

EUROCOMMERCIAL



ANNUAL GENERAL MEETING

8 June 2021

Current Covid-19 lockdown situation

As at 8 June 2021

Belgium

Our centre is open except indoor dining which will re-open on 9 June

France

All our centres open except indoor dining which will re-open on 9 June

Italy

All centres open with restrictions on F&B

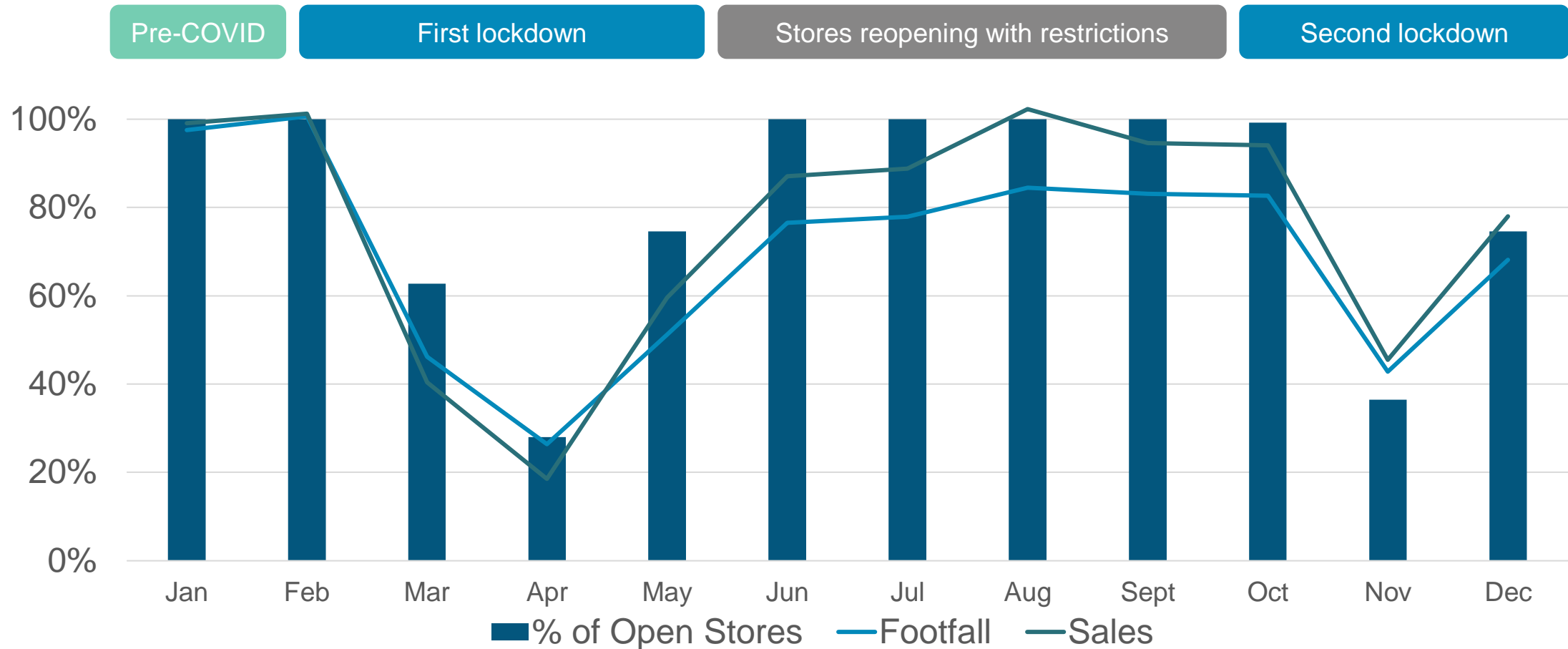
Sweden

All our centres open with some minor restrictions on F&B

Situation over the past five months

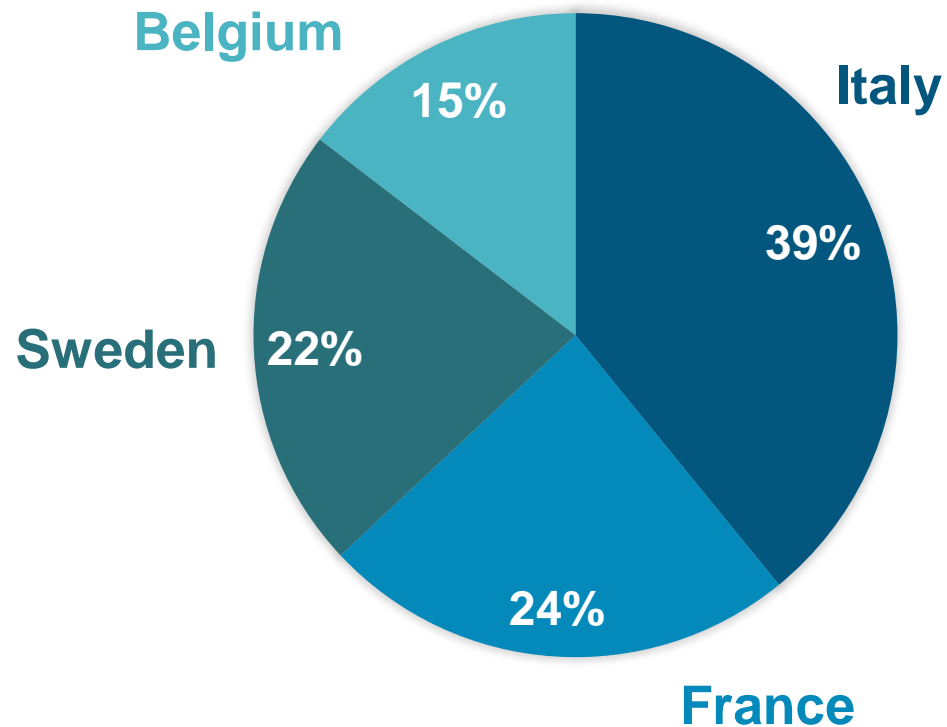
- Open during Q1 2021 with the exception of F&B and intermittently, hair and beauty salons
 - Four week lockdown introduced on 27 March
 - This lockdown was more flexible and in addition to click & collect, non-essential stores were able to stay open and receive customers by appointment (max. capacity of 50), 80 of our 130 stores partially open
 - All stores reopened on 26 April, F&B external terraces on 8 May
 - Cinema, theatres and indoor restaurants to reopen on 9 June
-
- All shopping centres comprising more than 20,000m² closed since 31 January (except essential stores)
 - Since 6 March, these restrictions were extended to a number of shopping centres of more than 10,000m²
 - A third national lockdown introduced on 3 April (closure of all non-essential retail)
 - Shops reopened on 19 May together with outdoor dining
 - Restaurants able to fully trade from 9 June
-
- Colour-coded regional system placing restrictions on retail trade which led to alternated closures until 26 April
 - All stores and open air restaurants were allowed to re-open from 5am to 10pm on 26 April during weekdays
 - From 22 May, all shopping centres able to trade on weekends as well
 - From 1 June, restaurants able to welcome customers inside but only at lunchtime
-
- All our shopping centres remained fully open and trading
 - There are restrictions covering the food & beverage sector and government recommendations generally do not encourage retail activity
 - From 1 June, restaurants without their own entrance located in shopping centres can have 4 persons per table

Our centres were closed for 2.4 months in 2020 but sales and footfall recovered quickly after reopenings

