

**NEPI Rockcastle S.A.**  
(formerly NEPI Rockcastle PLC)  
*Société Anonyme*  
7B, rue de Bonnevoie, L-1260 Luxembourg  
Grand Duchy of Luxembourg  
Registered number B267528  
Share code: NRP  
ISIN: IM00BDD7WV31



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

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## **SHORT-FORM ANNOUNCEMENT: REVIEWED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2022**

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"NEPI Rockcastle had a very good first half of year 2022. With Covid-19 restrictions lifted, trading quickly picked up and tenant sales exceeded 2019 levels. The customers reverting to pre-pandemic habits are the primary reason for this increase, although high inflation partly contributed to it. Net Operating Income (NOI) was higher than in H1 2019 on a like-for-like (LFL) basis, while vacancies dropped below 4%, highlighting the quality of the Group's properties and asset management. These positive results were reflected also in a higher fair value of the investment property portfolio.

A notable strategic action during the period was the €500 million green bond issue in January; this significantly increased the average maturity of the Company's debt and lowered the average cost of funding, a remarkable achievement in the context of rising interest rates and more restrictive funding market. Other notable milestone was the approval for the relocation of the parent company to the Netherlands, which will enhance the Group's standing and benefit shareholders in the long run. The balance sheet is exceptionally strong, with a 31.3% loan-to-value (LTV) ratio and more than €1 billion in liquidity.

The overall economic climate continues to be challenging. Inflation is at multi-decade highs, interest rates are increasing and the war in our region's neighbourhood shows no sign of abating. Even in this context, I am confident that NEPI Rockcastle will continue to grow, both organically and through its significant development pipeline."

Rüdiger Dany, Chief Executive Officer (CEO)

### **DISTRIBUTABLE EARNINGS**

The Group achieved 22.83 euro cents in distributable earnings per share for the six months ended 30 June 2022, 29.4% higher than for the six months ended 30 June 2021. Retail-only Net Operating Income was 27% higher in H1 2022 as compared to H1 2021.

### **DIVIDEND DECLARATION**

The Board of Directors noted the distributable earnings per share for the period of 22.83 euro cents. NEPI Rockcastle's strong liquidity position supports a pay-out ratio of 100% of distributable earnings and the Board of Directors will consider the declaration of a dividend for H1 2022, following completion of the relocation to the Netherlands (estimated to occur on, or around, 6 September 2022). A further announcement in respect of any dividend declaration will be released in due course.

## KEY FINANCIAL INFORMATION

|  | 30 June 2022 | 30 June 2021 | %<br>Change |
|--|--------------|--------------|-------------|
| Net rental and related income (€ thousand) | 196,303      | 154,919      | 26.71%      |
| Distributable earnings (€ thousand)        | 139,058      | 107,409      | 29.47%      |
| EPRA Earnings (€ thousand)                 | 139,335      | 107,187      | 29.99%      |
| Distributable earnings per share (€ cents) | 22.83        | 17.64        | 29.4%       |
| EPRA Earnings per share (€ cents)          | 22.88        | 17.60        | 30.00%      |
| Headline earnings per share (€ cents)      | 19.54        | 16.43        | 18.93%      |
| Basic/diluted earnings per share (€ cents) | 28.08        | 19.96        | 40.68%      |
| Net asset value (NAV) per share (€)        | 6.21         | 6.08         | 2.14%       |
| EPRA Net Reinstatement Value (NRV) (€)     | 6.64         | 6.50         | 2.15%       |
| EPRA Net Tangible Assets (NTA) (€)         | 6.61         | 6.47         | 2.16%       |
| EPRA Net Disposal Value (NDV) (€)          | 6.38         | 5.78         | 10.38%      |
| EPRA Net Initial Yield (NIY)               | 6.70%        | 6.75%        | (0.74%)     |
| EPRA ‘topped-up’ NIY                       | 6.75%        | 6.78%        | (0.44%)     |
| EPRA vacancy rate                          | 3.40%        | 4.40%        | (22.73%)    |
| EPRA loan-to-value (LTV)                   | 31.70%       | -            | -           |

## EXTERNAL AUDITOR’S REVIEW REPORT

The review report on the Group’s interim condensed consolidated financial statements has been issued by EY Luxembourg, a non JSE accredited auditor, who expressed an unmodified review report thereon.

The JSE granted the Company dispensation from the requirement to appoint an audit firm accredited with the JSE upon migration to Luxembourg, for a limited period of up to four months. As such, EY Luxembourg has prepared a limited review report for the Company’s interim condensed consolidated financial statements for the six months ended 30 June 2022 which does not extend to a review of the specific measures required by JSE relating to the inclusion of headline earnings per share calculated in accordance with the Headline Earnings Circular 1/2019 issued by SAICA and auditor confirmation that the interim results have been prepared in accordance with the JSE Listings Requirements and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council. This information has been published as a supplementary information and is excluded from the limited review report prepared by the EY Luxembourg.

A copy of the auditors review report, together with the reviewed interim condensed consolidated financial statements is available on the Company’s website at <https://nepirockcastle.com/wp-content/uploads/2022/08/Interim-Financial-Report-H1-2022.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 interim condensed consolidated financial statements published on the Company's website at:

<https://nepirockcastle.com/wp-content/uploads/2022/08/Interim-Financial-Report-H1-2022.pdf> and on the long-form announcement (reviewed interim condensed consolidated financial statements) available on the Company's website at:

<https://nepirockcastle.com/wp-content/uploads/2022/08/Interim-Condensed-Consolidated-Financial-Statements-H1-2022.pdf>

and on the JSE's website at: <https://senspdf.jse.co.za/documents/2022/jse/isse/NRPE/H12022.pdf>

The full announcement is also available for inspection at the registered offices of the Company (7B, rue de Bonnevoie, L-1260 Luxembourg) 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 Tuesday, 23 August 2022 to Wednesday, 31 August 2022.

For further information please contact:

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23 August 2022