/2022/02/Financial_Statements_2021.pdf

and on the long-form announcement (condensed consolidated financial results) available on the Company's website at:

https://nepirockcastle.com/wp-content/uploads/2022/02/Condensed_Consolidated_Financial_Results_H2_2021.pdf

and on the JSE's website at: <https://senspdf.jse.co.za/documents/2022/jse/isse/NRPE/H22021.pdf>

The full announcement is also available for inspection at the registered offices of the Company (2nd Floor, 30 Athol Street Douglas, Isle of Man, IM1 1JB) and at the offices of the JSE sponsor, Java Capital (6th Floor, 1 Park Lane, Wierda Valley, Sandton, 2196) at no charge during normal business hours from Thursday, 24 February 2022 to Friday, 4 March 2022.

For further information please contact:

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