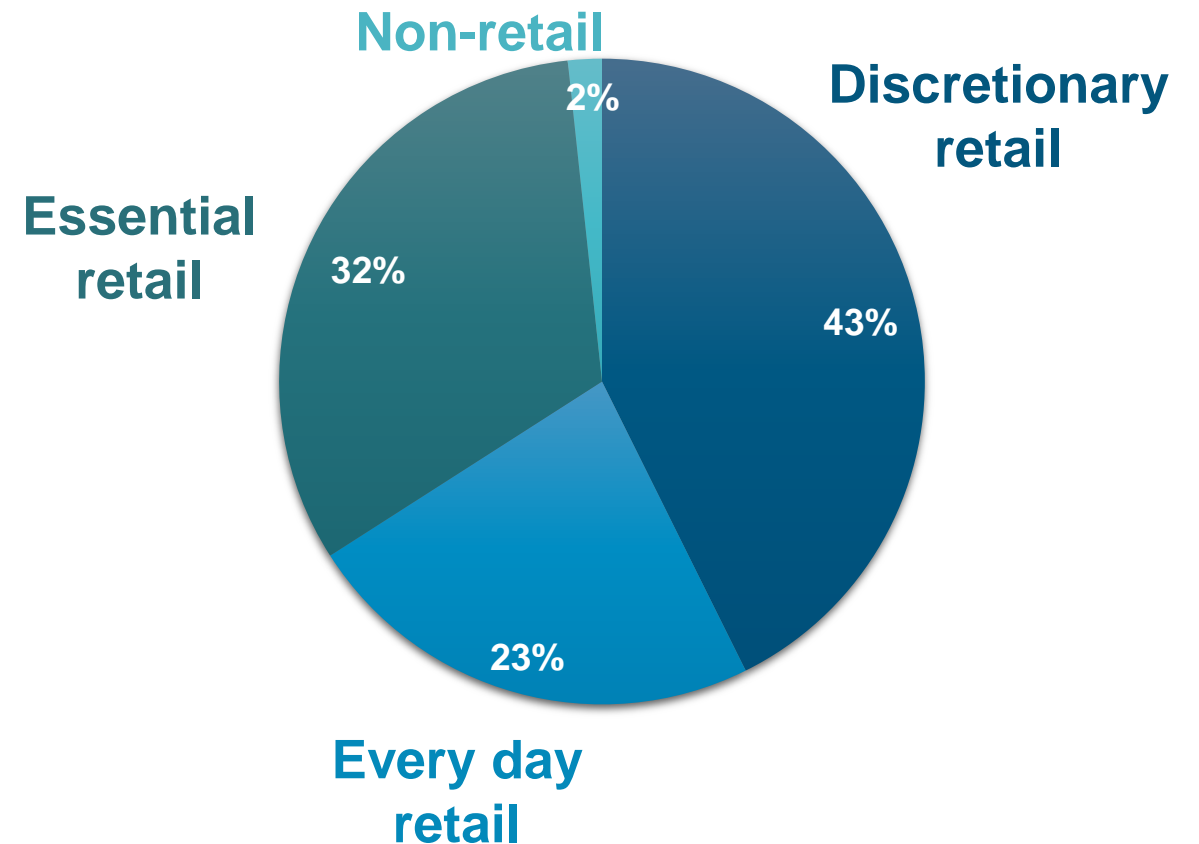


A well diversified €4 billion portfolio

Geographical split

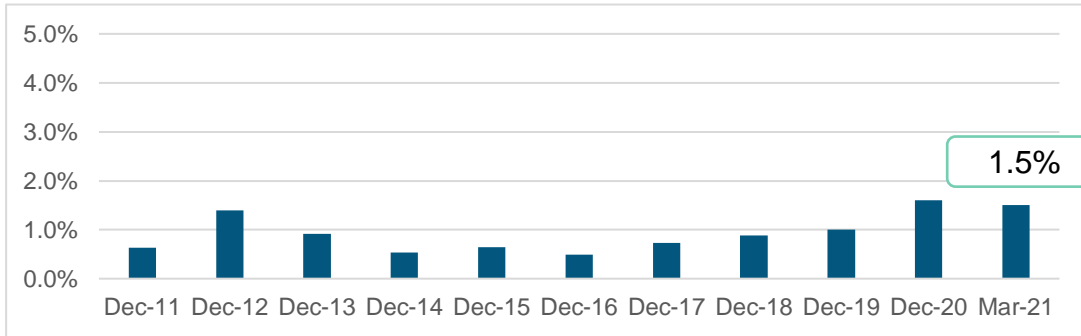


Essential and every day retail*

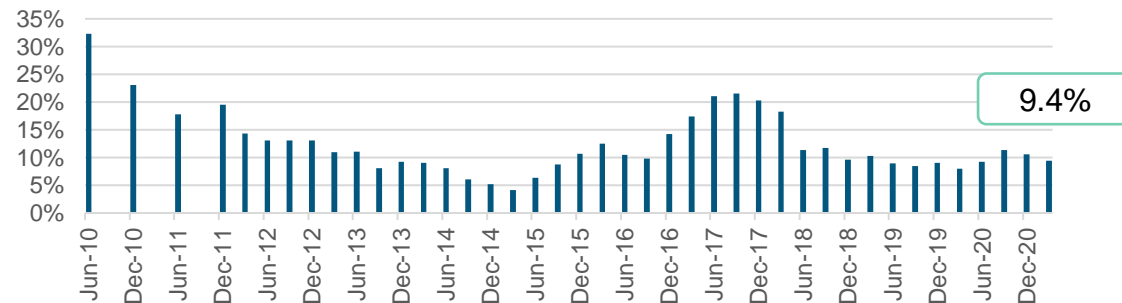


Resilient indicators in an unprecedented context

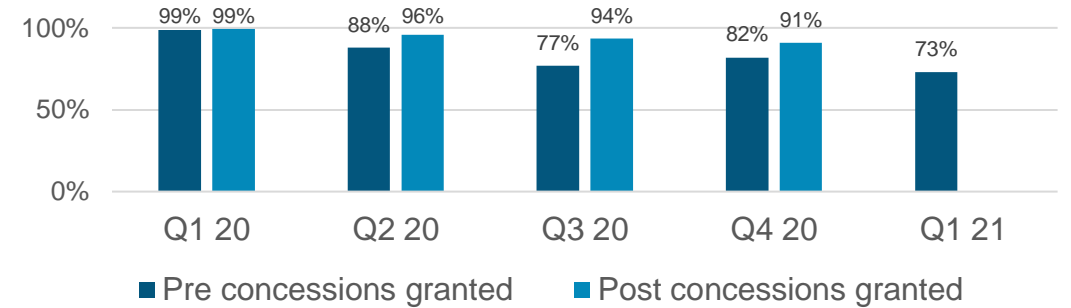
Vacancy rate



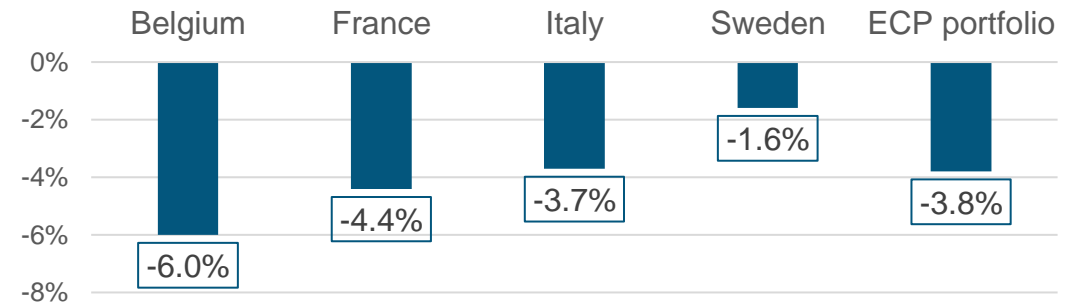
Uplift on renewals/relettings



Rent collection rate



12-month valuation change – Dec 2020



Rent collection after discounts reached 96%

	Total rent concessions 2020 (€ million)	% of invoiced rent collection 2020	% of due and collectable rent collection 2020	% of invoiced rent collected for Q1
Belgium	3.7	87%	97%	93%
France	6.6	87%	92%	61%
Italy	10.9	83%	95%	66%
Sweden	2.8	94%	98%	88%
Total	24.0	87%	96%	73%
			Data as at March 2021 Rent collection continues to improve	Data as at 6 May 2021

- Q1 2021 rent collection has been slower due to the uncertainty about shopping centre reopening dates and the timing and extent of government rent support initiatives in France, Italy and to a lesser extent, Sweden.

An active leasing year

12 months to 31 December 2020

	Number of relettings and renewals	Average rental uplift on relettings and renewals	% of leases relet and renewed (MGR)
Belgium	11	2.1%	8%
France	32	6.0%	6%
Italy	131	16.6%	18%
Sweden	103	4.2%	23%
Overall	277	10.5%	15%

12 months to 31 March 2021

	Number of relettings and renewals	Average rental uplift on relettings and renewals	% of leases relet and renewed (MGR)
Belgium	21	-0.1%	13%
France	33	5.1%	5%
Italy	123	17.4%	14%
Sweden	110	3.7%	22%
Overall	287	9.4%	13%

- 277 leases renewed or re-let in 2020 (of which 79 relettings) vs 245 in 2019
 - In addition to these, we signed 30 leases in development projects in our centres (Fiordaliso, Valbo, I Gigli, Elins)
- Strong leasing has continued with 287 leases between 1 April 2020 and 31 March 2021 of which 90 were relettings achieving a 12.3% uplift
- Tenant demand has been consistent throughout the period and, in Q1 2021 alone, 59 renewals and relettings were completed, producing an uplift in rent of 5.6%.
- Solid leasing activity kept vacancy rate to low levels (1.5% at March 2021)

Reinforcing our partnership approach

Strengthening of partnership with existing brands...



... while welcoming new brands



<p>8 leases renewed 3 new leases</p>	<p>First Premium Concept in a Brussels shopping centre</p>	<p>First store in a French shopping centre</p>

Our ESG vision and strategy

Be green



10% energy reduction
832 MWh solar energy produced in 2020
45% of all waste recycled
51% BREEAM certified assets (% asset)

2020
Highlights

Be engaged



8.2 average customer satisfaction score
6.7 average tenant satisfaction score
8 centres have rolled out the
Eurocommercial Retail Academy®

Be responsible



Zero breaches of the Code of Conduct
All employees supported by training
programmes
Low employee turnover: 3.3%

Awards and recognitions



Global Real Estate Sustainability Benchmark

- 83 / 100 points
 - Green star
- Four star rating



Certified buildings

- 51% of portfolio BREEAM certified
 - 11 assets are under assessment

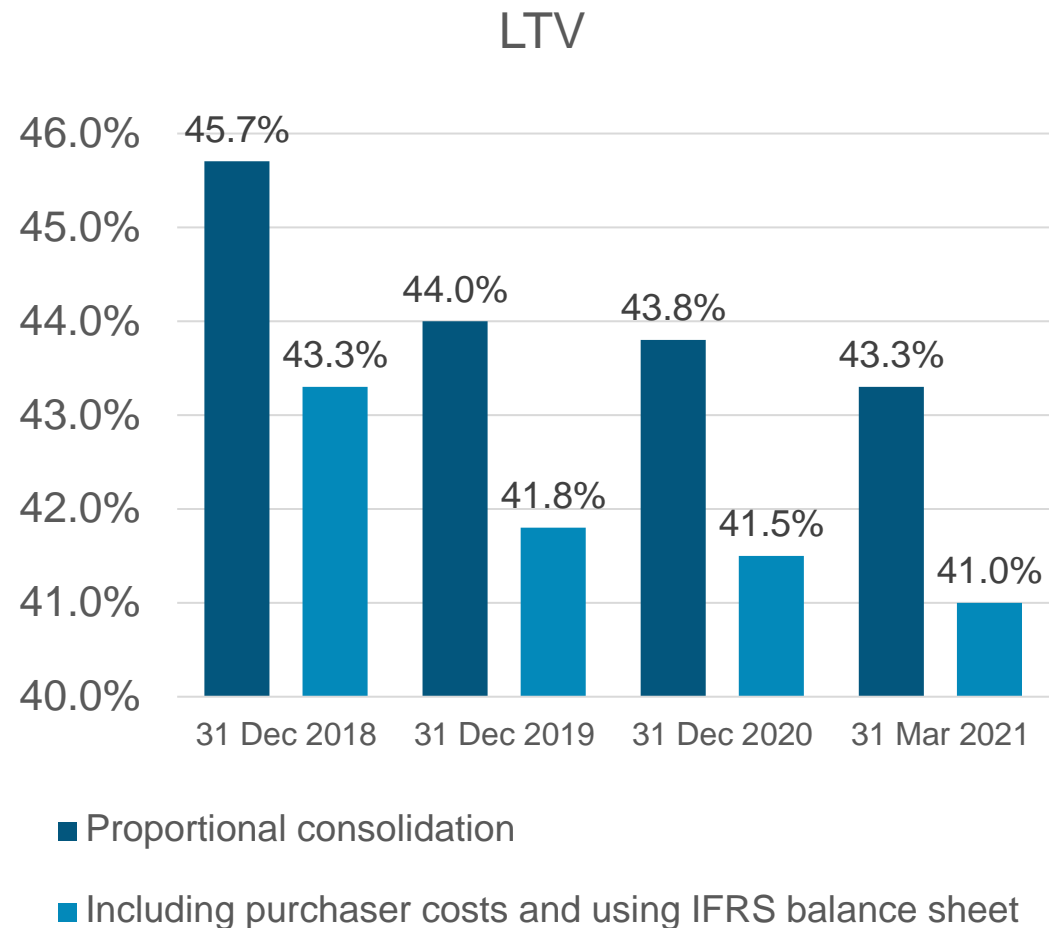


Transparent ESG report

- EPRA sBPR Gold Award
- Seventh consecutive year

Solid balance sheet

- EPRA NTA per depositary receipt was €42.55 at Dec 2020 and €42.73 at March 2021 vs €41.84 at Dec 2019
- Significant reduction in deferred tax liability due to fiscal step-up in Italy
- Net debt reduced by €150 million (8%) over the past 18 months
- Loan to Value (LTV) ratio declined slightly to 43.8% at 31 Dec 2020 and 43.3% at 31 March 2021 due to the sale of the Grenoble property in France
- Group covenant at 60% LTV



Financial summary at 31 December 2020

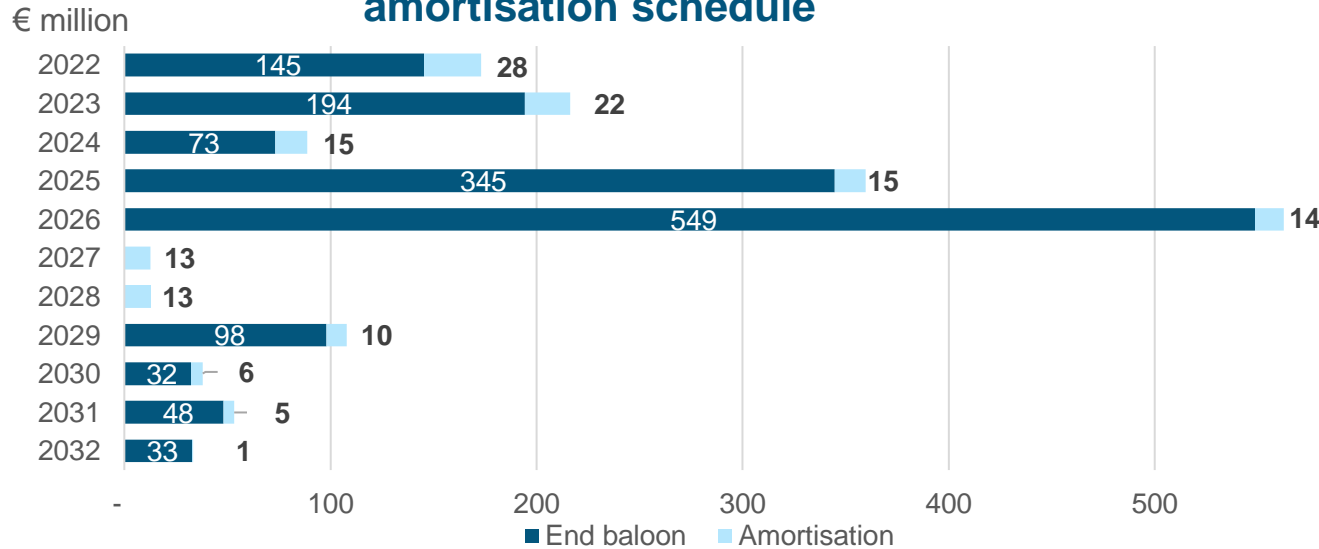
Total net borrowings
€1.77 billion

Average term of hedges
6.2 years

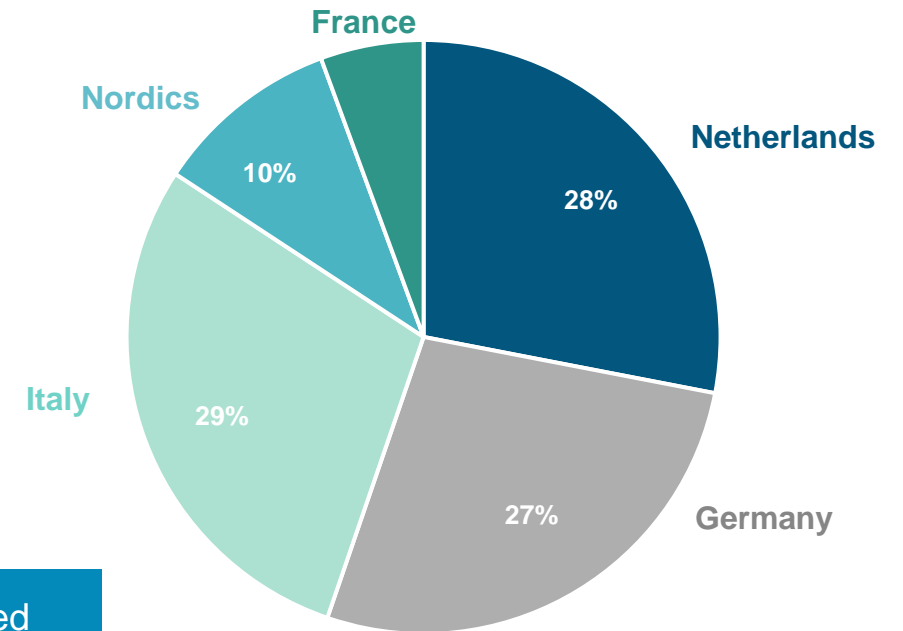
Average term of book loan
4.7 years

Average overall interest rate
(incl. margin)
1.9%

Non-current borrowings maturity and amortisation schedule

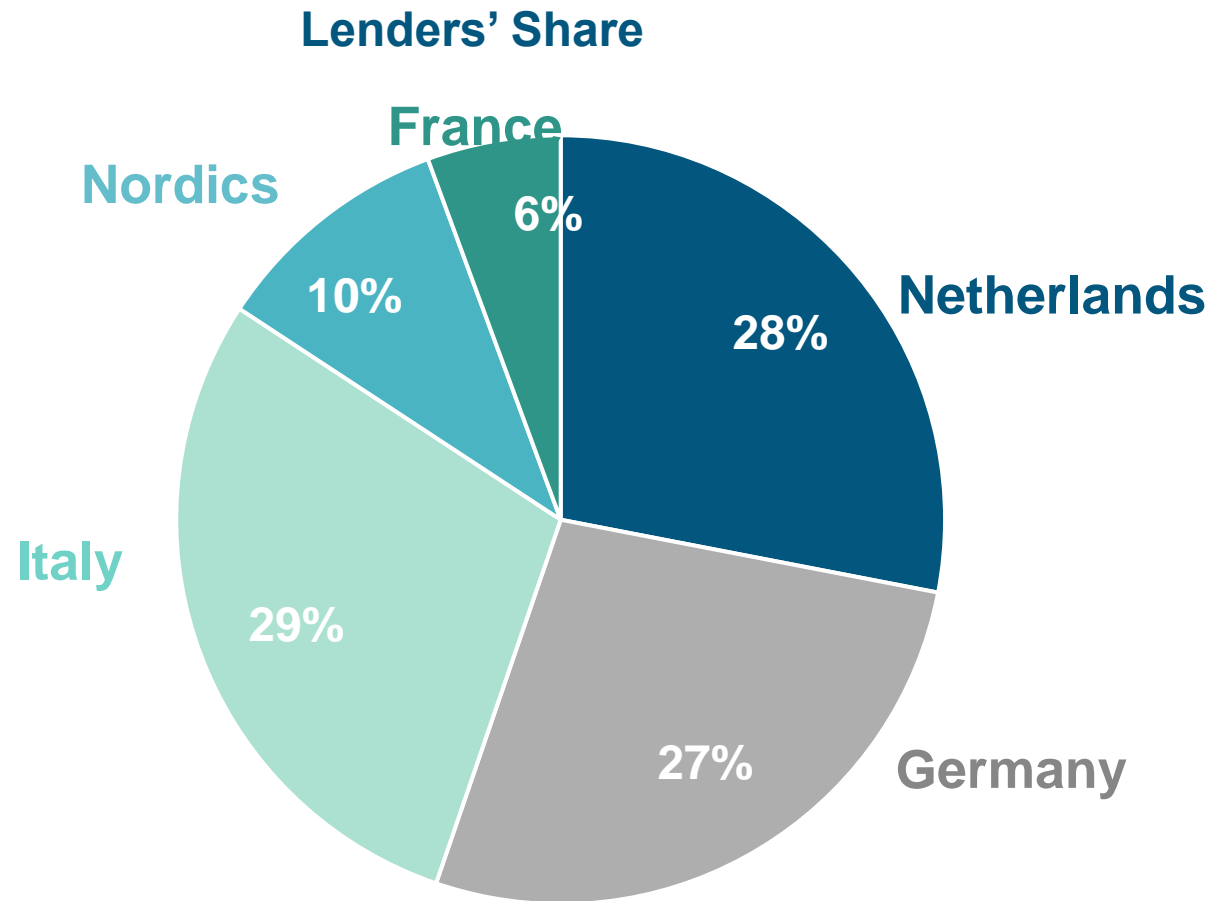


Lenders' Share

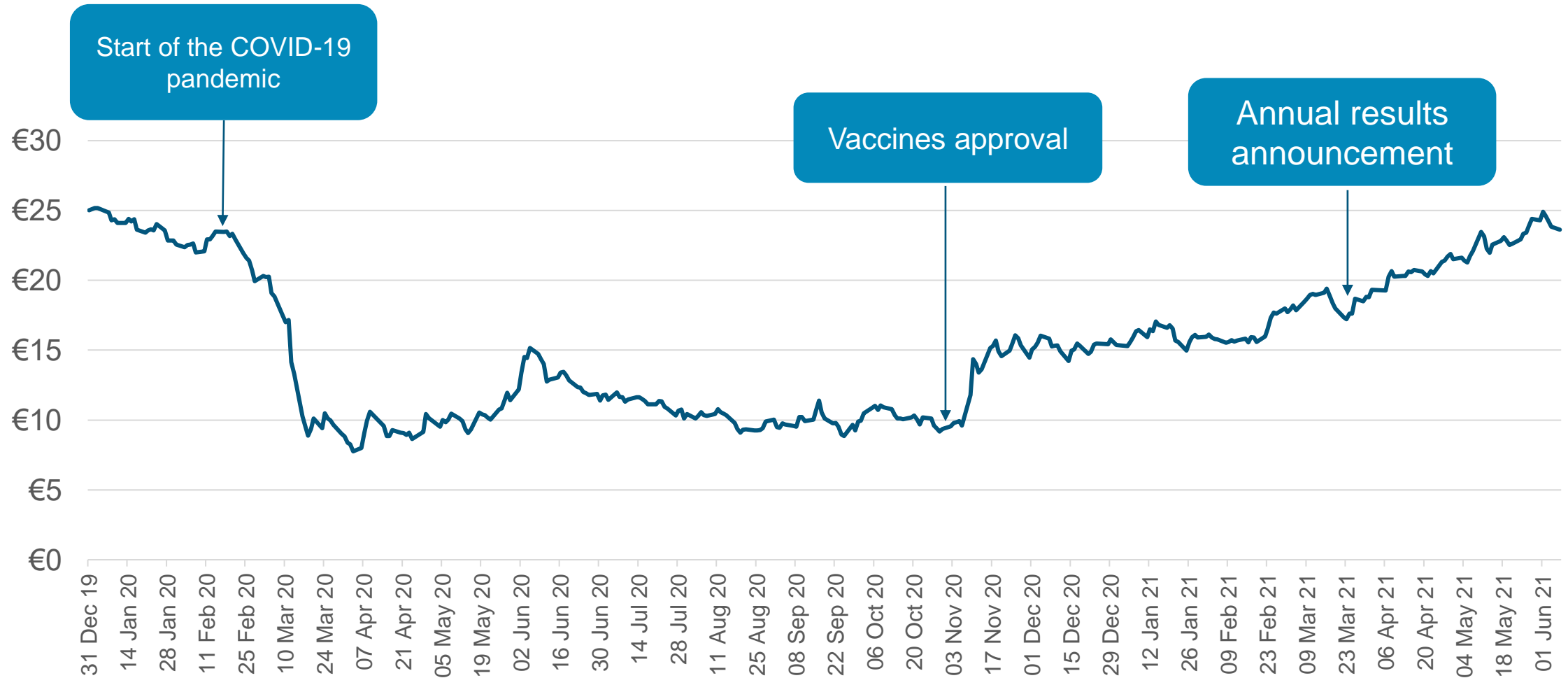


On 22 April 2021 the Company successfully closed 3 three-year sustainability linked loans for a total amount of €100 million with ABN AMRO on two properties in Italy

Financial summary at 31 December 2020



Our share price has rebounded to pre-pandemic levels





Eurocommercial Properties N.V.

Annual General Meeting

Financial Statements for the period ended 31 December 2020

8 June 2021

Agenda

Introduction and
scope of KPMG
engagement

Independent
auditor's report

Our audit
approach

Key audit matters

Questions

Introduction and scope of KPMG engagement

Financial statements 2020

- Consolidated financial statements and Company financial statements
 - Prepared by the Board of Management and endorsed by Supervisory Board
 - Audited by KPMG

Annual report 2020

- Annual Report and other information included therein
 - Prepared by Management Board and endorsed by Supervisory Board
 - Assessed by KPMG as (a) consistent with the financial statements and not containing material misstatements, and (b) containing the information as required by Part 9 Book 2 Civil Code

Independent auditor's report

What have we audited/assessed?

- Consolidated financial statements
- Company financial statements
- Whether the report of the Management Board is consistent with the financial statements and does not contain material errors
- Whether certain required information has been included in the annual report

Our opinions – unqualified

- Consolidated financial statements – give a true and fair view
- Company financial statements – give a true and fair view
- Annual Report – consistent with financial statements

Our audit approach - materiality

MATERIALITY

- Affects nature, timing and extent of audit procedures
- And the evaluation of the effect of misstatements
- Qualitative criteria also considered

- Materiality at group level EUR 15.0 million
- Lower materiality (EUR 7.5 million) for certain items in the profit and loss account.
- 1% of Net Assets
- Within generally accepted bandwidth

- Lower materiality allocated to each of the group companies
- Reporting threshold unadjusted misstatements: EUR 500k

Our audit approach - materiality

NATURE OF AUDIT PROCEDURES AND SPECIALISTS

Nature of audit procedures

- Process understanding and controls testing
- Substantive testing
- Compliance with laws and regulations

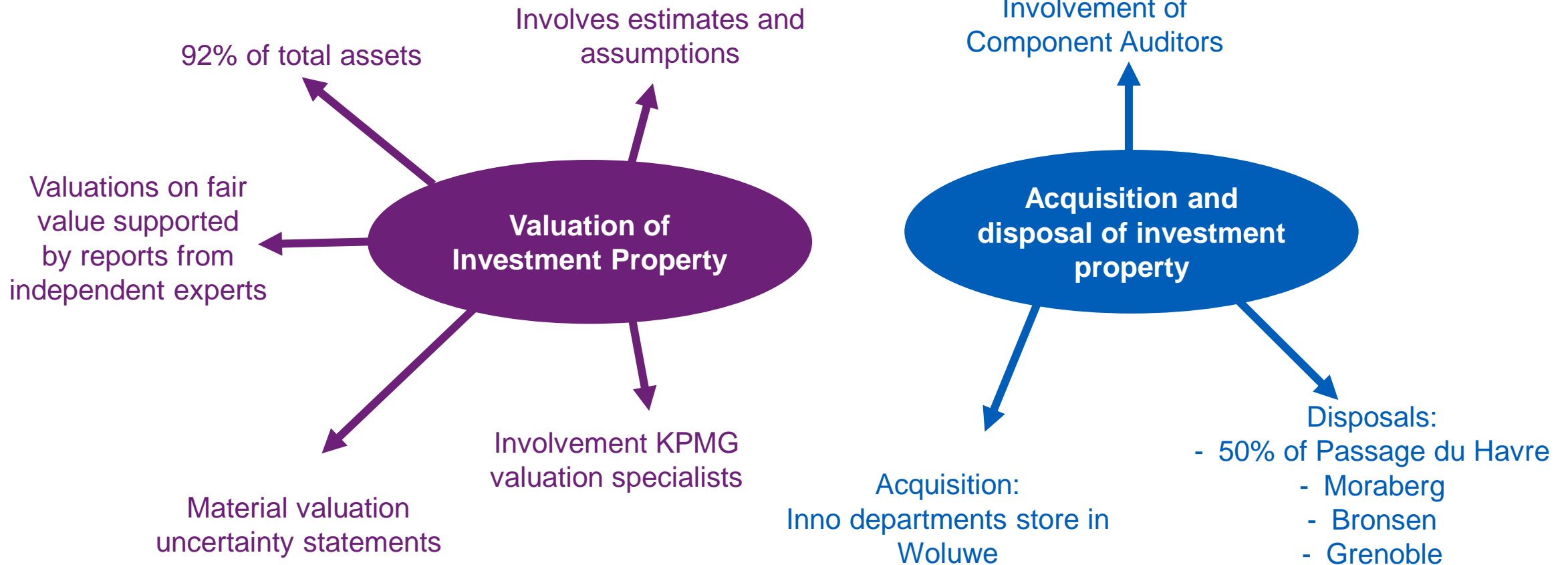
Specialists involved

- Real estate valuation
- Derivative financial instruments
- Tax

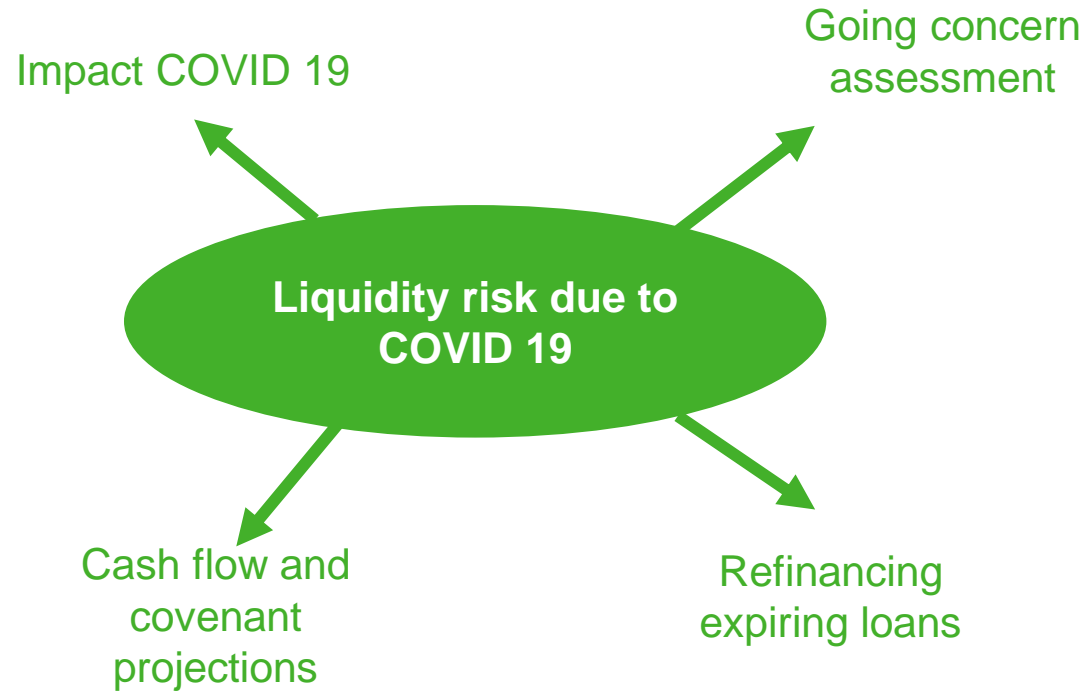
Group Audit

- Full scope audit for all significant group companies
- Coverage 100% of investment property and rental income

Key audit matters (1/2)



Key audit matters (2/2)





Questions ?



Thank you

Dividend proposal

- Proposal to pay a dividend of:
 - €0.50 per depositary receipt in cash
 - a scrip dividend of 1 new depositary receipt per 18 existing depositary receipts
- Proposal meets the fiscal distribution obligations for both the Company's Dutch FBI status and the Company's French SIIC status
- Future dividend policy to be announced once the effects of the pandemic can be better assessed
- Ex-div date: 10 June 2021
- Payment date: Friday 2 July 2021

Dutch dividend withholding tax considerations

- Dutch dividend withholding tax rate is 15%.
- Tax is €0.075 on a cash dividend of €0.50
- Tax is €1.50 on one new depositary receipt (15% of the nominal value of a new depositary receipt, which nominal value will be €10.00 after amendment of the Articles)
- Due to these taxes the gross cash dividend of €0.50 per depositary receipt will result in a net cash dividend of €0.50 minus {the sum of €0.075 and €1.50/18} €0.1583333, i.e. a net cash dividend of €0.3416666 per depositary receipt

Timeline termination depositary receipt structure Eurocommercial Properties N.V.

8 June 2021 -
AGM

- AGM to resolve upon, inter alia, the amendments of Articles of Association part I and II
- amendment of Articles of Association Part I – nominal value from € 0.50 per depositary receipt to € 1.00
- resolution STAK - termination depositary receipt structure

10 June 2021

- Ex-dividend date

2 July 2021

- Dividend payment date
- € 0.50 cash per depositary receipt + 1 new depositary receipts for each 18 depositary receipts

15 September
2021

- Amendment Articles of Association part II – effectuation termination depositary receipts structure
- Amendment terms and conditions STAK and articles of association of STAK

October
2021

- Winding-up of STAK

EUROCOMMERCIAL

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